

WOXA LTD. RISK WARNING DISCLOSURE POLICY



WOXA.COM is operated by WOXa LTD. which is regulated by the Financial Services Commission of the Republic of Mauritius (License) (FSC) with an Investment Dealer License with license number GB22200605 with registered address at Hotel Avenue C/o JurisTax Ltd, Ebene House 33 Cybercity, Ebene, 72201 MAURITIUS

WOXA LTD.

RISK WARNING DISCLOSURE POLICY

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Trading on margin carries a high level of risk to your capital, and you can lose more than your initial deposit. They are not suited to all investors, and you should ensure that you fully understand the risks involved and seek independent advice if necessary.

We request that you carefully read through this full risk warning disclosure as outlined below, before opening a trading account with WOXALTD. and this Risk Warning Disclosure should be read in conjunction with the Client Agreement, Terms & Conditions, Order Execution Policy, Conflict of Interests Policy and other Client Legal Documents, which are available on our website.

SCOPE OF THE RISK DISCLOSURE

The Risk Warning Disclosure Policy (hereinafter referred as the "Policy") outlines on a fair and non-misleading basis the general nature of the risks involved when using WOXALTD's service.

It is very important that Clients (hereinafter referred as the "Client" or "You") should not engage in trading in any of our products unless you know, understand and are able to manage the features and risks associated with such trading. You should also be satisfied that trading in any of our products is suitable for you, in light of your circumstances and financial resources. In considering whether to engage in trading our products, you should be aware of the following risks as stated herein. However, Clients must be aware that the Policy may not contain all the risks and aspects involved in trading financial instruments, nor how such risks relate to each client's personal circumstances. It is essential for the Clients to ensure that their decision is made on an informed basis. Clients may seek professional independent advice before commencing trading.

GENERAL RISK FACTORS

- **Leverage**

Margin trading carries a high level of risk to your invested capital, the change in rate may have an effect on the value, price, or income of the financial product you are holding. In CFD transactions, leverage enables clients to gain exposure to the underlying asset with a smaller initial investment, known as margin. However, this small deposit can result in significant losses or gains, as profits and losses can be amplified by even minor market movements. Clients may face substantial losses if their position moves against them. Transactions with high leverage are particularly vulnerable to changes in value due to slight fluctuations in the value or level of an

underlying or related market factor. Prior to engaging in margin trading instruments, clients should only invest funds that they can afford to lose.

- **No Advice**

WOXA LTD. offers an execution only service. We do not provide investment advice relating to investments or trading positions. However, we may provide our clients with factual market information about the transaction procedures and potential risk exposure and how risks may be minimized.

- **Costs and Charges**

Our costs and charges are set out on our website: <https://www.woxa.com>. Before you begin to trade, you should obtain details of all our market information held on our website which contains all of our market information, commissions, and other charges for which you will be liable.

- **Must Monitor Positions**

It is your responsibility to closely monitor your positions during the period you have applied any orders or positions to your account, and you should always ensure you have accessibility to access your accounts during the period you have open contracts running.

- **Electronic Communications**

We provide you with the opportunity to contact us through electronic means, such as email, live chat as available and/or applicable. This is usually a reliable means of communication, however there may be instances where you may experience technical issues that arise, including but not limited to the failure of your computer/mobile/digital device, weak internet connection, computer viruses, spyware, scareware, Trojan horses, worms or other malware that may affect Client's computer or other equipment, any cyber-attack or any phishing, spoofing or other attack and therefore should not be entirely relied upon as a means of communication. If you choose to trade with us through electronic means, you should be aware that those electronic communications can fail, can be delayed, may not be secure and/or may not reach the intended destination.

- **Our Products and Services**

We offer execution-only services in relation to contracts across a wide range of underlying markets. Although the prices at which you open contracts are derived from the underlying market, the characteristics of our contracts can vary substantially from the actual underlying market or instrument. Full details of all of the contracts we offer are set out in the Contract Specifications on our website, including contract size, margin rates, last dealing time, settlement procedures, rollover procedures, commissions and currency.

