



Risk Disclosure

Version 1.0

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The English version of this agreement is the governing version and shall prevail whenever there is any discrepancy between the English version and any other versions.

INTERPRETATION: In this Risk Disclosure, unless inconsistent with or otherwise indicated by the context, words and phrases defined in the Terms & Conditions-Client Agreement (concluded between Sanus and the Client) shall bear corresponding meanings when used herein.

Sanus Financial Services (Pty) Ltd (“Sanus” or “EZInvest”), trading as EZInvest at <https://world.ezinvest.com>, acts as the intermediary and is a financial services provider, licensed and regulated by the Financial Sector Conduct Authority with FSP No 51523; and registered under the Laws of the Republic of South Africa with Company Registration Number 2020/659426/07.

The liquidity provider (the “Liquidity Provider”) is the liquidity provider/s appointed by Sanus from time to time to offer liquidity and act as the execution venue/s for the Clients' orders in the Financial Instruments and transmitted via the Electronic Trading Platform.

This disclosure statement discusses the characteristics and risks of contracts for differences (“CFDs”) on securities, indices, and futures traded in foreign markets, hereinafter referred to as “Underlying Assets”.

1. Description of a CFD

A CFD is a legally binding agreement between two parties to exchange the difference in value of a particular instrument or currency between the time at which the agreement is entered into and the time at which it is closed. CFDs allow EZInvest to provide to Clients with all the benefits and risks of owning a security without actually owning it. A full list of the CFDs on offer by EZInvest is available on <https://world.ezinvest.com/trading/trading-accounts/>.

A person who buys a CFD is said to be “long” the contract. A person who sells a CFD is said to be “short” the contract. The price (the “Contract Price”) at which the contract trades is determined by relative buying and selling interest on a regulated exchange; or, if the underlying asset is an off-exchange derivative, the Contract Price is determined by Sanus’s business counterparties (including but not limited to the Liquidity Provider).

In order to enter into a CFD transaction, the Client must deposit with Sanus funds as Margin collateral, equal to Sanus’s Margin requirements specified for a particular CFD.

An open position, either a long or short position, is closed by entering into an offsetting transaction (i.e., an equal and opposite transaction to the one that opened the position), which is, in terms of the MetaTrader System, said to be a ‘Close’ transaction. With regards to CFDs on futures, such offsetting transaction must be made prior to expiration of the underlying asset.

Example:

- Investor A is long one September ABC Corp. futures CFD. To liquidate the long position in the September ABC Corp. futures CFD, Investor A would sell identical September ABC Corp. futures CFD by using the 'Close' option in the MetaTrader System.
- Investor B is short one XYZ Corp. stock CFD. To liquidate the short position in the XYZ Corp. stock CFD, Investor B would buy an identical XYZ Corp. stock CFD by using the 'Close' option in the MetaTrader System.

Futures CFDs traded with EZInvest are settled through cash settlement. In this case, the underlying security is not delivered. Instead, any positions in such futures CFDs that are open at the end of the last trading day are settled through a final cash payment based on a final settlement price, determined by the exchange or clearing organization, or at the last dealing price provided by Sanus's business counterparties. Once this payment is made, neither party has any further obligations on the contract.

2. Risks of CFDs

TRADING CFDS MAY NOT BE SUITABLE FOR ALL INVESTORS. THE CLIENT MAY LOSE A SUBSTANTIAL AMOUNT OF MONEY IN A VERY SHORT PERIOD OF TIME.

The amount that a Client may lose is potentially unlimited and can exceed the amount originally deposited but never more than the Client's Account balance. This is because most of CFDs are highly leveraged, with a relatively small amount of money used to establish a position in assets having a much greater value. IF THE CLIENT IS UNCOMFORTABLE WITH THIS LEVEL OF RISK, THE CLIENT SHOULD NOT TRADE CFDS.

The Client should be aware that the regulatory protections applicable to his Account are not intended to insure him against losses he may incur as a result of a decline or increase in the price of a CFD. As with all financial products, the Client is solely responsible for any market losses on his Account.

AS WITH ANY HIGH-RISK FINANCIAL PRODUCT, THE CLIENT SHOULD NOT RISK ANY FUNDS THAT THE CLIENT CANNOT AFFORD TO LOSE, SUCH AS: RETIREMENT SAVINGS; MEDICAL AND OTHER EMERGENCY FUNDS; FUNDS SET ASIDE FOR PURPOSES SUCH AS EDUCATION OR HOME OWNERSHIP; PROCEEDS FROM STUDENT LOANS OR MORTGAGES; AND/OR FUNDS REQUIRED TO MEET LIVING EXPENSES.

