



# Clients Agreement

Important information is underneath. CAREFULLY

**N1CM LIMITED ("N1CM")** considers that its clients ("the client," "customer," "you," or "your") should be aware of the risks associated with engaging in over-the-counter contracts for foreign exchange, precious metals, contracts for difference (CFDs), and spot foreign exchange contracts ("Spot FX"; collectively, "CFD Contracts"). The following is a succinct, non-exhaustive description of some key elements and unique dangers you should consider before trading CFD Contracts. To be clear, neither does this paper have the nature of investment advice nor does it represent any such advice.

You must consider if completing such transactions is important to your investment goals, in light of your expertise, knowledge, and willingness to face risks, before determining whether to proceed with a CFD Contract transaction. You must seek an explanation from N1CM if you have any questions about how financial instruments work or make economic sense.

The risks and other important features of trading CFD Contracts are not entirely disclosed or covered in this Statement, which is a supplement to the Client Agreement and the Terms of Business of N1CM. Participating in the transactions provided by N1CM carries a significant risk to your capital since there is a chance that it might be lost entirely.

If you need additional details about the hazards involved, please get in touch with N1CM.

You must certify that you have read and comprehended this Risk Disclosure Statement before you may create and use a trading account with N1CM. Please take the time to read this Statement completely before signing it.

## 1. RISKS

1. **Terms and Conditions:** It is your responsibility to completely comprehend the trading guidelines, terms and conditions of the transactions you will be engaging in, and/or the Terms of Business and Client Agreement, including but not limited to any terms describing risk factors like volatility, liquidity, and so on.
2. **Trading with Leverage:** Trading with leverage in CFD Contracts entails a high level of risk and may not be appropriate for all investors. You should carefully examine your investing goals, degree of expertise and experience, and risk tolerance before electing to deal with CFD Contracts. Most importantly, you are strongly encouraged to read and make sure you comprehend the pertinent risk disclosures and cautions included in this Statement before trading. You run a danger of losing your whole original investment. Never risk capital you cannot afford to lose. We encourage you to think about your unique situation when deciding if trading leveraged goods are right for you.

3. **Sophisticated Investments:** Due to the dangers involved, you should only trade in CFD Contracts if you fully comprehend the contracts (and contractual relationships) you are joining. Trading in CFD Contracts is not suitable for the majority of the public and is only suitable for institutional investors and highly knowledgeable people. Taking into account your experience, goals, financial situation, risk tolerance, and other pertinent factors, you should decide if trading is a good fit for you. The transactional system offered by N1CM's online platforms allows for the execution of transactions that are subject to a range of financial instruments with diverse risk scales. In particular, it is possible to complete transactions on CFD Contracts, which should only be utilized by customers with the necessary knowledge and experience or who are willing to face the risks associated with such transactions owing to their complexity. The riskiest investing kinds are CFD and spot FX trades, which can lead to significant losses. Customer indicates, warrants, and accepts that Customer knows these risks, is willing and able to assume them, whether financially or otherwise while trading CFDs and Spot FX Contracts, and that Customer's way of life won't alter if Customer loses all of the money in their account.
4. **Risks associated with trading CFDs:** CFDs are intricate financial instruments, and the majority of them lack a fixed maturity date. As a result, a CFD position matures on the day you decide to close an open position that was previously open. Leveraged products like CFDs carry a high level of risk and have the potential to wipe out all of your invested money. Trading in CFDs is very speculative, so only clients who are (a) aware of and willing to accept the financial, legal, and other risks involved, (b) financially able to accept the risk of losses up to their invested capital, and (c) knowledgeable about CFDs and the underlying assets should engage in it. You affirm, warrant, and agree that you are aware of these risks and that you are prepared to take them, both financially and otherwise, to engage in CFD trading. You should make sure you are aware of the dangers associated with trading, factor in your level of expertise, and, if required, seek independent counsel, before making a decision.

