

RISK DISCLOSURE NOTICE

BeeMarkets is the trading name of BEEMARKETS PTY LTD, which is regulated by the Australian Securities and Investments Commission.

The Client (hereinafter, "you") should carefully read the Risk Disclosure in conjunction with the "Terms and Conditions of Business", the "Order Execution Policy" and any other legal documentation/information available through our Website. CFDs are contracts between two parties, typically described as "buyer" and "seller", stipulating that the seller will pay to the buyer the difference between the current value of an asset and its value at contract time (if the difference is negative, then the buyer pays instead to the seller.) In effect, CFDs are financial derivatives that allow investors to take advantage of prices moving up (long positions) or prices moving down (short positions) on underlying financial instruments and are often used to speculate on those markets. For example, when applied to equities, such a contract is an equity derivative that allows investors to speculate on share price movements, without the need for ownership of the underlying shares.

1. GENERAL INFORMATION

This document does NOT disclose all the associated risks or other important aspects of CFDs, and it should NOT be considered as investment advice or recommendation for the provision of any service or investment in any financial instrument.

The Client should NOT carry out any transaction in CFDs or in any other financial

instruments unless he is fully aware of their nature, the risks involved and the extent of his exposure in these risks. In case of uncertainty as to the meaning of any of the warnings described below, the Client must seek an independent legal or financial advice before taking any investment decision.

The Client should also be aware that:

- The value of any investment in financial instruments may fluctuate downwards or upwards, and the investment may diminish to the extent of becoming worthless;
- Previous returns do not constitute an indication of a possible future return;
- Trading in Financial Instruments may entail tax and/or any other duty; and
- Changes in the exchange rates, may negatively affect the value, price and/or performance of the Financial Instruments traded in a currency other than the Client' s base currency.

2. RISKS ASSOCIATED WITH CFDs

a. Leverage risk

Leverage is a distinct feature of CFDs. The effect of leverage makes investing in CFDs riskier than investing directly in the underlying asset. This is a result of the margining system applicable to CFDs, which generally involves a small deposit relative to the size of the transaction, so that a relatively small price movement in the underlying asset can have a disproportional impact on a Client' s trade. A small price movement in the Client' s favour can provide a high return on the deposit, however, a small price movement against the Client may quickly result in significant

losses.

b. Gapping Risk

Financial markets may fluctuate rapidly, and the prices of CFDs will reflect this. Gapping is a risk that arises as a result of market volatility. Gapping occurs when the prices of CFDs suddenly shift from one level to another, without passing through the level in between. There may not always be an opportunity for the Client to place an order between the two price levels.

c. Stop Loss Orders cannot always protect you from losses.

The Company offers you the opportunity to choose Stop Loss Orders to limit the potential losses you can incur from an open position. This option automatically closes your position when it reaches a certain price limit. There are some circumstances in which a 'stop loss' limit is ineffective, e.g., where there are rapid price movements or market closure.

d. Risk of Margin Call and Liquidation (close-out)

To keep CFD positions open, the Client needs to have enough funds in his account to cover his margin obligations. When the Client's margin obligations are no longer covered, the Client must immediately deposit additional cleared funds or close positions so that the funds in his account cover the margin. Margin shortages can arise quickly as market values change. Unless the Client has sufficient funds in his account to cover these situations, there is a risk of having to close positions when the Client may prefer not to.

The value of the Client's account must always remain above the liquidation, or close

out, level. If it falls below this level, the Client's CFD trades are at risk of being liquidated. To prevent liquidation of the Client's CFD positions, the Client must make sure he has deposited enough funds to keep his account value above the liquidation level. If the Client's trade does not go as he expects, the Client may be required to deposit additional funds in order to hold his position.

e. Risk of loss of invested funds.

It is possible for adverse market movements to result in the loss of your account balance in full or even more. In case you lose more than your current account balance, we may bear the negative consequences of such adverse events.

f. No guarantee of profit.

There are no guarantees of profit nor of avoiding losses when trading CFDs. Neither the Company nor its representatives intend to provide, or can they actually provide such guarantees. The Client has been alerted by means of this Statement that risks are inherent to trading CFDs and that he/she must be financially able to bear such risks and withstand any losses incurred.

g. No rights to the underlying assets.

You have no rights or obligations in respect of the underlying instruments or assets relating to your CFD. The client should understand that CFDs can have different underlying assets, including, equity, indices and commodities. Specifically, in case of an equity CFD you will not receive any voting rights.

3. OTHER RISKS

a. Market risk

Is the risk that the value of a portfolio will decrease due to the change in value of the market factors such as stock prices, interest rates, exchange rates and commodity prices. In case of a negative fluctuation in prices, the Client runs the risk of losing part or all of his invested capital.

b. Systemic risk

Is the risk of collapse of the entire market or the entire financial system. It refers to the risks imposed by interdependencies in a system or market, where the failure of a single entity or cluster of entities can cause a cascading negative effect, which could potentially bring down the entire system or market.

c. Technical risk

Faults in electronic equipment used to perform margin trading and investment operations may lead to unexpected and unpredictable results and therefore to losses on the Client's operations in the international exchange market (FOREX). At the carrying out of transactions via an electronic trading system, the Client runs the risk related with possible faults in the system, including equipment and software failures.

d. Operational risk

Is the risk of business operations failing due to human error. Operational risk will change from industry to industry and is an important consideration to make when looking at potential investment decisions. Industries with lower human interaction are likely to have lower operational risk.

e. Country risk

Is the risk that an investment's returns could suffer as a result of political changes or instability in a country. Instability affecting investment returns could stem from a change in government, legislative bodies, other foreign policy makers, or military control.

f. Interest rate risk

Is the risk that an investment's value may change due to a change in the absolute level of interest rates, in the spread between two rates, in the shape of the yield curve, or in any other interest rate relationship.

g. Foreign exchange risk

Is the risk of an investment's value being affected by changes in exchange rates.

h. Legal and Regulatory Risk

A change in laws or regulations made by the government or a regulatory body may increase the costs of operating a business, reduce the attractiveness of an investment and/or change the competitive landscape and by such materially alter the overall profit potential of your investment. This risk is unpredictable and may vary depending on the market for the underlying asset of a given CFD.

4. RISKS BEYOND THE CONTROL OF THE COMPANY

The Client and not the Company, is completely liable for the following risks the listing of which is not exceptive:

- a. Lack of knowledge of the trading terminal settings;
- b. Technical faults in the Client's software;
- c. Disclosure of the registration credentials to the third parties at the opening of

the real account;

- d. Unauthorized access by the third party to the personal email account of the Client;
- e. Reading with the delay of the information sent the Client' s email address;
- f. Any other force-majeure circumstances on the part of the Client.