BE CAUTIOUS OF CLAIMS THAT YOU CAN MAKE LARGE PROFITS FROM TRADING CFDS. ALTHOUGH THE HIGH DEGREE OF LEVERAGE IN CFDS CAN RESULT IN LARGE AND IMMEDIATE GAINS, IT CAN ALSO RESULT IN LARGE AND IMMEDIATE LOSSES. AS WITH ANY FINANCIAL PRODUCT, THERE IS NO SUCH THING AS A "SURE WINNER."

Because of the leverage involved and the nature of CFD transactions, the Client may feel the effects of his losses immediately.

Gains and losses in CFDs are credited or debited to a Client's Account equity in real-time mode. If movements in the markets of

the underlying asset decrease the value of Client's positions in CFDs, he may be required to submit additional funds to the EZInvest Margin. If the Client's Account is under the minimum Margin requirements set by EZInvest, the Client's position will be liquidated.

Under certain market conditions, it may be difficult or impossible to liquidate a position. If the Client cannot liquidate a position in a CFD, the Client may not be able to realize a gain in the value of the position or prevent losses from mounting. This inability to liquidate could occur, for example: if trading is halted due to unusual trading activity in either the CFD or the underlying asset; if trading is halted due to recent news events involving the issuer of the underlying asset; if systems failures occur on an exchange or at EZInvest carrying your position; or if the position is on an illiquid market. Even if a Client can liquidate a position, the Client may be forced to do so at a price that involves a large loss.

Under certain market conditions, it may also be difficult or impossible to manage your risk from open CFD positions by entering into an equivalent but opposite position in another contract month, on another market, or in the underlying asset. This inability to take positions to limit your risk could occur, for example, if trading is halted across markets due to unusual trading activity in the CFD or the underlying asset or due to recent news events involving the issuer of the underlying asset.

Under certain market conditions, the prices of CFDs may not maintain their customary or anticipated relationships to the prices of the underlying asset. These pricing disparities could occur, for example: when the market for the particular CFD is illiquid; when the primary market for the underlying asset is closed; or when the reporting of transactions in the underlying asset has been delayed. For index products, it could also occur when trading is delayed or halted in some or all of the securities that make up the index.

A Client may experience losses due to systems failures. As with any financial transaction, a Client may experience losses if the Client's orders for CFDs cannot be executed normally due to systems failures on a regulated exchange or at EZInvest carrying his position.

All CFDs involve risk, and there is no trading strategy that can eliminate it. Strategies using combinations of positions, such as spreads, may be as risky as outright long or short positions. Trading in CFDs requires knowledge of all relevant markets.

Day trading strategies involving CFDs and other products pose special risks. As with any financial product, persons who seek to purchase and sell a CFD in the course of a day to profit from intra-day price movements ("day traders") face a number of special risks, including substantial commissions, exposure to leverage, and competition with professional traders. Every Client should thoroughly understand these risks and have appropriate experience before engaging in day trading.

Placing contingent orders such as "stop-loss" orders, will not necessarily limit a Client's losses to the intended amount. EZInvest may permit you to enter into stop-loss orders for CFDs, which are intended to limit a Client's exposure to losses due to market fluctuations. However, market conditions may make it impossible to execute the order or to get the stop price.

Each Client should thoroughly read and understand Sanus Terms & Conditions-Client Agreement, which is available on our Website, before entering into any transactions in CFDs.

Some CFDs may be marked-to-market on a daily basis, usually after the close of trading, as specified in the contract details. At that time, the account of each buyer and seller reflects the amount of any gain or loss on the CFD based on the Contract Price established at the end of the day for settlement purposes (the "daily settlement price").

3. Margin Requirements

The Client must maintain the minimum Margin requirement on their open positions at all times. It is the Client's responsibility to monitor their Account balance. The Client may receive a Margin call to deposit additional cash if the Margin in the Account concerned is too low.

Sanus has the right to liquidate any or all open positions whenever the minimum Margin requirement is not maintained and this may result in the Client's CFDs being closed at a loss for which the Client will be liable.

4. High Leverage & Low Margin Can Lead To Quick Losses

The high degree of "gearing" or "leverage" is a particular feature of CFDs. The effect of leverage makes investing in CFDs riskier than investing in the underlying asset. This stems from the Margining system applicable to CFDs, which generally involves a small deposit relative to the size of the transaction, so that a relatively small price movement in the underlying asset can have a disproportionately dramatic effect on your trade. This can be both advantageous and

disadvantageous. A small price movement in your favor can provide a high return on the deposit, however, a small price movement against you may result in significant losses. Your losses will never exceed the balance of your Account, which is balanced to zero, if the losses are higher than the amount deposited. Such losses can occur quickly. The greater the leverage, the greater the risk. The size of leverage therefore partly determines the result of the investment.

