



# General Risk Disclosure



## Risk disclosure

This risk disclosure is intended to inform you of the risks that exist in trading activities on financial markets. You must recognize that these risks entail a chance of losing money while trading. This disclosure is informational and must not be considered a list of all possible risks.

The Client should not engage in any investment directly or indirectly in Financial Instruments unless he knows and understands the risks involved for each one of the Financial Instruments. So, prior to applying for an account the Client should consider carefully whether investing in a specific Financial Instrument is suitable for him in the light of his circumstances and financial resources.

### **Please note:**

**168 Financial Technology Co., Ltd. are not responsible for any loss or damage arising from errors in the operation of the client and/or the 168FX Services including trading signals.**

**The Client MUST acknowledge and accept that he/she runs a great risk of incurring losses and damages as a result of the purchase and/or sale of any Financial Instrument and accepts and declares that he is willing to undertake this risk.**

The Client is warned of the following risks:

1. The Company does not and cannot guarantee the initial capital of the Clients' portfolio or its value at any time or any money invested in any financial instrument.
2. The Client should acknowledge that, regardless of any information which may be offered by the Company, the value of any investment in Financial Instruments may fluctuate downwards or upwards and it is even probable that the investment may become of no value.
3. Information of the previous performance of a Financial Instrument does not guarantee its current and/or future performance. The use of historical data does not constitute a binding or safe forecast as to the corresponding future performance of the Financial Instruments to which the said information refers.
4. The Client is hereby advised that the transactions undertaken through the dealing services of the Company may be of a speculative nature. Large losses may occur in a short period of time, equaling the total of funds deposited with the Company.
5. Some Financial Instruments may not become immediately liquid as a result e.g. of reduced demand and the Client may not be in a position to sell them or easily obtain information on the value of these Financial Instruments or the extent of the associated risks.
6. When a Financial Instrument is traded in a currency other than the currency of the Client's country of residence, any changes in the exchange rates may have a negative effect on its value, price and performance.

7. A Financial Instrument on foreign markets may entail risks different to the usual risks of the markets in the Client's country of residence. In some cases, these risks may be greater. The prospect of profit or loss from transactions on foreign markets is also affected by exchange rate fluctuations.
8. A Derivative Financial Instrument (i.e. option, future, forward, swap, contract for difference) may be a non-delivery spot transaction giving an opportunity to make profit on changes in currency rates, commodity, stock market indices or share prices called the underlying instrument.
9. The value of the Derivative Financial Instrument may be directly affected by the price of the security or any other underlying asset which is the object of the acquisition.
  - 1 1. The Client must not purchase a Derivative Financial Instrument unless he is willing to undertake the risks of losing entirely all the money which he has invested and also any additional commissions and other expenses incurred.
12. Under certain market conditions it may be difficult or impossible to execute an order.
13. Placing Stop Loss Orders serves to limit your losses. However, under certain market conditions the execution of a Stop Loss Order may be worse than its stipulated price and the realized losses can be larger than expected.
14. Should the Equity of the Client be insufficient to hold current positions open, the Client may be called upon to deposit additional funds at short notice or reduce exposure. Failure to do so within the time required may result in the liquidation of positions at a loss and he will be liable for any resulting deficit.
15. A Bank or Broker through whom the Company deals or the Company itself may act in the same market as you, its own account involvement could be contrary to your interests.
16. The insolvency of the Company or of a Bank or Broker used by the Company to effect its transactions may lead to the Client's positions being closed out against your wishes.
17. The Client's attention is expressly drawn to currencies traded so irregularly or infrequently that it cannot be certain that a price will be quoted at all times or that it may be difficult to effect transactions at a price which may be quoted owing to the absence of a counter party.
18. Trading on-line, no matter how convenient or efficient, does not necessarily reduce risks associated with currency trading.
19. There is a risk that the Client's trades in Financial Instruments may be or become subject to tax and/or any other duty for example because of changes in legislation or his personal circumstances. The Company does not warrant that no tax and/or any other stamp duty will be payable. The Client should be responsible for any taxes and/or any other duty which may accrue in respect of his trades.
20. Before the Client begins to trade, he should obtain details of all commissions and other charges for which the Client will be liable. If any charges are not expressed in money terms (but for example as a dealing spread), the Client should ask for a written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms.
21. Investing in some Financial Instruments entails the use of "gearing" or "leverage". In considering whether to engage in this form of investment, the Client should be aware that the high degree of "gearing" or "leverage" is a particular feature of Derivative Financial Instruments. This stems from the margining system applicable to such trades, which generally involves a comparatively modest deposit or margin in terms of the overall contract value, so that a relatively small movement in the underlying

