

RISK DISCLAIMER

Version 1.0 – October 2025



RISK DISCLOSURE

Introduction

FXNOVUS (PTY) LTD (hereinafter referred to as “FXNovus” or the “Company”) is registered in South Africa, with registration number 2020/183344/07. The Company’s registered address is located at Nr 1 Casino Road, Foundershill, Office G31 Modderfontein Estate, Johannesburg, 1609 South Africa. The Company is authorised and regulated by the Financial Sector Conduct Authority (the “FSCA”) as a Financial Service Provider (“FSP”) to offer certain Investment Services.

FX Novus (Pty) Ltd acts solely as an intermediary, providing the reception, transmission, and execution of client orders in Contracts for Difference (CFDs) and related financial instruments. The Company does not operate as a market maker, does not act as the counterparty to client trades, and does not constitute an execution venue in its own right.

Client orders received by FX Novus (Pty) Ltd are transmitted for execution to duly authorized and regulated third-party product providers or liquidity venues. These counterparties are responsible for the final execution of transactions and for providing clients with pricing, order fulfillment, and market access.

Clients are strongly advised to review and understand the product supplier’s Risk Disclosure Statement, Terms and Conditions, and any other applicable documentation before engaging in trading activity. FX Novus (Pty) Ltd does not assume responsibility for the performance, pricing, or execution quality of the product supplier or any third-party execution venue.

Complex Instruments Warning

Complex Instruments are derivative products which entail significant risks. This notice is provided to you in compliance with the FAIS Act. You should not deal with complex instruments unless you understand their nature and risks involved as well as your personal exposure to such risks. You should be satisfied that the product is appropriate for you in the light of your circumstances, objectives and financial standing.

Although complex 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 first make yourself acquainted



with the risks associated with the investments. Independent financial advice is necessary if you are unsure whether such complex instruments are appropriate for you.

Trading is considered to be risky and speculative

You are responsible for all the losses suffered in your trading account held with the product supplier. Consequently, you should be prepared to lose all your invested capital due to fluctuations in value. Do not invest money you cannot afford to lose.

Leverage

Before you open a trade on CFDs or other financial derivative products through your trading account with the product supplier, you will be required to add money in the trading account in order to maintain margin. This margin is usually a relatively modest proportion of the overall contract value. This means that you will be trading using “leverage” or “gearing” . This means that a relatively small market movement can lead to a proportionately much larger movement in the value of your position, and this can work either against you or in your favour.

At all times during which you have open trades, you must maintain enough equity in your trading account taking into consideration all accrued profits and losses, for meeting the margin requirements. It is your responsibility to monitor your trades closely. If prices move against you then must deposit sufficient funds to avoid any margin call/stops outs; otherwise, the product supplier will be entitled to automatically close one or more or all of your trades (including any positions that are currently showing profit).

The nature of margin trading markets means that both profits and losses can be magnified, and you could incur very large losses if your position moves against you. However, you cannot lose more than the balance on your trading account.

Stop Out (Margin close-out) rule

The product supplier applies a margin close out (i.e., stop-out) rule on a per account basis. This means that in a situation where the equity in your trading account (including unrealized profit/losses) reaches or drops below the margin level required to maintain your open positions, the product supplier will start automatically closing your open positions on CFDs (starting from the least profitable positions and until the margin level requirement is met) in order to prevent further losses in your trading account. Please also refer to the product supplier’s Terms and Conditions of Business (i.e. Client Agreement) and other relevant disclosures.



High Leverage and low Margin can result in significant losses due to small price fluctuations in the traded products. High Leverage allows the Customer to assume more risk, magnifying both losses and profits, which can result in loss up to and in excess of Deposits and Margin. The Customer must consider that if the trend on the market is against him/her the Customer may sustain a total loss of the initial margin funds and any additional funds deposited to maintain open positions. The Customer is responsible for all his/her risks, the financial resources he/she uses and for the chosen trading strategy.

CFDs are Over-the Counter (OTC) Derivatives

CFDs and Forex contracts are not regulated by a recognized or designated investment exchange and are known as "Over-the-Counter" (OTC) transactions as they not be executed on a recognized or designated investment exchange. Accordingly, when you trade in CFDs, Forex or any other derivative product with the product supplier, you enter into off-exchange ("OTC") derivative transactions, by placing your orders through the product supplier's trading platform.

All positions entered into this product supplier must be closed with the product supplier and cannot be closed with any other entity. In this case, you are expose to the risk of the product supplier's default. Counterparty risk is the risk that the counterparty defaults and is unable to meet its financial obligations. There is no clearing house for CFDs.

OTC transactions may involve greater risk than investing in on-exchange contracts because there is no exchange market on which to close out an open position.

It may be impossible to liquidate an existing position, to assess the value position arising from an OTC transaction or to assess the exposure risk.

