



OEXN LIMITED

**RISK DISCLOSURE
STATEMENT**

1. Introduction

OEXN Limited (“we”, “oexn.com”, “the Company”), is a Cypriot Investment Firm (“CIF”) authorized and regulated by the Cyprus Securities and Exchange Commission (the “CySEC” or the “Commission”) (License No. XXX/XX) with registered office at 106 Gladstonos Street, Limassol, 3032, Cyprus.

2. Legal and Regulatory Requirements

The Company is operating under the provisions of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on Markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as the same may be in force from time to time and modified or amended from time to time (hereafter the “Markets in Financial Instruments Directive (2014/65/EU) or “MiFID II”), which was transported into Cypriot Law, the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017). This Risk Disclosure Statement (“the Statement”) provides you with information about the risks associated with contracts for difference (“CFDs”) which you (“the client”, “you”) may trade through services provided to you by the company. In addition, you can refer to the Key Information Document (“KID”), which provides you with key information about the investment products offered by the Company. This information is required by law to help you understand the nature, costs, risks and rewards of investing in these products and to help you compare them with other investment products.

In the event of a conflict between OEXN Limited and a Customer, between terms expressed in English and terms expressed in any other language, the terms expressed in English shall prevail over those expressed in any other language.

In consideration of OEXN Limited (the “Company”) agreeing to enter into over-the counter (“OTC”) contracts for difference (“CFD”), foreign exchange contracts (“FX Contracts”) and other financial contracts with the undersigned (hereinafter referred to as the “the Customer”, “you”, “your”).

The Customer acknowledges, understands and agrees that:

I. Trading is very speculative and risky

Trading CFD and FX Contracts is highly speculative, involves a significant risk of loss and is not suitable for all investors but only for those customers who:

- understand and are willing to assume the economic, legal and other risks involved;
- are experienced and knowledgeable about trading in derivatives and in underlying asset types; and
- are financially able to assume losses significantly in excess of margin or deposits because investors may lose the total value of the contract not just the margin or the deposit.

Neither CFD nor FX Contracts are appropriate investments for retirement funds.

CFD and FX transactions are among the riskiest types of investments and can result in losses. The Customer represents, warrants and agrees that the Customer understands these risks, is willing and able,

financially and otherwise, to assume the risks of trading CFD and FX Contracts and that the loss of the Customer's entire account balance will not affect the Customer's lifestyle.

II. Risks related to long CFD positions, i.e. for purchasers of CFD

Being long in CFD means you are buying the CFD on the market by speculating that the market price of the underlying will rise between the time of the purchase and sale. As owner of a long position, you will generally make a profit if the market price of the underlying rises whilst your CFD long position is open. On the contrary, you will generally suffer a loss, if the market price of the underlying falls whilst your CFD long position is open. Your potential loss may therefore be bigger than the initial margin deposited. In addition, you might suffer a loss due to the closure of your position, in case you do not have enough liquidity for the margin on your account in order to maintain your position open.

III. Risks related to short CFD positions, i.e. for sellers of CFD

Being short in CFD means you are selling the CFD on the market by speculating that the market price of the underlying will fall between the time of the purchase and sale. As owner of a short position, you will generally make a profit if the market price of the underlying falls whilst your CFD short position is open. On the contrary, you will generally suffer a loss, if the market price of the underlying rises whilst your CFD short position is open.

Your potential loss may therefore be bigger than the initial margin deposited. In addition, you might suffer a loss due to the closure of your position, in case you do not have enough liquidity for the margin on your account in order to maintain your position open.

IV. High leverage and low margin can lead to quick losses

The high degree of "gearing" or "leverage" is a particular feature of both CFD and FX Contracts. The effect of leverage makes investing in CFD riskier than investing directly in the underlying asset.

This stems from the margining system applicable to CFD 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 disproportionately dramatic effect on your trade. This can be both advantageous and disadvantageous. A small price movement in your favor can provide a high return on the deposit, however, a small price movement against you may result in significant losses. Your losses will never exceed the balance of your account, which is balanced to zero, if the losses are higher than the amount deposited. Such losses can occur quickly. The greater the leverage, the greater the risk. The size of leverage therefore partly determines the result of your investment.

V. Margin Requirements

The Customer must always maintain the minimum margin requirement on their open positions. It is the Customer's responsibility to monitor his/her account balance. The Customer may receive a margin call to deposit additional funds if the margin in the account concerned is too low. The Company has the right to liquidate any or all open positions whenever the minimum margin requirement is not maintained, and this may result in Customer's CFD, or FX Contracts being closed at a loss for which you will be liable.

OEXN LIMITED is a Cyprus Investment Firm (CIF) licensed by the

Cyprus Securities and Exchange Commission (CySEC) under license number xxx/22.

VI. Cash Settlement

The Customer understands that CFD and FX Contracts can only be settled in cash and the difference between the buying and selling price partly determines the result of the investment.

