

# **AXWEL**

## **RISK DISCLOSURE POLICY**

**December 2025, Volume 1**

Flux Ltd owns and operated the brand Axwel (referred to hereafter as the “Company“, “we”, “us”, “our”, “Axwel”), found at [www.axwel.com](http://www.axwel.com) . Flux Ltd is duly registered in Comoros Union with a registration number HT00525055, regulated by MISA (MWALI International Services Authority) with a brokerage license number BFX2025069 and registered office address at Bonovo Road – Fomboni Island of Moheli, Comoros Union. This Risk Disclosure Policy (the “Policy”) is intended to inform Clients and prospective Clients (the “**Client(s)**”, “**your**”, “**You**”, “**they**”) of the Company about the general risks associated with trading financial derivative instruments (“products”, “financial derivative instruments”, “CFDs”, “Forex/CFDs”, “financial instrument (s)”). This Policy aims to provide information in a fair and transparent manner but does not -and cannot- cover all possible risks involved.

**This document serves as a General Risk Warning, which the Client agrees to by selecting the acknowledgement box during the registration process. In doing so, the Client guaranteed to have read, understood, and agreed to our Risk Disclosure Policy.**

Clients acknowledge and accept that investing in financial instruments carries inherent risks, which can vary depending on the specific product. Such investments may not be suitable for everyone. The value of an investment may increase or decrease, and investors may lose part or all of the capital they have invested. By entering into a business relationship with the Company, the Client confirms that they fully understand and accept these risks. Past performance of a financial instrument does not guarantee present and/or future performance. Historical data should not be viewed as a guarantee of future results, and reliance on such information carries risk.

In cases where financial instruments are traded in a currency different from the Client’s residence currency, fluctuations in exchange rates may negatively impact the value, price, and performance of those instruments.

Clients further acknowledge that the provision of services is subject to fees and charges, which may be calculated as fixed amounts or as a percentage of the transactional value. These charges may be amended, in accordance with the relevant procedure stated in the Company’s Terms and Conditions.

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All Clients are strongly encouraged to read this Policy in full prior to registering for an account and before initiating any trading activity on the Company's website or/and platform(s).

This Policy does not represent an exhaustive list of all potential risks involved in trading the Company's products and services. Each product and service may carry specific risks. The Company executes the client's orders in relation to the financial product of Contracts For Differences ("CFDs") in stocks, commodities, indices, currency pairs (FX), etc.

Before applying to open an account, you should carefully assess whether trading Forex/CFDs is appropriate for your financial needs, personal circumstances, risk tolerance, investment goals, and overall financial situation. Trading Forex/CFDs involves the use of leverage. If you are uncertain about the risks involved, we strongly encourage you to seek independent professional advice.

#### A. General Risk Warning

By agreeing to the Company's Terms and Conditions and this Risk Disclosure Policy, Clients acknowledge and accept that they must not engage -directly or indirectly- in any transactions involving the Company's financial derivative instruments unless they fully understand the associated risks.

Before beginning to trade, Clients should carefully assess their investment objectives, risk tolerance, financial situation, and level of knowledge or experience. If a Client does not have sufficient understanding of the financial instruments offered or the risks associated with them, they should avoid entering into a business relationship with the Company—or, if a relationship already exists, they should stop trading activities. Trading in Forex and Contracts for Difference (CFDs) is highly speculative, involves substantial risk of loss, and is not suitable for all investors. It is appropriate only for individuals who:

1. Fully understand the economic, legal and technical risks involved;
2. Possess sufficient knowledge/experience regarding Forex/CFD trading and the underlying assets;
3. Have the financial capacity to absorb losses, including potential loss of their entire invested capital.

**By opening an account, the client represents and warrants that they understand these risks and are financially capable of assuming them.**

The Client should ensure they are fully aware of all the risks involved in CFD trading. If they are uncertain about any aspect, they should seek independent professional advice. The Company does not provide financial, investment, or trading advice. If the Client does not clearly understand the risks, they should refrain from engaging in any trading activity.

#### B. Technical Risks

The Client acknowledges and agrees that they, and not the Company, bear full responsibility for any financial losses arising from failure, malfunction, disruptions, disconnections, or malicious activities affecting information, communication, electricity, electronic or other systems.

When accessing and using the Company's trading platform, the Client acknowledges that there are inherent risks related to system performance, including hardware or software failures, server downtime, communication line disruptions, and internet connectivity issues. Such events may cause orders to be executed differently than instructed or not executed at all. The Company accepts no liability for any losses arising from these circumstances. Furthermore, the Client acknowledges that unencrypted communications transmitted via e-mail are vulnerable to unauthorized access. During periods of high trading volume, the Client may experience difficulty connecting to the Company's trading platform(s)/system(s), or contacting the Company by phone.

