UNUM PRIME

General Information Disclaimer

Please take note that the information provided to you in this risk disclaimer is intended to be general in nature and may not apply directly to your situation. Various factors, including but not limited to specific investment goals, financial products, risk tolerance, and personal circumstances can all influence the applicability of the information provided herein.

In light of your circumstances and financial position, you confirm that the Security selected is a suitable investment to achieve your investment objectives and it is important to seek personalised advice from qualified professionals prior to investing in a Security. Unum Prime makes no representations or warranties as to the accuracy, completeness, or suitability of the information contained in this disclaimer for your particular needs. By acknowledging receipt of this disclaimer, you understand and agree that your individual circumstances may differ and that you are solely responsible for evaluating the risks and implications of any financial decisions you make.

All information and/or risks disclosed are instrument related and is not intended to address the circumstances of any Client and should not be viewed as advice.

Risk Disclosure Statement

The risks inherent in investments in Securities are potentially greater than the risks in investments in traditional financial assets. Before trading and / investing in any Securities, you should ensure that you fully understand and can afford to undertake the risks involved in trading and / or investing in Securities.

The Client acknowledges that he / she understands, is aware and accepts the various risks that are involved in holding a Security and in dealing therein, in the financial markets as set out herein.

The risks and characteristics contained in this statement and outlined immediately hereunder represent some of the more general risks and characteristics prevalent in Securities. The schedule below should not be seen as exhaustive. As more risks and characteristics are identified that were not initially mentioned in this schedule, then such risks and characteristics will, as they become prevalent, be included herein.

Suitability

Prospective investors should consider whether the investment is a suitable purchase, having regard to their personal objectives, financial position and particular needs and circumstances.

Capital risk

The potential of loss of part or all of an investment, applies to all investments that are not subject to a guarantee of full return of original capital.

Return / Risk trade off

The higher investment returns the Investor wishes to receive, the higher risks he / she must be willing to take to achieve this.

Lack of diversification

Some portfolios will have high levels of exposure, concentration in a single instrument / strategy, and the thus the Investor doesn't benefit from the advantage of diversification i.e. not putting all your eggs in one basket.

Past performance persistence

The value of the investment, and income from such investment, may rise as well as fall, and past performance is not indicative, nor a guide, of future performance and there is the risk that the Client may suffer financial losses.

Price dislocation / Fat tail risk

Such higher risk investments may be subject to sudden and large fluctuations in value.

Model performance.

Some of the historical information may be based on a back-tested model portfolios / baskets of instruments, may be theoretical in nature, may not include all costs (including cost of trading), and ignores market inefficiency and slippage.

Past Performance might be theoretical.

Portfolios are on occasion marketed using theoretical or paper track records, and theoretical past performance is often an even less reliable indicator, and investors should place a lower significance on these.

The exposures / allocations indicated in graphs may differ from time to time due to market movements, fund limitations and the portfolio manager's discretion.

Exchange rates could turn against the Investment.

With foreign currency denominated investments i.e., investments in currencies other than the base currency of the Investor's portfolio, fluctuations in international currency exchange rates, will expose the offshore investment to possible currency risk and the movement of exchange rates may affect, unfavourably as well as favourably, any gain or loss on the investment or the investment itself.

Fees might be high.

Fund structures fees might be significantly higher than the fees charged on traditional investments. Investments should be made only where the potential returns justify the higher fees. The deduction of charges and expenses means that the Investor may not get back the amount initially invested.

Fees might be performance-based.

The fund manager's fees are usually performance-based. This means that the managers typically get a higher fee when their portfolios outperform specified performance targets, which might lead to riskier positions being taken. Investors need to ensure that performance fees allow for a fair sharing of both the good and the bad.

Transaction costs might be high.

Given the often-short-term nature of investment positions, portfolios are often traded more aggressively. This implies more trading commission and charges being paid from the portfolio, which is ultimately for the Client's account. Again, investments should be made only where the potential returns make up for the costs.