VII. Prices, Margin and Valuations are set by the Company and may be different from prices reported elsewhere

The Company will provide prices to be used in trading, valuation of Customer positions and determination of Margin requirements. The performance of your CFD or FX Contract will depend on the prices set by the Company and market fluctuations in the underlying asset to which your contract relates. Each underlying asset therefore carries specific risks that affect the result of the CFD concerned.

VIII. Rights to Underlying Assets

You have no rights or obligations in respect of the underlying instruments or assets relating to your CFD or FX Contracts. The Customer understands that CFD can have different underlying assets, such as stocks, indices, currencies and commodities.

IX. Currency Risk

Investing in FX Contracts and CFD with an underlying asset listed in a currency other than your base currency entails a currency risk, due to the fact that when the CFD or FX Contract is settled in a currency other than your base currency, the value of your return may be affected by its conversion into the base currency.

X. The Company is not an adviser or a fiduciary to the customer

Where the Company provides generic market recommendations, such generic recommendations do not constitute a personal recommendation or investment advice and have not considered any of your personal circumstances or your investment objectives, nor is it an offer to buy or sell, or the solicitation of an offer to buy or sell, any Foreign Exchange Contracts or Cross Currency Contracts. Each decision by the Customer to enter into a CFD or FX Contract with the Company and each decision as to whether a transaction is appropriate or proper for Customer, is an independent decision made by the Customer. The Company is not acting as an advisor or serving as a fiduciary to the Customer. The Customer agrees that the Company has no fiduciary duty to the Customer and no liability in connection with and is not responsible for any liabilities, claims, damages, costs and expenses, including attorneys' fees, incurred in connection with the Customer following the Company's generic trading recommendations or taking or not taking any action based upon any generic recommendation or information provided by the Company.

XI. Recommendations are not guarantees

The generic market recommendations provided by the Company are based solely on the judgment of the Company's personnel and should be considered as such. The Customer acknowledges that the Customer enters into any Transactions relying on their own judgment. Any market recommendations provided are generic only and may or may not be consistent with the market positions or intentions of the Company

and/or its affiliates. The generic market recommendations of the Company are based upon information believed to be reliable, but the Company cannot and does not guarantee the accuracy or completeness thereof or represent that following such generic recommendations will reduce or eliminate the risk inherent in trading CFD and/or FX Contracts.

XII. No guarantees of profit

There are no guarantees of profit nor of avoiding losses when trading CFD and FX Contracts. The Customer has received no such guarantees from the Company or from any of its representatives. The Customer is aware of the risks inherent in trading CFD and FX Contracts and is financially able to bear such risks and withstand any losses incurred.

XIII. Online (Internet) Trading

When the Customer trades online (via the internet), the Company shall not be liable for any claims, losses, damages, costs or expenses, caused, directly or indirectly, by any malfunction, disruption or failure of any transmission, communication system, computer facility or trading software, whether belonging to the Company, the Customer, any exchange or any settlement or clearing system.

XIV. Quoting Errors

Should a quoting error occur (including responses to the Customer requests), the Company is not liable for any resulting errors in account balances and reserves the right to make necessary corrections or adjustments to the relevant Account.

Any dispute arising from such quoting errors will be resolved on the basis of the fair market value, as determined by the Company in its sole discretion and acting in good faith, of the relevant market at the time such an error occurred. In cases where the prevailing market represents prices different from the prices the Company has posted on our screen, the Company will attempt, on a best efforts basis, to execute Transactions on or close to the prevailing market prices.

These prevailing market prices will be the prices, which are ultimately reflected on the Customer statements. This may or may not adversely affect the Customer's realized and unrealized gains and losses.

XV. Acknowledgment:

The Customer acknowledges and declares that he has read, understood and thus accepts without any reservation the following:

- The value of the financial instrument (including currency pair, CFD, or any other derivative product) may decrease and the client may receive less money than originally invested or the value of the financial instruments may present high fluctuations;
- Information on past performance of a financial instrument does not guarantee the present and/or future performance as to the corresponding future return of the financial instruments to which such instrument refers;

OEXN LIMITED is a Cyprus Investment Firm (CIF) licensed by the

Cyprus Securities and Exchange Commission (CySEC) under license number xxx/22.

- Some financial instruments may not become immediately liquid due to various reasons such as reduced demand, and the Company may not be able to sell them or easily obtain information on the value of such financial instruments or the extent of an related or inherent risk concerning such financial instruments;
- When a financial instrument is negotiated in a currency other than the currency of the clients' account, any changes in an exchange rate may have a negative effect on the financial instruments value, price and performance;
- A financial instrument in foreign markets may entail risks different than the usual risks in the markets at the clients' country of residence. The prospect of profit or loss from transactions in foreign markets is also influenced by the exchange rate fluctuations.