AUTOTRADING SERVICES AGREEMENT

1. Scope - general information

1.1. Involved Companies

TRIPLE A EXPERTS INVESTMENT SERVICES S.A. ("SERVICE PROVIDER") is an Investment Services Company established in Greece, licenced by the Hellenic Capital Markets Commission, subject to the supervision of the latter and entitled to provide, inter alia, investment services of reception and transmission of orders, management of investment portfolios and investment advice under the provisions of Greek Law 4514/2018.

ZULUTRADE INTERNATIONAL LIMITED ("ZuluTrade") is a Technology Providing Services Company, established in Cyprus, operating also a branch Office in Greece, holding and licensing the software of the Zulutrade Platform, a special platform available to its users, the "Users" for trading in financial instruments, under web and mobile version.

1.2. Services

1.2.1. This agreement (the "Agreement") governs the transactional relations of the Zulutrade Platform user, the "Client" with SERVICE PROVIDER, namely the use of the Autotrading service by the Client for the purpose of conducting transactions in financial instruments. In particular, SERVICE PROVIDER shall provide to the Client the ability to use an automated trading system ("Autotrading") through a special platform provided to the Client on the website www.zulutrade.com, operated by SERVICE PROVIDER, or a third-party website that will function under SERVICE PROVIDER' s administration (hereinafter the "Platform" and the "Website" respectively). By using the Platform, the Client shall be able to reproduce in an automated way, having the possibility to apply parameters and limitations of his/her choice, investment strategies generated by electronic applications (hereinafter the "Systems") that have been developed by third parties, for conducting transactions in financial instruments, as specifically defined in clause 1.3. This Agreement is supplemented by the legal documentation that the Client must peruse and take into consideration before entering into the business relationship with SERVICE PROVIDER and ZuluTrade, and in particular the informative documents regarding investment risks (Risk-disclaimer), Conflicts of Interests Policy (Conflict of Interest Policy), Data Privacy Notice (Privacy Policy) and the links provided therein), as well as the Key Information Documents (KID1, KID2, KID3, KID4) for each product that may be the object of the Clients' transactions, as issued by the broker with which the Client holds a trading account (the "Executing Firm") or by the relevant product manufacturer. It is highlighted that, although SERVICE PROVIDER has in place a Best Execution Policy, which is displayed on its website and is also available upon request, such Policy shall not apply to the relationships governed by this Agreement, taking into account that under this Agreement SERVICE PROVIDER will be submitting the trades for execution through an Executing Firm or any other Execution Venue with which the client has opened a trading account for the provision of reception, transmission and execution or orders as specified below, under sub-clause 1.2.5.

1.2.2. The Platform shall reproduce the investment activity of the Systems chosen by the Client, in the Account of the Client (as defined below) provided that the conditions set by the Client in the relevant settings of the Platform are met, without requiring the prior approval of each transaction by the Client. The reproduction of trading signals or strategies of the Systems has the

meaning of the automated generation of trading signals that meet the parameters set by the Client as well as the transmission of such signals electronically to the Executing Firm as indicated by the Client. Any reference to the "Account" of the Client in the Platform and generally in relation to SERVICE PROVIDER, for the purposes of this Agreement, shall mean the personalized operation of the Platform concerning the Client, his/her relations with SERVICE PROVIDER and the transactions made through the Platform on behalf of the Client, as well as the capture and recording of such operation in the records and servers of SERVICE PROVIDER. It is expressly stated that SERVICE PROVIDER does not undertake, by this Agreement, to conduct itself the related transactions as the Client's counterparty or broker and therefore assumes no liability in the event of non-performance (total or partial) or delayed execution of orders generated through the Platform. It is also specified that, under this Agreement, SERVICE PROVIDER shall not receive and keep money or other assets belonging to the Client and, therefore, the meaning of the term "Account", as defined above, does not refer to the holding of such assets.

SERVICE PROVIDER is not responsible under this Agreement for determining the range and the characteristics of the products that are made available to the Client by the Executing Firm with which the Client holds his/her trading account, including the applicable leverage and spreads. It is further stressed out that SERVICE PROVIDER bears no responsibility or liability whatsoever regarding the Executing Firm's compliance with the applicable laws and regulations, including those applicable to the offer of FX and CFDs products or any other financial instruments.

1.2.3. In addition to the automated generation of trading signals, the Client may generate, through the Platform, trading signals on his/her own initiative ("manual" orders), if he/she so wishes, as well as monitor his/her transactions and be informed of the results and of the positions held with the Executing Firms on the basis of the Client's activity carried out through the Platform.

1.2.4. The operation of the Platform by SERVICE PROVIDER is conducted within the context of portfolio management, under the license granted by the Hellenic Capital Market Commission to SERVICE PROVIDER to provide among others, such portfolio management services, taking into consideration the fact that automated transactions are carried out without the Client providing specific approval for each transaction. For the avoidance of any doubt, any reference to the term "Portfolio Management" or similar terms, whether in this Agreement, in the Website, or in any other written means of communication with the Client, as regards the services and operation of

the Platform, shall only have the above meaning and shall be exclusively related to the services specifically described herein. Under no circumstances SERVICE PROVIDER shall be deemed to undertake any obligation towards the Client to make investment decisions on the Client's behalf, on SERVICE PROVIDER's initiative or at its discretion, for the achievement of any investment objective of the Client.

1.2.5. The choice of the Executing Firm with which the Client will execute trades shall lies exclusively with the Client and his/her contractual relationship with such firm shall be governed by the agreement entered into between the Client and the Executing Firm. Zulutrade Platform shall make available to the Client, through the website hosting the Platform, a list of the Executing Firms with which the use of the Platform is compatible, solely for the convenience of the Client, without proposing or suggesting any specific Executing Firm. The Client also has the option via the Platform, to use any other Execution Firm with which his\her holds a trading account for the execution of the orders.

1.3. Financial instruments

The financial instruments, for which the services provided in the context of this Agreement will be available, shall be determined by SERVICE PROVIDER and a list thereof shall be available to the

The financial instruments, for which the services provided in the context of this Agreement will be available, shall be determined by SERVICE PROVIDER and a list thereof shall be available to the Client on the Website. Indicatively, the Autotrading service primarily concerns financial derivatives which include high leverage, such as Rolling Spot FOREX and Contracts for Differences (CFDs), having as underlying assets exchange rates, commodities, securities or other assets, without excluding the extension of the Autotrading services to other financial instruments in the future.

1.4. Client Classification

Under the applicable law and regulations, as currently in force, SERVICE PROVIDER classifies its Clients, and recipients of the investment services provided, in one of the following categories: a) retail, b) professional. Based on the information available, SERVICE PROVIDER has classified the Client as a retail client regarding all services and financial instruments covered by this Agreement. This category provides for the highest level of protection in the application of rules of professional conduct governing the provision of investment services. In case the Client wishes to change his/her classification, considering that SERVICE PROVIDER could treat him/her as a professional client, the Client should send a written request to SERVICE PROVIDER in order for SERVICE PROVIDER to consider whether he/she meets the legal requirements and consider the case. In accordance with the applicable law and regulations, a Professional Client shall be deemed to have the necessary experience, knowledge and expertise with regards to the services and products in respect of which he/she will be classified as professional, may receive less detailed pre-contractual information compared to a retail client, may be subject to different rules as to the execution and handling of orders and receive less detailed information regarding the costs of the services and transactions.