- **Copy Trading**

WOXA LTD. offers Social Trading Features. A system allows you to copy investors with investment experience. You must consider your entire financial situation, including financial commitments. You must understand that using Social

Trading Features is highly speculative and that you could sustain significant losses exceeding the amount used to copy a trader or traders. The risks associated with Social Trading Features include, but are not limited to, automated trading execution whereby the opening and closing of trades will happen in your account without your manual intervention. If you manually modify or close an order generated by the CopyTrade service, you may achieve a materially different result than the copied investor who you chose to copy from.

INVESTMENT SPECIFIC RISKS

- **Investing in Stock**

When you invest in stocks on WOXALTD., you gain ownership of the underlying asset. This also entails exposure to the risks involved in stock investment.

- **Investing in Cryptocurrencies**

Since Cryptocurrency markets are decentralized and non-regulated, our Cryptocurrencies Trading Services are unregulated services. This implies that there is no central bank that can issue more money or take corrective action to protect the value of cryptocurrencies in a crisis. As a result, clients of WOXALTD. who use our cryptocurrency trading services won't be eligible for the protections offered to customers of regulated investment services. Customers of WOXALTD. will continue to gain advantages from the regulations governing best execution, client money, and asset safety.

WOXALTD. Clients using Cryptocurrencies Services will not benefit from the protections available to clients receiving regulated investment services. We will endeavor to enable you to benefit from rules relating to best execution and safekeeping of client assets.

CRYPTOCURRENCY MARKETS ARE DETERMINED BY DEMAND AND SUPPLY ONLY.

The Cryptocurrency market is a dynamic arena and its respective prices are often highly unpredictable and volatile. The Cryptocurrency prices are usually not transparent, highly speculative and susceptible to market manipulation. In the worst-case scenario, the product could be rendered worthless.

It is important to make a distinction between indicative prices which are displayed on charts and dealable prices which are displayed on our trading platform. Indicative quotes only give an indication of where the market is. Because Cryptocurrency markets are decentralized, meaning they lack a single central exchange where all transactions are conducted, each market maker may quote slightly different prices. Therefore, any prices displayed on any chart made available by us or by a third party will only reflect "indicative" prices and not necessarily actual "dealing" prices where trades can be executed.

Cryptocurrency trading is prone to being misused for illegal activities due to the anonymity of transactions and investors would be adversely affected if law enforcement agencies were to investigate any alleged illicit activities.

ACCORDINGLY, CRYPTOCURRENCIES SHOULD BE SEEN AS AN EXTREMELY HIGH-RISK ASSET AND YOU SHOULD NEVER INVEST FUNDS THAT YOU CANNOT AFFORD TO LOSE.

Given the foregoing, Cryptocurrencies are not appropriate for all investors. You should not deal in these products unless you have the necessary knowledge and expertise, understand these products' characteristics and your exposure to risk. You should also be satisfied that the product is suitable for you in light of your circumstances and financial position. In addition, use of our Services can never be considered a safe investment, rather, only an investment with a high risk of loss inherently associated with them.

Furthermore, our own spread is added to online quotes which makes a trade on our websites even more volatile.

The risk of loss in trading Cryptocurrencies can be substantial. You should, therefore, carefully consider whether such trading is suitable for you in light of your circumstances and financial resources. You should be aware that you may sustain a total loss of the funds in your account. If the market moves against your position, we may ask you to provide a substantial amount of additional margin funds on short notice, in order to maintain your position. If you do not provide the required funds within the time frame required by us, your position may be liquidated at a loss, and you will be liable for any resulting deficit in your account.

Newly issued cryptocurrencies might carry additional risks you need to consider. Limited liquidity or difficulties to trade the asset after you've bought it. This means prices could be volatile, going up and down quickly, and liquidity may be limited, all depending on supply and demand. WOXA LTD. cannot control these external factors.

