

RISK DISCLOSURE

(Version 05/03/2013)

1. This document discovers information regarding risks that can take place while executing trading operations by the Client in the world financial markets, and also regarding possible financial losses linked to these stated risks.
2. The list of risks specified in the text of this document cannot be considered as limited, as specificity of trading operations, and any other activities in the international financial markets. Also, a probability of any other situations of both trading and non-trading characters increases a probability of risks not provided by this Notification.
3. Within the framework of this Notification, any risk is treated as a possibility of financial losses for the Client, the probability of which takes place while working in world financial markets.
4. The Client shall accept the following provisions related to financial risks:
 - 4.1. Market risk is a probability of obtaining the Client's order strike prices, which are considerably different from the ones initially stated by the Client in the specified orders. The orders placed by the Client, with the purpose to limit the losses or with the purpose to fix some profit, can be executed at the prices different from those mentioned in the specified orders. This risk is related to the big volumes of capital functioning in world markets, and also related to the big number of participants, thus as a consequence there is a probability of changes in the prices within a short period of time, which may cause a failure to execute the Client's order at such prices specified in such orders.
 - 4.2. When using the orders-issuing mechanism called Trailing Stop, the Client undertakes the risk that this mechanism will not ensure the execution of the procedure specified by the Client and will not execute due to the modification of order level Stop Loss. This is due to the fact that Trailing Stop makes the change in the order price only if a new price tick arrives, and abrupt movement in price may bring about immediate execution by the trade server of a Stop Loss order stated by the Trailing Stop mechanism even before the procedure of price level change is executed in this order.
5. Risk cause by high volatility of financial instruments:
 - 5.1. Changes in prices of financial instruments in the course of a trading day may reach a wide range, which may bring some additional financial losses to the Client. The high rate of changes in the current prices of financial instruments caused by any factors may result the following: Client's orders, either partially or fully will be executed at the prices different from the specified ones, or from the ones the Client can see in the trading terminal while sending a request to open or to close an order.
6. The Client accepts the following provisions appearing while using the leverage:
 - 6.1. When using margin trading (trading with the use of leverage) a comparatively minor change in the current price of the trading instruments placed by the Client may affect significantly the available funds on the trading account, and as the result, the Client's account balance. The Client bears full financial responsibility for possible losses including the loss of initial deposit and any other funds that have been deposited to the client's

trading account, the probability of which arises when the instrument price shifts over the direction opposite to the open position.

- 6.2. Practicability of maintaining the Margin Level above 1000%, as well as the use of Stop Loss orders in order to limit potential losses.

7. The Client accepts the clauses related to the technical risks:

- 7.1. Any technical or programming defects related to communication channels, trading terminals and/or software that are in any way used by the Client to perform trading activity in the financial markets may lead to considerable losses for the Client. Such defects include failure (or impossibility to use any function of software or a technical product by the Client) resulting from the absence of knowledge regarding the operating instructions of non-compliance by the Client with the rules of the software products usage, operation of the equipment used by the Client to perform activities in the international financial markets.
- 7.2. Importance of any password security protection from any third parties' access, including passwords that protect the Client's trading accounts, personal data, or any other passwords generated by any servers and/or software of the Company and forwarded to the Client. The Client shall completely undertake all the risks related to possible compromise of his/her account data and passwords.
- 7.3. Should any non-observation of equipment or communication channel usage regulation take place, as well as any disregard of recommendations related to confidentiality, the Client shall completely take responsibility for risks of any possible financial losses that occurred due to loss of a data confidentiality status that was received by the Client from the Company, and as a consequence passwords, account data and any other authorization and Client's personal access data for his/her trading account and Trader's room were received by any third parties.
- 7.4. Risks of financial losses while making trading operations using the trading terminal, which may result as a consequence of the following:
 - failures or mistakes of software or equipment applied by the Client;
 - insufficient quality of communication on the part of the Client;
 - improper operation of equipment applied by the Client;
 - failure to or neglect of software updates, including trading terminal, applied by the Client;
 - application of any variations of illegal software;
 - incorrect settings of trading terminal operated by the Client;
 - unawareness of instructions described in the "Trader User Guide" and in the "Frequently Asked Questions" section
- 7.5. The client shall acknowledge that under the market conditions differ from regular ones: the time required for executing client orders correctly can be extended. In addition, the Company reserves the right to limit the volumes of positions and maximum permissible volume of lots in the market, opened by a Client on a specific trading instrument.

