

RISK DISCLAIMER

NordCapital (hereinafter: “We” or “Our” or “Us”) allows its users (hereinafter: "User" or "Users") to trade in highly speculative investments which involve a significant risk of loss. Such trading is not suitable for all investors so Users must ensure that Users fully understand the risks before trading. We do not manage, or offer any legal, tax, accounting or investment advice, or recommendation regarding suitability, profitability, investment strategy or other matter.

All Users and prospective Users should read carefully the following risk disclosure and warnings contained in this document, before applying to use Our software and before beginning to trade in various financial instruments. However, it is noted that this document shall not disclose or explain all of the risks and other significant aspects involved in dealing in Forex Trading. This notice was designed to explain in general terms the nature of the risks involved when dealing in Forex Trading in a fair and non-misleading way.

DUE TO THE HIGH RISK NATURE OF TRADING, WE EXPLICITLY DO NOT EXPRESS OR IMPLY WARRANTIES OR GUARANTEES THAT USERS WILL MAKE ANY PROFIT OR THAT USERS WILL NOT LOSE ANY OR ALL DEPOSITED INVESTMENT FUNDS.

Trading in Forex is VERY SPECULATIVE AND HIGHLY RISKY and is not suitable for all members of the general public, but only for those investors who:

- (a) Understand and are willing to assume the economic, legal and other risks involved.
- (b) Take into account their personal financial circumstances; financial resources, life style and obligations and financially able to assume the loss of their entire investment.
- (c) Have the knowledge to understand Forex trading and the underlying assets and markets involved.

We shall not provide Users with any advice relating to Forex trading, the underlying assets and markets or make investment recommendations of any kind. Therefore, in the event that User does not understand the risks involved with trading in Forex, User should seek advice and consultation from an independent financial advisor. Nevertheless, in the event User still does not understand the risks involved with trading in Forex he should not trade at all.

Forex Trading is defined as a derivative financial instrument deriving its value from the prices of the underlying assets/markets to which they refer (i.e. currencies, equity indices, stocks, metals, indices futures, forwards, etc.). Therefore, it is important that User fully understands the risks associated with trading in the relevant underlying asset/market as fluctuations in the price of the underlying asset/market will affect the profitability of his trade.

Several of the above-mentioned risks, include the following:

Volatility - movements in the price of underlying assets/markets can be volatile and unpredictable. This will have a direct impact on User's profits and losses. Understanding the volatility of an underlying market will help guide User on how to trade and how much he is willing to lose.

Market swings - a swing is a sudden shift in the price of an underlying asset price from one level to another. Various factors can lead to gapping (i.e. economic events or market announcements) and gapping can occur both when the underlying market is open and when it is closed. When these factors occur while the underlying market is closed, the price of the underlying market when it reopens (and

therefore our derived price) can be markedly different from the closing price, with no opportunity to close your trade in-between. 'Gapping' can result in a significant loss (or profit).

Market liquidity - The prices of Forex are influenced among other things, by changes in the following fields: supply and demand relationships, governments, agricultures, commercial and trade programs, policies, national and international political and economic events and the prevailing psychological characteristics of the relevant market place and some of the Forex' underlying assets may not become immediately liquidated thus as a result from reduced demand of the underlying assets. Therefore, global market conditions can be significantly changed in a very short period and hence, under certain market conditions, it may be impossible for User's order to be executed, leading to losses.

It is common knowledge that when it comes to trading in currencies, there may be situations, movements and/or conditions occurring at weekend, in the beginning of week or intra-day after release of significant macroeconomic figures, economic or political news that shall make currency markets open with price levels that may substantially differ from previous prices.