

TradeZero Europe B.V - Margin Risk Disclosure Statement

TradeZero is providing this information to you to provide facts about purchasing securities on margin, and to alert you to the risks involved with trading securities on margin. Before trading securities on margin, you should understand these risks. Consult a representative at support@tradezero.nl regarding any questions or concerns you may have on margin trading.

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from TradeZero. If you choose to borrow funds from TradeZero, you will open an Advanced Account with us. The securities purchased are the firm's collateral for the loan to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, TradeZero can take action, such as issue a margin call and/or sell securities or other assets in any of your accounts held with TradeZero, in order to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

- a) **You can lose more funds than you deposit in your account(s).** If the securities you purchased on margin decline in value, you may be required to provide additional securities or cash to TradeZero to avoid the forced sale of the securities or other assets in your account(s).
- b) **TradeZero can force the liquidation of securities or other assets in your account(s).** If the equity in your account falls below the maintenance margin requirements under TradeZero's requirements, we can liquidate the securities or other assets in any of your accounts held at TradeZero to cover the margin deficiency. You also will be responsible for making up any short fall in the account after such liquidation.
- c) **TradeZero can liquidate your securities or other assets without contacting you.** Some investors mistakenly believe that TradeZero must contact them for a margin call to be valid, and that TradeZero cannot liquidate securities or other assets in their accounts to meet the call unless TradeZero as contacted them first. This is not the case. TradeZero will attempt to notify customers of margin calls, but we are not required to do so. However, even if TradeZero has contacted you and provided a specific date by which you can meet a margin call, we can still take necessary steps to protect our financial interests, including immediately liquidating the securities or other assets without notice to you.
- d) **You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.** Because the securities are collateral for TradeZero's margin loan to you, TradeZero has the right to decide which securities to liquidate in order to protect our interests.
- e) **TradeZero can increase its maintenance margin requirements at any time and is not required to provide you advance written notice.** These changes in TradeZero policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause us to liquidate or sell securities in your account(s).
- f) **You are not entitled to an extension on time on a margin call.** While TradeZero may grant you an extension of time to meet margin requirements, we are not required to do so, and you do not have a right to an extension.
- g) **Short selling is a margin transaction and entails the same risks as described above.** TradeZero can use your account(s) to buy securities to cover a short position without contacting you. If you don't have sufficient assets, you are responsible for the shortfall and collection costs.

TradeZero has an obligation to carry out all transactions in accordance with applicable laws and regulations and, where applicable, the requirements of the marketplace on which the transaction has been executed.