The Client also acknowledges that their internet connection may affect their ability to access the Company's website and/or trading platform(s) or system(s). This may include interruptions, transmission failures, software or hardware malfunctions, internet disconnections, public electricity outages, or cyberattacks. The Company shall not be held liable for any damage, loss, cost, or expense—including, but not limited to, loss of profit—resulting from such events that are beyond the Company's control, or from the Client's inability to access the Company's website and/or trading platform or to transmit instructions or transactions in a timely manner. The Client is expressly warned that trading via the Company's trading platform - whether proprietary or provided by a third party - involves a risk of financial loss resulting from

various technological and communication failures. By using the platform, the Client accepts and assumes these risks, which include but are not limited to:

- a. Failures or malfunctions on the Client's devices, software or communication devices;
- b. The Company's or Client's hardware or software failure, malfunction, or misuse.
- c. In connection with the use of computer equipment and data and voice communication networks, the Client bears the following risks amongst other risks in which cases the Company has no liability for any resulting loss:
  - c.i. Power cut of the equipment on the side of the Client or the provider, or communication operator (including voice communication) that serves the Client;
  - c.ii. Physical damage (or destruction) of the communication channels used to link the Client and provider (communication operator), provider, and the trading or information server of the Client;
  - c.iii. Outage (unacceptably low quality) of communication via the channels used by the Client, or the Company or the channels used by the provider, or communication operator (including voice communication) that are used by the Client or the Company;
  - c.iv. Wrong or inconsistent with requirements settings of the Client Terminal;
  - c.v. Untimely update of the Client Terminal;
  - c.vi. When carrying out transactions via the telephone (land or cell phone lines) voice communication, the Client runs the risk of problematic dialing, when trying to reach an employee of the broker service department of the Company due to communication quality issues and communication channel loads;
  - c.vii. The use of communication channels, hardware, and software, generates the risk of non-reception of a message (including text messages) by the Client from the Company;
  - c.viii. Trading over the phone might be impeded by the overload of connection;
  - c.ix. Malfunction or non-operability of the Platform, which also includes the Client Terminal. The Client may suffer financial losses caused by the materialization of the above risks, the Company accepts no responsibility or liability in the case of such a risk materializing and the Client shall be responsible for all the related losses he may suffer.

### C. Trading Platform

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When trading in the trading platform, the Client assumes the risk of financial loss which may be a consequence of amongst other things:

1. Failure of Client's devices, software, and poor quality of connection.
2. The Company's or Client's hardware or software failure, malfunction or misuse.
3. Improper work of Client's equipment.
4. Wrong setting of Client's Terminal.
5. Untimely update of the Client Terminal.

The Client acknowledges that only one instruction may be queued at any given time. A new instruction may be submitted once the previous has been processed.

The Client acknowledges that the only reliable source of quote flow information is that of the live server's quotes base. Quotes displayed in the client terminal are not considered a reliable source, as the connection between the client terminal and the server may be interrupted, resulting in incomplete or delayed quotes.

The Client acknowledges that when he/she closes the order placing/ deleting window or the position opening/closing window, the instruction, which has been sent to the server, shall not be canceled.

Orders may be executed one at a time while being in the queue. Multiple orders from the same client account in the same time may not be executed.

The Client acknowledges that when the Client closes the Order, it shall not be cancelled.

If the Client does not receive the result of the execution of a previously sent order and chooses to repeat the order, the Client accepts the risk of making two transactions instead of one.

The Client also acknowledges that if a pending order has already been executed but the Client subsequently sends an instruction to modify its level, only the instruction to modify Stop Loss and/or Take Profit levels on the position opened will be applied.

#### D. Contract For Differences (CFDs) Risks

CFDs involve varying levels of risk, and Clients should carefully review the risks and considerations outlined in this document before deciding to trade these instruments. It is also

important to understand that this document cannot cover all possible risks or highlight every significant aspect of derivative financial instruments, including Contracts for Difference (CFDs). **Trading in CFDs is VERY SPECULATIVE AND HIGHLY RISKY and is not suitable for all members of the general public.**

CFDs are high-risk and complex financial instruments that involve a variety of risks. Trading CFDs can put capital invested at risk and clients may lose more than the capital/margin used to open one position, such losses may extend to the loss of the client's entire deposited amount.

The Client should also ensure that the product is appropriate for them, considering their personal financial circumstances, financial resources, lifestyle and obligations and is financially able to assume the loss of their entire investment.

