

General Risk Disclosure

Introduction

This document doesn't seek to explain and warn against all of the risks of dealing in Financial Instruments and Derivatives. It is exclusively created to explain the nature of the risks when dealing in the Financial Instruments and Derivatives provided by the Company and helping you – the Client – to decide upon your investments on an informed basis.

Risk Warnings

We do not recommend any Client should get involved in any investment, directly or indirectly without understanding the risks concerning each one of the Financial Instruments they are getting involved. Thus, before opening an account, the Client should carefully examine whether investing in a specific Financial Instrument is convenient for him, considering his circumstances and financial situation.

Below, we aim to highlight some of the risks that the Client may be exposed to when undertaking to trade in the financial Markets. The Client should also understand that this is not an exhaustive list but an attempt to highlight the key risks that they may face;

1. The value of any investment in Financial Instruments may fluctuate downwards or upwards, irrespective of any information which may be presented by the Company, it is even possible that the investment may become of no value.
2. The purchase and/or sale of any Financial Instrument may Client must recognize and accept this risk.
3. Prior performance of a Financial Instrument does not predict its future performance and neither does it guarantee its current value. The historical data does not ensure any safe forecast of the related Financial Instruments.
4. The Client is hereby informed that the transactions performed through the services of the Company are of a speculative nature. This means that in a short time frame large losses may take place, even equaling to the total of Client's funds deposited. In the event that such a situation arises, any negative balances are for the account of the Company and not the Client.
5. As a result of specific situations, e.g. excessive volatility in the market, some Financial Instruments may witness a huge reduction in liquidity. In the event that such a scenario occurs, the Client may not be able to sell/buy the financial instrument, acquire information of their value or transact in the market place for a period of time.
6. All the products offered by the Company are a Derivative Financial Instrument (i.e. option, future, forward, swap, contract for difference) and are therefore a non-delivery spot transaction. It allows the Client to benefit from changes on currency rates, commodity, stock market indices or share prices of the underlying asset.
7. The value of the Derivative Financial Instrument can be influenced by the price of the underlying security or any other external factor such as interest rates etc.

8. An acquisition of a Derivative Financial Instrument should be undertaken only when the Client understands the risks and potential loss of the entire funds invested and that additional charges such as commission and SWAP fees also exist.
9. As highlighted in point (5) under particular circumstances it may be impossible to execute an order.
10. Using the Stop Loss Order helps Clients to minimize his losses. Nevertheless, under certain market conditions the realization of a Stop Loss Order may be less favorable than its stipulated price and create larger losses. This is known as slippage.
11. When the quantity of Client's funds does not allow him to hold current positions open anymore, the Client will be notified and invited to deposit additional funds or reduce his exposure. This should be carried out by The Client in the time frame required, to avoid the liquidation of positions and the resulting deficit. If the Client fails to deposit funds into the account to cover their obligation, the Company will start to close out orders until such time that the Client account has sufficient funding to hold the remaining positions.
12. The Company may be forced to close the Client positions as a result of the insolvency of the company, bank or broker.
13. The liquidity providers of the Company operate in the same market as the Clients and their own involvement may be contrary to that of the interests if the Client.
14. There is a risk that the Client's trades in Financial Instruments may become subject to tax and/or any other duty. This can happen for example after changes in legislation or connected to the Client's personal situation. The Company does not guarantee that no tax and/or any other stamp duty will be payable. The Client is responsible for any taxes and/or any other duty which can occur with reference to his trading activity and should seek professional advice if in doubt.
15. The Client should know all the associated costs of traded including the commission rates; SWAP Rates and any other fees that could possibly be incurred by the Client. If needed the Client may request information from the Client Support team to clarify any issues they may have.
16. Trading with some Financial Instruments involves the use of "gearing" or "leverage". Before engagement in this form of investment, the Client should know, that the high degree of "gearing" or "leverage" is a particular feature of Derivative Financial Instruments. This is bred by the margining system. It generally includes relatively low deposit or margin in terms of the overall contract value. Then a relatively small movement in the underlying market can have a much stronger effect on the Client's trade. If this market movement is favorable for the Client, they may make substantial gains. On the other side, an adverse market movement can quickly cause the loss of the Clients' entire deposit capital and may also result in negative balances. As highlighted in point (4), the Client is not liable for negative balances.
17. The trading risk is based on the decision and understanding of the Client. At no time does the company provide any investment advice or recommendations as to when to buy or sell. The company will however publish daily reports on the markets which are for information purposes only.

This document endeavors to highlight some of the key risks that a Client is exposed when trading the Derivative Financial Markets but can't claim to highlight all of the risks. The Client is obligated to ensure that the risks they take on through such financial transactions are in line with their own personal circumstances.

The Company reserves the right to review this Risk Disclosure statement whenever it deems it necessary.

Should you have any further questions regarding the Risk Disclosure you may email our support team for further clarification or assistance.