Quotes and Margin

Quotes and Margins are set by FX Novus (PTY) Ltd and may differ from other firms. FX Novus (PTY) Ltd will exercise discretion in setting and collecting Margin. FX Novus (PTY) Ltd is authorized to convert funds in the Customer's Trading Account for Margin into and from such foreign currency at a rate of exchange determined by FX Novus (PTY) Ltd in its sole discretion on the basis of then- prevailing money market rates. The Customer must maintain the minimum Margin Level

requirement on Customer's Open Positions at all times. The Customer assumes the responsibility to monitor the Customer's Required Margin. "FXNovus (PTY) Ltd" has the right to liquidate any or all Open Positions whenever the minimum Margin requirement is not maintained. To avoid a Margin Call it is highly recommended to maintain a Margin Level of 1000% or greater.

Risk Reduction



Stop Loss Orders or Stop Limit Orders, which are intended to limit losses may reduce the losses incurred by price fluctuations, however such orders may not be able to execute under certain abnormal market conditions.

Product Risks

The profit and loss in any given Transaction may be affected by a currency rate that is used to convert to the Accounts base currency. Accounts shall be opened in the following currencies: USD/EUR as stated by the Customer and accepted by FX Novus (PTY) Ltd.

Execution Risk

Execution risk is associated with the fact that trades may not take place immediately. For example, there might be a time between the moment you place your order through the product platform and the moment it is executed. In this period, the market might have moved against you. That is, your order is not executed at the price you expected,

If trading after the market is closed, be aware that the prices for these trades can differ widely from the closing price of the underlying asset. In many cases, the spread can be wider than

Technical

The Customer is responsible for any technical issues sustained on the Customer's side. These issues include but are not limited to:

- (a) Failure of Customer's hardware, software or internet connection;
- (b) Improper operation of Customer equipment
- (c) Improper settings on the Customer's Terminal
- (d) Delay of Customer Terminal updates
- (e) MetaTrader Failure on Customer's Computer

The Customer acknowledged that at the moment of peak load there may be some difficulties in getting telephone communication with the duty operator, especially on the fast market (for example, when key economic indicators are released).

Transmission

The Customer acknowledged that once a Transmission is made from the Client Terminal and enters



the execution queue and begins being processed it cannot be cancelled. Any other instruction pertaining to the Transmission will be ignored until the Transmission is completed. The customer should always verify thoroughly that the details of Volume, Product and Price Level prior to submitting any Transaction. All Transactions are performed on a First-In-First-Out basis.

Phone Communication

The Customer understands that during peak trading hours that the Customer may experience some difficulties in contacting FX Novus (PTY) Ltd due to high volume. FX Novus (PTY) Ltd cannot be held liable for any disruptions in service due to any Force majeure.

Human Errors

The Customer understands that any error that is made by an FX Novus (PTY) Ltd employee that results in any position opened at an "untraded" price cannot be honored and will subsequently be deleted.

Bankruptcy

In case of Bankruptcy creditors retain priority. All transactions entered into with FX Novus (PTY) Ltd" by the Customer are not traded on an exchange. Therefore, under the regulating code of law, the Customer's funds may not receive the same protections as funds used to guarantee exchange-traded futures or options contracts. If the company becomes insolvent, the Customer's claim for deposits and profits may not receive priority. The customer is a general creditor and will be paid as such from any monies still available after priority claims are paid.

Force Majeure

In the case of Force Majeure, the Customer shall accept the risk of financial losses.

Acknowledgements

You hereby acknowledged and declare that you have read, understood and thus accept without any reservation all the information included herein including the following:

- The value of the financial instrument (CFD or any other derivative product) may decrease, and you may receive less money than originally invested or the value of the financial instrument may present high fluctuations. It is possible that the invested capital may become of no value;
- Information on past performance of a financial instrument does not guarantee the present and/or future performance. The use of historic data does not constitute a binding or safe forecast as to the corresponding future return of the financial instruments to which such

data refers;

- Some financial instruments may not become immediately liquid due to various reasons such as reduced demand and the product supplier may not be in a position to sell them or easily obtain information on the value of such financial instruments or the extent of any related or inherent risk concerning such financial instruments;
- When a financial instrument is negotiated in a currency other than the currency of your country of residence, any changes in an exchange rate may have negative effect on the financial instrument's value, price and performance;
- A financial instrument in foreign markets may entail risks different than the usual risks in the markets in your country of residence. The prospect of profit or loss from transactions in foreign markets is also influenced by the exchange rate fluctuations;
- Various situations, developments or events may arise over the weekend when the currency markets generally close for trading, that may cause the currency markets to open at a significantly different price from where they closed on Friday afternoon. You will not be able to use the product supplier's trading platform to place or change orders over the weekend and at other times when the markets are generally closed. There is a substantial risk that stop-loss orders left to protect open positions held over the weekend will be executed at levels significantly worse than their specified price.



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FXNOVUS (PTY) LTD

FX Novus website is operated by FX NOVUS (PTY) LTD, a South Africa Investment Firm, authorized and regulated by the Financial Sector Conduct Authority (FSCA) of South Africa, with FSP License Number 50963. FXNOVUS(PTY) LTD registration number is 2020 / 183344 / 07.

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