The Client acknowledges and without any reservation accepts that, notwithstanding any general information which may have been given by the Company, the value of any investment in the Company's offered products may fluctuate either upwards or downwards.

The Client should have sufficient knowledge to understand CFD trading, as well as the underlying assets and markets on which CFDs are based. CFDs are derivative instruments whose value is tied to the price movements of the underlying assets or markets they reference (such as currencies, equity indices, stocks, metals, or other indices). It is therefore essential that the Client understands the risks associated with trading the relevant underlying asset or market, as any fluctuations in price will directly impact the profitability of their trade. The client acknowledges and unreservedly accepts the substantial risk of incurring losses and damages that may result from opening or closing "Buy" or "Sell" positions in any of the products offered and confirms their willingness to take such risk.

The Company does not provide investment advice relating to CFDs, the underlying assets and markets or make investment recommendations of any kind. As a result, if the Client does not fully understand the risks involved, they should seek advice and consultation from an independent financial advisor. If the Client still does not understand the risks involved in trading in CFDs, they should refrain from trading entirely.

Trading in CFD is highly speculative and involves a high level of risk. It is not suitable for the general public but only for those investors who understand and are willing to assume the economic, legal, and other risks involved, carefully considering their personal financial circumstances, financial resources, lifestyle, and obligations are financially capable of bearing the loss of their entire investment and have the knowledge to understand CFDs trading and the underlying assets/markets. We provide below the non-exhaustive risks particularly associated with transactions in FX/CFDs:

**Leverage and Gearing:** Transactions in foreign exchange and derivative financial instruments such as CFDs carry a significant degree of risk. The amount of initial margin may be small relative to the value of the foreign exchange or derivatives contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact on the funds the Client has deposited or will have to deposit; this may work against or for the Client. The Client may sustain a total loss of initial Margin funds and any additional funds deposited with the Company to maintain their position. If the market moves against the Client's position and/or Margin requirements are increased, the Client may be called upon to deposit additional funds on short notice to maintain their position. Failure to comply with a request for a deposit of additional funds, may result in closure of their position(s) by the Company on their behalf and any resulting loss or deficit will be the Client's liability.

**Margin:** Clients are required to deposit a margin with the Company to open a position. The margin requirement will depend on the underlying instrument of the derivative products, the level of leverage, and the value of the position. The Company may not notify the client of any margin call to sustain a loss-making decision. The Company has the discretionary right to start closing positions when the margin level falls below the threshold. The Company guarantees that there will be no negative balance in the account when trading the instruments provided by the Company. Trading in Forex/CFDs entails the use of leverage. In considering whether to engage in this form of investment, you should acknowledge the high degree of leverage. This stems from the margin system applicable to such trades which generally involves a comparatively modest deposit or margin in terms of the overall contract value, so that a relatively small movement in the underlying market movement is in your favor, you may achieve a good profit, but an equally small adverse market movement may quickly result in the loss of your entire deposit. You must not trade in



Forex/CFDs unless you are willing to undertake the risk of losing all the money that you have invested. Should the equity in your trading account be insufficient to hold current positions open, you will be required to deposit additional funds at short notice or reduce exposure (margin call) should you be required to keep your positions open. Failure to do so within the time required may result in the liquidation of positions at a loss (i.e. stop-out). The client is always responsible for any losses incurred as a result.

**Volatility:** Forex/CFDs can be highly volatile, and the value of the underlying instruments may fluctuate rapidly under certain market conditions, which cannot be controlled by the Company or by the client therefore stop loss order cannot guarantee the limit of loss. Movements in the price of underlying markets can be volatile and unpredictable. This will have a direct impact on your profits and losses. The price of the products depicted on our platform or website may be influenced by a non-exhaustive list of factors, such as changing supply and demand relationships, governmental, agricultural, commercial, and trade programs and policies, national and international political and economic events, and the prevailing psychological characteristics of the relevant marketplace.

**Gapping:** is a sudden shift in the price of an underlying market from one level to another and can occur when the underlying market is either open or even closed due to various factors/events. When such factors/events occur and the underlying market is closed, the price of the underlying market when it re-opens may be different from the closing price with no opportunity to sell the product before the market opens.

**Liquidity:** The client accepts and acknowledges that the products offered by the company may be inherently illiquid or sometimes face persistent liquidity strains due to adverse market conditions. Illiquid products may exhibit high levels of volatility in their prices and consequently a higher degree of risk, this typically leads to larger gaps in ASK and BID prices for an underlying instrument than would otherwise prevail under liquid market conditions. These large gaps may be reflected in the prices of the derivative products that the Company offers.