1.5. Further information as to the involved companies

1.5.1. General information on ZuluTrade and the services provided is available at the Website www.zulutrade.com which is an approved URL by the Greek Regulator for the provision of the services described herein. The Client declares that before entering into this Agreement he/she has received and reviewed the said information.

1.5.2. According to the provisions of the Law 2533/1997 as amended under Law 4941/2022, SERVICE PROVIDER acting as the entity providing the Portfolio Management services, participates in the Greek Investment Services Guarantee Fund, which covers claims against investment firms arising from the provision of investment services for a value up to 30.000 euros per customer, subject to the specific conditions provided by law.

1.5.3. SERVICE PROVIDER takes the necessary measures to avoid situations of conflict of interests, which may arise in the exercise by SERVICE PROVIDER of investment activities and provision of investment and ancillary services. A conflict of interests' situation is a situation in which, in the exercise SERVICE PROVIDER's activities, the interests of SERVICE PROVIDER and the interests of its clients, or its affiliates, are in conflict directly or indirectly. A summary of SERVICE PROVIDER's policy with regard to the prevention and management of situations of conflict of interests is available on its website (Conflict of Interest Policy). The Client may at any time request from SERVICE PROVIDER further information on the policies established to prevent and manage conflicts of interests.

2. Rules and arrangements for the provision of the service

2.1. Means of providing the service

2.1.1. The Client has access to the Platform through the website www.zulutrade.com which is operated by SERVICE PROVIDER or any other website communicated for this purpose by SERVICE PROVIDER to the Client as well as the Zulutrade app available in AppleStore and GooglePlay. The Platform is operated by SERVICE PROVIDER under the non-exclusive license given by ZuluTrade, acting as the technology provider in this Agreement.

2.1.2. Given the nature of the Autotrading service, as provided through the use of electronic applications, the Client is required to make use of appropriate technical means (e.g. a computer, internet connection etc.), as well as to have the necessary knowledge for the appropriate handling of such means. By entering into this Agreement and accepting the services of SERVICE PROVIDER, the Client declares and affirms to SERVICE PROVIDER that he/she has the necessary equipment and sufficient expertise for its proper use. In addition, the Client understands and accepts the risks involved in the use of computers and communication systems in the context of conducting transactions in financial instruments and the possible inability of timely transmission of the relevant communication due to interruptions, faults etc.

2.1.3. The use of the Autotrading service by the Client requires the combined use of the Client's username and password. The username and password are created by the Platform and sent to the Client after the Client's registration in the Platform and remain private and strictly confidential. The registration may require for the activation of the Client's access in the Platform a confirmatory email process or any other confirmation process ensuring that the identification data have been sent to/from the Client. The combined use of the username and password by the Client establishes that the use of the Autotrading service and any activity in the Account of the Client (indicatively, choice of Systems, Account settings, manual actions, information on performed transactions, etc.) is made by the Client. The Client undertakes to protect the secrecy of the user-name and password, bearing exclusive liability for any damage suffered as a result of any leaks or use thereof by a third party in any way, with or without the authorization of the Client. The Client may change the password at any time by following the change instructions listed on the website hosting the Platform, without any further disclosure of such change to SERVICE PROVIDER or ZuluTrade. For the purpose of preventing the use of the Service by a third party, it is recommended to the Client to change his/her password on a regular basis. Especially, in case of a leak of the username or password, the Client shall immediately notify Zulutrade and change the password.

2.2. Investment characteristics of the Client

The platform is addressed to investors who have decided beforehand to carry out transactions in one or more products/financial instruments from those available on the Platform, as specified in clause 1.3. and, thus, have **speculative investment objectives and accept the relevant risks of incurring losses as a result of their transactions**. In addition, subject to the suitability test as specifically provided for in Section 3 herein, **SERVICE PROVIDER does not propose/suggest to the Clients, any transactions in any financial instrument as suitable or appropriate** nor does SERVICE PROVIDER represent that such transactions are more suitable or appropriate for the Clients than other forms of investment. Given the above, the Client expressly declares that he/she **does not expect SERVICE PROVIDER or the Platform to propose transactions in order to serve specific investment objectives.**

2.3. Registration in the Platform

For the avoidance of any doubt, unless otherwise expressly agreed, the Client is registered in the Platform as a standard user (i.e. not a System Leader) and the Agreement governs his/her relations with SERVICE PROVIDER under this specific and sole capacity as Client.

2.4. Choice of Systems

The Platform provides the Client with the opportunity to adopt investment actions (trading signals) generated by automated electronic signals. The Client may adjust the Platform's settings so that it replicates in the Account the actions of one or more System(s) of his/her choice.

The Systems are created by third parties ("System Leaders" or "Leaders"), who use the signals generated by their Systems to carry out transactions for their own account, through their Executing Firm(s) of their choice. In the case in which transactions of a specific Leader are performed in a simulated trading environment (the "Demo Account") and not through an Executing Firm, the Platform shall draw the Client's attention to such fact with a relevant indication in a prominent position in the Leader's profile in the Platform.

2.5. Application of settings to selected Systems

The replication in the Client's Account of trading signals deriving from a System is subject to the restrictions applied by the Executing Firm as to the offer of the financial instruments traded through the Platform, as well as to the restrictions set under sub-clause 3.2.1. herein. In addition, the Client may choose specific settings and limits for the signals generated by each selected System, as available from time to time on the Platform. SERVICE PROVIDER may designate specific kinds of settings as mandatory and disable the choice of a System if the Client does not complete the required mandatory settings. Indicatively, the Platform may appoint as mandatory settings the following:

- Quantity of contracts / nominal amount (lots) per order: Under this setting, the Client shall specify the number of lots he/she wishes to allocate to each of his/her orders, which are activated by the signals of the selected System (total number of lots activated by each individual buy and sell signal of each selected System).

- Allocation of capital to each of the selected Systems Under this setting, the Client shall allocate to each System he/she has selected (if more than one selected), the total tolerable loss limits applicable in the Autotrading Account, as specifically described in clause 3.2.5.

The mandatory settings and other (optional) settings as available shall be determined at the sole discretion of SERVICE PROVIDER and shall be incorporated in the relevant sections of the Platform, without requiring any prior notice to the Client. In case of changes that may cause interruption of transactions carried out by the Client via the Platform, SERVICE PROVIDER shall make every reasonable effort to notify the Client and call him/her to take the necessary measures before the changes occur.

2.6. "Manual" actions

The Platform enables the Client to send trading signals to his/her Executing Firm at his/her own initiative (manually), namely the Client may open new positions or close positions opened by him/her or opened by the selected System's signals. In such a case, the abovementioned activity of the Client is not part of the Autotrading service and will not be covered by the provisions of this Agreement concerning the application of risk limits (as further set out in sub-clause 3.2.7.), but shall be treated as standard order input by the Client.

2.7. Selection of Available Systems

The number of Systems available to the Client (the "Available Systems"), and in general to the Users of the Platform, is defined by SERVICE PROVIDER based on the criteria it applies, which relate to (but are not limited to) the performance, the duration of operation, the consistency of the Systems in achieving performance and their tendency towards taking limited risks. Systems that do not meet the requirements of the Platform (and for as long as such requirements are not met) remain visible in the Platform but cannot be selected by the Users.

The Client may choose a System other than the Available Systems only in cases where the Client is the Leader of the System. In this case, the Client shall submit to the Platform a relevant request, which will be approved if the above situation applies. In this case, the transactions made by the Client from the specific System shall not be governed by the provisions of this Agreement and all the orders generated from the Client's own System shall be considered as originating from the Client.