market can have a disproportionately dramatic effect on the Client's trade. If the underlying market movement is in the Client's favor, the client may achieve a good profit, but an equally small adverse market movement can not only quickly result in the loss of the Clients' entire deposit, but may also expose the Client to a large additional loss. In regard to transactions in derivative Financial Instruments with the Company, a derivative Financial Instrument is a nondelivery spot transaction giving an opportunity to make profit on changes in currency rates, commodity, stock market indices or share prices called the underlying instrument. The Client must not purchase derivative Financial Instrument unless he is willing to undertake the risks of losing entirely all the money which he has invested and also any additional commissions and other expenses incurred.

22. Transactions may not be undertaken on a recognized or designated investment exchange and, accordingly, they may expose the Client to greater risks than exchange transactions. The terms and conditions and trading rules may be established solely by the counterparty. The Client may only be able to close an open position of any given contract during the opening hours of the exchange. The Client may also have to close any position with the same counterparty with whom it was originally entered into. In regard to transactions in Financial Instruments with the Company, the Company is using a Trading Platform for transactions in Financial Instruments which does not fall into the definition of a recognized exchange as this is not a Multilateral Trading Facility because the Company may be in a client transaction.
23. The Company will not provide the Client with investment advice relating to investments or possible transactions in investments or make investment recommendations of any kind.
24. The Company may be required to hold the Client's 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.

### **Use of leverage**

In margin trading, leverage can have a significant impact on your trading account even with minor changes in exchange rates and instrument prices. You must understand that if the market moves opposite your open positions, your chances of losing your initial deposit and other funds intended to maintain your open positions is very high. You are fully responsible for the use of your own funds and accounting for the risks.

### **Instability of financial instruments**

The quotes of most instruments traded on financial markets may vary considerably over the course of a day, which may bring you profit as well as loss.

### Technical risks

We are not responsible for financial losses arising from malfunctions in your electronic, communication, or information systems.

When working with the client terminal, you assume the risks arising from:

- Failures in your equipment, software, and connection;
- Errors in your client terminal settings;
- Failure to update your version of the client terminal in a timely manner
- Your failure to follow the instructions for using the client terminal.

We are not responsible for errors that occur in the operation of the client terminal and will not compensate losses resulting from errors in the operation of the client terminal, because we have a non-exclusive right to use the MetaTrader trading system (client terminal) for a specific purpose and do not have the right to provide technical support.

You must understand that when concluding transactions over the phone, you may encounter difficulty getting through to an operator, especially during peak loads.

### Market risks

You agree that if market conditions become abnormal the time required to process your orders and

### Risks associated with the laws of individual governments

You also assume responsibility for trading and non-trading operations performed within countries where they are restricted or prohibited by law.

### Risks associated with the trading platform

All of your instructions are sent to our server and executed in order. Therefore, you cannot send a second order until your previous order has been executed. If a second order is received before the first is processed, the second order will be rejected. You assume responsibility for any unplanned trading operation that may be executed if you resubmit an order before being notified of the results of the first order.

You must understand that closing the order window or position window does not cancel a submitted order.

You acknowledge that only the quotes received from our server are authoritative. If there is a problem in the connection between your client terminal and our server, you can retrieve undelivered quote data from the client terminal's quote database.

### **Communication risks**

You must be aware of the risk that information sent via unencrypted email will be accessed by unauthorized parties.

We are not responsible for financial losses arising from delayed or failed receipt of a company message.

You are responsible for the security of the credentials for your Personal Area and trading accounts as well as the confidential information that we send you. We are not responsible for financial losses arising from your disclosure of this information to third parties.

### **Force majeure events**

We are not responsible for financial losses arising from force majeure events. These events are extreme and irresistible circumstances that are independent of the will and actions of the agreement participants, that cannot be foreseen, prevented, or eliminated, including but not limited to natural disasters, fires, man-made accidents and disasters, emergencies at utility works and on utility lines, DDOS attacks, riots, military actions, terrorist attacks, uprisings, civil unrest, strikes, and the regulatory acts of state- and local government authorities