

## **General Terms and Conditions**

### **for the**

## **Provision of Investment Services**

The Company and the Client separately shall be referred to as the “Party” and jointly as the “Parties”. Jointly individuals and legal entities, which the Company provides investment services, shall be referred to as the “Clients”.

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## GENERAL INFORMATION ABOUT THE COMPANY

**Name:** Lime Trading (CY) Ltd

**Registration No.:** HE 341520

**Date of Incorporation:** 13 March 2015

### **Registered address:**

Magnum Business Center, 4B  
78 Spyrou Kyprianou Avenue  
3076 Limassol  
Cyprus

Tel. No.: +357 25 344563

Fax No.: +357 25 344564

The Company is duly authorized by the Securities and Exchange Commission of the Republic of Cyprus (hereinafter referred to as "CySEC") and is entitled to provide investment, ancillary services and conduct investment activities:

License Number: CIF 281/15

License Date: 25 September 2015

## 1. ACCEPTANCE OF AGREEMENT

The documents required for the purposes of applying for account opening may be executed and submitted by the Client in one of the following ways:

- by the Client or his representative in the Company's Head Office premises at the address:

Magnum Business Center, 4B  
78 Spyrou Kyprianou Avenue  
3076 Limassol,  
Cyprus

- by signing electronically, the documents and submitting them via the Company's website in accordance with the Distance Marketing of Consumer Financial Services Law N.242(I)/2004.

The Distance Marketing of Consumer Financial Services Law N.242(I)/2004, which implements EU Directive 2002/65/EC, does not require the Agreement to be physically signed by either the Client or the Company in order for both of the Parties to be legally bound by it. The terms contained in the Agreement shall apply to the initial as well as to any subsequent activity entered into between the Company and the Client. The Client hereby expressly acknowledges and agrees that:

- (a) by downloading, completing and/or submitting to the Company the account opening documentation and forms posted on the Company's websites [www.just2trade.online](http://www.just2trade.online) and [www.j2t.com](http://www.j2t.com) (hereinafter referred to as the "Account Opening Application Form(s)") and/or clicking in the appropriate space, or on the "I Accept" button, or similar buttons or links as may be designated by us to show the Client's approval and acceptance of this Agreement;

and/or

- (b) by accessing or using, and/or by continuing to access or use, the Company's Online Trading Systems, the Client enters into a legally binding contract by and between him and the Company, and the Client fully agrees to abide by and to be bound by all the terms and conditions set out in these Terms and Conditions, as they may apply to the Client;

The Client hereby agrees to communications being made, and to the delivery of these Terms and Conditions and/or any agreements by and between him and the Company, or changes in these Terms and Conditions, via electronic media (including, without limitation, Electronic Messaging, website postings e-mail, or other electronic means) to the extent permitted by Applicable Laws, Rules and/or Regulations.

Communications being made via electronic media in order to enter into contracts, place Orders and other records and to the electronic delivery of notices, policies and records of transactions initiated or completed through the Company's Online Trading Systems and/or in relation thereto, shall, to the extent permitted by Applicable Laws, Rules and/or Regulations, be treated as satisfying any legal requirement that a communication should be 'signed' and 'in writing'. Accordingly, any such documents that are delivered to the Client electronically are deemed to be "in writing".

If the Client's signature or acknowledgement is required or requested with respect to any such document and the Client "clicks" in the appropriate space, or on the "I Accept" button, "Submit" button, or on similar buttons or links as may be designated by us to show your approval and acceptance thereof, or take such other action as may be indicated on our Online Trading Systems, the Client will be deemed to have 'signed' and/or acknowledged the document to the same extent and with the same effect as if he had signed the document manually. To the extent permitted under applicable mandatory law, the Client hereby waives any rights or requirements under any Applicable Laws, Rules and/or Regulations in any jurisdiction, which require an original (non-electronic) signature or delivery or retention of non-electronic records.

The Client hereby expressly acknowledges his understanding that he has the right to withdraw his consent to the electronic delivery and signature of documents at any time by providing prior written notice to the Company. However, if the Client revokes his consent, his access to an/or use of our Online Trading Systems may be

restricted or terminated, at the Company's sole discretion and without any obligation on our end to provide you with any explanation and/or justification thereof.

## 2. RIGHT OF WITHDRAWAL

In accordance to Article 11 of the Distance Marketing of Consumer Financial Services Law N.242(I)/2004, the right of withdrawal by the Client is not applicable to the provision of financial services where the price/value of the underlying financial instruments is determined by various capital markets and the Company does not have any influence on the determination of such prices.

The financial services provided by the Company are subject to the exception provided by Article 11 of the Distance Marketing of Consumer Financial Services Law N.242(I)/2004, and as such the right of withdrawal as provided in Article 10 of the Law N.242(I)/2004 is not applicable for the financial services provided by the Company.

## 3. FINANCIAL INSTRUMENTS AND SERVICES

Brokerage and other investment services are to be provided by the Company to the Client in respect of the financial instruments and related investments listed in the license granted to the Company by CySEC and which are published on the Company's websites [www.just2trade.online](http://www.just2trade.online) and [www.j2t.com](http://www.j2t.com).

The Client understands and agrees that Lime Trading (CY) Ltd does not offer any services in cryptocurrencies. In the event that the Client wishes to invest/trade in cryptocurrencies, the Client acknowledges, consents and approves to open a trading account with J2TX Ltd ([www.j2tx.com](http://www.j2tx.com)), a Crypto Assets Services Provider (CASP) registered with the Cyprus Securities and Exchange Commission under Registration Number 006/22.

The Client who expressed his/her interest to invest/trade in cryptocurrencies, acknowledges, consents and approves that he has accepted the [Regulations for the Provision of Services of J2TX](#) Ltd and consents and approves for Lime Trading (CY) Ltd to transfer any required personal information of the Client to J2TX Ltd for the purpose of enabling the Client to open a trading account with J2TX Ltd for the purpose of investing/trading in cryptoassets. Any services the Client may receive relating to crypto assets shall be provided and performed exclusively by J2TX Ltd. Such services may include – but are not limited to – reception and transmission of client orders, execution of client orders and custody of crypto.

For the purposes of the Client's application to open a trading account with J2TX Ltd, the Client approves and authorises Lime Trading (CY) Ltd to immediately transfer to J2TX Ltd all necessary information concerning the Client's identification and due diligence requirements as well as relevant copies of identification and verification data, and any other data which was submitted by the Client to Lime Trading (CY) Ltd for the purposes of identity verification and due diligence.

The Client who expressed his/her interest to invest/trade in cryptocurrencies, hereby authorises Lime Trading (CY) Ltd to perform all required end-of-day clearing actions of any outstanding balances between the Client's account(s) with Lime Trading (CY) Ltd and the Client's account(s) with J2TX Ltd. The clearing process shall involve the direct transfer of funds to/from the Company from/to J2TX Ltd as required in order to settle any such outstanding balances. It shall also involve the regular transfer of financial information regarding the respective valuations of the Client's positions held in Lime Trading (CY) Ltd and J2TX Ltd respectively.

In the event that a Client's account equity becomes insufficient to fully cover open positions and pay for the purchased instruments as of the end of the trading session, the Client hereby authorizes Lime Trading (CY) Ltd to transfer any funds from any account maintained by the Client with J2TX Ltd. The amount of the transfer cannot exceed the assessment of the assets available on the Client's account with J2TX. The Client agrees that this transfer will occur automatically without additional notice and acceptance of the Client. All expenses for this transfer are covered by Lime Trading (CY) Ltd.

## 4. LEGAL RESTRICTIONS

Without limiting any of the foregoing, the Company's Online Trading Systems and other investment services are NOT available where it is illegal to access and/or use, and the Company reserves the right to refuse, decline

and/or cancel our Online Trading Systems and/or any part or component thereof and/or any other investment services, at the Company's sole discretion and for any reason, at any time, without being obliged to provide the Client with any explanation or justification thereof.

In that regard, the Client understands that the laws regarding financial services vary throughout the world, and that it is **his**, and only **his** obligation alone to ensure that he fully complies with any law, regulation or directive, relevant to his country of residency, with regard to accessing and/or using our Online Trading Systems and/or other investment services. For avoidance of doubt, the ability to access the Company's Online Trading Systems does NOT necessarily mean that our Online Trading Facility, and/or any activities the Client may undertake through the Company, is/are legal under the laws, regulations or directives relevant to your country of residency.

The Company's Online Trading Systems do NOT constitute, and may NOT be used for the purposes of, an offer and/or solicitation to anyone in any jurisdiction in which such offer and/or solicitation is not authorized, and/or to any Person to whom it is unlawful to make such an offer and/or solicitation. Access to and/or use of our Online Trading Systems, and the offering of financial contracts via our Online Trading Systems, may be restricted in certain jurisdictions, and, accordingly, users accessing our Online Trading Systems are required to inform themselves of, and to observe, such restrictions.

**IMPORTANT NOTE: WE RESERVE THE RIGHT TO IMPOSE ADDITIONAL REQUIREMENTS OR PRE-CONDITIONS TO ACCEPT CLIENTS RESIDING IN OR FROM SPECIFIC COUNTRIES AT ANY TIME AND AT OUR SOLE AND EXCLUSIVE DISCRETION, WITHOUT BEING OBLIGED TO PROVIDE ANY EXPLANATION OR JUSTIFICATION.**

## 5. SEVERABILITY

These Terms & Conditions (together with their annexes, appendices, addenda, attachments, schedules and exhibits and/or amendments) define the terms and conditions of the business relationship between the Client and the Company concerning the provision of investment services by the company to the Client and cancels and supersedes all previous arrangements or agreements by and between the Client and the Company with respect to the subject matter hereof, superseding any other communications or understandings between you and us.

These are the entire terms and conditions that apply to the access and/or use of any of the Website(s), Electronic Trading Platform(s), Software and/or Services (hereinafter, collectively, referred to as our "Online Trading Systems") as well as any other investment services that are to be provided by the Company to the Client.

Nothing contained in these Terms and Conditions shall be construed as requiring the commission of any act contrary to Applicable Laws, Rules and/or Regulations. Whenever there is any conflict and/or discrepancy between any provision of these Terms and Conditions and any present or future applicable statute, law, ordinance or regulation governing the transactions hereunder, the latter shall prevail, but in such event the provision of these Terms and Conditions thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirement of the law.

Each part of these Terms and Conditions is a distinct undertaking. In the event that any provision is held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or part of a provision of these Terms & Conditions, which shall remain in full force and effect and shall in no way be affected or invalidated.

With respect to the provisions of these Terms and Conditions, which are held to be invalid or unenforceable, in whole or in part, the Parties will negotiate in good faith with the intention to replace the void provision with a valid one that in its economic effect complies best with the void provision in a manner consistent with their joint intention as expressed herein and these Terms and Conditions shall, to the fullest extent lawful, be reformed and construed as if such invalid or illegal or unenforceable provision, or part of a provision, had never been contained herein, and such provision or part reformed so that it would be valid, legal and enforceable to the maximum extent possible.

Without limiting the foregoing, if any provision (or part of provision) contained in these Terms and Conditions shall for any reason be held to be excessively broad as to duration, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the fullest extent compatible with then existing applicable law.



## 6. AMENDMENTS

The Company reserves the right to amend, alter, modify, delete or add to any of the provisions of these Terms & Conditions at any time, at our sole discretion.

When these Terms & Conditions are modified (hereinafter referred to as "Changes") the Company will post such Changes on our Online Trading Systems and/or otherwise notify the Client of such Changes three (3) days prior to such changes becoming effective. Each such notification shall be deemed as sufficient notice and it is the Client's duty to consult and/or to check regularly these Terms and Conditions on our Online Trading Systems regarding any such Changes. Therefore, the Client should review these pages from time to time so as to ensure that you will be aware of any such Changes.

The Client's continued access and/or use of the Company's Online Trading Systems and/or other investment services after the publication of any Changes shall be considered as the Client's agreement to such modified Terms and Conditions and shall be governed by these Terms and Conditions, as modified.

**IMPORTANT NOTE: IF YOU DO NOT WISH TO BE BOUND BY SUCH CHANGES, YOU SHOULD CEASE TO ACCESS AND/OR USE OUR ONLINE TRADING SYSTEMS AND INFORM US IN WRITING, IMMEDIATELY.**

Some areas or parts of the Company's Online Trading Systems and/or other investment services may have different specific terms of access and/or use posted thereon. If there is a conflict and/or discrepancy between these Terms and Conditions and any such specific terms of access and/or use, the latter shall have precedence with respect to the Client's access and/or use of such relevant area or part of our Online Trading Systems.

## 7. RIGHTS AND OBLIGATIONS OF THE COMPANY

The Company shall act only upon the detailed Client's Instructions (including, but not being restricted by date, time and means of execution of transactions). The Client appoints the Company as its Agent without further approval from the Client to act on behalf of the Client (except as expressly provided herein or as may be required by legislation) and to take all reasonable and necessary actions in connection with the Company's obligations and rights as set forth herein.

In respect of Client Orders the Company shall act in favor of the Client's interests, when dealing with third parties, dealers or other authorized persons, when buying, selling, exchanging Securities or other property and/or proprietary rights on behalf of the Client.

The Company provides the Client with non-exclusive investment and financial services. Nothing in these Terms and Conditions shall prevent the Company to provide investment and financial services to other persons. The Company shall duly and fairly perform its obligations in respect of each client the Company is rendering services to.

The Company may, in accordance with the Client's Instructions and at the expense of the Client, act as a Principal in respect of any transaction related to disposal of Securities or (as the case may be) acquisition of Securities for and such transaction may be entered into in the name of the Client or in the name of the Company.

The Client hereby acknowledges and agrees that the Company shall be under no obligation to purchase Securities until the Client Order has been placed by the Client with the Company and that the Client has sufficient monetary funds to fund the purchase of such Securities including all associated costs and expenses.

The Client hereby acknowledges and agrees that the Company shall be under no obligation to sell Securities until the Client Order has been placed by the Client with the Company, unless the Client owns all such Securities and such Securities and no legal or other restrictions for the sale of such Securities exist.

**THE COMPANY RESERVES THE RIGHT TO REJECT THE APPLICATION FOR OPENING AN ACCOUNT WITHOUT DISCLOSING ANY REASON.**

## 8. POLICY FOR EXECUTING CLIENTS' ORDERS

The Company executes Client Order according to its Order Execution and Order Handling Policy which is given in Appendix 1 hereto.

The Company shall not be obliged to execute those Client's Orders that result or can result in the violation of any laws or resolutions with which the proposed transaction and/or Company comply with. The Company shall be entitled to do whatever it deems necessary to comply with such laws, resolutions or regulations.

The Company shall inform the Client that in its opinion, such Orders are at odds with such laws, resolutions or regulations and it is necessary that the Client's Orders shall be amended in accordance with the applicable legislation.

## 9. POLICY FOR MANAGING CONFLICTS OF INTERESTS

The Company implements a policy of managing conflicts of interest aimed at identifying, preventing and managing conflicts of interest, a brief description of which is given in Appendix 2 hereto.

The Client may at any time request the Company for any additional information about the Company's conflicts of interest management policy, and the Company shall provide this information directly to the Client by a durable medium or provide this information to Clients through its website.

## 10. CATEGORIZATION OF CLIENTS

In accordance with Directive 2014/65/EU of the European Parliament and of the Council (hereinafter referred to as "MiFID 2") and the Investment Services and Activities and Regulated Markets Law of 2017 87(I)/2017 of the Republic of Cyprus (hereinafter referred to as the "Law"), the Company is obliged to categorize Clients as retail clients, professional clients or eligible counterparties. The Company will notify each Client in writing as appropriate of the categorization/classification assigned. Any such categorization/classification, as well as any notification thereof, will be valid and will apply to all Accounts held by the Client with the Company.

The Client shall be treated as a "Retail Client", unless the Company shall classify him as a "Professional Client" or an "Eligible Counterparty", depending on the information provided when completing the registration process or thereafter. MiFID II also establishes objective criteria, which the Company has followed in carrying out the classification and communicating the outcome to the Client. In accordance with such requirements imposed under MiFID II, the Company attaches different levels of regulatory protection to each category and hence to Clients within each category. In particular, Retail Clients are afforded the most regulatory protection; Professional Clients and Eligible Counter Parties are considered to be more experienced, knowledgeable and sophisticated and able to assess their own risk and are thus afforded fewer regulatory protections. Appendix 3 of these Terms and Conditions describe in detail the different levels of protection afforded to each category of Client.

### (a) Request for Re-Classification

The Company offers its Clients the possibility to request re-categorization and thus to increase or decrease the level of regulatory protections afforded. Where a Client requests a different categorization, the client needs to meet certain specified quantitative and qualitative criteria.

On the basis of the Client's request, the Company undertakes an adequate assessment of the expertise, experience and knowledge of the Client to give reasonable assurance, in the light of the nature of transactions or services envisaged that the Client is capable of making his/her own investment decisions and understanding the risks involved. However, if the above-mentioned criteria are not met, we reserve the right to choose whether to provide services under the requested categorization.

To request a change in client categorization, the Client will need to do this in writing.

Acceptance of the request by the Company will depend on the Client's compliance at all times with established legal and regulatory requirements for making the change effective, as follows:

## a. Opt-down from an eligible counterparty

A Client who is considered an Eligible Counterparty has the right to opt-down; this means that the Client can request a higher level of protection, namely protection that is offered to a Professional client or Retail client; unless an Eligible Counterparty expressly and specifically requests treatment as a Retail client, the client's request will be considered as a request to be treated as a Professional Client; an Eligible Counterparty has the right to a general opt-down, covering all business conducted with the Company or on a "product category basis", provided, however, that the Company is not obliged to accept such a categorization.

## b. Opt-down from a professional client

A Client who is categorized as a Professional Client has the right to opt-down to a Retail Client (with a higher level of protection) for all business conducted with the Company or on a "product category basis", provided, however, that we are not obliged to accept such a categorization; it is the sole responsibility of the client to ask in writing for this higher level of protection when the Client is unable to properly assess or manage the risks involved in its investment decisions.

## c. Opt-up from a retail client

A Retail Client has the right to request to be reclassified as a Professional Client and, in which case, he/she will be afforded a lower level of protection. The Company is not obliged to deal with him/her under a different categorization. The re-categorization may be requested in respect of all the Client's business with us or on a "product category basis", provided, however, that the Company is not obliged to accept such a categorization.

The Company is allowed to treat any of the Retail Clients such as public sector bodies, local public authorities, municipalities and private individual investors as Professional Clients, provided that the relevant criteria and procedure mentioned below are fulfilled. These clients shall not, however, be presumed to possess market knowledge and experience comparable to Professional Clients and Eligible Counterparties.

Any waiver of the protection afforded by the standard conduct of business regime will be effected only if an adequate assessment of the expertise, experience and knowledge of the client is undertaken by the Company and gives reasonable assurance, in light of the nature of the transactions or services envisaged, that the client is capable of making his/her own investment decisions and understanding the risks involved.

## (b) Fitness Test

The 'fitness test' applied to managers and directors of entities licensed under Directives of the European Union in the financial services field could be regarded as an example of the assessment of expertise and knowledge. In the case of small entities, the person subject to the above assessment should be the person authorized to carry out transactions on behalf of the entity.

In the specific case of a request for a change from Retail to Professional Client, such a request specifically implies the express renunciation of the right to be treated as a Retail Client and of rights to the associated level of protection; In this case and in the course of this assessment, as a minimum, two (2) of the following criteria must be fulfilled, as required by MiFID II:

- a) the client has carried out transactions, in significant size, on the relevant market at an average frequency of ten (10) per quarter over the previous four quarters;
- b) the size of the client's financial instrument portfolio, defined as including cash deposits and financial instruments exceeds EUR 500,000;
- c) the client works or has worked in the financial sector for at least one year in a professional position, which requires knowledge of the transactions or services envisaged.

## (c) Procedure

Clients may waive the benefit of the detailed rules of business conduct only where the following procedure is followed:

- a) they must state in writing to the Company that they wish to be treated as a Professional Client, either generally or in respect of a particular investment service or transaction, or type of transaction or product;
- b) the Company must give them a clear written warning of the protections and investor compensation rights they may lose;
- c) they must state in writing, in a separate document from the contract, that they are aware of the consequences of losing such protections.

Upon receiving such a request and before deciding to accept any request for waiver/ lower level of protection, the Company shall take all reasonable steps to ensure that the Clients requesting to be treated as Professional Clients meet the relevant requirements stated herein above. The Company may, but is not obliged to, accept such re-categorization.

Based on any of the above-mentioned requests for change, the Company will in each instance notify the Client, as appropriate, of the new classification assigned; any such new categorization/classification, as well as any notification thereof, will be valid and will apply to all Accounts held by the Client with the Company.

It is the Professional Clients' and Eligible Counterparties' sole responsibility to inform the Company of any change that could affect their categorization. If no such information is received from these Clients, the Company will consider that they continue to meet the conditions to be categorized as an Eligible Counterparty or, as the case may be, a Professional Client.

## 11. ASSESSMENT OF SUITABILITY AND APPROPRIATENESS

### (a) General

The Company performs assessment of the suitability and appropriateness with regard to the services provided to the Client in an effort to understand / conclude whether an Investment Service or Financial Instrument is appropriate and / or suitable to the Client. The Company assesses the Client's experience and knowledge to realize the relevant risks with regard to specific services that the Company provides to the Client and with regard to the financial instruments the Client intends to deal with and transactions to be executed by the Company on behalf of the Client.

To assess the suitability and appropriateness of the Company's services for the Client, the Company requests from the Client, and the Client undertakes to provide the Company with information in the scope and degree corresponding to the peculiarities of the Client, nature and amounts of the Company's services this Client intends to use, and also the types of transactions and operations the Client intends to execute with the Company's assistance, including their complexity and accompanying risks, including the following information:

- the types of services, transactions and financial instruments the Client has experience and knowledge to deal with;
- the nature, volume and frequency of the Client's transactions in financial instruments and the period over which they have been carried out;
- the level of education, financial position, profession or the relevant former profession of the Client.

The Company has the right to rely on the information provided by the Client to the Company unless the Company is aware or ought to be aware that such information is manifestly out of date and/or inaccurate and/or incomplete.

If the Company considers, on the basis of information received from the Client, that an investment service or a financial instrument does not correspond to the Client's knowledge or experience in the area of investments in financial markets, the Company shall notify the Client of this conclusion in a durable medium.

If the Client fails to give information about his/her knowledge or experience (or provided incomplete information), the Company shall give notice to the Client in a durable medium that such omission makes it impossible to assess how an investment service and/or a financial instrument corresponds to the Client. In the event given above the Company has the right not to provide the Client with a relevant service and/or execute operations on behalf of the Client with a relevant financial instrument before it receives the required information from the Client in full.

## **(b) Appropriateness Assessment**

The appropriateness test will be carried out for all Retail Clients. In the case of a Per-se Professional Client / Eligible Counterparty, it is assumed that the Per-se Professional Client / Eligible Counterparty has the necessary knowledge and experience to understand the risks involved in relation to any Investment Services or types of Financial Instruments; therefore, no appropriateness test is required. In such cases, it will remain at the discretion of the Company, depending on the merits of each case, whether to carry out the appropriateness test or not.

However, Elective Professional Clients will not be presumed to possess market knowledge and experience comparable to that of Per-se Professional Clients. The Company will therefore carry out an adequate assessment of the expertise, experience and knowledge of such Clients, in order to get reasonable assurance, in light of the nature of the transactions or services envisaged, that the Client is capable of making investment decisions and understanding the risks involved.

Where a Client (legal entity or natural person) is represented by a representative (i.e. Authorised person) through Power of Attorney, it is the Authorised person's knowledge and experience that needs to be assessed. The responsibility of the Company to perform the appropriateness test may be waived if the Investment Services consist only of Execution or Reception and Transmission of Client orders with or without ancillary services, excluding the granting of credits or loans and the following conditions apply:

- The services relate to non-complex financial instruments, as defined in previous section of this document.
- The Investment Service is provided at the initiative of the Client or potential client.
- The Client or potential client has been clearly informed that in the provision of that Investment Service (i.e. Execution or Reception and Transmission of Client orders) the Company is not required to assess the appropriateness of the Financial Instrument or the Investment Service provided or offered and that therefore, the Client does not benefit from the corresponding protection of the relevant conduct of business rules.

When assessing Knowledge and Experience, the following information will be assessed, to the extent appropriate to the nature of the Client, the nature and extend of the Investment Service to be provided and the type of Financial Instrument or transaction envisaged:

- The types of Investment Service, transaction and Financial Instrument which the Client is familiar with;
- The nature, volume, and frequency of the Client's transactions in Financial Instruments and the period over which such transactions have been carried out;
- The level of education, and profession or relevant former profession of the Client or potential client.

In case where the Investment Service or Financial Instrument is not deemed appropriate for the Client, the Client will be informed immediately, and in any case prior to entering into any transaction. In particular, the Company will warn the Client that the specific Investment Service or the Financial Instrument is not appropriate and that the Client may be exposed to risks that fall outside the Client's knowledge and experience and/ or which the Client may not have the knowledge and experience to properly assess and / or control by way of mitigating the impact of such risks.

If, despite of the above warnings, the Client wishes to proceed with the said Investment Service or Financial Instrument, the Client must explicitly provide the Company with his / her declaration in writing, where any risks arising from his/her decision are transferred to the Client.

The Company has the right to accept or not to proceed with the provision of the Investment Service or Financial Instrument in question.

## **(c) Suitability Assessment**

The suitability test is carried out for all Retail and Professional Clients, when those Client are provided with the Investment Service of Investment Advice and/or Asset Management.

The Company will obtain the necessary information from its Clients so as to understand the essential facts about them and to have a reasonable basis for determining, giving due consideration to the nature and extent of the service provided, that the specific transaction to be recommended/undertaken, satisfies the following criteria:

- a. it meets the investment objectives of the Client in question, including the Client's risk tolerance (e.g. information on the source and extent of the Client's regular income, assets (including liquid assets), investments and real property, regular financial commitments);
- b. it is such that the Client is able to financially bear any related investment risks and losses consistent with his investment objectives (e.g. information on the length of time for which the Client wishes to hold the investment, his preferences regarding risk taking, his risk profile, purposes of the investment);
- c. it is such that the Client has the necessary experience and knowledge in order to understand the risks involved in the transaction.

In case where the Company provides an Investment Advice and/or Asset Management to a Professional Client, the Company is entitled to assume that the Client has the necessary level of experience and knowledge for the purposes of point (c) above.

In case where the Company provides an Investment Advice and/or Asset Management to a Professional Client, the Company shall be entitled to assume for the purposes of point (b) above that the Client is able to financially bear any related investment risks consistent with his / her investment objectives.

When the Company does not obtain the information outlined in points (a)-(c) above, the Company shall not recommend / undertake any Investment Services or Financial Instruments for the Client or potential Client. Additionally, the Company shall not recommend or decide to trade where none of the services or instruments are suitable for the Client.

Where a Client is a legal person or a group of two or more natural persons, or where one or more natural persons are represented by another natural person, the Company will determine who should be subject to the suitability assessment, through procedures in place, and how this assessment will be done in practice, including the source(s) from which information about knowledge and experience, financial situation and investment objectives should be collected.

Where the Client is a group of two or more natural persons and no representative is foreseen, the Company will identify from whom necessary information will be collected and how the suitability assessment will be done. Clients will be properly informed about the Company's approach and the impact of this approach on the way the suitability assessment is done in practice.

Where a natural person is represented by another natural person (i.e. Authorized Person) or where a legal person is represented by an Authorized Person, the Company will assess the financial situation and investment objectives of the legal person or, in relation to the natural person, the underlying Client rather than of the representative. However, the knowledge and experience will be that of the representative of the natural person or the person authorized to carry out transactions on behalf of the underlying Client.

If the parties involved have difficulties in deciding the person(s) from whom the information on knowledge and experience, or on the financial situation, will be collected for the purpose of suitability assessment, or for defining their investment objectives, the Company will take the most prudent approach by taking into account the information on the person with the least knowledge and experience, the weakest financial situation or the most conservative investment objectives. Alternatively, the Company will not be able to recommend Investment Services or Financial Instruments in such a situation.

Where the Company offers investment advice on packaged investment services or financial instruments, the suitability test will be performed for the packaged investment services or financial instruments as a bundle.

## 12. INVESTMENT RISK

The Client shall be solely responsible for assessment of risks in relation to the purchase and sale of Securities. The Company strongly recommends that the Client has its own independent consultant, both legal and financial, in order to be informed of the risks associated with the entry into any such transactions.

