RISK DISCLOSURE STATEMENT

FINALTO FINANCIAL SERVICES MENA LLC • V 1.0

1 Introduction and Scope

This Risk Disclosure Statement is provided by Finalto Financial Services MENA LLC (“Finalto MENA”, “the Company”, “we”, “us” or “our”) in connection with its promotion and introduction activities. It sets out the principal risks associated with trading rolling spot Forex, CFDs and other OTC derivatives (the “Products”) offered by the regulated affiliate within the Finalto Group to which you may be introduced (a “Host Entity”).

Finalto MENA’s role. Finalto MENA is licensed by the UAE Capital Market Authority (the “CMA”) to carry on promotion and introduction activities only. We do not execute trades, quote prices, hold client money, set or call margin, close out positions, act as counterparty to any transaction, or provide investment advice. Any trading account is opened with, and all trading activity is carried out with, the Host Entity.

No recommendation. The fact that Finalto MENA introduces you to a Host Entity is not a recommendation, endorsement or assurance by Finalto MENA in respect of that Host Entity, the Products, or any decision to trade. You are responsible for satisfying yourself as to the Host Entity, including its regulatory status, its terms of business and its creditworthiness, and you do not rely on Finalto MENA for any such assessment.

The Host Entity’s documentation governs your trading. The Host Entity will provide you with its own terms of business and risk disclosures. Those documents govern your trading relationship and the matters described in this statement, and you should read them carefully. In the event of any inconsistency in relation to your trading, the Host Entity’s documentation prevails.

Intended audience. The Products are intended only for clients classified as Professional Clients under the applicable regulatory framework, who have the knowledge and experience to understand and assess the risks involved.

Not exhaustive. This statement cannot disclose all of the risks and other significant aspects of trading the Products. You should not deal in the Products unless you understand their nature, how they trade, and the extent of your exposure to risk and potential loss. It should be read together with our Introduction Services Terms and Conditions and the Host Entity’s documentation.

For information only. This statement is provided for information only and is not an offer, solicitation or inducement by Finalto MENA to buy, sell or trade any product. Finalto MENA may update this statement from time to time, and the version published on its website applies.

2 Leverage, Margin and Contingent Liability

The Products are traded on margin, which means you can enter into transactions with a value significantly greater than the funds you deposit, on the basis of a comparatively small initial outlay. The use of leverage can work for you as well as against you: a relatively small movement in the price of the underlying instrument can have a proportionately much larger effect on your position, and may result in losses as well as gains.

Margined transactions require you to maintain sufficient margin at all times. If your account moves into deficit, you must either reduce your open positions or provide additional margin, often at short notice and in adverse market conditions. The Host Entity may also increase its margin requirements without prior notice. If you fail to meet a margin requirement or call, the Host Entity may close some or all of your open positions, without prior notice and at a loss, and you will remain liable for any resulting shortfall.

Margin does not represent the limit of your liability. You may lose your entire margin and be required to pay further sums, and – depending on the terms offered by the relevant Host Entity, including whether negative balance protection applies to your account – your losses may exceed the funds you have deposited. You should not enter into positions so large that you would be unable to fund the additional margin that may be required to maintain them.

3 Need to Monitor Your Open Positions

Because of the speed at which profits and losses can arise under leverage, it is your responsibility to monitor your open positions closely at all times. The Host Entity is generally not obliged to notify you of your account balance or of any margin shortfall, and any failure or delay by it in making a margin call does not limit your liability or waive its right to close out your positions.

4 Over-the-Counter Products and Counterparty Risk

CFDs and rolling spot Forex are over-the-counter (OTC) products. They are not traded on a regulated exchange and are not centrally cleared. Each transaction is entered into directly with the Host Entity, can generally only be opened and closed with that Host Entity, and is not transferable to any other person. You are therefore exposed to the credit and performance risk of the Host Entity: in the event of its insolvency or default, you may lose the value of your positions and some or all of the funds in your trading account.

