

BEIRMAN CAPITAL

RISK DISCLOSURE STATEMENT

This notice is provided to you (the "Client" or "you") because you are considering dealing with Beirman Capital ("Beirman Capital") (hereinafter "the Company") in Foreign Exchange Contracts, Contracts for Difference, deposits and payments products and other Derivatives Contracts ("Transactions") either on a margin basis or otherwise.

This notice cannot and does not disclose or explain all of the risks and other significant aspects involved in dealing in these Transactions and was designed to explain in general terms the nature of the risks particular to dealing in these Transactions and to help the Client to take investment decisions on an informed basis.

Prior to applying for an account you should consider carefully whether trading in these Transactions is suitable for you in the light of your circumstances and financial situation. Margin FX and CFDs involve different levels of exposure to risk and, in deciding whether to trade in such instruments, you should be aware of the following points:

- Trading in Margin FX and CFDs ("OTC Derivatives") carries a high degree of risk. The "gearing" or "leverage" involved in trading OTC derivatives means that a small initial margin payment can potentially lead to large losses in excess of your initial investment. The geared nature of derivatives also means that Margin FX and CFDs trading can carry greater risks than conventional share trading, which is generally not geared.
- A relatively small market movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you.
- Most OTC derivatives are off-exchange derivatives. This might be considered to involve greater risk than an on-exchange derivative as there is no exchange market on which to close out an open position – you are only able to open and close your positions with us. Accordingly, you are exposed to the unlikely event that we may not be able to fulfill our obligations to you as a counterparty.
- Foreign markets will involve different risks to markets. The potential for profit or loss from OTC derivatives relating to a foreign market or denominated in a foreign currency will be affected by fluctuations in foreign exchange rates. It is possible to incur a loss if exchange rates change to your detriment, even if the price of the instrument to which the OTC derivatives relates remains unchanged.
- Margin FX and CFDs are contingent liability transactions which are margined and require you to make a series of payments against the purchase price, instead of paying the whole purchase price immediately, and they may only be settled in cash.

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- You may sustain a total loss of the margin that you deposit with us to establish or maintain a position. If the market moves against you, you may be called upon to pay substantial additional margin at short notice. If you fail to do so within the required time, your position may be liquidated at a loss and you will be liable for any resulting deficit.
- You will be deemed to have received a notice requiring the payment of such funds, even if you are not at home or do not receive the messages we leave for you, if the notices are delivered to your nominated contact points.
- Even if a Margin FX and CFD is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when you entered into the contract.
- Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that trading in the underlying market is suspended or restricted.
- Placing a Stop Order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an Order if the underlying market moves straight through the stipulated price.
- We will not provide you with personal financial product advice relating to Margin FX and CFDs and we will not make Margin FX and CFD recommendations of any kind. The only advice we will give you will be as to how Margin FX and CFDs work.
- There is no clearing house for Margin FX and CFDs, and the performance of a Margin FX and CFD by Beirman Capital is not 'guaranteed' by an exchange or clearing house.
- Our insolvency or default may lead to your positions being liquidated or closed out without your consent. As all deposits lodged with us are held in a segregated client account or accounts, in such circumstances those deposits would attract all legal protections afforded under the applicable laws. Net unrealised running profits are also held in trust by us (in excess of our contractual and regulatory requirements) and would normally be similarly protected for your benefit as beneficial owner, unless a Court were not to uphold the trust in relation to the net unrealised profits, in which event you would rank as an unsecured creditor of ours in relation to such net unrealised profits. It should also be noted that keeping your funds in a segregated client account does not offer or guarantee absolute protection of your funds in the event of our insolvency or default where there is a deficit in the segregated client account.
- Although by dealing with us you will not be dealing in securities, you need to be aware that you may still be subject to the applicable laws.
- The obligations to you under the Client Agreement and the margin FX and CFDs are unsecured obligations, meaning that you are an unsecured creditor of ours.

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Scalping & High-Frequency Trading (HFT):

Beirman Capital defines trades with a duration of less than 90 seconds as Scalping. Engaging in High-Frequency Trading (HFT) using high-speed Ultra execution Virtual Private Server (VPS) based algorithmic trading constitutes HFT trading practice. Such practices are deemed abusive trading practices.

In the event that any accounts exhibit more than 30% scalping or HFT trades, Beirman Capital reserves the right to reverse or cancel said trades and withhold profit withdrawals for such accounts.

