



accelprime

RISK DISCLOSURE

Risk Disclosure Notice

1. Introduction

You are considering entering into a trading relationship with **AccelPrime** in Contracts for Difference (**CFDs**). CFDs are high-risk investments that may not be suitable for all investors. This notice provides key information about the risks associated with trading CFDs, but it does **not** explain all risks or how they may relate to your personal circumstances.

If you are uncertain about whether CFDs are appropriate for you, we strongly recommend that you seek **independent financial advice**. It is essential that you fully understand the risks involved before deciding to trade. If you choose to proceed, you must ensure that you:

- **Are aware of the risks involved.**
- **Have adequate financial resources** to sustain potential losses.
- **Monitor your positions carefully.**

All financial instruments involve an element of risk. The value of your investment may fluctuate, and you may lose more than your initial capital.

To better understand the specific risks associated with CFDs, please refer to the relevant sections below:

- **Section 1: Contracts for Difference (CFDs)**
- **Section 2: General Risks**

SECTION 1: CONTRACTS FOR DIFFERENCE (CFDs)

- **AccelPrime provides execution-only services** and enters into principal-to-principal transactions with clients based on our pricing. These transactions are **not conducted on an exchange**.
- While we are a **regulated Financial Services Provider (FSP)**, CFDs issued by us are **not** regulated under the **FAIS Act**, as they are executed on a **principal-to-principal** basis.
- We act as a **market maker**, not as an agent on your behalf, nor do we provide FAIS intermediary services.

This notice provides a **general overview** of the risks associated with CFDs traded through **Accel Prime**. However, it does **not** cover all possible risks associated with these products.

If you are unsure about the risks related to your account, **please seek professional advice before trading**.

GENERAL RISKS

Our CFDs are not listed on any exchange. Prices and conditions are set in accordance with our obligation to provide best execution, act reasonably, and comply with applicable agreements. Each CFD results in a contract with us, which can only be closed with us and is not transferable. These contracts do not grant rights to underlying instruments or voting rights but are legally

enforceable by both parties.

RANGE OF MARKETS

We offer CFDs across various underlying markets. While prices are derived from these markets, contract characteristics may differ. Full details, including contract size, margin rates, settlement procedures, and commissions, are available on our website.

NON-GUARANTEED STOPS

A non-guaranteed stop triggers an order to close your contract but does not ensure immediate closure. Market conditions may delay execution or result in price deviations. Guaranteed stops are available for certain contracts to mitigate this risk.

CORPORATE EVENTS

We do not profit from corporate events such as mergers or rights issues. While we aim to reflect the treatment received in the underlying market, differences exist. Clients may face less advantageous options, earlier decision-making requirements, or restricted choices compared to holding the actual instrument.

GOING SHORT ON INDIVIDUAL SHARES

Shorting shares via CFDs carries additional risks, including forced buy-backs due to regulatory changes, increased borrowing charges, and obligations related to purchase opportunities for long-position holders. Corporate events impacting short positions may be announced with little notice, limiting exit opportunities.

GENERAL TRADING RISKS

CFD trading is influenced by fluctuations in underlying markets. Although our prices are derived from these markets, key risks include:

- **Past Performance:** Not indicative of future results; investment values fluctuate.
- **Currency Risk:** Accounts are denominated in South African Rand (ZAR).
- **Volatility:** Sudden price movements impact profits and losses; unexpected changes may occur.
- **Gapping:** Sharp price shifts may prevent exiting a position before the market moves significantly.
- **Market Liquidity:** Rapid market changes may hinder closing positions under favorable terms.
- **Out-of-Hours Markets:** Quotes reflect our view and may not align with official market prices.

GEARING AND LEVERAGE

Trading CFDs involves margin requirements, typically a percentage of the contract value. Leverage amplifies both potential gains and losses. Clients must maintain margin levels and may need to deposit additional funds if market movements increase margin requirements. Failure to do so may result in position closures.

NEED TO MONITOR POSITIONS

Clients are responsible for monitoring open positions and ensuring account accessibility at all times.

ELECTRONIC COMMUNICATIONS



Trading via electronic platforms or email is convenient but subject to potential delays, failures, or security risks. Clients should be aware of these limitations.

CLEARING HOUSE PROTECTIONS

Exchange transactions may benefit from clearing house guarantees, but such protections typically do not extend to clients in the event of a default.

INSOLVENCY

Broker insolvency or default may result in position liquidations or asset losses. Clients may be required to accept available payments in cash rather than reclaiming invested assets.

REGULATORY AND LEGAL RISK

Changes in laws or regulations may impact investments, increase operational costs, or alter market conditions. Emerging markets may pose higher regulatory risks due to weaker financial oversight and enforcement mechanisms.