The following primary risks must be considered while trading CFDs:

- a) Because CFDs are leveraged products, they entail a greater level of capital risk than other financial products and might cause you to lose all of your invested money. N1CM does, however, function on a "negative balance protection" premise, which means that you can never lose more money than what you invested.
- b) When trading CFDs, the profit potential should be weighed against the significant losses that may be incurred over a very short period. The value of CFDs may rise or fall depending on market circumstances.
- c) Unlike traditional trading, CFD trading allows you to trade the markets for a fraction of the whole deal value. This means that the value of your position



might change significantly as a result of a relatively little market movement, though.

d) To keep an open position, you must always ensure that you have enough margin in your trading account. Additionally, you are responsible for keeping an eye on any open positions in order to prevent positions from being closed due to a lack of money; N1CM is not obligated to alert you in such cases.

On the website, under the headings "CFD Trading," "Spot FX Trading," "Margin Requirements," and "Use of Leverage," you may find further information on using CFDs and Spot FX as well as the risks associated with those transactions.

5. **No assurances of success.** Trading CFD Contracts has no assurances of gain or protection from loss. You recognize that neither N1CM nor any of its agents have given you any promises. You are aware of the dangers involved with trading CFD Contracts, and you have the financial wherewithal to endure any losses that may result.

6. **CFD Contract Terms:** N1CM establishes the prices at which it offers to trade with you based on prices that are made or quoted to N1CM by the banks, financial institutions, exchanges, and counterparties with whom it does business; these prices may differ from prices available from other sources. These terms are outlined in N1CM's [Terms of Business and/or Client Agreement], which applies to every transaction you enter into with N1CM. This pricing is based on shifts in the financial markets, which are out of N1CM's hands. These products, as well as financial markets in general, are prone to volatility and quick movements, particularly in response to breaking news. Additionally, there are distinct risks associated with each of the assets that underlie CFDs. In addition, these assets differ from currencies (and different currencies also carry different risks). An underlying asset's, CFD's, or currency's prior performance is not a reliable predictor of future results.

Due to a market interruption or shutdown, there may be times when N1CM does not obtain a price for some or all of the underlying assets. If price information for the underlying asset or currency is not available, N1CM may forbid initiating or cancelling a trade. These circumstances put you at risk since the market movements could occur while you are unable to trade, which might have a negative impact on any open positions that you have.

7. Prices may vary from those listed elsewhere since they are determined by N1CM. According to its stated trading regulations and processes, N1CM will supply the prices to be utilized in trading and valuation of your holdings. As a result, at the time the selling of options takes place, they could not exactly match real-time market levels.
8. **Quotation Inaccuracies:** Should a quoting error happen, N1CM retains the right to make any required changes or modifications to the relevant account and is not responsible for any ensuing errors in account balances. Any disagreement resulting from such quotation mistakes shall be settled according to the fair

market value that N1CM, acting in good faith and in its sole discretion, determined from the pertinent market at the time the error occurred. When the prices on the market are different from the prices N1CM has displayed on its screen, N1CM will do its best efforts to execute transactions at or near the prices on the market. The prices that are finally represented on your accounts will be those that are currently in effect on the market. It's possible that this will hurt your realized and unrealized gains and losses.