No documentation or information forwarded by the Company to the Client should be taken as constituting investment advice.

The Company shall make no representations or warranties in relation to the Securities. The Company shall make no representations or warranties in relation to any information provided or opinions expressed to the Client (whether in writing or verbally) in connection with any such Securities or with investments in general, except for the general description of the nature and risks associated with financial instruments is given to Clients or potential Clients.

The Client confirms that before entering into an agreement for the provision of investment services with the Company he/she has carefully studied the description of the risks related to investments in financial instruments on both international financial regulated markets and Over-the-Counter market, including the description of the nature of financial instruments and risks related to specific financial instruments (**Appendix 8.1** hereto), and also confirms that this information is understandable to the Client and that he/she is able on the basis of information to independently assess the risks and rewards related to the purchase and sale of specific financial instruments. By acceptance of these Terms and Conditions the Client gives his/her consent to accept all of the aforementioned risks.

By acceptance of these Terms and Conditions the Client confirms that he/she has carefully studied and understood the Declaration of Risks associated with margin and unsecured transactions on financial markets (**Appendix 8.2** hereto) and consents to accepting such risks.

In accordance with these Terms and Conditions and current legislation, without prejudice to other duties of the Company, the Client accepts any and all possible risks related to investments in financial markets as part of these Terms and Conditions, including the risks both specified in **Appendix 8.1** and **Appendix 8.2** hereto and those that are not specified in the mentioned Appendices.

### 13. COMMUNICATIONS, PROVISION OF INFORMATION AND NOTICES

The Company may rely upon any communication in any form (including verbal communication) made by any authorized signatories on behalf of the Client. The Client shall be responsible for the execution of any contracts or obligations entered into, and for all costs and expenses incurred by the Company in consequence of such communication. The Client shall inform the Company in writing of any changes in the authorized signatories. Until the Company receives notification of any such change, the Company shall not act in accordance with any such change.

The Client agrees that the Company may record telephone conversations with the Client or such Client's employees, officers and agents, and such recordings may be used as evidence in the event of a dispute. Any Instruction given orally by telephone or otherwise shall be legally binding and shall put the Company under obligation to enter into a transaction in accordance with such Instruction. The Client shall be entitled to forward to the Company Orders to execute Securities transactions as follows:

- in writing as a hard copy by presenting an original Order;
- using the relevant Online Trading Systems operating via the worldwide web, including text messages exchanged by the Client and the Company on a real time basis (chats);
- by telephone in the cases where the Client (or another person that gives an Instruction on behalf of the Client) properly and concurrently gives the name/designation of the Client and the password which was given to the Client by the Company;

The Client's permanent Internet access is an obligatory term for the acceptance of these Terms and Conditions. By acceptance of these Terms and Conditions, the Client confirms that he/she has permanent Internet access and in evidence of this the Client informs the Company on his/her address of electronic mail (E-mail) that should be used by the Company to notify the Client of any material changes in the information given by the Company to the Client. The Client also confirms that he/she is aware of the possibility of malfunction (breakdown) in the operation of the Company's website and accepts all possible risks related to unfavorable consequences of such malfunction (breakdown) for the Client.

By acceptance of these Terms and Conditions the Client confirms that when choosing whether to receive information provided by the Company as a hard copy or via the Company's website and/or using other secure means specified above, the Client selects the latter and also gives its consent to entitle the Company at its own discretion to provide information to the Client using any of the means referred to above.

Provision/transfer in a durable medium under these Terms and Conditions means any instrument of provision of information that enables the Client to store information addressed personally to the Client in a way accessible for future reference for a period of time adequate for information purposes and allows the unchanged reproduction of the information stored. For the purpose of these Terms and Conditions durable medium of Provision/transfer of information shall include:

- a. Provision/transfer of information as a hard copy personally to the Client (authorized representative of the Client,) hand to hand, and also via courier or other postal services that make it possible to accurately identify the sender and the date of dispatch and receipt of correspondence;
- b. Provision/transfer of information by email (including files sent containing scanned originals);
- c. Provision/transfer of information using Internet Trading Systems in the cases specified by these Terms and Conditions;
- d. Provision/transfer of information through the Company's website in cases specified in these Terms and Conditions.

In cases when, the Client should send Orders to the Company and/or the Company should provide the Client with information by means of postal, e-mail and telephone services, the Client Orders will be deemed forwarded to the Company, and information will be deemed duly provided in the event that the Parties use postal, email addresses or telephone numbers as specified below:

- a. **For the Client** – the address and contact details specified by the Client in the Client Questionnaire;
- b. **For the Company:**

Address: **Lime Trading (CY) Ltd**  
Magnum Business Center, 4B  
78 Spyrou Kyprianou Avenue  
3076 Limassol,  
Cyprus

Tel. No.: + 357 - 25 344 563  
E - mail: [info@just2trade.online](mailto:info@just2trade.online)

The Parties undertake to notify each other of any changes in contact details specified above in advance by means specified in these Terms and Conditions. All other notices, correspondence and other information, except for the Client Orders and information, the provision of which by the Company to the Client is expressly specified herein and/or by the Law, will be sent by one Party to the other Party by means specified in this section of these Terms and Conditions.

Notices, correspondence and information under this clause should be forwarded by the Parties to the addresses specified above hereof and will be deemed duly accepted by the Parties when:

- courier delivery – on the day of receipt;
- any post service is used – on the day given in the dispatch receipt;
- forwarded via facsimile or email – on the date of forwarding.

These Terms and Conditions and all other agreements and/or documents executed on the basis of these Terms and Conditions shall be written and interpreted in English. In the event that this Agreement has been translated into a language other than English, it is the English version that will be prevailing and controlling in the event of any discrepancy.



## 14. CLIENT ASSETS

The Company holds Client's monetary funds and financial instruments segregated from its own monetary funds and financial instruments.

The Company shall not dispose of, charge, manage or use in a different way the financial instruments kept on behalf of its clients, unless the client has given a prior written express consent.

The Company exercises all due measures, care and diligence in the selection, appointment and periodic review of the banks where the Client's funds are held and custodians the Client's financial instruments are held with, and the revision of the holding of the Client's funds with these banks and custodians.

Without prejudice to the above, our services to Clients are provided on the understanding that where the Client transfers monetary funds and/or Collateral to the Company by way of Margin or otherwise, we will treat this as a transfer of full ownership of such monetary funds and/or Collateral to the Company for the purpose of securing or covering the Client's present, future, actual, contingent or prospective obligations, and we will not treat such money and/or Collateral as 'Client Funds'. Accordingly, without prejudice to any other provisions of this Agreement, we shall have the right to pledge, charge, loan or otherwise use or dispose of all or part of such money and/or Collateral provided to us by way of Margin, as if we were the beneficial owner thereof. We will transfer an equivalent amount of money and/or Collateral back to the Client where, at the Company's sole discretion, it considers that the amount of money and/or Collateral the Client has transferred to it is more than is necessary to cover the Client's present and future obligations to the Company. The Client agrees that Collateral provided in the form of investments will be returned to him in the form of investments of the same description and amount as those accepted by the Company as Collateral, but that any such Collateral returned to the Client need not be the actual investments provided by the Client.

Any bank account in the name of the Company in which Clients' moneys are held shall be designated as a "Client's Account" or similar to put third parties on notice that those moneys do not belong beneficially to the Company.

When monetary funds are deposited by the Client (or any other person on behalf of the Client) on the Company's bank account, the Company shall perform identification of the person that carried out such deposit of the monetary funds. The Company has the right to require from the Client (or any another person acting on behalf of the Client to deposit funds) to provide additional information to the Company. In the event that the required information is not provided by the Client (or any other person acting on behalf of the Client), the Company has the right not to credit monetary funds to the Client Account and return monetary funds to the person that transferred such funds.

The Company shall maintain its own books and records, where the Company shall enter records of all securities purchased, sold and any other transaction conducted by the Company on behalf of the Client pursuant to the present Terms and Conditions.

The Client may at any time request to transfer any amount of monetary funds after retaining of a sufficient amount on the Client Account to execute the Client's outstanding liabilities and reimburse to the Company all the costs and expenses connected with the said transfer. Monetary funds will be transferred by wire transfer only to an account in the Client's name within 10 (ten) business days after the receipt by the Company of the Client's Order for transfer of funds.

The Client may at any time request the transfer of the portion of or the entire Portfolio held on the Securities Account/Custodian Account. In this event, or in the event that any agreement for the provision of investment services is terminated, the Company shall, within 10 (ten) business days after the receipt by the Company of the Client's Order for the transfer of monetary funds and/or Securities, transfer the portion of or the entire Portfolio to the Client or its authorized representative, withholding the amount sufficient to reimburse the costs and expenses for such transfer.

The Company may request any additional information and other due diligence work on the Client prior to accepting any withdrawal orders by the Client if the request for the withdrawal is for the funds to be sent to a different account/source from that which was originally used to fund the Client's account with the Company. **The Company maintains the right not to execute – at its discretion and without having to provide any explanation - any withdrawal of funds to a different account from that which they were initially deposited**

**from and may return the funds to the same source they were originally deposited/transferred from.** The Client consents to this treatment.

Before accepting any credit card deposits and/or making any such credit card deposits available into the Client's Account with the Company, the Company must be fully satisfied that the Client is indeed the legitimate owner/user of the credit card used and that it is the Client, as the legitimate owner/user of the credit card, who is making and/or authorizing the deposit by credit card; in those instances where the Company is not satisfied that the Client is the legitimate owner/user of the credit card used and that it is the Client, as the legitimate owner/user of the credit card, who is making and/or authorizing the deposit by credit card, we reserve the right to refuse the credit card deposit(s) in question and to refund/send back the net amount deposited to the **same credit card account and via the same payment method through which such deposit(s) was/were made**. Fraudulent transactions are immediately cancelled after being detected. Furthermore, in such instances, we reserve the right, at our sole discretion, to take all action as we see fit, including, without limitation, completely blocking access to our Online Trading Systems, blocking and/or revoking your Access Codes and/or terminating your Account. Under these circumstances, we reserve the right to seize any profits and/or revenues generated directly or indirectly by exercising any such prohibited trading activity and we shall be entitled to inform any Interested third parties of your breach of this clause; any active Orders associated with the same fraudulent credit card and/or Account will also be cancelled immediately; we have, and will continue to develop any tools necessary to identify credit/debit card fraud; any dispute arising from such fraudulent activity will be resolved by us in our sole and absolute discretion, in the manner we deem to be the fairest to all concerned; that decision shall be final and/or binding on all participants; no correspondence will be entered into.

The Company is under no obligation to transfer any Securities, if, in the opinion of the Company, such assignment/transfer is prohibited by or is not compliant with any effective law or regulation applicable to such transfer.

In case of the transfer of some of Securities turns out to be unachievable or impossible, the Company shall duly notify the Client and continue holding such Securities until further instructions from the Client.

In the event of the Client's Orders being executed by third parties, the Client's relevant operations with securities and funds, the safe-keeping of shares and other securities and/or records kept on the rights to shares and other securities of the Client will be carried out on the Company's custody accounts opened with such third parties (or with other custodians) and bank accounts with credit institutions in the manner and on the terms determined by third parties (custodians) and credit institutions.

The procedure for maintaining aforementioned custody accounts and bank accounts shall be regulated by laws and other statutory acts of the countries of registration of the depositaries and institutions with which Clients assets are held, therefore the Client's rights related to these financial instruments and/or monetary funds may be changed accordingly.

The Company shall notify the Client of any cases when it is not possible to maintain financial instruments with a third party separately from own financial instruments of this third party and shall give express notice of the related risks.

The Company reserves the right and the Client acknowledges the Company's right to keep the Client's monetary funds and financial instruments in omnibus accounts opened with third parties on a fungible basis. In this case the Company guarantees to the Client the following:

- the Company keeps internal records of all the Clients' monetary funds and financial instruments held in omnibus accounts with third parties;
- the Company has in place systems and controls which ensure internal separate accounting of monetary funds and financial instrument of each Client held in omnibus accounts with third parties;
- the Company conducts on regular basis reconciliations between its internal accounts and those of any third parties by whom Clients' monetary funds and financial instruments are held.

The Company shall bear no responsibility before the Client for any actions, inactions or omissions of a third party and also for any losses incurred by the Client as a result of actions, inactions or omissions of a third party unless such losses directly arises from the Company's willful default or fraud or gross negligence. The Company shall

also bear no responsibility or liability for unfavorable consequences for the Client due to the insolvency/bankruptcy of a third party.

The Company concludes agreements with third parties which agree to segregate Clients' monetary funds and financial instruments from their own funds. However the third party to whom the Company will pass Client assets may hold it in an omnibus account and **it may not be possible** to separate it from its other Clients' money, or the third party's money. In the event of the insolvency or any other analogous proceedings in relation to that third party, the Company may only have an unsecured claim against the third party on behalf of the Client, and the Client will be exposed to the risk that the money received by the Company from the third party is insufficient to satisfy the claims of the Client with claims in respect of the relevant account. The Company does not accept any liability or responsibility for any resulting losses.

The Company has the right to hold the Client's monetary funds and financial instruments with credit and financial **institutions outside European Economic Area**. In such circumstances the legal and regulatory regime may differ from that applicable in the Republic of Cyprus with the effect that in the insolvency or equivalent failure of that bank or third party the treatment afforded to Client Funds may be different to the treatment afforded to Client Funds held in an account with a bank or third party subject to the Republic of Cyprus laws. The Company will not be liable for any failure or insolvency of any bank or third party; however, applicable investor compensation or deposit protection schemes may protect a proportion of Client Funds with any bank or third party. In the event of the insolvency or any other analogous proceedings in relation to that third party, the company will only have an unsecured claim against the third party on behalf of you and the Company's other clients, and you will be exposed to the risk that the money received by the Company from the third party is insufficient to satisfy the claims of you and all other clients with claims in respect of the relevant account. If the Company holds the Client's monetary funds and financial instruments outside European Economic Area they will be subject to the laws of that state and the Client's rights in relation to those monetary funds and financial instruments may differ accordingly.

## 15. MARGIN DEPOSITS, COLLATERAL AND PAYMENT

### (a) Margin and collateral

**Margin** is the amount of cash which the Client is required to deposit with the Company in order to enter into Transactions/Contracts. Before the Client places a Transaction and/or Contract which creates an open position the Client must ensure that the Margin in his account is sufficient to cover the Margin Requirement in respect of that open position where such margin requirements exist. If the Client's Margin is less than the Margin Requirement for the open position he wishes to create, the Company may reject his Transaction and/or Contract. The Margin Requirement must be maintained at all times until the open position is closed and may increase or decrease at any time until the open position is closed.

**Contingent liability:** Where the Company effects or arranges a Transaction and/or Contract, involving, for instance, a Contract for Differences, the Client should note that, depending upon the nature of the Transaction or Contract, the Client may be liable to make further payments when the Transaction and/or Contract fails to be completed or upon the earlier settlement or closing out of your position. The Client will be required to make further variable payments by way of Margin against the purchase price of the investment, instead of paying (or receiving) the whole purchase (or sale) price immediately. The movement in the Market Price of the Client's investment will affect the amount of Margin payment he will be required to make.

**Margin call:** The Client must provide to the Company on demand such sums by way of Margin as the Company may in its reasonable discretion require. The Company may, in some circumstances, require higher margin depending on market conditions, market circumstances, total equity of all Accounts held with it, or due to the size and/or volume of the Client's trading activity with it.

**Margin requirements:** The Company may change its Margin requirements at any time. Any requirement for Margin payments must be satisfied within such time as may be specified by the Company or, if none is specified, immediately. One Margin call does not preclude another.

**Margin requirements prior to and during Market Disruption:** Without prejudice to what is set out herein above, the Company at its sole discretion may temporarily require higher margin for placing new Orders for any specific or all Financial Instruments (compared to the normal margin requirements of the Client's account) in the following, non-exhaustive cases:

- a. Prior to and/or during Friday market closure;
- b. Prior and/or during to any other market closure for any specific or all Financial Instruments;
- c. Prior and/or during to any major news announcements, such as, but not limited to, the Non-farm Payroll announcement;
- d. Prior and/or during to any anticipated abnormal Market conditions and/or Market Disruptions.

The above temporary increase of the margin requirements is only intended to affect new orders placed following the implementation of the new margin requirements and it will not affect any Orders which have been placed prior to the implementation of the new margin requirements.

**Form of Margin:** Margin must be provided in the form of cash or, only in those instances in which the Parties may agree otherwise, other assets, such as collateral (by which we mean investments, securities, bonds or any other financial instrument, property or asset acceptable to us in lieu of cash) ("Collateral") (all together "Assets"). The currency of the cash Margin the Client pays to the Company shall be the currency of the relevant underlying Transaction (if applicable) or as the Company may in its discretion reasonably decide from time to time. **Cash Margin is paid to the Company as an outright transfer of title and you will not retain any interest in it.**

**Failure to meet Margin call:** The Client is responsible for maintaining appropriate arrangements with the Company at all times for the receipt and communication of information regarding Margin. The Client shall promptly deliver any money or property deliverable by him in respect of any Transaction or Contract in accordance with the terms of that Transaction or Contract and with any instructions given by the Company for the purpose of enabling us to perform our obligations under any corresponding Transaction or Contract entered into between the Parties and a third party. If the Client fails to provide the Company with the required Margin, deposits or other payable amounts in accordance with the terms of any Transaction or Contract within in the required time, the Company will be entitled, at its sole discretion, to close out any open Transaction or Contract without prior notice to the Client and apply any proceeds thereof to payment of any amounts due to us and/or, as the Company deems fit at its sole discretion. Such failure may also be considered as an Event of Default.

**Currency Conversion:** All initial and subsequent calls for Margin shall be made in the currency of the Transaction and/or Contract, or in the currency of the Client's Account as the Company may determine, in such amounts as the Company may in its absolute discretion require; the Company is authorized to convert funds in the Client's account for Margin into and from such foreign currency at a rate of exchange determined by the Company on the basis of the then prevailing money market rates. In such circumstances, the Company will not be liable to you for any loss suffered by the Client as a result of such action (although, the Company will use reasonable endeavours to only convert such funds as may prudently be required to cover the position in respect of the relevant transaction).

**Refusal to accept Margin:** We reserve the right to return to the Client at any time, with or without reasons and without being obliged to provide you with any justification of explanation, any Assets deposited with the Company by way of Margin, Collateral, deposits or otherwise.

**Margin call level / stop-out level:** The Client accepts that the Company's Online Trading Systems operate with an automated risk monitoring, Margin Call and Stop-out facility designed to monitor the overall utilization of your available collateral in support of the Company's prevailing Margin and cash funding requirements for the Transactions and/or Contracts the Clients are entering into via the Company's Online Trading Systems; using this automated risk monitoring, Margin Call and Stop-out facility, the Company will, unless otherwise stated, apply initial, maintenance or close out Margin call at the prevailing Margin Call or Stop-out levels, as stated from time to time on the Company's Online Trading Systems.

The Company's Margin Call monitoring and stop-out systems ensure that the Client's maximum possible risk is his Account equity. When the Client has losing positions, his Margin Level will go down and may become close to the Margin Call Level. When the Client has winning positions, his Margin Level will go up and the Margin Call Level may become more remote.

The Client is, however, fully and personally responsible for monitoring the activity of their Accounts, including, without limitation, whether and when their open positions reach Margin Call Level. **Additionally, the Client understands and accepts that the Company's Margin Call monitoring and stop-out systems do not**

**provide any guarantee that the Client's maximum possible loss shall not exceed his Account equity particularly in situations of extreme market volatility.**

The "Stop-out Level" is the level of Client's equity where the Company's Online Trading Systems will start automatically to close trading positions (starting from the least profitable position and until the Margin Level requirement is met) in order to prevent further account losses into the negative territory.

In the case where a 'Stop Order' or 'Limit Order' (or 'Entry Stop' or 'Limit') is entered at the same price that would trigger a Stop-out, the Stop-out will be executed when that price is touched (or gaps through the price) and all pending Orders attached to that trade will be cancelled.

**A MARGIN CALL OR, AS THE CASE MAY BE, STOP-OUT, WHEN TRIGGERED, WILL TAKE PRECEDENCE OVER OTHER ORDER TYPES.**

## **(b) Security**

**Security interest:** All Assets belonging to the Client which the Company may at any time be holding for you (either individually, jointly with another, or as a guarantor of the account of any other person) or which may at any time be in the Company's possession or control or carried on the Company's books for any purpose, including safekeeping, are to be held by us as security for the performance of the Client's obligations to the Company shall be held subject to a general lien and right of set-off for any of your liabilities to us and irrespective of the number of Accounts the Client may have with the Company. Without limitation such security shall comprise the credit balances on the Client's Account(s), any securities registered as belonging to the Client on the Company's books, and the value of the Client's open positions with the Company. The Company may, in its absolute discretion and without notice to the Client, apply and/or transfer any or all Assets belonging to the Client between any of the Client's accounts with the Company and combine or set off between accounts and convert any currency into another. Without prejudice to any other rights to which the Company may be entitled, it may at any time and without notice to the Client set off any amounts (whether actual or contingent, present or future) at any time owing between the Client and the Company paying the Client the difference. The Client may not withdraw or substitute any Assets or property subject to the Company's security interest without its prior express and written consent.

Without prejudice to the above paragraph, our services to Clients are provided on the understanding that where the Client transfers money and/or Collateral to the Company by way of Margin or otherwise, we will treat this as a transfer of full ownership of such money and/or Collateral to the Company for the purpose of securing or covering the Client's present, future, actual, contingent or prospective obligations, and we will not treat such money and/or Collateral as 'Client Funds'. Accordingly, without prejudice to any other provisions of this Agreement, we shall have the right to pledge, charge, loan or otherwise use or dispose of all or part of such money and/or Collateral provided to us by way of Margin, as if we were the beneficial owner thereof. We will transfer an equivalent amount of money and/or Collateral back to the Client where, at the Company's sole discretion, it considers that the amount of money and/or Collateral the Client has transferred to it is more than is necessary to cover the Client's present and future obligations to the Company. The Client agrees that Collateral provided in the form of investments will be returned to him in the form of investments of the same description and amount as those accepted by the Company as Collateral, but that any such Collateral returned to the Client need not be the actual investments provided by the Client.

**Set-off on Default:** If an Event of Default occurs (as defined hereinafter) or this Agreement terminates, the Company shall set-off the balance of cash Margin owed by it to the Client against the Client's obligations (as reasonably valued by us) to the Company. The net amount, if any, payable between us following such set-off, shall take into account the amounts payable to the Company under the Clause headed "Netting" of these Terms and Conditions.

**Right to pledge, re-pledge, hypothecate, invest or loan:** The Client hereby warrants and represents that any property or Assets he transfers to the Company as Collateral under these Terms and Conditions are free from any lien, security interest or other encumbrance other than the lien created under these Terms and Conditions. The Client hereby also grants to the Company the right to pledge, re-pledge, hypothecate, invest or loan, either separately or with the property of other clients any Collateral we hold for you whether, to ourselves as broker or to others in satisfaction of our clients' obligations to us or such third party.

**Negative pledge:** The Client undertakes neither to create nor to have outstanding any security interest whatsoever over, nor to agree to assign or transfer, any of the cash or non-cash Margin transferred to the Company, except a lien routinely imposed on all securities in a clearing system in which such securities may be held.

**Power to charge:** The Client agrees that the Company may, to the extent that any of the Margin the Client provides it under these Terms and Conditions constitutes "financial collateral" and this Agreement and the Client's obligations hereunder constitute a "security financial collateral arrangement", free of any adverse interest of the Client or any other person, grant a security interest over Margin provided by the Client to cover any of the Company's obligations to an intermediate broker or Market, including obligations owed by virtue of the positions held by us or other of our clients.

**Power of sale:** If an Event of Default occurs (as defined hereinafter), the Company may exercise the power to sell all or any part of the Margin the Client provides it with under these Terms and Conditions and shall be entitled to apply the proceeds of sale or other disposal in paying the costs of such sale or other disposal and in or towards satisfaction of the Secured Obligations. Such sale shall take place by the means that the Company in its reasonable discretion determines and at the price that we in our reasonable discretion determine to be the best obtainable.

**General lien:** In addition and without prejudice to any rights, the Company shall be entitled to a general lien on all Assets and property held on the Client's behalf by the Company, until the satisfaction of all Secured Obligations. Without limitation, such general lien shall comprise the credit balances on the Client Accounts, the securities registered as belonging to the Client on our books, and the value of the Client's open positions with the Company. The Company may, in its absolute discretion and without notice to the Client, apply and/or transfer any or all such Assets which the Client has deposited at any time with the Company or which may at any time be in the Company's possession or control or carried on our books for any purpose, including safe keeping, between any of the Client Accounts with the Company and combine or set off between accounts and convert any currency into another. Without prejudice to any other rights to which the Company may be entitled, it may at any time and without notice to the Client set-off any amounts (whether actual or contingent, present or future) at any time owing between you and us paying the Client the difference.

## 16. INVESTOR COMPENSATION FUND

The Company hereto informs the Client that the Company is a member of the Investor Compensation Fund for Customers of Cypriot Investment Firms (hereinafter referred to as the "Fund") in order to secure financial instruments (Securities) and monetary funds, transferred by the Client to the Company according to the present Terms and Conditions. The Fund secures the Client's claims which may arise from failure of the Company to fulfill its obligations to the Client.

The Client hereby acknowledges and accepts that they are not entitled to any protection under the Fund for any activity that relates to cryptocurrency related services provided by J2TX Ltd. However, Derivatives on Virtual Currencies qualify as financial instruments under the Law and are entitled to protection under the Fund.

In cases specified in the Law, if the Company is unable to fulfill its obligations under these Terms and Conditions, retail Clients have a right to receive compensation from the above mentioned Fund. Information about Fund's objects, conditions and procedure of compensation payment by the Fund to the Clients is contained in Appendix 4 to these Terms and Conditions.

## 17. REGISTRATION OF OBLIGATIONS OF THE COMPANY

When entering into each transaction which requires registration, the Company shall carry out such registration on the Client's behalf or on its own behalf, but at the expense of the Client, and all registration fees shall be paid up by the Client and shall be debited from the Client's Cash Account.

The Company shall, at the Client's expense, take every reasonable measure to ensure that the Securities are registered with a relevant register and, if required, present a receipt or an excerpt from such register that such registration was performed.

The Company shall be entitled to appoint an agent to perform registrations. The Company, or its agent, may rely upon any document or other communication reasonably believed by the Company or its agents to be genuine and correct; and/or upon any person who is authorized to settle these issues.

The Company makes no representations or warranties as to the truth, completeness or accuracy of any extract from any register or that the extract properly states the interest of the interested party.

Registration of the transaction and/or Securities shall be made in accordance with the legislation requirements of the country where the transaction executed and/or Securities issued.

## 18. FEES AND COMMISSIONS

The Client shall reimburse the Company and third parties providing services to the Company the following expenses (hereinafter referred to as the "Expenses"), incurred by the Company in the course of the proper fulfillment of its obligations under the present Terms and Conditions:

1. all expenses associated with conclusion, clearing and settlement of transactions and other expenses that may arise in connection with the transactions, including but not limited to, the payments of the registration fees, transfer agents fees, exchange fees, dues and other payments in favor of exchange through which a transaction has been made, bank fees, transaction fees;
2. currency conversion fees, when the Client's order on securities purchase and/or funds transfer should be effected in currency different from the currency of monetary funds included in the Portfolio;
3. the Company's expenses on payment of custodians' services, holders of registrars of issuers' shareholders registers;
4. bank transfers fees;
5. in case of any out of the ordinary Client requests to the Company (such as requests for confirmation letters etc) there is a minimum charge of EUR 100 (one hundred);
6. a quarterly "Compliance and Anti-Money Laundering Review and Monitoring" fee of **0,95 %** of client assets payable in advance and upon demand for the purpose of covering sanction compliance, legal compliance and general administrative services relating to the administration of accounts from Clients who are either residents or citizens of Russia or Belarus and have transferred to the Company a cumulative aggregate of funds exceeding Euro 100.000 from the date of account opening. The Company maintains the right to liquidate any open market positions held by these Clients unilaterally and without any prior authorisation from the Client in order to cover the "Compliance and Anti-Money Laundering Review and Monitoring" fee arising in the event that the funds held by the affected client do not suffice to cover such fee at the moment it is due. The Client explicitly consents to such liquidation at the discretion of the Company and in accordance to the Company's Best Execution Policy. The quarterly "Compliance and Anti-Money Laundering Review and Monitoring" fee will commence from 28<sup>th</sup> February 2022.