- **Third-party Risks.**

We may elect to execute any order and/or hold any fiat money and cryptocurrencies via a Third Party. Such Third Parties are not banks that hold their fiat money/virtual currency as a deposit. If any such Third Party loses any money, fails or goes out of business, there is no specific legal protection that covers you for losses arising from any funds you may have held with such a Third Party, even when such a party is registered with a national authority. Depending on the structure and security of the WOXA LTD. Money crypto wallet, some individuals may be vulnerable to hacks, resulting in the theft of virtual currency or loss of customer assets. WOXA LTD. will not be responsible in the event of losses caused by those Third Parties.

Delisting and/or unsupported Cryptocurrencies: if at any time any of the Cryptocurrencies form the subject of your order are delisted and/or we no longer support the trading in such Cryptocurrencies for any reason, then the applicable order will be immediately closed. If WOXA LTD. is notified that a

Cryptocurrency you hold in your account is likely to be delisted and/or removed and/or canceled from any of the exchanges (some of them or all) and WOXA LTD. believes that it shall not be able to trade in such Cryptocurrencies, WOXA LTD. shall make an effort to sell the Cryptocurrencies on your behalf at such time and price, and in such manner, as it determines.

- **Investing in Forex and Commodities**

Certain strategies, such as 'spread' position or a 'straddle', may be as risky as a simple 'long' or 'short' position. Although derivative instruments can be utilized for the management of investment risk, some of these products are unsuitable for many investors. Different instruments involve different levels of exposure to risk and in deciding whether to trade in such instruments you should be aware of the following points:

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Certain situations, movements, and/or conditions may arise during weekends, at the beginning of the week, or intraday after the release of significant macroeconomic figures, economic or political news. These occurrences may cause currency markets to open with price levels that significantly differ from previous prices.

Off-Exchange Transactions in Derivatives

Our products are traded exclusively off-exchange, a type of trading which is also called dealing "over-the-counter" or "OTC". In dealing with us off-exchange you deal directly with us and we are the counterparty to all of your transactions. Depending on the market, our prices will usually be based on an exchange price but can fluctuate away from the underlying prices due to a variety of reasons. When dealing on markets which are not centrally cleared markets, there is no exchange or a central clearing house to guarantee the settlement of such transactions. All open trades can only be closed and settled with us

While some off-exchange markets are highly liquid, transactions in off-exchange or 'non-transferable' derivatives may involve greater risk than investing in on-exchange derivatives

because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position (which may be particularly the case where there are abnormal market conditions – see the Terms and Conditions (Client Agreement) for more information), to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid and offer prices need not be quoted, and, even where they are, they will be established by dealers in these instruments.

- **Contracts for Difference**

Contracts for Difference (CFDs) are a type of transaction the purpose of which is to secure a profit or avoid a loss by reference to the price value fluctuations of an underlying instrument. Types of CFDs offered by us may include Foreign Exchange CFDs (FX), Index CFDs. We do not offer Equity Share dealing in CFDs. CFDs can only be settled in cash.

However, trading CFDs involves a high risk of losing significant capital in instant due to leverage, regardless of the financial instrument. Trading with leverage magnifies your gains and losses, making the nuance in the financial instrument's price may result in large losses or gains. It is therefore possible that you may incur losses exceeding your initial deposit in a trade.

- **Risks**

FX, CFDs and Commodities are all margin traded products. Investing in a CFD carries a high degree of risk because these are margin products, which refers to the 'gearing' or 'leverage' which means that you can place a large trade by only putting up a small amount of money as margin. This is often a relatively small price movement that can lead to a proportionally much larger movement in the value of your investment. They settle based on the difference between the opening price and the closing price of the trade. They can settle in a currency other than your base currency and therefore your profit or loss could be liable to foreign exchange fluctuations.

- **CFDs – General**

Our FX, CFDs and Commodities are our own products and are not listed on any exchange. The prices and other conditions are set by us in accordance with our obligation to provide best execution as set out in our Order Execution Policy, to act reasonably and in accordance with the applicable Client Agreement. Each CFD you open with us results in you entering into a contract with us. These contracts can be closed only with us and are not transferable with any other person. All contracts do not provide any right to the underlying instruments or to voting rights. All contracts you enter into with WOXALTD. are legally enforceable by both parties.

