Risk Disclosure Notice

1. Introduction

1.1. “Kabwohe Omukace OÜ” (hereinafter referred to as "the Company"), (operating under the trading name “TradeStap”) whose registered office is at Rävala pst 8, 10143, Tallinn linn, Harju maakond, Eesti Vabariik, is registered as Corporation under Entity Number 14789250.
1.2. This notice does not cover all the dangers and other essential aspects of dealing with Cryptocurrency, CFDs, or other financial derivatives. Given the risks, you should only engage in such transactions if you fully understand the nature of the financial instruments you are trading and the degree of your risk exposure. Investing Cryptocurrency, CFDs, or any other financial derivative product are high-risk financial tools that may not suit everyone. In light of your experience, ambitions, and financial resources, you should carefully assess if trading is appropriate for you. If you have any doubts about the suitability of a particular investment, get independent advice from an expert professional assistance.
1.3. Please keep in mind that the value of your investments may rise or fall depending on market conditions, and you may not always recoup your initial investment. Furthermore, previous success is not indicative of future results.
1.4. Cryptocurrency, Contracts for Difference (CFD), and any other derivative product are considered ”financial instruments”.

2. Contract for Difference (CFD)

2.1. Contract for Difference or CFD means the Financial Instrument which is a contract between the parties (typically described as “buyer” and “seller”), stipulating that the seller will pay to the buyer the difference between the current value of an Underlying Asset and its value at a future time; if the difference is negative, then the buyer pays instead to the seller.
2.2. The types of CFD include, but are not limited to Foreign Exchange CFDs, Futures CFDs, Option CFDs, Share CFDs, Commodities CFDs, Virtual Currencies CFDs and Stock Index CFDs.
2.3. ‘CFDs’ is a complex financial product, with speculative character, the trading of which involves significant risks of loss of capital. Trading CFDs, which is a marginal product, may result in the loss of your entire balance. Remember that leverage in CFDs can magnify your profits as well as your losses. You should not deposit more than you are prepared to lose. You should ensure you fully understand the risks involved before entering into an agreement and start using the Trading Platform. When trading CFDs, the Client will be charged an interest rate that corresponds to the financing rate of the money used to invest.
2.4. This means that if a client buys a CFD, the client will be responsible for financing charges (swap) for the time the client maintains the position. If

the Client opens and closes a CFD trade on the same day, however, he will not be charged any financing fees. So, if the Client retains a long position for a long time, the financing expenses could be significant. The Client will not receive any interest as a seller of CFDs. Financing fees are detailed on the Company's website and/or offered to the client throughout the account opening process.

3. Risks associated with transactions in Cryptocurrency, CFDs or any other derivative product

3.1. The Client should unconditionally recognize and understand that, independent of any information provided by the Company, the value of Cryptocurrency, CFDs, or any other financial derivative product may move downwards or upwards, and that the investment may potentially lose value.
3.2. The Client should unreservedly acknowledge and understand that trading in Cryptocurrency, CFDs, or any other financial derivative product carries a high risk of losses and damages, and accepts and declares that he is willing to take this risk.
3.3. The Client should accept the possibility that his trades in Cryptocurrency, CFDs, or any other financial derivative instrument may be or become liable to tax and/or other duties as a result of changes in legislation or his personal circumstances. The Company makes no guarantee that no tax or other stamp duty will be payable. Any taxes and/or other duties that may accrue in relation to the Client's trades should be his responsibility.
3.4. Cryptocurrency, CFDs, and any other financial derivative product are characterized by a significant degree of “credit lever” or “leverage”, which means that a relatively minor movement in the underlying market can have a disproportionately large impact on the Client's trade.
3.5. If the market goes against a customer's position, the client may be required to deposit more margin (funds) on short notice in order to keep his position. If a customer does not respond to a request for additional funds within the time frame specified, his position may be terminated at a loss (stop out), and he will be responsible for any deficit that results.
3.6. The Company can modify its initial margin rates and/or notional trading requirements at any time, resulting in a change in the margin required.
3.7. Long-term positions or “buy and forget” trading are not suitable for Cryptocurrency, CFDs, or any other financial derivative instrument. Each day that the client keeps the position open costs money, therefore there comes a point where Cryptocurrency, CFDs, or any other financial derivative product becomes too expensive.
3.8. Transactions in Cryptocurrency, CFDs, or any other financial derivative product are not conducted on a recognized stock exchange or a Multilateral Trading Facility (MTF), but rather through the Company's Trading Platform,

