
Risk disclosure and warnings notice

Version 5, April 2023

1. Introduction

- 1.1 This Risk Disclosure and Warning Notice (the 'Notice') is provided to you (hereinafter the "Client" or the "Prospective Client") in compliance with the Investment Services and Activities and Regulated Markets Law of 2017, as subsequently amended from time to time (hereinafter the "Law"), which is applicable to Key Way Investments Ltd (hereinafter the "Company").
- 1.2 All Clients and Prospective Clients should read carefully the following risk disclosure and warnings contained in this Notice, before applying to the Company for a trading account and before they begin to trade with the Company. However, it is noted that this document cannot and does not disclose or explain all the risks and other significant aspects involved in dealing in financial instruments and how these relate to the Client's personal circumstances. The Notice was designed to explain in general terms the nature of the risks involved when dealing in financial instruments on a fair and non-misleading basis.
- 1.3 By agreeing to the Company's Terms & Conditions when opening a trading account with the Company, the Client also declares that they understand the risks involved as these are presented in this Notice. It is important that the Client remains aware of the risks involved, that they have adequate financial resources to bear such risks and that they monitor their positions carefully.
- 1.4 The Company provides investment services in relation to the following Financial Instruments:
 - a) Financial contracts for differences. ("CFDs") in stocks, commodities, indices and currency pairs (FX), etc., and;
 - b) Transferable Securities (hereinafter the "Securities")

For the purposes of this Notice, CFDs and Securities may be referred to jointly as 'Financial Instruments'. However, the risks the Client may be exposed to vary, depending on the types of Financial Instruments they invest in.

2. Charges and taxes

- 2.1 The Provision of Services by the Company to the Client is subject to fees and charges; more information is available on the [Company's website](#). Before the Client begins to trade or accept any services from the Company, he should obtain details of all fees, commissions, charges and taxes for which the Client will be liable. The Company reserves the right to amend its fees, commissions and charges at any time, and the client shall be notified of such amendments accordingly. However, it is advised that the Client should check on random basis if any changes were implemented on the Company's Policies.
- 2.2 The Company may change its charges at any time, according to the provisions of the [Client Agreement](#) found on the Company's website.
- 2.3 There is a risk that the Client's trades in any Financial Instruments may be or become subject to tax and/or any other duty for example because of changes in legislation or his personal circumstances. The Company does not warrant that no tax and/or any other stamp duty will be payable. The Company does not offer tax advice and recommends the Client to seek advice from a competent tax professional if the Client has any questions.
- 2.4 The Client is responsible for any taxes and/or any other duty which may accrue in respect of his trades.
- 2.5 It is noted that taxes are subject to change without notice.
- 2.6 If required by applicable Law, the Company shall deduct at source from any payments due to the Client such amounts as are required by the tax authorities to be deducted in accordance with applicable Law.
- 2.7 It is possible that other costs, including taxes, relating to Clients' transactions in Financial Instruments carried out on the Trading Platform to arise, for which the Client is liable and which are neither paid via us nor imposed by the Company. Although it is the Client's sole and entire responsibility to account for tax due and without derogating from this, the Client agrees that the Company may deduct tax, as may be required by the applicable law, with respect to his trading activity on the Trading Platform. The Client is aware that the Company has a right of set-off against any amounts in the Client's Trading Account with respect to such tax deductions.
- 2.8 It is noted that the Company's prices in relation to CFDs trading are set/quoted in accordance with the Company's Best Interest and Order Execution Policy which is available on the Company's website It is noted that the Company's prices may be different from the prices reported elsewhere. The prices

displayed on the Company's Trading Platform reflects the last known available price at the moment, prior to placing any Order, however, the actual execution price of the Order may differ, in accordance with the Company's Best Interest and Order Execution Policy and Client Agreement. As such, the price that the Client receives when he opens or closes a position may not directly correspond to real time market levels at the point in time at which the sale of the CFD occurs or reflect the prices of third-party brokers/providers.

