

GENERAL RISK DISCLOSURE

Topic Markets Limited (the “**Company**”) is a OTC capital instruments trading Services Company (as defined below), Incorporated in Seychelles. This Document is provided for your (the “**Trader**”) information and attention:

Prior to applying for an account the Client should consider carefully whether trading in the OTC, Foreign Exchange Markets and CFD's etc. offered by the Company, (Hereinafter: “**ForexTrading**”) is suitable for him in the light of his circumstances and financial resources. Trading in some Financial Instruments entails the use of “leverage”.

In considering whether to engage in this form of trading, the Client should be aware of the following:

1. Deposits

Each trader is required to deposit collateral with the Company, which is earmarked to cover certain losses sustained in the Trader’s account or transaction costs sustained by the Trader. Additional costs may also be sustained by the Trader which is outlined in the Trader’s Agreement.

2. Rules and Regulations

Traders must know and follow the rules and regulations applicable to the Company's Trading program as set forth in the documents and agreements delivered to and signed or approved (by way of internet approval) by the Trader. Not following the rules and regulations applicable to Trading or any other applicable regulation may result in forced closure of positions (“Trades”), temporary freezing of your account, closing your account and/or other actions necessary for the protection of the Company.

3. Competition and Sophistication

Trading requires in-depth knowledge of the Securities and Forex markets, trading techniques and strategies. In attempting to profit from Trading, Traders compete with Professional traders, market-makers, etc.; therefore, a high level of investment and trading experience is necessary. No guarantees are offered or represented by us regarding the returns that can be expected from Trading.

4. Possible Losses

Unless otherwise specifically published by the Company, the Company does not warrant that it will be able to stop-loss losing trades and will not be subject to any liability.

5. Pay Attention to Your Account Statements

It is very important for you to reconcile your account on a daily basis. Your review should include confirmations, and monthly statements. Any suspected discrepancies should be immediately brought to Company's attention. All trade confirmations and monthly statements will be deemed accepted by you if not complained of upon receipt.

6. Risk of Trading In Forex Markets

- 6.1 Forex trading carries a high degree of risk. The leverage available in forex trading means that a relatively small movement can lead to a proportionately much larger movement in the size of any loss or profit. It can work against you as well as for you, and lead to large losses as well as gains. Forex trading markets characterized as high volatile markets, therefore in involves high risk, and may cause high losses to the deposit funds, and in a short period of time. The company is and will, in no way, responsible to the trades executed or not executed, by the client.
- 6.2 Traders are ultimately responsible for all of the losses suffered in their account. As a consequence, Traders should be prepared to lose all funds which they deposited used for Trading. Traders are also responsible for losses that exceed their profits and deposits. Traders should never fund their trading activities with retirement savings, loans, mortgages, emergency funds, funds set aside for purposes such as education or home ownership, or funds required for current income or present or future medical expenses.

7. Profit Taking is not certain

Traders should not believe claims of large profits resulting from Trading. Traders should realize that Trading could result in immediate and substantial losses of the capital invested, including additional capital that may be required by investing on leverage/margin.

8. Transaction Costs May Reduce Profit Taking

Be aware that every time an individual trade is placed, the Company profits from the Ask/Bid Spread. These transaction costs are a major cause of Traders not being able to increase their trading size and developing as a trader. The total daily/monthly/yearly commissions may add to losses and/or significantly impact and reduce profits.

9. Use of Leverage or Margin

Use of Leverage or Margin May be a Speculative and Costly Strategy. Trading using Margin is generally used by traders as a way to increase their purchasing power in order to be able to open a larger position without paying for it in full. Trading on leverage or margin, or the use of leverage generally, may result in losses beyond the initial investment or deposit. Extreme caution should be exercised relative to your use of a margin account.

10. Financial knowledge of the client

Traders must be knowledgeable in the use and functionality of the Trading software provided by the Company, or by any third-party provider, in order to correctly interpret account information and to be able to place orders correctly. Traders are responsible for all orders placed in their account, regardless of your understanding of the system functionality. If you are not in complete understanding of the way the system operates, do not trade before obtaining the required knowledge.

11. Overnight Positions are Risky

Holding large positions, especially after the close of the relevant market, may result in considerable losses. Opening prices (next day) can be significantly different from the previous day's closing prices; also, trading in CFD's with respect to securities can unexpectedly be halted during trading hours for a variety of reasons and prices can vary dramatically at the re-opening of trading with no interim



capabilities of trading during such time periods. Such price changes may significantly change the result of stop-loss orders.

12. Good Trading Executions May be Subject to Conditions Beyond Company's Control

Using limit orders, if applicable, is highly recommended when opening a trade, to avoid executions at prices significantly different from the prices quoted at the time of order entry.

13. Traders Must Know the Proper Procedures For Changing Or Canceling Existing Orders

In a fast moving market, or otherwise, attempts at canceling an existing order and replacing it with a new one may result in an execution of duplicate orders. In such situations, Traders are wholly responsible for both executions and any resulting losses.