and thus may expose the client to greater risks than transactions conducted on a regulated stock exchange. Because the Company is always the counterparty in every client transaction, the Trading Platform does not meet the definition of a recognized stock exchange or a Multilateral Trading Facility (MTF). The counterparty, in this case the Company, sets the terms and conditions as well as the trading regulations. The Client may close any open positions in Cryptocurrency, CFD or any other derivative financial product only during the opening hours of the Company's Trading Platform. The Client must also close any open positions with the same counterparty with whom they were opened, i.e. the Company.
3.9. In order to comply with current regulations, the Company may be compelled to keep client funds separate from those of other customers and the Company, although this may not provide total safety.
3.10. If your Cryptocurrency, CFDs, or other financial derivative product is settled in a currency other than your base currency, the value of your return may be impacted by the conversion into the base currency.
3.11. CFDs or any other financial derivative product transaction with the Company, and each decision by the Client as to whether a transaction is appropriate or proper for them, is their own. The Company is not providing advice. Client agrees that the Company is not liable for any liabilities, claims, damages, costs, or expenses, including attorneys' fees, incurred as a result of Client following the Company's generic trading recommendations or taking or not taking any action based on any generic recommendation or information provided by the Company.
3.12. Client understands the risks involved in trading Cryptocurrency, CFDs, or any other financial derivative instrument, and is financially prepared to face such risks and losses.
3.13. In the event of a quoting error, 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.
3.14. During the application process, the Company needs the Client to pass an appropriateness/suitability test and informs the Client if, based on the information provided, trading on Cryptocurrency, CFDs, or any other financial derivative product is not appropriate for the Client's profile.
3.15. The client is responsible for keeping passwords secure and ensuring that no one else has access to the client's online account. Even if such use is improper, the customer will be held liable for trades conducted with his password.
3.16. Before beginning to trade, the Client should get a list of all commissions and other fees for which he would be responsible in the appropriate section of the site. It is the Client's responsibility to request and receive a clear written explanation, including appropriate examples, if such costs are not specified in money terms (for example, as a dealing spread).

3.17. The Company will supply all appropriate costs and charges, which will be listed on the Company's website. Clients should be aware of costs and charges that may have an impact on their account profitability.
3.18. The Client certifies that he or she has read, understood, and accepted the following: Information about a Financial Instrument's past performance does not guarantee its present or future performance. The use of historical data does not imply that the comparable future performance of the Financial Instruments to which the data relates will be binding or secure.
When a Financial Instrument is traded in a currency other than the Client's country of residence, any changes in exchange rates may have a negative impact on its value, price, and liquidity.
Some Financial Instruments may not become instantly liquid as a result of lower demand, and the Client may not be able to sell them or easily acquire information on their value or the nature of the risks connected with them.
A Financial Instrument traded on international markets may carry risks distinct from those found in the Client's country of residence. These dangers may be larger in some circumstances. Exchange rate fluctuations have an impact on the probability of profit or loss from international market transactions.
A non-delivery spot transaction, such as an option, future, forward, swap, or contract for difference, is a derivative financial instrument that allows you to profit on changes in currency rates, commodities, or indices.
The price of the security or any other underlying asset that is the subject of the transaction may have a direct impact on the value of the derivative financial instrument.
In the case of CFDs with a virtual currency as the underlying asset, there may be unexpected price movements in certain instruments, resulting in big losses in a short period of time.
The Client should not buy a derivative financial instrument unless he is willing to risk losing everything he has put in, as well as any additional commissions and expenditures spent.
In case of a Force Majeure Event, the Customer shall accept the risk of financial losses.
3.19. The Client acknowledges and accepts that there may be other risks which are not contained above.

4. Risks associated with transactions on CFDs related to Virtual Currencies

4.1. Trading CFDs with a virtual currency pair as the underlying asset may expose you to higher risks than trading the assets themselves or other CFDs with other underlying assets, due to the high volatility of these pairs.
4.2. Virtual currencies mean non-deliverable assets and are traded on decentralized digital exchanges that are not regulated. As a result, virtual

currency price formation and movement are totally dependent on the internal rules of the individual digital exchange, which can change at any time and without notice. This usually result in extremely high intra-day volatility in virtual currency prices, which can be far higher than other financial instruments. As a result, by trading CFDs in virtual currencies, you accept a substantially higher risk of losing your invested capital due to rapid adverse price fluctuations of the virtual currencies occurring within a very short timescale.