Scalping & High-Frequency Trading (HFT) Clause:

- **Manipulative Trading:** Any attempt to manipulate market prices, including but not limited to spoofing, layering, or any other deceptive trading practices, will be considered abusive trading practices. Beirman Capital reserves the right to reverse or cancel trades suspected of manipulative trading and may take further disciplinary action as deemed necessary. Beirman Capital reserves the right to reverse or cancel said trades and withhold profit withdrawals for such accounts.
- **Insider Trading:** Engaging in insider trading, which involves the use of material non-public information to gain an unfair advantage in trading, is strictly prohibited. Any accounts found to be involved in insider trading will be subject to immediate closure and may face legal action as per relevant regulations. Beirman Capital reserves the right to reverse or cancel said trades and withhold profit withdrawals for such accounts.
- **Front Running:** Front running, the unethical practice of placing orders on behalf of a broker or financial institution based on advanced knowledge of their client's pending orders, is considered abusive trading. Accounts found to be engaged in front running will be subject to disciplinary action, including the reversal or cancellation of trades and possible account closure. Beirman Capital reserves the right to reverse or cancel said trades and withhold profit withdrawals for such accounts.

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- **Wash Trading:** Participating in wash trading, where a trader simultaneously sells and buys the same financial instruments to create artificial trading volume or manipulate prices, is prohibited. Accounts found to be involved in wash trading will be subject to disciplinary action, including trade reversal, account suspension, or closure. Beirman Capital reserves the right to reverse or cancel said trades and withhold profit withdrawals for such accounts.
- **Churning:** Churning refers to excessive trading conducted by a broker for the purpose of generating commissions without regard for the client's investment objectives. Beirman Capital prohibits churning and reserves the right to investigate and take appropriate action against accounts suspected of engaging in this practice, including trade reversal and account closure. Beirman Capital reserves the right to reverse or cancel said trades and withhold profit withdrawals for such accounts.
- **Price Manipulation:** Any attempt to artificially manipulate the price of financial instruments, including spreading false rumors or engaging in coordinated trading activities to influence prices, will be considered abusive trading. Beirman Capital reserves the right to reverse or cancel trades suspected of price manipulation and may take further disciplinary action as necessary. Beirman Capital reserves the right to reverse or cancel said trades and withhold profit withdrawals for such accounts.

EA POLICY

- In order to make EA trading available clients have to submit a request and acknowledge that they will confirm in advance that they wish to use an EA during account opening or before starting to implement such a strategy. There is no additional charge for this mode of trading. Beirman Capital reserves the right to reverse orders that are executed using EA methods on accounts that are not labelled as EA accounts or where the necessary advance confirmation has not been given.

ELECTRONIC TRADING TERMS

- **Intellectual Property:** All rights in patents, copyrights, design rights, trademarks and any other intellectual property rights (whether registered or unregistered) relating to the Electronic Services remain vested in us or our licensors. You will not copy, interfere with, tamper with, alter, amend or modify the Electronic Services or any part or parts thereof unless expressly permitted by us in writing, reverse compile or disassemble the Electronic Services, nor purport to do any of the same or permit any of the same to be done, except in so far as such acts are expressly permitted by law. Any copies of the Electronic Services made in accordance with law are subject to the terms and conditions of this Agreement. You

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shall ensure that all the licensors trademarks and copyright and restricted rights notices are reproduced on these copies. You shall maintain an up-to- date written record of the number of copies of the Electronic Services made by you. If we so request, you shall as soon as reasonably practical, provide to us a statement of the number and whereabouts of copies of the Electronic Services.

- **Liability and Indemnity:** Without prejudice to any other terms of this Agreement, relating to the limitation of liability and provision of indemnities, the following clauses shall apply to our Electronic Services.
- **System errors:** We shall have no liability to you for damage which you may suffer as a result of transmission errors, technical faults, malfunctions, illegal intervention in network equipment, network overloads, malicious blocking of access by third parties, internet malfunctions, interruptions or other deficiencies on the part of internet service providers. You acknowledge that access to Electronic Services may be limited or unavailable due to such system errors, and that we reserve the right upon notice to suspend access to Electronic Services for this reason.
- **Delays:** Neither we nor any third party software provider accepts any liability in respect of any delays, inaccuracies, errors or omissions in any data provided to you in connection with an Electronic Service.
- **Viruses from an Electronic Service:** We shall have no liability to you (whether in contract or in tort, including negligence) in the event that any viruses, worms, software bombs or similar items are introduced into the system via an Electronic Service or any software provided by us to you in order to enable you to use the Electronic Service, provided that we have taken reasonable steps to prevent any such introduction.
- **Viruses from your System:** You will ensure that no computer viruses, worms, software bombs or similar items are introduced into our computer system or network and will indemnify us on demand for any loss that we suffer arising as a result of any such introduction.
- **Unauthorised use:** We shall not be liable for any loss, liability or cost whatsoever arising from any unauthorised use of the Electronic Service. You shall on demand indemnify, protect and hold us harmless from and against all losses, liabilities, judgments, suits, actions, proceedings, claims, damages and costs resulting from or arising out of any act or omission by any person using an Electronic Service by using your designated passwords, whether or not you authorised such use.
- **Markets:** We shall not be liable for any act taken by or on the instruction of a Market, clearing house or regulatory body.
- **Suspension or permanent withdrawal with notice:** We may suspend or permanently withdraw an Electronic Service, by giving you 10 days written notice. We will notify you of this action by the medium specified in your account application. The following process would apply in relation to suspension and subsequent closure of your account:

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- During the notice period (if any):-
- We will not close your open trades or limit / stop loss orders already placed (unless we are otherwise entitled to do so i.e. you request that we do so via telephone);
- You will not be able to place any new trades or orders nor to give any other instruction, except insofar as necessary to close a trade or to cancel an order in place before the start of the notice period. In particular you will not be entitled to place a closing trade or any order in such a size that would result in a new trade being opened;
- All trades will be closed and all orders cancelled on the same day that your Account is closed (or as soon as reasonably practicable thereafter);
- All trades will be closed at the Beirman Capital price;
- We can effect closures at any time, but closure will generally be effected approximately one hour before the close of the underlying or our trading hours for the market in question;
- Once your account has been closed you will no longer be entitled to place any trades or orders or to otherwise deal on your account.
- Immediate suspension or permanent withdrawal: We have the right, unilaterally and with immediate effect, to suspend or withdraw permanently your ability to use any Electronic Service, or any part thereof, without notice, where we consider it necessary or advisable to do so, for example due to your non-compliance with the applicable regulations, breach of any provisions of this Agreement, on the occurrence of an Event of Default, network problems, failure of power supply, for maintenance, or to protect you when there has been a breach of security. In addition, the use of an Electronic Service may be terminated automatically, upon the termination (for whatever reason) of (i) any licence granted to us which relates to the Electronic Service; or (ii) this Agreement. The use of an Electronic Service may be terminated immediately if an Electronic Service is withdrawn by any market or we are required to withdraw the facility to comply with applicable regulations.
- Effects of termination: In the event of a termination of the use of an Electronic Service for any reason, upon request by us, you shall, at our option, return to us or destroy all hardware, software and documentation we have provided you in connection with such Electronic Service and any copies thereof.
- Idle Prices: We have an agency execution model and automatically cover all client positions with executing brokers and liquidity providers. On rare occasions the aggregated price feed which we provide to clients can become "idle". We reserve the right to reverse market or instant orders are executed where idle prices have been struck. These cases will be investigated by us and the client advised via e-mail or telephone where possible to notify the client of the trades being cancelled. We will use our best endeavours to ensure that the reversal does not result in an unintended position being generated however this cannot be guaranteed. I.e. if the order is executed and subsequently reversed to open a position, any subsequent order(s) closing this position would also be reversed leaving the net P&L at zero

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so the client is not disadvantaged by this reversal due to our onward transmission of invalid prices.

- **Misquotes:** We have an agency execution model and automatically cover all client positions with executing brokers and liquidity providers. Although we mitigate the risk of invalid prices feeds reaching clients through utilising a price aggregation system which generates a price from multiple liquidity providers (typically in excess of 10 liquidity providers), there are rare occasions where the prices can become “skewed”. In such rare instances if orders are filled at these prices, we reserve the right to reverse orders where misquoted prices have been struck. These cases will be investigated by us and the client advised via e-mail or telephone where possible to notify the client of the trades being cancelled. We will use our best endeavours to ensure that the reversal does not result in an unintended position being generated however this cannot be guaranteed. I.e. if the order is executed and subsequently reversed to open a position, any subsequent order(s) closing this position would also be reversed leaving the net P&L at zero so the client is not disadvantaged by this reversal due to our onward transmission of invalid prices.
- **Stale quotes and misquotes policy:** Beirman Capital’s quoted prices may on rare occasions become “stale” or “skewed”. Beirman Capital reserves the right to cancel orders executed on idle or skewed prices. Beirman Capital will actively monitor/report and investigate such trading activity and in the event that trades are being cancelled will notify the client accordingly. Beirman Capital will pursue the fair treatment of its Customers and will use its best endeavours to make sure cancellations are performed fairly and that the client is not disadvantaged by the cancellation however this cannot be guaranteed i.e. no inadvertent positions are left open and the client’s net position is in line with the client’s positions at the time of correction.