

# RISK POLICY

Maono Global Markets (Pty) Ltd

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This Policy was drafted based on the provisions of the following:

- Financial Advice and Intermediary Services Act (37 of 2002)
- Financial Markets Act 19 of 2012

## 1. DEFINITIONS AND INTERPRETATION

### 1.1. Definitions

For the purposes of this Risk Policy (“**Policy**”), unless the context indicates otherwise, the following terms shall have the meanings set out below and cognate expressions shall bear corresponding meanings:

- “**Account**” means the trading account opened in the name of the Client with the Company and/or with RocketX (Pty) Ltd, through which OTC Derivative Contracts are traded.
- “**Applicable Law**” means any law, statute, regulation, subordinate legislation, ordinance, by-law, regulatory rule, code, directive, guidance note, ruling, licence condition or requirement of any governmental, regulatory or supervisory authority (including the Financial Sector Conduct Authority) which is applicable to the Parties, the Services, the Platform, or to the marketing, distribution and trading of OTC Derivative Contracts in the Republic of South Africa, including without limitation the Financial Advisory and Intermediary Services Act, 37 of 2002 (“**FAIS Act**”) and the Financial Markets Act, 19 of 2012 (“**FMA**”), as amended from time to time.

- 1.1.3. **“Client” / “you” / “your”** means any natural or juristic person who has applied for, been accepted by RocketX (Pty) Ltd as a client, and who accesses or uses the Platform and/or the Services to enter into OTC Derivative Contracts, and “Prospective Client” shall be construed accordingly.
- 1.1.4. **“Client Agreement”** means the written client agreement, terms and conditions or other contractual documentation (including schedules, policies and annexures) concluded between the Client and RocketX (Pty) Ltd which governs, amongst others, the opening of the Client’s Account, the use of the Platform and the terms on which OTC Derivative Contracts are entered into, as amended or updated from time to time.
- 1.1.5. **“Company”** means RocketX (Pty) Ltd, registration number 2020/824856/07, a company incorporated in accordance with the laws of the Republic of South Africa, licensed as a Financial Services Provider and authorised Over the Counter Derivatives Provider under FSP number 52142, acting as principal and counterparty to the OTC Derivative Contracts traded by the Client.
- 1.1.6. **“Derivative” / “OTC Derivative Contract”** means an over-the-counter derivative contract (including a contract for difference) as defined in, and regulated in terms of, the FMA and any subordinate legislation thereto, concluded between the Client and the Company as principal-to-principal, the value of which is derived from or depends on the value or change in value of one or more underlying reference instruments, assets, indices, interest rates, currencies or other benchmarks.
- 1.1.7. **“Execution” / “Executed”** means the filling of an order or instruction on the Platform, resulting in the opening, modification or closing of an OTC Derivative Contract in the Client’s Account.
- 1.1.8. **“Force Majeure Event”** means any event or circumstance beyond the reasonable control of the Company and/or Maono Global Markets (Pty) Ltd which prevents or materially impairs the performance of their obligations, including, without limitation, acts of God, natural disasters, war, civil unrest, strikes, lockouts, labour disputes, acts of terrorism, pandemics, epidemics, power failures, system or communication failures, failures of any third-party service provider, market disruption events, or any action, restriction or order of any governmental or regulatory authority.
- 1.1.9. **“FSCA”** means the Financial Sector Conduct Authority of South Africa, established in terms of the Financial Sector Regulation Act, 9 of 2017, or any successor body.
- 1.1.10. **“Initial Margin”** means the amount of funds that the Client is required to deposit in the Account in order to open and maintain a leveraged position in an OTC Derivative Contract, as

determined by the Company from time to time in accordance with the Client Agreement and Applicable Law.

