

Risk Disclosure

***Reference to Admirals Europe Ltd shall always interpreted as "Admirals Europe Ltd (previously named as Admiral Markets Cyprus Ltd)"**

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Admiral Markets and Admirals are globally recognized trademarks, held by Admirals Group AS. Admirals Europe Ltd (hereinafter also called the "Company") is registered and regulated by the Cyprus Securities and Exchange Commission ("CySEC") with No. 201/13 and this document has been compiled to comply with the CySEC rules and requirements. Other policies, to which the client agrees upon once deciding to receive the investment and ancillary services provided by Admirals Europe Ltd, are available on our website:

<https://admiralmarkets.com/?regulator=cysec>.

The purpose of this document is to advise you of the possible associated risks with trading Contracts for Difference (CFDs), and Foreign Exchange (Forex, FX) as required under the Cypriot Investment Services and Activities and Regulated Markets Law of the Republic of Cyprus (N. 87(I)/2017) which transposed the Markets in Financial Instruments Directive II into Cypriot legislation (Law). By reviewing this disclosure document, you are under no obligation to commit to an investment with us; however, the content is based on those proposing to trade with Admirals Europe Ltd. It is acknowledged and therefore should be noted, that this Risk Disclosure does not contain all the risks involved in trading CFDs and Forex and is there as a guide to assist the Client in acknowledging the possible risks involved. Each Client should ensure that their decision is made on an informed basis and that they are happy with the information available to them. If you are unsure or do not understand this Risk Disclosure document, please seek independent financial advice.

PLEASE READ THE BELOW BEFORE UNDERTAKING ANY TRADES WITH ADMIRALS EUROPE LTD. TRADING IS NOT SUITABLE FOR EVERYONE. TRADING FOREX AND CFDs INVOLVES HIGH RISK AND CAN LEAD TO THE COMPLETE LOSS OF YOUR FUNDS.

- Prior to trading CFDs, and Forex, you must be aware of the risks involved. The high degree of leverage associated with these types of investments means that the degree of risk compared to other financial products is higher. Leverage (or margin trading) may work against you resulting in substantial loss as well as for you resulting in substantial gain. Trading on margin involves a high level of risk and is not suitable for all investors. The high degree of leverage can work against you as well as for you and the speeds, which profits and losses can occur, means that clients should monitor positions closely - it is the clients' sole responsibility to monitor open trades. Before trading, you should carefully consider your investment objectives, level of financial experience and risk appetite.
- Admirals Europe Ltd is an "Execution Only" trading venue. No advice regarding your trading activity will be given!
- Past performance of these types of investments does not guarantee any future results.

You must bear in mind any commission and tax liabilities you personally will have from investing with us.

- Admirals Europe Ltd accepts no liability for any tax you may be required to pay on any profits made during the time you are an account holder with us.
- There is always a relationship between high reward and high risk. Any type of market or trade speculation that can yield unusually high returns is subjected to high risk. Only surplus funds should be placed at risk and anyone who does not have such funds should not participate in trading CFDs or Forex. Different instruments involve different levels of exposure to risk, and in deciding whether to trade in such instruments you should be aware of the following points:

1. CFDs in General

CFDs (Contracts for Differences) are complex financial products which generally only close when a client chooses to close an existing open position, and therefore generally have no set maturity date.

CFDs can be likened to futures, which can be entered into in relation to certain indexes, precious metals, oil, commodities, cryptocurrencies or financial instruments. However, unlike other futures, these contracts can only be settled in cash. Investing in a CFD carries risks similar to investing in a future and you should be aware of these. Transactions in CFDs may also have a contingent liability and you should be aware of the implications of this as set out in paragraphs 3, 5, 17 and 18 below. All CFD trades are contracts for difference, which means that clients do not have any right to the underlying instrument or the rights, which are attached unless specifically stated in the CFD. This includes no right to the reference shares or any voting rights.

2. Investing in rolling Forex, indexes, precious metals, oil and commodities

Investing in rolling Forex and CFD's on cryptocurrencies, indexes, precious metals, oil and commodities carries similar risks as investing in a future and you should be aware of these. Such margined transactions may also have a contingent liability and you should be aware of the implications of this as set out in paragraphs 3 and 5 below.