You should not trade any margined product unless you fully understand all the risks involved with doing so and that you have sufficient resources available to you that in the event, however unlikely you may deem it to be, that there is an adverse movement in the price of that product that you can meet the financial obligations required by you with respect to margin payments and losses.

TRADING CONDITIONS RISKS

- **Volatility**

You should be aware that prices can move quickly particularly at times of high market volatility. These risks could arise in or outside normal business hours and can result in the balance of your account changing rapidly. If you

do not have sufficient funds in your account to cover these situations, there is a risk that your positions will be automatically closed if the balance of your account falls below the close-out level. You should note that the value of investment in Financial Instruments may fluctuate downwards or upwards regardless of any information which may be provided by WOXALTD., and the result of fluctuation may become of no value. The provided historical data, graph, and past performance does not constitute a binding or safe forecast as to the corresponding future performance of the Financial Instruments to which the said Information refers.

- **Slippage**

In certain circumstances when you open a position, there may be a difference between the expected price of order and the price at which the order is executed, this event shall be referred to as Slippage. This variance may occur at any time, especially during periods of high market volatility, rapid price movements, or low liquidity. Slippage does not denote a negative or positive movement. Execution of order may be resulted in favor of the Client or may be at your disadvantage than the originally intended price. You acknowledge that slippage is a natural part of trading, and the Company is not liable for any unfavorable slippage experienced during order execution.

- **Currency**

If you trade in a market other than your base currency market, currency exchange fluctuations will impact your profits and losses.

- **Prices and Commissions**

The prices quoted may not necessarily reflect the broader market. We will select closing prices to be used in determining margin requirements and in periodically marking to market the positions in customer accounts. Although we expect that these prices will be reasonably related to those available on what is known as the interbank market, prices we use may vary from those available to banks and other participants in the interbank market. Consequently, we may exercise considerable discretion in setting margin requirements and collecting margin funds.

Before you begin to trade, you should obtain details of all our market information held on our website which contains all of our market information, commissions, and other charges for which you will be liable.

- **Market Liquidity**

The price made by WOXALTD., similar to the underlying market, is usually good, up to a certain size. In order to maintain additional liquidity to the market, we may apply a different spread to the price. Some markets which are quoted by us are done so outside of normal market hours, and as such are known as 'gray markets'. In these situations, while every effort is made to keep prices and spreads consistent, this may not always be possible during particular volatile periods or during periods of illiquidity in corresponding markets.

- **Suspensions of Trading**

Under specific trading circumstances, the execution or liquidation of a position may be difficult or impossible, or the duration for order execution by Clients may be prolonged. This may occur, for example, at times of rapid price movements if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange, trading is suspended or restricted. Placing a stop-loss order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

- **Non-guaranteed Stops**

Where you have added a non-guaranteed stop as part of your trading, when such a stop is triggered, it effectively issues an order from you to us to close your contract. Your contract may not necessarily be closed immediately when the stop is triggered. We aim to deal with such orders fairly and promptly, but the time taken to fill the order and the level at which the order is filled depends upon the underlying market. In fast-moving markets, a price for the level of your order might not be available on the market and might move quickly and significantly away from the stop level before we are able to fill it.

- **Gapping**

Gapping is a sudden shift in the price of an underlying market from one level to another, where there are no prices between those levels. Various factors can lead to gapping (for example, economic events or market announcements) and gapping can occur either when the underlying market is open or when it is closed. When these factors occur when the underlying market is closed, the price of the underlying market when it reopens (and therefore our derived price) can be markedly different from the closing price, with no opportunity to sell your instruments before the market opens.