- 1.1.11. **“Inside Information”** means specific, material and non-public information relating directly or indirectly to a financial instrument, issuer, security, derivative, or underlying reference asset which, if it were made public, would be likely to have a significant effect on the price of such financial instrument or its related derivatives.
- 1.1.12. **“Insider Trading”** means any conduct which would constitute insider trading, insider dealing, or the unlawful use of Inside Information under Applicable Law, including but not limited to the FAIS Act, the FMA and any applicable market abuse provisions, and shall include dealing or attempting to deal, for one’s own account or for the account of another, in financial instruments based on Inside Information, or unlawfully disclosing or encouraging another to deal based on Inside Information.
- 1.1.13. **“Instruction”** means any order, instruction, request or communication submitted by the Client through the Platform or by any other means accepted by the Company for the purposes of opening, modifying or closing an OTC Derivative Contract, or otherwise in relation to the Account.
- 1.1.14. **“Juristic Representative”** means a juristic person appointed as a representative in terms of section 13 of the FAIS Act and duly authorised by a licensed financial services provider to render financial services on its behalf, and includes Maono Global Markets (Pty) Ltd acting as authorised Juristic Representative of Sithundhi Group (Pty) Ltd under FSP number 52030.
- 1.1.15. **“Leverage”** means the mechanism by which a Client is able to gain exposure to a notional position in an OTC Derivative Contract that is larger than the amount of funds (including Initial Margin) deposited in the Account, thereby magnifying both potential profits and potential losses.
- 1.1.16. **“Losses”** means all and any direct or indirect losses, damages, claims, demands, liabilities, costs, charges, expenses, penalties, taxes, or fees of any nature whatsoever, including, without limitation, loss of profit, loss of opportunity and consequential, special or punitive damages, whether arising in contract, delict (tort), statute or otherwise.
- 1.1.17. **“Maono Global Markets (Pty) Ltd” or “Maono Global Markets”** means Maono Global Markets (Pty) Ltd, registration number 2023/599736/07, an authorised Juristic Representative of Sithundhi Group (Pty) Ltd, which provides a platform interface and related services through which Clients may access and trade OTC Derivative Contracts issued by the Company.

- 1.1.18. **“Margin”** means any and all funds or collateral required to be deposited and maintained in the Client’s Account in respect of open positions in OTC Derivative Contracts, including Initial Margin and any variation margin, as determined by the Company from time to time.
- 1.1.19. **“Market Abuse”** means any form of market manipulation, insider trading, dissemination of false or misleading information, or other abusive conduct in relation to financial instruments or markets, as contemplated in the FMA and Applicable Law.
- 1.1.20. **“Parties”** means, collectively, Maono Global Markets (Pty) Ltd, the Company and the Client, and “Party” shall mean any one of them, as the context may require.
- 1.1.21. **“Platform” / “Trading Platform”** means any electronic trading system, software, interface, mobile application, website, or other technology (including all related servers, software and systems) made available by or on behalf of the Company and/or Maono Global Markets (Pty) Ltd, through which the Client may submit Instructions and enter into OTC Derivative Contracts.
- 1.1.22. **“Services”** means the services made available to the Client by or through Maono Global Markets (Pty) Ltd and/or the Company, including but not limited to access to the Platform, reception and transmission of orders, execution of OTC Derivative Contracts, provision of trade confirmations and account statements, and any ancillary services as described in the Client Agreement and any related policies.
- 1.1.23. **“Sithundhi Group (Pty) Ltd”** means Sithundhi Group (Pty) Ltd, registration number 2021/817017/07, a company incorporated in accordance with the laws of the Republic of South Africa and licensed as a Financial Services Provider under FSP number 52030, which has appointed Maono Global Markets (Pty) Ltd as its authorised Juristic Representative.
- 1.1.24. **“Trading Account”** has the same meaning as “Account”.
- 1.1.25. **“Transaction”** means any transaction in an OTC Derivative Contract entered into between the Client and the Company through the Platform or by any other means accepted by the Company, including the opening, modification and closing of any position.
- 1.1.26. **“Website”** means any website operated by, or on behalf of, Maono Global Markets (Pty) Ltd and/or the Company, including any pages, content, tools and information appearing thereon, as may be amended from time to time.