In addition to standard industry disclosures contained in this Risk Disclosure, you should be aware that margined rolling Forex and CFD's on indexes, precious metals, oil and commodities trading are some of the riskiest forms of investment available in the financial markets and may not be suitable for all investors. Given the possibility of losing an entire investment, speculation in the precious metals, indexes, oil, commodities or foreign exchange markets should only be conducted with risk capital funds that if lost, will not significantly affect your personal or institution's financial well being.

3. Foreign markets

Foreign markets involve different risks from the client's native markets. In some cases, risks will be greater. The potential for profit or loss from transactions on foreign markets or in foreign currency will be affected by fluctuations in foreign exchange rates. Such enhanced risks include the risks of political or economic policy changes in foreign media, which may substantially and permanently alter the conditions, terms, marketability or price of a foreign currency.

4. Risk reducing orders or strategies

The placing of certain orders (e.g. "stop loss" or "stop limits" orders) that are intended to limit losses to certain amounts may not always work because market conditions or technological limitations may make it impossible to execute such orders. Should a client trade using such orders or strategy they do so accepting this risk.

5. Contingent liability transactions

Forex and CFDs are margined transactions requiring you to make a series of payments against the contract value, instead of paying the entire contract value immediately. You may sustain a total loss of the margin you deposit with Admirals Europe Ltd to establish or maintain a position. Admirals Europe Ltd revalues your open positions continuously during each business day, and any profit or loss is immediately reflected in your account and a loss may result in you being called upon to pay substantial additional margin on short notice to maintain your open positions.

Admirals Europe Ltd may also change its rates of initial margin and/or notional trading requirements at any time, by informing the clients prior to the change - which may also result in a change to the margin you are required to maintain. If you do not maintain sufficient margin on your account at all times and/or provide such additional funds within the time required, your open positions may be closed at a loss and you may be liable for any resulting deficit.

6. Leverage

Whilst derivatives instruments can be utilized for the management of the risk, some investments are unsuitable for many investors. Forex and CFDs trading carry a high degree of risk. The gearing and leverage that is obtainable with CFDs and Forex trading means that you only need to place a small deposit to commence trading with Admirals Europe Ltd although this small deposit may result in large losses or large gains. Highly leveraged transactions are subject to significant changes in value as a result of relatively small changes in the value or level of an underlying or related market factor.

7. Over- the Counter (OTC) Transactions

When trading CFDs you speculate on the anticipated price change for a particular underlying. This trading does not occur on a regulated market. You will enter directly into a contract with Admirals Europe Ltd in respect of the financial instrument or other underlying you wish to trade under a CFD. All open positions with Admirals Europe Ltd must be closed with Admirals Europe Ltd and cannot be closed with any other party. Trading in OTC financial transactions may expose you to greater risks than trading on a regulated market because there is no market on which to close out your open positions and prices and other conditions are set by us subject to any legal/regulatory requirements. OTC transactions may increase the liquidity risk and introduce other significant risk factors: it may be impossible, for example, to assess the value of a position resulting from an off-market transaction or to determine the risk exposure. Also, bid prices and offer prices need not be quoted by Admirals Europe Ltd and, even where they are, Admirals Europe Ltd may find it difficult to establish a fair price particularly when the relevant exchange or market for the underlying is closed or suspended.

You are also exposed to the risk of Admirals Europe`s Ltd default; however, in the unlikely event this occurs, we are members of the Financial Services Compensation Scheme.

8. Prices

The prices/quotes posted on the Admirals Europe Ltd trading platforms (the "Platform") may not necessarily reflect the broader market. Admirals Europe Ltd will select closing prices to be used in determining margin requirements and in periodically marking to market the positions in your account and closing out such positions. Although Admirals Europe Ltd expects that these prices will be reasonably related to those available on what is known as the interbank market or any appropriate exchange or other financial market (the "Reference Market"), prices Admirals Europe Ltd uses may

vary from those available to banks and other participants in the Reference Market. Consequently, Admirals Europe Ltd may exercise considerable discretion in setting margin requirements and collecting margin funds. As the products are in part related to the underlying you should ensure that you are aware of the risks involved in the underlying including currency fluctuation, volatility and gapping (a sudden price shift which can be caused by many factors including but not exclusively, economic events, epidemics, market announcements and periods where trading in the underlying does not take place).