- 2.9 All prices quoted by the Company in relation to Securities are provided by Safecap Investments Ltd and are indicative of the market price at which the Clients' Orders will be executed. Clients' orders on Securities will be received by the Company and transmitted for execution to a third-party Execution Broker, EXT Ltd. Consequently, the Client runs the risk of the price at which their order on a Security is executed, deviates significantly from the required/expected price quoted by the Company.
- 2.10 Moreover, regulatory changes could give rise to unexpected and material price adjustments that could impact the Client's potential profits or losses. This may apply for certain jurisdictions more than others, it may affect the Client's investment in certain securities more than others.

3. Third Party Risks

- 3.1 It is understood that the Company will promptly place any Client money it receives into one or more segregated account(s) (denoted as 'clients' accounts') with reliable financial institutions (within or outside Cyprus or the EEA) such as a credit institution or a bank authorized in a third country. Although the Company shall exercise due skill, care, and diligence in the selection of the financial institution according to Applicable Regulations, it is understood that there are circumstances beyond the control of the Company and hence the Company does not accept any liability or responsibility for any resulting losses to the Client as a result of the insolvency or any other analogous proceedings or failure of the financial institution where the Client's money will be held.
- 3.2 The financial institution (of paragraph 3.1.) where the Client's money will be held may be within or outside Cyprus or the EEA. It is understood that the legal and regulatory regime applying to any such financial institution outside Cyprus or the EEA will be different from that of Cyprus. Hence, in the event of the insolvency or any other equivalent failure or proceeding of that person, the Client's money may be treated differently from the treatment which would apply if the money was held in a Segregated Account in Cyprus.

- 3.3 The financial institution to which the Company will pass Client money (as per paragraph 3.1.) may hold it in an omnibus account. Hence, in the event of the insolvency or any other analogous proceedings in relation to that financial institution, the Company may only have an unsecured claim against the financial institution on behalf of the Client and the Client will be exposed to the risk that the money received by the Company from a financial institution is insufficient to satisfy the claims of the Client.
- 3.4 The Company places orders for execution to a third-party Execution Venue i.e., the Company is not the Execution Venue for the execution of the Client's Orders. The Company transmits Client Orders or arranges for their execution with a third party/(ies) known as Straight Through Process (STP and is explained in the "Summary Best Interest and Order Execution Policy" found at [Best Execution Policy](#)). In the event of a lack of liquidity of the Liquidity Provider after a successful Order for the Client, the Company will not be in a position to settle the transaction for the Client (i.e., pay the Client the Difference of his successful trade).
- 3.5 With respect to trading in Securities, these shall be purchased and held by the Company in an account under the Company's name, on behalf of the Client.
- 3.6 The Clients' Securities will be pooled together with other Clients' Securities in the account under the Company's name, with its third-party Execution Broker. It may not be possible to separate one Client's Securities from those of other Clients. Hence, in a Corporate Event, that causes changes to one or more financial instruments (e.g. share consolidations, share splits, re-organisations, mergers, take-over offers (and similar), name changes and rebranding, dividend distributions, insolvency, de-listings and changes to applicable Law or regulation) the Company will use reasonable endeavours to make the necessary adjustments in Clients' accounts in a way that is fair and aligns with market practice. However, the Company may be required to close out open positions impacted by a Corporate Event. When Corporate Events (such as partial redemptions) affect some but not all of the investments held in the account under the Company's name, the Company may allocate the investments so affected to particular clients in such fair and equitable manner as the Company considers appropriate (which may without limitation involve pro-rata allocation).

4. Insolvency

- 4.1 The Company's insolvency or default or the third-party Execution Broker's insolvency of default, may lead to positions being liquidated or closed out

without the Client's consent. The third-party Execution Broker's liquidation or default, Clients' orders in Financial Instruments may be transferred to another broker.