When executing a Client Order to purchase securities and/or transfer monetary funds in a currency other than the currency of the funds that form the Portfolio, one currency shall be converted into another currency at the exchange rate quoted by the converting bank at the time of conversion.

At conversion the rounding off shall be made in accordance with standard rule, up to minimal monetary unit of currency of conversion (cent, eurocent, kopeck). If the third figure after a comma is less, than 5 the rounding off shall be made aside reduction (the rounding off shall be made in favor of the Company). In case of the third figure after a comma is more or equals to 5 the rounding off shall be made in greater party (the rounding off shall be made in favor of the Client).

Expenses incurred for maintaining the Company's bank client accounts shall not be charged to the Client's account and shall be paid by the Company independently.

The Company reserves the right to amend, alter, modify, delete or add to any of these Commissions and Charges at any time and at its sole discretion. When these Commissions and Charges are modified (hereinafter referred to as "Changes") the Company will post such Changes on its Online Trading Systems and/or otherwise notify the Client of such Changes, each such notification of which shall be deemed as sufficient notice and it is the Client's

duty to consult and/or to check regularly the information posted under on the Company's Online Trading Facility regarding any such Changes. Therefore, the Clients should review the relevant fee schedules on the Company's Online Trading System from time to time so as to ensure that he will be aware of any such Changes. Except if, and then to the extent provided otherwise in these Terms and Conditions, all Changes shall be effective five (5) calendar days after their initial posting on our Online Trading Facility, or as of the first time that you access and/or use our Online Trading System after such amendments are made, whichever is sooner. The Client's continued use of the Company's Online Trading System after the publication of any Changes shall be considered as the Client's agreement to such Changes and shall be governed by these Terms and Conditions, as modified. If the Client does not wish to be bound by those Changes, he should cease to use the Company's Online Trading System, and inform the Company in writing, immediately.

The Company shall not be liable for any error of judgment or any loss suffered by the Client in connection with the use of its services provided and in particular, but without limitation, the Company shall not be held liable for any loss which may be sustained in relation to the purchase, storage or sale of any Securities, unless such loss arises from bad faith, willful default or fraud on the part of the Company or any of its employees.

The Client indemnifies the Company from all costs and expenses reasonably incurred and also against debts payable to third parties pursuant to or in connection with the provision of investment services by the Company, unless due to the negligence, willful default or fraud on the part of the Company.

As compensation for the provision of investment services, the Company charges the Client, and the Client undertakes to pay to the Company the fee according to the procedure for Company's fee calculation specified in **Appendix 6** to the present Terms and Conditions.

Unless otherwise specified in agreement(s) for provision of investment services or in addenda between the Company and Client, all amounts due to the Company and/or third parties providing services to the Company shall be deducted from the Client's monetary funds held in the Company without the requirement of the Client's additional consent. The Client authorizes the Company at any time, at the Company's discretion and without further notice to the Client to set-off and/or charge any of the Client's assets in order to discharge any of the Client's obligations to the Company and/or third parties.

If at any time the Client's funds are freely available at the Client's Account(s) with the Company and are insufficient to cover the expenses incurred by the Company, the Client shall promptly deposit funds to cover the deficiency. If the Client fails to make the said deposit within 5 (five) working days from the moment a relevant notification is sent, the Company may proceed with the sale of financial instruments from the Client's securities account(s)/Custody Account(s) without further notice to the Client unless otherwise agreed upon by the Company and the Client. The Company will then notify the Client of the effected sale orally, via email or by sending a relevant notification via the Company's Trading Systems.

The Client confirms its awareness with the fact that in case of absence in the Client' Accounts of cash and/or securities necessary for the execution of the Client's Order, and also in the event that no cash is available for the payment of the Company's services and others expenses incurred by the Company according to the terms of these Terms and Conditions, the Company shall not be obliged to execute any Client Orders.

## 19. INDUCEMENTS

The Company, further to the fees and charges paid or provided to or by the Client or other person on behalf of the Client, may pay and/or receive fees/commission to/from third-parties, provided that these benefits are designed to enhance the quality of the offered service to the Client and not impair compliance with the Company's duty to act in the best interests of the Client.

A fee, commission or non-monetary benefit shall be considered to be designed to enhance the quality of the relevant service to the client if all of the following conditions are met:

a) it is justified by the provision of an additional or higher level service to the relevant client, proportional to the level of inducements received, such as:



i. the provision of non-independent investment advice on and access to a wide range of suitable financial instruments including an appropriate number of instruments from third party product providers having no close links with the Company;

ii. the provision of non-independent investment advice combined with either: an offer to the client, at least on an annual basis, to assess the continuing suitability of the financial instruments in which the client has invested; or with another on-going service that is likely to be of value to the client such as advice about the suggested optimal asset allocation of the client; or

iii. the provision of access, at a competitive price, to a wide range of financial instruments that are likely to meet the needs of the client, including an appropriate number of instruments from third party product providers having no close links with the Company, together with either the provision of added-value tools, such as objective information tools helping the relevant client to take investment decisions or enabling the relevant client to monitor, model and adjust the range of financial instruments in which it has invested, or providing periodic reports of the performance and costs and charges associated with the financial instruments.

b) it does not directly benefit the recipient firm, its shareholders or employees without a tangible benefit to the relevant client;

c) it is justified by the provision of an on-going benefit to the relevant client in relation to an on-going inducement.

The Company may pay fees/commissions to introducing brokers, referral agents, or other third parties based on a written agreement. These fees/commissions may be related to the frequency/volume of transactions performed by the Client through the Company. The Company may also receive fees/commissions as well as other remuneration from third parties based on a written agreement. The Company may receive fees/commissions from the counterparty through which it executes transactions (if applicable). Such fees/commissions are related to the frequency/volume of transactions executed through the counterparty.

## 20. NETTING

Unless otherwise agreed between the Company and the Client, if as of any date the same amounts in the same currency are due to the Company and the Client, then, as of this date, the obligations to make payment of any such amount shall be automatically discharged. If the amounts due are not in the same currency, the Company shall, at its own discretion, convert such amounts to set off mutual obligations without contacting to the Client.

Unless otherwise agreed between the Company and the Client, if the aggregate amount due to the Company exceeds the aggregate amount due to the Client, then the Client shall pay the difference to the Company and the mutual obligations to make payment will be set off. In any case the final amount to be paid by either the Company or the Client shall be the difference between their payment obligations.

If settlements are made under transactions to buy/sell securities, which are executed by the Company and counterparties at the Client's request, and there are no other arrangements made with the Client and a counterparty, any obligations related to similar counterclaims between the Client and a counterparty under such transactions, which include the transfer of funds and securities, shall be automatically settled.

In the absence of any other arrangements with the Client and the counterparty under securities buy/sell transactions, which were executed by the Company and counterparties on the Client's request, if amounts of counterclaims differ, mutual claims may be offset after the Client pays the counterparty or the counterparty pays the Client any amount equal to the difference between their payment obligations.

If amounts payable under securities buy/sell transactions, which were executed by the Company and counterparties at the Client's request, and the Client's available funds are denominated in various currencies, the Company may convert, at its discretion, with no additional consent of the Client in order to offset obligations.

In the absence of any other arrangements with the Client and a counterparty under securities buy/sell transactions, which were executed by the Company and counterparties at the Client's request, if the number of securities under counterclaims differs, mutual claims may be offset after the Client delivers to the counterparty or the counterparty delivers to the Client the number of securities equal to the difference between their mutual obligations related to the delivery of securities.

If the aggregate amount that is payable by one Party exceeds the aggregate amount that is payable by the other Party, then the Party by whom the larger aggregate amount is payable shall pay the excess to the other Party and the obligations to make payment of each party will be satisfied and discharged.

If the client relationship is terminated, then the claims that the Parties have against each other shall be finally discharged by means of netting (closed). The value of any open Contracts shall be determined according to the principles set forth below and the final amount to be paid by one of the Parties shall be the difference between the payment obligations of the parties.

## 21. REPORTS TO THE CLIENT AND PROVISION OF OTHER INFORMATION

The Client consents to receiving all Account information, Trade Confirmations and Account Statements via the Internet and that Orders or instructions given to the Client via e-mail or other electronic means will constitute evidence of the Instructions given. The Client will be able to access all his Account Information via the Company's Online Trading Facility using his own Access Codes. The Client will have access via the Company's Online Trading System to customizable statements that will allow the Client the ability to view, individual Transactions and/or Contracts, daily, weekly, and monthly reports and trade information. The updated Account Information normally will be updated periodically during the company's Dealing Hours and will in any event be available no more than twenty four (24) hours after activity is generated in your Account.

The posting of these activities will be deemed delivery of Trade Confirmation and Account activity Statements. The information will include Trade Confirmations with ticket numbers, buy and sale rates, transaction amount, statements of profit and loss, current open positions as well as pending Orders.

If the Client no longer wishes to communicate via electronic media, he must notify the Company and revoke this consent in writing. If the Client does not wish to communicate via electronic media at all, he must inform us of your wishes when applying to open an Account with us. However, if the Client revokes his consent, then access to the Company's Online Trading Systems may be restricted or terminated, at the Company's sole discretion.

As previously indicated, any such communications being made via electronic media shall be treated as satisfying any legal requirement that a communication should be signed and 'in writing', to the extent permitted by Applicable Laws, Rules and/or Regulations Furthermore, you hereby waive any rights or requirements under any Applicable Laws, Rules and/or Regulations in any jurisdiction which require an original (non-electronic) signature or delivery or retention of non-electronic records, to the extent permitted under applicable mandatory law.

The Client accepts that when choosing whether to receive the Company's reports as a hard copy or through Online Trading System(s), the Client shall select the latter.

## 22. CORPORATE ACTIONS AND PROXY VOTING

The Client shall independently track all corporate actions in relation to the securities he holds at the brokerage account with the Company. The Client shall submit instructions to process a particular corporate action (e.g., exercise of rights, dividend distribution/reinvestment) to the Company in timely manner, which is 3 business days before the market deadline. If the Client fails to do so, the Company reserves the right to reject the instruction or process it on best effort basis if accepted.

Given that securities are held in pooled omnibus accounts the Company reserves the right to process corporate actions applicable to such securities in accordance with the selection of majority of the Clients on whose behalf the Company holds the securities. This right shall apply even if the selection contradicts the instruction submitted by any particular Client.

The Company does not provide any proxy voting services. The Company is not obliged to notify of or arrange the attendance of any general meetings and/or arrange the exercise of voting rights applicable to the securities the Company holds on behalf of the Clients.

## 23. DATA PROTECTION

The Company respects each Client's right to privacy, values its relationship with its Clients and takes pride in maintaining loyalty and respect with each individual Client by providing them with security. The provisions of this notice apply to former clients as well as our current clients and explain the manner in which we collect and maintain non-public information about our clients (such as your full name, mailing address, identification number, passports, driver's license etc.; henceforth "Information").

The Company will obtain and hold information about Clients (including, without limitation, personal information and information relating to their Account and Account history) in accordance with data protection and anti-money laundering legislation. The Client agrees that the Company can rely on, hold and process his personal information for the purpose of providing the Company's investment services, including administering the relationship with the Client, managing the Client's account, recovering amounts payable, considering the Client's application(s), carrying out risk assessment, complying with regulatory obligations, and undertaking product development and analysis.

The Company collects Information from the Client when the Client:

- (a) applies to open an Account with the Company and provides the Company with Information through electronic and/or other registration forms;
- (b) makes a transaction with the Company including when depositing and withdrawing funds;

Additionally, from time to time, the Company shall collect Information about the Client from third party entities such as information about the Client's credit history. The Client consents for the Company to collect, use and store the Information in the manner provided for in these Terms and Conditions.

The Information the Company collects directly from you includes the following: (a) **Personal Information:** when you apply for or maintain a real account with us, we collect personal information about you for business purposes, such as evaluating your financial circumstances, processing your requests and transactions, informing you about products and services that may be of interest to you, and providing customer service; such information may include:

- (i) **Application Information:** Information the Client provides such as name, address, birth date, occupation, assets, and income, education, experience in the financial markets as well as Information required to communicate such as your address, phone number, e-mail;
- (ii) **Transaction Information:** Information about the transactions undertaken by or behalf of the Client as well as information about communications with the Client (examples include your account balances, trading activity, Client's inquiries and our responses);
- (iii) **Verification Information:** Information necessary to verify the Client's identity such as a passport or driver's license (Examples also include background information we receive about the Client from public records or from other entities not affiliated with us); furthermore, the Company may collect other identifiable Information such as identification numbers and/or Passport/Tax registration numbers; we may also collect demographic information when you open an account, including your gender, birth date, etc.; we may also need to evaluate your trading experience, average annual income, estimated net worth and make an assessment about your risk factor.

The Client directly provides the Company with most of the Information required. This is done by filling out the various electronic form(s) (including, without limitation, the Account Opening Application Form(s)) that the Company posts on its Online Trading Systems and by voluntarily providing the Company with other required documents. Additionally, the Client provides us with Information by trading on our systems, by contacting us or by responding to a promotion.

The information the Company indirectly collects may include the Client's Internet Protocol (IP) address, software configuration, operating system and use of Cookies; Cookies are small files containing information that a Website uses to track its visitors which may be sent from us to your computer and sometimes back. Cookies ultimately help the Company improve the Client's navigation and ease of use of the Company's Online Trading

Facility. The Company may set and access Cookies on the Client's computer, enabling it to learn which advertisements and promotions bring users to our Online Trading Systems. The Company may use cookies in connection with any of its investment products and/or services and to track the Client's activities on its Online Trading Systems. Such information that the Company collects and shares would be anonymous and not personally identifiable.

We use the Information we collect from the Client only as appropriate and in order to provide the Client with quality service and security. For example, the Company may use the Information collected from the Client to verify the Client's identity. The Company may also use this Information to establish and set up the Client's trading Account, issue an Account number, issue Access Codes (username and/or password), log the Client's activity and contact the Client from time to time. The Information the Client provides to the Company helps it to improve its services to the Client, customize the Client's browsing experience and inform the Client about additional products, services or promotions that may be of interest to him. Should the Client ever deactivate his Account with the Company or anyhow terminate the provision of investment services, the Company will keep the Client's information on file, but only use it to comply with regulatory requirements and to contact the Client occasionally with the option to reactivate his account.

In order for the Company to provide its investment services to the Client, the Client hereby acknowledges and consents that his personal information may be transferred to third parties which provide services that are required by the Company in order to be able to provide its investment services to the Client. Such third parties may be located in other countries, including some outside of the European Economic Area. The Client consents to such transfer of personal information.

The Company does not disclose or share Information about any of its Clients (whether active or inactive) to any third parties other than in the manner and to the entities set forth below:

**Sharing Information with our Associates:** The Company may share personal information described above with Associates for the purpose of enabling it to provide its investment services to the Client, such as, but not limited to, servicing Client's Accounts and informing Client's about new products and services, or to aid in the trading activity of our Company, its affiliates, or employees, and as permitted by applicable law. The information the Company shares with affiliates may include any of the information described above, such as the Client's name, address, trading experience and account information. The Company's Associates are committed to maintaining the privacy of the Client's information to the same extent the Company does and in accordance with the provisions set forth herein.

**Sharing Information with other Third Parties:** The Company does not disclose the Client's personal information to third parties, except where such disclosure is required to enable and support the provision of the investment services to the Client's Account or facilitate the Client's Transactions and/or Contracts, including those that provide professional, legal, or accounting advice to the Company or that are acting on the Company's behalf in order to investigate the Client's credit standing. Non-affiliated companies that assist the Company in providing investment services to the Client are required to maintain the confidentiality of such information to the extent they receive it and to use your personal information only in the course of providing such services and only for the purposes that the Company dictates. The Company may also disclose the Client's personal information to third parties to fulfil the Client's instructions or pursuant to the Client's express consent.

**Regulatory Disclosure:** Under limited circumstances, the Company may disclose the Client's personal information to third parties as permitted by, or required to comply with, Applicable Laws, Rules and/or Regulations in the jurisdiction of which the Client is a citizen or a permanent resident of, or, in the case of a Legal Entity is formed, incorporated, domiciliation and/or doing business, and/or of the jurisdiction in which we are organized and/or is performing the investment services provided hereunder. For example, the Company may disclose personal information to cooperate with regulatory authorities and law enforcement agencies to comply with subpoenas or other official requests, and as necessary to protect the Company's rights or property.

The Client consents to the Company, the Company's agents acting on behalf of the Company, carrying out such credit and identity checks, including money laundering checks, compliance regulatory reporting and fraud prevention checks, as the Company may reasonably consider necessary or desirable, including requesting a reference from the Client's bank or any credit reference agency. The Client understands and agrees that any third party referred to in this clause may share any information concerning the Client with the Company and other

organizations involved in credit reference, the prevention of fraud and/or crime and/or money laundering or for similar purposes or to recover debts involved.

By submitting personal information to the Company, the Client agrees to be bound by the terms of the Company's Privacy Policy as set out on the Company's website as well as to the relevant clauses of these Terms and Conditions, including authorizing the Company to contact the Client by email, telephone or post to give information about carefully selected products or services offered by the Company, that are similar or related to products or services provided or previously provided to the Client. The Client consents to the company using the Client's data for this purpose for the period the Client has an Account with the Company and after the Client closes the Account. If the Client does not wish to receive such information, then the Client should submit such a request to the Company in writing.

The company will use reasonable endeavours to contact and notify the Client of any change to how it holds, processes or discloses information, by posting a notice on the Company's website or sending the Client an email to the last known email address. If the Client does not inform the Company that he objects to this change in writing within 10 days of the notice and the Client continues to use the Company's investment services after the expiry of this period of notice, then it will be regarded as having agreed to it.

If the Client wishes to access information that the Company holds about him, or to have inaccurate information corrected he should contact the Company by sending an email [dpo@just2trade.online](mailto:dpo@just2trade.online). The Company may require the Client to pay a fee for this information in order to cover the relevant administration costs. Certain information may be exempt from being disclosed and in certain circumstances the Company may not be able to disclose certain information.

The Client consents that the Company shall record all conversations with the Client and monitor (and maintain a record of) all telephone conversations, emails and electronic communications between the Company and the Client. All such records are the Company's property and can be used by the Company, amongst other things, in the case of a dispute between the Client and the Company.

The Client's telephone conversations, e-mails, internet conversations (chat), meetings and other communications with the Company will be recorded/maintained by the Company. Any recordings shall be and shall remain the Company's sole property and will be accepted by the Client as conclusive evidence of their content as recorded by the Company. The Client agrees that the Company may deliver copies of transcripts of such recordings to any court, regulatory or government authority, including without limitation, in disputes which may arise between the Client and the Company. However, technical reasons may prevent the Company from recording a conversation, and recordings or transcripts made by the Company will be destroyed in accordance with the Company's normal practice. Consequently, the Client should not rely on such recordings to be available.

The Company shall protect Client Information by using data security technology and using tools such as firewalls, encryption and access control mechanisms. The Company shall use Secure Socket Layer ('SSL') encryption technology in order to protect certain Information that the Client submits. This type of technology protects the Client from having his Information intercepted by anyone other than the Company while it is being transmitted. The Company tries to ensure that its Online Trading Facilities are secure and that they meet industry standards. The Company also use other safeguards such as firewalls, authentication systems (e.g., passwords and personal identification numbers) and access control mechanisms to control unauthorized access to systems and data. We also require that the Client uses his personal Access Codes (personal username and password) every time he accesses the Online Trading Facilities. The Company restricts access to Information at the Company's offices so that only officers and/or employees who need to know the Information have access to it.

By accepting these Terms and Conditions, the Client consents to the transmittal of his Personal Data (e.g. personally identifiable Information and your payment details) to the Company's affiliates and to third parties which enable the Company to provide its investment services and which process and/or analyse this personal data as part of the provision of our Services to you, whether within or outside the European Economic Area. Such Personal Data may also be used for marketing purposes, or to conduct market research for the Company to bring to the Client's attention products and/or services that may be of interest to him and also to assist in the efficient provision of the Company's investment services.

## 24. INFORMATION DISCLOSURE

By accepting these Terms and Conditions, the Client authorizes the Company to disclose such information relating to the Client as may be required by any Applicable Laws, Rules and/or Regulations or regulatory authority, including any applicable Market Rules, without prior notice to the Client.

By accepting these Terms and Conditions, the Client authorizes the Company to share personal information with any duly licensed financial entity, with any of the Company's Associates for the purpose of providing trade recommendations, trading activities, sales and marketing information, including new products and services, and with any third party agency that is working on the Company's behalf with the purpose of performing client analysis for the use of the Company's sales and marketing; furthermore, the Company may share such information with any trading advisor or introducing broker for the purpose of completing the due diligence to, and the approval of, the Clients Account Opening Application Form(s).

The Company, its Associates and service providers may collect, store and process information obtained from the Client or otherwise in connection with the Agreement and the Transactions for the purpose of complying with FATCA, EMIR, MiFIR or other Applicable Laws, Rules and/or Regulations, including disclosures between themselves and to governmental authorities. The Client acknowledges that this may include transfers of information to jurisdictions which do not have strict data protection, data privacy laws or banking secrecy laws, inside or outside of the EEA.

The Client shall ensure that, before it or anyone on its behalf discloses information relating to any third party to the Company, its Associates or its or their agents or service providers in connection with these Terms and Conditions or any Transactions that said third party has been provided with such information and has given such consents or waivers as are necessary to allow the Company, its Associates its or their agents and service providers to collect, store, process and disclose his, her or its information as described in this clause.

## 25. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

The Client represents and warrants to the Company that he is capable and has sufficient authorities to enter into agreement(s) for the provision of investment services by the Company. In the event that the **Client is a legal entity**, the Client guarantees that it is duly incorporated, established or founded and also that it has all necessary powers. The Client guarantees that it acts under the laws of its country of registration, incorporation or location.

Investment products and services contained on the Company's website are not available and information in respect to them may not be distributed to persons resident in any territory where such distribution would be contrary to local law or regulation. The products described on the website of the Company are only offered or sold to persons jurisdictions, where applicable laws permits this.

Furthermore products and services described herein are not available to all persons in all geographical locations. It is the responsibility of the Client to confirm and acknowledge that the services or products provided to him/her are allowed under the Laws of his/her Country and he/she shall be solely responsible for any fines, penalties or restrictions implied on him/her or his/hers accounts due to breach of Law and Regulations.

The information and services provided by the Company are not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation or which would subject the Company to any registration requirement within such jurisdiction or country. Persons or entities in respect of whom such prohibitions apply must not access or use the Company's website or attempt to obtain the Company's investment services.

The Company provides access to several trading platforms and financial instruments situated or issued in different jurisdictions. The Client confirms and acknowledges that he/she shall not trade in financial instruments and or involve himself/herself in margin trading, speculative trading etc. if it is restricted by the Laws of the Country where he/she is resident or by the Laws of the Country of Origin of the client.

## 26. DORMANT, INACTIVE ACCOUNTS AND HANDLING UNCLAIMED FUNDS

**Dormant:** If the Client does not use the Trading Account for trading activity for more than six (6) months the account is automatically classified as Dormant.

In case the Client's Trading Account is Dormant for 12 months and there were no trades executed over a period more than 12 months, the Company reserves the right to close the account and terminate the agreement unilaterally without written notice.

**Inactive:** If the Client never activates the Trading Account opened with the Company, meaning that no funds were received and no transactions were made, the Company shall treat the account as Inactive.

In case the Client's Trading Account is inactive for more than 6 months from the date of opening the account, the Company reserves the right to close the account and terminate the agreement unilaterally without written notice.

**Allocated unclaimed client money entitlements:** The Company will take certain reasonable steps to trace the clients concerned and distribute the client money entitlements. These steps include:

- locating current contacts details of the clients;
- attempt to communicate with the client at least three times by other means phone, email, post, or any other means where the company cannot get in touch with the client.

If the client's money entitlement is less than EUR 10 the Company will be required to take fewer steps.

In cases where the Client's account balance would be Nonzero the Company will declare the remaining balance as unclaimed funds and will transfer the balance in a suitable designated Client Suspense Account for safe-keeping with the Company.

Commissions and fees of the Company for the safe-keeping and all expenses payable to third parties including the external brokers or agents which are directly related to safe-keeping of the monetary funds and/ or financial instruments may be deducted from the balance of the client(s) in the Suspense Account. The Company reserves the right to sell all or part of the client's financial instruments in the Suspense Account to recover the expenses directly or indirectly related to the safe-keeping of your financial instruments.

## 27. INDEMNITY AND LIMITATION OF LIABILITY

The Client shall make his own decision to access and/or use the company's Online Trading Systems or to enter into or execute any Transaction and/or Contract with the company. The Client acknowledges and agrees that the Company's Online Trading Systems do not and will not serve as the primary basis for any of his investment decisions concerning his Accounts. The Client is solely responsible for any investment or trading decisions he makes with respect to products provided on the Company's Online Trading Systems. Neither the Company, nor its Associates are and will be, by virtue of providing the Online Trading Systems, an advisor or fiduciary for you or any Authorized Person.

Without prejudice to any other provisions, the Company's Online Trading System is provided "as is" and neither the Company, nor its Associates, nor any of its Third Party Service Providers makes any representations or warranties of any kind whatsoever regarding (a) the availability, currency, accuracy or completeness of the Online Trading Systems; (b) the results to be obtained by the Client or anyone else from the use of the Online Trading Systems; and (c) any Third Party Content accessible on or through the Online Trading System; neither the Company, nor its Associates, nor any of its Third Party Service Providers will be liable to the Client or any Authorized Person for the correctness, quality, accuracy, security, completeness, reliability, performance, timeliness, pricing or continued availability of the Company's Online Trading Systems, or for any failure of any connection or communication service to provide or to maintain the Client's or any Authorized Person's access to the Online Trading Systems, or for any erroneous communications between the Client and the Company.

Without prejudice to any other provisions, neither the Company, nor its Associates shall be liable for any losses, damages, costs or expenses, whether arising out of negligence, breach of contract, misrepresentation or otherwise, incurred or suffered by the Client or any Authorized Person as a direct or indirect result of any act or omission in the course of providing the investment services to the Client or otherwise arising from the activities to which these Terms and Conditions apply except such as is caused by the Company's and/or their negligence, willful default or fraud; neither the Company, nor its Associates shall be liable for any losses, damages, costs or expenses, whether arising out of negligence, breach of contract, misrepresentation or otherwise, incurred or

suffered by the Client or any Authorized Person during the provision of any investment services (including any instance where the Company has declined to enter into a proposed Transaction and/or Contract), unless such losses, damages, costs or expenses are a reasonably foreseeable consequence of, or arise directly from, the Company's or their gross negligence, willful default or fraud. In no circumstance, shall the Company or its Associates have liability for losses suffered by the Client or any Authorized Person for any special or consequential damage, loss of profits, loss of goodwill or loss of business opportunity arising under or in connection with the investment services provided, whether arising out of negligence, breach of contract, misrepresentation or otherwise; neither the Company, nor its Associates will be liable in any circumstances for any losses that were not a reasonably foreseeable result of breach to both the Client and the Company when commencing a business relationship.

The Client acknowledges that: (a) any market information or third party recommendations communicated to the Client or any Authorized Person, by the Company or any Associate, does not constitute advice to enter into any Transaction and/or Contract unless explicitly specified to be such; (b) such information or recommendations, although based upon information obtained from sources believed by the Company to be reliable, may be based solely on a third party's opinion and that such information may be incomplete and may be unverified; (c) the Company makes no representation, warranty or guarantee as to, and shall not be responsible for, the accuracy or completeness of any information or recommendations furnished to the Client or any Authorized Person; and (d) the Company makes no representations concerning the tax implications or treatment of trades entered into by the Client; neither the Company, nor our Associates accept any liability for any adverse tax implications of any Transaction whatsoever.

Since the Company does not control signal power, its reception or routing via the internet, configuration of the Client's equipment or that of any third party or the reliability of its connection, neither the Company, nor its Associates can be responsible for communication failures, distortions or delays when the Client is trading on-line (via the Internet).

