Address: Office 601, Nicolaides Shopping City, Angelos Court,
84 Spyrou Kyprianou Avenue & Papanikoli, 6052 Larnaca, Cyprus
T: +357 24400165 F: +357 24023093 E: info@hfeu.com W: www.hfeu.com

HF Markets (Europe) Ltd

Award-winning provider of CFDs on:
Forex, Indices, Commodities, Metals, Shares, Energies, Bonds, ETFs and DMA Stocks

HF Markets (Europe) Ltd

GENERAL RISK DISCLOSURE

Table of Contents

1. Introduction

1.1. HF Markets (Europe) Ltd (hereinafter the "Company") which is a member of HF Markets Group, is incorporated under the laws of the Republic of Cyprus with Registration No. HE 277582 under the Department of Registrar of Companies and Official Receiver (www.mcit.gov.cy). The Company is authorised and regulated by the Cyprus Securities and Exchange Commission ("CySEC") to act as a Cypriot Investment Firm (License No. 183/12) and to provide the Services specified in the Account Opening Agreement found on the Company's website, and operates under the Law 87(I)/2017 which provides for the provision of investment services, the exercise of investment advice, the operation of regulated markets and other related matters (the "Law") which has implemented the Markets in Financial Instruments Directive (EU Directive 2014/65/EU, MiFID II). The Law 144(I)/2007 as amended shall be followed to the extent it remains applicable after coming into force of MiFID II.

2. Risk Warnings

2.1. The Client should not engage in any investment directly or indirectly in Financial Instruments unless he knows and understands the risks involved for each one of the Financial Instruments offered by the Company. Prior to applying for and opening an account with the Company the Client should consider carefully whether investing in a specific Financial Instrument is suitable for him in the light of his personal circumstances and financial resources.

2.2. If the Client does not understand the risks involved he should seek advice and consultation from an independent financial advisor. If the Client still does not understand the risks involved in the investment and trading with Financial Instruments, he should not trade at all.

3. General Risks and Acknowledgements

3.1. The Client is warned of the following risks (the list is not exhaustive):

(a) The Company does not and cannot guarantee that money deposited in his Client

Account for trading will not be lost as a result of his transactions.

(b) The Client acknowledges that, regardless of any information which may be offered by the Company, the value of any investment in Financial Instruments may fluctuate downwards or upwards and it is even probable that the investment may become of no value.

(c) The Client acknowledges that he runs a great risk of incurring losses and damages as a result of the purchase and/or sale of any Financial Instrument and accepts that he is willing to undertake this risk.

(d) Information of the previous performance of a Financial Instrument does not guarantee its current and/or future performance. The use of historical data does not constitute a binding or safe forecast as to the corresponding future performance of the Financial Instruments to which the said information refers.

(e) The Client is hereby advised that the transactions undertaken through the dealing Services of the Company may be of a speculative nature. Large losses may occur in a short period of time, and may be equal to the total of funds deposited with the Company.

(f) Some Financial Instruments may not become immediately liquid as a result of reduced demand, for example, and the Client may not be in a position to sell them or easily obtain information on the value of these Financial Instruments or the extent of the associated risks.

(g) When a Financial Instrument is 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.

(h) A Financial Instrument on foreign markets may entail risks different and/or greated to the usual risks of the markets in the Client's country of residence. The prospect of profit or loss from transactions on foreign markets is also affected by exchange rate fluctuations.

(i) A Derivative Financial Instrument (i.e. option, future, forward, swap, contract for difference) may be a non-delivery spot transaction giving an opportunity to make profit on changes in currency rates, commodity, stock market indices or share prices called the underlying instrument.

(j) The value of the Derivative Financial Instrument may be directly affected by the price of the security or any other underlying asset which is the object of the acquisition.

(k) The Client must not purchase a Derivative Financial Instrument unless he is willing to undertake the risks of losing entirely all the money which he has invested and also any additional commissions and other expenses incurred.

(l) Under certain market conditions (for example but not limited to the following situations: force majeure event, technical failure, communications network failure, poor or no liquidity, market news or announcements etc.) it may be difficult or impossible to execute an order.

(m) Placing Stop Loss Orders serves to limit your losses. However, under certain market conditions the execution of a Stop Loss Order may be worse than its stipulated price and the realized losses can be larger than expected.

(n) Should the Equity of the Client be insufficient to hold current positions open, the Client may be called upon to deposit additional funds at short notice or reduce exposure. Failure to do so within the time specified may result in the liquidation of positions at a loss and he will be liable for any resulting deficit.