- 4.2 In relation to trading in Securities, and more specifically in shares of listed entities, the Client runs the risk of insolvency of the specific listed entity, which may drastically reduce the value of the Client's investment. The Client may potentially lose their entire capital invested.

5. Investor Compensation Fund

- 5.1 The Company participates in the Investor Compensation Fund for clients of Investment Firms regulated in the Republic of Cyprus. Claims of the covered Clients against the Company may be compensated by the Investor Compensation Fund where the Company is unable, due to its financial circumstances. Compensation shall not exceed twenty thousand Euro (EUR 20,000) for each entitled Client. For more details, please refer to the "Investor Compensation Fund" found on our website at [Investor Compensation Policy](#).

6. Technical risks

- 6.1 The Client and not the Company shall be responsible for the risks of financial losses caused by failure, malfunction, interruption, disconnection or malicious actions of information, communication, electricity, electronic or other systems, which are not the result of gross negligence or willful default of the Company.
- 6.2 If the Client undertakes transactions on an electronic system, he will be exposed to risks associated with the system including the failure of hardware, software, servers, communication lines and internet failure. The result of any such failure may be that his order is either not executed according to his instructions or it is not executed at all. The Company does not accept any liability in the case of such a failure, not owed to the Company's gross negligence or willful default. The Company strives on a best effort basis to provide the Client with a secure and smooth online experience. However, the Client acknowledges the risk that should third parties (hackers) launch a coordinated attack against the Company systems that there may be a disruption of services that may result in Client losses. The Company does not accept any liability resulting from such attacks to the extent that the Company has taken all reasonable measures on a best effort basis to fend off such malicious actions.

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- 6.3 The Client acknowledges that the unencrypted information transmitted by e-mail is not protected from any unauthorized access.
- 6.4 At times of excessive deal flow the Client may have some difficulties to be connected over the phone or the Company's Platform(s)/system(s), especially in fast Market (for example, when key macroeconomic indicators are released).
- 6.5 The Client acknowledges that the internet may be subject to events which may affect his access to the Company's Website and/or the Company's trading Platform(s)/system(s), including but not limited to interruptions or transmission blackouts, software and hardware failure, internet disconnection, public electricity network failures or hacker attacks. The Company is not responsible for any damages or losses resulting from such events which are beyond its control or for any other losses, costs, liabilities, or expenses (including, without limitation, loss of profit) which may result from the Client's inability to access the Company's Website and/or Trading System, or delay, or failure, in sending orders or Transactions, not owed to the Company's gross negligence or willful default.
- 6.6 In connection with the use of computer equipment and data and voice communication networks, the Client bears the following risks amongst other risks in which cases the Company has no liability for any resulting loss:
- a. power cut of the equipment on the side of the Client or the provider, or communication operator (including voice communication) that serves the Client;
 - b. physical damage (or destruction) of the communication channels used to link the Client and provider (communication operator), provider, and the trading or information server of the Client;
 - c. outage (unacceptably low quality) of communication via the channels used by the Client, or the Company or the channels used by the provider, or communication operator (including voice communication) that are used by the Client or the Company;
 - d. wrong or inconsistent with requirements settings of the Client Terminal;
 - e. untimely update of the Client Terminal;
 - f. the use of communication channels, hardware and software, generate the risk of non-reception of a message (including text messages) by the Client from the Company;
- malfunction or inoperability of the Platform, which also includes the Client Terminal.

6.7 The Client may suffer financial losses caused by the materialization of the above risks, the Company accepting no responsibility or liability in the case of such a risk materializing and the Client shall be responsible for all related losses he may suffer, to the extent that these are not owed to the Company's gross negligence or willful default.

