ONETAPTRADE

AUTOMATED TRADING RISK DISCLOSURE

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This Disclosure forms part of the Agreement. It must be presented and accepted before any Trading Authorization is granted. It describes risks specific to automated trading; it is not a complete statement of every risk of trading.

1. The Core Risk

A Bot can lose money quickly, repeatedly, and while you are not watching. Unlike manual trading, automated execution does not pause for your judgement. A strategy that behaves as designed can still produce severe losses if market conditions move outside the conditions it was designed for. A strategy that malfunctions can produce losses faster than any human could intervene.

You can lose all of the capital in your Connected Account. With leveraged products, you can lose more than you deposited where your Broker's terms permit a negative balance.

2. Risks Specific to Automation

2.1. Malfunction and defective logic. Bots are software. Software contains errors. A defect in logic, a mis-set parameter, an unhandled edge case or an unanticipated market state can cause a Bot to open unintended positions, size them incorrectly, fail to exit, or trade repeatedly in a loss-making loop.

2.2. Runaway behaviour. A Bot may transmit a very large number of orders in a short period, generating substantial commission and slippage costs, breaching Broker rate limits, or accumulating exposure far beyond what you expected.

2.3. Absence of human judgement. A Bot does not recognise a news event, a market halt, a data error, an obviously mispriced quote, or the fact that its own assumptions have stopped holding. It executes.

2.4. No pause for events. Unless you have configured a schedule or stop condition that does so, a Bot does not suspend itself around economic releases, central bank announcements, earnings, rollovers, market holidays or unscheduled news. It trades through them on its ordinary logic. Watching the calendar is your job, not the Bot's.

2.5. Parameter error. A mistyped position size, an extra digit in a quantity, an incorrect leverage setting or a wrong instrument selection will be executed exactly as entered.

2.6. Over-fitting. A strategy optimised on historic data may capture noise rather than signal. Strong backtest results are not evidence that a strategy will work live, and can be actively misleading.

2.7. Regime change. Strategies are built for particular market conditions — trending, ranging, volatile, calm. Conditions change without notice, and a strategy that has performed well may fail abruptly.

2.8. Correlated exposure. Running several Bots does not necessarily diversify risk. Multiple Bots may take positions in correlated instruments or in the same direction, concentrating exposure rather than spreading it.

3. Technical and Infrastructure Risks

3.1. Connectivity failure. The chain from Platform to Broker to exchange may break at any point. Orders may fail to transmit, transmit late, transmit twice, or fail to cancel.

3.2. Latency and slippage. Time passes between signal, transmission, receipt and fill. In fast markets the fill price may differ materially and adversely from the price at signal.

3.3. Broker and exchange failure. Your Broker's API may be unavailable, rate-limited, delayed or defective. Exchanges may halt trading, cancel trades, widen spreads or enter auction states.

3.4. Market data failure. Data may be delayed, gapped, stale or wrong. A Bot acting on bad data will act badly.

3.5. Platform interruption. Maintenance, outage, cyberattack or force majeure may interrupt Bot operation. **Interruption may occur while positions are open**, and a Bot may be unable to manage or exit them.

3.6. Stops are not guaranteed. Stop-loss, take-profit and other risk conditions are instructions, not guarantees. In gapping, illiquid or halted markets, an order may fill far from the intended level, or not at all.

3.7. State mismatch. Platform records and Broker records may diverge temporarily. Where they diverge, **your Broker's records are definitive** for the purposes of your account.

4. Market Risks

4.1. Volatility and gapping. Prices can move sharply and discontinuously, including overnight and across weekends. A position may be far beyond its intended risk limit when the market reopens.

4.2. Leverage. Leverage magnifies loss as well as gain. Small adverse moves can produce large losses and margin calls.

4.3. Liquidation. Your Broker may close positions without notice if margin requirements are breached, at prices unfavourable to you, and irrespective of what your Bot intended.

4.4. Liquidity. Thin markets may prevent entry or exit at any reasonable price.

4.5. Costs. Commissions, spreads, financing, funding rates and taxes reduce returns. High-frequency strategies may generate costs that exceed gross profit.

5. Operational and Security Risks

5.1. Credential exposure. Your connection credentials are a route into your trading account. On MetaTrader, the Platform uses your **master (main) password** — this permits full control of trading, including opening, modifying and closing positions, even though it cannot withdraw funds. Anyone who obtains it can trade your account. Do not share it, do not reuse it elsewhere, and change it at your Broker immediately if you suspect it has been exposed. Where a venue connects by API key instead, issue a trading-only key with withdrawal and transfer permissions disabled, and apply IP restrictions where offered.

5.1a. Withdrawals sit outside the connection. Your Broker processes withdrawals only through its own client portal, using separate credentials and its own verification. The Platform has no access to that portal. This limits the damage a compromised trading credential can do, but it does not eliminate it — someone with your master password can still cause losses by trading.

5.2. Account compromise. Weak passwords, absent multi-factor authentication, malware or phishing may permit a third party to activate or alter Bots. Secure your Platform account and your Broker account independently.

5.3. Third-party and shared Bots. A Bot created by another User has not been reviewed, audited or endorsed by the Company. Performance claims may be unsubstantiated, simulated, or selectively presented.

6. What Automation Does Not Change

6.1. The positions are yours. Every position opened by a Bot is in your account, in your name, at your risk. The Company holds none of it.

6.2. Responsibility does not transfer. Activating a Bot does not transfer responsibility for outcomes to the Company. You remain responsible for monitoring, for capital allocation, for risk limits, and for your positions.

6.3. Stopping a Bot does not close positions. Deactivating a Bot, changing your password at your Broker, cancelling a subscription or closing your account halts future orders only. **Open positions remain open.** You must close or manage them yourself.

6.4. No suitability assessment has been performed. No one at the Company has assessed whether automated trading, any Bot, any instrument or any level of leverage is appropriate for you.

7. Before You Activate a Bot

You should be able to answer yes to all of the following:

- I understand the strategy this Bot implements, and the conditions in which it is expected to fail.
- I can afford to lose the entire capital allocated to this account.

- I have set position size, leverage and risk limits deliberately, and I have checked them.
- I have configured risk controls at my Broker as well as on the Platform.
- I have supplied my master password (not my investor password), and I understand it can trade my account but cannot withdraw from it.
- I know how to use the Kill Switch, and how to close positions at my Broker without the Platform.
- I will monitor this account, and I do not assume automation removes that need.
- I have considered taking independent professional advice.

8. Acknowledgement

By granting a Trading Authorization you confirm that you have read and understood this Disclosure, that you accept the risks described, that you are trading with capital you can afford to lose, and that you have made your own decision to activate automated trading without reliance on any representation by the Company.

Block D — Automated Trading Disclosure (attach at activation and to Bot performance displays)

> Automated trading carries a high risk of loss. Bots transmit orders to your own brokerage account without confirming each order with you, and can lose money rapidly while unattended. Stops are not guaranteed. Past and backtested performance does not predict future results. OneTapTrade provides technology only, holds no client funds, and does not assess suitability. You can lose all of your capital, and more where leverage permits.