The Platform may change the classification and sorting of the Available Systems even on a daily basis or at intervals within the same day based on the criteria it applies from time to time. Such changes may have the following direct consequences:

- If a System chosen by the Client ceases to be within the Available Systems, such System shall cease opening positions in the Client's Account. Any open positions of the Client shall remain connected with the said System unless the Client chooses to close them on his/her own initiative. In the event of such change, the Client shall be notified by e-mail.
- The Systems that were not available before the change and that, as a result of the change, become Available Systems are immediately accessible to the Client.

2.8. Content of the Services and responsibility of SERVICE PROVIDER

2.8.1. SERVICE PROVIDER hereby discloses and the Client acknowledges the following:

- The System Leaders, who have developed the strategies referred to in this Agreement, neither are related to SERVICE PROVIDER nor have any professional certifications.

- SERVICE PROVIDER provides access to Systems that meet specific reliability criteria based on their past behavior, applies rules permitting the selection of such Systems, ensures that the Systems' activity in the context of the Autotrading service is supervised by a competent certified member of SERVICE PROVIDER's personnel and evaluates the Systems based on their trading behavior. However, SERVICE PROVIDER does not build the strategies of the Systems and, in general, the content of the signals produced by such Systems.

- The Systems available to the Client through the Platform do not take into consideration Client's personal information in the context of their trading strategies, given that each System is normally adapted to the investing choices of the Leader who has developed such System.

- Monitoring and evaluation of the Systems by SERVICE PROVIDER takes place solely based on their past behavior and in no case refer to their future behavior or the achievement of future performance.

- The application of the Client's choices and settings is automated and –therefore- it takes place without human intervention (save in exceptional cases).

2.8.2. Although the Platform replicates exactly the signals of the Systems (after applying any limitations set by the Client in his/her settings), delays in the execution of the Client's transactions are probable. It is also probable that divergences between the prices that each System achieves

with respect to the Leader's own transactions and the prices that the Client achieves when following the signals of such System, even if the transactions of the Client are carried out at the same time with the transactions of the Leader. Such delays and divergences are normally attributable to the structure and function of the market, and particularly to:

a) The time period, even if very short, between the moment a signal is received from the System and the moment of the execution of the Client's order by the Executing Firm.

b) The overall operation of the Over-The-Counter market, given that there is no single reference price for the participants in such market.

c) The special events occurring in the market, such as a steep price fluctuation (for example in the case of news announcement), a great volume of transactions waiting to be executed by the Executing Firm in which the Client has a trading account or by the liquidity provider of the Executing Firm.

as indicatively and not exclusively outlined above.

Therefore, SERVICE PROVIDER does not guarantee:

- An immediate and complete execution of the signals, generated by the Platform, by the Executing Firms.

- The matching of the prices at which the Client carries out any specific transaction with those at which the Leader of the selected System carries out the same transaction.

2.8.3. SERVICE PROVIDER applies mandatory settings in the Client's Account in accordance with his/her investment profile in order to allow him/her to follow the selected Systems by limiting the risks to suffer damages, as such settings and their purpose are defined herein. However, SERVICE PROVIDER neither undertakes to achieve nor guarantees that the Client will achieve a specific result by using the Platform.

2.8.4. By entering into this Agreement, the Client declares to SERVICE PROVIDER that he/she accepts the risks inherent to the performance of transactions in the financial instruments supported by the Platform. Client declares in particular that he/she is aware that the transactions on financial instruments involve risks causing the reduction of the value of investments and that SERVICE PROVIDER bears no liability for these risks. The Client confirms that before entering into this agreement he/she has read SERVICE PROVIDER's documentation on the risks involved with transactions in the specific financial instruments (risk disclosure available through the link Risk-disclaimer, together with the additional risk disclosure attached to this AgreementThe Client also declares that he/she is aware and accepts the risks arising by the use of the Autotrading services, which are based on the investment strategies of third parties and are not determined by SERVICE PROVIDER.

2.8.5. SERVICE PROVIDER is not responsible for any damage incurred by the Client (or a third party having any relevant right through the Client) due to force majeure (including the exercise of the right of strike, the malfunction of computers including the breakdown of computer systems or electronic communications), fraudulent usage of the data stored in its records and servers by third parties, failure of its electronic systems due to malfunctions of the communications' network or malfunctioning of its software and hardware that is not attributable to the lack of maintenance or monitoring, as well as events related to the operation of third parties, such as interruption or suspension or limitation of the activities carried out by stock exchanges, Executing Firms, companies settling transactions, credit institutions or investment firms with whom SERVICE PROVIDER potentially deals or cooperates in the context of this agreement for whatever

2.8.6. SERVICE PROVIDER is not responsible for the actions or omissions of the Executing Firm or any other third party company with respect to the transactions carried out on behalf of the Client for whatever reason.

2.8.7. In any case, SERVICE PROVIDER does not guarantee that the provision of the Autotrading services will have a positive result or a specific performance. Any reference to the performance of transactions being carried out by Users of the Platform or Systems Leaders is related exclusively to the past and the Client declares that he/she is aware of such fact. Any reference to the performances of any System Leader may not take into account the costs of transactions, such as broker fees or any other fees applicable from time to time, to the Client's Autotrading Account in the context of this Agreement.

2.8.8. The Client is also aware that the transactions concluded by each System Leader on the Leader's own account, by using the System developed by the Leader, may refer to amounts greatly different from the amounts allocated by the Client to each transaction. This may itself cause a significantly different result compared to the Leader's profits or losses even if the remaining characteristics of the positions opened by the Client are the same as the ones of the positions of a specific Leader. In addition, particular limitations may be applied to the Client's trading account by the Executing Firm with which such trading account is held, which may not necessarily be applied to the System Leader at the same time. Such limitations may be due to specificities of the regulatory framework applicable to each Executing Firm or to the Executing Firms' policies. The application of such limitations on the client's trading account may lead to further divergences between the results of the System Leaders' transactions and the Client's transactions, especially if the System Leader's trading account is not subject to the same limitations.

3. Suitability test

3.1. In general

3.1.1. Before entering into this agreement, the Client has provided SERVICE PROVIDER with information related to his/her investment profile, in order for SERVICE PROVIDER to examine if the provision of the Autotrading service is suitable for the Client. The data under examination for this purpose refer to (a) the educational level and the experience of the Client, in order to assess whether the Client is able to realise the nature and the risks of such service as well as of the financial instruments related to such service, (b) the investment objectives of the Client, including the Clients's risk apetite, in order to assess if they are in line with the characteristics of the service and the available financial instruments, (c) the Client's financial situation and his/her ability to undertake the investment risks, in order to be assessed whether the Client is able to bear the potential loss of the invested amounts as well the limit to which such losses should be limited.

3.1.2. The Client declares that the data provided by him/her are true and reflect his/her actual situation. The Client fully understands that the Autotrading service has primarily a speculative orientation and requires the undertaking of investment risks which cannot be fully avoided, although they can be limited with respect to their extent through the usage of the Platform's tools. In the event that the Client believes that the above description does not match with his/her actual investment profile, he/she must not proceed to the acceptance of these terms and quit the Autotrading Account opening process.

3.1.3. Moreover, the Client undertakes to inform SERVICE PROVIDER, on his/her own initiative, in case of change of the data communicated to SERVICE PROVIDER through the questionnaire, as well as to re-fill out the questionnaire at regular intervals as requested by SERVICE PROVIDER.

