

## Risk Disclosure Statement

This brief statement does not disclose all of the risks and other significant aspects of trading in derivatives. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Trading in derivatives is not suitable for many members of the public. You should carefully consider whether trading is appropriate for you in the light of your experience, objectives, financial resources and other relevant circumstances. It is advisable to seek independent advice, if necessary.

The inherent concept of Derivatives means that they are not suitable for an investor seeking an income from his investments because the income from such investments may fluctuate in value in money terms. For an investment in an OTC product, which is not a readily realizable investment, it may be difficult to sell or realize the investment and obtain reliable information about its value or the extent of the risks to which it is exposed.

The profit or loss in transactions in foreign currency-denominated contracts will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

Transactions in derivatives carry a high degree of risk. The amount of initial margin is small relative to the value of derivatives contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit. This may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice to maintain your position.

The placing of certain orders (e.g. "stop-loss" orders), which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

Trading on an electronic trading system may differ not only from trading in a traditional market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all.

The views and statements in this website are believed to be accurate and in so far as it is possible are given without responsibility for any inaccuracy or omission of fact or opinion of any value whatsoever on the part of **Global Tradewaves Limited**.