

Risk Disclosure Activity

Contents

1. Introduction
2. Risk Statement
3. Leverage
4. Spreads
5. Swaps
6. Technical Risks

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1. INTRODUCTION

1.1. The purpose of this document is to inform the Client (You) of the potential risks involved in trading on financial markets. Each Client should ensure that their decision is made on an informed basis. This document forms an integral part of the Agreement between Mento Markets (the Company) and the Client. This document lists the most common and frequent risks associated with trading on financial markets, however it cannot disclose all risks involved in trading due to the wide range of feasible situations.

1.2. Every Client should deal with the Company at their own risks and shall not be protected by any statutory compensation arrangements in any event whatsoever.

1.3. Every person intending to trade on the products offered by the Company is recommended to seek independent advice on the investment viability and risk associated with such products and services proposed by the Company.

1.4. No information represented in the documents of the Company or the Mento Markets Website shall be considered as advice.

2. RISK STATEMENT

2.1. The Following is the Company's Risk Statement:
Trade Responsibly: Contracts for Difference ('CFDs') are derivative financial products that are traded on margin ('leveraged products'). Trading on margin carries a significant level of risk since leverage can magnify your profits as well as your losses. Thus, leveraged products may not be suitable for you as you may lose all your invested capital. You should not risk more than you are prepared to lose. If you are unsure about trading, you may wish to seek independent advice first. Please read carefully our 'risk disclosure notice' for further details on the risks of trading leveraged products.

2.2. Online trading in financial markets is associated with high risks.

2.3. You must understand that the value of your investment can both increase and decrease due to market risk. You will be held liable for losses and damages, which could result in the loss of all your invested capital, once you make the decision to trade.

2.4. In making a decision to trade CFDs, you must rely on your own examination of the products, including the merits and risks involved, as well as your own experience, knowledge and financial capabilities. You should not risk more than what you are prepared to lose.

2.5. Mento Markets will not provide you with advice of any kind, including tax, investment or legal advice. Before you know and fully understand the risks involved in trading the financial markets, you should not engage in any trading activity.

2.6. If you are unclear or do not understand the risks involved in trading financial markets online, you may wish to consult an independent financial advisor.

3. LEVERAGE

3.1. Financial instruments that are traded on leverage carry a high level of risk. Leverage can amplify the magnitude of the profits and losses. When executing trading operations under margin trading conditions, even small market movements may have a great impact on a Client's Trading Account due to the effect of leverage. You must take into consideration that in the event of the market moving against your position, you may experience a total loss of your Initial Margin and any additional funds deposited to enter and maintain the positions open. You shall be held fully responsible for all outcomes and the Company will not be held liable for any financial resources used by you and for your chosen trading strategy.

3.2. Many instruments are traded within wide ranges of intraday price movements. Consequently, you must carefully consider the fact that there is not only a high probability of profit, but also of the loss.

4. SPREADS

4.1. Spreads are the difference between the price at which you buy an instrument (Bid) and the price at which you sell (Ask). With the exception of Fixed Spread accounts, spreads can widen during times of abnormal market conditions, such as situations of high volatility or relative illiquidity. Spreads may also contain a mark-up for certain instruments offered on the platform. You should consider the different account types and market conditions to determine the impact that spreads will have on your trading activity.

5. SWAPS

5.1. When you trade a CFD on a stock, index, cryptocurrency or commodity, you are trading on margin and effectively borrowing capital from the seller of the CFD. There is usually no interest cost if you close the position of the CFD on the day you bought it. However, if you hold it overnight, you will have to pay interest on the position. This is the Swap Buy Rate and is debited from your trading account.

5.2. If you hold a short position overnight using a CFD on a stock, index, cryptocurrency or commodity, you are effectively lending capital to your broker. When your broker sells the underlying asset, they receive cash which earns interest until the position is closed. However, you must also pay a fee to borrow the underlying asset. The interest you earn is netted against the asset borrowing fee and may result in a positive or negative rate depending on the interest rate. The net rate is the Swap Sell Rate.

6. TECHNICAL RISKS

6.1. You shall consider the risk of financial loss caused by the failure of information, communication, electronic and other systems, which is outside the scope of influence of the Company or yours.

6.2. When executing trades, you shall assume the risk of financial loss that could be caused by:

- Failure of your hardware, software and/or internet connection;
- The improper operation of your equipment;
- The wrong settings in the client terminal by you; and
- Delayed client terminal updates.

6.3. You acknowledge that at peak moments there may be difficulties in getting telephone communication with a company representative, especially during volatile markets (for example, when key economic indicators are released). The Company is not responsible for disruption, failure or malfunction of telephone facilities.

6.4. You acknowledge that under abnormal market conditions, response times from Customer Support may increase, whether via chat or email.