5.Spread

The difference between the bid price and the ask price is the “Spread”. The Spreads are set in the absolute discretion of the Liquidity Provider, since it is acting as market maker, and any changes are effective immediately. Information in relation to the Spread, leverage, rollover fees and trading hours for each market is at <https://world.ezinvest.com/trading/trading-instruments/>

6.Cash Settlement

The Client understands that CFDs can only be settled in cash and the difference between the buying price and selling price partly determines the result of the investment.

7.Conflicts of Interest

Sanus is the intermediary for all Transactions entered into between the Client and the Liquidity Provider; and, as such, Sanus’s interests may be in conflict with the Client’s.

Our Conflicts of Interest Policy is available at <https://world.ezinvest.com/regulation/policies>

8.OTC Transactions

When trading CFDs with the Liquidity Provider, such transactions will not be executed on a recognized or designated investment exchange and are known as “OTC transactions”. All positions entered into with the Liquidity Provider must be closed with the Liquidity Provider and cannot be closed with any other entity. 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 of the position arising from an OTC transaction or to assess the exposure to risk. Bid prices and ask prices may not be quoted by us/the Liquidity Provider, based on best execution policies applicable in the market. There is no central clearing and no guarantee by any other party of Sanus payment obligations to the Client, thus the Client is exposed to credit risk with Sanus. The Client must look only to Sanus for performance of all contracts in the Client’s Account and for return of any Margin or collateral.

9.Prices, Margin And Valuations Provided By Sanus Financial Services (Pty) Ltd May Be Different From Prices Reported Elsewhere.

Sanus will provide prices to be used in trading, valuation of Client positions, and determination of Margin requirements in accordance with its Execution Policy. The performance of your CFD will depend on the prices set by the Liquidity Provider and market fluctuations in the underlying asset to which your contract relates. Each underlying asset therefore carries specific risks that affect the result of the CFD concerned. Our prices for a given market are calculated by reference to the price of the relevant underlying asset which we obtain from third party external reference sources or exchanges. For our CFDs, we obtain price data from wholesale market participants. Although Sanus expects that these prices will be reasonably related to prices available in the market, Sanus prices may vary from prices available to banks and other market participants. Sanus has considerable discretion in setting and collecting Margin. Sanus is authorized to convert funds in

The Client's Account for Margin into and from such foreign currency at a rate of exchange determined by Sanus in its sole

discretion on the basis of then-prevailing money market rates.

10.Rights to Underlying Assets

You have no rights or obligations in respect of the underlying instruments or assets relating to your CFDs. The Client understands that CFDs can have different Underlying Assets, such as stocks, indices, currencies and commodities, as specified in EZInvest website <https://world.ezinvest.com/trading/trading-instruments/>

11.Currency Risk

Investing in CFDs with an underlying asset listed in a currency other than your base currency entails a currency risk, due to the fact that when the CFD is settled in a currency other than your base currency, the value of your return may be affected by its conversion into the base currency.

12.One Click Trading and Immediate Execution

The Sanus Electronic Trading Platform provides immediate transmission of the Client's order once the Client enters the notional amount and clicks "Buy/Sell". This means that there is no opportunity to review the order after clicking "Buy/Sell" and Market Orders cannot be cancelled or modified. This feature may be different from other trading systems you may have used. The Client should utilize the Demo Trading System to become familiar with the Electronic Trading Platform before actually trading online with Sanus. The Client acknowledges and agrees that, by using the Sanus

Electronic Trading Platform, the Client agrees to the one-click system and accepts the risk of this immediate transmission/execution feature.

13. Telephone Orders and Immediate Execution

Market Orders executed over the telephone through the Sanus Trading Desk are completed when the Sanus telephone

operator says “deal” or “done” following the Client’s placing of an order. Upon such confirmation of the telephone operator, the Client has bought or sold and cannot cancel the Market Order. By placing Market Orders through the Sanus Trading Desk, the Client acknowledges and agrees to such immediate execution and accepts the risk of this immediate execution feature.

14. Sanus Financial Services (Pty) Ltd Is Not An Adviser Or A Fiduciary To The Client

WHERE SANUS PROVIDES GENERIC MARKET RECOMMENDATIONS, SUCH GENERIC RECOMMENDATIONS DO NOT CONSTITUTE ADVICE (as defined in FAIS), A PERSONAL RECOMMENDATION OR INVESTMENT ADVICE; AND THEY HAVE NOT CONSIDERED ANY OF YOUR PERSONAL CIRCUMSTANCES OR YOUR INVESTMENT OBJECTIVES, NOR ARE THEY AN OFFER TO BUY OR SELL, OR THE SOLICITATION OF AN OFFER TO BUY OR SELL.