## 1.2. Interpretation

Unless the context indicates otherwise:

- 1.2.1. References to any **statute or legislation** include all regulations and subordinate legislation made under that statute, and any re-enactment, consolidation or amendment thereof from time to

- 1.2.2. References to the **singular** include the plural and vice versa, and references to any **gender** include the other genders.
- 1.2.3. The use of the words “**including**”, “**include**” or “**in particular**” shall be construed as being by way of example only and shall not limit the generality of any preceding words.
- 1.2.4. Any reference to a **person** includes a natural person, juristic person, body corporate, partnership, trust, unincorporated association, governmental authority or any other entity or organisation, whether having separate legal personality or not.
- 1.2.5. Headings and sub-headings are for convenience only and shall not affect the interpretation of this Policy.
- 1.2.6. In the event of any conflict or inconsistency between this Policy and the **Client Agreement**, the Client Agreement shall prevail to the extent of such conflict or inconsistency, save where this Policy expressly provides otherwise or where Applicable Law requires a different outcome.
- 1.2.7. This Policy is a **supplementary risk disclosure** and does not constitute financial advice, a recommendation, or a solicitation to enter into any Transaction. The Client remains solely responsible for obtaining independent professional advice and for assessing whether any OTC Derivative Contract is appropriate in light of their objectives, financial situation, needs and risk tolerance.

## 2. DISCLAIMER:

- 2.1. Maono Global Markets (Pty) Ltd with company registration number: 2023/599736/07 is an authorised Juristic Representative of Sithundhi Group (Pty) Ltd, South Africa, with company number: 2021/817017/07, an authorised financial services provider, licensed and regulated by the Financial Sector Conduct Authority (FSCA) of South Africa, with FSP No. 52030.
- 2.2. Maono Global Markets (Pty) Ltd, an authorised Juristic Representative of Sithundhi Group (Pty) Ltd, is the platform that Clients use to trade derivatives that are issued by RocketX (Pty) Ltd, registration number 2020/824856/07, a company registered under the laws of South Africa. RocketX (Pty) Ltd a licensed and regulated Financial Services Provider (FSP) and Over the Counter Derivatives Provider (ODP) with FSP Number: 52142 whose registered office is at Flexisuites, 141 Corobay Avenue, Menlyn, Gauteng 0181 is the counterparty and principal to the contract for difference purchased by you (the Client).
- 2.3. By using our services, you agree to be bound by the Client Agreement, which is entered into and binding between you (the Client) and RocketX (Pty) Ltd



### 3. PURPOSE

- 3.1. This Risk Disclosure Policy ("Policy") outlines the potential risks associated with the use of OTC derivative contracts services provided by RocketX (Pty) Ltd ("Company"). It is essential for all users and customers to thoroughly understand and acknowledge these risks before engaging in trading transactions. By using our services, you agree to comply with this Policy.
- 3.2. The Client assumes all risks associated with trading and acknowledges that no statutory compensation arrangements protect them in any circumstance.
- 3.3. Any information provided by the Company in documents, websites, or advertisements should not be considered financial advice.
- 3.4. Online trading on financial markets involves substantial risks, including the potential for both gains and losses. Clients are solely responsible for any losses and damages, which may result in the complete loss of invested capital. Clients should carefully evaluate the products' merits and risks, consider their own experience, knowledge, and financial capabilities, and avoid risking more than they can afford to lose.

### 4. RISKS

#### 4.1. General Risk Acknowledgement

- 4.1.1. Trading OTC Derivative Contracts (including contracts for difference) is highly speculative and involves a significant risk of loss.
- 4.1.2. OTC Derivative Contracts are not appropriate for all clients. The Client should carefully consider whether trading in such products is suitable in light of their investment objectives, financial situation, needs, experience and risk tolerance.
- 4.1.3. The Client acknowledges that by entering into OTC Derivative Contracts, they may lose the entire amount deposited as Margin and, in some market conditions, may incur losses in excess of their initial deposit, depending on the terms of the Client Agreement.

