HIGH FREQENCY
MARKET

INVESTMENT RISK

This notice provides you with information about the risks associated with investment products, in which you may invest, through services provided to you by High Frequency Market.

Investment products offered by High Frequency Market include stocks, Exchange-Traded Funds (ETFs) and cryptocurrencies, in which you gain ownership of the underlying asset. In addition, High Frequency Market offers contracts for differences (CFDs) that offer exposure to currencies, commodities and indices.

Any transactions relating to stocks, ETFs or cryptocurrencies in which High Frequency Market offers you leverage (which is not currently available for cryptocurrencies) or allows you to enter into short transactions, and/or some copy trading transactions (including Copy Portfolios), shall be considered CFD transactions.

High Frequency Market also offers investors the opportunity to buy the underlying cryptocurrencies, stock or ETFs (i.e., BUY transactions for said assets using leverage 1) hold such assets and subsequently sell such assets. All transactions relating to cryptocurrencies are subject to the Cryptocurrencies Trading Addendum ("Cryptocurrencies Trading Addendum").

Since Cryptocurrency markets are decentralized and non-regulated, our Cryptocurrencies Trading Services as such term is defined in the Cryptocurrencies Trading Addendum, are unregulated services which are not governed by any specific European regulatory framework (including MIFID). Therefore, when High Frequency Market (Europe) Ltd. customers use our Cryptocurrencies Trading Service, they will not benefit from the protections available to clients receiving regulated investment services such as access to the Investor Compensation Fund for Customers of Cypriot Investment Firms and the UK Financial Ombudsman Service for dispute resolution. High Frequency Market (Europe) Ltd. customers will continue to benefit from the rules relating to best execution and client money and safekeeping of client assets. High Frequency Market (UK) Ltd. customers using the Cryptocurrencies Trading Service only will not

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benefit from the protections available to clients receiving regulated investment services such as access to the Financial Services Compensation Scheme (FSCS) and the Financial Ombudsman Service for dispute resolution. We will endeavour to enable you to benefit from rules relating to best execution and safekeeping of client assets.

All of these products carry a high degree of risk and are not suitable for many investors. This notice provides you with information about the risks associated with these products, but it cannot explain all of the risks nor how such risks relate to your personal circumstances. If you are in doubt, you should seek professional advice. It is important that you fully understand the risks involved before deciding to trade with High Frequency Market, that you have adequate financial resources to bear such risks and that you monitor your positions carefully. Trading involves risk to your capital. You should not invest money that you cannot afford to lose, however, you cannot lose more than the equity in your account.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE TERMS AND CONDITIONS AND/OR THIS GENERAL RISK DISCLOSURE, FRENCH RESIDENTS SHALL BE ELIGIBLE TO INTRINSIC PROTECTION. ACCORDINGLY AND INDEPENDENTLY OF MARKET VOLATILITY, THEIR MAXIMUM LOSS WITH RESPECT TO EACH TRANSACTION SHALL BE THE TOTAL AMOUNT INVESTED IN SUCH TRANSACTION, AS UPDATED BY SUCH USER FROM TIME TO TIME.

CFDS

CFD stands for “Contract For Difference,” meaning you are not buying the underlying asset, but, rather, purchasing a contract to settle the difference in the initial and ending price of the asset. When trading CFDs, you generally trade on margin, which means you only have to deposit a small percentage of the overall value of your position. This is known as “Leverage”, and even small market movements may have great impact, negative or positive, on your trading account.

If the market moves against you, you may sustain a total loss greater than the funds invested in a specific position. You are responsible for all losses in your account up to the equity in your account.

Before deciding to trade on margin, you should carefully consider your investment objectives, level of experience, and risk appetite. Our CFDs are not listed on any exchange. CFDs involve greater risk than investing in on-exchange products, as market liquidity cannot be guaranteed and it may be more difficult to liquidate an existing position. 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 Terms and Conditions. The characteristics of our CFDs can vary substantially from the actual underlying market or instrument. Full details of all of our CFDs are set out on our website. In respect of corporate events, with respect to the underlying assets, we do not aim to make a profit from our clients

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from the outcome of corporate 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 CFDs, the treatment you receive may be less advantageous than if you owned the underlying instrument.

CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 67% of retail investor accounts lose money when trading CFDs with this provider. You should consider whether you understand how CFDs work, and whether you can afford to take the high risk of losing your money.

CFDs are not suited to the long-term investor. If you hold a CFD open over a long period of time, the associated costs increase (such as overnight fees), and it may be more beneficial for you to buy the underlying asset instead. Sudden market movements, known as "gapping" may occur, causing a dramatic shift in the price of an underlying asset. Gapping may occur when the underlying market is closed, meaning the price on the underlying market may open at a significantly different level, and at a less advantageous price for you.

At all times during which you have open positions, you must ensure that your account meets our margin requirements, which may change from time to time. Therefore, if our price moves against you, or if our margin requirements have changed, you may need to provide us with significant additional funds to meet your margin requirement at short notice, to maintain your open positions. If you do not do this, we will be entitled to close one or more or all of your positions and you alone will be responsible for any losses incurred as a result.

APPROPRIATENESS

Before we open an account for you, we are required to make an assessment of whether the product(s) and/or services you have chosen are appropriate for you, and to warn you if, on the basis of the information you provide us, any product or service is not appropriate. If you decide to continue and open an account with us, you are confirming that you are aware of and understand the risks.