9. **CFD Contract transactions involve a high level of risk.** Because the initial margin is so modest in comparison to the CFD Contracts' value, transactions are "geared" or "leveraged." Your position will be affected proportionately more by a modest market movement, which might work both in your favour and against you. You run the risk of losing both your initial margin money and any subsequent deposits you make to hold onto your position. Before engaging in a transaction, we advise that you become acquainted with CFD and currency trading with N1CM utilizing a Demo account. For further information on margin requirements and the pertinent hazards, you are urged to visit the website's "Margin Requirements" section. The following risks are just a few examples of possible outcomes: (i) even if the price of the underlying currency to which the trade relates stays unchanged, you could lose money if exchange rates change after you purchase an investment to your detriment; (ii) you could lose all of the margin money you deposited with us or paid to us to open or maintain a position; and (iii) if the market moves against you, you could lose all of your money. A margin closeout will take place without prior notice and all of your open positions will be terminated if your margin deposit is less than what is needed to maintain the open positions in your account. If an open position is not currently being traded on the market, it will be immediately closed at the next price that the market will accept. You are in charge of keeping an eye on your account to prevent unforeseen margin calls. reduce your losses Although N1CM encourages you to use risk-reduction techniques like "stop-loss" or "stop-limit" orders, you should be aware that certain market situations can prevent you from executing your order at the desired level.
10. **Spreads:** "Our Spread" is the difference between our bid price and our ask price. Since we are functioning as market makers, we have complete control over how our Spreads are set, and any changes take effect right away. The CFD Trading Conditions and FX Trading Conditions parts of the N1CM website include details about Our Spread, Leverage, Rollover Fees, and Trading Hours for each market.  
Our Spreads may rise at N1CM's discretion, including on weekends, during times of low trading activity, and at other times when the market is illiquid. Both the value of open positions and trade prices will be impacted by this. To avoid a margin closeout, you must make sure you have enough money in your account.
11. **Weekend Risk:** Several circumstances that could occur over the weekend (from Friday at 10:00 PM GMT to Sunday at 10:00 PM GMT), or during a holiday

when trading on the financial markets is typically suspended, could cause the markets to open at a price that is significantly different from where they closed. You won't be able to place or modify orders using N1CM's trading system on the weekends, during market holidays, or at other times when the markets are typically closed. There is a considerable chance that stop-loss orders that were put in place to guard open positions held during these times will be executed at prices that are much below what they were intended to be.

12. **Internet Risks:** Using an internet-based trade execution software program has additional risks, including but not limited to hardware, software, and internet connection failure. Signal strength, reception, internet routing, network latency, equipment setting, and the dependability of your internet connection are not under the control of N1CM. If any of the aforementioned fails, your order can either not be completed by your instructions, be done at a price different from the one displayed, or not be executed at all. Failures or delays in communication are not the faults of N1CM. N1CM uses backup systems and backup strategies to reduce the likelihood of system failure. In the event of a system or technological problem, trading through the telephone is always an option.
13. **Catastrophic Risk:** There is a chance that the internal systems of N1CM might collapse catastrophically and cause the loss of information pertaining to individual account balances. By regularly backing up data, maintaining backup systems, and implementing contingency plans to reduce the likelihood of system failure, N1CM reduces this risk.
14. **Negative Balance Protection:** This service ensures that retail clients' maximum losses from trading CFDs, including all associated charges, are restricted to the money in their CFD trading account that is specifically designated for such purposes. Included in this is any money that has not yet been deposited into the account as a result of net gains from the closing of open CFDs linked to the account. Retail clients are not subject to any additional obligations related to their CFD trading. The purpose of negative balance protection is to safeguard retail clients in unusual situations where there is a price change in the underlying that is sufficiently significant and abrupt, preventing this provider from being required to close out the retail client's position as required by the margin close-out protection, resulting in the retail client having a negative account value. This is due to the possibility that significant market occurrences might render the automated margin close-out protection ineffective. Only the money expressly set aside for CFD trading, not those set aside for other financial instruments, is at risk when a retail client's account also contains other financial products.
15. **Website content:** This website's material is given only to help customers make their own independent investment decisions, and it is subject to change at any moment without prior notice. N1CM has taken reasonable steps to ensure the accuracy of the information on the website but does not guarantee it.

Additionally, N1CM disclaims responsibility for any loss or damage that may result directly or indirectly from the content, your inability to access the website, any failure or delay in the transmission of any instructions or notifications sent through this website, or any other aspect of its operation.