The Company shall have no obligation to contact the Client to advise upon appropriate action in light of changes in Market Conditions (including, without limitation, Market Disruptions) or otherwise. The Client acknowledges that the Market in leveraged derivatives is highly speculative and volatile and that, following execution of any transaction, the Client is solely responsible for making and maintaining contact with the Company and for monitoring open positions and ensuring that any further instructions are given on a timely basis. In the event of any failure to do so, the Company can give no assurance that it will be possible to contact the Client and the Company accepts no liability for loss alleged to be suffered as a result of any failure by the Client to do so. Without limitation, neither the Company, nor its Associates accept any liability by reason of any delay or change in market conditions before any particular Transaction is effected.

Without limitation, neither the Company nor any of its Associates shall be liable for any loss arising from any act or omission of any Agent, Affiliate, Authorized Person or other third party who performs services for the Client in the course of providing the Company's investment services to the Client.

Neither the Company, nor its Associates shall be liable to the Client any Authorized Person for any partial or non-performance of the Company's obligations hereunder by reason of any cause beyond the Company's reasonable control, including without limitation, any breakdown, delay, malfunction or failure of transmission, communication or computer facilities, industrial action, act of terrorism, act of God, acts and regulations of any governmental or supra national bodies or authorities or the failure by the relevant intermediate broker or agent, agent or principal of our custodian, sub-custodian, dealer, Market, clearing house or regulatory or self-regulatory organization, for any reason whatsoever, including, without limitation Force Majeure, to perform the Company's respective obligations hereunder.

The Client further acknowledges and accepts that neither the Company, nor its Associates are and will be, by virtue of providing the Online Trading Systems, liable for any automatically generated trade confirmations that subsequently proved to be erroneous and manifest incorrect due to exceptional market situations.

Nothing in these Terms and Conditions will exclude or restrict any duty or liability the Company may have to the Client or any Authorized Person as a result of the various regulatory obligations the Company has to adhere to.



## EXCLUSION OF WARRANTIES

WITHOUT PREJUDICE TO ANY OTHER PROVISIONS OF THESE TERMS AND CONDITIONS, THE COMPANY DOES NOT MAKE ANY EXPRESS OR IMPLIED WARRANTIES ABOUT ITS ONLINE TRADING SYSTEMS, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT. THE COMPANY'S ONLINE TRADING SYSTEMS ARE MADE AVAILABLE TO THE CLIENT "AS IS" AND "AS AVAILABLE". THE COMPANY SHALL NOT BE LIABLE FOR ANY COST OR DAMAGE ARISING EITHER DIRECTLY OR INDIRECTLY FROM THE ACCESS OR USE OF ITS ONLINE TRADING SYSTEMS AND IT IS SOLELY THE CLIENT'S RESPONSIBILITY TO EVALUATE THE ACCURACY, COMPLETENESS AND USEFULNESS OF ALL INFORMATION, OPINIONS, PRODUCTS, SERVICES, MERCHANDISE AND OTHER INFORMATION PROVIDED THROUGH THE COMPANY'S ONLINE TRADING FACILITIES OR ON THE INTERNET GENERALLY. THE COMPANY DOES NOT WARRANT THAT ANY DEFECTS OR INACCURACIES WILL BE CORRECTED.

THE COMPANY DOES NOT WARRANT THAT ITS ONLINE TRADING SYSTEMS WILL MEET THE CLIENT'S NEEDS, OR THAT IT/THEY WILL BE UNINTERRUPTED, TIMELY, SECURE OR ERROR-FREE. THE COMPANY ALSO MAKES NO WARRANTY THAT THE RESULTS OBTAINED FROM THE USE OF ITS ONLINE TRADING SYSTEMS WILL BE ACCURATE OR RELIABLE, OR THAT THE QUALITY OF ANY PRODUCTS, SERVICES, INFORMATION, OR OTHER MATERIAL PURCHASED OR OBTAINED BY THE CLIENT THROUGH THE ONLINE TRADING SYSTEMS OR OTHER MEANS WILL MEET THE CLIENT'S.

## DISCLAIMER AND LIMITATION OF LIABILITY

The Company's obligations under these Terms and Conditions do not constitute personal obligations of its directors, officers, shareholders, partners, members, employees, Associates, Representatives, agents, Third Party Service Providers and/or Third Party Content providers and/or any of them.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE COMPANY WILL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, DIRECT, OR INDIRECT DAMAGES (INCLUDING, BUT NOT LIMITED TO LOST PROFITS, TRADING LOSSES) THAT RESULT FROM USE OR LOSS OF USE OF ITS ONLINE TRADING SYSTEMS AND/OR PROVISION OF OTHER INVESTMENT SERVICES. THIS IS TRUE EVEN IF SUCH DAMAGES WERE FORESEEABLE OR WHETHER EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES).

EXCEPT AS OTHERWISE REQUIRED BY LAW, THE COMPANY WILL NOT BE LIABLE TO THE CLIENT OR ANYONE ELSE FOR ANY LOSS RESULTING FROM A CAUSE OVER WHICH THE COMPANY DOES NOT HAVE DIRECT CONTROL. THIS INCLUDES FAILURE OF ELECTRONIC OR MECHANICAL EQUIPMENT OR COMMUNICATIONS LINES (INCLUDING TELEPHONE, CABLE AND INTERNET), UNAUTHORIZED ACCESS, VIRUSES, THEFT, OPERATOR ERRORS, SEVERE OR EXTRAORDINARY WEATHER (INCLUDING FLOOD, EARTHQUAKE, OR OTHER ACT OF GOD), FIRE, WAR, INSURRECTION, TERRORIST ACT, RIOT, LABOUR DISPUTE AND OTHER LABOUR PROBLEMS, ACCIDENT, EMERGENCY OR ACTION OF GOVERNMENT.

ANY LIABILITY ARISING UNDER THIS AGREEMENT WILL BE SATISFIED SOLELY FROM THE REVENUES GENERATED HEREUNDER. IN NO EVENT SHALL THE COMPANY'S LIABILITY HEREUNDER EXCEED EURO 10.000 (TEN THOUSAND EURO). EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF THE LIMITED REMEDIES PROVIDED HEREIN FAIL OF THEIR ESSENTIAL PURPOSE.

## INDEMNIFICATION

As a condition of use of the Company's Online Trading Systems and/or provision of other investment services, the Client agrees to indemnify and hold the Company, its Associates, Representatives, agents, Third Party Service Providers and Third Party Content providers from and against any and all claims, losses, liabilities, costs and expenses, whether arising out of negligence, breach of contract, misrepresentation or otherwise, including reasonable attorneys' fees, arising from or connected to any violation or breach of these Terms and Conditions and/or other applicable agreements made between the Company and the Client (including negligent or wrongful conduct) by the Client or any other person.

The Client shall pay to the Company such sums as the Company may from time to time require in or towards satisfaction of any debit balance on any of the Client's Accounts with the Company and, on a full indemnity basis, any liabilities, losses, damages, costs or expenses, whether arising out of negligence, breach of contract, misrepresentation or otherwise, including reasonable attorneys' fees, taxes, imposts and levies which the Company may incur or be subjected to with respect to any of your accounts or any Transaction and/or Contract or any matching Transaction and/or Contract with an intermediate broker or as a result of any misrepresentation by the Client or any violation by of the Client's obligations under these Terms and Conditions (including any Transaction and/or Contract) or by the enforcement of the Company's rights.

The Client will be responsible for all Orders entered on his behalf via the Company's Online Trading Systems and the Client will be fully liable to the Company for the settlement of any Transaction and/or Contract arising therefrom. The Client will defend, indemnify and hold the Company and its directors, officers, shareholders, partners, members, employees, Associates, Representatives, agents, Third Party Service Providers and/or Third Party Content providers and/or any of them, harmless from and against all liabilities, losses, damages, costs or expenses, whether arising out of negligence, breach of contract, misrepresentation or otherwise, including reasonable attorneys' fees, which the Company may incur or suffer as a result of:

- a. any error in any instruction given by an Authorized Person; or
- b. acting on any instruction, which is, or appears to be, from an Authorized Person.

## **INDEPENDENT INVESTIGATION**

THE CLIENT ACKNOWLEDGES THAT HE HAS READ THESE TERMS AND CONDITIONS AND AGREES TO THEM. THE CLIENT HAS INDEPENDENTLY EVALUATED THE MERITS AND RISKS OF ACCESSING AND/OR USING THE COMPANY'S ONLINE TRADING FACILITIES AND OBTAINING THE COMPANY'S INVESTMENT SERVICES AND ENTERING INTO TRANSACTIONS AND CONTRACTS VIA THE COMPANY'S ONLINE TRADING FACILITIES AND THE CLIENT HAS DONE SO WITHOUT RELYING ON ANY INFORMATION CONTAINED ON, OR IN THE COMPANY'S ONLINE TRADING FACILITIES AND/OR OTHERWISE PROVIDED BY THE COMPANY IN RELATION AND ARE NOT RELYING ON ANY REPRESENTATION, GUARANTEE OR STATEMENT OTHER THAN AS SET FORTH IN THESE TERMS AND CONDITIONS.

THE CLIENT AKNOWLEDGES THAT HE HAS INDEPENDENTLY EVALUATED THE LAWS IN HIS LOCAL JURISDICTION WHICH APPLY TO THE CLIENT'S ACTIVITIES HEREUNDER AND HE REPRESENTS AND WARRANTS THAT HE MAY PARTICIPATE IN OUR ONLINE TRADING FACILITIES AND ENTER INTO TRANSACTIONS AND CONTRACTS VIA OUR ONLINE TRADING FACILITIES AND OBTAIN OTHER INVESTMENT SERVICES OFFERED BY THE COMPANY, WITHOUT VIOLATING ANY APPLICABLE RULES OR LAWS.

## **28. DISPUTE RESOLUTION**

Interpretation of terms and the legal concepts containing herein shall be given according to understanding attached to corresponding terms and concepts by the legislation of the Republic of Cyprus and legal practice of the Republic of Cyprus. The present Terms and Conditions and any agreement(s) for the provision of investment services are construed and shall be governed by the laws of the Republic of Cyprus.

The Client and the Company agree that if within 3 (three) business days after any action taken as part of the Client's brokerage activity or other investment service the Client fails to express dissent with regard to the execution of any Client's order (trade and/or non-trade) by the Company or any other action undertaken by the Company on behalf of the Client, this will mean the Client's consent to all actions taken by the Company and such actions shall be deemed as accepted by the Client without remarks.

In the event that the Client has claims to the actions taken by the Company with relation of execution of any Client's order (trade and/or non-trade) he/she shall be required:

1. to notify the Company about it within 2 (two) business days.
2. to provide the Company within 3 (three) business days with his/her claims in writing
3. not to take new similar actions and/or place new orders (trade and/or non-trade)

In the event that the Client fails to fulfill any requirement of abovementioned clause action taken by the Company shall be deemed confirmed by the Client and may not be challenged by him/her at a later time.

Any disputes and disagreements under the present Terms and Conditions shall be resolved by the Parties by way of negotiations. In case of failure to resolve disputes and disagreements by way of negotiations the settlement shall be in accordance with claim procedure. Claims shall be considered within 30 (thirty) working days. Claims, including applications and complaints (hereinafter jointly referred to as "claims") shall be submitted in writing and signed by the authorized representative of the Party. The claim shall contain:

- the essence of the claim and the demands of the Party which initiated this claim;
- the amount of the claim and its calculation (if the claim is subject to pecuniary valuation);
- summary of circumstances on which the applicant's requirements are based and evidences substantiating them with reference to corresponding legislative and statutory documents;
- the list of documents attached to the claim and other evidences;
- other data necessary for settlement of a dispute.

The claims, which do not contain data on the Client's name or the location (address) shall be classified as anonymous and left without consideration.

The Party to which the claim is sent shall have the right to request the other Party for additional documents and data. The term of reviewing a claim shall be extended for the period of submitting documents, but not more than for 10 (ten) working days.

The reply to the claim shall be sent to the Party initiated the claim. The reply should be made in writing and signed by the authorized representative of the Party which responds to the claim. The claim can be left without consideration if the repeated claim does not contain new data, and all the reasons stated in it were reviewed earlier in full and objectively, and the response was sent. Simultaneously, the notice about leaving the claim without consideration, with reference to the previously given response shall be presented to the Party, which initiated the claim.

Disputes related to the execution by the Parties of their obligations under these Terms and Conditions and with respect to the provision of any investment services, not settled by way of negotiations or claim procedure, shall be considered judicially. Cases shall be brought before a relevant court in a principal place of business or place of residence of a defendant.

## 29. FORCE MAJEURE

Neither the Client, nor the Company shall be held liable for consequences of any delay, failure or inability to fulfill obligations contained herein, or pursuant to any transaction, for reasons beyond their reasonable control. Such events will include, without limitation: any law, order, regulation or threat of any governmental or other authority, computer system breakdown, change of market conditions or practice, or actions of the holder of an issuer's shareholder register, which prevent fulfillment by the Parties of their obligations under the present Terms and Conditions and any other agreement made for the provision of investment services.

## 30. SANCTIONS CLAUSE

We shall not provide any services and shall not be liable to pay any sums or provide any benefit to the extent that the provision of such services, payment of such sums or provision of such benefit would breach or expose the Company to any enforcement or other adverse action under sanctions, prohibitions or restrictions under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

The Company shall maintain, and comply with, sanctions, prohibitions or restrictions under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America. This includes the implementation of measures to accomplish effective and timely

reviews of all relevant data with respect to its clients and with respect to incoming or outgoing assets or transactions.

A key part of most sanctions measures is an asset freeze against named individuals, companies and other entities. This means that their funds and economic resources are frozen and it is prohibited to make funds or economic resources available to them. Sanctions may require the Company to freeze the assets of clients held by the Company. In such an event the Company shall comply with such requirement and the Company shall not be able to perform any transfer of funds/securities to/from clients that would result in being in breach of applicable sanctions as described above.

Lime Trading (CY) Ltd, complies with all sanctions issued by the United Nations, European Union, United States of America and United Kingdom. Following applicable laws and international sanctions, the Client must refrain from sending funds from sanctioned entities sanctioned by the United Nations, European Union, United States of America and United Kingdom.

Therefore, it is hereby mandated that any Client having sent money from such sources will not be eligible to have his funds returned back to him, and the Company shall take immediate action to freeze these funds indefinitely under the applicable legal framework or the sanctions regimes issued by the United Nations, European Union, United States of America and United Kingdom.

The imposition of sanctions that directly affect a client of the Company or directly affect the Company's ability to provide its services without breaching such sanctions are to be considered as force majeure and the performance of any contract for the provision of financial services by the Company is suspended for the duration of such sanctions. The Company, shall apply an administrative fee of 1,15 % per annum payable in advance (starting from the date that such sanctions are applied) on client assets frozen under applicable sanctions, for the purpose of covering related sanction compliance, anti-money laundering compliance, legal compliance and general administrative services relating to the administration of the frozen assets. The Company maintains the right to liquidate any open market positions held by the client unilaterally and without any prior authorisation from the client in order to cover the administrative fee arising from the asset freeze in the event that the funds held by the affected client do not suffice. Such liquidation is compliant with the Commission Opinion dated 27 May 2021 "on changes to the feature of frozen funds".

## 31. TERMINATION

Any agreement made between the Company and the Client for the provision of investment services shall be concluded for an indefinite period of time. The Company shall be entitled to terminate any agreement for the provision of investment services at any time by providing at least 10 (ten) working day written termination notice to the Client. The Client shall be entitled to reject the Company's services at any time by providing written termination notice to the Company.

In the event of either party serves a notice to terminate the provision of investment services, the Company shall (unless otherwise required by the Client) continue to fulfill its obligations hereunder, except that after receipt of such cancellation notice, the Company shall not initiate new obligations without the Client's special instructions.

Agreement(s) for the provision of investment services shall be terminated without prejudice to completion of transactions previously initiated, otherwise the Company shall be entitled to reimbursement. Transactions in progress shall be fulfilled in accordance with the Client's Orders or, in the absence of any instructions, in the best interests of the Client's Portfolio.

In the event that the Company determines that a Client is acting illegally and in breach of the Law, the Company may terminate any agreement for provision of investment services immediately without providing any notice. Additionally, in the event that the Client transfers funds to the Company and such funds may be determined by the company to be of a doubtful and/or illicit origin then the Company reserves the right to transfer such funds back to the client to the same source they were received from and to terminate any agreement for the provision of investment services. The Company reserves the right to liquidate any of the Client's open positions for the purposes of immediately terminating the agreement for provision of services.

## 32. ADDENDA

The Client may enter into additional agreements provided that the Company is entitled to provide respective investment services, including with regard to such synthetic investments (financial instruments), in accordance with the license issued by CySEC ("Addenda"). Cash and securities related to the Addenda may be kept on the Account in accordance herewith. The Parties have agreed that in the event of any conflict between the terms hereof and the Addenda, the Addenda shall prevail and control any transaction related to such Addenda. Notwithstanding the aforesaid, any cash and/or securities kept on the Account under any Addendum shall be subject to reimbursement based on the terms specified hereunder.

## 33. MISCELLANEOUS

Amendments and/or additions to these Terms and Conditions and any agreement(s) for the provision of investment services by the Company, shall be made unilaterally by the Company.

Under the general rule, unless otherwise provided by the order of the Company's Director on making amendments and/or additions hereto, all amendments and additions hereto shall take effect and become binding for the Client upon the expiry of 3 (three) calendar days from the time when the Client is notified of the amendments and/or additions made hereto.

The Client shall be notified of the amendments and (or) additions made hereto by posting messages on the Company's website <https://just2trade.online/>, and at the Company's discretion, the Client may be additionally notified by email or other communication.

All amendments and/or additions are to be made in writing and communicated to the Client as described above. In case of amendments and/or additions made in the form of Addenda between the Parties, such Addenda shall be signed by authorized representatives of the Parties and shall constitute an integral part of these Terms and Conditions and any agreement(s) between the Client and the Company for the provision of investment services.

The Parties agree that the Company has the right to use the facsimile signature of its Director and/or the Company's employee duly authorized to execute documents as required, if the use of facsimile signature does not contradict the current legislation.

Reproduction of the facsimile signature mentioned above shall be recognized by the Parties as the manual signature of the director and/or the Company's employee duly authorized and imply the observance of the requirement for a transaction to be executed in writing.

If one of the provisions of these Terms and Conditions is or becomes invalid, this shall not affect the validity of other provisions hereof.

## APPENDIX 1: ORDER EXECUTION AND ORDER HANDLING POLICY

The Company is operating under the provisions of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as the same may be in force from time to time and modified or amended from time to time (the “Markets in Financial Instruments Directive (2014/65/EU)” or “MiFID II”), which was transposed into Cypriot Law, the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017).

Under the above legislation, the Company is required to take all sufficient steps to obtain the best possible result when executing your orders, taking into account a range of factors.

The Policy forms an integral part of these Terms and Conditions for the Provision of Investment Services and shall govern the Client’s relationship with the Company, including any orders you place with us in respect of the Financial Instruments (or simply “products”) we offer. Therefore, by agreeing with these Terms and Conditions, which is a contractually binding agreement between the Client and the Company, the Client is also agreeing to the provisions of this Policy. If there is any inconsistency between this Policy and any other section of these Terms and Conditions, this Policy shall prevail.

### (a) Scope

The following obligations emanate from the MiFID II framework when receiving and transmitting for execution or executing Client orders:

#### ▪ Executing orders on behalf of Clients

The Company has an obligation to execute orders on terms most favourable to its Clients (the “best execution obligation”).

#### ▪ Receiving and transmitting Client orders to other entities/brokers for execution

Best execution provisions are not intended to require the Company when it transmits or places orders with other entities for execution to duplicate the efforts of its execution entities. Rather, the Company should determine that the entities it uses for execution will enable it to comply with the overarching best execution requirement when placing an order with, or transmitting an order to, another entity for execution.

In order to comply with the above obligations, the Company is required to take “all sufficient steps” to obtain the best possible result for its Client taking into account the execution factors listed below. The overarching requirement to take “all sufficient steps” means that the Company needs to verify on an on-going basis that its execution arrangements work well throughout the different stages of the order execution process, and appropriate remedial actions will be taken where applicable, if any deficiencies are detected.

The Company is considered to have satisfied its obligation to take all sufficient steps to obtain the best possible result for the Client, to the extent that it follows specific instructions from the Client.

### (b) Exceptions

Best Execution obligations do not apply, or are modified in their application, to the following transactions:

#### ▪ Specific Client instructions

Client instructions take precedence over the ranking of the execution factors and may eliminate some of the factors from consideration or modify their importance. Where the Company receives specific instructions from a Client relating to the execution or transmission of an order, it follows such instructions and in doing so it shall be deemed to have satisfied its best execution/best interest obligation.

It is the company’s policy not to induce Clients to provide a specific instruction in relation to the execution or transmission of the order; however, once a specific instruction is received, the Company will follow the

instructions provided. Where such instructions relate to only part of the order, then the provisions of this Policy are applied to those aspects of the order not affected by the specific instructions.

When receiving specific instructions from Clients, may prevent the Company from following the arrangements designed and implemented in this Policy to obtain the best possible result for the execution, reception or transmission of those orders in respect of the elements covered by those instructions.

## ▪ Request for Quote Trading

Best Execution obligations are unlikely to apply where Professional Clients have asked for a quote (Request-for-Quote or RFQ) and it is determined that there is no legitimate reliance placed on the Company to meet the relevant Best Execution requirements.

For Professional Clients, the Company follows the Four-Fold Cumulative Test in order to determine whether the Client is placing legitimate reliance, which includes:

- the party initiating the transaction (e.g. where Clients initiate the transaction, it is less likely that Clients are placing legitimate reliance on the Company);
- the market practice and the existence of a convention for clients to “shop around” (e.g. where market practice for a particular asset class or product suggests that clients will have access to various providers and the ability to “shop around”, it is less likely that the Clients will be placing legitimate reliance on the Company);
- the relative levels of price transparency within the market (e.g. if pricing information is transparent and accessible to the Client, it is less likely that Clients will be placing legitimate reliance on the Company); and
- the information provided by the Company about its services and the terms of agreement reached between the Client and the Company (e.g. where the Company and the Client reach an understanding that the client is not placing legitimate reliance on the Company).

## (c) Best Execution Factors

The Company shall take all sufficient steps to obtain the best possible results for its Clients taking into account the following factors when executing Clients' Orders:

## (d) Slippage

Slippage may occur when trading in various instruments. This is the situation when at the time that an Order is presented for execution, the specific price showed to the Client may not be available; therefore, the Order will be executed close to or a number of pips away from the Client's requested price. Slippage is the difference between the expected price of an Order, and the price the Order is actually executed at. If the execution price is better than the price requested by the Client, this is referred to as positive slippage. If the executed price is worse than the price requested by the Client, this is referred to as negative slippage.

Slippage is a normal element when trading in financial instruments. Slippage more often occurs during periods of illiquidity or higher volatility (for example due to news announcements, economic events and market openings and other factors) making an Order at a specific price impossible to execute. In other words, your Orders may not be executed at the declared prices. It is noted that Slippage can occur also during Stop Loss, Take Profit and other types of Orders.

The Company does not guarantee the execution of Pending Orders at the price specified. However, the Order will be executed at the next best available market price from the price specified under the Client's pending Order.

## (e) The Role of Technology

Typically, the Company uses automated systems to route and execute client orders. Unless otherwise specified in the products description, when Clients' orders are received by the Company, it is automatically executed.

On certain instruments, as published on the Company's website, any open positions held by the Client after the relevant hour as set forth (the "Overnight Hour") which is considered the beginning and end of the trading day are considered to be held overnight, and are subject to overnight fee/credit as explained below. The Client acknowledges that when holding such position open after the Overnight Hour, an overnight fee/credit will be either added or subtracted from the Client's account with respect to such position. The overnight fee/credit amount is a constant fee/percentage of the position value/dollar amount per units and is based on a number of factors including among others, whether the transaction is a buy or a sell, interest rates, the currency in which it is denominated, instrument differentials, daily price fluctuations and other economic and market related factors. The overnight fee/credit for each instrument is displayed on the Company's websites [www.just2trade.online](http://www.just2trade.online) and [www.j2t.com](http://www.j2t.com) for each specific Instrument on the trading platform. In deciding whether to open a position for a specific Instrument, the Client acknowledges that they are aware of the overnight fee/credit and authorizes the Company to add or subtract such an overnight fee/credit to or from your account.

## (f) Types of Order(s) in Trading Financial Instruments

### (i) Market Order

A market order is an order to buy or sell a financial instrument at the current market price. Execution of this order results in opening a trade position. Financial instruments are bought at ASK price and sold at BID price. Stop Loss and Take Profit orders can be attached to a market order.

### (ii) Pending Order

The Company offers the following types of Pending Orders: Buy Limit, Buy Stop, Sell Limit or Sell Stop orders to accounts used to receive and transmit Client Orders in financial instruments for execution. A Pending order is an order that allows the user to buy or sell a financial instrument at a pre-defined price in the future. These Pending Orders are executed once the price reaches the requested level. However, it is noted that under certain trading conditions it may be impossible to execute these Orders at the Client's requested price. In this case, the Company has the right to execute the Order at the first available price. This may occur, for example, at times of rapid price fluctuations of the price, rises or falls in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted, or there is lack of liquidity, or this may occur at the opening of trading sessions. It is noted that Stop Loss and Take Profit may be attached to a Pending Order. Also, pending orders are good till cancelled.

### (iii) Take Profit

Take Profit order is intended for gaining the profit when the financial instrument price has reached a certain level. Execution of this order results in complete closing of the whole position. It is always connected to an open position or a pending order. The order can be requested only together with a market or a pending order. Under this type of order, the Company's trading platform checks long positions with Bid price for meeting of this order provisions (the order is always set above the current Bid price), and it does with Ask price for short positions (the order is always set below the current Ask price).

### (iv) Stop Loss

This order is used for minimizing of losses if the financial instrument price has started to move in an unprofitable direction. If the financial instrument price reaches this level, the whole position will be closed automatically. Such orders are always connected to an open position or a pending order. They can be requested only together with a market or a pending order. Under this type of orders, the Company's trading platform checks long positions with Bid price for meeting of this order provisions (the order is always set below the current Bid price), and it does with Ask price for short positions (the order is always set above the current Ask price).

## (g) Risks of dealing in volatile markets

Clients should be aware of the following risks associated with volatile markets, especially at or near the open or close of the standard trading session:



- Execution at a substantially different price from the quoted bid or offer or the last reported price at the time of order entry, as well as partial executions or execution of large orders in several transactions at different prices.
- Delays in executing orders for financial instruments that the Company must send to external market makers and manually routed or manually executed orders.
- Opening prices that may differ substantially from the previous day's close.
- Locked (the bid equals the offer) and crossed (the bid is higher than the offer) markets, which may prevent the execution of client orders.
- Price volatility is one factor that can affect order execution. When there is a high volume of orders in the market, order imbalances and back logs can occur. This implies that more time is needed to execute the pending orders. Such delays are usually caused by the occurrence of different factors:
  - (i) the number and size of orders to be processed,
  - (ii) the speed at which current quotations (or last-sale information) are provided to the Company and other brokerage firms; and
  - (iii) the system capacity constraints applicable to the given exchange, as well as to the Company and other firms.

## (h) Execution of Client Orders

Typically, the Company uses automated systems to route and execute client orders. Upon acceptance of a Client order and when there is no specific Client instruction regarding the execution method, the Company will endeavor to execute that order in accordance with the Best Execution policy. Whenever there is a specific instruction from or on behalf of a Client for the execution of an order, the Company shall arrange – to the extent possible – for the execution of the Client order strictly in accordance with the specific instruction.

It is noted that the specific instruction may prevent the Company from taking the steps described in the Policy to obtain the best possible result for the Client. The Company will satisfy the following conditions when carrying out Client Orders:

- (a) ensure that orders executed on behalf of Clients are promptly and accurately recorded and allocated;
- (b) carry out otherwise comparable Client orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable;
- (c) inform its retail Clients about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

For OTC financial instruments (e.g. CFDs) and/or financial instruments whose underlying asset is an OTC financial instrument (such as securities CFDs), the Company may trade route the orders to other firms for execution. Many of these firms also provide automated executions of orders.

The Company may utilize another executing broker, to execute your orders/or and transactions. The Company reserves the right to decline any order or transaction, at any time, given appropriate and justifiable circumstances. Such circumstances shall include:

- Non-compliance of the client with applicable legislation;
- Non-compliance of the client with these Terms and Conditions;
- Insufficient margin to meet necessary margin requirements;
- Reasonably justified suspicion that an order may result in market abuse and/or anti money laundering rules/legislation/framework being violated;
- Rejection by the liquidity providers, execution venues which the Company uses. Such reasons may include any of the above mentioned or any other reason which may not be disclosed to us.