- **Limit/Stop Orders**

Limit orders are contingent orders by clients looking to open a trading position upon the market moving to a requested price (or better), and until such time it remains unfilled. A stop order is a request to automatically close out an open position upon the market moving to a requested price (or worse). Such order types may be used to limit downside risks of moving markets and are recommended to be used for those purposes. However, they do not guarantee that the fill price will be available at the requested price (which is dependent on available liquidity), especially in market gaps or fast-moving markets.

- **Margin Calls & Closeouts**

In the case that the Margin Level in your trading account is below 100%, you will see a margin call on your trading platform and you will not be able to increase your overall exposure. If your Margin Level falls below 30%, the trading system will automatically start closing out your open positions. This is to reduce (but not eliminate) the risk of you being liable for more than you

have invested. It is strongly advised that clients should maintain sufficient margin in the client account to avoid being closed out as well as using limit/stop orders.

“Margin Level” is equal to $(\text{Equity}/\text{Used Margin}) \times 100$. “Equity” equals your account realized balance plus your floating profits/losses. “Used Margin” equals the total amount of margin placed with the Firm to open positions.

For example, if you have deposited \$1,000, and entered a USD/GBP transaction requiring margin of \$200 and currently have a floating loss of \$800:

Balance = \$900 (1,000 - \$100)

Floating P&L = -\$800

Equity = \$100 (Balance + Floating Profit/Loss) Used Margin = \$200

Margin Level = 50% $((100/200) \times 100)$

In this case, a margin call would be identified on your trading platform. If the Floating P&L was greater than -\$840, then the trading system would start to automatically close out your positions.

- **Quoted prices**

You should note that all prices quoted on the platform or the website are indicative only, and constitute an invitation to treat. Upon agreeing to enter into a transaction, an executable price may or may not differ from the quoted price. Although the quoted prices are in normal market conditions very similar to the executed prices, the executed prices may vary if the market has moved (even in a split second) since you have requested a quote.

- **Client money**

WOXA LTD. holds all retail clients' money in trust in segregated bank accounts. Segregated Client Money is held entirely separate from WOXA LTD.'s own money, ensuring that in the unlikely event of default by WOXA LTD., client funds will be returned to the clients rather than being treated as a recoverable asset by general creditors of WOXA LTD. However, this may not provide complete protection (for example, in the insolvency of our bank).

In addition, we operate a margin close out policy which closes out open positions where your margin level reaches or falls below your close out level. This Policy significantly reduces the likelihood of losses arising from client default that would result in our insolvency. Funds transferred from an individual client to WOXA LTD. will usually be received directly into a segregated client bank account. If money from an individual client is received into a general WOXA LTD. account, it is still considered to be Client Money from the time it reaches WOXA LTD.'s accounts (rather than only being considered Client Money once it has been placed into a segregated client account).

WOXA LTD. uses only its own funds for hedging and does not pass client money to hedging counterparties or to any part of the business as working capital. WOXA LTD. does not initiate speculative positions in the market.

- **Can Lose More than Initially Invested**

Your investment value can work against you as well as also working in your favor. Even a small movement in price against you can lead to substantial losses including potentially losing more than money placed on deposit. You should be aware that prices can move quickly particularly at times of high market volatility.

- **Insufficient Funds**

If you do not have sufficient funds in your account to satisfy your margin requirements, we may require you to deposit additional margin with us immediately to keep these trades open or even close any or all of your open positions (in some circumstances without warning) in accordance with the Client Agreement.

- **Contingent Liability Investment Transactions**

Contingent liability investment transactions, which are margin, require you to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. If you trade in futures CFDs you may sustain a total loss of the margin you deposit with the firm to establish or maintain a position. If the market moves against you, you may be called upon to pay substantial additional margin at short notice to maintain the position. If you fail to do so within the time required, your position may be liquidated at a loss and you will be responsible for the resulting deficit. Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when you entered the contract.

- **Liable for Losses**

You are liable for any losses that may occur if your positions are closed. The potential losses, or profits, for margin traded products are unlimited and this should always be considered by you when making any trading decisions and be satisfied that the product is suitable for you in light of your circumstances and financial position. You should also be aware that it is possible for you to lose more money than your initial invested deposit.