4.3. The digital decentralized exchanges on which virtual currencies are traded provide market liquidity for virtual currencies. Because such exchanges are not regulated, the market data and price feed information they provide may be subject to their own internal rules and practices, which may differ significantly from the rules and practices observed by regulated exchanges. Virtual currency exchange pricing formation regulations are not subject to any regulatory supervision and can be modified at any time by the relevant digital exchange. Similarly, such digital exchanges may implement trade suspensions or take other steps that cause trading to be suspended or stopped, or the pricing and market data feed to become inaccessible to us. The factors listed above could have a significant negative impact on your open positions, including the loss of all of your invested funds. If any digital exchange experiences a temporary or permanent disruption to or cessation of trading, your positions in that currency will be priced at the last available price for that currency, and you may be unable to close or liquidate your position or withdraw any funds related to that position until the relevant digital exchange resumes trading (if at all). You acknowledge that if trading restarts at the relevant initial digital exchange or any successor exchange, there may be a large price differential ("price gapping") that might affect the value of your CFD positions in the relevant currencies and result in significant profits or losses. If trading does not continue, your whole invested capital could be lost.

4.4. Due to leverage and volatility, your positions and account status can change quickly when trading CFDs with virtual currencies as underlying assets. It is your obligation to keep track of your account, margin level, and profit/loss at all times, and to take action as needed to protect your equity.

5. Price volatility and limitation on the available market

5.1. Some Financial Instruments trade within wide intraday ranges with volatile price movements. Therefore, the Client must carefully consider that there is a high risk of losses. The price of a Financial Instrument is derived from the price of the Underlying Asset in which the Financial Instruments refers to. Financial Instruments and related Underlying Markets can be highly volatile. The prices of Financial Instruments and the Underlying Asset may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the Client or the Company. Under certain market conditions it may be impossible for a Client Order to be executed at declared prices leading to losses. The prices of Financial Instruments and the Underlying Assets will be influenced by, among other things, changing the supply and demand relationships, governmental, agricultural, commercial and trade programs and policies, national and international political and economic events and the prevailing psychological characteristics of the relevant marketplace.

6. Margin Call

6.1. In order to open a trade, clients must deposit a Margin with the Company. The margin need for Cryptocurrency, CFDs, or any other financial derivative product will be determined by the underlying instrument, the level of leverage used, and the value of the position to be established.
6.2. The Client is responsible for maintaining sufficient margin on his or her trading account at all times in order to keep an open position. Furthermore, the Client must keep track of any open positions in order to avoid positions being closed due to a lack of cash.
6.3. The Company will not notify the client for any Margin Call to sustain a loss making position.
6.4. Any Margin Call to maintain a loss-making position will not be communicated to the customer. When margin falls to about 60% or less (due to the type of Account), the Company has the choice to begin closing positions, and if margin falls to 40% or less (due to the type of Account), all positions are immediately closed at market prices (stop out).
6.5. Due to current market conditions, the Client may be unable to sell a Cryptocurrency,CFDs, or other financial derivative product, even if such Cryptocurrency, CFDs, or other financial derivative product is usually offered by the Company, or the Company may compel the Client to close his position if the Client has already sold a Cryptocurrency, CFDs, or other financial derivative product.
6.6. The Client's position may be forced to be closed by the Company. This can happen if the underlying instrument is unavailable to borrow for a variety of reasons, including the announcement of a purchase offer, dividend payments, or aggressive market sales orders.

7. Communication between the Company and The Client

7.1. The Client shall accept the risk of any financial losses caused by the fact that the Client has received with delay or has not received at all any notice from the Company.
7.2. The Client acknowledges that the unencrypted information transmitted by e-mail is not protected from any unauthorized access.

7.3. The Company has no responsibility if unauthorized third persons have access to information, including electronic addresses, electronic communication and personal data, access data when the above are transmitted between the Company and the Client or when using the internet or other network communication facilities, telephone, or any other electronic means.
7.4. The Client is fully responsible for the risks in respect of undelivered Company Online Trading System internal e-mail messages sent to the Client by the Company as they are automatically deleted within 3 (three) calendar days.