3.2. Risk Categorisation

3.2.1. SERVICE PROVIDER categorizes the Client based on the suitability questionnaire filled out by him/her according to the risk SERVICE PROVIDER determines from time to time. As a consequence of such risk categorization, SERVICE PROVIDER applies to the Client's Account a "Risk Tolerance Index" which is defined as a percentage of the total amount of the Client's deposit with the Executing Firm (for example 25%, 50%, 75% or as otherwise SERVICE PROVIDER defines such index per risk category). The application of the Risk Tolerance Index is ensured by the activation of a special tool of the Platform, which monitors the Client's total losses and, if such losses approach the Index applied to the Client's Account, proceeds to the generation of signals closing all the open positions of the Client. The activation of this tool, in principle allows to limit the losses to the amount corresponding to the Risk Tolerance Index. However, in case of special circumstances not allowing the immediate execution of position closing orders, the Client may suffer further losses due to rapid fluctuations taking place between the time of production of the relevant trading signal from SERVICE PROVIDER and the time of actual execution of such signal. Such special circumstances may relate to the foreign exchange market generally or to one or more currency pairs or to the Executing Firm with which the client's trading account is held or to a combination thereof. Therefore, the Customer understands and accepts the risk of having losses greater than his Risk Tolerance Index, for which SERVICE PROVIDER shall not be liable.

3.2.2. The Client accepts that, in the context of his/her risk categorization in accordance with the above, SERVICE PROVIDER shall take into account not only his/her answers related to his/her risk appetite but also any other information included in the suitability questionnaire. Client also accepts that the application of the Risk Tolerance Index based on the categorisation of the Client is mandatory.

3.2.3. The Client is able to request to be classified in a lower risk category (without justifying his/her decision) or to a higher risk category (provided that he/she will provide additional data changing the result of his/her risk evaluation).

3.2.4. Unless the Client's Executing Firm is SERVICE PROVIDER, the amount of the Client's deposit with the Executing Firm, to which the Risk Tolerance Index is applied, shall be defined based on the information provided by the Client to SERVICE PROVIDER. If the Client adds or withdraws amounts to or from his/her deposit with the Executing Firm, the Client shall immediately inform SERVICE PROVIDER by e-mail in order for the latter to readjust the amount covered by the Risk Tolerance Index.

3.2.5. In the case that the Client has selected more than one Systems, it is up to the Client to determine the allocation of the protection percentage among the different Systems (for example if the Client has an Index of 50%, he/she may select a loss tolerance up to 35% in the System A and up to 15% in the System B, in order for the total limit to be 50%).

3.2.6. In case of money losses due to damages up to the maximum tolerance percentage, the Account of the Client in the Platform will continue to replicate the signals of the selected Systems only if the Client explicitly requests so. In such case, the Client's risk profile shall be evaluated again based on the remaining amounts of the Client's deposit (to which the relevant limits will be applied).

3.2.7. In case of execution of specific transactions (opened positions) carried out on Client's own initiative through the Platform (manual trading), taking into consideration that such transactions are not included in the context of this Agreement, the above Account's settings on the protection of the Client's deposits will not be applicable.

3.2.8. In certain cases, the Client's positions held with the Executing Firm may be closed before reaching the Client's Risk Tolerance Index, due to the application by the Executing Firm of specific limitations to the Client's positions (such as close-out limits), either based on applicable regulatory provisions or based on the Executing Firm's policy. In such cases, SERVICE PROVIDER will not be held liable for the closing of such positions and SERVICE PROVIDER shall not be under any obligation whatsoever to inform the Client about any such additional limitations.

4. Communication principles – Client information

4.1. Means of Communication

4.1.1. The communication between the parties takes place, depending on the case, either in writing or orally. Precisely:

- The written communication takes place via documents exchange/shipping, via fax or via electronic mails being sent to the electronic addresses of the parties or via the Platform's dedicated application for messages and communication. The Client hereby states that he/she accepts e-mail communications as suitable for the reception of any kind of information with respect to the service provided under this agreement.
- Oral communication takes place in principle via telephone. SERVICE PROVIDER is entitled to tape record the telephone conversations between its executives and employees and the Client, in order to prove the content of such conversations, for purposes related to the protection of the transactions and the smooth operation of the capital markets (complying with the applicable legislation) as well as the protection of the mutual interest of SERVICE PROVIDER and the Client. Taking into consideration the applicable legislation, SERVICE PROVIDER is entitled to not respond to telephone calls, if such calls do not take place via telephone numbers connected to a recording device. The Client accepts that all telephone conversations with SERVICE PROVIDER may be recorded and stored, according to the aforementioned, regardless of any prior announcement to the Client, such as a message informing that a call is about to be recorded. SERVICE PROVIDER may be obliged to communicate the content of the said Communications to the relevant supervisory authority in accordance with its Data Privacy Policy that is available on SERVICE PROVIDER's website (Privacy-policy). SERVICE PROVIDER shall not be responsible for any damage caused to the Client due to errors in the content of the transcriptions of the conversations, unless such errors are attributable to willful misconduct or gross negligence of SERVICE PROVIDER's executives, employees or agents.

4.1.2. When this agreement refers to a written notification from SERVICE PROVIDER to the Client, such notification shall be made via e-mail at the latest e-mail address duly notified by the Client to SERVICE PROVIDER, unless expressly and specifically agreed otherwise. The Client expressly agrees and accepts that, when he/she declares to SERVICE PROVIDER specific contact details (e.g. fax number, e-mail address etc.), the way of communication concerned by such details shall be considered as adequate and appropriate for the reception of any kind of information provided by SERVICE PROVIDER. SERVICE PROVIDER shall not be liable in case of change of contact details without prior written notification by the Client. Information and delivery of data to the Client's representative, or other person delegated by him/her, shall be equivalent to delivery of information to the Client in person and discharge SERVICE PROVIDER from any relevant obligation and liability.

4.1.3. SERVICE PROVIDER draws the Client's attention to the fact that electronic mail is the most frequent communication method used by SERVICE PROVIDER. The Clients assures SERVICE PROVIDER that he/she will have regular access to and check on a day-to-day basis the e-mails sent to the electronic address he/she has communicated to SERVICE PROVIDER. The Client may send inquiries to SERVICE PROVIDER as well as be informed by SERVICE PROVIDER via, among other, the aforementioned way of communication. The documents sent to SERVICE PROVIDER by the Client, including fax documents and messages in electronic form or sent via electronic means, which contain the Client's statements and communication with SERVICE PROVIDER, as well as the magnetic and electronic means on which the Client's instructions, statements and communication are recorded, shall constitute full evidence against the Client with respect to the content of its communication and arrangements with SERVICE PROVIDER; When the information to be provided is not addressed personally to the Client (e.g. general information addressed to all the clients of SERVICE PROVIDER), SERVICE PROVIDER may provide such information through its website www.Service Providerfx.com) or the Platform's website.

4.2. Communication Language

The communication language is English. SERVICE PROVIDER also supports oral communication or Platform layout in other languages, as indicated on the Platform's website. The Client declares that he has sufficient knowledge of the English language in order to be able to understand the content of the information provided in English or any contractual documentation in English he/she may receive from SERVICE PROVIDER.

4.3. Confidentiality

SERVICE PROVIDER will keep the information provided by the Client confidential under this agreement and take the necessary internal measures in order to ensure the confidentiality of such information. Confidentiality does not extend to any data or information

a) That SERVICE PROVIDER has an obligation to disclose to the public or any competent authority,

b) That have to be invoked by SERVICE PROVIDER before a Court or any competent authority for SERVICE PROVIDER's defense with respect to a case pending against SERVICE PROVIDER relating to the relationships governed by this agreement,

c) That have to be communicated to companies cooperating with SERVICE PROVIDER in order for the obligations undertaken by SERVICE PROVIDER under this agreement to be fulfilled.