Clients shall be responsible for monitoring all their orders until the Company confirms execution or cancellation of the order. Any order or instruction Clients give to the Company will not take effect unless actually received and

acknowledged by the Company. The Company shall be entitled to act upon any order or instruction which it reasonably believes is given by the client or on the client's behalf without further enquiry as to the genuineness, authority or the identity of any such person giving or purporting to give such order or instruction. The execution of an order by the Company shall constitute a binding agreement between the client and the Company on the terms of such executed order.

The Company may in accordance with its Order Execution Policy, aggregate the Client's orders with orders of any other clients. Furthermore, the Company may split your orders when executing them in order to achieve better results for the Client.

## (i) Best Execution Criteria

The Company will determine the relative importance of the above Best Execution Factors by using its commercial judgement and experience in the light of the information available on the market and taking into account:

- (a) The characteristics of the Client order.
- (b) The characteristics of the Financial Instruments that are the subject of that order.
- (c) The characteristics of the execution venue to which that order is directed.

In view of the above, the Company assigns the following importance level for the above Best Execution Factors:

| Factor                  | Importance Level | Remarks   |
|-------------------------|------------------|---|
| Price                   | High             | We give strong emphasis on the quality and level of the price data that we receive from authorized external quote providers in order to provide our clients with competitive price quotes. We do not however guarantee that our quoted prices will be at a price which is as good, or better, than one that may be available elsewhere. |
| Costs                   | High             | We take all sufficient steps to keep the costs of your transactions as low and competitive, to the extent possible.   |
| Speed of Execution      | High             | Execution speed and the opportunity for price improvement are critical to every trader and we repeatedly monitor these factors to ensure we maintain our high execution standards.  |
| Likelihood of Execution | High             | Even though we reserve the right to decline a Client order we aim to effect all Clients' orders, to the extent possible.  |
| Size of order           | Medium           | See relevant description in Best Execution Factors  |
| Market Impact           | Medium           | See relevant description in Best Execution Factors  |

For Retail Clients, the best possible result shall be determined in terms of the total consideration, unless there is a specific instruction from the Client, representing the price of the Financial Instrument and the costs related to execution, which shall include all expenses incurred by the Client which are directly related to the execution of the Order, including execution venue fees, clearing and settlement fees.

The Company publishes information relating to its order execution quality at its website <https://just2trade.online/about/disclosures>.

## (j) Execution Venues

Based on its assessment of the Execution Factors and the Execution Criteria, the Company will select one or more execution venue(s) for the execution of the client's order. Execution Venues used might include:

- Regulated Markets
- Multilateral Trading Facilities
- Other Trading Facilities

- Order Crossing Networks and other electronic platforms
- Other brokers, dealers and market makers

Subject to the above and to any specific instructions that may be given by you, in order to select an Execution Venue for an Order we will use the following methodology:

- (a) When carrying out Orders on a Regulated Market or MTF, we will select the Execution Venue that we consider the most appropriate. The Execution Venue may be the Regulated Market or MTF itself, or a member firm of the Regulated Market or MTF.
- (b) For a Financial Instrument admitted to trading on a Regulated Market or MTF, where we believe that we can trade to your advantage or at no disadvantage to you, we may transmit an Order to, or execute an Order on, an Execution Venue that is outside a Regulated Market or MTF.
- (c) For a Financial Instrument not admitted to trading on a Regulated Market or MTF, we will select the Execution Venue that we consider the most appropriate.

Some Financial Instruments may have only one possible Execution Venue. In carrying out an Order on the Client's behalf in such circumstances, it will be assumed that the Company has achieved best execution.

When executing your order, we will consider all sources of reasonably available information, including Regulated Markets, MTFs, Systematic Internalisers, other liquidity providers, exchanges, brokers and data vendors, to obtain the best possible result for your Order.

The Company publishes the Execution Venues it executes transactions on in its website <https://just2trade.online>. Clients accept the obligation to regularly check the list published for any changes. The Company does not provide any other notification of changes in the Execution Venues it uses except for what it publishes in its website.

#### (k) Execution venue approval process

The Company has a process for the selection of (i) Execution Venues (including brokers), with whom or where it executes client orders, and (ii) brokers, with whom it places or transmits client orders for execution. The Company does not conduct any activity with a new execution venue or broker until the required due diligence and approval process has been completed.

The criteria to cooperate with an execution venue or broker is generally based on evaluation of a number of quantitative and qualitative factors that may include (as applicable), but are not limited to, the Company's analysis of the broker or execution venue's:

- competitiveness of commission rates or spreads;
- promptness of execution;
- clearance and settlement capabilities;
- quality of service;
- reputation; and
- financial stability

All Execution Venues undergo ongoing negative media and sanctions screening (which may include disciplinary actions, criminal proceedings or reputational issues), conducted by the Compliance Officer. With respect to the selection of brokers, the following practices are prohibited:

- trades may not be directed in return for error corrections by a broker;
  - trades may not be directed in return for suggested preferential treatment in security offerings or placements;
  - trades may not be directed in return for gifts and/or entertainment;
- receipt of third-party payments or benefits save to the extent that they comply with Article 24(8) and 24(9), as applicable of MiFID II and the Company provides clients with appropriate information about the benefits that the Company may receive from such third parties;

## (I) Aggregation and allocation of Orders

The Company may carry out a client order in aggregation with another client order(s) under the following conditions:

- a) it must be unlikely that the aggregation of orders and transactions will work overall to the disadvantage of any client whose order is to be aggregated;
- b) the orders to be aggregated are of the same type (e.g. sales, purchase, exchange, etc)

In case of partial execution of client orders, priority is given to the time of reception of the orders by the Company. The results of partial execution are distributed under the rule that orders submitted earlier are fully executed or executed to the maximum possible extent and orders submitted later are executed partially or not executed at all.

In case of partial execution of client orders, the transaction will be allocated proportionally (pro rata) to all clients at the average execution price.

### Example 1

|  | Order (Number of shares) | Allocation (Number of shares) |
|--|--------------------------|-------------------------------|
| Client A   | 100                      | 100                           |
| Client B   | 200                      | 200                           |
| Client C   | 300                      | 300                           |
| J2T  | 400                      | 400                           |
| <b>TOTAL Client's order</b>                            | <b>600</b>               | <b>600</b>                    |
| <b>TOTAL order including for Company's own account</b> | <b>1000</b>              | <b>1000</b>                   |
| <b>Executed (Number of shares)</b>                     |                          | <b>1000</b>                   |

### Example 2

|  | Order (Number of shares) | Allocation (Number of shares) |
|--|--------------------------|-------------------------------|
| Client A   | 100                      | 80                            |
| Client B   | 200                      | 160                           |
| Client C   | 300                      | 240                           |
| J2T  | 400                      | 320                           |
| <b>TOTAL Client's order</b>                            | <b>600</b>               | <b>480</b>                    |
| <b>TOTAL order including for Company's own account</b> | <b>1000</b>              | <b>800</b>                    |
| <b>Executed (Number of shares)</b>                     |                          | <b>800</b>                    |

### Example 3

|  | Order (Number of shares) | Allocation (Number of shares) |
|--|--------------------------|-------------------------------|
| Client A   | 100                      | 100                           |
| Client B   | 200                      | 200                           |
| Client C   | 300                      | 300                           |
| J2T  | 400                      | 200                           |
| <b>TOTAL Client's order</b>                            | <b>600</b>               | <b>600</b>                    |
| <b>TOTAL order including for Company's own account</b> | <b>1000</b>              | <b>800</b>                    |
| <b>Executed (Number of shares)</b>                     |                          | <b>800</b>                    |

## APPENDIX 2: SUMMARY OF MANAGING CONFLICTS OF INTEREST POLICY

### Overview

Under the Markets in Financial Instruments Directive II (“MiFID II”) the Company is required to maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest from adversely affecting the interests of its Clients.

Lime Trading (CY) Ltd (hereinafter “the Company”) has put in place the necessary policies and procedures to meet its obligations with regards to the identification, prevention and management of conflicts of interest. This Conflict of Interest Management Policy (hereinafter “the Policy”) describes all the measures undertaken by the Company to prevent conflicts of interest from adversely affecting the interests of its clients.

The overarching aim of the Conflicts of Interest Management Policy is to ensure that the Company manages conflicts of interest fairly, both between itself and its customers and between a customer and another client. Confidence in the Company’s integrity to act on behalf of its customers is central to the relationship of trust we have with our customers. This means that when providing services, the Company will always act in the customer’s best interests, putting customers’ interests ahead of its own.

Our Conflicts of Interest Policy is an internal policy document only and it is NOT an integral part of these Terms and Conditions and is not intended to be contractually binding or impose or seek to impose any obligations on us which we would not otherwise have, but for the Cyprus Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017).

### Scope and Purpose

The requirement to take all appropriate steps to identify, prevent or manage any conflicts of interest applies to all staff of the Company. The purpose of the Conflicts of Interest Management Policy is to:

- identify circumstances which may give rise to conflicts of interest entailing a risk of damage to customers’ interests;
- describe the arrangements the Company has put in place to prevent or manage such identified conflicts of interest;
- explain the disclosure process the Company will follow for any identified conflict of interest it is unable to manage and which it cannot, with reasonable confidence, adequately protect from causing damage to a client.

### What is a conflict of interest?

A conflict of interest is a conflict that arises in the course of the Company providing its customers with a service which may benefit the Company (or another customer for whom the Company is acting) whilst potentially damaging another customer’s interests (where the Company owes a duty to that customer). Potential situations that may give rise to conflicts of interest include where:

- (a) the Company or an employee is likely to make a financial gain, or avoid a financial loss, at the expense of the Client
- (b) the Company or an employee has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client, which is distinct from the Client’s interest in that outcome
- (c) the Company or an employee has a financial or other incentive to favor the interest of another Client or group of Clients over the interests of the Client
- (d) the Company or an employee carries on the same business as the Client
- (e) the Company or an employee receives or will receive from a person other than the Client an inducement in relation to a service provided to the Client, in the form of monies, goods or services, other than the standard commission or fee for that service

## APPENDIX 3: LEVELS OF CLIENT PROTECTION

This Appendix contains data about main measures implemented by the Company to protect Client interests depending on the Client Category to which the Client is assigned.

Hereby the Company notifies that depending on the category to which the Client is assigned, he/she will benefit from the respective measures of protection, regardless of any clauses or announcements contained in these Terms and Conditions contrary to this notification.

Regardless of the Client's category, the Company shall fulfill its organizational obligations in relation to its activities related to the provision of services to the Client under these Terms and Conditions including obligations to prevent conflict of interests, responsibilities on continuity and regularity of investment services and measures directed to protect the Client's assets transferred by the Client to the Company according to the terms of these Terms and Conditions.

### (a) Retail Clients

Retail clients enjoy the highest level of protection provided by law. Main protection parameters include:

#### **Best Execution of Orders**

As part of the requirement to execute orders on the most profitable terms, the Company executes the Client's orders directly or instructs a third party to execute them on the most beneficial terms for such Clients.

#### **Assessment of suitability of product or service provided**

In order to receive/transmit and execute a Client Order, the Company should determine whether a financial instrument or service suits the Client. To this end, the Company should receive from the Client information about its knowledge and experience in order to understand whether the Client is able to realize the risks inherent in a financial instrument and/or service under consideration.

#### **Information provided to Clients**

The Company provides to the Client information provided by law and the Agreement before the service is provided. The company will also send the Client statements about the transaction immediately after the transaction is executed.

#### **Notification about fees and expenses**

When investment and/or additional services are provided by the Company to the Client, the Company discloses to the Client information about the Company's commission, other expenses, and fees charged by third parties in relation to execution of Orders, that should improve quality of the services provided to the Client by the Company and shouldn't prevent the Company from acting in the best interests of the Client with maximum benefit.

#### **Provisions on execution of Client's Orders**

The Company guarantees to the Client that the Company uses procedures and provisions which guarantee timely and unbiased execution of Client Orders in relation to other Clients or in relation to the Company's own transactions and trading operations.

### (b) Professional Clients

#### **Best Execution of Orders**

This protection measure for Professional Clients is adopted in order to inform professional clients about the Order execution policy. In particular, criteria taken into account for the execution of Orders on the most beneficial terms (price, expenses, and promptness of execution) can differ from those which usually apply to retail Clients.

## **Information provided to Clients**

The Company shall provide the Client with information, stipulated by law, before the provision of service. The Company shall immediately send the Client reports about a transaction after a transaction is executed.

## **Notification about fees and expenses**

When investment and/or additional services are provided by the Company to the Client, the Company discloses to the Client information about the Company's commission, other expenses, and fees charged by third parties in relation to execution of Orders also as any changes in commissions and fees charged by third parties.

## **Provisions on execution of Client's Orders**

When investment and/or additional services are provided by the Company to the Client, the Company shall provide the Client with information about commission, other expenses, fees charged by third parties in relation to execution of Client's Orders that should improve the quality of services provided by the Company to the Client and should not prevent the Company from acting in the Client's best interests with maximum benefit.

## **(c) Eligible counterparties**

### **Information provided to the Clients**

The Company provides the Client with information stipulated by law before the provision of service. The company shall send the Client reports about a transaction immediately after execution of transaction.

### **Notification about fees and expenses**

When investment and/or additional services are provided by the Company to the Client, the Company shall disclose to the Client information about commission, other expenses, and fees charged by third parties in relation to the execution of the Client's Orders.

## APPENDIX 4: INFORMATION ABOUT THE INVESTORS COMPENSATION FUND

### Objective of the Fund

The objective of the Fund is to ensure claims of persons in whose interests the Fund operates to the Fund's members by paying compensations against claims arising in the process of rendering services by the Fund's members provided that the inability of a Fund's member to fulfill its obligations has been identified.

The Company's inability to fulfill its obligations shall mean inability:

- to fulfill obligations concerning the Company's provision of services to Clients, to which the Fund's operations apply as regards refunding Clients' monetary funds, which the Company should pay to Clients, or monetary funds owned by the Clients but held by the Company and which the Client demands a refund when the respective rights are exercised.
- to assign to Clients, which the Fund's operations cover, financial instruments, which they own and which the Company holds, manages and maintains on their behalf, when the Company is responsible for administrative management of said financial instruments.

### Services and investment instruments covered by the Fund's activities

Investment activities:

- receipt and transmission of orders for one or more financial instruments;
- portfolio management.
- dealing on own account
- investment advice

Additional services:

- safe custody and management of financial instruments on behalf of clients, including safe custody of valuables, such as management of monetary funds/security.

Financial instruments:

- (1) Transferable securities;
- (2) Money-market instruments;
- (3) Units in collective investment undertakings;
- (4) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
- (5) Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event;
- (6) Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;
- (7) Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6) of this Part and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
- (8) Derivative instruments for the transfer of credit risk;
- (9) Financial contracts for differences;
- (10) Options, futures, swaps, forward-rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event,



as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Part, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF;

## Clients which fall under the scope of the Fund's activities

All clients of the Company fall under the scope of the Fund's activities, **except for Clients related to the following groups:**

1. Institutional investors and professional investors, such as:

- investment companies,
- legal entities associated with the Company and mainly related to the same Company as the Company;
- banks,
- mutual lending institutions;
- insurance companies,
- organizations on collective investments and their management companies;
- social insurance vehicles and funds;
- the Clients classified by the Company as professional.

2. States and supranational organizations.

3. Federal, confederal, regional and local authorities.

4. Enterprises associated with the Company.

5. Executive and managing officers of the Company.

6. The Company's shareholders whose direct or indirect participation in the Company's charter capital amounts to at least 5% of the charter capital and also its partners which bear personal liabilities for the Company's obligations and persons responsible for performing the Company's financial audit as provided by law such as its qualified auditors.

7. Investors that hold positions in organizations associated with the Company and overall in a group of companies, to which the Company belongs, or fulfill responsibilities similar to those mentioned in Clauses 5 and 6 of this list.

8. Second-degree relatives and spouses of the persons mentioned in Clauses 5-7 of this list and also third parties which act on behalf of these persons.

9. Investors-clients of the Company whose actions are responsible for the events which may have led the Company to face financial hardship or who may have benefited from such events.

10. Other Companies of the same Group.

11. Investors in the form of companies, which, due to their size, are not allowed to prepare a consolidated balance by law on companies or a similar law of a member country of the European Union.

## Prerequisites for initiating the procedure for paying out compensation

The Fund initiates the procedure for paying out compensation when at least one of the following prerequisites is in place:

- the Securities and Exchange Commission of the Republic of Cyprus has identified that the Company is currently unable to meet its liabilities arising out of claims of its investor Clients for services which fall under the scope of the Fund's activities provided that such inability is directly related to the Company's financial standing which has no prospects to improve in the near future, or
- a court has issued a ruling on grounds related to the Company's financial standing that temporarily deprives investor Clients of the ability to file complaints (claims) against the Company.

After a decision is taken a decision by the Securities and Exchange Commission of the Republic of Cyprus and a Court in accordance with the aforementioned facts at the beginning of the compensation procedure the Fund publishes at least in three major newspapers an offer to Clients which fall under the scope of the Fund's activities

to file their claims against the Company, indicating the procedure for filing said claims, the timeframe of their filing and their contents.

## Calculation of compensation payable

The amount of compensation payable to each Client is calculated according to law and contractual terms which regulate the relations of the Client which falls under the scope of the Fund's activities with the Company, taking into account mutual offset rules applied for calculation of claims between the Client and the Company. The compensation to be paid out is calculated based on the total amount of aggregate claims of the Client against the Company and regardless of the number of bills where the Client is a beneficiary, the currency or the location where the services were provided.

The Fund shall cover claims amounting up to the **lower** amount of:

i. 90% of the total amount of aggregate claims of the Client against the Company

**or**

ii. Euro 20.000 (twenty thousand)

After an evaluation is completed, the Fund performs the following activities:

- issues the minutes of a meeting indicating the Company's Clients entitled to compensation along with the amounts of monetary resources due to them and assigns them to the Securities and Exchange Commission of the Republic of Cyprus within five working days from the moment of their issue;
- notifies each Client whose interests are concerned about its conclusions no later than 15 days from the moment when minutes of the meeting are compiled that set the aggregate amount of compensation to which the Client is entitled. If the applicant, whom the Fund notifies about the aggregate amount of compensation due to him/her, does not agree with the Fund's decision, the Client shall be entitled to file a claim with the Securities and Exchange Commission of the Republic of Cyprus from the moment when the decision is announced and present sufficient substantiation of the claim filed.

The Fund is obliged to pay to each Client applicant who falls under the scope of the Fund's activities, compensation within three months from the moment when the minutes are sent to the Securities and Exchange Commission of the Republic of Cyprus with the list of persons entitled to receive compensation.

Additional disclosure of information about the Fund's activities, the amount of compensation payable to Clients, the procedure for filing a relevant application and the terms and conditions for paying out such compensation shall be made by the Company on the Internet on the websites [www.just2trade.online](http://www.just2trade.online) and [www.j2t.com](http://www.j2t.com).

## APPENDIX 5: RULES OF TRADING VIA ELECTRONIC SYSTEMS

### 1. Subject

The present Rules set forth the terms and conditions under which Lime Trading (CY) Ltd (hereinafter referred to as the "Company") shall permit the Client to have access to one or more terminals, including trading systems through the Client's internet browser, for the Client's access to the electronic trading or transmission of orders by the Client via electronic systems.

The present Rules also set forth the terms and conditions under which the Company shall permit the Client to electronically monitor the activity and positions on the Client's account.

Collectively called the "Service".

### 2. Rules of Use

By the present Rules the Company supply the Client with software for use of the Services and grant the Client non-exclusive and non-transferable license to use such software subject to the terms hereof.

The Client may use the software solely for his/her own personal purposes. Neither the software nor the Services may be used to provide computer time sharing, third party training or virtual or actual hosting for any third parties.

The Client shall use market data solely for his/her own personal purposes. Market data shall not be transmitted, sold to third parties or distributed among and/or published for use by third parties.

Nothing in these Rules alters or modifies the terms of any other agreement between the Company and the Client.

### 3. Access, Use of Password

The Company shall provide the Client with access to the Services.

The Services may be used to transmit orders, receive confirmation of execution of orders, subject to prevailing market conditions and applicable legislation and exchange rules and regulations.

The Client acknowledges, represents and warrants that:

1. The Client has received a number, code or other sequence which provides access to the Service (the "Password");
2. The Client is the sole and exclusive owner of the Password;
3. The Client is the sole and exclusive owner of any identification number, code or other sequence which allows access to the Services via computerized online service (the "ID").

The Client accepts full responsibility for use and protection of the Password and ID as well as for any transaction occurring in an account opened, held or accessed through the ID or the Password. The Client shall be legally bound by any electronic order entry and upon clicking indicia of acceptance after entering the required Password or ID.

The Client represents warrants and agrees that any individual who has possession of any Password or ID is the Client's duly authorized representative, having the power and authority to legally bind the Client in this manner. Such acceptance shall be deemed to be as effective as a written signature performed manually by the Client.

### 4. Rules of trading via electronic systems

The Client undertakes to place orders in accordance with the legislation of the countries in which jurisdiction stock exchanges are, and the rules of trade established by stock exchanges.

In case of suspicion of infringement by the Client of the legislation and the rules of trade established by stock exchanges, the Company has the right to:

- inform regulating authorities of the countries in which jurisdiction stock exchanges are, about suspicious transactions;
- request the Client for information on motive of transaction, source of information for executing of transaction and all the details of transaction, and the Client undertakes to submit to the Company all the requested information;
- stop every operation at the Client's account, to terminate the Client's access to trades via trading system for the period of internal check;
- prohibit to the Client voice trading for the period of internal check;
- refuse to the Client transfer of monetary funds for the period of check.

In case of suspicion of infringement by the Client of the legislation and the rules of trade established by stock exchanges, the Company has the right to unilaterally terminate any agreement for the provision of investment services to the Client.

The profit lost by the Client and/or expenses arising at the Client as a result of trial, shall not be compensated by the Company to the Client.

## 5. Warranties and Limitation of Liability

The Client accepts responsibility for use of the Services and for any trading and other decisions made by the Client based on its use. The Client shall not use any Password or ID the Company supplies to the Client for any transaction with another broker.

It is the Client's obligation to keep its Account numbers, user names and passwords ("Access Codes") strictly confidential. The Client acknowledges and agrees that any Instruction or communication transmitted via our Online Trading Systems by him or on his behalf, or through your Account, is made entirely at his own risk. The Client hereby expressly authorises the Company to rely and act on, and treat as fully authorized and binding upon the Client, any Instruction given to the Company that we believe to have been given by the Client or on his behalf by any agent or intermediary whom we believe in good faith to have been duly authorized by the Client. The Client acknowledges and agrees that the Company shall be entitled to rely upon the Client's Account number, Access Codes (user names and/or passwords) to identify the Client and the Client agrees he will not disclose this information to anyone not duly authorized by the Client.

The Client accepts responsibility for the monitoring of his/her account. The Client will immediately notify the Company in writing if the Client becomes aware of the following:

1. Any loss, theft or unauthorized use of the Client's Password(s), IDs or account number(s); or
2. Any failure by the Client to receive a message indicating that an order was received and/or executed; or
3. Any failure by the Client to receive an accurate confirmation of an execution; or
4. Any receipt of confirmation of an order and/or execution which the Client did not place; or
5. Any inaccurate information in the Client's account balances, positions, or transaction history.

The Company shall not be liable in any way to the Client or to any other person for:

1. any inaccuracy, error or delay in, or omission of any such data and/or information or the transmission or delivery of any such data and/or information, or
2. any loss or damage arising from or occasioned by any such inaccuracy, error, delay or omission, non-performance, or interruption in any such data and/or information due to any condition of "force-major" (e.g., flood, extraordinary weather condition, earthquake or other act of god, fire, war, insurrection, riot, labor dispute, accident, action of government, communication of power failure, equipment or software malfunction), or
3. any other cause that is not within the Company's control.

The use and storage of any information including, without limitation, the Password, the ID, portfolio information, transaction activity, account balance and any other information or orders available to the Client through the use by the Client of the Services is the Client's sole risk and responsibility.

The Client is responsible for providing and maintaining the communications equipment (including personal computers and modems) and telephone or alternative services required for accessing and using the Service.

## 6. Online trading risks

The Company shall not be held responsible or liable for any loss or damage suffered by the client or any other person due to the following:

- When trading online, you should be aware that during periods of high internet traffic, you might experience delays in accessing account data due to systems capacity limitations. Additionally, system response times may be adversely affected by increased market volatility conditions, quote delays, system performance; and other factors outside the control of the Company, which may include your computer system and internet service provider. You may also experience system outages or delays as a result of, among other things, power failures, programming failures or heavy trading volume. During periods of increased volatility, you might suffer market losses in the price and share volume of a particular stock when systems problems result in an inability to place buy or sell orders. The risk of financial loss in trading online can be substantial; therefore, you should consider whether such trading is suitable for you in light of your circumstances and financial resources;
- the Client shall be exposed to the so-called risks (malfunction of equipment, software glitches, disruptions in telecommunications and power supply, other technical issues), as a result of which it may become not possible to place an Order at a certain point in time or an Order may not be executed (in part or in full) or executed not in accordance with the Client's instructions;
- there is a risk for the Client to make accidental mistakes when placing Orders online (the Client places an Order which is not in accordance with actual intentions), including by reason of the Client's insufficient knowledge of how to operate the Online trading System and/or the lack of hands-on experience;
- the Client shall also be exposed to the risks associated with unauthorized access of third parties to his/her Account and any actions taken by the unauthorized person using the Client's key and/or Password, IDs or Account number(s);

## 8. Representations

The Client shall not, under any circumstances, do any of the following:

1. use the Service to threaten, harass, stalk, abuse, or otherwise violate the legal rights (including rights of privacy and publicity) of others;
2. download files that contain software or other material protected by intellectual property rights (or by rights of privacy or publicity) unless the Client has received all necessary consents;
3. upload files that contain a virus or corrupted data;
4. delete any author attributions, legal notices or proprietary designations or labels in a file that the Client upload to a bulletin board;
5. use the Service in a manner that adversely affects the availability of its resources to other members.

The Client represents and warrants that he/she is fully accept these Rules and is under no legal disability which would prevent the Client from trading, and that the Client is and shall remain in compliance with all laws, rules and regulations applicable to your business.

The Client agrees that he/she is familiar with and will abide by any rules or procedures adopted by the company in connection with the Services,

The Client shall not (and shall not permit any third party) to copy, use, analyze, modify, decompile, disassemble, reverse engineer, translate or convert any software provided to the client in connection with use of the Service or distribute the software of the Services to any third party.

## 9. Termination of Access

The Company may, in its sole discretion, terminate or restrict the Client's access to the Services at any time. Upon termination, any software granted to the Client herein shall be automatically terminated and the Client shall return to the Company promptly any software, manuals provided to the Client by the Company in connection with the Service access.

## 10. Indemnity

The Client agrees to indemnify and hold harmless the Company from and against all claims, demands, proceedings, suits and actions and all losses (direct or indirect), liabilities, costs and expenses (including attorney's fees and disbursements) incurred or suffered by the Company and arising from or relating to the use of the Services by the Client.

## APPENDIX 6: PROCEDURE FOR DETERMINING THE COMPANY'S FEES

Unless otherwise provided in Addendum executed by the Parties, Lime Trading (CY) Ltd (hereinafter referred to as the "Company") shall collect a fee from the Client for all services rendered by the Company to the Client. The Company shall collect the fee from the Client for the services rendered by the Company in accordance with the procedure and in the amount specified by the Company's tariffs effective as published on the Company's websites [www.just2trade.online](http://www.just2trade.online) and [www.j2t.com](http://www.j2t.com) at the moment when services were actually rendered to the Client as defined by the applicable agreement for the provision of investment services.

All bank and other fees, debts and expenses, payment for services of depositaries, registrars, other brokers whose service the Company must use if it is unable to execute Client orders independently, payment of legal fees, value added tax, sales tax and other taxes and duties ("Expenses") incurred by the Company when it duly fulfills its obligations, except for expenses for servicing the Company's bank accounts are timely debited by the Company from the Client's cash account.

The Company does not act as a tax agent in relation to income derived by the Company's clients from operations with financial instruments, does not calculate, withdraw or pay taxes for the Client. However, if this is provided by tax legislation of a country whose resident the Client is for taxation purposes, the latter is obliged to independently calculate and pay respective taxes and duties as provided by law.

