

FIDELISCO CAPITAL MARKETS LTD
Additional Risk Disclosure

1. Risks involving Third Parties

- a. The Client is warned that, in some cases, Fidelisco Capital Markets Ltd (“**Fidelisco**” or the “**Company**”) will transmit to a Third Party the money received from the Client, for the Third Party to hold or control, so as to give effect a Transaction through third party, or with that party. Additionally the Client understands that money may be passed from Fidelisco to a Third Party to satisfy the Client’s obligation to provide collateral (e.g. initial margin requirement) in respect of a Transaction. The Client is warned that Fidelisco bears no responsibility for the acts or omissions of the third party to whom money is passed in the manner and for the purposes described above.
- b. The Client is warned that when the third party holds the money passed to it by Fidelisco, this may be held in an omnibus account, and because of this it may not always be possible for it to be separated from the Client’s money, or the third party’s money. It is expressly stated to the Client that in the event of the third party’s insolvency or other relevant event, Fidelisco may only have an unsecured claim against the third party on behalf of the Client. It is also expressly stated to the Client that there is a risk that the money received by Fidelisco from the third party may be insufficient in satisfying the Client’s claim in relation to their said account. Fidelisco does not and cannot bear any liability and/or responsibility for any losses that may be the result of the above.
- c. Fidelisco may deposit client money with a depository which may have a security interest, lien or right of set-off in relation to that money.
- d. Fidelisco may deal through a Bank or Broker, who have interests contrary to the Client’s Interests.

2. Charges and Taxes

- a. There is a risk that the Client’s trades in Financial Instruments may be or become subject to tax and/or any other duty for example because of changes in legislation or his personal circumstances. Fidelisco does not warrant that no tax and/or any other stamp duty will be payable. The Client is responsible for any taxes and/or any other duty which may accrue in respect of his trades.
- b. Before the Client begins to trade, he should obtain details of all commissions and other charges for which the Client may be liable. If any charges are not expressed in money terms (but for example as a dealing spread), the Client should ask for a written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms.
- c. Before the Client begins to trade, he/she should obtain details of all commissions and other charges for which the Client will be liable, which may be found on the Company’s website. Some charges may not be expressed in money terms but for example as a dealing spread.

3. Technical Risks:

- a. If the Client undertakes transactions on an electronic system, he will be exposed to risks associated with the system including the failure of hardware and software (Internet / Servers).

The result of any system failure may be that his order is either not executed according to his instructions or it is not executed at all. Fidelisco does not accept any liability in the case of such a failure.

- b. The Client shall be responsible for the risks of financial losses caused by failure of information, communication, electronic or other systems.
- c. Fidelisco has no responsibility if authorized third persons have access to information, including electronic addresses, electronic communication and personal data, access data when the above are transmitted between Fidelisco or any other party, using the internet or other network communication facilities, telephone, or any other electronic means.
- d. The Client acknowledges that the unencrypted information transmitted by e-mail is not protected from any unauthorized access.
- e. At times of excessive deal flow the Client may have some difficulties to be connected over the phone or the Trading Platform, especially in fast Market (for example, when key macroeconomic indicators are released).
- f. The Client acknowledges that the internet may be subject to events which may affect his access to Fidelisco Website and/or Trading System, including but not limited to interruptions or transmission blackouts, software and hardware failure and internet disconnection. Fidelisco is not responsible for any damages or losses resulting from such events which are beyond its control or for any other losses, costs, liabilities, or expenses (including, without limitation, loss of profit) which may result from the Client's inability to access the Company's Website and/or Trading System or delay or failure in sending Orders or Transactions.
- g. Fidelisco is not an Internet Service Provider and cannot be responsible for not fulfilling any obligations with its Clients because of internet connection failures or public electricity network failures or hacker attacks.
- h. The Client is warned that when trading in an electronic platform he assumes risk of financial loss which may be a consequence of amongst other things:
 - Failure of Client's devices, software and poor quality of connection;
 - The Company's or Client's hardware or software failure, malfunction or misuse;
 - Improper work of Client's equipment;
 - Wrong setting of Client's terminal;
 - Delayed updates of Client's terminal.
- i. In connection with the use of computer equipment and data and voice communication networks, the Client bears the following risks amongst other risks in which cases Fidelisco has no liability of any resulting loss:
 - Power cut of the equipment on the side of the Client or the provider, or communication operator (including voice communication) that serves the Client.
 - Physical damage (or destruction) of the communication channels used to link the Client and provider (communication operator), provider, and the trading or information server of the Client.
 - Outage (unacceptably low quality) of communication via the channels used by the Client, or the channels used by the provider, or communication operator (including voice communication) that are used by the Client.

- Wrong or inconsistent with requirements settings of the Client terminal.
- Untimely update of the Client Terminal.
- When carrying out transactions via the telephone (land or cell phone lines) voice communication, the Client runs the risk of problematic dialing, when trying to reach an employee of the broker service department of Fidelisco due to communication quality issues and communication channel loads.
- The use of communication channels, hardware and software, generate the risk of non-reception of a message (including text messages) by the Client from Fidelisco.
- Trading over the phone might be impeded by overload of connection.
- Malfunction or non-operability of the trading system (platform), which also includes the Client Terminal.
- Outage (unacceptably low quality) of communication via the channels used by Fidelisco, in particular physical damage (destruction) of the communication channels by third parties.

4. Trading Platform

- a. The Client acknowledges that the only reliable source of Quotes is that of the live Server feed. Quotes in the Client terminal are not a reliable source of information, since the connection between the Client terminal and the server may be disrupted at some point and some of the quotes simply may not reach the Client terminal.
- b. The Client acknowledges that when the Client closes the order placing/modifying/deleting window or the position opening/closing window, the instruction, which has been sent to the Server, shall not be cancelled.

5. Force Majeure Events

In case of Force Majeure Events the Client shall accept the risk of financial loss.

6. Insolvency

The Company's insolvency or default, may lead to positions being liquidated or closed out without the Client's consent. In certain circumstances, the Client may not get back the actual assets which he lodged as collateral and he may have to accept any available payments in cash.

7. Foreign Currency

When a financial instrument traded in a currency other than the currency of the Client's country of residence, any changes in the exchange rates may have a negative effect on its value, price and performance and may lead to losses for the Client.

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