#### 4.2. Market Risk

- 4.2.1. **Price Fluctuations:** The prices of underlying reference instruments (including, without limitation, currencies, indices, commodities, equities, interest rates and other financial instruments) can be highly volatile. Small movements in the underlying market may have a proportionally larger impact on the value of a leveraged OTC Derivative Contract.
- 4.2.2. **Market Volatility and Gapping:** Markets may experience sudden and significant movements

(including "gaps") due to economic data releases, political events, corporate actions, changes

prices significantly different from the Client's requested prices, and may result in rapid and substantial losses.

- 4.2.3. **Liquidity Risk:** Under certain market conditions, it may be difficult or impossible to close or hedge a position at the expected price. This may occur, for example, when trading is halted, suspended, restricted, or when market liquidity is significantly reduced.

#### 4.3. Counterparty and Credit Risk

- 4.3.1. OTC Derivative Contracts entered into via the Platform are concluded over-the-counter on a principal-to-principal basis with the Company as counterparty. They are not traded on an exchange nor cleared by a central counterparty.
- 4.3.2. The Client is therefore exposed to the credit risk and performance risk of the Company in respect of its obligations under each OTC Derivative Contract. If the Company becomes unable to meet its obligations, the Client may suffer partial or total loss of funds.
- 4.3.3. Neither Maono Global Markets (Pty) Ltd nor Sithundhi Group (Pty) Ltd guarantees the performance or solvency of the Company.

#### 4.4. Regulatory and Legal Risk

- 4.4.1. **Regulatory Changes:** The legal and regulatory framework governing OTC Derivative Contracts, leveraged trading, market abuse and financial services may change from time to time. Changes in Applicable Law or regulatory requirements may affect the terms on which the Services are provided, the costs associated with trading, the availability of products, or the Client's ability to trade.
- 4.4.2. **Jurisdictional Restrictions:** The Client is responsible for ensuring that they are lawfully permitted, under the laws applicable in their jurisdiction, to access the Platform, enter into OTC Derivative Contracts and use the Services. Any trading in contravention of local laws is undertaken at the Client's sole risk.
- 4.4.3. **Tax Risk:** The tax treatment of OTC Derivative Contracts may differ depending on the Client's personal circumstances and jurisdiction. The Company and Maono Global Markets (Pty) Ltd do not provide tax advice. The Client is responsible for obtaining independent tax advice and for complying with their tax reporting and payment obligations.

#### 4.5. Operational and Technical Risk

- 4.5.1. **Systems and Connectivity:** Trading is conducted via electronic systems which may be subject to

hardware, software, networks, internet connectivity, power supply or third-party systems). Such events may result in delays in Execution, inability to place or modify Orders, or discrepancies between the Client's view and the server's records.

4.5.2. **Quoting and Pricing:** The Client acknowledges that the prices displayed on their device or terminal may, from time to time, differ from the prices recorded on the Company's server due to latency, connectivity issues or other technical factors. The Company's server records shall, subject to manifest error, prevail as the exclusive and final record of pricing and Transactions.

4.5.3. **Order Handling Risk:** Instructions sent by the Client may be pending in a queue, rejected, partially filled, or filled at a different price due to market conditions or system constraints. Closing, refreshing or navigating away from the order window does not guarantee that an Instruction has been cancelled.

#### 4.6. Leverage and Margin Risk

4.6.1. OTC Derivative Contracts are typically traded on margin and may involve high Leverage. Leverage magnifies both potential profits **and** potential losses.

4.6.2. A relatively small movement in the underlying market can have a material impact on the value of the Client's position and on available Margin. Adverse movements may result in Margin Calls, forced closing of positions, and/or rapid depletion of funds in the Account.

4.6.3. Failure to meet Margin Calls within the required timeframe may result in some or all of the Client's open positions being closed automatically, without prior notice, and the Client will be liable for any resulting deficits.