4.4. Content of information on the Autotrading service

4.4.1. SERVICE PROVIDER provides the Client with ongoing access to a personalized area of the Platform, in which he/she enters by using his/her individual codes, for the purpose of receiving at any time information on the transactions carried out at any period of time. In any case of order execution, opening-closing of position or other change in the Account, SERVICE PROVIDER shall send to the Client relevant notice (alert) via e-mail. Platform tools provide the Client with displays of the Account performance and its comparison with performance of any System.

SERVICE PROVIDER provides 24-hour telephone helpline for platform and data extraction issues.

4.4.2. SERVICE PROVIDER sends by e-mail a periodic statement every month, in accordance with the specific arrangements applied by SERVICE PROVIDER and in compliance with the current regulatory framework governing its services. Such statement shall include information on the positions held by the Client on the last day of the preceding month, and in particular the overall valuation of positions and each of these separately, Account performance during the said period,

information on the fees received by SERVICE PROVIDER and costs incurred by the Client through SERVICE PROVIDER (not including costs charged by the Executing Firm) and other relevant information. To the extent that such information relates to data obtained from the Executing Firm, SERVICE PROVIDER shall make every reasonable effort to provide accurate information to the Client. However, given the direct relationship between the Client and the Executing Firm, the Client must verify the information on the basis of the information he/she receives from the Executing Firm.

4.4.3. In the event that the total loss of the Client reaches 75% of the Client's Risk Tolerance Index (i.e. the maximum loss set for the Client according to his/her risk classification according to clause 3.2.1. above), SERVICE PROVIDER shall automatically send to the Client an e-mail notifying him/her such fact in order to take appropriate measures at his/her discretion (e.g. to remove a System from his/her Account, to reduce the number of lots by which he/she follows the selected Systems etc.).

4.4.4. Where the overall value of the Autotrading Account, as evaluated at the beginning of each reporting period, depreciates by 10 % and thereafter at multiples of 10 %, SERVICE PROVIDER will notify the Client via e-mail no later than the end of the day in which the threshold is exceeded. The evaluation of the depreciation percentage regarding the Client's positions may take place only once a day, at a specific time determined by SERVICE PROVIDER and with an evaluation method as determined from time to time by SERVICE PROVIDER.

4.5. Probative force of book files and computer records

Any copy or extract of the forms, data, books, records and files issued or kept by SERVICE PROVIDER, either in paper or electronic form – in accordance with applicable legislation - or any extract of the Autotrading Account held by SERVICE PROVIDER under this agreement, which is exported by SERVICE PROVIDER and displays the history of the Account's operation, shall constitute full proof for the content of the Account, provided that it contains data and information notified to the Client. Similarly, extraction of logs regarding every aspect of the operation of the Client's Account, including logs relating to Client's entry into the Platform and any type of use of the Platform by the Client, shall constitute full proof of the related facts.

4.6. Liability for transmission errors (including orders-instructions)

In cases of delay, interruptions or other errors that may occur during the transmission of electronic mail or Fax, as well as in cases of incorrect translation or interpretation of technical terms, SERVICE PROVIDER shall only be liable for willful misconduct or gross negligence of its executives, agents or employees. In any case of improper execution or transmission of declaration of intention/order, the Client waives his/her right of annulment of any transaction.

5. Fees

5.1. Fees charged to or paid by the Client

5.1.1. Standard Account Fees

Unless explicitly indicated otherwise in the Platform, there will be no fees applicable in the case the Client opens and holds an Account with ZULUTRADE.

5.2. Introduction fees received from third parties

When the Client executes orders through a third-party Executing Firm, ZULUTRADE, on the basis of a separate co-operation/licence agreement with the Execution Firm for the integration of the

Platform with the Execution Firm' s systems and for the usage by its clients, may receive from the relevant Executing Firm fees, as such fees will be communicated from time to time to the Client. It is hereby clarified that ZULUTRADE does not have any discretion in case of the choice of any specific Executing Firm by the Client and, therefore, any such fee cannot affect the Client's freedom to choose any other Executing Firm. The above fee is independent from the services provided by SERVICE PROVIDER and ZULUTRADE to the Client by virtue of this Agreement.

5.3. Payment of fees to third parties

5.3.1 Payments necessary for the operation of the Platform

ZULUTRADE shall pay to third parties (which may be related entities or not) fees associated with the services provided by SERVICE PROVIDER to the users of the Platform. Such fees are in particular made to the System Leaders, without which the provision of the Autotrading service to the Client would not be possible.

. Additional information regarding the payment of fees to the above third parties is available in ZULUTRADE's Leader Guide which may be accessed through the following link: Leaders' Guide

5.3.2. Fees to introducing persons

In the event that the Client has been introduced to the Platform by a third party (hereinafter the "introducer"), ZULUTRADE may pay fees to such person, the amount of which is determined based on the fees mentioned in the Affiliate Guide. The introducers are not employees of SERVICE PROVIDER or ZULUTRADE and cannot provide investment services to the Clients. The introducers are in any case independent businesses or freelancers who undertake, each of them, under a special agreement with ZULUTRADE, to indicate to ZULUTRADE persons who wish to become Clients (client recommendation agreement). The role of the recommended person is limited to introducing Platform to prospective Clients and the services it provides, so as each Client enters into an agreement with SERVICE PROVIDER and ZULUTRADE for the provision of investment services. In the event the Client wishes to know whether he/she belongs to the category of Clients in respect of which ZULUTRADE grants payments to third parties, as well as to obtain further information as of the fees of the introducers (if applicable), the Client may communicate with ZULUTRADE support.

The payment of fees to introducers does not adversely affect the services provided to the Client, or the Client's interest in general, neither does it lead to additional charges by the Executing Firm. To the contrary, the cooperation of ZULUTRADE with introducers facilitates Clients and potential Clients to get access to the Platform and ensures the best possible relationship and information at the precontractual stage.

6. Provision of authorizations

The Client hereby authorizes SERVICE PROVIDER as a service provider and ZULUTRADE as a technology provider to access the account held by the Client with the Executing Firm, via all appropriate technical means and - to the extent necessary - the relevant competent personnel and executives thereof, in order

a) to direct to the Executing Firm the orders that will result from the operation of the Platform;

b) to obtain full information about the trading account connected to the Platform and held with the Executing Firm, in order to be able to provide comprehensive information to the Client via the Platform and to monitor the exposure of the Client at risk, for the purposes of effective implementation of the Risk Tolerance Index;

c) to obtain information on the Client, especially in the context of the Client's identification for the purpose of prevention of money laundering,

d) to proceed to any other necessary consultation and collaboration with the Executing Firm in order for the purpose of this agreement to be fulfilled.

7. Client's Data

7.1. Client's identity

For proof of the Client's identity and of any representatives designated by him/her, SERVICE PROVIDER and ZULUTRADE may rely upon any document that, by law, is regarded as proof of identity of a person or legal entity. SERVICE PROVIDER and ZULUTRADE shall not be responsible for the validity, legal integrity or authenticity of such documents. If the Client suffers loss by error, misunderstanding, deception or fraud as to the person giving instructions to SERVICE PROVIDER and ZULUTRADE to carry out a specific action, SERVICE PROVIDER and ZULUTRADE shall only be liable for willful misconduct or gross negligence of its executives and agents. In any case the Client waives the right of annulment of any transaction.