7. Trading Platform

7.1 The Client is warned that when trading in an electronic platform he assumes the risk of financial loss which may be a consequence of amongst other things:

- a. failure of Client's devices, software and poor quality of connection;
- b. the Company's or Client's hardware or software failure, malfunction or misuse;
- c. improper work of the Client's equipment;
- d. wrong setting of Client's Terminal;
- e. delayed updates of Client's Terminal

7.2 The Client acknowledges that only one Instruction is allowed to be in the queue at one time. Once the Client has sent an Instruction, any further Instructions sent by the Client are ignored and the "orders is locked" message appears until the first Instruction is executed.

7.3 It is understood that the connection between the Client Terminal and the Company's Server may be disrupted at some point and some of the Quotes may not reach the Client Terminal.

7.4 The Client acknowledges that when the Client closes the order placing/ deleting window or the position opening/closing window, the Instruction, which has been sent to the Server, shall not be cancelled.

7.5 Orders may be executed one at a time while being in the queue. Multiple orders from the same Client Account in the same time may not be executed.

7.6 The Client acknowledges that when the Client closes the Order, it shall not be cancelled.

7.7 In case the Client has not received the result of the execution of the previously sent Order but decides to repeat the Order, the Client shall accept the risk of making two Transactions instead of one.

7.8 The Client acknowledges that if the Pending Order has already been executed but the Client sends an instruction to modify its level, the only instruction, which

will be executed, is the instruction to modify Stop Loss and/or Take Profit levels on the position opened when the Pending Order triggered.

8. Communication between the Client and the Company

- 8.1 The Client shall accept the risk of any financial losses caused by the fact that the Client has received with delay or has not received at all any notice from the Company.
- 8.2 The Client acknowledges that the unencrypted information transmitted by e-mail is not protected from any unauthorized access.
- 8.3 The Company has no responsibility if unauthorized third persons have access to information, including electronic addresses, electronic communication and personal data, access data when the above are transmitted between the Company and the Client or when using the internet or other network communication facilities, telephone, or any other electronic means.
- 8.4 The Client is fully responsible for the risks in respect of undelivered Company Online Trading System internal e-mail messages sent to the Client by the Company as they are automatically deleted within 3 (three) calendar days.

9. Force Majeure Events

- 9.1 In case of a Force Majeure Event the Company may not be in a position to arrange for the execution of Client Orders or fulfil its obligations under the agreement with the Client found at [Terms and Conditions](#). As a result, the Client may suffer financial loss.
- 9.2 The Company will not be liable or have any responsibility for any type of loss or damage arising out of any failure, interruption, or delay in performing its obligations under this Agreement where such failure, interruption or delay is due to a Force Majeure event.

10. Abnormal Market Conditions

- 10.1 The Client acknowledges that under Abnormal Market Conditions the period during which the Orders are executed may be extended or it may be impossible for Orders to be executed at declared prices or may not be executed at all.

10.2 Abnormal Market Conditions include but not limited to times of rapid price fluctuations of the price, rises or falls in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted, or there is lack of liquidity, or this may occur at the opening of trading sessions.

11. Protection Rights

11.1 When a Financial Instrument is traded in a currency other than the currency of the Client's country of residence, any changes in the exchange rates may have a negative effect on its value, price and performance and may lead to losses for the Client.

12. Conflicts of interest

12.1 When the Company deals with the Client, the Company, an associate, a relevant person or some other person connected with the Company may have an interest, relationship or arrangement that is material in relation to the Transaction/Order concerned or that it conflicts with the Client's interest.

The following includes the major circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more Clients, as a result of providing investment services:

- a) the Company's bonus scheme may award its employees based on the trading volume etc.;
- b) the Company may receive or pay inducements to or from third parties due to the referral of new Clients or Clients' trading.

12.2 For more information about the conflicts of interest and the procedures and controls that the Company follows to manage the identified conflicts of interest, please refer to the Company's Summary Conflicts of Interest Policy found on the Company's website at [Conflict of interest Policy](#).