- **Weekend and holiday risk**

Not all trades can be opened or closed 24 hours a day. Many are subject to strict opening and closing times which can fluctuate. These are posted on our Contract Specifications which are available on the website, our trading platform and which we endeavor to keep up to date, without any obligation or liability on us to do so, or for its accuracy. For example, national holidays and daylight savings changes will affect the times when you can trade. Also, a market may be suspended for a variety of reasons and during this time you will not usually be able to trade.

- **Electronic trading**

The use of electronic trading systems and communication networks to facilitate trades. Clients that trade expose you to internet-based risks

associated with the system including, but not limited to, the failure of hardware and software systems, network down-timed access or connection failure, the risk of malicious software introduction, the risk that third parties may obtain unauthorized access to information and/or assets (including your Cryptocurrencies) stored on your behalf, cyber attack, Cryptocurrency network failure (such as blockchain), computer viruses, communication failures, disruptions, errors, distortions or delays you may experience when trading via the Services, howsoever caused, spyware, scareware, Trojan horses, worms or other malware that may affect your computer or other equipment, or any phishing, spoofing or other attack. You should also be aware that SMS and email services are vulnerable to spoofing and phishing attacks and should use care in reviewing messages purporting to originate from WOXA LTD.

- **Insolvency**

The insolvency or default of any other brokers involved with your transaction, may lead to positions being liquidated or closed out without your knowledge or consent.

- **Corporate Action Events**

We do not make profits from our clients from the outcome of corporate action events such as rights issues, takeovers, mergers, share distributions or consolidations and open offers. We aim to reflect the treatment we receive or would receive if we were hedging our exposure to you in the underlying market. Ultimately however, you are not dealing in the underlying market and therefore in relation to our contracts:

- ① the treatment you receive may be less advantageous than if you owned the underlying instrument; we may have to ask you to make a decision on a corporate action event earlier than if you owned the underlying instrument; the options we make available to you might be more restricted and less advantageous to you than if you owned the underlying instrument; and/or where you have a stop attached to your open OTC derivative share position, the treatment that you will receive from us will, to the maximum extent possible, aim to preserve the economic equivalent of the rights and obligations attached to your contract with us immediately prior to the corporate event taking place.

- **Tax**

In certain circumstances, you may be or become subject to tax and/or any other stamp duty. In such circumstances, you acknowledge that WOXA LTD. do not provide tax advice and if you are in any doubt as to your tax obligations, you should seek independent advice.

- **Regulatory and Legal Risk**

This is the risk that a change in laws or regulations will materially impact a security and investments in a sector or market. A change in laws or regulations made by the government or a regulatory body can increase the costs of

operating a business, reduce the attractiveness of investment and/or change the competitive landscape and as such alter the profit potential of an investment. This risk is unpredictable and may vary from market to market.

- **Force Majeure**

WOXA LTD. shall not be liable or have any responsibility for any type of loss or damage arising out of any failure, interruption, or delay in performing its obligations if such delay or failure result from events, circumstances or causes beyond its reasonable control which includes, without limitation, the acts of God, flood, drought, earthquake or other natural disaster; epidemic or pandemic; terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations; nuclear, chemical or biological contamination or sonic boom; market trading stops, currency interventions, any law or any action taken by a government or public authority, including without limitation; financial instability on financial markets with rapid drops of liquidity; collapse of buildings, fire, explosion or accident; interruption or failure of utility service, and other significant changes of counteragents working process.

In the event that Clients profit from system errors that may or may not be caused by the Company, and we are able to check. Profits or trades will be considered invalid due to Force Majeure. Clients may immediately terminate their relationship with us if they are dissatisfied.

- **Impersonation**

There might be cases of fraudulent impersonation of the Company's officers and representatives. Clients are advised against sharing their personal data, including details about their trading accounts, with individuals purporting to represent the Company unless they have verified that such individuals communicate from the official contact details and domains of the Company.