7.2. Signature specimens

SERVICE PROVIDER and ZULUTRADE are entitled to receive and keep specimen signatures of the Client and his/her representatives, if necessary for the fulfilment of the services provided.

7.3. Change of data

The Client shall notify SERVICE PROVIDER on his/her own initiative, without delay, of any change of name, contact information (especially e-mail address) and other data he/she has provided to SERVICE PROVIDER when entering into this Agreement, as well as any change regarding the powers of representation granted to other persons (if applicable). The Client is not entitled to oppose against SERVICE PROVIDER any change of the above data, if such change has not been notified to SERVICE PROVIDER in writing.

7.4. Acts with a Client's representative

All acts of SERVICE PROVIDER towards a representative of the Client shall be deemed valid for the duration of the power of representation, unless there is prior notification to SERVICE PROVIDER in writing for the revocation or amendment of such power.

7.5. Personal Data

The Client's personal data, as disclosed to SERVICE PROVIDER from time to time, will be stored, processed and disclosed to third parties for the purpose of providing the services and complying with SERVICE PROVIDER's regulatory or other obligations, in accordance with SERVICE PROVIDER's Data Privacy Policy, which is notified to the Client by the document **"Data Privacy Policy"** (available through the link Privacy-policy and the links provided therein). In the course of providing the Client with the services contemplated under this Agreement, **SERVICE PROVIDER** may need to disclose some or all of the Client's personal data, whether sensitive or otherwise, to its employee/s, associate/s, agent/s, sub-contractor/s, product provider/s and/or investment institution/s, (all of which shall be made subject to such confidentiality and data protection obligations as shall be considered necessary by **SERVICE PROVIDER** in order to comply with its obligations under this Agreement) for the purpose of providing the said services and/or to any regulatory or public authorities to comply with its regulatory or other obligations in terms of law.

For these purposes, the Client explicitly consents to the transfer of his/her personal data, whether sensitive or otherwise to other countries in accordance with the applicable Data Protection laws and regulations. The Client is hereby giving his explicit consent to the processing of personal data, whether sensitive or otherwise, as contemplated in and for the purposes provided for in this Clause. The Client has a right of access and rectification of his/her personal data, as indicated in the aforementioned **"Data Privacy Policy"**. Whilst **SERVICE PROVIDER** may request that the Client reconfirm his/her personal data from time to time, the Client must notify **SERVICE PROVIDER** immediately in writing if such data has changed.

8. Final provisions

8.1. Duration – Termination

This Agreement is of indefinite duration. The Agreement shall take effect after acceptance by the Client and upon the opening of the account with the Platform by SERVICE PROVIDER, following the necessary verifications, and shall expire upon termination by either of the Parties. Termination shall be in writing and come into effect fifteen (15) days following the date on which it was received by the other party. The termination shall not affect the validity of orders transmitted to the Executive Firm.

8.2. Governing law – Jurisdiction

8.2.1. All contractual relationships between SERVICE PROVIDER and the Client are governed by Greek law. Place of performance shall be deemed to be the place of the registered seat of SERVICE PROVIDER.

8.2.2. The courts of Athens will be competent for any dispute arising between SERVICE PROVIDER and the Client arising from this Agreement. SERVICE PROVIDER has the discretion to choose the courts of general jurisdiction of the Client for the exercise of its claims against the Client.

8.3. Other terms

8.3.1. The Client represents and certifies to SERVICE PROVIDER that

a) all funds used for transactions via the Platform, belong to the Client, derive from a legitimate source and not from acts or activities falling under the scope of the prohibitions set under the applicable laws and regulations on the prevention and suppression of money laundering;

b) generally, the Client shall comply with the all-applicable law and shall not engage in illegal or prohibited actions or practices;

c) all data made available to SERVICE PROVIDER by the Client and the origin of his/her assets are true.

8.3.2. The terms of this Agreement, including any addendums/amendments between SERVICE PROVIDER and the Client in the context of this Agreement, shall only be amended by a written agreement between the Parties (including by way of acceptance by electronic means), without prejudice to the provisions of the following paragraph.

8.3.3. SERVICE PROVIDER may unilaterally amend the terms of the present agreement, by a written notice of the amendments (including by e-mail). In the event of objections as to the amendments, the Client may terminate in writing this agreement within one month from receipt of the notice of the amendments, in which case the agreement shall be deemed not to have been amended. Upon expiration of the one-month period without action, it shall be deemed that the

Client accepts the amendments. The Client shall not be able to raise objections in case of amendments required to comply with applicable law, or regulatory decisions or interpretative circulars affecting the Agreement, or amendment of the principles or practices as to market operation and participants thereof. It is understood that in this case the Client is entitled to immediately terminate the Agreement.

8.3.4. Specific written arrangements between SERVICE PROVIDER and the Client (e.g. in relation to a particular transaction or group of transactions) shall prevail over this Agreement.

8.3.5. In accordance with the applicable regulations, SERVICE PROVIDER is required to put in place internal procedures for handling Client's complaints fairly and promptly. SERVICE PROVIDER only accepts complaints received in writing either by submitting the relevant complaints' form or by sending to SERVICE PROVIDER an email and/or letter. The Client should submit all supportive documentation that may assist SERVICE PROVIDER in its investigation along with the written complaint. SERVICE PROVIDER will send a written acknowledgement (electronic means included) of the reception of the complaint promptly following receipt, enclosing details of the complaints procedure, including when and how the Client may be able to refer his/her complaint to the relevant competent authorities and/or alternative dispute resolution mechanisms. Further details regarding SERVICE PROVIDER's complaints procedures are available on SERVICE PROVIDER's website and/or upon request by communicating with SERVICE PROVIDER's customer support service.

8.3.6. Any delay or omission of SERVICE PROVIDER to exercise any statutory or contractual right, in no way shall be deemed or construed as a waiver of the respective right

8.3.7. In case one or more the terms of this Agreement is or becomes unenforceable, it shall not affect the validity of the remaining terms and the remaining provisions shall remain in force.

8.3.8. Any rights and claims of the Client arising from his/her relations with SERVICE PROVIDER under this Agreement, shall not be assigned or transferred in any way to third parties unless otherwise agreed in writing

Refund Policy

ZULUTRADE will issue a refund to Client for losses caused by platform errors, if the Client provides timely notice of the error to ZULUTRADE as described below. A platform error (the "Platform Error") occurs if a trading signal that should have been rejected according to the Client's Account settings is accepted by ZULUTRADE and submitted to the Executing Firm, or if a trading signal that should have been accepted according to the Client's Account settings is rejected by ZULUTRADE and not submitted to the Executing Firm. ZULUTRADE shall not be responsible for refunding lost profits resulting from Platform Errors under any circumstances.

Errors of System Leaders or Executing Firms shall not be considered Platform Errors, and ZULUTRADE shall not be responsible for refunding losses or lost profits resulting from such errors under any circumstances.

In order to receive a refund of losses caused by Platform Errors as mentioned above, Client must notify ZULUTRADE in writing of his/her potential claim. Client must deliver the written notice to ZULUTRADE as soon as he/she becomes aware, or should have been aware, of the Platform error, but in any event, no later than twenty-four hours after the Platform Error occurred. If ZULUTRADE does not receive such notice from Client within twenty-four hours after the Platform Error occurred, it will not be liable for any losses resulting from the Platform Error.