14. Company Makes No Warranty Regarding the Effectiveness, Accuracy or Efficiency of the Trading Platforms

From time to time, Traders may have difficulty accessing their account data due to a possible myriad of technical problems. Colmex makes no warranty of merchantability, no warranty of fitness for a particular purpose, and no other warranty of any kind, express or implied, regarding this service, data or information provided thereby, or any aspect regarding the order entry or execution services, except as required by applicable law, regarding possible damages, including, but not limited to, lost profits, trading losses or damages that result from reliance on inaccurate data, or delay or loss of access to customer account execution services.

15. Redemptions and Distributions

Redemptions and Distributions May Only be made if there is Available Cash or Equity. Pursuant to the Trading Agreement upon the Trader's request and subject to available funds, the Company shall distribute back to the Trader, any part of the Trader's Equity, not securing any trade. Available funds will depend upon the financial condition of the Company's Trading Account, as well as the financial condition of the Trader's Account. Thus, in the event the Trading Account has suffered losses unrelated to the performance of the Trader's Account, the Company may be unable to satisfy redemption requests or request for distribution of cash or securities. The Company is Not Covered by Insurance in Case of Misconduct by Our Agents or in case of Insolvency.

16. Exploit Your Opportunity for Success

To enhance your opportunity for success, you should consider trading to be a profession that will require you to be available each and every day during market hours. Even with such commitment, there is no guarantee that you will be successful in implementing your investment/trading strategy.

17. Electronic Trading Requires Some Degree of Sophistication

Persons who are relatively new to electronic trading should strictly limit both the number of trades they do and the size of their trades to reduce the risk of large dollar losses during the learning process. Nearly all persons who are new to electronic trading suffer losses. Only persons who can sustain substantial losses during the learning process should attempt to engage in such electronic trading. The length of time required developing the requisite skill and discipline necessary to trade successfully varies with different individuals.

18. The Company is not a Investment Advisor

The trading services provided are intended to provide timely information to professional and non-professional traders on market developments and other public events and by providing a mechanism for execution of trades. Nothing in this service constitutes investment advice or a recommendation by the Company or its affiliates to buy/sell or hold a particular security, financial product or instrument discussed therein or the suitability for making any such investment. The Company is not registered as an investment advisor.

19. The Company Does Not Absorb Trader's Losses

Traders are required to be responsible for all losses sustained in their accounts, which on occasion, may exceed the required deposit.

20. Cease of commerce

- 20.1 Due to the fact that commerce system is based, amongst others, on networks for the exchange of information and the Internet, the commerce or any part thereof may be ceased and/or disrupted and etc., without prior notice or for reasons which are not under the Company's control. In a situation in which commerce is disrupted, the Company shall be permitted to close all open transactions made by the customer, without prior notice, inasmuch as possible in fair prices reflecting the market condition at that moment. You shall have no claim, demand or right for indemnification in such an event, with respect to any damage claims that were caused due to the cease of commerce and/or due to transactions performed or not performed.
- 20.2 In general, in the event of problems with the information exchange network, the internet etc., the Company shall be entitled to stop commerce at its sole and exclusive disclosure, without an obligation to explain or any other obligation, except for giving notice regarding the problem and the ceasing of commerce. In such an event, the Company shall be entitled to stop and/or enable the holding of the positions in the Customer's accounts until their expiration. It is hereby clarified that since the information is received from international information providers who are a third party, it is impossible for the Company to be responsible for the updating and accuracy of the information appearing in the website and or trading platform and its conformance with the updating pace of the international market. In the event that an error in transmission of the information becomes known, the Company may stop the posting of this information and posing of a notice in the system.

Force majeure

The Company shall not bear responsibility to any harm or any form which shall be caused to the Customer in the event that such harm is the result of a force majeure and any outside event which is not in the control of the Company which influences commerce in the website. The Company shall not bear any responsibility for any delay in communications and/or failure in the internet, including, without limitation, computer crashes or any other technical failure, whether caused by the telephone companies and various telecommunication lines, the ISP computers, the Company's computers or the Customer's Computers.

21. The Trader's Deposit or Equity is not segregated within the Trading Account

- 21.1 This is in part due to the fact that it is the Company, and not the Trader, which maintains an omnibus account with the broker-dealer and it is the Company that consequently is the party to each stock trade even though the trade is for the benefit of a particular Trader.



- 21.2 By agreeing to trade with the Company, you represent that either you understand the English language or you have had someone independent of the Company read and interpret any such account opening documents for you prior to the execution of the actions which will cause the Agreement to be in effect.

- 21.3 You further acknowledge that you are investing only risk capital in this account, that all trades are conducted on an unsolicited basis and that you are not relying on any information, advice, be it financial, legal, tax or otherwise, or representation by Company's agent thereof. Furthermore, Company accepts any and all such orders only on the understanding that you are a knowledgeable and sophisticated investor who has the risk tolerance necessary to invest pursuant to a speculative trading strategy; if Company is wrong in this understanding, then do not use this service.