8. General Investment Risks

8.1. Counterparty risk

8.1.1. When trading Cryptocurrency, CFDs, or any other financial derivative product, the Client is effectively engaging in an over-the-counter ("OTC") transaction, which means that the position opened with the Company cannot be closed with anyone else. When compared to transactions on regulated markets, OTC transactions may carry a higher risk. This is because there is no central counterparty in OTC transactions, therefore either side to the transaction carries the risk.

8.2. Market risk

8.2.1. Market risk, also known as "systematic risk" or "non-diversifiable risk", refers to the degree to which a security's return varies in response to, or in tandem with, broader market returns. Market risks are uncertain events that have an impact on the entire securities market and economy. It is the danger of an investment being affected by market changes that cannot be reduced through diversification. Assets are reduced when the market value of an investment falls. Price variations are a result of credit risk, exchange risk, country risk, and interest-rate risk in particular. This risk exists in all investments.

8.3. Inflation Risk

8.3.1. The risk of inflation exceeding the predicted rate is known as inflation risk. Inflation reduces the purchasing power of a currency and/or an investment, since a positive inflation rate, shows that prices are rising on average. The purchasing power of money falls as inflation rises. If the rate of inflation is higher than the rate of return generated by the securities, the buying power of the invested capital decreases.
8.3.2. Inflation can lead to a loss of purchasing power, disruptions in stock and bond markets (which can lead to volatility), devaluation of interest-bearing securities, and a squeeze on profit margins in particular types of stocks.

8.4. Country Risk

8.4.1. Country risk, sometimes known as “political risk”, is the risk that an international investor faces as a result of the country's political or economic conditions. Country risk can thus be simply described as the risk of losing money as a result of changes in a country's political or regulatory environment.

8.5. Unsystematic Risk

8.5.1. Unsystematic risk, also known as “particular risk”, “diversifiable risk”, or “residual risk”, is the risk that is unique to each company or industry. It is the risk of a security's price changing due to reasons related to that security rather than the overall market, such as financial results, labor troubles (i.e. strike), and so on. This type of risk can be avoided by putting together a portfolio with a lot of diversification, so that a single incident only affects a small percentage of the assets.

8.6. Liquidity risk

8.6.1. Liquidity risk arises when an investor who wants to trade a security is unable to do so because no one else in the market wants to trade that asset. It's the inability to locate purchasers willing to buy on your terms. It's the danger of an investment's lack of marketability, which means it can't be acquired or sold quickly enough to avoid or minimize a loss.

8.7. Interest-rate risk

8.7.1. Fixed-interest securities' prices are directly affected by changes in interest
rates in the money and capital markets. Rising interest rates normally have a negative influence on stock and bond market prices. Falling interest rates, on the other hand, boost the value of stocks and bonds.

8.8. Exchange risk

8.8.1. Exchange risk, sometimes known as “currency risk”, is the risk of losing money (or making money) as a result of unforeseen changes in exchange rates (the prices at which currencies trade for each other). It is the possibility that an investor will have to close out a long or short position in a foreign currency at a loss due to a change in exchange rates. It can also be defined as the risk of an investor's returns when purchasing securities denominated in a currency other than his or her home currency.

8.9. Leverage Risk

8.9.1. Leverage indicates the risk undertaken by an investor which is greater than the invested capital. One of the main characteristics of leverage is that the relatively insignificant fluctuations of the underlying assets’ prices can lead to multiple profits or losses. A leverage investment can be extremely risky as the investor may lose more than he/she originally invested. The high degree of “credit lever” 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.

8.10. Operational Risk

8.10.1. The risk of loss arising from inadequacies in, or failures of, systems and controls for monitoring and quantifying the risks and contractual obligations associated with financial instruments transactions, recording and valuing financial instruments and related transactions, or detecting human error or system failures is known as operational risk.

8.11. Off-Exchange Transaction Risk

8.11.1. Off-exchange trades include Cryptocurrency, CFDs, and any other derivative product. Because there is no exchange market on which to close out an open position, transactions in off-exchange or “non-transferable” derivatives may carry a higher risk than investing in on-exchange derivatives. It may be impossible to liquidate an existing position, assess the value of a position arising from an off-exchange transaction, or assess risk exposure. Bid and offer prices are not need to be quoted, and even if they are, they will be determined by dealers in these instruments, making it difficult to determine what a fair price is.
8.11.2. The Company does not consider the aforementioned list of risks exhaustive, as there are other risk factors that significantly impact the trading activity and consequently the investment return when trading CFDs.
8.11.3. The Company is using an Online Trading System for transactions in CFDs which does not fall into the definition of a Regulated Market or Multilateral Trading Facility and as such does not have the same protection.