If ZULUTRADE confirms that a Platform Error occurred with respect to your Account, and you provided the required notice to ZULUTRADE within twenty-four hours, you will receive a refund of your losses caused by the Platform Error (not including lost profits). ZULUTRADE processes all Refunds requests within 20 days following the acknowledgment of the receipt of the Refund request.

Risks Related to the use of Autotrading

I. Risks associated to the financial instruments available to the Platform

Trading leveraged financial instruments involves substantial risk and there is always the potential for loss. Your trading results may vary. Because the risk factor is high in the market of FX and CFD instruments, only genuine "risk" funds should be used in such trading. If you do not have the extra capital that you can afford to lose, you should not trade in the FX and CFD market. Trading involves a real risk of loss. No "safe" trading system has ever been devised, and no one can guarantee profits or freedom from loss. Past performance is not indicative of future results.

You are required to review your Account statements and monitor your Account status at least daily to ensure that your trades were placed, and that all trades that were made on your Account were authorized by you and also monitor Executing Firm's reports and platform with respect to your trading account, as highlighted in clause 3.3. hereof.

II. Risks associated with the service of Autotrading and the use of the Platform

1. References to past performance

Past performance posted by System Leaders, is not necessarily indicative of future results. No representation is made that any account is likely to achieve profits or losses similar to those shown. In fact, there are frequently sharp differences between hypothetical performance results and the actual results subsequently achieved by any particularly trading program.

2. Limitations of hypothetical performance results

Hypothetical performance results have many inherent limitations, some of which are described below. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. In fact, there are frequently sharp differences between hypothetical performance results and the actual results subsequently achieved by any particular trading program.

One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk, and no hypothetical trading record can completely account for the impact of financial risk in actual trading. For example, the ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points which can also adversely affect actual trading results. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual trading results.

The hypothetical performance results displayed on the Platform's website are hypothetical results in that they represent trades made in a demonstration ("demo") account. Transaction

prices were determined by assuming that buyers received the ask price and sellers the bid price of quotes SERVICE PROVIDER receives from the Executing Firm at which a System Leader maintains a demo account. The hypothetical results do not include any additional mark-ups or commissions which may be charged by a customer's Executing Firm and are based on a one lot trade size. Trades placed in demo accounts are based on a System Leader having access to an unlimited amount of funds. As a result, demo accounts are not subject to margin calls and have the ability to withstand large, sustained drawdowns which a Client's Account may not be able to afford. Trades placed in demo accounts are not subject to price slippage which may occur when a signal is actually traded in a Client's Account.

3. Differences in lot sizes and bid/ask price

The number of pips gained or lost by each System Leader may be based on the trading of mini, micro or standard lots. The performance of Clients electing to trade a different lot size from those used by a System Leader will therefore vary. Further, Clients may place trades independent of those provided by a Signal Leader or place customized orders to exit positions which differ from those of a Signal Leader. All performance results presented only include the results of completed trades and do not reflect the profit or loss on open positions. Due to differences in the bid/ask offered by various counterparties, all trades executed in the account of a System Leader may not be executed in a Client Account if the bid/ask of the Executing Firm at which the Client's maintains the Client's Account is different from that of the Signal Leader's Executing Firm or due to volatility in the market.

4. Partial replication of Systems' signals

Clients may elect not to follow all of the trading signals provided by the System Leaders or not be able to trade the recommended number of contracts due to insufficient funds in an account. Therefore, the results portrayed are not indicative of an account which may have traded all a Signal Leader's signals or contracts. Further, by electing to follow a number of different System Leaders at one time, customers may not be able to follow all of the signals generated due to the Client's Account having insufficient funds. Accordingly, the performance of Client's Accounts may vary significantly from the results portrayed on this website.

5. Interpretation of results of other followers' accounts

Past performance is not indicative of future results. Note that the accounts represented may not follow all of the trading signals provided by the System Leaders or trade the recommended number of contracts. Therefore, the results portrayed are not indicative of an account which may have traded all the recommended signals or contracts of the Leaders. The number of System Leaders followed by these accounts may also vary. Accordingly, performance results may vary substantially from account to account, depending on the number of signals and contracts traded and System Leaders followed.

Th Platform does not make any representation whatsoever that the above-mentioned Systems might be or are suitable or that they would be profitable for you. Please realize the risk involved with trading foreign exchange investments and consult an investment professional before proceeding. The Systems herein described have been developed for traders who fully understand the nature and the scope of the risks that are associated with trading. Should Client decides to trade any or all of these Systems' signals, it is Client's decision.

III. Overview of derivative financial instruments

This document is not designed to present an exhaustive analysis of the risks associated with financial instruments. The purpose of this document is to provide Clients with summarized information and with a general warning about the risks associated with derivative financial instruments so that the Clients have a reasonable understanding of the general nature and risks of such financial instruments and, as a consequence, are able to make informed investment decisions.

1. Overview

Derivatives are contracts that give one person the option or right to obtain from another person over the course of the investment period or on maturity of the derivative itself, an asset, the price of which is subject to fluctuation, or interest rate, for a price or obligations determined at the conclusion of the contract. The parties can negotiate on the market or by mutual agreement (OTC).

These instruments are referred to as "derivatives" because they represent rights and financial commitments the value of which vary or is derived from underlying assets or liabilities.

There are various types of derivatives differentiated by the nature of the underlying instrument (shares, bonds, money-market instruments, interest rates of exchange rates, stock exchange indices or commodities etc.).

There are many combinations of products in which it is possible to invest and therefore derivatives are characterized by very diverse risk profiles. Some are characterized by limited risk and unlimited potential upside for one party while the other party takes an inverse position because it exposes itself to potentially unlimited losses and potentially limited gains.

In the same way, the mode of settlement of a product may have a significant impact on the types of risks associated with that product. Whilst derivatives that are settled by a cash payment are mainly subject to counterparty risk and market risks, those that are physically settled with the delivery of the underlying instrument are subject to the same risks and directly to risks relating to the relevant underlying instrument and its delivery.

Besides the structure of the relevant product, much of the risk associated with derivatives contracts results from the fact that these contracts are leveraged. This means that it is necessary

only to pay a part (by paying a premium or a deposit) of the total exposure to market risk opening and maintaining a position. The actual exposure to market risk with derivatives contracts can be an amount that is several times the premium or deposit paid.

For derivatives, market risk encompasses the exposure to changes in the value of market parameters such as interest rates, exchange rates, share prices, index movement or commodities prices, but also exposure to variations in the price of the underlying instrument or to other factors such as the implied volatility or the time value.

Given the wide range of risk profiles as regards derivatives, it is important to understand the specific risk/yield of any strategy in relation with the relevant product.

2. Option contracts

The buyer of an option acquires the right to buy (call) or to sell (put) to the seller a given quantity of an underlying instrument at a price determined beforehand (the strike price), or to receive an amount of monies equal to the difference between the strike price and the current price of the underlying instrument, on a definite date (a "European Option") or at any time until the maturity date (an "American Option"). The price paid for this right is called the premium. The seller of an option makes a commitment to the buyer to sell (call) or to buy (put) the underlying instrument or to receive an amount equal to the difference in the price of the underlying instrument, at the strike price, whatever is the current price of the underlying instrument.

Market risk will be limited for the buyer of an option to the amount of the premium (revalued as the case may be) and it will be considerably higher for a seller.

The buyer takes counterparty risk on the counter party with which it has negotiated the option.

3. Futures contracts: forwards and futures

A party to a forward or futures contract makes a commitment to receive or to deliver when due, a definite quantity of an underlying instrument, at a price determined at the time the contract is agreed. A party can also receive a payment if the value of the underlying instrument increases, while the other party can receive a payment in case of decrease in the value of the underlying instrument between two dates.