#### 4.7. Platform and Execution Risk

4.7.1. The speed and quality of Execution may be influenced by market conditions, the volume of orders, latency and other factors beyond the control of the Company or Maono Global Markets (Pty) Ltd.

4.7.2. There is no guarantee that an Order (including Stop Loss or Take Profit) will be executed at the exact price specified. During volatile or illiquid conditions, Orders may be executed at the next available price.

4.7.3. The Client acknowledges that placing multiple Instructions before receiving Execution results can lead to unintended Transactions, duplicate positions or premature closures. The Client is responsible for monitoring their Account and open positions.

#### 4.8. Cybersecurity and Data Risk



4.8.1. The Platform and related systems may be targeted by unauthorised access, hacking, malware, phishing attempts, data breaches or other cyber incidents.

4.8.2. While reasonable security measures are implemented, no system is entirely secure. The Client is responsible for maintaining the confidentiality and security of their login credentials and devices, enabling security features where available, and promptly notifying the Company of any actual or suspected unauthorised access.

#### **4.9. Force Majeure Risk**

4.9.1. The performance of the Company and/or Maono Global Markets (Pty) Ltd may be affected by Force Majeure Events. In such circumstances, the Company and/or Maono Global Markets (Pty) Ltd may, acting reasonably, take such steps as they consider necessary (including, without limitation, suspending the Platform, cancelling or adjusting Transactions, or closing positions) and shall not be liable for Losses arising directly or indirectly from such events, to the extent permitted by Applicable Law and the Client Agreement.

#### **4.10. Client Responsibility**

4.10.1. By using any of the Services, the Client confirms that they:

4.10.1.1. understand and accept the risks described in this Policy and the Client Agreement;

4.10.1.2. have sufficient knowledge and experience to understand the nature and risks of trading OTC Derivative Contracts; and

4.10.1.3. will not trade with funds that they cannot afford to lose.

4.10.1.4. The Client remains solely responsible for all trading decisions, for monitoring their Account and open positions, and for the consequences of their trading activity.

## **5. PROHIBITION OF INSIDER TRADING**

#### **5.1. DEFINITION:**

5.1.1. For the purposes of this Policy, "Insider Trading" refers to any trading activity involving the use of non-public, confidential, or material information about the financial instruments available on the platform ("Inside Information") for personal gain or for the benefit of others.

#### **5.2. INSIDER TRADING IS STRICTLY PROHIBITED ON THE PLATFORM. THE CLIENT SHALL NOT ENGAGE IN ANY INSIDER TRADING ACTIVITIES, INCLUDING BUT NOT LIMITED TO:**

5.2.1. Use of Inside Information: Using Inside Information obtained through any means, such as confidential reports, non-public data, or unpublished financial results, for trading purposes.

5.2.2. Sharing Inside Information: Sharing, disclosing, or providing Inside Information to any third party, including other platform users, for the purpose of facilitating Insider Trading.

5.2.3. Manipulative Practices: Engaging in manipulative practices, including spreading false or misleading information to manipulate the market prices of financial instruments available on the platform.

### 5.3. CONSEQUENCES OF INSIDER TRADING:

5.3.1. Neo Brokers Namibia (Pty) Ltd reserves the right to immediately terminate the Client Agreement and suspend or close the Client's Trading Account if any form of Insider Trading is suspected or detected.

5.3.2. We may report any instances of Insider Trading to relevant regulatory authorities and cooperate fully with any investigations. The Client shall be solely responsible for any legal consequences arising from Insider Trading.

### 5.4. CLIENT'S RESPONSIBILITY:

5.4.1. The Client By using any of the Services, the Client confirms that they:

- 5.4.1.1. understand and accept the risks described in this Policy and the Client Agreement;
- 5.4.1.2. have sufficient knowledge and experience to understand the nature and risks of trading OTC Derivative Contracts; and
- 5.4.1.3. will not trade with funds that they cannot afford to lose.

5.4.2. The Client remains solely responsible for all trading decisions, for monitoring their Account and open positions, and for the consequences of their trading activity..