Because they are OTC, the Products may be difficult to value or to realise, and reliable information about their true value or the extent of the associated risks may not be readily available. They are generally not suitable for an investor seeking a long-term holding or regular income; the longer a position is held open, the more the associated costs may accumulate.

Finalto MENA is not a party to any transaction in the Products, does not act as counterparty, and accepts no liability for the performance, solvency or conduct of any Host Entity.

5 Client Money

Finalto MENA does not hold client money or client assets.

6 No Ownership of the Underlying

Trading CFDs and other derivatives does not give you any right, title or ownership interest in the underlying instrument (for example, a currency, share, index, commodity or other asset). You will generally have no voting rights and no entitlement to dividends or other distributions, except to the extent (if any) reflected as a contractual adjustment under the Host Entity's terms.

7 Market Volatility, Gapping and Weekend Risk

The prices of the Products are derived from the underlying markets, which can be highly volatile. Prices may move rapidly and significantly, and can be affected by economic, political and market events, many of which are unpredictable.

Markets may "gap" – that is, move sharply from one price to another without trading at the prices in between – both while the underlying market is open and while it is closed. Where significant movements occur while a market is closed (for example, over a weekend or public holiday), the market may reopen at a price markedly different from its closing price, with no opportunity to close your position in between. There is a substantial risk that orders left to protect open positions held over such periods (for example, stop-loss orders) will be executed

8 Liquidity, Suspensions and Risk-Reducing Orders

Some instruments may become illiquid, for example due to market conditions or a lack of counterparties; in such circumstances spreads may widen and you may be unable to open or close a position promptly, at the price you want, or at all. Under certain conditions – including rapid price movement, or where trading in the relevant market is suspended or restricted – it may be difficult or impossible to liquidate a position.

Orders intended to limit losses (such as “stop-loss” or “stop-limit” orders) may not be capable of execution at the specified level where market conditions or technological limitations make this impossible, unless a guaranteed stop is expressly offered by the Host Entity. Strategies using combinations of positions (such as “spread” or “straddle” positions) may be as risky as, or riskier than, simple “long” or “short” positions.

9 Foreign and Emerging Markets

The underlying instruments may relate to foreign or emerging markets, which can carry greater risks than developed or domestic markets. The potential for profit or loss from transactions referable to foreign markets, or to instruments denominated in a foreign currency, will be affected by fluctuations in exchange rates and by political, legal, economic or regulatory changes in the relevant jurisdiction, which may substantially – and, in some cases, permanently – affect the value, marketability or price of the relevant instrument.

10 Prices and the Host Entity’s Discretion

The prices at which you trade the Products are quoted by the Host Entity. Although derived from the underlying market, those prices may differ from prices available elsewhere, including in the interbank market. The Host Entity may exercise discretion in setting and varying margin requirements, and in selecting the prices used to value positions and to calculate margin. This pricing model, together with the Host Entity’s role described under “Conflicts of Interest” below, means that your interests and those of the Host Entity may not always be aligned.

11 Currency Risk

Where you trade instruments denominated in, or referable to, a currency other than the base currency of your account, your profits or losses may be affected by fluctuations in exchange rates, independently of the performance of the underlying instrument itself.

12 Cost and Charges

Trading the Products involves costs, which may include spreads, commissions, currency-conversion charges and financing, swap or overnight charges on positions held open. These costs reduce your net returns and, in the case of financing charges on rolling positions, may accumulate over time and exceed any gains. Before you begin trading, you should obtain details of all commissions and charges from the Host Entity. Where a charge is not expressed in monetary terms (for example, as a dealing spread), you should obtain a clear explanation, including examples, of what the charge is likely to mean in specific monetary terms.

13 Execution and Technology Risk

The Products are typically traded through an online platform. You are exposed to risks associated with electronic trading, including delays, interruptions or failures in hardware, software, connectivity or systems, which may prevent or delay the placing, amendment or cancellation of orders. Prices may move between the time an order is placed and the time it is executed ("slippage"), and you may be subject to re-quotes. Operational disruptions in the Host Entity's processes may cause delays in the execution and settlement of orders. The internet and other electronic means of communication are not always secure, reliable or timely.