At the Client's request the Company provides the Client with information about effective tariffs of third parties according to which the Company bears expenses.

The Company reserves the right to amend, alter, modify, delete or add to any of these Commissions and Charges at any time and at its sole discretion. When these Commissions and Charges are modified (hereinafter referred to as "Changes") the Company will post such Changes on its Online Trading Systems and/or otherwise notify the Client of such Changes, each such notification of which shall be deemed as sufficient notice and it is the Client's duty to consult and/or to check regularly the information posted under on the Company's Online Trading Facility regarding any such Changes. Therefore, the Clients should review the relevant fee schedules on the Company's Online Trading System from time to time so as to ensure that he will be aware of any such Changes. Except if, and then to the extent provided otherwise in these Terms and Conditions, all Changes shall be effective three (3) calendar days after their initial posting on our Online Trading Facility, or as of the first time that you access and/or use our Online Trading Facility after such amendments are made, whichever is sooner. The Client's continued use of the Company's Online Trading System after the publication of any Changes shall be considered as the Client's agreement to such Changes and shall be governed by these Terms and Conditions, as modified. If the Client does not wish to be bound by those Changes, he should cease to use the Company's Online Trading System, and inform the Company in writing, immediately.

In the event that the Company announces several tariff plans, the Company's fee shall be calculated in accordance with the tariff plan selected by the Client. The Client selects a tariff plan (changes the previously selected tariff plan) based on a written application filed to the Company, based on the same requirements and limitations imposed and announced by the Company to all Clients. Unless otherwise agreed between the Company and the Client, the new tariff plan selected by the Client shall become effective on the first day of the month following the month in which the application was filed.

In the event that the Client selects no tariff plan, the Company shall collect a fee from the Client in accordance with the tariff plan determined by the Company at its sole discretion when several tariff plans are announced. Unless otherwise agreed between the Company and the Client, the tariff plan so amended shall become effective in accordance with the procedure provided for in paragraph 2 hereof.

The Parties are entitled to specify in Addendum the amount of the Company's fee different from the one provided for by the Company's tariffs.

In addition, the Company may share and/or benefit from commission, mark-up, mark-down or any other remuneration in respect of any Transactions and/or Contracts entered into by us and/or in respect of any Transactions and/or Contracts carried out on your behalf. Details of any such remuneration or sharing arrangement will not be set out on the relevant Trade Confirmations. We may, upon reasonable request, to the extent possible and at our sole discretion, to disclose to you the amount of any such commission, mark-up, mark-down or any other remuneration paid by us to any Associate, Business Introducer or other third party.

## APPENDIX 7: CLIENTS COMPLAINTS HANDLING PROCESS

Lime Trading (CY) Ltd (hereinafter "the Company") maintains effective and transparent procedures for the reasonable and prompt handling of complaints or grievances received from retail clients and keeps a record of each complaint or grievance and the measures taken for the complaint's resolution.

**Complainant** means any person, natural or legal, which is eligible for lodging a complaint to the Company and who has already lodged a complaint.

**Complaint** can be defined as a statement of dissatisfaction addressed to the Company by a complainant relating to the provision of an investment service provided by the Company.

**Claims**, including applications and complaints (hereinafter jointly referred to as "claims") shall be submitted in writing and signed by the Client or an authorized representative of the client.

Only complaints submitted by the Client or a person authorized to act on behalf of the Client will be reviewed and investigated.

The claim shall contain:

- the essence of the claim and the demands of the Party which initiated this claim;
- the amount of the claim and its calculation (if the claim is subject to pecuniary valuation);
- summary of circumstances on which the applicant's requirements are based and evidences substantiating them with reference to corresponding legislative and statutory documents;
- the list of documents attached to the claim and other evidences;
- other data necessary for settlement of a dispute.

Claims, which do not contain data on the Client's name or the location (address) shall be classified as anonymous and left without consideration.

All Complaints must be reported to the Company, in writing, within three (3) days from the date of the event that gave rise to the Complaint. Failure to object within the above-mentioned time period shall be deemed ratification by the Client of all actions undertaken by the Company prior to making the Complaint. The Company shall have the right to request the Client (complainant) for additional documents and data. The term of reviewing a claim shall be extended for the period of submitting documents.

### Procedure for handling complaints

The detailed procedure for submitting and handling Client complaints as well as related forms to completed are published on the Company's website:

[https://just2trade.online/files/j2t/docs/Complaints%20Handling%20Policy\\_ENG.pdf](https://just2trade.online/files/j2t/docs/Complaints%20Handling%20Policy_ENG.pdf)



## APPENDIX 8.1: MAIN RISKS ASSOCIATED WITH INVESTMENTS IN FINANCIAL MARKETS

### (a) Risk Classification of Securities, Money Market Instruments and Derivative Products

The classification of risks is based on general as well as special (product-specific) risks. The general risks inherent in investments in securities, money market instruments and derivative products to be taken into account are explained on the following pages.

### (b) General Investment Risks

#### Complex Products

- (i) If you do not understand the key features of the product being offered, or the key risks involved, do not invest. Instead, consider seeking independent professional advice on what investment is suitable for you.
- (ii) Be aware that sometimes the name of a product may not reflect the features of the product.
- (iii) Be careful if you need to access your money before the product is due to pay out.
- (iv) Before you invest, understand what the total costs are. The cost of an investment will impact the return you are likely to achieve. Also, there may be similar, less complex products - with lower costs – available.

Some complex products require a high level of knowledge to evaluate and assess the risks. They also need active management and monitoring over time. Active management and monitoring is often too time consuming, impractical and difficult for retail investors. You should consider these difficulties when thinking about investing in complex products.

Complex products consist of the following:

- (i) is a derivative, or incorporates a derivative (a derivative is a financial instrument where the value is based on the value of another financial instrument, or of some other underlying financial asset or index, such as foreign currencies or interest rates – they are often included in a financial product to produce or enhance a certain investment strategy, as well as to hedge, or offset, certain risks);
- (ii) has underlying assets or indices that are not easily valued, or whose prices or values are not publicly available;
- (iii) has a fixed investment term with, for example, penalties in case of early withdrawal that are not clearly explained;
- (iv) uses multiple variables or complex mathematical formulas to determine your investment return;
- (v) includes guarantees or capital protection that are conditional or partial, or that can disappear on the happening of certain events.

Examples of products that should be considered as complex: as-set-backed securities; types of bonds such as convertible or subordinated; certificates; contracts for difference (CFDs); credit linked notes; structured products; and warrants. Although complex products can provide benefits to you, there are certain risks and potential disadvantages involved in investing in complex products. You need to be fully aware of these risks and ensure you sufficiently understand the key features of a product in order to make in-formed investment decisions.

#### Market risk

Market risk is the day-to-day risk of losses arising from movements in market prices. Complex products can expose you to several market risks because they are often designed to invest in separate underlying markets (for example, in shares, interest rates, exchange rates, commodities).

#### Cost of complexity

Complex structures within a product can mean the product has a higher cost because you are paying for the product's underlying features. Also, fees and commissions are usually built into the structure of the products, and are therefore not readily apparent.

#### Currency Risk

In the case of investments in foreign currency, the return and performance of the investment are strongly influenced by the exchange rate development of the foreign currency relative to your base currency. This means that exchange rate fluctuations may increase or decrease the return and value of such investments.

## **Transfer Risk**

Transactions involving a foreign business partner (e.g. a foreign debtor) carry the additional risk that political or exchange control measures in a given country may complicate or prevent the realisation of the investment. In addition, problems may occur in connection with the settlement of an order. In the case of foreign currency transactions, such measures may obstruct the free convertibility of the currency.

## **Country Risk**

The country risk represents the credit risk of a given country. If the country concerned poses a risk in political or economic terms, all counterparties resident in that country may be affected.

## **Liquidity Risk**

Tradability (liquidity) refers to the possibility of selling a security or closing out a position at the market price at any given time. The opposite of a liquid market is a narrow market. The market in a particular security is said to be narrow if an average sell order (measured by the usual trading volume) causes perceptible price fluctuations and if the order cannot be settled at all or only at a substantially lower price.

## **Credit Risk**

Credit risk refers to the possibility of the counterparty's default, i.e. the inability of one party to a transaction to meet its obligations such as dividend payments, interest payments, repayment of principal when due, or to meet such obligations for full value. It is also known as repayment risk or issuer risk.

## **Interest Rate Risk**

The risk that losses will be incurred as a result of future movements in the market interest level is termed interest rate risk.

## **Exchange Risk**

This term means the risk of adverse movements in the value of individual investments. In the case of transactions implying a future obligation (foreign currency forwards, futures, selling options etc.) it may therefore be necessary to provide collateral security (margin) or to increase its amount, which means tying up liquidity.

## **Risk of Total Loss**

This term refers to the risk that an investment may become completely worthless.

## **Buying Securities on Credit**

The purchase of securities on credit implies an increased risk. The credit raised must be repaid no matter whether the investment has been profitable or not. Furthermore, the credit costs reduce the return.

## **(c) Placing Orders**

Buy or sell orders must at least indicate the designation of the investment, the quantity (number of securities/nominal amount) to be purchased or sold, the price at which the transaction is to be carried out and the period for which the order is to be valid.

### **Price Limit**

If buy or sell orders are placed with the instruction "at best" (no price limit), deals will be executed at the best possible price. With a buy limit, the purchase price and thus the amount of capital employed is limited. No purchases will be made above the price limit. A sales limit fixes the lowest acceptable selling price; no deals will be carried out below this price limit.

### **Time Limit**

Setting a time limit determines the validity period of orders. The validity of unlimited orders depends on the practices of the respective stock market. Your investment adviser will inform you of further additions which can be made when placing an order.

## Tax Considerations

Your investment adviser will inform you about the general tax aspects of the individual investment instruments. We advise you to assess the impact of an investment on your personal tax bill together with your tax consultant.

### (d) Investment Risks Related To Bonds/Debentures / Fixed-Income Securities

#### i. Bonds

(= debentures, fixed-income securities) are securities that obligate the issuer (= debtor) to pay to the holder (= creditor, buyer) interest on the capital invested and to repay the nominal amount according to the bond terms.

#### Return

The bond yield is composed of the interest paid on the capital and any difference between the purchase price and the price achievable upon sale/redemption of the bond.

Consequently, the return can be determined in advance only if the bond is held until redemption. To provide an indication/comparison, an annual yield based on the assumption of bullet repayment is calculated in line with international standards. If the yield of a bond is significantly above the general yield level of bonds with comparable maturities, there good reasons must exist - one of them may be an increased credit risk.

The price achievable upon sale of a bond prior to redemption (market price) is not known in advance. This means that the yield may be higher or lower than initially calculated. In addition, transaction charges must be taken into account when calculating the overall return.

#### Credit Risk

There always is the risk of the counterparty's default, e.g. in the case of the debtor's insolvency. The credit standing of the debtor must therefore be considered in an investment decision.

Credit ratings (assessment of the creditworthiness of a debtor) issued by independent rating agencies provide some guidance in this respect. The highest creditworthiness is "AAA". The lower the rating (e.g. "B" or "C") is, the higher is the repayment risk, but also the higher will be the yield (risk premium).

#### Exchange Risk

If a bond is kept until maturity, the investor will receive the redemption price as stated in the bond terms. Please bear in mind the risk of a call, i.e. the issuer retires the bond before maturity (this is only possible if a relevant provision is specified in the bond terms).

If a bond is sold prior to maturity, the investor will receive the current market price, which is regulated by supply and demand. For instance, the price of fixed-rate securities will fall if the interest rate on bonds with comparable maturities rises. Conversely, bonds will gain in value if the interest rate on bonds with comparable maturities falls. The market price of a bond may also be affected if the issuer's creditworthiness changes.

#### Liquidity Risk

The tradability of bonds depends on several factors, e.g. issuing volume, residual life, bond market rules and market conditions. Certain bonds may be difficult or impossible to sell and must be held until maturity.

#### ii. Bond Trading

Bonds are traded on a stock exchange or over-the-counter. Company may quote buying and selling rates for bonds upon request.

#### iii. Some Special Bonds

##### Supplementary capital bonds

These are junior securities issued by certain banks. Interest will be paid only if the bank has achieved a sufficient net income (before allocation to reserves) for the financial year, and principal will be repaid only after pro-rata deduction of the net losses suffered during the full term of the supplementary capital bonds.

##### Subordinated capital bonds

In the event of an issuer's liquidation or bankruptcy, payments are made to the holder of these bonds only after all other non-subordinated liabilities of the bond debtor had been satisfied. It is not possible to offset claims to redemption of subordinated bonds against amounts owed to the bond debtor.

## **Cash-or-share bonds issues**

These consist of three components, the risk of which is borne by the holder of these bonds: The investor buys bonds (bond component) whose interest rate takes into account the option premium and is higher than the market interest rate of other bond issues with comparable maturities.

However, the bonds will be redeemed either in cash or in shares, depending on the price performance of the underlying share (share component). Thus, the bondholder is the writer of a put option (option component), who sells the right to put shares to him/her to a third party and, thereby, accepts the risk of an adverse movement in the share. In return for accepting the risk, he/she will receive the option premium, which is determined chiefly by the volatility of the share. Unless the bonds are held until maturity, there will be the additional risk of interest rate fluctuations. Changes in the interest rate level will thus affect the price of the bonds and, consequently, their net yield relative to the holding period.

Please note the information on the credit risk, interest rate risk, and exchange risk of the share given in this brochure. Your personal adviser will be pleased to inform you about further special bond types such as bonds with warrants, convertible bonds, zero-coupon bonds etc.

## **(e) Investment Risks Related to Shares**

### **Shares**

Shares (stocks, equities) are securities evidencing an ownership interest held in an enterprise (public limited company). The most important rights of shareholders are the participation in the company's profits and the right to vote in the shareholders' meeting.

### **Return**

The yield on investments in shares is composed of dividend payments as well as price gains or losses and cannot be predicted with certainty. The dividend is the amount of a company's earnings distributed to shareholders. The amount of the dividend is decided by the shareholders' meeting and is expressed either as an absolute amount per share or as a percentage of the nominal value of the share. The return achieved on the dividend in relation to the share price is called dividend yield. Usually, this is considerably lower than the dividend quoted as a percentage of the nominal value. The greater part of the return on investments in shares is usually achieved from their performance/price trend (see exchange risk).

### **Exchange Risk**

Most stocks are traded on a public exchange. As a rule, prices are established on the basis of supply and demand daily. Investment in stocks may involve considerable losses.

In general, the price of a stock depends on the business trend of the respective company as well as the general business environment and political conditions. Besides, irrational factors (investor sentiment, public opinion) may also influence the share price trend and thus the return. Statistics show that, in the past, investments in stocks provided higher overall returns in the medium and long term than investments in most other securities categories.

### **Credit Risk**

Shareholders hold an ownership interest in a company. This means that their investments may be rendered worthless, especially if the company becomes insolvent.

### **Liquidity Risk**

Tradability may be limited in the case of shares with a narrow market (especially stocks quoted on the so-called "third market").

### **Stock Trading**

Stocks are traded on a public exchange and sometimes over-the-counter. In the case of stock exchange trading, the relevant stock exchange rules (trading lots, order types, contract settlement etc.) must be observed. Foreign

shares quoted in euro are still subject to a currency risk, in addition to the exchange risk if their local stock exchanges are in countries which are not members of European Monetary Union. Please contact your personal adviser for further details.

## **(f) Investment Risks Related To Investment Funds**

### **i. Shares in Investment Funds**

(= investment fund certificates) are securities which evidence co-ownership of an investment fund. Investment funds invest the money provided by investors in accordance with the principle of risk diversification. There are three basic types of investment funds: bond funds, stock (equity) funds and balanced funds, which invest in both bonds and stocks. Funds may invest in European and/or third country securities.

Besides, funds are categorised as interest/dividend paying funds, growth funds, and funds of funds. In contrast to interest/dividend-paying funds, a growth fund does not pay out its income but reinvests it in the fund. Funds of funds invest in other European and/or third country funds.

### **ii. Open-End Investment Funds**

#### **Return**

These consist of open-end and closed-end funds. The return on investment fund certificates is composed of the annual distributions (in the case of interest/dividend-paying funds, not of growth funds) and the trend of the net asset value (NAV). The return on investment cannot be established in advance. NAV performance depends on the investment policy specified in the fund terms as well as on the market trends of the individual securities held by the fund. Depending on the composition of a fund's portfolio, the relevant risk-warning notices for bonds, stocks or warrants must be taken into account.

#### **Exchange/rating risk**

Investment fund certificates can normally be resold to the fund at the repurchase price at any time. Under exceptional circumstances, the repurchase of certificates can be temporarily suspended until fund assets have been sold and the sales proceeds received. Your investment adviser will be pleased to inform you about any charges and the execution date of your buy and sell orders. The life of an investment fund is set down in the fund's terms and is usually unlimited. Please keep in mind that investment fund certificates, unlike bonds, are not normally redeemed and, consequently, do not carry a fixed redemption price. The risk of investment fund certificates depends, as already mentioned, on the fund's stated investment policy and the market trends. A loss cannot be ruled out. Although investment fund certificates can normally be resold at any time, in practice they are a profitable investment only if kept over a longer period of time (a minimum of three years with the exception of money market funds).

#### **Tax considerations**

The tax treatment of returns on investment funds may vary according to the type of investment fund. Detailed information is provided in the respective fund's periodic reports.

### **iii. Investment Companies (closed-end)**

Investment companies are governed by separate legal provisions. The rules for supervision are in many cases less strict than the ones for investment funds.

In certain countries, there may also be closed-end funds and funds ruled by corporate law, whose prices are determined by supply and demand rather than by the intrinsic value of the fund, which is roughly comparable to the way stock prices are formed.

Regardless of their legal form, the income distributed by investment companies or, in the case of reinvestment funds, the income equivalent to dividend payments is subject to other tax regulations than income distributed by investment funds.

Please note that interest/dividend payments and income equivalent to interest/dividend payments (e.g. reinvestment funds) of third country investment funds - irrespective of their legal form - are subject to different tax regulations.

## **(g) Investment Risks Related to Warrants**

### **i. Warrants**

Are interest- and dividend-free securities, granting the holder the right to buy (call warrants) or sell (put warrants) a certain underlying security (e.g. shares) at a predetermined price (exercise price).

#### **Return**

The buyer of a call warrant has locked in the purchase price of the underlying security. A return can be achieved if the market price of the underlying security exceeds the agreed exercise price to be paid by the investor (the purchase price of the warrant has to be deducted). Then, the warrant holder can buy the underlying security at the strike price and sell it immediately at the ruling market price.

An increase in the price of the underlying security will usually lead to a proportionately higher percentage increase in the warrant price (leverage effect). Consequently, most warrant holders achieve a return by selling warrants. The same applies, in the opposite direction, to put warrants. These usually rise in value if the price of the underlying security decreases. The return on warrant transactions cannot be established in advance.

#### **Exchange Risk**

The risk inherent in warrant transactions is the possibility that, between purchase and expiry of the warrant, the underlying security performs differently than expected at the time of purchase. In the worst case, this may involve the complete loss of the invested capital. The price of a warrant is also influenced by other factors. The most important are:

- volatility of the underlying security (a measure of the fluctuation margin anticipated at the time of purchase and, simultaneously, the most important parameter for determining the fairness of the warrant price)
- residual life of the warrant.

Consequently, the price of a warrant may remain unchanged or fall, even though the price trend of the underlying security has moved in line with the investor's expectation. We generally advise against the purchase of warrants which are close to expiry. Buying warrants with high volatility makes your investment more expensive and is highly speculative, as is the purchase of warrants with strong leverage.

#### **Liquidity Risk**

Warrants are usually issued only in small numbers, which increases the liquidity risk for investors. For this reason, individual warrants may be subject to particularly sharp price fluctuations.

### **ii. Warrant Trading**

Warrants are traded on stock exchanges as well as over-the-counter (OTC). In many cases, there are differences in bid and ask prices between warrants traded on stock exchanges and warrants traded OTC.

#### **Warrant Terms**

Warrants do not have standardised terms, therefore, it is imperative that full information on the exact terms and conditions of a warrant is gathered, in particular:

#### **Method of exercise**

Is the warrant exercisable at any time during its life (American-style option) or only at expiry (European-style option)?

#### **Subscription ratio**

How many warrants are needed to obtain the underlying security?

#### **Exercise**

Delivery of the underlying security or cash settlement?

#### **Expiry**

When does the option right expire? Please note that your bank will not exercise your option without your explicit instruction.

## (h) Investment Risks Related to Money Market Instruments

| MONEY MARKET INSTRUMENTS – BRIEFLY EXPLAINED |   |
|--|---|
| Certificates of deposit                      | Money market instruments with terms of usually 30 - 360 days, issued by banks.  |
| Deposit funds                                | Money market instruments with a term of up to five years, issued by banks.  |
| Federal government bonds                     | Money market instruments with a term of six months to five years (maximum), issued by the Federal Ministry of Finance.          |
| Commercial papers                            | Money market instruments, short-term debt instruments with maturities ranging from five to 270 days, issued by large companies. |
| Notes  | Short-term capital money market instruments with maturities ranging from one to five years.                                     |

These include investments and borrowings evidenced by a certificate such as certificates of deposits, deposit funds, government bonds, global note facilities, commercial papers as well as all notes with a maturity of up to five years for the repayment of principal and fixed interest rates for up to about one year.

### Return and Risk Components

The return and risk components of money market instruments are largely equivalent to those of bonds/debentures/fixed-income securities. Differences exist mainly in the liquidity risk.

### Liquidity Risk

Typically, there are no organised secondary markets for money market instruments. For this reason, there is no guarantee that the instruments can be sold at any time.

The liquidity risk is diminished if the issuer guarantees the repayment of the invested capital at any given time and if the issuer's credit standing is satisfactory.

## (i) Investment Risks Related to Forward Transactions in Securities (Options and Futures Contracts)

Options and futures transactions offer the opportunity to make big profits, but, at the same time involve the risk of substantial losses. As your Investment Firm, we consider it our duty to familiarise you with the risks involved before you close such deals.

### Buying Options

This refers to the purchase (= buy to open a long position) of call options or put options, whereby you acquire the right to receive or sell the underlying instruments, or - if this is not possible, as in the case of index options - the right to receive an amount of money equivalent to the positive balance between the strike price and the market price at exercise. In the case of American-style options, this right may be exercised at any time until maturity, in the case of European-style only at maturity. In return for acquiring this right, you pay the option premium. If the price of the underlying instrument moves contrary to your expectations, your right may decline in value and may even become worthless at maturity. Thus, your loss potential consists in the premium paid for the option.

### Selling (writing) call options

This implies the sale (= sell to open a short position) of call options, whereby you undertake to deliver the underlying instruments at the strike price at any time until maturity (in the case of American-style call options) or at maturity (in the case of European-style call options). In return for this obligation, you receive the option premium. If the price of the underlying instruments increases, you may have to deliver them at a time when the market price is considerably higher than the strike price. Your loss potential consists in this difference, which cannot be predetermined and, basically, may be unlimited. If you do not possess the underlying instruments (**uncovered short position**) when the option is exercised, you will have to buy them in the market for delivery (short covering), which means that your risk of loss cannot be predetermined. If you possess the underlying instruments, you do not risk having to cover a short position and you can deliver them promptly. However, as the instruments in question must remain blocked during the lifetime of your option, you cannot sell them during this period and, consequently, cannot avoid losses by selling these instruments in the case of falling prices.

### Selling (writing) put options

This implies the sale (= sell to open a short position) of put options, whereby you undertake to buy the underlying instruments at the strike price at any time until maturity (in the case of American-style put options) or at maturity (in the case of European-style put options). In return for this obligation, you receive the option premium. If the price of the underlying instruments falls, you may have to buy them at a time when the market price is considerably lower than the strike price. Your loss potential consists in this difference, **which cannot be predetermined and, basically, may be unlimited**. In this case, an immediate selling of these instruments will involve a loss. However, if you do not wish to sell them right away but prefer to keep them, you must take into account the funds required for their acquisition.

## Purchase and Sale of Futures Contracts

This implies the obligation to buy or sell the underlying securities at a fixed price (delivery price) at a pre-agreed date (delivery date). If prices increase, you may have to deliver - as agreed - the underlying instruments at a time when the delivery price is considerably lower than the market price. Conversely, if prices decrease, you have to buy - as agreed - the underlying instruments on delivery date at delivery price even if their market price is considerably lower. This difference represents your loss potential. If you have undertaken to buy the underlying instruments, the full amount of money necessary to buy them must be available in cash at maturity. If you have undertaken to deliver but do not possess the underlying instruments (**uncovered short position**), you have to buy them in the market at maturity (short covering), which means that **your risk cannot be predetermined**. If you possess the underlying instruments, you do not risk having to cover a short position and you can deliver them promptly.

## Cash Settlement

If the delivery or purchase of the underlying securities is not possible (e.g. in the case of index options or index futures) you will have to pay - if your market expectations have not been met - an amount of money equivalent to the difference between the strike price of the option or the delivery price of the futures contract and the market price at exercise of the option or at delivery date of the futures contract. This difference represents **your loss potential, which cannot be predetermined and, basically, may be unlimited**. Furthermore, you have to ensure sufficient liquidity to settle this transaction.

## Margins

Writing uncovered options (= sell to open an uncovered short position) or buying or selling futures requires the provision of collateral securities, the so-called margins. Margins have to be provided both when positions are opened and throughout the lifetime of the options or futures contract. If you are unable to meet a margin call, a sub broker which provides the margin service will be obliged to close open positions immediately and to use the margin already provided to settle such positions.

## Closing of Positions

You are allowed to close your options and futures positions before their respective expiry, but you must not rely on this possibility being at hand at any time. To a high degree, it depends on market conditions, and if the market is in poor shape, trades may be possible only at unfavourable prices. This, in turn, may result in losses.

## Other Risks

Options embody rights as well as obligations – futures contracts contain obligations only - with short-term maturities and standardised expiry and delivery dates. These aspects, together with the promptness of these kinds of transactions, imply the following additional risks, in particular:

- Options which have not been exercised or closed before maturity expire and thus become worthless.
- If margin calls are not met in time, a subbroker which provides the margin service will close your position and use the margins provided until such date, notwithstanding your obligation to cover outstanding balances.
- If you have written an option and underlying instruments are to be put to you, we will take the necessary steps on your behalf without any previous notice. Instruments put to you under an exercised put option will be sold by us in the case of insufficient cover.
- If you trade futures contracts in foreign currencies, adverse trends in the foreign exchange markets may increase your risk.

We will provide you with any information you may require in connection with your options and futures transactions - at your request, also by telephone. However, we have to decline any responsibility for any lack of possibility to



provide such information and for losses resulting there from. Being actively engaged in the trading of options and futures, you should bear the above-mentioned risks in mind and make due allowance for them at all times.

## (j) Exotic OTC Options

Normally all the OTC options risks apply to Exotic OTC options, but there are some twists.

### i. Barrier options (knock out options)

Type of path dependent OTC option, where the option to exercise depends on the underlying crossing or reaching a given barrier level. It is possible to buy the barrier and pay less premium than the vanilla option.

#### Example

A European call option may be written on an underlying with spot price of \$100, and a knockout barrier of \$120 - if the spot price ever moves above \$120, the option "knocks out" and the contract is null and void. Note that the option does not reactivate if the spot price falls below \$120 again.

#### Return

The call option holder will make a profit if the price of the underlying instrument rises above the strike price, but it keeps below a given barrier level. The put option holder will make a profit if the spot price moves down the strike price, but it keeps above a given barrier level. The option writer receives a premium, which can be his/her return if the option is not exercised by the holder or "knocks out".

#### Special Risks of Barrier Option Agreements

The option holder runs the risk of deactivating the option if the barrier is crossed.

### ii. Asian options (average options)

Strongly path dependent OTC options; are based on the average price of the underlying asset over a certain period of time as opposed to at maturity. The average can be either the Arithmetic Average (i.e. the standard mean) or the Geometric Average (which is the mean when assuming all price moves are in percentages not absolute values).

#### Return

The option holder will make a profit if the average price of the underlying asset over a certain period of time becomes above the strike price (call option) or moves down the strike price (put option).

The option writer receives a premium, which can be his/her return if the option is not exercised by the holder, but this type of option contract tends to cost less than regular American option.

#### Special Risks of Asian Option Agreements

An Asian option can protect investors from the volatility risk that comes with the market.