(o) The Client's attention is expressly drawn to currencies traded so irregularly or infrequently that it cannot be certain that a price will be quoted at all times or that it may be difficult to effect transactions at a price which may be quoted owing to the absence of a counter party.

(p) Trading on-line, no matter how convenient or efficient, does not necessarily reduce risks associated with currency trading.

(q) There is a risk that the Client's trades in Financial Instruments may be or become subject to tax and/or any other duty because of changes in legislation and/or his personal circumstances. The Company does not warrant that no tax and/or any other stamp duty will be payable. The Client acknowledges that he is solely responsible for any taxes and/or any other duty which may accrue in respect of his trades.

(r) Before the Client begins trading, he should obtain details of all commissions and other charges for which the Client will 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.

(s) The Company will not provide the Client with investment advice relating to investments or possible transactions in investments or make investment recommendations of any kind.

(t) There may be situations, movements and/or conditions occurring at the weekend, at the beginning of the week or intra-day after the release of significant macroeconomic figures, economic or political news that make currency markets to open with price levels that substantially differ from previous prices. In this case, there exists a significant risk that orders issued to protect open positions and open new positions may be executed at prices significantly different from those designated.

(u) Cryptocurrencies can widely fluctuate and may result in significant losses over a short period of time. Due to the complexity and the high risk involved in the trading of CFDs on cryptocurrencies, the Clients are faced with a high risk of losing all of their invested capital.

(v) Trading with CFDs on cryptocurrencies is not appropriate for all Clients; Clients should possess the necessary knowledge and expertise in this specific product and must be aware and understand the specific characteristics and risks involved with trading with CFDs on cryptocurrencies.

4. Third Party Risks

4.1. The Company may be required to hold your money in an account that is segregated from other Clients and the Company’s money in accordance with current regulations, and this may not afford complete protection.

4.2. The Company may pass money received from the Client to a third party (i.e. a bank) to hold or control in order to effect a Transaction through or with that person or to satisfy the Client's obligation to provide collateral (i.e. initial margin requirement) in respect of a Transaction. The Company has no responsibility for any acts or omissions of any third party to whom it will pass money received from the Client.

4.3. The third party to whom the Company will pass money may hold it in an omnibus account and it may not be possible to separate it from the Client's money, or the third party's money. In the event of insolvency or any other analogous proceedings in relation to that third party, the Company may only have an unsecured claim against the third party on behalf of the Client, and the Client will be exposed to the risk that the money received by the Company from the third party is insufficient to satisfy the claims of the Client with claims in respect of the relevant account. The Company does not accept any liability or responsibility for any resulting losses.

4.4. A Company or Bank or Broker through whom the Company may deal with could have interests contrary to the Client's interests. The Company shall act in the bests interests of the Client and shall follow the procedure outlined in the Conflicts of Interest Policy of the Company available at the Company's website(s).

4.5. The insolvency of the Company or of a Bank or Broker used by the Company to effect its transactions may lead to the Client's positions being closed out against his wishes.

5. Trading Platform Risks

5.1. Clients, who undertake transactions on an electronic trading system, 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 an order is either not executed according to the instructions provided for it, or is not executed at all. The Company does not accept any liability in the case of such a failure. The use of wireless connections or dial-up connections, or any other form of unstable connection at the client's end, may result in poor or interrupted connectivity or lack of signal strength causing delays in the transmission of data between the Client and Company, when using the Company's Electronic Trading Platform. Such delays or disturbances may result in the Client sending to the Company out of date 'Market Orders'. In these circumstances, the Company will update the price and execute the order at the best available 'market price'.

5.2. The Client acknowledges that only one Instruction is allowed to be in the queue at one time. Once the Client has sent an Instruction, any further Instructions sent by the Client are ignored and the "orders is locked" message appears until the first Instruction is executed.

5.3. The Client acknowledges that the only reliable source of Quotes Flow information is that of the live Server's Quotes Base. Quotes Base in the Client Terminal is not a reliable source of Quotes Flow information because 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.

5.4. The Client acknowledges that when an Order is closed or being executed, it may not be cancelled or modified.

5.5. The Client may lose all amounts he has deposited with the Company as a margin. The placing of certain orders available on the Trading Platform (i.e. "stop-loss" or "limit" orders) that are intended to limit losses to certain amounts may not always be effective because market conditions or technological limitations may make it impossible to execute such orders. It should be noted that for all orders (including guaranteed stop loss orders) the Client may sustain the loss (which your order is intended to limit) in a short period of time. In other cases, the execution of a Stop Loss orders may be worse than its stipulated price and the realized losses can be larger than expected.