14 Conflicts of Interest

The Host Entity may act as principal or market maker in relation to the Products and may therefore have interests that are adverse to yours. In addition, as disclosed in our Introduction Services Terms and Conditions, Finalto MENA may receive and retain commissions, rebates or other fees from the Host Entity in connection with introducing you. You consent to such arrangements as set out in those terms.

15 No Advice; No Suitability or Appropriateness Assessment

Finalto MENA does not provide investment, legal, tax or other advice, and does not make any personal recommendation regarding the merits or suitability of any Product or transaction. Any market or product information provided is general and factual only. Nothing in this statement is, or should be taken as, advice or a recommendation to trade in the Products or to use any Host Entity.

Finalto MENA does not assess the appropriateness or suitability of any Product for you. Where you are classified as a Professional Client, the Host Entity may also be entitled to assume that you have the necessary knowledge and experience and may not carry out an appropriateness or suitability assessment. Neither Finalto MENA nor the Host Entity monitors whether the amounts you commit, or your profits and losses, are consistent with your financial resources. You are solely responsible for assessing the adequacy of your own resources and the level of risk you take, and for obtaining independent professional advice where appropriate.

16 Professional Client Status

Because the Products are made available to Professional Clients, you may not be entitled to certain regulatory protections that are available to retail clients. Depending on the relevant Host Entity and its regulator, these may include limits on leverage, negative balance protection, and access to compensation or dispute-resolution schemes. You should satisfy yourself as to which protections do and do not apply to your relationship with the Host Entity.

17 Regulatory and Jurisdictional Risk

The Host Entity to which you are introduced may be located outside the UAE and regulated by a non-UAE regulator, or may not be regulated in the UAE. The UAE CMA regulates only Finalto MENA's promotion and introduction activity in the UAE; it does not regulate the Host Entity, the trading services it provides, or the Products. The regulatory protections available to you will depend on which Host Entity provides the service and may differ from, and be more limited than, those applicable to a firm regulated in the UAE.

You are responsible for ensuring that dealing with the Host Entity, and trading the Products, is lawful in the jurisdiction(s) applicable to you, and for complying with any laws and regulations that apply to you.

18 Tax

The tax treatment of trading in the Products depends on your individual circumstances and on the laws of the jurisdictions that apply to you, and may be subject to change. You are responsible for any tax consequences arising from your trading. You should seek independent tax advice if you are in any doubt.

19 Past Performance

Past performance, and any simulated or hypothetical performance, of any Product, market or strategy is not a reliable indicator of, and is no guarantee of, future results.

20 No Liability and No Reliance on Finalto MENA

Finalto MENA's role is limited to promotion and introduction. Finalto MENA is not a party to your trading relationship with the Host Entity and accepts no responsibility or liability for: the acts, omissions, performance, solvency or conduct of any Host Entity; the Products or any transaction you enter into with the Host Entity; the trading platform or any other system used by the Host Entity; or any loss you may suffer in connection with your trading.

Finalto MENA gives no assurance or guarantee as to any profit or return, or as to the performance of any Host Entity, Product or platform. You do not rely, and agree that you will not rely, on Finalto MENA in connection with any decision to trade or to deal with any Host Entity.

The limitations of, and exclusions from, Finalto MENA's liability, together with the related indemnities, are set out in our Introduction Services Terms and Conditions. Nothing in this statement operates to exclude or restrict any liability or obligation that cannot lawfully be excluded or restricted under applicable law.

21 Acknowledgement

By requesting or accepting an introduction from Finalto MENA, and/or by continuing to use the services to which this statement relates, you acknowledge that you have read and understood this Risk Disclosure Statement, that you understand the risks of trading the Products, and that you accept those risks. You further confirm that you have had the opportunity to seek independent professional advice before deciding to trade.