Alternative investment strategies may be inherently risky.

Alternative strategies may include leverage, short-selling, and high frequency / ultra short-term speculative trading. In addition, the portfolios often invest in unlisted instruments, low-grade debt, foreign currency, private equity, venture capital, private debt and other exotic instruments. All of these expose investors to additional risk.

Leverage usually means higher volatility.

The product may be leverage, this means that the instrument may include embedded gearing, or that the portfolio manager borrows additional funds, or trade on margin, in order to amplify the investment decisions. This means that the volatility of the portfolio can be many times that of the underlying investments. The degree to which leverage may be employed in any given portfolio will be limited by the mandate the Client has with the manager. The limits laid down by the mandate should be carefully reviewed in making an investment decision.

Short selling can lead to significant losses.

The fund manager may borrow securities in order to sell them short, in the hope that the price of the underlying instrument will fall. Where the price of the underlying instrument rises, the Client can be exposed to significant losses, given that the manager is forced to buy securities (to deliver to the purchaser under the short sale) at higher prices.

Unlisted instruments might be valued incorrectly.

The fund manager may invest in unlisted instruments where a market value is not determined by willing buyers and sellers. The fund manager may have to estimate the value of such instruments, and these estimates may be inaccurate, leading to an incorrect impression of the fund's value. Investors should ensure that objective valuations are performed for all instruments in a portfolio and that the manager utilises the services of a competent administrator.

Fixed income / Debt instruments may be low-grade.

Fund managers may invest in low-grade bonds, private credit and other fixed interest investments. These investments are more likely to suffer from defaults on interest or capital. They are also more likely to have volatile valuations when the market changes its view on credit risk. Investors should review the investment strategy to gain an appreciation of lowest acceptable rating and maximum percentage exposure used by the fund.

Other complex investments might be misunderstood.

Fund managers might invest in complex instruments such as but not limited to futures, forwards, swaps, options and contracts for difference. Many of these will be derivatives, which could increase volatility. Many will be "over-the-counter", which could increase counterparty risk. Many exotic instruments may also be challenging for the manager to administer and account for properly. Investors should enquire into how these instruments are objectively and independently valued.

Liquidity risk

Relates to the ability to buy and/or sell at a market-related price within a short time frame.

Certain Investments may be (become) illiquid, based on supply and demand, meaning you have to pay a significant premium/discount relative to the prevailing market quoted rate to enter or exit a position and/ or certain markets may have restrictions or limitations to the liquidity of certain Investments, and you may not be able to unwind a position as quickly as you may require.

The Client may be caught in a liquidity squeeze

Given their often-short-term nature, fund managers need to be able to disinvest from or close certain positions quickly and efficiently. But market liquidity is not always stable, and if liquidity were to decrease suddenly, the fund manager might be unable to disinvest from or close such positions rapidly or at a good price, which may lead to losses.

Interest rate risk

Some of the instruments may have a sensitivity to a change in interest rates, and interest rate movements can also affect asset price movements including but not limited to bonds, stocks and property.

Economic risks

Some markets may be more susceptible to exchange rates fluctuations, government regulation and political instability which may affect your investments. Tax regulation may be uncertain and therefore, arbitrary and excessive taxes may be imposed at inopportune times, affecting your investments.

Political risk

Investment's returns may suffer as a result of political changes or instability in a country. The instability could originate as a result of a change in government, legislative bodies or other foreign policy decision. The perceived or actual disruptions as a result of government decisions or outcomes could affect the value of your investments.

Tax risk.

A withholding tax may be applied in respect of proceeds due to you, as a result of your tax status or the status of the countries or institutions involved in your transactions. If there are any withholding taxes payable, the rules relevant to that tax jurisdiction will apply.

Changes to tax laws and policy might adversely impact the value of your investment and / or investment return. Taxation liability is the responsibility of each individual investor, and investors should obtain their own taxation advice about their prospective investment.