**Slippage:** Slippage is the difference between the expected price of an order in a CFD or, and the price the order is executed at. Slippage often occurs during periods of higher volatility making an order at a specific price impossible to execute and also when large orders are carried out when there may not be enough interest at the desired price level to maintain the expected price of trade.

**Swaps:** The value of open positions is subject to swaps which are deducted from the client's account for instruments held overnight throughout the life of the contract. The swap rate is mainly dependent on the level of interest rates as well as the Company's fee for having an open position overnight. The Company has the discretion to change the level of the swap rate on each CFD at any given time and the client acknowledges that he will be informed by the Company. The client further acknowledges that he is responsible for reviewing the CFDs specifications located on the Company's websites to be updated on the level of swap value prior to placing any order with the Company.

**OTC (Over-the-Counter):** The Company's products are traded over the counter, meaning that your positions will be placed off-exchange. While some off-exchange markets are highly liquid, transactions in off-exchange or non-transferable derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, assess the value of the position arising from an off-exchange transaction, or assess the risk exposure.

**Suspension of Trading:** At times of rapid price movement, if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted it may be difficult or impossible to liquidate a position. Placing a Stop Loss will not necessarily limit your potential losses to the intended amounts, because market conditions may make it impossible to place such an order at the stipulated price. In addition, under certain market conditions, the execution of a Stop Loss Order may be worse than its stipulated price and the losses realized can be larger than expected.

**No delivery:** It is understood that the Client has no rights or obligations in respect of the underlying assets relating to the CFDs he is trading. There is no delivery of the underlying asset.

**Orders:** On the Company's platform there are available orders e.g., "stop-loss" orders, which are intended to limit losses to certain amounts. Such orders may not be adequate given that market conditions make it impossible to execute such orders, e.g., due to illiquidity in the market. We aim to deal with such orders fairly and promptly, but the time taken to fill in the order and the level at which the order is filled depends upon the underlying market. In fast-moving markets, a price for the level of your order might not be available, or the market might move quickly and significantly

away from the stop level before we fill it. Stop Limit and Stop Loss Orders cannot guarantee the limit of loss.

**Price:** CFDs are derivative financial instruments whose value is derived from the prices of the underlying assets/markets to which they relate. It is therefore important that the client understands the risks associated with trading in the relevant underlying asset/ market because fluctuations in these prices will affect the potential profitability -or loss- of the trade. The Company provides the prices to be used in trading and valuation of client positions in accordance with its internal policies and procedures. The trading rates assigned to the assets on the Company's website are the ones at which the Company is willing to sell Forex/CFDs to its clients at the point of sale. As such, they may not directly reflect real-time market levels at the point in time at which the sale of options occurs and may differ from prices reported elsewhere.

It is noted that the prices shown on the Company's trading Platform reflect the last known available price at the moment, prior to placing any order. As such, the price that the client receives when he opens or closes a position will not correspond to real-time market levels at the point in time at which the sale of the CFD occurs or reflects the prices of third-party brokers/providers.

Any information disclosed or provided by the Company in any form regarding the previous performance/price of CFDs on any underlying asset/market does not guarantee its current and/or future performance. The use of historical data does not constitute a binding or safe forecast as to the corresponding future performance of the CFDs to which the said information refers.

Some products trade within wide intraday ranges with volatile price movements. Therefore, the client must carefully consider that there is a high risk of losses. The price of a financial instrument is derived from the price of the underlying asset in which the financial instrument refers to.

Financial instruments and related underlying markets can be highly volatile. The prices of financial instruments and the underlying asset may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the client or the Company. Under certain market conditions, it may be impossible for a Client Order to be executed at declared prices leading to losses. The prices of financial instruments and the underlying assets will be influenced by, among other things, changing the supply and demand relationships, governmental, agricultural, commercial, and trade programs and policies, national

and international political and economic events, and the prevailing psychological characteristics of the relevant market.

The Company's trading prices are the ones at which the Company is willing to sell CFDs to its Clients at the point of sale. As such, they may not directly correspond to real-time market levels at the point in time at which the sale of CFD occurs

#### E. Fees, Charges and Tax Responsibilities

The services provided by the Company are subject to applicable fees, commissions and charges. Prior to initiating any trading activity, the Client is advised to carefully review the full details of all charges for which they may be liable.

It is the Client's responsibility to stay informed of any updates to these charges. Where any charges are not stated in fixed monetary terms (such as those calculated as a percentage of the contract value), the Client must ensure they fully understand what the potential cost implications.

The Company reserves the right to amend its fees and charges at any time.