6. Technical Risks

6.1. The Client and not the Company shall be responsible for the risks of financial losses caused by failure, malfunction, interruption, disconnection or malicious actions of information, communication, electricity, electronic or other systems.

6.2. The Company has no responsibility if authorised third persons have access to information, including electronic addresses, electronic communication and personal data, access data when the above are transmitted between the Company or any other party, using the internet or other network communication facilities, telephone, or any other electronic means.

6.3. The Client acknowledges that the unencrypted information transmitted by e-mail is not protected from any unauthorised access.

6.4. At times of excessive deal flow the Client may have some difficulties to be connected over the phone or the Company's trading platform(s)/system(s), especially in fast Market (for example, when key macroeconomic indicators are released).

6.5. The Client acknowledges that the internet may be subject to events which may affect his access to the Company's website and/or the Company's trading platform(s)/system(s), including but not limited to interruptions or transmission blackouts, software and hardware failure, internet disconnection, public electricity network failures or hacker attacks. The Company 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.

6.6. 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:

(a) Failure of Client's devices, software and poor quality of connection;
(b) The Company's or Client's hardware or software failure, malfunction or misuse;
(c) Improper work of Client's equipment;
(d) Wrong setting of Client's Terminal;
(e) Delayed updates of Client's Terminal.

6.7. 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 the Company has no liability of any resulting loss:

(a) Power cut of the equipment on the side of the Client or the provider, or communication operator (including voice communication) that serves the Client.

(b) 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.

(c) 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.

(d) Wrong or inconsistent with requirements settings of the Client Terminal.

(e) Untimely update of the Client Terminal.

(f) When carrying out transactions via the telephone (land or cell phone lines) voice communication, the Client runs the risk of problematic dialling, when trying to reach an employee of the broker service department of the Company due to communication quality issues and communication channel loads.

(g) The use of communication channels, hardware and software, generate the risk of non-reception of a message (including text messages) by the Client from the Company.

(h) Trading over the phone might be impeded by overload of connection.

(i) Malfunction or non-operability of the trading system (platform), which also includes the Client Terminal.

(j) Outage (unacceptably low quality) of communication via the channels used by the Company**,** in particular physical damage (destruction) of the communication channels by third parties.

7. Risks Particularly Associated with Transactions in Financial Instruments

7.1. Investing in some Financial Instruments entails the use of “gearing” or “leverage”. In considering whether to engage in this form of investment, the Client should be aware that the high degree of “gearing” or “leverage” is a particular feature of Derivative Financial

Instruments. This stems from the margining system applicable to such trades, which generally involves a comparatively modest deposit or margin in terms of the overall contract value, so that a relatively small movement in the underlying market can have a disproportionately dramatic effect on the Client's trade. If the underlying market movement is in the Client's favour, the Client may achieve a good profit, but an equally small adverse market movement can quickly result in the loss of the Clients' entire deposit, and may also expose the Client to a large additional loss. In regard to transactions in derivative Financial Instruments, a derivative Financial Instrument is a non-deliverable spot transaction giving an opportunity to make profit or loss on changes in currency rates, commodity, stock market indices or share prices called the underlying instrument. The Client must not purchase derivative Financial Instrument unless he is willing to undertake the risks of losing entirely all the money which he has invested and also any additional commissions and/or other expenses incurred.

7.2. Transactions may not be undertaken on a recognised or designated investment exchange and, accordingly, they may expose the Client to greater risks than exchange transactions. The terms and conditions and trading rules may be established solely by the Execution Venue. The Client may only be able to close an open position of any given Contract during the opening hours of the Execution Venue. The Client may also have to close any position with the same counterparty with whom it was originally entered into. In regard to transactions in Financial Instruments with the Company, the Company is using a Trading Platform for transactions in Financial Instruments which does not fall into the definition of a recognised exchange or a Multilateral Trading Facility.

7.3. This notice cannot and does not disclose or explain all of the risks and other significant aspects involved in dealing in all Financial Instrument and investment services. This notice was designed to explain in general terms the nature of the risks involved when dealing in Financial Instruments on a fair and non-misleading basis.

7.4. Please refer to the Risk Disclosure for Financial Instruments available at the Company's website if you are considering trading with the Company in derivative Financial Instruments.

Version: 2025/01