Default by custodian or major counter party

The Fund may make use of several key stakeholders to deliver the service, including the Prime Broker and custodian.

The Prime broker usually requires collateral and consequently such collateral might be at risk if the prime broker were to default in some way. A similar situation could occur with a default by the custodian of the Client's funds.

Counterparty Risks

Certain investments require a counterparty to the transaction. Issuer risks include credit default, systems failure, fraud, regulatory and legal risk and other unforeseen circumstances which may also have a detrimental impact on the value of your investment.

Operational risk – trade settlement, processing and clearing

The lack of standardisation across various countries / markets of clearing system for trade settlement, processing and clearing procedures may hinder and/or delay the execution and settlement of your trades.

Regulations could change.

Legal, tax and regulatory changes could occur during the term of the investor's investment that may adversely affect it. The effect of any future legal, tax and regulatory change or any future court decision on a particular type of portfolio could be substantial and adverse.

The manager may be conflicted.

The fund manager might be managing other geared portfolios or other traditional investment funds. The investor should ensure that sufficient controls are in place to manage any conflicts of interest between the different funds.

Manager accountability may be vague.

Portfolios are often managed by specific individuals and investors should ensure that sufficient controls are in place for the times when the manager is being covered for by colleagues. In addition, a fund structure (for example, a fund of funds) and its managers or advisors may rely on the trading and/or investing expertise and experience of third-party managers or advisors, the identity of which may not be disclosed to investors. This constitutes an additional risk for investors, which they must take into account.

Transparency might be low.

The fund manager's performance is often the result of unique proprietary strategies or contrarian investment positions. Managers will want to keep these strategies confidential. Managers are therefore less likely to disclose trades to their investors, and holdings might be disclosed only in part or with a significant delay.

Dealing and reporting might be infrequent.

A fund manager's performance can often be disturbed by irregular cash flows into or out of the hedge fund structure. For this reason, a fund manager often limit the frequency of investments and withdrawals. Similarly, the manager may choose to report infrequently on performance and other statistics. Investors should ascertain, prior to investing, the nature and frequency of reporting.

Withdrawals might not be easy.

The frequency of withdrawals might be limited to monthly or quarterly dates. In addition, the manager may impose notice periods or lock-ins in order to ensure that he has the necessary time for his investment positions to deliver their desired results.

Investments in Real Assets / Physical Assets

The value of, and income from, an investment in a Real Asset, which revenue is derived from holding a physical asset, may fall as well as rise based on a variety of macro-economic risks that can impact businesses operating within a country, and can include politic risks, changes in monetary policy, regulatory or tax regime, exchange rate fluctuations, shifts in government policy or regulations, introduction of economic sanctions and variations in trade flows.

Due to the nature of an investment in Real Assets, there is a risk that the asset can be damaged, destroyed or stolen, which will have a devastating effect on the investment returns.

Software / Platform Risk

Any client website, platform, software, and content are provided on an "as is" and "as available" basis. There is no warranty that the process for creating a transaction is error-free. There is an inherent risk that the software could contain weaknesses, vulnerabilities, bugs, etc., that could cause complete loss of website or the platform.

Cybersecurity

Hackers or other malicious groups or organizations may attempt to interfere with the platform or including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing.

Segregated Accounts

We are obliged to hold client funds in a separate client fund account according to the Financial Markets Act however it is important to note that this may not provide absolute protection. We closely monitor the creditworthiness of our banks but however banks are not entirely risk free.

Margin Risk

Margin requirements of the Securities are subject to change, and we reserve the right to adjust the margin requirements. You maybe be requested to put more money into your account to keep your current trades running.

Exit Costs

There might be costs involved based on market conditions when you want to exit the agreement. You might not get back the full initial value of the contract. If you want to exit early, it depends on how easy it is to trade at that time. If it's hard to find buyers or sellers, the costs of exiting could be higher. There's no cost for exiting when the contract naturally ends or at the end of its suggested holding period.

Date: 27/03/2024