13. Appropriateness

13.1 The Company requires the Client to pass through an appropriateness test during the application process and warns the Client if trading in Financial

Instruments is not appropriate for him, based on the information provided. Any decision whether or not to open a Trading Account, and or whether or not you understand the risks lies with you.

- 13.2 Unlike CFDs, Securities and more particularly shares of listed entities are considered 'non-complex' financial instruments. These are not appropriate for short-term investors. Nevertheless, as with any investment in financial instruments, the Client needs to understand the risks involved, of losing their entire investment.

14. Information on risks associated with trading in Securities

The price or value of an investment in Securities will depend on fluctuations in the financial markets. Past performance is no indicator of future performance. Investment risks in Securities include country risk, risks emanating from the specific characteristics of a Security including the location or domicile of the issuer and underwriter, nature of corporate rights that are associated with a Security etc.

Trading Shares is only appropriate for those customers who fully understand the risks and, ideally, have previous trading experience. If unsure, it is advisable to seek independent advice.

An indicative analysis of the risks is provided below:

Liquidity risk: The liquidity of a Security is directly affected by the supply and demand for that Security and also indirectly by other factors, including market disruptions or infrastructure issues, such as a lack of sophistication or disruption in the securities settlement process. Under certain trading conditions, it may be difficult or impossible to liquidate or acquire a position. This may occur, for example, at times of rapid price movement if the price rises or falls to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit your losses to intended amounts, but market conditions may make it impossible to execute such an order at the stipulated price.

Credit Risk: The risk that the issuer or guarantor of a Security is not able, usually for financial reasons, to repay principal and/or interest in relation to the product or to meet its financial obligations in relation to the product, with resulting loss to the investor.

Market Risk: Market volatility may result in the price of a Security moving significantly from the time of receipt of a client order to the time of order execution. Clients should be aware that there are risks associated with volatile markets, especially at or near the open or close of the standard trading session and these risks include, but are not limited to:

- Execution at a substantially different price from the last reported price at the time of Order entry, as well as partial executions or execution of large orders in several transactions at different prices;
- Delays in executing orders for Securities that our Execution Broker must send to exchanges and/or manually routed or manually executed orders;
- Opening prices that may differ substantially from the previous day's close;
- Locked (the Bid equals the Ask) and crossed (the Bid is higher than the Ask) markets, which may prevent the execution of Client orders;

Price volatility: is one factor that can affect order execution. When there is a high volume of Orders in the market, order imbalances and backlogs can occur. This implies that more time is needed to execute the pending orders. Such delays are usually caused by the occurrence of different factors:

- a. the number and size of orders to be processed;
- b. the speed at which current quotations (or last-sale information) are provided to the Execution Broker and other brokerage firms; and
- c. the system capacity constraints applicable to the given exchange, as well as to the Execution Broker and other firms.

Currency Risk: Where the Securities the Client chooses to trade in are denominated in currencies other than the default currency of the Client/s Account (e.g. EUR), fluctuations in foreign exchange rates may impact the Client's potential profits and losses.

Operational Risk: Operational risk, such as breakdowns or malfunctioning of essential systems and controls, including IT systems, can have an impact on the Client's trading.

Business risk: risks relating to the business performance of entities the Client chooses to invest in by trading in certain Securities, which include the businesses of such entities being run poorly; it is noted that corporate decisions affecting a business' personnel, organization, operations et al. can have a serious impact on the value of the Client's investment.

Voting Rights: Clients may not have voting rights for any of the Securities they invest in, (these include voting rights with respect to corporate actions such as

tender offers, rights offerings etc.). Furthermore the Client may not have the opportunity to exercise any voting rights attached to the Securities they invest in.

Dividends: The payment of dividends by a company is not guaranteed. Furthermore, in case of stock dividends (i.e. dividends paid in stock rather than cash), dividends might be received either in the form of shares or in the cash equivalent. of the value to the number of Shares to which the position will be entitled. Additionally, Clients' Securities might be subject to corporate actions such as stock splits.

