

## Risk Disclaimer

Prior to applying for an account you should consider carefully whether trading in FX and derivative products is suitable for you in the light of your circumstances and financial situation. FX and derivatives involve different levels of exposure to risk and, in deciding whether to trade in such instruments, you should be aware of the following points:

- a. Trading in these products carries a high degree of risk. FX and derivative trading can carry greater risks than conventional share trading. These are complex and risky products. A relatively small market movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you.
- b. You may sustain a total loss of the margin that you deposit with us to establish or maintain a position. If the market moves against you, you may be called upon to pay substantial additional margin at short notice. If you fail to do so within the required time, your position may be liquidated at a loss and you will be liable for any resulting deficit. You will be deemed to have received a notice requiring the payment of such funds, even if you are not at home or do not receive the messages we leave for you, if the notices are delivered to your nominated contact points.
- c. 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 trading in the underlying market is suspended or restricted.
- d. Placing a Stop Order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an Order if the underlying market moves straight through the stipulated price.
- e. We will not provide you with personal financial product advice relating to FX and derivative transactions and we will not make recommendations of any kind. The only advice we will give you will be as to how the trading system works.
- f. There is no clearing house for these transactions, and the settlement of these transactions is not 'guaranteed' by an exchange or clearing house.
- g. Our insolvency or default may lead to your positions being liquidated or closed out without your consent. As all deposits lodged with us are held in a segregated client account or accounts, in such circumstances those deposits would be regulated by the Corporations Act.
- h. Although by dealing with us you will not be dealing in securities, you need to be aware that you may still be subject to the Corporations Act and, in particular, the market manipulation and insider trading provisions of the Act.
- i. The obligations to you under the Terms are unsecured obligations, meaning that you are an unsecured creditor.