

## RISK WARNING

All Clients and prospective Clients are strongly advised to read carefully the risk disclosures and warnings contained in this document, before applying to the Company for a trading and before they begin to trade with the Company.

Trading foreign exchange, indices and commodities, on margin, carries a high level of risk and may not be suitable for all individuals. The high degree of leverage can work against you as well as for you. Before deciding to invest in foreign exchange or other markets you should carefully consider your investment objectives, level of experience and risk appetite. The possibility exists that you could sustain a loss of some, or all, of your initial investment. Therefore you should not invest money that you cannot afford to lose. In some cases, it is possible to lose more than your initial investment as it is not always possible to exit a market at the price you intend upon doing so. There are also risks associated with utilising an Internet-based trade execution software application including, but not limited to, the failure of hardware and software. You should be aware of all the risks associated with investing in foreign exchange, indices and commodities and seek advice from an independent financial advisor if you have any doubts. The information made available by Blue Square FX is for your general information and use and is not intended to address your particular requirements. In particular, the information does not constitute any form of advice or recommendation and is not intended to be relied upon by users in making, or refraining from making, any investment decisions. Blue Square FX, will not accept liability for any loss or damage, including but without limitation to, any financial loss, which may arise directly or indirectly from use of or reliance on such information either provided by him or others that participate in the services provided. Please use your own good judgment and seek advice from a qualified consultant, before accepting any of the information you are given. Past performance is not necessarily a guide to future performance.

### Risks of investing in CFDs

CFDs, especially when highly leveraged (the higher the leverage of the CFD, the more risky it becomes), carry a very high level of risk. They are not standardized products. Different CFD providers have their own terms, conditions and costs. Therefore, generally, they are not suitable for most retail investors.

### Liquidity risk

Liquidity risk affects your ability to trade. It is the risk that your CFD or asset cannot be traded at the time you want to trade (to prevent a loss, or to make a profit).

### Execution risk

Execution risk is associated with the fact that trades may not take place immediately. For example, there might be a time lag between the moment you place your order and the moment it is executed.

### Internet Trading Risks

There are risks associated with utilizing an Internet-based deal execution trading system including, but not limited to, the failure of hardware, software, and Internet connection. Since Blue Square FX does not control signal power, its reception or routing via Internet, configuration of your equipment or reliability of its connection, we cannot be responsible for communication failures, distortions or delays when trading via the Internet.

### Acknowledgement

The client acknowledges and declares that he has read, understood and thus accepts without any reservation the following:

The value of the Financial Instrument (including currency pair, CFDs, or any other derivative product) may decrease and the client may receive less money than originally invested or the value of the Financial Instruments may present high fluctuations.

Information on past performance of a Financial Instrument does not guarantee the present and/or future performance; the use of historic data does not constitute a binding or safe forecast as to the corresponding future return of the Financial Instruments to which such data refers.

Some Financial Instruments may not become immediately liquid due to various reasons such as reduced demand, and the Company may not be in a position to sell them or easily obtain information on the value of such Financial Instruments or the extent of any related or inherent risk concerning such Financial Instruments.

When a Financial Instrument is negotiated in a currency other than the currency of the client's country of residence, any changes in an exchange rate may have a negative effect on the Financial Instruments' value, price and performance.

A Financial Instrument in foreign markets may entail risks different than the usual risks in the markets at the client's country of residence. The prospect of profit or loss from transactions in foreign markets is also influenced by the exchange rate fluctuations

## **Disclosure Statement**

The risk of loss in trading Foreign Exchange (FOREX), indices and commodities can be substantial. You should therefore carefully consider whether such trading is suitable for you in the light of your financial condition. In considering whether to trade or to authorise someone else to trade for you, you should be aware of the following:

If you purchase a commodity option, you may sustain a total loss of the premium and all of the transaction cost. If you purchase or sell a commodity future or sell a commodity option, you may sustain a total loss of the initial margin funds and any additional funds that you deposit with your broker to establish or maintain your position. If the market moves against your position, you may be called upon by your broker to deposit a substantial amount of additional margin funds, on short notice, in order to maintain your position. If you do not provide the required funds within the prescribed time, your position may be liquidated at a loss, and you will be liable for any resulting deficit in your account.

Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example, when the market makes a "limit move".

The placement of contingent orders by you or your trading advisor, such as a "stop-loss" or "stop-limit" order, will not necessarily limit your losses to the intended amount, since the market conditions may make it impossible to execute such orders.

The high degree of leverage that is obtainable through, for example, futures trading, options trading, Spread Betting and CFD trading can work against you as well as for you. The use of leverage can lead to large losses as well as gains. This brief statement can't disclose all the risks and other significant aspects of the commodity markets, including trading shares, currencies, and stock indices. You should therefore carefully study financial trading before you enter the financial markets with the view of buying and selling, including shorting, securities in the marketplace.

## **Disclaimer**

Blue Square FX may discuss some of the strategies he uses to trade the markets. Past performance is not a guarantee of future results. No guarantee is being made that any individual will be able to replicate hypothetical performance results. There are certain factors that can cause a sharp difference between the price that is read off the chart and the price that is actually achieved when a trader attempts to enter or exit a position. Such factors include but are not limited to, the effect of slippage on stop orders or the failure of an individual's broker to fill them at a requested price.

One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk and no hypothetical trading record can completely account for the impact of financial risk in actual trading. For example, the

ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points which can also adversely affect actual trading results. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual trading results.