15. Information on risks associated with complex financial instruments over the counter (otc)

15.1 Trading CFDs can put Client's capital at risk as CFDs are categorized as high risk complex Financial Instruments and Clients may lose more than the capital/margin used to open one position, such losses may extend to the loss of the Client's entire deposited amount held by the Company. Trading CFDs may not be suitable for all investors (refer to section 13).

The investment decisions made by the Clients are subject to various markets, currencies, economic, political or business risks etc., and will not necessarily be profitable.

The Client acknowledges and without any reservation accepts that, notwithstanding any general information which may have been given by the Company, the value of any investment in Financial Instruments may fluctuate either upwards or downwards. The Client acknowledges and without any reservation accepts the existence of a substantial risk of incurring losses and damages as a result of buying or selling any Financial Instrument and acknowledges his willingness to take such risk.

Set out below is an outline of the major risks and other significant aspects of CFDs trading.

- a) Trading in CFD is VERY SPECULATIVE AND HIGHLY RISKY and is not suitable for all members of the general public but only for those investors who:
 - a. understand and are willing to assume the economic, legal and other risks involved;
 - b. taking into account their personal financial circumstances, financial resources, lifestyle and obligations are financially able to assume the loss of their entire investment;
 - c. have the knowledge to understand CFDs trading and the Underlying assets and Markets.

- b) The Company will not provide the Client with any advice relating to CFDs the Underlying Assets and Markets or make investment recommendations including occasions where the Client shall request such advice and/or recommendation. However, the Company may provide the Client with information and tools produced by third parties on an “as is” basis (i.e. the Company does not approve, or endorse, or affect the said information and or tools), which may be indicative of trading trends or trading opportunities. The Client accepts and understands that taking any actions based on the information and/or tools provided by third parties may result in losses and/or general reduction of the value of the Client’s assets. The Company does not accept liability for any such losses resulting from actions taken by the Client on the basis of information and or tools produced by third parties.
- c) CFDs are derivative financial instruments deriving their value from the prices of the underlying assets/markets in which they refer to (for example currency, equity indices, stocks, metals, indices futures, forwards etc.). It is important therefore that the Client understands the risks associated with trading in the relevant underlying asset/ market because fluctuations in the price of the underlying asset/ market will affect the profitability of his trade. For more information regarding the Company’s pricing policy, please refer to the Company’s Summary Best Interest and Order Execution Policy found at [Best Interest and Order Execution](#)
- d) Information on the previous performance of CFDs the Underlying Assets and Markets does not guarantee its current and/or future performance. The use of historical data does not constitute a binding or safe forecast as to the corresponding future performance of the CFDs to which the said information refers.
- e) Volatility:
- Some Financial Instruments trade within wide intraday ranges with volatile price movements. Therefore, the Client must carefully consider that there is a high risk of losses. The price of a Financial Instrument is derived from the price of the Underlying Asset in which the Financial Instruments refers to. Financial Instruments and related Underlying Markets can be highly volatile. The prices of Financial Instruments and the Underlying Asset may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the Client or the Company. Under certain market conditions it may be impossible for a Client Order to be executed at declared prices leading to losses. The prices of Financial Instruments and the Underlying Assets will be influenced by, among other things, changing the supply and demand relationships, governmental,

agricultural, commercial and trade programs and policies, national and international political and economic events and the prevailing psychological characteristics of the relevant marketplace.

f) Liquidity:

Liquidity risk refers to the capacity to readily monetize assets without suffering a significant discount in their prices. The Client accepts and acknowledges that the Underlying Instruments on some Derivative Products on offer by the Company may be inherently illiquid or sometimes face persistent liquidity strains due to adverse market conditions. Illiquid Underlying Assets may exhibit high levels of volatility in their prices and consequently a higher degree of risk, this typically leads to larger gaps in ASK and BID prices for an Underlying Instrument than would otherwise prevail under liquid market conditions. These large gaps may be reflected on the prices of the Derivative Product that the Company offers.

