



MERLION
GLOBAL

General Risk Acknowledgement

This Risk Acknowledgement does not cover all the potential risks of derivative trading. Derivative trading can be very risky and complicated, so the Client needs to understand the type of derivatives they are trading. The Client must obtain sufficient financial resources to ensure that the Client can trade derivatives. Even if the Client has experience in derivative trading, the Client still needs to be aware of the following main risks:

1. Effect of Leverage

Before a derivative can be traded, a Derivative Broker requires the Client to make a deposit, called an "initial margin". This initial margin is lesser compared to the actual price of the derivative, but it allows the Client to trade beyond his/her actual cash flow through the effect of leverage. During trading, the change in the derivatives' prices will affect the Client's cash flow, which may result in profit or loss to the Client. The Client may incur a total loss of initial margin and additional cash may be needed to be deposited to the Client's trading account to maintain their trading status.

In case if the Client's margin is lower than the maintenance margin, the Client will receive a margin call from the Derivative Broker, which requires the Client to deposit additional cash into their trading account for a certain period of time in order for the margin level in the Client's trading account to meet the required maintenance margin. If the Client does not deposit additional cash into his/her trading account as specified and his/her margin is not sufficient to maintain their current trading positions, the Client may not be able to execute any trade orders to buy and sell additional derivatives, and all or part of the Client's current trading positions may be forced to close, which may result in a loss to the Client.

2. Risks of Stop-Loss Order

In some circumstances, such as volatile price changes or market closures, stop-loss orders are ineffective i.e., stop-loss orders do not protect the Client from losses at all times.

In the event of a malfunction in the customer's electronic devices or systems, which may put the Client at a risk of loss in placing derivatives trading orders, even if the Client already has incurred a certain amount of loss.

3. Underlying Market Volatility

Derivatives are instruments that allow the Client to trade on price changes in the international market or the underlying instrument. Although derivative prices are provided by the Central Counterparty, they are derived from the international market or the underlying instrument. Therefore, the Client needs to understand that fundamental market changes can affect the price of derivatives and the Client's profits.

The Client should also be aware of event gaps that can result in a profit or loss to the Client's trading account. Event gaps can occur when the base market opens or closes. The Client needs to monitor their own investments regularly.

4. Suspension or Restriction of Trading

Market fluctuations or the application of certain market rules may increase the risk of loss due to the difficulty or inability to execute trade orders or restrict trading conditions.

5. Commission, Fees and other Charges

Foreign exchange transaction will affect the profit or loss of customers due to the change in exchange rate required to convert from one foreign currency to another currency.

6. Liquidity Risks

Some derivatives may have low or no liquidity due to declining demand, making it difficult for the Client to sell the derivatives or obtain information about the derivatives' prices or its related risks.



7. Execution Risks

This risk may occur if the trade order is not executed immediately, i.e., there may be a delay between the time the Client place an order and the time the order is executed. As such, orders may not be executed at the price the Client expects.

This risk can also occur in the case of post-market trading. The Client needs to be aware that the price for trading can be different from the closing price of the underlying instrument, i.e., the price gap at the closing market may be larger than the price gap at the market opening.

8. Counterparty Risks

The Client must be aware that derivative trading through a Derivative Broker is a transaction between the Client and its Central Counterparty, which is the other party to the contract, and the Derivatives Broker is an agent. This indicates that the Central Counterparty is the Client's counterparty in the derivative trading transaction. Therefore, before engaging in any derivative trading, the Client must find out about the Derivative Broker's license, transaction measures and other important information of the Central Counterparty that the Derivative Broker has connected its derivative trading system in compliance with the relevant local regulations which may facilitate the Client to trade in the derivative market and mitigate the potential risks.

9. Electronic Trading

For electronic trading, the Client may be exposed to the risk related to the trading system, which may include hardware and/or software damage(s). Damages to any part of the Client's trading system may or may not be carried out as ordered. In this case, the customer must check with the Derivative Broker in the event of such damages that may occur.



Risk Acknowledge Agreement for Social/MAM trading

Merlion Global would like to bring to your attention and provides you with information about the risks associated with investment products, in which you may invest, through services provided to you by Merlion Global entities. Merlion Global provides a wide range of investment services in relation to a number of products through its regulated entities: authorized and regulated by the Financial Services Commission Mauritius.

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

Any transactions relating to FX, stocks, ETFs or cryptocurrencies in which Merlion Global 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 Trading), shall be considered CFD transactions.

Merlion Global 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 Merlion Global customers use our Cryptocurrencies Trading Service, they will not benefit from the protections available to clients receiving regulated investment services. Merlion Global customers will continue to benefit from the rules relating to best execution and client money and safekeeping of client assets. Merlion Global customers using the Cryptocurrencies Trading Service only will not benefit from the protections available to clients receiving regulated investment services for dispute resolution. We will endeavor 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 disclosure 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 Merlion Global, 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.

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 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. More than 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.

Execution

Although the Merlion Global trading platform is automated, and we give you the best execution available, it is possible that the market price could have changed between order placement and execution time, and, therefore, we cannot guarantee that the price requested will be the same as the price at which the order is executed, therefore, the price you receive can be in your favor or against you.

To limit losses, we require you to choose 'stop loss' limits. These set limits to automatically close your position when it reaches a price limit of your choice. There are, however, circumstances in which a 'stop loss' limit is not fully effective — for example, where there are rapid price movements, or market closure.

In addition, there are risks associated with the use of online deal execution and trading systems including, but not limited to, software and hardware failure and Internet disconnection.

Copy Trading

Merlion Global offers Social Trading Features. In making a decision 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.

Cryptocurrencies



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 Merlion Global 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. Merlion Global customers will continue to benefit from the rules relating to best execution and client money and safekeeping of client assets.

Merlion Global customers using Cryptocurrencies Services will not benefit from the protections available to clients receiving dispute resolution. 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 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.

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.



Merlion Global currently allows trading in cryptocurrencies over the weekend and it reserves the right not to do so. Should Merlion Global 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 Sundays 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 favorable 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. Merlion Global cannot control these external factors.

Blockchain Risks

Since blockchain is an independent public peer-to-peer network and is not controlled in any way or manner by Merlion Global, Merlion Global 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

Merlion Global 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. Merlion Global is not responsible for the operation of the underlying protocols and Merlion Global 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 Merlion Global holds for your benefit. In the event of a Fork, Merlion Global may temporarily suspend Merlion Global operations (with or without advance notice) and Merlion Global may (a) configure or reconfigure its systems or (b) decide not to support (or cease supporting) the Forked protocol entirely. Merlion Global 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 Merlion Global Money crypto wallet, some individuals may be vulnerable to hacks, resulting in the



theft of virtual currency or loss of customer assets. Merlion Global 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 Merlion Global 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 Merlion Global believes that it shall not be able to trade in such Cryptocurrencies, Merlion Global 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 Merlion Global.

Fees and Costs

Our fees and charges are set out on our website Merlion Global Global.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. Merlion Global shall not be responsible for any loss arising from any investment based on any recommendation, forecast or other information provided.

Past Performance

Past performance is not an indication of future performance. The value of investments can go down as well as up.



I acknowledged that I have received an explanation from a Derivative Broker and understand the risks associated with derivative trading.

For Individual Client	For Corporate Client
Signature and Name of Client, and Date	Signature and Name of Authorised Representative Company Name, Stamp and Date