

# RISK DISCLOSURE

# STATEMENT PURPOSE

The purpose of the Risk Disclosure Statement (the “Statement”) is to provide you (the “Client”) appropriate information and disclosure on the nature and risks of the specific types of financial instruments offered by Globally-Investments Limited (hereafter the “Company”).

You should carefully read this Statement, and before trading in financial instruments with the Company make sure you fully understand and are able to bear the risks involved. It should be noted that this Statement does not purport to disclose or discuss all of the risks and other significant aspects of all transactions entered into with or through the Company. We outline the general nature of the risks of dealing in financial instruments on a fair and non-misleading basis. Therefore, you need to ensure that your decision is made on an informed basis and as a minimum you should be taking into consideration all the following disclosed below.

You should ensure that you understand the risks involved and take into account your level of experience, and if necessary, seek independent advice. The Client is responsible for all the losses suffered in his account.

By registering and trading with the Company, you acknowledge having read and fully understood the risks involved in trading in Contracts for Difference (“CFDs”), and that you are willing and able to bear all such risks.

## Risks Involved in Trading in CFDs

**1. Trading is very speculative and risky.** Trading in CFDs is highly speculative. CFDs are subject to many influences which may result in rapid fluctuations and reflect unforeseen events or changes in conditions with the inevitable consequence being market volatility. We cannot, and do not, guarantee the investment performance of CFDs, and past performance is no indication or guarantee of future performance.

**2. Highly Leveraged instruments.** Trading in CFDs allows you to trade the markets on a margined basis, as opposed to paying upfront the entire contract value, hence allowing you to get larger market exposure for your investment. While this can work in your favor, it can also work against you and increase your losses. We offer various leverage levels for different asset classes. Due to their leverage, CFDs may result in the loss of all of your invested capital.

However, it should be noted that the Company operates on a 'negative balance protection' basis; this means that you cannot lose more than your initial investment.

**3. Margin risk.** The Client needs to make sure that he has sufficient margin in his trading account, at all times, in order to maintain an open position. In addition, the Client needs to continuously monitor any open positions in order to avoid positions being closed due to the unavailability of funds; it should be noted that the Company is not responsible for notifying you for any such instances but may do so.

**4. Market conditions.** Financial markets may fluctuate rapidly to reflect events that are outside the control of the Company and/or your control; as a result, prices will become volatile. One form of price volatility is 'gapping', which occurs when there is a sudden shift in prices from one level to another. This can be caused, for example by unexpected economic events or market announcements, within or outside trading hours. Consequently, the Company may be unable to execute your instructions at the requested price. This may also occur when there is insufficient underlying liquidity in the market.

**5. Conflicts of Interests.** The Company is the counterparty to all transactions the Client enters into and, as such, the Company's interests may be in conflict with the Client's.

**6. Prices are set by the Company.** The Company determines the prices of all instruments offered on its website. Accordingly, the prices may be different from prices reported or quoted elsewhere. The Company will provide the prices to be used in trading and valuation of the Client's positions in accordance with its trading policies and procedures. As such, the prices may not directly correspond to real time market levels at any specific point in time. CFDs must be opened and closed with us, and you will not be able to settle a transaction with any other entity.

**7. Rights to underlying assets.** Entering or holding a CFD does NOT provide the Client with any rights in respect of the underlying instruments or assets, including any title or ownership right, right to receive dividends or paid interest, etc.

**8. One-click order.** Once the Client places an order, it is immediately received by the Company for execution. The Client cannot reverse or cancel such order after making it (but can always close the transaction at the relevant price).

**9. Execution risk.** A delay in execution may occur for various reasons, such as technical issues with your internet connection to the servers of the platform or the trading servers. In such circumstances, the price offered by us may change before we receive your order. If you place an order and the price changes before the order is received, the order will be accepted at the new price.

**10. Platform risk.** There are risks in trading through the Company's online platform. These include but are not limited to: Software errors and bugs, delays in telecommunications systems, interrupted service, data supply errors, faults or inaccuracies and security breaches; Data of users of the platform may be visible to others, institutions or brokers may be able to see your orders and other communications relating to trading and execution without your consent (or ours) and that third parties (including persons on private networks) will have the ability to attach to your network; System failures: If the platform is suspended for any reason whatsoever, you may have difficulties in executing orders or using any other services provided through the platform. In such cases other communication forms may be available for such services, but we cannot guarantee such failures shall not occur, and shall not be liable if they do; and We may

limit the total volume of trades you may have outstanding at a given time, which could prevent or delay execution of your orders, at your risk.

**11. Counterparty risk.** As we are the counterparty to every transaction, the Client will have an exposure to us in relation to each transaction. The settlement of a transaction will be reliant on our ability to meet our counterparty obligations to you to settle the relevant contract. If we default on our obligations, you may become an unsecured creditor in an administration or liquidation and will not have recourse to any underlying assets in the event of our insolvency.

**12. The Company is not an adviser or a fiduciary to customer.** Where the Company provides any information regarding the financial markets and the CFDs, which may include generic market recommendations, analyses, reports, market update and the likes of those, whether provided directly to the Client or to the public in general (together, the “Market Information”), such information does not constitute any personal recommendation or investment advice and do not consider any of the Client’s personal circumstances or investment objectives, nor is it an offer to trade, or the solicitation of an offer to trade, in any CFD. Each decision taken by the Client to trade in CFDs with the Company and each decision as to whether a transaction is appropriate or proper for the Client is an independent decision made by the Client. The Company is not acting as an advisor or serving as a fiduciary to the Client. The Client agrees that the Company has no fiduciary duty to the Client and is not responsible for any liabilities, claims, damages, costs and expenses, including attorneys’ fees, incurred in connection with the Client following information provided by the Company, and the Client should not be taking or avoiding any action based upon any such information.

**13. Market Information not guaranteed.** Any Market Information provided by the Company, is based solely on the judgment of its personnel and should be considered as such. The Client acknowledges that it enters into any transactions relying on his/her own judgment. Any Market Information provided may or may not be consistent with the market positions or intentions of the Company and/or its affiliates. The Market Information is based upon information believed to be reliable, but the Company cannot and does not guarantee the accuracy or completeness thereof or represent that following it will reduce or eliminate the risk inherent in trading CFDs.

**14. No guarantees of profit.** There are no guarantees of profit nor of avoiding losses when trading in CFDs. The Client has received no such guarantees from the Company or from any of its representatives. The Client is aware of the risks inherent in trading CFDs and is financially able to bear such risks and withstand any losses incurred.

**15. Costs, Swap Value and Other Considerations.** Prior to investing in CFDs the Client needs to be aware of any costs involved, such as spread(s) and swap(s). For the purposes of this Statement, a swap means the interest added or deducted for holding a position open overnight. The swap for a position held open overnight from Wednesday to Thursday is three times that of other days; the reason for this is that the value date of a trade held open overnight on a Wednesday would normally be Saturday, but since banks are closed, the value date is Monday and the client incurs an extra 2 (two) days of interest. From Friday to Monday swap is charged once.