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## **RISK DISCLOSURE**

**RELIANTCO INVESTMENTS LTD**

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## UFX Risk Disclosure

**RISK WARNING:** CFDs are leveraged products that incur a high level of risk and can result in the loss of all your capital and may therefore not be suitable for all investors. You should not risk more than you are prepared to lose and before deciding to trade, please ensure you understand the risks involved, take the level of your experience into consideration and seek independent advice if necessary. We strictly do not provide investment advice.

You agree to use our site(s) at your own risk. This Risk Disclosure Notice should be read in conjunction with our [Terms and Conditions](#) and it should be noted that it is impossible for this Disclosure to contain all the risks and aspects involved in trading CFD's. Therefore, you need to ensure that your decision is made on a well educated and informed basis but as a minimum you should take the following into consideration:

Without limiting the foregoing, the financial services contained within this site are suitable only for traders who are able to bear the loss of all monies they invest, who understand the risks and have experience in taking risks involved in the acquisition and trade of financial contracts. The maximum loss that may be incurred by any trader is the amount of money paid by him/her to the Company, including rolling fees (if applicable in the account type) for all deals.

International currency prices are highly volatile and are very difficult to predict. Due to such volatility and in addition to the spread that our liquidity provider(s) adds to all calculations and quotes, no financial contract purchased or other service offered on our site(s) may be considered as a safe trade.

The calculation of the price to be paid (or the payout to be received) for financial contracts traded on our site(s) at the time the financial a contract is purchased or sold, is given to us by our liquidity provider(s) and is based on the availability of market information and a complex arithmetic calculation derived from best estimates of market prices, the expected level of interest rates, implied volatilities and other market conditions. The value of your financial contracts may increase or decrease based on market conditions and may be amplified due to the use of leverage which means that a relatively small market movement may lead to a proportionally much larger movement in the value of your position.

**Rollover Risk:** Trade volumes affect the amount of the rollover fee; the larger the volume traded, the larger the rollover fee. For traders who hold positions overnight rollover can add to your trading costs when you pay on the rollover and can maximize your credit when you earn on the rollover.

Subject to market conditions, Stop Loss Orders shall be executed either at the exact exchange rate selected by you, in which case the amount will be calculated automatically, or at the exact amount of loss selected by you, in which case the exchange rate will be calculated accordingly. A transaction of that nature shall be executed as soon as the distinctive ("indicative") exchange rate is found on the

electronic trading platform which, including our spread, is either identical to the order given by you, or indicates an identical amount of loss declared by you. In case no market information is available or under abnormal market conditions when our liquidity provider(s) do not transfer a price to us, the order may return an error message and could be cancelled.

**Liquidity Risk:** Liquidity risk can affect your ability to trade. Some financial instruments may not become immediately liquid as a result, for example, of reduced demand and the client may not be able to sell them or easily obtain information on the value of these financial instruments or the extent of the associated risks.

The financial contract prices (or the payout amounts) offered on the electronic trading platform may differ substantially from prices available in the primary markets where such contracts are traded. Each financial contract purchased by a trader via our site(s) is an individual Agreement made between that customer and one of our liquidity providers and is not transferable, negotiable or assignable to or with any third party. The Company does not provide a market amongst or between traders.

In Forex, the term slippage refers to the difference between the expected price of a trade and the price at which the trade is actually executed.

If the execution price is better than the price requested by the Client this is referred to as 'positive slippage'. In contrast, if the execution price is worse than the price requested by the Client this is referred to as 'negative slippage'.

Please be advised that 'slippage' is a normal market practice and a regular feature of the foreign exchange markets under conditions\* such as illiquidity and volatility due to news announcements, economic events and market openings, therefore trading according to news cannot be guaranteed.

It should be noted that the price at which a trade is executed at may vary significantly from original requested price during abnormal market conditions. This may occur, for example, at the following cases:

- a) During market opening times,
- b) During news times,
- c) During volatile periods where prices may move significantly up or down and away from declared price,
- d) Where there is 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,
- e) If there is insufficient liquidity for the execution of the specific volume at the declared price

\*Please note that this is not an exhaustive list.