### iii. Lookback options (hindsight options)

Type of path-dependent option where the payoff is dependent on the maximum or minimum asset price over the life of the option. They generally come in two distinct forms:

**Fixed Strike** - the strike is predetermined at inception and the payoff is the maximum difference between the optimal price and the strike price.

**Floating Strike** - the strike is given as the optimal value of the underlying asset.

#### Return

The option holder can 'look back' over time and is able to get the best possible return from an option. In the case of a call, the buyer will choose the lowest price, and in the case of a put, the buyer will choose the highest price (see below for formulae of calculating return). The option writer receives a premium, which can be his/her return if the option is not exercised by the holder. The premium on such options tends to be high since it gives the buyer great flexibility, and the writer has to take on a lot of risk.

## Special Risks of Lookback Option Agreements

There are no risks for the option holder, because this option will always be exercised. The option writer runs the highest possible risk.

$$c_{fixed} = \max(0, S_{\max} - X)$$

$$c_{float} = \max(0, S - S_{\min})$$

## (k) Opportunities and Risks In Treasury Transactions

The classification of risks is based on general as well as special (product-specific) risks. The general risks inherent in investments in securities, money market instruments and derivative products to be taken into account are explained on the following pages.

### i. Foreign Exchange Forward Contracts

A foreign exchange forward contract is the firm undertaking to buy or sell a certain amount in a foreign currency at a specified date in the future or during a specified period of time at a price agreed upon conclusion of the contract. Delivery and receipt of the counter currency take place at the same value. Detailed data about the Company's Forward Contracts are posted by the Company on the Internet at <https://just2trade.online>, section "Fees & Commissions".

#### Return

The return (profit/loss) to be achieved by speculative users of foreign exchange forward contracts is the difference between the exchange rates at a given time during the term or at maturity of the forward operation, according to the contract specifications. The use of foreign exchange forward contracts for hedging purposes means that an exchange rate is locked in so that the cost of and return on the hedged transaction will neither increase nor decrease as a result of any exchange rate fluctuations.

#### Currency Risk

The currency risk inherent in foreign exchange forward contracts is, in the case of hedging transactions, the possibility that the buyer/seller could buy/sell the foreign currency at a more favourable price during the term or at maturity or, in the case of unmatched positions, the possibility that the buyer/seller must buy/sell the currency at a less favourable price than the price fixed in the contract. The potential loss may substantially exceed the original contract value.

#### Credit Risk

The credit risk in connection with foreign exchange forward contracts consists in the possibility of the counterparty's default due to insolvency, i.e. one party's temporary or permanent inability to fulfil the foreign exchange forward contract, making more expensive covering transactions in the market necessary.

#### Transfer Risk

In the case of individual foreign currencies, the possibilities of transfer may be restricted, in particular as a result of exchange-control regulations imposed by the country issuing that currency. The due and proper execution of the foreign exchange forward contract would then be at risk.

### ii. Foreign Currency Swaps

A currency swap is the exchange of two currencies over a specified period of time. The interest rate differential between the two currencies is reflected in a premium/discount to the re-exchange rate. Delivery and receipt of the counter currency take place at the same value.

#### Return

The return (profit/loss) for the user of foreign currency swaps results from the positive/negative development of the interest rate differential and may be achieved in the course of a counter transaction during the maturity of the currency swap.

#### Credit Risk

The credit risk in connection with currency swaps consists in the possibility of the counterparty's default due to insolvency, i.e. one party's temporary or permanent inability to complete the currency swap, making more expensive covering transactions in the market necessary.

## **Transfer Risk**

In the case of individual foreign currencies, the possibilities of transfer may be restricted, in particular as a result of exchange-control regulations imposed by the country issuing that currency. The due and proper execution of the foreign currency swap would then be at risk.

### **iii. Interest Rate Swaps (IRS)**

An interest rate swap regulates the exchange between two parties of interest obligations at different rates in respect of a notional principal amount. As a rule, fixed interest rates are exchanged for variable ones. Both payment streams are denominated in the same currency and relate to the same principal amount. This means that only interest payments are swapped, whereas no flow of capital takes place.

#### **Return**

The buyer of an interest rate swap, who pays a interest rate, benefits from a rise in market interest rates. The seller of an interest rate swap, who receives a fixed interest rate, benefits from a fall in market interest rates.

The return on an interest rate swap cannot be determined in advance.

#### **Interest Rate Risk**

The interest rate risk results from the uncertainty as to future changes in market interest rates. The buyer/seller of an interest rate swap incurs a loss if interest rates fall/rise.

#### **Credit Risk**

The credit risk for the buyer of an interest rate swap consists in the possibility of the counterparty's default, making more expensive covering transactions in the market necessary.

#### **Special Features of Interest Rate Swaps**

Interest rate swaps do not have standardised terms, they are customised products. Therefore, it is imperative that full information on the exact terms and conditions of interest rate swaps is gathered, in particular on:

- principal (notional) amount
- term (maturity)
- interest rates agreed.

### **iv. Forward Rate Agreements (FRA)**

Forward rate agreements are used to lock in interest rates to be paid in future interest periods. Since forward rate agreements are traded on the inter-bank market and not on exchanges, they do not have standardised terms. Unlike the closely related interest rate futures, forward rate agreements are customised products in terms of principal (notional) amount, currency and interest period.

#### **Return**

By buying/selling a forward rate agreement, the buyer/seller has fixed the interest rate. If the reference interest rate is higher than the agreed interest rate (price of forward rate agreement) on the date of maturity, the buyer of the FRA will be compensated for the movement in interest rates. If the reference rate is lower than the agreed interest rate on the date of maturity, the seller of the FRA will receive a compensation payment.

#### **Interest Rate Risk**

The interest rate risk results from the uncertainty as to future changes in interest rates. The general rule is: the more pronounced the increase/decrease in interest rates is, the higher is the risk.

#### **Credit Risk**

The credit risk in connection with buying forward rate agreements derives from the possibility of the counterparty's default, making more expensive covering transactions in the market necessary.

## Special Features of Forward Rate Agreements

Forward rate agreements do not have standardised terms, but they are customised products. Therefore, it is imperative that full information on the exact terms and conditions of the contract is gathered, in particular on:

- principal (notional) amount
- term (maturity)
- interest rates agreed

## v. Interest Rate Futures

Interest rate futures are exchange-traded forward contracts on short-term investments, money market or capital market instruments with standardised maturities and contract sizes. This means that the yield on a deposit can be fixed in advance by means of an interest rate future.

### Return

The return (profit/loss) achievable by the speculative user results from the interest rate or price differentials at maturity of the transactions and those stipulated in the contract. Using interest rate futures for hedging purposes reduces the financial risk of existing or future positions.

### Interest Rate Risk

The value of an interest rate future primarily depends on the yield trend of the underlying instrument. The buyer's exposure is therefore comparable to that of a holder of the underlying instrument. The risk results from the uncertainty as to future changes in the market interest level.

The interest rate risk taken by the buyer/seller of a futures contract consists in the potential obligation to put up further margin or to complete the deal at maturity if market interest rates rise/fall. The general rule is: the more pronounced the increase/decrease in current market interest rates is, the higher is the risk. The resulting potential of loss may be many times higher than the original capital invested (initial margin).

### Liquidity Risk

In some markets, the closing out of futures positions (sale/repurchase of contracts) may lead to heavy adverse price movements in the case of either excessive supply or excessive demand.

## vi. Over-The-Counter Options (OTC)

The buyer of an option acquires the right (valid for a limited period of time) to buy (call option) or to sell (put option) the underlying instrument (e.g. securities, currencies etc.) at a fixed (strike) price or (as is the case with interest rate options) to receive a compensation payment resulting from a positive difference between the strike price and the market value at the time the option is exercised.

Writing an option (opening) obligates the option writer (seller) to fulfil the rights of the option buyer. Options may differ according to the style of exercise: an American-style option is exercisable at any time up to the expiry date, whereas a European style option may be exercised only at expiry.

### Return

The buyer (holder) of an option will make a profit if the price of the underlying instrument rises above the strike price (in the case of a call option) or falls below the strike price (in the case of a put option). The option holder may either exercise the option or sell it. The option writer (seller) receives a premium in return for granting this right. His/her return will be the premium if the option is not exercised by the holder.

### General Risks

The value (price) of an option is determined by the strike price, the performance and the volatility of the underlying instrument, the option's life, the level of interest rates and the market situation. In the worst case, therefore, the capital invested (option premium) may become completely worthless. If the price of the underlying instrument moves contrary to the expectation of the option writer, the potential loss can be virtually unlimited. It is important to note that options not exercised on or before the expiry date cease to exist as financial instruments and will be taken off the books. Please note that the Company will not exercise your option without your explicit instruction!

## Special Risks of OTC Option Agreements

As a rule, OTC options do not have standardised terms, but, predominantly, they are customised investments. Therefore, it is imperative that full information on the exact terms and conditions (style of exercise, exercise, expiry etc.) is gathered. The credit risk taken by the buyer of an OTC option derives from the possibility of losing the premium due to the counterparty's default, which would indirectly make more expensive covering transactions in the market necessary. Being customised products, over-the-counter options are usually not traded on organised (secondary) markets. Consequently, no guarantee can be given that such options are tradable at any time.

## vii. Foreign Currency Options

The buyer of a foreign currency option acquires the right, but not the obligation, to buy or sell a fixed amount of a foreign currency at a predetermined price at a predetermined date in the future or within a predetermined period of time. The seller (writer) of the option grants this right to the buyer. In exchange for this right, the buyer pays the seller a premium. The following possibilities exist:

- The buyer of a call option acquires the right to buy a fixed amount of a specified currency at a predetermined price (exercise or strike price) on or before a specified date (delivery date).
- The seller of a call option undertakes to deliver/ sell, at the option holder's request, a fixed amount in a particular currency at the agreed strike price on or before a specified date.
- The buyer of a put option acquires the right to sell a fixed amount of a specified currency at a predetermined price (exercise or strike price) on or before a specified date (expiry date).
- The seller of a put option undertakes to buy, at the option holder's request, a fixed amount in a specified currency at the agreed strike price on or before a specified date.

### Return

The buyer of a call option will make a profit if the market price of the currency rises above the agreed strike price (the purchase price of the option – the option premium - must be deducted from this profit). Then, the option holder may buy the foreign currency at the strike price and re-sell it immediately at the market price.

The call option writer receives a premium in exchange for selling the option. The same applies, in the opposite direction, to put options, which are purchased in the expectation of falling foreign currency rates.

## viii. Risks Attached to the Purchase Of Options

### Risk of total loss

The buyer (holder) of an option runs the risk of losing the full amount of the premium. This happens if the option holder does not exercise the option, for example, considering the prevailing market conditions.

### Credit risk

The credit risk in connection with the purchase of foreign currency options results from the possibility of the counterparty's default. This would involve the loss of the premium already paid and thus indirectly the need to make more expensive covering transactions in the market.

### Currency risk

The currency risk results from the possibility that the exchange rate of the relevant currency may develop differently during the life of the option than you expected when buying the option. In the worst case, the invested capital may be completely lost.

## ix. Risks Attached to the Sale of Options

### Currency risk

The currency risk results from the possibility that the exchange rate of the relevant currency may develop differently during the life of the option than you expected when selling the option. The resulting risk of loss is virtually unlimited for option writers.

The premium (pricing) of a currency option is determined by the following factors:

- volatility of the underlying currency (measure of the expected fluctuation margin of the exchange rate)
- agreed strike price

- life of the option
- prevailing exchange rate
- interest rate levels of both currencies

## **Transfer risk**

In the case of individual foreign currencies, the possibilities of transfer may be restricted, in particular as a result of exchange-control regulations imposed by the country issuing that currency. The due and proper execution of the foreign currency option would then be at risk.

## **Liquidity risk**

Being largely customised products, there usually are no organised secondary markets for currency options. Consequently, it cannot be guaranteed that a currency option can be readily sold.

## **x. Special Features of Currency Options**

Currency options do not have standardised terms. Therefore, it is imperative that full information on the exact terms and conditions of the option is gathered, in particular:

### **Style of exercise**

Is the option exercisable at any time during its life (American option) or only at expiry (European option)?

### **Expiry**

When does the option expire? Please note that your Company will not exercise your option without your explicit instruction!

## **xi. Interest Rate Options**

Interest rate options are agreements on cap or floor interest rates. They are used either:

- for hedging purposes or
- for speculative trading to realise a gain.

Interest rate options are either calls or puts. There are also a number of widely used special variants, for example, caps, floors, swaptions etc. By buying a call option, the buyer locks in an interest rate cap (= strike price) for future borrowings. In speculative trading, the value of a call option goes up on rising interest rates.

The sale of a call option can be used as a speculative instrument only. The seller receives the premium and undertakes to compensate the buyer for any difference in interest rates. Put options guarantee the buyer a certain minimum return on a future investment. In speculative trading, the value of a put option increases on falling interest rates. Caps and floors are series of successive interest rate calls or puts. They can be used for:

### **1. Hedging purposes**

Depending on the agreed reference periods, the current three-month or six-month interest rate is compared with the agreed strike price every three or six months. If the market rate is higher than the strike price, the holder of the cap will be compensated for the difference.

### **2. Speculative trading to realise a gain**

The value of a cap increases along with rising interest rates. In this case, however, the forward rates (future interest rates traded for delivery a later time) are the decisive factor, not the current interest rates.

The same applies, in the opposite direction, to the purchase/sale of a floor. The buyer secures a floor interest rate for himself/herself, while the seller holds a speculative position. A swaption is an option on an interest rate swap (interest rate swap = agreement to exchange interest obligations). There are two basic types of swaptions: call swaptions (the right to pay fixed interest rates) and put swaptions (the right to receive fixed interest rates). Both variants can either be bought or sold.

Swaptions can be settled in two different ways with different risk profiles attached:

### **Swaption with swap settlement**

The buyer enters into a swap agreement upon exercising the swaption:

- The buyer of a call swaption acquires the right to make fixed interest payments at the strike price on a notional amount on the delivery date and to receive variable interest payments in return.
- The seller of a call swaption undertakes to receive fixed interest payments at the agreed strike price on a notional amount on the delivery date and to make variable interest payments in return.
- The buyer of a put swaption acquires the right to receive fixed interest payments at the agreed strike price on a notional principal amount on the delivery date and to make variable interest payments in return.
- The seller of a put swaption undertakes to make fixed interest payments at the agreed strike price on a notional principal amount on the delivery date and to receive variable interest payments in return.

## Swaption with cash settlement

When exercising the swaption, the buyer will receive the difference between the cash values of the swaps at the interest rate agreed upon in the swaption and the current market interest rate.

## Return

The holder of an interest rate option will realise a gain if on exercise date the market interest rate is higher than the strike price of the call or lower than the strike price of the put. In the case of swaptions, a return can be achieved if on exercise date the market interest rate is above the agreed strike price (with call swaptions) or below the agreed strike price (with put swaptions). In any case, the premium paid must be deducted from the return. The seller of an interest rate option will receive a premium. This will represent his/her return if the option is not exercised by the holder.

## Interest Rate Risk

The interest rate risk results from the possibility of future interest rate changes in the market. The buyer/seller of an interest rate option may incur a price loss if interest rates rise/fall. The more pronounced the increase/decrease in interest rates is, the higher is the risk. This may result in a virtually unlimited potential of loss. The premium of an interest rate option is determined by the following factors:

- volatility of interest rates
- agreed strike price
- life of the option
- market interest level
- current financing cost

This means that the price of an option may remain unchanged or decrease even though interest rates may have developed as you expected.

## Credit Risk

The credit risk taken by the buyer of an interest rate option derives from the possibility of the counterparty's default. This would involve the loss of the premium already paid and thus indirectly the need to make more expensive covering transactions in the market.

## Risk of Total Premium Loss at Purchase

The risk involved in the purchase of interest rate options is the total loss of the premium. This happens if the option holder lets the option expire in view of the interest trend in the market.

## Special Features of Interest Rate Options

Interest rate options do not have standardised terms, but they are exclusively customised investments. Therefore, it is imperative that full information on the exact terms and conditions of such options is gathered, in particular:

### Style of exercise

Is the option exercisable at any time during its life (American option) or only at expiry (European option)?

### Exercise

Delivery of the underlying instruments or cash settlement?

### Expiry

When does the option expire? **Please note that Company will not exercise your option without your specific instruction.**

## xii. Cross Currency Swaps (CCS)

A cross currency swap regulates the exchange between two contracting parties of different interest obligations and of different currencies in respect of a fixed notional amount. As a rule, fixed interest rates in one currency are exchanged against fixed interest rates in another. It is, however, also possible to exchange floating rates in one currency against floating rates in another. The payment streams will take place in different currencies on the basis of the same principal amount, which is fixed on contract date at the spot rate ruling that day. In addition to an exchange of interest rate payments, an exchange of principal will take place at the start (initial exchange) and at expiry (final exchange) of the swap. The parties may agree on the omission of the initial exchange.

### Return

The return on a cross currency swap cannot be determined in advance. In the event of a positive development of the exchange rate and the interest rate differential, a return can be achieved by liquidating the position prior to maturity. If a cross currency swap is concluded to improve the interest rate differential, lower interest rates in one currency may result in a profit. However, this gain may be wiped out by any currency losses. If the exchange rate develops favourably, the return can be even increased.

### Interest Risk

The interest rate risk results from the uncertainty as to future interest rate moves in the market. The buyer/seller of a cross currency swap may incur a loss if the market interest rate level or the interest rate differential falls/rises.

### Currency Risk

The currency risk results from the uncertainty as to future moves in the values of the two currencies. It is important to note that, in the case of cross currency swaps with final exchange, the currency risk exists not only in the event of counterparty's default but throughout the life of the swap.

### Credit Risk

The credit risk in connection with the purchase/sale of cross currency swaps derives from the possibility of the counterparty's default, making more expensive covering transactions in the market necessary.

## xiii. Instrument GLD

The Instrument GLD – is a non-deliverable derivative instrument for the forward contract XAUUSD. The price of this instrument is assumed to be equal to the price of the instrument XAUUSD in the trading platform MetaTrader. A unit of the Instrument GLD is equal to a thousandth of an ounce of gold. The Instrument GLD in case of a withdrawal is subject to an obligatory sale in the currencies of EURO/USD/RUR. The Instrument GLD does not imply obtaining rights on gold nor receiving gold in any given way.

### Currency Risk

Risk inherent in transactions with the Instrument GLD presents a possibility, that in the period between the buying and selling of the instrument, the dynamics of the underlying asset will be different from the expectations at the time of purchase. This could lead to a sufficient loss of capital invested.

### Credit Risk

Credit risk connected with the Instrument GLD means the possibility of default of the issuer on the transaction in connection with insolvency, i.e. a temporary or permanent inability of one party to close an instrument in a foreign currency. This would entail the need to increase costs on the operation in the OTC market.

### Interest Rate Risk

The interest rate risk results from the uncertainty as to future changes in interest rates. The general rule is: the more pronounced the increase/decrease in interest rates is, the higher is the risk.

### Liquidity Risk

In some markets, a closing position on the underlying asset (sale / repurchase of contracts) can result in significant adverse price movements in the case of excess supply or excess demand.



## **(I) Investment Risks Related to Trading in Contracts for Difference (CFDs)**

### ***(Investor warning by the European Securities and Markets Authority)***

CFDs are complex products, generally used for speculative purposes. A CFD is an agreement between a 'buyer' and a 'seller' to exchange the difference between the current price of an underlying asset (shares, currencies, commodities, indices, etc.) and its price when the contract is closed.

CFDs are leveraged products. They offer exposure to the markets while requiring you to only put down a small margin ('deposit') of the total value of the trade. They allow investors to take advantage of prices moving up (by taking 'long positions') or prices moving down (by taking 'short positions') on underlying assets.

In addition to any profits or losses, there are different types of costs linked to transactions in CFDs. Costs will impact the effective return. Examples of costs include charge of commissions, for example charge of a general commission, or a commission on each trade (i.e. on opening and closing a contract). Costs related to CFD trading may also include bid-offer spreads, daily and overnight financing costs, account management fees, and taxes as may be applicable. These costs can be complex to calculate and may outweigh the gross profits from a trade.

### **What are the main risks of investing in CFDs?**

CFDs, especially when highly leveraged (the higher the leverage of the CFD, the more risky it becomes), carry a very high level of risk. They are not standardized products. CFD providers have their own terms, conditions and costs. Therefore, generally, they are not suitable for most retail investors.

Investors should only consider trading in CFDs if they wish to speculate, especially on a very short-term basis, or if Investors wish to hedge against an exposure in their existing portfolio, and if Investors have extensive experience in trading, in particular during volatile markets, and can afford any losses.

### **Timing risk**

CFDs are not suitable for 'buy and hold' trading. They can require constant monitoring over a short period of time (minutes/hours/days). Even maintaining your investment overnight exposes you to greater risk and additional cost.

The volatility of the stock market and other financial markets, together with the extra leverage on your investment, can result in rapid changes to your overall investment position. Immediate action may be required to manage your risk exposure, or to post additional margin. Therefore, if you do not have enough time to monitor your investment on a regular basis, you should not trade in CFDs.

### **Liquidity risk**

Liquidity risk affects your ability to trade. It is the risk that your CFD or asset cannot be traded at the time you want to trade (to prevent a loss, or to make a profit).

In addition, the margin you need to maintain as a deposit with the CFD provider is recalculated daily in accordance with changes in the value of the underlying assets of the CFDs you hold. If this recalculation (revaluation) produces a reduction in value compared with the valuation on the previous day, you will be required to pay cash to the CFD provider immediately in order to restore the margin position and to cover the loss. If you cannot make the payment, then the CFD provider may close your position whether or not you agree with this action. You will have to meet the loss, even if the price of the underlying asset subsequently recovers. There are CFD providers that liquidate all your CFD positions if you do not have the required margin, even if one of those positions is showing a profit for you at that stage.

To keep your position open, you may have to agree to allow the CFD provider to take additional payments (usually from your credit card), at their discretion, when required to meet relevant margin calls. In a fast moving, volatile market you can easily run up a large credit card bill in this way.

### **Leverage risk**

Leveraged trading means that potential profits are magnified; it also means that losses are magnified. The lower the margin requirement, the higher the risk of potential losses if the market moves against you. Sometimes the margins required can be as little as 0.5%. Be aware that when trading using margin, your losses can exceed your initial payment and it is possible.

## **Stop loss' limits**

To limit losses many CFD providers offer you the opportunity to choose 'stop loss' limits. This automatically closes your position when it reaches a price limit of your choice. There are some circumstances in which a 'stop loss' limit is ineffective - for example, where there are rapid price movements, or market closure. Stop loss limits cannot always protect you from losses.

## **Execution risk**

Execution risk is associated with the fact that trades may not take place immediately. For example, there might be a time lag between the moment you place your order and the moment it is executed. In this period, the market might have moved against you. That is, your order is not executed at the price you expected.

Some CFD providers allow you to trade even when the market is closed. Be aware that the prices for these trades can differ widely from the closing price of the underlying asset. In many cases, the spread can be wider than it is when the market is open

## **Counterparty risk**

Counterparty risk is the risk that the provider issuing the CFD (i.e. your counterparty) defaults and is unable to meet its financial obligations. If your funds are not properly segregated from the CFD provider's funds, and the CFD provider faces financial difficulties, then there is a risk that you may not receive back any monies due to you.

## **Stop-loss**

The Company shall not be held liable for the non-execution or improper execution of stop-loss orders or limit orders placed by the Client, and also for any losses inflicted against the Client due to the non-execution/improper execution of said stop-loss orders if such non-execution is caused by systemic and other risks as provided in Appendix 8.1 and Appendix 8.2 to these Terms and Conditions.

To avoid/mitigate the above risks the Company shall have the right to take technical action, including action to limit the placement of stop-loss orders through the online trading system without further notice of the Client, but the Company shall not be able to fully exclude all risks that may arise.

The Client shall accept all risks set forth in this clause.

## APPENDIX 8.2: RISKS RELATED TO MARGIN AND NON-COVERED TRANSACTIONS

This information is provided for your familiarization and further signature in connection with your desire to execute Margin and Non-covered Transactions on international stock markets in order and according to the conditions offered by the Company and /or third parties.

This information is not exhaustive and does not describe the entire scope of risks related to Margin and Non-covered Transactions. Its main purpose is to give you general and, whenever possible, comprehensive information on the risks arising in connection with margin trading.

The main purpose of the margin lending is granting to the Clients greater opportunity for profit. At the same time you should understand the raised risk. Prior to exercising margin privileges you agree to carefully consider whether margin trading is suitable for you, taking into consideration your financial resources, objectives and other relevant circumstances and your tolerance for risk along with margin requirements published on the Company's and/or third parties' websites.

In case of margin lending is granted to you by the third parties, you agree that margin or unsecured transactions are executed on the terms specified by the third parties using funds provided by the third parties and information on your margin positions will be disclosed to these third parties for monitoring of your margin position by these third parties. The Company shall control the activity of these third parties on monitoring of your margin positions.

When trading with borrowed monetary funds, you bear all the risks associated with trading ordinary on stock markets plus some additional risks. This Declaration focuses on these additional risks related to Margin/ Non-covered Transactions in greater detail.

Let us consider three possible scenarios to describe the potential risks: **(1)** Margin/Non-covered Transaction on buying Financial Instruments; **(2)** Margin/Non-covered Transaction on selling Financial Instruments; **(3)** selling Financial Instruments when they are not available or not sufficient for settlement of transactions concluded in your interest in case when the record date for the dividend payment related to Financial Instruments' is ratified and announced within the timeframe of Client's Indebtedness before the Company and /or third parties.

**(1) When issuing an instruction to purchase Financial Instruments**, the Client bears a price risk on the Assets acquired on the basis that the instruction is not secured by Client's funds and on the Assets used to secure Company's and /or third parties' requirements to the Client. Thus, the amount of the Client's Assets exposed to the risk of adverse price fluctuations is greater than in the case of usual trading when the Client's instructions are secured with cash. In other words, the losses can take place much earlier and of a greater scale than in case of usual trading. It's necessary to note the fact that in this case the amount of losses is limited by the sum of Margin/Non-covered Transactions but not with the Client's assets.

**(2) When issuing an instruction on Margin/Non-covered Transaction on selling Financial Instruments**, the Client bears a price risk on the Assets to be sold on the basis of the instruction not secured by Client's funds and on the Assets used to secure Company's and /or third parties' requirements to the Client. The core difference is that the scale of losses in this case is not limited. The Client is obliged to return the Financial Instruments irrespective of their price fluctuations. Meanwhile the current market value of Financial Instruments can significantly exceed their value in Margin/Non-covered Transaction settlements.

**(3) When the record date for the payment of dividend attributable to Financial Instruments' is within the timeframe of Client's Indebtedness before the Company and /or third parties arisen in connection of Margin/Non-covered Transactions in Client's interests**, the Client undertakes to pay the Company and /or third parties a sum of money equal to the sum of dividends of the Financial Instruments used by the Company and /or third parties for settlements of such Margin/Non-covered Transactions.

A significant factor influencing the increase of the Client's risk is the requirement to maintain a necessary level of collateral reflecting the sufficiency of the Client's funds to satisfy the requirements of the Company and/or third parties. When the actual level of collateral decreases the Company and /or third parties require the Client to increase it to an acceptable level. This may necessitate the Client to sell some of the Client's Assets irrespective of the prevailing market conditions and accept and incur losses from such sale.

## Short Selling Risk

The concept of short selling is a fairly simple - you borrow a stock, sell it, wait for its price to drop, and then buy it back at the lower price to return it to the lender. Short selling has its risks.

- History has shown that in the long term markets trend upwards.
- When short selling, the losses can be unlimited.
- Margin trading is always riskier.
- A short selling stock includes margin trading. Just as with going long on margin, selling short on margin can significantly increase your losses.
- Short selling includes the risk of a "short squeeze". When many short sellers try to cover their positions at once because a stock price has started to rise, this can drive the prices up even further. This is known as a "short squeeze" and can make you lose money very fast.