9. Active Trading Risks

9.1.1. Active trading, also known as day trading, is defined as applying systematic or strategic ways to make frequent purchase and sale transactions (at least a few per week and, for some active traders, often multiple transactions per day).
9.1.2. Active trading is not recommended for those with little resources, investment or trading experience, or a low risk tolerance. You should anticipate losing all of the money you put into your trades.
9.1.3. Advertisements or other comments emphasizing the possibility of

significant profits from active trading should be viewed with caution.
9.1.4. Active trading requires a deep understanding of financial markets as well
as smart and disciplined trading tactics and strategies. You'll also be up against professional, licensed traders working for securities firms, as well as other knowledgeable, experienced, and well-trained traders.
9.1.5. Each trade you make is subject to commissions. Commissions will increase your losses or reduce your profits when you trade more frequently.

10. Risks of extended trading hours

10.1. Lower Liquidity Risk

10.1.1. The capacity of market players to buy and sell securities is referred to as liquidity. The bigger the number of orders accessible in a market, the more liquid it is. When compared to regular market hours, extended hours trading may have less liquidity. As a result, your order may be partially performed.

10.2. Higher Volatility Risk

10.2.1. Volatility refers to the price changes that occur when securities are traded. The larger the price swings, the higher the volatility of a security. Extended hours trading may have higher volatility than regular market hours.

10.3. Risk of Wider Spreads

10.3.1. The spread is the price difference between what you can buy and what you can sell a security for. Extended hours trading might result in greater spreads for a given security due to lower liquidity and higher volatility.

10.4. Unlinked Markets' Risk

10.4.1. Prices listed on one extended hours trading system may not match prices in other concurrently operating extended hours trading systems dealing in the same securities, depending on the extended hours trading system or the time of day. As a result, you could get a lower price in one extended hours trading system than you would in another extended hours trading system.

10.5. Risk of Changing Prices

10.5.1. Those of securities traded during extended hours trading may differ from prices at the end of regular market hours or at the start of the next day's trading. As a result, the price you receive during extended hours trading may be lower than the price you receive during regular market hours.

10.6. Risk of News Announcements

10.6.1. After regular market hours, issuers usually make news announcements that may affect the price of their securities. Important financial data is frequently released outside of regular market hours. These announcements may come during extended hours trading, and when combined with lower liquidity or higher volatility, they may have an exaggerated and unsustainable effect on a security's price.

11. Technical risks

11.1.1. The client 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, which are not the result of gross negligence or willful default of the Company.

11.1.2. If the Client undertakes transactions on an electronic system, he will be exposed to risks associated with the system, including the failure of hardware, software, servers, communication lines, and internet failure.

11.1.3. The Company does not accept any liability in the case of such a failure not owed to the Company's gross negligence or willful default. The Company seeks on a best effort basis to provide the Client with a secure and smooth online experience. However, the Client acknowledges the risk that should third parties (hackers) launch a coordinated attack against the Company systems, there may be a disruption of services resulting in Client losses. The Company does not accept any liability resulting from such attacks to the extent that the Company has taken all reasonable measures on a best effort basis to fend off such malicious actions.

11.1.4. The Client acknowledges that the unencrypted information transmitted by e-mail is not protected from unauthorized access.

11.1.5. At times of excessive deal flow, the Client may have some difficulties to be connected over the phone or the Company's Platform(s)/system(s), especially in fast Market.

11.1.6. 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, not owed to the Company's gross negligence or willful default.

11.1.7. The Client faces the following risks, among others, in connection with the use of computer equipment and data and voice communication networks, for which the Company is not liable for any associated loss:

a. physical damage (or destruction) of the communication channels used to link the Client and provider (communication operator), provider, and the Client's trading or information server;
b. communication outage (unacceptably low quality) via channels used by the Client or the Company, or channels used by the provider or communication operator (including voice communication) that are used by the Client or the Company;
c. incorrect or inconsistent with requirements settings of the Client Terminal;
d. untimely update of the Client Terminal;
e. the use of communication channels, hardware, and software, generates the risk of message non-reception.
11.1.8. The Client may suffer financial losses caused by the materialization of the above risks, the Company accepting no responsibility or liability in the case of such a risk materializing and the Client shall be responsible for all related losses he may suffer, to the extent that these are not owed to the Company’s gross negligence or willful default.