We may make available to you a broad range of financial information that is generated internally or obtained from agents, vendors or partners. This includes, but is not limited to, financial market data, quotes, trading signals, news, analyst opinions and research reports, graphs or data. Market Information provided on our site(s) is not intended to be investment advice. We do not endorse or approve the market information and we make it available to you only as a service for your own convenience. UFX and its third party providers do not guarantee the accuracy, timeliness, completeness or correct sequencing of the market information or warrant any results from your use or reliance on this market information. Market Information may quickly become unreliable for various reasons including, for example, changes in market conditions or economic circumstances. Neither UFX nor the third party providers are obligated to update any information or opinions contained in any market information and we may discontinue offering market information at any time without notice.

You agree that neither UFX nor the third party providers will be liable in any way for the termination, interruption, delay or inaccuracy of any market information. You will not “deep-link”, redistribute or facilitate the redistribution of market information, nor will you provide access to market information to anyone who is not authorized by us to receive market information.

In accordance with regulatory guidelines, we adhere to strict regulations in handling our clients’ funds. To learn more, [click here](#).

**Counterparty Risk:** Is the risk that your counterparty defaults and is unable to meet its financial obligations. The Company holds the clients’ money in an account that is segregated from other Clients’ and the Company’s money, in accordance with current regulations but this may not afford complete protection.

**Prominent statement that funds are held with third party:** We aim to hold your money only in EEA regulated financial institutions which employ and have client money rules similar to ours and which are supervised by regulatory authorities of equivalent status to ours. In the unlikely event that we may hold Client money outside the EEA, the legal and regulatory regime applying to any such bank or person will be different from that of Cyprus and in the event of the insolvency or any other analogous proceedings in relation to that bank or person, your money may be treated differently from the treatment which would apply if the money was held with a bank in an account in Cyprus.

**Cryptocurrencies:** The Company may offer CFDs with Cryptocurrencies as an underlying asset. Clients trading with these Cryptocurrency CFDs should be aware that these assets are traded on unregulated digital exchanges and are not considered Financial Instruments under MiFID (Markets in Financial Instruments Directive).

There is no specific EU regulatory framework governing these products since they fall outside the scope of the MiFID regulated activities. Price feeds might change at the relevant digital exchange’s discretion at any time without notice and may lead to higher price volatility than other MiFID-recognised Financial Instruments You therefore

acknowledge that you are exposed to higher risk of capital loss when trading Cryptocurrency CFDs.

Price changes and high volatility may result in suspension of trading on exchanges or an interruption in the price and market data feed. This might adversely affect your open positions. You accept that if and when trading is resumed, your open trades will be priced at the latest price we have received from a digital exchange and there may be a price gap which may affect the value of your CFD positions negatively or positively. In case trading is not resumed then your order may expire without receiving a new price. You may incur significant profits or losses.

You acknowledge that cryptocurrency CFDs are complex and involve a high risk as well as high volatility which might result in significant losses. Cryptocurrency CFD trading may not be appropriate for investors who lack the necessary knowledge and expertise in this specific product. Therefore, you should always be fully aware and understand the specific characteristics and risks related to virtual currencies before trading on them.

Cryptocurrencies, not being a MiFID instrument, do not entitle you to any protection under the Investors Compensation Fund.

If you have any complaints or disputes concerning Cryptocurrency CFDs you will not be able to submit them to the Cyprus Financial Ombudsman.

The Rollover Fee for Cryptocurrency fees can be up to 0.5%.

Leverage limit will be set at up to 1:5 for trading on Cryptocurrency CFDs.

By trading Cryptocurrencies you acknowledge that the Company may, at its discretion, assign you to the “Alpha Traders” group. Please refer to Section 24.8 for more information on Alpha Group.

A Stop Loss order and a Take Profit order shall be placed automatically with all Market Orders. The automatic Stop Loss and Take Profit orders will be set by default to the initial margin requirement for the trade which was used to open the Market Order.

The pre-set Stop Loss and Take Profit Order can be modified by the Client only to a value smaller than the initial amount.

For example: if the initial margin requirement for a trade was \$100, the Stop Loss and Take Profit order will be set automatically at \$100 or a market rate equivalent to that amount. You may then modify the Stop Loss and Take Profit but you cannot risk more than the initial margin requirement amount. Thus, a Stop Loss or Take Profit of \$50 will be possible, but a Stop Loss or Take Profit of \$150 will not be possible.

This mechanism applies to Crypto Currencies only.