Futures are standardized instruments traded on a stock exchange (regulated or organized markets). They are contracts standardized as regards the quantity of the underlying instrument and the due dates for delivery or payment. Futures on commodities or physical goods can be generally distinguished from purely financial futures where the underlying instrument is a financial instrument.

Forwards are traded by mutual agreement (OTC). Their terms are either standardized, or agreed between the buyer and the seller.

In a forward sale, underlying instruments must be delivered at the price and the time agreed on the conclusion of the contract, even if the price of the underlying instrument has risen above this agreed price in the meantime. The risk of loss thus lies in the difference between these two values. In theory as prices can have an unlimited upside, the exposure to potential loss is also potentially unlimited. In a forward purchase, the delivery of underlying instruments must be at the price and time agreed when the contract is concluded, even if the price of the underlying instrument has fallen below the agreed price in the meantime. The risk of loss thus lies in the difference between these two values. At most it is possible to lose the amount corresponding to the agreed initial price.

A future rate agreement ("FRA") is a fixed income product particularly used to exchange a difference in interest rates in the same currency at a predetermined date. There is no exchange of any nominal amount, either at the beginning or at the end of the transaction. For example, a FRA allows an interest rate to be locked in. Used as a speculative product (in case the transaction does not provide for any financial instruments to be hedged), this product allows an investor to speculate on the increase (purchase of FRA) or the decrease (sale of FRA) of the reference-floating rate. The principal risk in relation to FRAs is linked to their sensitivity to interest rate movement.

4. Swap

At its most general, a swap is a contract by which the parties to it exchange interest flows or currencies.

Swaps can be distinguished according to their subject matter, the two main types or swap being the currency swap (or the exchange swap) and the interest rate swap.

The first one is a double transaction on currencies by which one party sells to another party at the spot price, an amount of currency and as a counterpart buys an amount in another currency, and agrees to buy it back at maturity at an agreed price which corresponds to the spot price increased or reduced by the difference in the interest rate between the two investments, given that the two swaps have equivalent terms for each of the relevant currencies. The main risk linked to this type of swap is thus interest rate risk on exchange rates, foreign exchange risk only on the implicit interests, liquidity risk and counterparty risk.

The second type is a contract by which the parties "exchange" interest rates, that is, make a commitment to pay, on an agreed frequency, amounts corresponding to the application to a given nominal amount of different interest rates. The main risk linked to this type of swap is interest rate risk and counterparty risk.

IV. General risks associated with investments

Besides the specific risks related to particular types of financial instruments, there are certain risks that apply to any type of financial instrument. The types of risks described below can thus impact every type of investment.

1. Market risk

Market risk covers exposures in the change of the value of a market indicator such as interest rates, credit spreads, share prices, index prices commodities prices or variation in volatility.

Market risk does not cover exposures to (i) credit events linked to market transaction counter parties, or (ii) settlement/delivery risks, and legal or operational risks.

The different types of market risk is as follows:

• Interest rate risk

Interest rate risk is the risk linked to an unfavorable fluctuation of interest rates. Interest rate risk also includes the cost of carry. The cost of carry is positive or negative of the financing cost of the asset is respectively lower or higher than the received interest. Thus, the cost of carrying for a floating rate loan can increase with a rise in rates. Fluctuations in interest rates can expose the holder of financial instruments to the risk of capital loss. The importance of the risk differs according to the type of financial instrument.

• Spread risk

Spread risk measures the loss associated with an unfavorable change in the probability of implicit failure (estimated by the market) of a debtor, measured (if appropriate) by the rating of the issuer.

• Leverage risk

Leverage Risk is characterized by an exposure to a market risk based on a notional amount that is higher than the invested capital (examples: option premiums or future contracts).

• Correlation risk

Correlation is an indication that measures the degree according to which the variations in two variables are linked.

• Option risk

When the asset has a component, which is an option, the value of the asset may be affected by variations of some particular factors:

- volatility: a measure of the variability of the price of the underlying asset of the option.

- time value: the value of the option excluding its intrinsic value. This includes the cost of carry and the probability that the option can be exercised.

- intrinsic value; the amount by which an option is in the money, that is, its relative value with regard to the forward price inferred by the market at the time of the revaluation.

- the risk-free interest rate: the interest rate of a risk-free investment.

In the case of exotic options, in some circumstances the risk can result from the functions of the underlying asset as much as from conditions in relation to its evolution (corridors, options with average, barrier options etc).

• Basic risk

The basic risk is the risk that the cost of a hedged product does not move in line with that of the asset to be protected (example: a future contract with regard to its underlying asset).

• Risk of early redemption

This risk is similar to the risk of reinvestment in the case of a bond or a swap that can be terminated prior to maturity. It is the risk that an investor cannot find the same investment conditions in the market if an existing investment is canceled.

• Risk of relative performance

The risk that an asset does not match the performances of the benchmark index.

• Specific risk

The risk of fluctuation in the price of an asset, due to factors specific to that asset contrary to the general risk of the market, which reflects general movement of rates, or the equity market.

2. Liquidity risk

Liquidity risk is the risk that an asset cannot be bought or sold quickly. The liquidity of a market depends on how it is organized (stock exchange or over-the-counter) but also of the relevant underlying instruments. Indeed, it can be easy to buy or to sell a common product, but more difficult in the case of a very specialized product. If a market is not liquid, it may not be possible to find a buyer or a seller at the required time. The liquidity of a financial instrument can change over time.

3. Volatility Risk

This is the risk linked to the movements of specific prices of a security. Volatility is high if the security is subject to wide movements over a relative time period (ie daily for some types of instrument and longer for others). The risk of volatility is calculated on the basis of the average difference between the lowest prices and the highest prices of a financial instrument over a given period.

4. Counterparty risk

Counterparty risk is the risk that a debtor does not pay his debt in time. It takes into three factors; the amount of the debt, the probability of insolvency and the proportion of the debt which should be recovered in case of insolvency. This is to measure the loss in connection with the failure of a debtor. For example, an investor must consider the quality of the issuer of securities, that is the issuer's capacity to repay or redeem (as appropriate). In respect of OTC derivatives, transactions that do not involve debt, counterparty risk corresponds at any given time to the replacement value of the relevant derivative instrument if this value is positive.

5. Valuation risk

Valuation risk is linked to the unfavorable change in the estimated variables that are used to the valuation of an investment, that is volatility, interest rate and/or as the case may be the estimated dividend yield.

6. Operational risks

Operational risk is the risk of loss resulting from inadequate or failing internal processes, employees, or systems, or external events. This risk covers human error, the fraud and malicious behaviors, failures of information systems, problems linked to the staff management, commercial disputes, as well as external events such as accidents, fires, floods etc.

7. Political or Legal Risk

The risk that a government (or any other relevant authority) imposes new taxes, regulatory or legal obligations or limitations on securities, which an investor has already acquired. For example, a country's government can decide to prohibit the repatriation of assets in custody from this country.

8. Force majeure

Apart from the above-mentioned risks, Force Majeure is a risk associated with industrial or natural disasters or decisions taken by the regulatory authorities or the market bodies that result, for example, in the suspension of the introduction of a financial instrument to the stock exchange. Force Majeure cases are not due to the liability of the issuer or the market or the Company. These events, however, if they are of a large scale, can influence the issuer's/counterparty’s ability to meet its commitments or influence the operation of the market.