Clients should also be aware that transactions in financial instruments may be subject to taxation or other duties, either now or in the future. This may arise from changes in applicable laws or regulations, or from changes in the Client's own tax status. The Company makes no representation or guarantee that trading activities will be exempt from taxes or other charges, and it does not provide tax advice of any kind. The Client is solely responsible for determining/reporting and paying any taxes or any other duty arising from their trading activities.

#### F. Advice and Recommendation

The Company will not advise the Client about the merits of a particular Transaction or give the client any form of investment advice and the Client acknowledges that the services do not include the provision of investment advice in CFDs or the underlying markets.

The Client is solely responsible for entering into transactions and making related decisions based on their own judgment. By requesting the Company to execute any transaction, the Client confirms that they have independently assessed and evaluated the risks involved. The Client further represents that they possess sufficient knowledge, market understanding, professional advice, and experience to assess the merits and risks of each transaction.

The Company makes no warranty regarding the suitability of any products traded under the Terms and Conditions/Client Agreement and does not assume any fiduciary duty toward the Client. The Company will not be under any duty to provide the Client with any legal, tax or other advice relating to any transaction. The Client should seek independent expert advice if there is any doubt regarding possible tax liabilities. The Client is hereby warned that tax laws are subject to change from time to time.

The Company may, from time to time and at its discretion, provide the Client (or in newsletters which it may post on its Website or send by email or provide to subscribers via its Website or the trading platform or otherwise) with information, news, market commentary or other information but not as a service. Where it does so:

1. the Company will not be responsible for such information,
2. the Company gives no representation, warranty or guarantee as to the accuracy, correctness or completeness of such information or as to the tax or legal consequences of any related transaction,
3. this information is provided solely to enable the Client to make their own investment decisions and does not amount to investment advice or unsolicited financial promotions to the Client,
4. if the document contains a restriction on the person or category of persons for whom that document is intended or to whom it is distributed, the Client agrees that they will not pass it on to any such person or category of persons,
5. the Client accepts that prior to dispatch, the Company may have acted upon it itself to make use of the information on which it is based. The Company does not make representations as to the time of receipt by the Client and cannot guarantee that he will receive such information at the same time as other clients.

6. It is understood that market commentary, news, or other information provided or made available by the Company are subject to change and may be withdrawn at any time without notice.

#### G. Force Majeure Event

In the event of a Force Majeure Event, the Company may be unable to execute Client orders, fulfill its obligations under the applicable Terms and Conditions, or may experience delays or failures in performing its duties. Such circumstances may result in financial losses to the Client.

The Company shall not be held liable for, nor bear any responsibility for any type of loss or damage-whether direct or indirect- that arises as a consequence of a Force Majeure Event.

#### H. Abnormal Market Conditions

**Abnormal Market Conditions** refer to situations that may include, but are not limited to, periods of extreme price volatility—where prices rise or fall so sharply within a single trading session that trading may be suspended or restricted by the relevant exchange. Such conditions may also involve a significant lack of liquidity or irregularities occurring at the opening of a trading session. The Client acknowledges that during such abnormal market conditions, order execution times may be delayed, orders may not be executed at the declared prices or, in some cases, may not be executed at all.

#### I. Third-party risks

The Company may transfer deposited money received from clients to a third party e.g. OTC counterparty, clearing house, bank, liquidity provider, or intermediate broker while facilitating the transactions of the client or to effect a transaction through or with that party. The Company bears no responsibility for the insolvency, acts, or omissions of any such third party.

The third party to whom the Company transfers client funds may hold those funds in an omnibus account, meaning it may not be possible to distinguish the Client's money from the funds of other clients or from the third party's own funds. If the third party becomes insolvent, enters withdrawal proceedings, or is wound up, the Client's positions may be liquidated or closed without their consent, and client orders or transactions may go unexecuted. In such circumstances, the Company may only have an unsecured claim against the third party on the

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Client's behalf, and the Client understands that there is a risk this claim may not be fully satisfied. The Company does not accept any liability or responsibility for any losses that may result from these events.

The Company may deposit Customer money with a depository who may have a security interest, line, or right of set-off in relation to that money. A third party through whom the Company deals with could have interests contrary to the Customer's interests.

#### J. No Guarantees for Profits

The Client acknowledges and agrees that neither the Company nor any of its representatives have provided any guarantees for profits. The Client confirms their understanding of the inherent risks, including the potential for full loss of invested capital. The Company makes no representations or warranties regarding the likelihood of profit or the avoidance of losses when trading.

#### K. Insolvency

In the event of the Company's insolvency or financial default, it may be unable to fulfill its obligations to you. Such circumstances could result in the closure or liquidation of your open positions without prior notice or consent.