g) Off-exchange transactions in Derivative Financial Instruments:

CFDs offered by the Company are off-exchange transactions (i.e. over-the-counter). The trading conditions are set by us (in line with the trading conditions received by our liquidity providers), subject to any obligations we have to provide the best execution, to act reasonably and in accordance with our Client Agreement and with our Best Interest and Order Execution Policy. Each CFD trade that the Client opens through our Trading Platform results in the entering of an Order with the Company; such Orders can only be closed with the Company and are not transferable to any other person.

While some off-exchange markets are highly liquid, transactions in off-exchange or non-transferable derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an Open Position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Prices need not be quoted, and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what a fair price is.

The Company is using an Online Trading System for transactions in CFDs which does not fall into the definition of a Regulated Market or Multilateral Trading Facility and as such does not have the same protection.

h) No Clearing House protection:

The Transactions in the Financial Instruments offered by the Company are not currently subject to exchange or clearing house requirements /obligations.

i) No Delivery:

It is understood that the Client has no rights or obligations in respect to the Underlying Assets/Instruments relating to the CFDs he is trading. There is no delivery of the Underlying Asset and all CFD contracts are settled in cash.

j) Suspensions of Trading:

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 if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a Stop Loss will not necessarily limit the Client's losses to the intended amounts, because market conditions may make it impossible to execute such an Order at the stipulated price. In addition, under certain market conditions the execution of a Stop Loss Order may be worse than its stipulated price and the realized losses can be larger than expected.

k) Slippage:

Slippage is the difference between the expected price of a Transaction in a CFD or, and the price the Transaction is actually executed at. Slippage often occurs during periods of higher volatility (for example due to news events) making an Order at a specific price impossible to execute and also when large Orders are executed when there may not be enough interest at the desired price level to maintain the expected price of trade.

l) Leverage and Gearing:

In order to place a CFD Order, the Client is required to maintain a margin. The Margin is usually a relatively modest proportion of the overall contract value. This means that the Client will be trading using "leverage" or "gearing". This means a relatively small market movement can lead to a proportionately much larger movement in the value of the Client's position, and this can work either against the Client or for the Client.

At all times during which the Client opens trades, they must maintain enough equity, consider all running profits and losses, for meeting the margin requirements. If the market moves against the Client's position and/or Margin requirements are increased, the Client may be called upon to deposit additional funds on short notice to maintain his position. Failing

to comply with a request for a deposit of additional funds, may result in a closure of his position(s) by the Company on his behalf.

It is important that you monitor your positions closely because the effect of leverage and gearing speed the occurrence of profits or losses. It is your responsibility to monitor your trades and while you have open trades you should always be in a position to do so.

m) Margin:

The Client acknowledges and accepts that, regardless of any information which may be offered by the Company, the value of CFDs may fluctuate downwards or upwards and it is even probable that the investment may become of no value. This is owed to the margining system applicable to such trades, which generally involves a comparatively modest deposit or margin in terms of the overall contract value, so that a relatively small movement in the Underlying Market can have a disproportionately dramatic effect on the Client's trade. If the Underlying Market movement is in the Client's favour, the Client may achieve a good profit, but an equally small adverse market movement may result in the loss of the Client's entire deposit.

The Company may change its Margin requirements, according to the provisions of the Client Agreement found on the Company's website at [Terms and Conditions](#).

n) Contingent Liability Investment Transactions:

Contingent liabilities are potential obligations that may be assumed by the Client depending on the outcome of an event that was beyond any person's control and/or expectations. For example, in case whereby due to the extreme volatility of the underlying instrument the Client has sustained losses that exceeded his balance with the Company (i.e. he has generated a negative balance with the Company), the Client may be then called to pay an amount equal to these losses.

o) Risk-reducing Orders or Strategies

The Company makes available certain Orders (e.g. "stop-loss" orders, where permitted under local law, or "stop-limit" Orders), which are intended to limit losses to certain amounts. Such Orders may not be adequate given that markets conditions make it impossible to execute such Orders, e.g. due to illiquidity in the market. We aim to deal with such Orders fairly and promptly but the time taken to fill the Order and level at which the Order is filled depends upon the underlying market. In fast-moving markets a price for the level of your Order might not be available, or the market might move quickly and significantly away from the stop level before we fill it.