In addition to the aforesaid the Company hereby notifies the Client, and the Client agrees that for ensuring its interests in Margin/Non-covered Transactions executed in Client's interests:

- (i) the Company has a right to execute exclusively at Company's own discretion the following actions and transactions, and the Client shall bear and accept such risks, and the risk of possible losses arising from the following actions:
- to refuse the execution of the Client's Instruction for Margin/Non-covered Transaction or suspend its execution, whereas, the performance of Margin/Non-covered transactions may result in incremental credit or/and market risks of the Company and /or third parties;
  - provided that granting Funds and Financial Instruments depends on actual availability of the Funds and Financial Instruments in the market and at Company's and /or third parties' disposal, the Company and /or third parties, exclusively at its own discretion and without any sanctions against the Company and /or third parties,
  - to refuse to grant monetary funds and/or financial instruments;
  - to pay off Indebtedness in full or in part regardless to of the actual level of collateral;
  - to dispose the Client's Funds for the purpose of acquiring Financial Instruments to settle the Client's Indebtedness before the Company and /or third parties;
  - to sell the Client's Financial Instruments for the purpose of settling the Client's Indebtedness before the Company and /or third parties, and
- (ii) the Client shall bear and accept abovementioned in item (i) risks, and the risk of possible losses, including opportunity losses, arising from the abovementioned actions of the Company.

The Company and also the third parties via which the margin service is provided to the Clients have the right to unilaterally change the conditions of the provision of the service, as well as refuse provision of the service to the Client. The Client shall pay the Company and/or third parties remuneration for margin lending.

The Client shall bear sole responsibility for the financial result from the Client's Margin/Non-covered transactions even if negative financial result exceeds the sum of the Client's own Assets. The Company may request the Client to pay off all liabilities towards the Company and third parties before withdrawing monetary funds from the brokerage account if the Client has open positions on margin transactions.

Taking into account when contemplating Margin/Non-covered Transactions you should carefully consider the risks involved and decide whether they are acceptable for you in view of your possibilities and circumstances. We would also like to emphasize that the aforesaid is not intended to discourage you from Margin/Non-covered Transactions but was written for the only purpose of helping you understand the risks related to this business, decide on their suitability, define your financial goals, evaluate your potential, and make a responsible and informed decision on your investment strategy.

**The Client acknowledges and declares that he has read and understood the Declaration of Risks related to Margin/Non-covered Transactions in international financial markets and agrees to bear the abovementioned risks, including margin requirements of the Company and /or third parties when undertaking investment activities which involve Margin/Non-covered Transactions.**

## **APPENDIX 8.3: DECLARATION OF STRUCTURED PRODUCTS AS SERVICE PROVIDED BY THE COMPANY**

This Declaration is intended for information only and describes the basic concepts of the 'Structured Product' Service. To fully understand the Service, it is necessary to review the Declaration of Risks of Structured Products (see Appendix 8.4), the Specifications of a Forward Contract and the contents of these Terms and Conditions. All calculations in the examples in this Declaration are theoretical and may be different from actual situations.

### **Structured Product**

Structured products are a compound financial instrument that are designed to generate income from investments and that is associated with a variety of risks. Structured products may be a combination of varied financial assets (stakes, bonds, futures, options, warrants, indexes, commodities, etc.)

Structured products are developed by the Company's specialists who rely on their specialized expertise in the field of fundamental, technical, mathematical, economic, financial and other analyses to develop various combinations of Structured Products.

The 'Structured Product' Service is offered through the realization of a Forward Contract for change in the value of a Structured Product, a package of underlying assets that is comprised of a combination of varied financial assets issued by diverse companies.

For convenience of description, we refer to the issuers of the financial instruments included in a Structured Product, both each individual issuer and all such issuers as a group, as "Underlying Issuers".

A Forward Contract is characterized by specific parameters (structure, maturity date, investment costs and other conditions) that are recorded in a detailed Trading Order and in the Specifications of the Forward Contract.

The Client may not change the conditions of a Trading Order or the Specifications of a Forward Contract once these documents have been signed.

An Underlying Issuer is the source of all obligations attaching to the underlying assets included in a Forward Contract. An Underlying Issuer's obligations are a set of obligations of issuers of financial instruments included in a Structured Product, including but not limited to obligations of payment /transfer to owners of dividends, coupon payments and other interest payments, values at maturity and values at expiration, assets resulting from corporate actions and other payouts and distributions corresponding to the type, numbers and value of financial instrument.

### **Credit Event**

A Credit Event is a change in the creditworthiness of an Underlying Issuer that, is characterized by certain conditions and that leads to the Underlying Issuer's defaulting on its obligations. A Credit Event may affect any of the Underlying Issuer's assets, including credit derivative instruments.

Throughout its entire business life, an Underling Issuer is liable for any Credit Events, while the Company bears no liability whatsoever for any Credit Events. The occurrence of a Credit Event may accelerate a Forward Contract for reasons that the Company is not responsible for and that are not a result of its business operations. The Company is not liable for and may not be sued over an Underlying Issuer's obligations if any Credit Event occurs.

A Credit Event may be:

a) a bankruptcy that is understood as:

- an Underlying Issuer's liquidation (excepting a merger);
- an Underlying Issuer's (financial) insolvency;
- assignment of right of claim (cession);
- initiation of bankruptcy proceedings against an Underlying Issuer in court;
- appointment of an external administrator of an Underlying Issuer's property;
- attachment by a third party of all of an Underlying Issuer's property;

- b) acceleration of an obligation, which means declaration of default on any other similar obligation of an Underlying Issuer and the triggering of the acceleration clause on that obligation;
- c) default on an Underlying Issuer's obligation that means a default on any other similar obligation of that Underlying Issuer;
- d) insolvency meaning failure by an Underlying Issuer to pay a certain amount in time;
- e) refusal to pay or moratorium on payment in which the Underlying Issuer refuses to make a payment or challenges the legal force of an obligation;
- f) restructuring of an Underlying Issuer's debt that causes unilateral refusal or suspension of payment or a change in the repayment schedule of debt at less advantageous conditions.

Any of the following facts may also be recognized as a Credit Event:

- a rating agency cuts or recalls an Underlying Issuer's credit rating;
- a currency becomes non-convertible because of restrictions imposed by the state;
- a change in the currency of the Underlying Issuer's obligations that are denominated in a different currency during the offering period of such obligations
- the actions of state authorities by which the following is understood:
  - (a) declarations and actions of the government or regulators that challenge the legal force of an Underlying Issuer's obligations;
  - (b) war or hostilities that prevent the government or the banking system from doing business as usual.

## Forward Contract is Marginal

The Client may buy a Forward Contract in a partial asset commitment mode. A partial asset commitment is a variety of leverage that the Company's Client may use to increase its income from a favorable change in the prices of the underlying assets in a Forward Contract. When it uses partial asset commitment, Client has to take account of the risks of major losses that may be caused by an unfavorable change in the prices of the underlying assets in the Forward Contract.

The asset commitment level or the collateral level is set for each separate Forward Contract and it is specified in percentage points in the Trade Order signed by Client. A 100% level means that to buy a Forward Contract Client needs to commit the amount of funds equal to the full value of a Forward contract (the value of the financial instruments included in the Structured Product). A 10% level means that to buy a Forward Contract, a buyer needs to commit only 10% of the value of a Forward Contract.

## The value of a Forward Contract

The value of a Forward Contract does not depend on the amount of assets committed and it may be different from the value specified in the Trade Order for a Forward Contract through the entire lifespan of such Forward Contract.

A Forward Contract may be accelerated at the option of Client, but the value after the sale of an accelerated Forward Contract may be far lower than the value of such Forward Contract if it were allowed to mature.

## Venues (platforms, markets) of formation of Forward Contract

To calculate the value of a Forward Contract, various platforms, including over-the-counter ones, may be used that have admitted to trading or that quote the financial instruments included in a Structured Product, including but not limited to:

- regulated markets;
- organizers of trading other than regulated markets;<sup>[L]</sup><sub>[SEP]</sub>
- multilateral trading facilities;
- organised trading facilities
- systematic internalizers;
- other investment firms, and/or their affiliated companies acting as marketmakers or liquidity providers.

## Conditions of payments and settlements under Forward Contracts

Income is paid under Forward Contracts from the start to the end of the lifespan of a Forward Contract, in the form of a coupon or full repayment of the Forward Contract provided no Credit Event occurs throughout the lifespan of the Forward Contract.

The conditions and dates of repayment, payouts, income and other conditions are set forth in the Specifications of a Forward Contract. When a Forward Contract matures, provided no Credit Event has taken place, the amount of investment in the Forward Contract is paid.

If one of the Credit Events occurs, the Company undertakes to make settlements under the Forward Contract, to the extent that such settlements are feasible in connection with the actual Credit Event, within 30 days after the holder of the Forward Contract is notified of the occurrence of the Credit Event.

If a Credit Event occurs, the company may, at its own disposal, and based on the results of the settlements, to:

- pay the amount equal to the amount of Client's investment in the Forward Contract
- or deliver the underlying assets that were affected by the Underlying Issuer's Credit Event and that are included in the Forward Contract.

### General conditions of Service.

To use the 'Structured Product' Service, it is necessary to review this Appendix, Appendix 8.4, the Specifications of Forward Contract, and to sign a Trade Order and Specifications of the Forward Contract. A trade order shall be executed within up to 3 business days.

By signing a Trade Order and Specifications of the Forward Contract, an investor understands and accepts the risks set forth in Appendix 8.4. No Company analytical information about any of the underlying assets included in a Structured Product may be relied upon as a recommendation to acquire a Forward Contract or the underlying assets included in a Forward Contract. Such information is solely of advisory nature.

By signing a trade order and the specifications of a Forward Contract, Client acknowledges its consent to acquire the Forward Contract and its understanding of all terms, conditions and settlement procedures of the Forward Contract it acquires.

## APPENDIX 8.4: DECLARATION OF RISKS OF STRUCTURED PRODUCTS

This Declaration describes the main risks of the 'Structured Product' Service. Apart from the risks specified in this Declaration, the Client shall be aware of and accept other risks described in these Terms and Conditions. The 'Structured Product' Service means the buying by the Client of Forward Contracts for a compound financial instrument that includes varied underlying assets, is intended to generate income from investments and is associated with a variety of risks.

### State-related risk

The risk of state intervention or state influence exercised in other forms upon the operations of issuers, counterparties, financial companies and other organizations that arrange for and regulate trading on exchanges and over-the-counter trading, bank settlements and the existence of forward contracts.

### Underlying Issuer risk

The Underlying Issuer risk is associated with the potential default of an Underlying Issuer (as defined in Appendix 8.3), i.e., an Underlying Issuer's failure to fulfill in time and in full its obligations such as the payment of dividends, coupons, redemption of bond amounts, payments at maturity and/or at expiration of derivative contracts and other accruing amounts and payouts corresponding to the type of financial instrument, its numbers and price. If it occurs, this risk may result in the partial or total loss of the value of a Forward Contract.

### Interest risk

The risk that losses will be incurred as a result of future changes in the market interest rate is referred to as interest risk.

### Full loss risk

This term means the risk that the financial instruments included in a Structured Product may lose all their value. If this risk occurs, a Forward Contract may lose all its value, and Client may lose all investments and future income from investments in the Structured Product.

### Market risk

Market risk is the risk of potential losses caused by the fluctuation of prices of the underlying assets included in a Structured Product. If it occurs, this risk can lower the value of a Forward Contract and/or reduce the amounts of payments under the Forward Contract, if any are provided by its specifications.

### Liquidity risk

Marketability (liquidity) means that a security can be sold or a position in a derivative financial instrument can be closed on the market at the market price at any time.

The liquidity risk consists in that the underlying assets included in a Structured Product cannot be sold or they can only be sold at a large discount to the acquisition price. The liquidity risk may be associated with high volatility of the market prices of the underlying assets in a Structured Product, and also with unexpected restrictions on and changes of trading conditions by organizers of trading on exchanges and in over-the-counter markets. The liquidity risk may also result from an early termination of a Forward Contract under Client's order. If it occurs, this risk entails the loss of much or all value of a Forward Contract.

### Coupon risk

The coupon risk arises in the event that an Underlying Issuer is affected by the occurrence of a Credit Event, as a result of which the Underlying Issuer fails to make coupon payments and other mandatory periodic payments in time and/or in full. If it occurs, this risk can reduce the amount of payments of prevent payments under a Forward Contract, if any are provided for by its specifications.

### Underlying asset delivery risk

There is a delivery risk of an Underlying Issuer's underlying asset that is affected by the occurrence of a Credit Event. The delivery risk of an underlying asset implies the delivery of an asset that is affected by the occurrence of a Credit Event.

An ahead-of-schedule and unexpected delivery of an underlying asset may lead to the reduction in value of a Forward Contract and the occurrence of Liquidity Risk.



## Settlement risks

The settlement risk consists in that Client may not receive some of the payouts attaching to the underlying assets included in a Structured Product, if any or if any are provided for by the Underlying Issuer. All payments to be made under a Forward Contract and their amounts and payment dates are set forth in the Specifications. If such is the case, the income received in accordance with the specifications of a Forward Contract may be different from the income Client could receive if it acquired such underlying assets not under a Forward Contract. In this event, calculation of profitability of a Forward Contract may also be different from that of its underlying assets.

## Service risk

The Service does not provide a 100% guarantee of capital protection. There is always a risk that Client may lose all or part of the invested amount because one of the above risks occurs. The Company does not guarantee or expect a 100% protection of capital.

If any of the above risks (one or several at the same time) occurs, that can reduce the value of a Forward Contract or even cause the loss of its entire value.

If any of the above risks (one or several at the same time) occur, that can cause the reduction or cancellation of periodic payments under a Forward Contract, if any are provided for by the Specifications.

The reduction of the value of a Forward Contract because of the occurrence of the above risks may result in Client's receiving a lower income from the Structural Product than is expected by Client, and in the partial or total loss by Client of its investments in the Structural Product.

By signing a Trade Order and the Specifications of a Forward Contract, Client acknowledges that it has familiarized itself with this Schedule, and that it agrees and is aware of the fact that making investments in a Structural Product is associated with systemic, credit, technical, currency, tax, market, legal and operational risks and with the risks described above.

By signing a Trade Order and the Specifications of a Forward Contract, Client acknowledges that it understands and accepts all conditions, risks and consequences of the conclusion of a Forward Contract, and all such conditions, risks, and consequences have been explained to it.

By signing a Trade Order and the Specifications of a Forward Contract, Client acknowledges that the Company is not liable for any corporate events, corporate actions, defaults, bankruptcy and insolvency of the Underlying Issuers that may lead directly or indirectly to Client's suffering losses in connection with settlements on the Forward Contract.

## **APPENDIX 8.5: DECLARATION OF INDIVIDUAL INVESTMENT PORTFOLIO AS A SERVICE PROVIDED BY THE COMPANY**

This Declaration is intended for information purposes only and describes the 'Individual Investment Portfolio' Service provided by the Company. To fully understand the Service, it is necessary to review the Declaration of Risks of Individual Investment Portfolio included in Appendix 8.6.

A comprehensive example of how the service works can be found on the websites [www.just2trade.online/solutions/iip](http://www.just2trade.online/solutions/iip) and [www.j2t.com/solutions/iip](http://www.j2t.com/solutions/iip). All calculations in the example(s) provided are theoretical and may differ from actual scenarios.

### **Individual Investment Portfolio**

The Individual Investment Portfolio is a complex financial instrument aimed at earning income from investing in a combination of financial assets and is associated with various risks. The Individual Investment Portfolio is a combination of various financial assets such as stocks, bonds, futures, options, warrants, indexes and others.

Individual Investment Portfolios are developed by the Company's specialists who rely on their expertise in the field of fundamental, technical, mathematical, economic, financial and other analyses to construct various combinations of Individual Investment Portfolios in order to optimize the risk / reward relationship for varying levels of risk appetite.

The 'Individual Investment Portfolios Service' is offered through the combination of non-complex and complex financial instruments issued by various companies. For convenience, we refer to the issuers of the financial instruments included in an Individual Investment Portfolio, individually and collectively, as the "Basic Issuer".

An Individual Investment Portfolio has specific parameters which – among others - include the repayment date, investment amount, level of capital protection and these are reflected in the Client's Private Cabinet. There are various parameters to the Trade Order for purchasing an Individual Investment Portfolio, such as - lot size, type of transaction, market or limited price, name and ticker of the instrument, investment period, capital protection and others. The Company reserves the right to independently determine those parameters that it deems necessary for purchasing an Individual Investment Portfolio.

The purchasing an Individual Investment Portfolio is carried out by confirming a Trading Order for the purchase / sale of financial instruments specified in this order. Confirmation of the order can be carried out in the Private Cabinet, via SMS from the authorized number of the Client. Trading instruments in this Trade Order may include various assets such as stocks, bonds, futures, options, warrants, indices etc. The mix of the various assets in each Trade Order is determined by the Company.

The Client may not change the conditions of a Trading Order and the terms of an Individual Investment Portfolio once these documents have been agreed with the Company.

A Basic Issuer is the source of the underlying asset(s) included in the Individual Investment Portfolio and bears all obligations and responsibilities deriving from such asset(s) included in the Individual Investment Portfolio. A Basic Issuer's obligations consist of a set of obligations included in the Individual Investment Portfolio that include but are not limited to the obligations of payment/transfer to the owners of dividends, coupon payments and other interest payments, values at maturity and values at expiration, assets resulting from corporate actions and other payouts and distributions appropriate to the type of financial instrument, its quantity and value.

### **Credit Event**

A Credit Event is a change in the creditworthiness of a Basic Issuer that is a result of events which may lead to the Basic Issuer defaulting on its obligations or increase the possibility of such a default. A Credit Event may affect any of the Basic Issuer's assets - including credit derivative instruments. A Basic Issuer is liable for any Credit Events for financial instruments included in the Individual Investment Portfolio and the Company bears no liability in any way to such Credit Events. The occurrence of a Credit Event may lead to the early repayment of the Individual Investment Portfolio, for reasons not due to the fault of the Company and not as a result of the activities of the Company.

The Company is not liable for and may not be sued over a Basic Issuer's obligations if any Credit Event occurs. Credit Events may include:

- a. bankruptcy that is understood as:
  - a Basic Issuer's liquidation (excepting a merger);
  - a Basic Issuer's (financial) insolvency;
  - assignment of right of claim (cession);
  - initiation of bankruptcy proceedings against a Basic Issuer in court;
  - appointment of an external administrator of a Basic Issuer's property;
  - seizure by a third party of all of a Basic Issuer's property;
- b. early maturity which means default declaration on any other similar obligation of a Basic Issuer and entry into force of a reservation on the early maturity of this obligation;
- c. default on a Basic Issuer's obligation that means a default declaration on any other similar obligation of that Basic Issuer;
- d. insolvency meaning failure by a Basic Issuer to pay a certain amount in time;
- e. refusal to pay or moratorium on payment in which the Basic Issuer refuses to make a payment or disputes the legal force of an obligation;
- f. restructuring of a Basic Issuer's debt that causes unilateral refusal or suspension of payment or a change in the repayment schedule of debt at less advantageous conditions.
- g. technical, corporate, legal, legislative and other changes regarding the activity of blockchain technologies and companies engaged in this activity

Any of the following events may also be considered as a Credit Event:

- a rating agency cuts or recalls a Basic Issuer's credit rating;
- a currency becomes non-convertible because of restrictions imposed by the state;
- a change in the currency of the Basic Issuer's obligations that are denominated in a different currency during the offering period of such obligations
- the actions of state authorities by which the following is understood:
  - a. declarations and actions of the government or regulators that challenge the legal force of a Basic Issuer's obligations;
  - b. war or hostilities that prevent the government or the banking system from doing business as usual.

## Margin of an Individual Investment Portfolio

Clients may purchase an Individual Investment Portfolio in a partial asset commitment mode, subject to the provision of this opportunity by the Company. A partial asset commitment is a form of leverage that the Company's Client may take advantage of to increase their income from a favorable change in the prices of the underlying assets included in the Individual Investment Portfolio. When using partial asset commitment, the Client has to take into consideration the risk of major losses that may be incurred as a result of an unfavorable change in the prices of the underlying assets included in the Individual Investment Portfolio.

The asset commitment level or the level of collateral for each financial instrument in the Individual Investment Portfolios is determined by the Company. A 100% commitment level means that in order to buy an Individual Investment Portfolio, the Client needs to commit an amount of funds equal to the full value of an Individual Investment Portfolio (the value of the financial instruments included in Individual Investment Portfolio). A 10% commitment level means that in order to buy an Individual Investment Portfolio, a buyer needs to commit only 10% of the value of the Individual Investment Portfolio.

## The value of an Individual Investment Portfolio

The value of an Individual Investment Portfolio does not depend on the value of assets committed and it may be different from the value specified in the Trade Order for an Individual Investment Portfolio throughout the life of the Individual Investment Portfolio.

An Individual Investment Portfolio may be sold prior to its maturity at the request of the Client, but in such a case the price to sell may be significantly lower than the purchase price of the Individual Investment Portfolio.

## Places (platforms, markets) for the formation of the Individual Investment Portfolio

To calculate the value of an Individual Investment Portfolio, various over-the-counter trading platforms, on which financial instruments included in the Individual Investment Portfolio are admitted to trading or quoted including but not limited to:

- regulated markets;
- other organizers of trading other than regulated markets;
- multilateral trading facilities;
- organised trading facilities
- systematic internalizers;
- other investment firms, brokers and/or their affiliated companies acting as market makers or other liquidity providers.

## Terms of payments and settlements for Individual Investment Portfolios

The conditions and dates of repayment, payouts, income and other conditions are set forth in the Client's Private Cabinet when choosing one of the options for an Individual Investment Portfolio. Upon the expiration of the Individual Investment Portfolio, and provided that no Credit Event has taken place, either the investment amount is paid in accordance with the chosen capital protection, or the investment amount is paid plus the income received from the implementation of the favorable scenario of investing in the instruments included in the Individual Investment Portfolio.

If one of the Credit Events occurs, the Company undertakes to make settlements under the Individual Investment Portfolio, based on the possibility of carrying out these calculations in the connection with the Credit Event within 30 days after sending a notice to the holder of the Individual Investment Portfolio about the occurrence of the Credit Event.

If a Credit Event occurs, according to the results of calculations, the company may, at its own disposal to:

- pay the amount equal to the amount of Client's investment in the Individual Investment Portfolio; or
- deliver the underlying assets that were affected by the Basic Issuer's Credit Event and that are included in the Individual Investment Portfolio; or
- not to pay the amount of investment in the Individual Investment Portfolio, if this is not possible, in connection with the onset of one or a number of Credit Events.

## General conditions of Service.

To use the 'Individual Investment Portfolio Service, it is necessary to review the present Appendix, Appendix 8.6, choose one of the available options in the Client's Private cabinet and sign the Trade Order.

A trade order shall be executed within 2 (two) business days from the date of placing the trade order.

By signing a Trade Order an investor understands and accepts the risks set forth in Appendix 8.6.

Any information provided by the Company on the underlying assets included in the Individual Investment Portfolio should not be considered as a recommendation for the acquisition of the Individual Investment Portfolio or underlying assets included in the Individual Investment Portfolio. Such information is for informational purposes only.

By confirming a trade order Client acknowledges its consent for the purchase of an Individual Investment Portfolio and confirms the understanding of all terms and values, conditions, calculation procedures of the acquired Individual Investment Portfolio.

## APPENDIX 8.6: DECLARATION OF RISKS OF INDIVIDUAL INVESTMENT PORTFOLIO SERVICE

The present Declaration describes the main risks of the 'Individual Investment Portfolio' Service. Apart from the risks specified in this Declaration, the Client shall be aware of and accept other risks described in these Terms and Conditions. The 'Individual Investment Portfolio' Service is aimed at generating income from investments by combining various financial instruments (stocks, bonds, futures, options, warrants, indices etc.). As such it should be considered to be a complex investment product with significant investment risks. The combination of various financial instruments under a single product aims to optimize the expected level of profitability for a defined level of risk.

### State-related risk

State relate risk represents the risk of state intervention or other forms of state influence on the activities of issuers, counterparties, financial companies and other organizations that provide and regulate trading exchanges and over-the-counter trading, bank settlements and the existence of forward contracts.

### Basic Issuer risk

Basic Issuer risk is associated with the potential default of a Basic Issuer (as defined in Appendix 8.5), i.e., a Basic Issuer's failure to fulfil in time and in full its obligations such as the payment of dividends, coupons, redemption of bond amounts, payments at maturity and/or at expiration of derivative contracts and other accruing amounts and payouts corresponding to the type of financial instrument, its numbers and price. If realised, this risk may result in the partial or total loss of the value of an Individual Investment Portfolio.

### Interest risk

Interest risk represents the risk that losses will be incurred as a result of future changes in the market interest rate(s).

### Full loss risk

Full loss risk represents the risk that the financial instruments included in Individual Investment Portfolio may lose all of their value. If this risk materialises the Individual Investment Portfolio may lose all its value, and the Client may lose all investments and future income from investments in the Individual Investment Portfolio

### Market risk

Market risk represents the risk of potential losses caused by the fluctuation of prices of the underlying assets included in an Individual Investment Portfolio. If it materialises, this risk can lower the value of an Individual Investment Portfolio and/or reduce the amounts of payments under the Individual Investment Portfolio, if any are provided by its specifications.

### Liquidity risk

Marketability (liquidity) refers to how easy/difficult it is for a security can be sold or a position in a derivative financial instrument can be closed in the market at the market price at any time. Liquidity risk lies in the impossibility of selling the underlying assets that make up the Individual Investment Portfolio, or in the possibility of selling only at a large discount to the purchase price. The liquidity risk may be associated with high volatility of the market prices of the underlying assets in an Individual Investment Portfolio, as well as with unexpected restrictions and changes of trading conditions on organised markets, exchanges and over-the-counter markets. The liquidity risk may also be a result of an early termination of an Individual Investment Portfolio under the Client's order. Realization of this risk will entail a significant reduction in the cost of the Individual Investment Portfolio or a complete loss of its value.

### Coupon risk

Coupon risk arises in the event that a Basic Issuer is affected by the occurrence of a Credit Event, as a result of which the Basic Issuer fails to make coupon payments and other mandatory periodic payments in time and/or in full. If it materialises, it can reduce the amount of payments or complete cancellation of payments under the Contract, if such are specified by the specification.

### Underlying asset delivery risk

There is a delivery risk of a Basic Issuer's underlying asset that is affected by the occurrence of a Credit Event. The delivery risk of an underlying asset implies the delivery of an asset that is affected by the occurrence of a Credit Event. An ahead-of-schedule and unexpected delivery of an underlying asset may lead to the reduction in value of Individual Investment Portfolio, as well as the implementation of Liquidity Risk.

## Settlement risks

Settlement risk consists in that Client may not receive some of the payouts attaching to the underlying assets included in an Individual Investment Portfolio, if any and / or provided by the Basic Issuer. At the same time, the income received on the Individual Investment Portfolio may differ from the income that the client could have received when purchasing the indicated underlying assets outside the Individual Investment Portfolio. At the same time, the calculation of the return on the Individual Investment Portfolio may also differ from the calculation of the total of the returns on each of the underlying assets.

## Service risk

The Service does not guarantee 100% capital protection. There is always a risk that Client may lose all or part of the invested amount because any one of the above risks may materialise. The Company does not guarantee or expect a 100% protection of capital in the event of a Credit Event or any other force majeure.

If any of the above risks (one or several at the same time) occurs, that can reduce the value of an Individual Investment Portfolio or even cause the loss of its entire value.

The materialisation of any of the above risks (one or several at the same time) may lead to a reduction or cancellation of periodic payments for the Individual Investment Portfolio, if any.

Any reduction of the value of Individual Investment Portfolio because of the occurrence of any of the above risks may result in the Client receiving a lower income from the Individual Investment Portfolio than would otherwise be expected by the Client, and possibly result in the partial or total loss by Client of his investments.

By signing a Trade Order, the Client acknowledges that he has familiarized himself with the present Appendix, and that agrees and is aware of the fact that making investments in an Individual Investment Portfolio is associated with systemic, credit, technical, currency, tax, market, legal and operational risks as well as the risks described above and below.

By signing a Trade Order, the Client acknowledges that it understands and accepts all conditions, risks and consequences of the conclusion of a Forward Contract.

By signing a Trade Order, the Client acknowledges that the Company is not liable for any corporate events, corporate actions, defaults, bankruptcy and insolvency of the Basic Issuers that may lead directly or indirectly to Client's suffering losses in connection with settlements on the Forward Contract.

**The Client acknowledges and declares that he/she has read, understood and accepted the "General Terms and Conditions for the Provision of Investment Services" and all its Appendices and agrees to be bound by them.**

**Name of Client:** \_\_\_\_\_

**Signature** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

**Seal:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date** \_\_\_\_\_