16. **Restrictions:** No one in any nation where such distribution or usage would be in violation of local law or regulation is allowed to access or use this website. Any individual resident in a country where the offering of such services or investments would be in violation of local law or regulation is not eligible to use any of the investments or services mentioned on this website. Visitors to this website are accountable for understanding the terms of any applicable local laws and regulations and for abiding by them.
17. **N1CM does not act as a client's advisor or fiduciary.** You should be aware that N1CM is not acting as your financial adviser or fiduciary when you enter into CFD Contracts, but rather as an arm's length contractual counterparty. As a result, you shouldn't take any information, proposal, suggested trade, trading strategy, or other written or oral communications from N1CM as offering advice or recommendations on which investments to make or as expressing N1CM's opinion on whether a particular transaction is suitable for you or achieves your financial goals.
18. **Rights and obligations while dealing on one's behalf by N1CM:** You will be entering into a secretly negotiated agreement with N1CM as principal when you sign into a CFD Contract with them. In other words, N1CM represents both the buyer and the seller whether you purchase or sell. CFD Contracts must be concluded with N1CM and cannot be transferred to another provider. CFD Contracts are not cleared by a central clearing organization or exchange. You might not have access to all of the legal and financial safeguards provided by exchange-traded contracts since they are N1CM's duties. Your and N1CM's duties under each transaction must be fulfilled in line with their specific terms. Regarding the underlying instruments or assets of the CFDs, you have no rights or responsibilities.
19. **Conflicts of Interest:** Because N1CM is the counterparty to every transaction made under the [Terms of Business / Client Agreement], N1CM's interests can be at odds with yours. The N1CM website has a link to the organization's conflict of interest policy.
20. **Trading Platform:** Although the trading platform is accessible around the clock, not all goods are always available for trade. For details on the precise trading hours for each product, please visit the N1CM website.
21. **Costs:** Before investing in CFDs, you should be informed of any associated expenses, such as spreads, commissions, and swap rates (s). A swap is defined in this Statement as the interest that is added to or subtracted from a position while it is left open overnight. Before you start trading, you should get information from us about any commissions and other fees for which you will be responsible. These expenses will have an impact on your net profit or loss.

22. **Clients' Money:** N1CM will hold all of your cash in a segregated account with an authorized bank and will treat it as client money in compliance with the MFSA's Client Money Rules. The N1CM website will provide the specifics of authorized banks. However, pursuant to [Customer Agreement/Terms of Business], N1CM will not be liable to you if such bank defaults or makes mistakes or other omissions. N1CM will exercise reasonable care in the selection and continuous use of such banks to retain your money. If the approved bank goes into administration, liquidation, or any similar process, N1CM cannot guarantee that you won't lose any money. Your client's funds would be combined with those of N1CM's other customers with that entity if the approved bank is unable to pay all of its creditors. Any shortfall would be borne by all the customers of that pool proportionately to each one's respective interest, entitlement, and share in the account balance. Whose rights are given precedence in the event of insolvency and how the appropriate compensation mechanism is implemented may have an impact on the likelihood of any deficit. However, in the case of N1CM's administration or insolvency, your funds will be governed by the Client Money Rules, and you will be qualified to receive a portion of any distribution made in accordance with those rules. Your money will be safeguarded under these conditions.
23. **Investor Compensation Scheme:** N1CM takes part in the fund for investors of investment firms subject to MFSA regulation. Except when customers are caught by the exclusions under relevant legislation, customers will be entitled to compensation under the Investor Compensation Fund in the event that N1CM is unable to satisfy its duties and obligations arising from your claim. Your total payout from the Investor Compensation Fund cannot be more than twenty thousand euros (\$20,000). This pertains to all of the claims you have made against us.
24. **Other risks: Internet Trading:** When you trade online (via the internet), N1CM is not responsible for any claims, losses, damages, costs, or expenses resulting directly or indirectly from any malfunction or failure of any transmission, communication system, computer facility, or trading software, whether owned by you, N1CM, any exchange, or any settlement or clearing system. Orders placed over the phone: N1CM does not guarantee telephone availability and is not liable for any disruption, failure, or malfunction of telephone facilities. For the avoidance of doubt, you recognize and agree that you are aware that N1CM may not always, and only in certain situations, be approachable by telephone. As a result, you are primarily expected to make your orders through online access to N1CM's Trading Platform.
25. **Market Conditions:** You understand that in unusual market circumstances, the time it takes to implement your instructions and requests may be prolonged. Any damages brought on by the execution of these requests and instructions taking longer than expected are not the responsibility of N1CM. Additionally, due to market circumstances that might result in any unusually quick price changes or other