Strategies using combinations of positions, such as "spread" and "straddle" positions may be as risky as taking simple "long" or "short" positions. Therefore, Stop Limit and Stop Loss Orders cannot guarantee the limit of loss.

p) Swap Values

If a Client holds any positions overnight then an applicable swap charge will apply. The swap values are clearly stated on the Company's website and Platform and accepted by the Client during the account registration process as they are described in the Company's Agreement.

The swap rate is mainly dependent on the level of interest rates as well as the Company's fee for having an open position overnight. The Company has the discretion to change the level of the swap rate on each CFD at any given time and the Client acknowledges that he will be informed by the Company's websites. The Client further acknowledges that he is responsible for reviewing the CFDs specifications located on the Company's websites for being updated on the level of swap value prior to placing any order with the Company.

16. Advice and Recommendation

16.1 When placing Orders with the Company, the Company will not advise the Client about the merits of a particular Transaction or give him any form of investment advice and the Client acknowledges that the Services do not include the provision of investment advice in any of the Financial Instruments provided by the Company. The Client alone will enter into Transactions and take relevant decisions based on his own judgment. In asking the Company to enter into any Transaction, the Client represents that he has been solely responsible for making his own independent appraisal and investigation into the risks of the Transaction. He represents that he has sufficient knowledge, market sophistication, professional advice and experience to make his own evaluation of the merits and risks of any Transaction. The Company gives no warranty as to the suitability of the products traded under this Agreement and assumes no fiduciary duty in its relations with the Client.

16.2 The Company will not be under any duty to provide the Client with any legal, tax or other advice relating to any Transaction. The Client should seek independent expert advice if he is in any doubt as to whether he may incur any tax liabilities. The Client is hereby warned that tax laws are subject to change from time to time.

16.3 The Company may, from time to time, and at its discretion, to provide the Client (or in newsletters which it may post on its Website or provide to subscribers via its Website or the Trading Platform or otherwise) with information, recommendations, news, market commentary or other information but not as a service.

Where it does so:

- a. the Company will not be responsible for such information;
 - b. the Company gives no representation, warranty or guarantee as to the accuracy, correctness or completeness of such information or as to the tax or legal consequences of any related Transaction;
 - c. this information is provided solely to enable the Client to make his own investment decisions and does not amount to investment advice or unsolicited financial promotions to the Client;
 - d. if the document contains a restriction on the person or category of persons for whom that document is intended or to whom it is distributed, the Client agrees that he will not pass it on to any such person or category of persons;
 - e. the Client accepts that prior to dispatch, the Company may have acted upon it itself to make use of the information on which it is based. The Company does not make representations as to the time of receipt by the Client and cannot guarantee that he will receive such information at the same time as other clients.
- 16.4 It is understood that market commentary, news, or other information provided or made available by the Company are subject to change and may be withdrawn at any time without notice.

17.No Guarantees of Profit

17.1 The Company provides no guarantees of profit nor of avoiding losses when trading in Financial Instruments. The Company cannot guarantee the future performance of the Client's Trading Account, promise any specific level of performance, or promise that the Client's investment decisions or strategies, will be successful/profitable. The Customer has received no such guarantees from the Company or from any of its representatives. The Customer is aware of the risks inherent in trading in Financial Instruments and is financially able to bear such risks and withstand any losses incurred. The Client acknowledges and accepts that there may be other additional risks apart from those mentioned above.