Each decision by the Client to enter into a CFD using Sanus and each decision as to whether a transaction is appropriate or proper for the Client, is an independent decision made by the Client. Sanus does not provide advice, act as an advisor, or serve as a fiduciary to the Client. The Client agrees that Sanus has no fiduciary duty to the Client and no liability in connection with, and is not responsible for, any liabilities, claims, damages, costs and expenses, including attorneys’ fees, incurred in connection with the Client following Sanus’s generic market recommendations or taking (or not taking) any action based upon any generic recommendation or information provided by Sanus.

15. Recommendations Are Not Guaranteed

The generic market recommendations provided by Sanus or the Liquidity Provider, as applicable, are based solely on the judgment of their personnel and should be considered as such. The Client acknowledges that the Client enters into any Transactions relying on the Client’s own judgment. Any market recommendations provided are generic only and may or may not be consistent with the market positions or intentions of Sanus the Liquidity Provider, and/or their affiliates. The generic market recommendations of Sanus/the Liquidity Provider are based upon information believed to be reliable, but Sanus and the Liquidity Provider cannot and do not guarantee the accuracy or completeness thereof or represent that following such generic recommendations will reduce or eliminate the risk inherent in trading CFDs.

16.No Guarantees of Profit

There are no guarantees of profit nor of avoiding losses when trading CFDs. Client has received no such guarantees from Sanus or from any of its representatives. Client is aware of the risks inherent in trading CFDs and is financially able to bear such risks and withstand any losses incurred.

17.Client May Not Be Able To Close Open Positions At Price Specified By Client

Due to market conditions which may cause any unusual and rapid market price fluctuations, or other circumstances, Sanus or the Liquidity Provider may be unable to close out the Client's position at the price specified by the Client and the risk controls imposed by Sanus/the Liquidity Provider might not work and the Client agrees that Sanus/the Liquidity Provider will bear no liability for a failure to do so.

18.Internet Trading

When the Client trades online (via the internet), Sanus/the Liquidity Provider shall not be liable for any claims, losses, damages, costs or expenses, caused, directly or indirectly, by any malfunction, disruption or failure of any transmission, communication system, computer facility or trading software, whether belonging to Sanus, the Liquidity Provider, the Client, any exchange or any settlement or clearing system.

19.Telephone Orders

Sanus is not responsible for disruption, failure or malfunction of telephone facilities and does not guarantee its telephone availability. For the avoidance of doubt, the Client is aware that Sanus may not be reachable by telephone at all times. In such cases the Client shall place his/her order through other means offered by Sanus.

20.Quoting Errors

Should a quoting error occur (including responses to the Client requests), Sanus is not liable for any resulting errors in Account balances and reserves the right to make necessary corrections or adjustments to the relevant Account. Any dispute arising from such quoting errors will be resolved on the basis of the fair market value, as determined by Sanus in its sole discretion and acting in good faith, of the relevant market at the time such an error occurred. In cases where the prevailing market

represents prices different from the prices Sanus has posted on its screen, Sanus will attempt, on a best-efforts basis, to execute Transactions on or close to the prevailing market prices. These prevailing market prices will be the prices, which are ultimately reflected on the Client statements. This may or may not adversely affect the Client's realized and unrealized gains and losses.

21.HIGH RISK INVESTMENT WARNING

TRADING FOREIGN EXCHANGE (FOREX) AND CONTRACTS FOR DIFFERENCES (CFDs) AND CRYPTOCURRENCIES IS HIGHLY SPECULATIVE, CARRIES A HIGH LEVEL OF RISK AND MAY NOT BE SUITABLE FOR ALL INVESTORS. YOU MAY SUSTAIN A LOSS OF SOME OR ALL OF YOUR INVESTED CAPITAL, THEREFORE, YOU SHOULD NOT SPECULATE WITH CAPITAL THAT YOU CANNOT AFFORD TO LOSE. YOU SHOULD BE AWARE OF ALL THE RISKS ASSOCIATED WITH TRADING ON MARGIN.

Sanus Financial Services (Pty) Ltd is located at 17 Midas Avenue, Olympus, Pretoria, Gauteng, 0081, South Africa.

22.Restricted Jurisdictions

We do not establish accounts for residents of certain jurisdictions, including but not limited to Canada and the USA. For further details please see Terms & Conditions.

23.Risk Related to trading Cryptocurrencies

Please refer to the following link in order to be fully informed regarding all the Risks related to trading Cryptocurrencies