A non-guaranteed stop will not protect you against this risk as it is not immediate and only triggers an order to close the position at the nearest available price.

9. Weekend risk

Various situations, developments or events may arise over a weekend when the markets generally close for trading, that may cause the markets to open at a significantly different price from where they closed on Friday afternoon. You will not be able to use the Platform to place or change orders over the weekend and at other times when the markets are generally closed. There is a substantial risk that stop-loss orders left to protect open positions held over the weekend will be executed at levels significantly worse than their specified price. When doing this a client accepts this risk and that they will be liable for any resulting deficit.

10. Electronic trading

Trading in OTC contracts through the Platform may differ from trading on other electronic trading systems as well as from trading in a conventional or open market. You will be exposed to risks associated with the electronic trading system including the failure of hardware and software and system down time, with respect to the Platform, your systems and the communications infrastructure (for example the Internet) connecting the Platform with you.

11. Intraday Trading

Online intraday trading can lead you to make numerous transactions.

12. Trading suspensions

Under certain conditions it may be difficult or impossible to liquidate a position. This can occur, for example, at times of rapid price movement where the price for an underlying rises or falls during one trading session to such an extent that trading in the underlying is restricted or suspended. Where this occurs the client accepts any associated risk and that they will be liable for any resulting deficit. The client should also be aware that under certain circumstances Admirals Europe Ltd may be required to close positions due to regulatory or exchange instructions and as such Admirals Europe Ltd is not responsible for any losses that may result.

13. Commissions

Before you begin to trade, you should obtain details of all commissions and other charges for which you will be liable, as indicated in the Rates Schedule available on the website of Admirals Europe Ltd. Clients should make themselves aware of potential costs or liabilities that could ensue from that position including but not exclusively: Swaps, Corporate Actions such as Rights Issues, Dividends, Stock Splits etc.

14. Insolvency

Any client insolvency or default may lead to positions being liquidated or closed out without your consent. Additionally, you will transfer full ownership and title to a portion of all the money you will deposit with Admirals Europe Ltd. This will represent an amount necessary to secure your present or future, actual or contingent liabilities to Admirals Europe Ltd including margin requirements.

Admirals Europe Ltd will determine the amount of money required to secure your obligations to Admirals Europe Ltd in its sole discretion on a daily basis (based on your daily open positions and trading, taking account of market conditions), which amount may be greater than the margin requirements. You will have no proprietary claim over this amount of money, which will not be subject to segregation or other duties pursuant to client money rules in force from time to time under applicable law and may be dealt with by Admirals Europe Ltd on its own account. Such amount of money may therefore be irrecoverable in the event of an insolvency or default of Admirals Europe Ltd.

15. Communication

Admirals Europe Ltd accepts no responsibility for any losses that may arise as a result of delayed review or unreceived communications sent by Admirals Europe Ltd to its clients. The client further accepts that any losses arising as a result of unauthorized access of a third party to the clients trading platform is not the responsibility of Admirals Europe Ltd except in the case of gross negligence on behalf of Admirals Europe Ltd or its staff. The client is responsible for keeping all login details safe and Admirals Europe Ltd strongly recommends that user details are not written down or saved.

Also, any client is informed of and accepts that the main method of communication will be in an electronic format, for example via email and information posted on our websites.

16. Advice

Admirals Europe Ltd does not provide investment advice and is an execution only trading venue. Whilst we may under our authorizations make general assessments of the markets, such assessments are not individual investment advice and do not take into consideration your individual circumstances. Any decision to trade is made by the Client alone.

All general information we provide in our analysis, webinars ("online seminar") and seminars and videos, at internal webpages or via external resources such as YouTube channels, are for general information and are the personal market outlooks of the moderator or author. It is not intended to be and should not be considered to be advice to sell, buy or hold a trading instrument under any circumstances.

The analysts and authors may trade or hold or be invested in trading products, such as stocks, Forex, CFDs, commodities, Futures and other instruments.

Under the Law, we are required to assess the appropriateness of this type of product for a generic person who provides similar information as you. This does not mean that by allowing you to open an account we are providing individual investment advice that this product is in fact suitable for you in your individual circumstances - rather we are indicating that it may be suitable for someone who falls into the same general category of knowledge and experience. With the assessment of whether the service is appropriate to you, we also gather information regarding your previous trading experience,

information on financial assets, level of education and other information deemed necessary and proportionate. We do not monitor that your financial situation remains the same. Clients take sole responsibility to ensure we are updated with any relevant information that may affect the appropriateness of the offered services.