## 6. LEVERAGE

6.1. Trading leveraged financial instruments, including OTC Derivative Contracts, involves a high level of risk. Under margin trading conditions, even slight movements in the underlying market can have a significant impact on the Client's Trading Account.

6.2. The Client should take into account the possibility of total loss of Initial Margin and any additional funds deposited to maintain open positions if the market moves against them. In certain circumstances, the Client may be exposed to losses beyond their Initial Margin, depending on the terms of the Client Agreement.

6.3. The Client bears full responsibility for the risks associated with the use of Leverage, including the selection of leverage ratios (where applicable), the size of positions opened, and the overall

- 6.4. Instruments traded within wide intraday price ranges or during periods of high volatility carry a particularly high probability of both profit and loss. The Client should closely monitor leveraged positions and consider reducing leverage, placing appropriate Stop Loss Orders, or closing positions where necessary to manage risk.

## 7. TRADING PLATFORM

- 7.1. The Client acknowledges that:
- 7.1.1. Only one Instruction may be processed in the order queue for a given operation at any time. Where an Instruction has already been sent to the server, any subsequent Instructions for the same operation may be rejected or ignored until the first Instruction is processed.
- 7.1.2. The Client should rely on the prices and records stored on the Company's server as the authoritative source of information. Due to network latency, system errors or other technical factors, the prices or account information displayed on the Client's terminal or device may not always reflect the prices or balances recorded on the server.
- 7.2. Closing, refreshing or navigating away from the order or position window does not guarantee that an Instruction has been cancelled or not executed. The Client is responsible for checking the status of Orders and positions by referring to the Account information available on the Platform.
- 7.3. If multiple Instructions are sent before the Client has received confirmation of the Execution or rejection of previous Instructions, this may result in unintended Transactions, duplication of Orders, or closure of positions. The Client accepts responsibility for any Losses resulting from such Instructions.
- 7.4. When modifying a pending Order, simultaneous modification of any associated Stop Loss and/or Take Profit levels will only affect the respective levels of any position opened by that Order, and will be subject to the applicable trading conditions, minimum distance requirements, and market conditions prevailing at the time of modification.
- 7.5. The Company and/or Maono Global Markets (Pty) Ltd may, from time to time and at their discretion, suspend, restrict or disable access to the Platform (or any part thereof) for maintenance, security, regulatory or other reasons. They will, where reasonably practicable, endeavour to provide prior notice, but are not obliged to do so where immediate action is required.

## 8. WARNING

- 8.1. Before using the Services, the Client should carefully read and understand the Client Agreement, this Policy and all other applicable policies and disclosures, taking into account the Client's investment objectives, financial situation, needs and risk tolerance.
- 8.2. Trading on margin and using Leverage carries a high risk of loss, including the potential loss of all funds deposited in the Account. The Client must be aware of and accept all risks involved in trading OTC Derivative Contracts, including market risk, leverage risk, counterparty risk, operational risk and regulatory risk.
- 8.3. This Policy and any other information provided by the Company or Maono Global Markets (Pty) Ltd (whether via the Website, Platform, marketing materials or otherwise) does not constitute financial advice, investment advice, tax advice or a recommendation in respect of any product, Transaction or trading strategy.
- 8.4. If the Client is uncertain about, or does not fully understand, the risks associated with OTC Derivative Contracts and online leveraged trading, the Client is strongly advised to obtain independent, professional and appropriately licensed financial, legal and tax advice before engaging in any trading activity.
- 8.5. The Client should not trade OTC Derivative Contracts unless they fully understand the nature of the products and the extent of their potential exposure to loss, and should only trade with funds that they can afford to lose without adversely affecting their financial position or obligations.

## 9. CONTACT INFORMATION

- 9.1. If you have any questions or concerns regarding this Risk Disclosure Policy, please contact our customer support team at [support@maonoglobalmarkets.com](mailto:support@maonoglobalmarkets.com).

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