8. The Client shall acknowledge the following provisions related to risks that occur when working with trading terminals:
 - 8.1. The client can have only one claim at a time available on the server for execution. Before the answer is received from the server regarding this claim, the Client is unable to forward a new order to the server. All the attempts of similar type will be denied by either the server or trading terminal.
 - 8.2. The flow of quotes coming from the trade server is treated as the only accurate and reliable. Should there be any differences between the Quotation's Bases on the terminal and on the trade server, preference is given to the information stored on the trade server.
 - 8.3. Should there be any differences between the Quotation's Bases, the trading server of the Company, and any other sources of data, preference is given to the Quotation's Bases possessed by the Company.
 - 8.4. The risk that can appear as a consequence of resubmitting the Client's claim to the server before the answer is received to the previous claim shall be undertaken by the Client as well as all the financial losses that took place as a consequence of this action.
 - 8.5. The closing of the dialogue box of a trading operation execution, as well as any subsequent dialogue boxes of any previously stated levels of orders, does not cancel the Client's claim or order which has already been passed for processing to the Company trading server. The claim can enter for processing to the Company trading server right after the appropriate button for forwarding is pressed in the trade terminal dialogue box.
 - 8.6. Any instruction submitted to modify the level of a pending order, which has already been submitted to the execution queue on the trading server, will be denied by the server. Particularly, if the stated instruction is a part of any other instruction. For example, to modify Stop Loss / Take Profit, then the rest part of the order will be processed, except changing the level of the pending order itself.
9. The Client shall acknowledge the following provisions related to risks that occur in the course of communicating between the Client and the Company:
 - 9.1. Open data forwarded by e-mail cannot be protected from illegal access of any third persons and/or parties. All financial losses caused by this fact shall be completely the Client's own responsibility.
 - 9.2. Any financial losses caused by the fact that the Client has not received or untimely received any message from the Company or from the Server shall be completely the Client's own responsibility.

10. The Client understands a possibility of sociopolitical and legal risks:

- 10.1. This risk is understood as a probability of considerable losses that can be borne by the Client due to any of the following reasons, including, but not limited to:
- considerable changes of the political situation in a country;
 - considerable changes of the economic situation in a country;
 - the shift in political power and/or governing bodies of a country;
 - changes enacted by the current legislation of a country;
 - the change of rates in central banks of a country;
 - the political, economic or social instability in a country;
 - resolutions adopted by the state governments;
 - currency interventions.

11. The Client shall acknowledge the following provisions related to risk that occur as a consequence of force-majeure:

- 11.1. Activities in international financial markets may result in heavy unplanned losses in case of consequences that could not be forecasted or beyond control, including, but not limited to, the following:
- interventions executed by the central banks of a country;
 - military conflicts or local military activities in any country;
 - acts of terrorism;
 - industrial disasters;
 - suspension of any financial market operations;
 - abrupt downturn in liquidity, caused by instability in financial markets;
 - bankruptcy of banks and payment systems;
 - natural disasters;
 - resolutions adopted by national leaders or governments;
 - alterations of rules and operation procedures for counterparts that exert material influence on the company's activities.
- 11.2. The Client shall acknowledge a possibility of heavy losses that may occur in the course of financial activities in world financial markets due to circumstances which are impossible to forecast:
- acts of terrorism;
 - military activities;
 - suspension of any financial market operations;
 - instability of financial markets accompanied by abrupt downturn in liquidity;
 - bankruptcy of banks and payment systems;
 - natural disasters;
 - resolutions adopted by national governments;
 - currency interventions;
 - considerable alterations of rules and operation procedures for counterparts.
- 11.3. The Company is entitled to independently determine the limits of force-majeure, if there are grounds sufficient to do that.
- 11.4. The Company or any third person providing the Company services is not responsible for any losses, damage or loss of opportunities of functions of any software or equipment which are the result of presence or effect of force-majeure circumstances.

- 11.5. The Company is entitled to (without prejudice to any other rights of the Company under provisions of any other contract made between the Client and the Company) take one of the following actions without any preliminary notification and at any moment:
- to increase charges applied to the Client's open positions;
 - to increase charges applied to the Client's newly opened positions;
 - to suspend, change, cancel any of provisions, section or stipulation of any contract made between the Client and the Company until the force-majeure circumstances make it impossible to fulfill the specified provision, section or stipulation;
 - to close any or all of the Client's open positions to the price considered as fair by the Company;
 - in case there are enough circumstances, to undertake or not to undertake any actions in respect of the Company and the Clients;
 - for positions that have become an object of consideration due to effect of force-majeure circumstances, to reconsider the amount of the company's financial obligations to the Client.

12. Disclaimer of warranties. The Client shall acknowledge the following provisions:

- 12.1. Financial income and any other trade income from the financial market cannot be guaranteed. The Company does not make any announcements and does not give any promises regarding the result of the Client's trading operations.
- 12.2. As a consequence of electronic trading operations by using the services provided by the Company, the Client's initial deposit can be completely lost due to unfavorable current situation in the financial market.
- 12.3. Employees and representatives of the Company can provide analytical information regarding trading situations, which is just for reference purposes, it is not a recommendation, not an instruction to open positions, and not a guarantee of earning a profit in the financial market
- 12.4. Successful experience of trading positions obtained by other Clients is not a guarantee of a reoccurrence of this positive result for other Clients

13. The Client shall agree to the following provisions:

- 13.1. This Notification does not exist for the purpose to make the Client reject the idea of electronic trading in the financial market, as the information provided in this notification is just for the Client's reference and is intended to serve as a warning of possible risks the Client may face when undertaking trading operations.
- 13.2. The responsibility for resolution regarding the level of risks specified in this document is completely undertaken by the Client. Balanced decisions shall be made based on the Client's personal financial opportunities and personal objectives set for his/her trading activities