



Product Risk Disclosure
Statement

PRODUCT RISK DISCLOSURE STATEMENT

You should consider the following risks before using our services:

1) Trading in leveraged products involves substantial risk and is not suitable for everyone.

You should carefully consider whether trading in leveraged products is suitable for you in light of your own financial position and investment objectives.

Subject to our obligation to assess the appropriateness of the Trading Platform for your circumstances, any decision whether or not to open an account, and whether or not you understand the risks is yours. It is up to you to assess whether your financial resources are adequate and what level of risk you take.

The inherent risks associated with Contract for Differences ("CFDs") means they are not suitable for an investor seeking an income from their investments as the income from such investments may fluctuate in value in money terms. An investment in an Over-the-Counter ("OTC") product, which is not readily realisable, may be difficult to sell, or obtain reliable information about its value or the extent of the risks to which it is exposed.

CFDs are not suitable for a long term investor. If you hold a CFD open position over a long period of time the associated costs increase, and it may be more beneficial to buy the underlying asset instead.

2) Trading these products involves the risk of loss as well as the potential for profit. Losses may exceed the amount of money you commit to any transaction.

Do not invest in CFDs with money you cannot afford to lose. An investment in CFDs carries a high degree of risk to the investor and, due to fluctuations in price, the investor may not get back the amount he has invested.

If the market moves adversely, you risk not only total loss of your cash, including margins and any additional funds deposited with us to maintain your position, but you may also incur further liability to us. You may be called on to increase your margin (pursuant to our Terms & Conditions) by substantial amounts at short notice to maintain your position, failing which we may have to liquidate your position at a loss for which you would be liable.

Under certain trading conditions, it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement. Placing a stop-loss order will not necessarily limit your losses to the intended amounts because market conditions may make it impossible to execute such an order at the stipulated price.

3) Price movements of these products are influenced by a variety of factors, many of which are unpredictable.

Price movements of derivative contracts are influenced by interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and national and international political and economic events and policies. In addition, governments intervene from time to time, directly and by regulation, in certain markets, particularly markets of currencies and interest rate related contracts and derivatives. Such intervention is often intended to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

4) Certain investment strategies or hedging techniques, including those involving ‘spread’ positions or ‘straddles’, may be as risky as taking simple ‘long’ or ‘short’ positions.

Although derivatives can be used for the management of investment risk, some of these products or strategies are unsuitable for many investors. Different instruments involve different levels of exposure to risk and in deciding whether to trade in such instruments you should be aware of the issues set out in this risk warning. However, this risk warning cannot disclose all of the risks and other significant aspects of such derivatives. You should not deal in derivatives unless you fully understand their nature and the full extent of your exposure to risk and losses. We have no obligation to contact you to advise upon appropriate action in light of changes in market conditions or otherwise.

You acknowledge that following execution of any transaction, you are solely responsible for making and maintaining contact with us and for monitoring open positions and ensuring that any further instructions are given on a timely basis. In the event of any failure to do so, we can give no assurance that it will be possible for us to contact you and we accept no liability for loss alleged to be suffered (or actually suffered) as a result of any failure by you to do so.

5) Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should familiarise yourself with applicable rules and attendant risks.

Trading online, no matter how convenient or efficient, has a number of risks associated with it these include, but are not limited to: error in hardware, software, internet connection or any *force majeure* event (i.e. flood, extreme weather conditions, earthquake, fire, war, insurrection, riot, labour dispute, accident, action of government, communications or power failure or equipment or software malfunction).

Positions opened with us are not traded on any exchange. The prices and other conditions are set by us, subject to any obligations we have to provide best execution, to act reasonably and in accordance with our terms and conditions, and with our order execution policy. Each CFD trade that you open through our Trading Platform results in you entering into a contract with us; these contracts can only be closed with us and are not transferrable to any other person.

CFDs do not provide any right to the underlying instruments, or in the case of CFDs referenced to shares, to voting rights.

6) Any gains or losses incurred while trading in a demo environment are not suggestive of results you may achieve when trading on a real platform.

The “*virtual*” funds available on the demo platform allow you to familiarise yourself with our Trading Platform, this may not be an indication of your success on the real platform.