17. Corporate Actions: Share CFDs

Please note that the treatment you receive during a corporate action may be less favorable than if you owned the underlying instrument because changes we make may need to be made reactionary and in place prior to that required by the corporate action. Therefore, the time you have to make decisions could be considerably less; the options available may be more restrictive/less advantageous and may be such that there is no option for you to close the position. Given that corporate events can often be announced at extremely short notice you may have no opportunity or choice to close positions out to avoid such consequences and such actions may require you to provide more funds to cover margin at very short notice.

18. Going Short on CFDs Shares

Going short on CFDs shares has additional risks that do not apply to the long position. This includes, but not exclusively, that you will be obliged to take the other side of a purchase opportunity e.g. a rights issue resulting in you going further short at what could be unfavorable prices or paying a sum to buy back the rights the choice of which may be decided by Admirals Europe Ltd without your input, on terms decided by Admirals Europe Ltd or input being required at shorter notice than would be on the underlying share; you may experience forced buy-back due to corporate actions, stock borrowing conditions or regulatory requirements/changes, and you may experience variable borrowing charges whilst the position is open.

19. Position Monitoring

It is the clients' responsibility to monitor at all times the positions they have opened and you should always be in a position to do so. Whilst we will attempt to close positions once your margin has been used up, we cannot guarantee this will be possible and therefore you may remain liable for any resulting shortfall.

This document should be read in conjunction with: Terms and Conditions, Order Execution Policy and other documents supplied or otherwise made available to the client on our website.

20. Dividend Adjustments on CFD Positions

20.1 Dividend Adjustments on Cash Index CFDs

When any underlying stock that is part of a cash index CFD goes ex-dividend, the cash index CFD will be price adjusted to reflect this dividend. The weighted proportion of the applicable dividend within the cash index CFD will be credited to the customer's account for long positions and debited for short ones.

20.2 Dividend Adjustments on Share Index CFDs

When a stock that is an underlying asset of a share CFD goes ex-dividend, the share CFD will be price adjusted to reflect this dividend. The value of the applicable stock dividend will be credited to the customer's account for long positions and debited for short ones.

20.3 Withholding Taxes on Dividend Adjustments

Dividend payments will be credited to the customer's account with any applicable standard withholding taxes deducted. Admirals Europe Ltd does not currently support or offer preferential withholding tax rates that may be available due to residency or legal status.

21. Hedged Positions

Hedged Positions - please be advised that hedged positions (simultaneous long and short position on a given financial instrument) might not fully stabilise your margin level therefore a Stop Out on your account might occur even when such hedged positions are in place. It may happen due to the following circumstances:

1. Profits/Losses on short positions are calculated with the Ask price while Profits/Losses on long positions are calculated with the Bid price. In abnormal trading conditions the spread may widen leading to losses on your account being higher than the margin held and therefore your positions being liquidated.
2. Profits/Losses on positions are calculated in the base currency of the traded instrument and then recalculated to the account currency with the use of the platform exchange rates. If hedged positions are opened in different time/ prices then Profits/Losses on the account may be subject to account currency price fluctuations resulting in losses being greater than the margin held and therefore your positions being liquidated.

22. Translation Disclaimer

The Admirals Europe Ltd website uses various translation tools to translate pages on this site for use in other countries. The translation tools will allow you to grasp the general intent of the original content, but will not always produce a correct translation. The official text is the English version of the Admirals Europe Ltd website <https://admiralmarkets.com/?regulator=cysec>. Any discrepancies or differences created in the translation are not binding and have no legal effect for compliance or enforcement purposes. If any questions arise concerning the accuracy of the information presented by the translated version of the website, please refer to the official English version of the website. Admirals Europe Ltd claims no responsibility for accuracy. Because of language complexities, and the possibility of a number of different translations and interpretations of particular words and phrases, there are inherent limitations in translations. Admirals Europe Ltd therefore recommends that you examine and verify the translation resulting from use of this service, and accepts no responsibility for the accuracy thereof.