POSITION MONITORING

You should further ensure that you are able to monitor positions on your account at all times, as you are solely responsible for this. We are not responsible for monitoring positions on your account.

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COPY TRADING

High Frequency Market offers Social Trading Features. In deciding to copy a specific trader or traders and/or follow a particular strategy, 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.

TRADING RISKS

Since Cryptocurrency markets are decentralised and non-regulated, our Cryptocurrencies Trading Services are unregulated services which are not governed by any specific European regulatory framework (including MIFID). This means that there is no central bank that can take corrective measures to protect the value of Cryptocurrencies in a crisis or issue more currency. Therefore, when High Frequency Market (Europe) Ltd. customers use our Cryptocurrencies Trading Services, they will not benefit from the protections available to clients receiving regulated investment services such as access to the Investor Compensation Fund for Customers of Cypriot Investment Firms and the Financial Ombudsman Service for dispute resolution. High Frequency Market (Europe) Ltd. customers will continue to benefit from the rules relating to best execution and client money and safekeeping of client assets.

High Frequency Market (UK) Ltd. customers using Cryptocurrencies Services will not benefit from the protections available to clients receiving regulated investment services such as access to the Financial Services Compensation Scheme (FSCS) and the Financial Ombudsman Service for dispute resolution. We will endeavour 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 dialable prices which are displayed on our trading platform. Indicative quotes only give an indication of where the market is. Because Cryptocurrency markets are decentralised, 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.

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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.

High Frequency Market currently allows trading in cryptocurrencies over the weekend and it reserves the right not to do so. Should High Frequency Market so elect, trading in cryptocurrencies shall be allowed only from Monday through Friday. Given that the Cryptocurrency exchanges may operate over weekends, there may be a significant difference between Friday's close and Sunday's open. All such factors may result in you either not completing an order on a specific trading day or completing an order on a substantially less favourable price.

Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example, when the market reaches a daily price fluctuation limit ("limit move"), if there is insufficient liquidity in the market. Certain crypto assets may carry additional or specific risks.

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. High Frequency Market cannot control these external factors.

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BLOCKCHAIN RISKS

Since blockchain is an independent public peer-to peer network and is not controlled in any way or manner by High Frequency Market, High Frequency Market shall not be responsible for any failure and/or mistake and/or error and/or breach which shall occur in blockchain or in any other networks in which the Cryptocurrencies are being issued and/or traded. You will be bound and subject to any change and/or amendments in the blockchain system and subject to any applicable law which may apply to the blockchain. We make no representation or warranty of any kind, express or implied, statutory or otherwise, regarding the blockchain functionality nor for any breach of security in the blockchain.

OPERATION OF CRYPTOCURRENCY PROTOCOLS

High Frequency Market does not own or control the underlying software protocols which govern the operation of Cryptocurrencies available for trading on our platform. In general, the underlying protocols are open source and anyone can use, copy, modify, and distribute them. High Frequency Market is not responsible for the operation of the underlying protocols and High Frequency Market makes no guarantee of their functionality, security, or availability. The underlying protocols are subject to sudden changes in operating rules ("Forks"), and such Forks may materially affect the value, function, and/or even the name of the Cryptocurrency High Frequency Market holds for your benefit. In the event of a Fork, High Frequency Market may temporarily suspend High Frequency Market operations (with or without advance notice) and High Frequency Market may:

(a) configure or reconfigure its systems or
(b) decide not to support (or cease supporting) the Forked protocol entirely.

High Frequency Market may, but is not obligated to do so, adjust your account in respect of a Fork, depending on the circumstances of each event attributable to any specific Cryptocurrency which you hold.

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 party is registered with a national authority. Depending on the structure and security of the High Frequency Market Money crypto wallet, some individuals may be vulnerable to hacks, resulting in the theft of virtual currency or loss of customer assets. High Frequency Market will not be responsible in the event of losses caused by those Third Parties.

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

AUTOMATED TRADING & INTERNET RISKS

While trading on our website and/or applications, system errors may occur. You should be aware of the risks that may result from any system failure which could mean that your order may be delayed or fail.

You acknowledge that there are risks associated with utilizing an Internet-based trading system including, but not limited to, the failure of hardware, software, and Internet connections, 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 High Frequency Market.

FEES AND COSTS

Our fees and charges are set out on our website www.highfrequencymarket.com under the ‘Fees’ section. Please be aware of all costs and charges that apply to you, because such costs and charges will affect your profitability.

INFORMATION

Any opinions, news, research, analyses, prices, or other information contained on this website are provided as general market commentary, and do not constitute investment advice. High Frequency Market shall not be responsible for any loss arising from any investment based on any recommendation, forecast or other information provided.

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SPAC RISKS

Investing in SPACs carries different risks to investing in other stocks on High Frequency Market. Unlike other listed companies, SPACs are shell companies when they become public and, therefore, they do not have an underlying operating business. This means that you are relying on the managers of the SPACs to realise your investment. There is no guarantee that SPACs will be managed by individuals and firms that may not be competent or qualified to do so. You should read the SPAC's IPO prospectus and any reports or other key information documents filed or published to understand the terms of your investments and the economic interests and motivations of the SPAC you are investing in. Moreover, SPACs that do not carry out an acquisition within a certain time period will be liquidated. As a result, there is a risk that you may not recover some or all of the money directly invested by you into the SPAC.

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