

## **Risk Disclosure**

This Risk Disclosure is intended to disclose information connected with the trade operations conducting at the financial markets, contains description of all possible risks and other material respects of foreign currency trade. Trade operations conducting at the foreign-exchange markets open wide field for trade and let Customers that are ready to take risk to obtain high margin.

Terms used in this statement are fully identical with the terms interpretation that are used in the Trading operations regulation.

### 1. Trading conditions

1.1. Prior to the trading account opening you should take your time to read and accept the following documents:

- Risk Disclosure;
- Trading Regulation;
- Customer Orders Processing and Execution Regulation;
- Customer Agreement;
- PAMM accounts trade Procedures.

### 2. Credit Leveraging Effect

2.1. During trade conducting under the conditions of margin trade, price rate fluctuation may lead to the changes in the trading account balance. The sum of the initial deposit comparatively small to the sum of the positions being opened that is why the Leverage is used in trades and it is the margin trade principle. Risks, incidental to foreign-exchange trade, highly increase due to the high credit leveraging, provided by the deposit. An additional point is that if the market trend is opposite to your position, it may be necessary that you deposit additional assets for the position support; otherwise the position may be automatically closed. It may happen that you will have to deposit such assets at first request.

### 3. Orders Setting for Risks Reduction

3.1. Setting of the particular order types (for example, Stop loss order) that is directed for the limitation of the losses at the Customer account is not always efficient.

Market environment can make such orders execution impossible at the stated prices due to the vast intraday range of the price changes.

The Company's trading software is automatically closing your position(s), if the account equity at any moment equals to or is less than 20% or 100% (depending on the account type) from the profit margin used for the Customer's account. With the particular market situation the position(s) closing at the previously set level may turn out to be impossible. That is why you may suffer unforeseen loss, and scarcity of funds may develop at your account. Granting of Limit orders is connected with the same risks.

#### 4. Contract Specification

4.1. Prior to trading you should obtain complete explanations on the Contract specification. Contract specification includes definition of such terms as brokerage, spread and swap. Amount of such payments may reduce your profit (if there is a profit) and to increase the losses. Information on the payments is at the following link:

[http://www.fx-trend.com/trading\\_terms/](http://www.fx-trend.com/trading_terms/)

#### 5. Risks beyond the control of the Company

5.1. The Customer is absolutely responsible for his/her own risks in the cases of:

- Customer program software failures occurrence;
- Ignorance of the trade platform settings;
- Releasing of the credentials to third party at the real account opening;
- Unauthorized crack of the private email of the Customer by the third party;
- Reading with the delay of the information sent to the Customer's email account;
- Any other force-majeure circumstances from the Customer side.