

Finovative AI

RISK DISCLOSURE NOTICE

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1. Risk Disclosure Notice

Before we offer our services to you, we require you to read the following Risk Disclosure Notice.

2. Introduction

Before deciding to participate in the Forex and derivative market, you should carefully consider your level of knowledge and experience. You should have relevant and sufficient knowledge and experience of trading in Forex and derivative products to understand the risks of trading in these markets. Trading in such products must be suitable for your financial goals and risk appetite.

Forex and derivative products are leveraged, and small price movements can result in magnified gains or losses. Trading in Forex and derivatives is a high-risk activity, and you can lose more than your invested capital. Only invest money you can afford to lose. These products are complex financial instruments and require a higher level of knowledge and experience.

3. Margin Trading

Margin trading involves trading with borrowed funds and increases both potential profits and losses. A small price movement can lead to significant losses if it goes against you. If necessary, you may be required to deposit additional funds to maintain your position. This is known as a "Margin Call." There is no limit to the losses or profits from margin trading.

Ensure you fully understand margin trading and seek independent advice if needed.

4. Additional Deposits

You are responsible for maintaining sufficient margin to cover your open positions. If the margin is insufficient, you will need to deposit additional funds to maintain your position, or we may reduce or close your positions. If no action is taken, we reserve the right to close your position and you will be responsible for any resulting losses.

5. Rolling Spot Forex

A rolling spot forex contract is speculative, where profit or loss is determined by changes in exchange rates. It can be rolled indefinitely, and the contract is closed when the position is settled. You will be exposed to fluctuations in the underlying currencies.

6. Contracts for Differences (CFD)

CFDs are agreements to exchange the difference between the opening and closing values of a contract. The price of your CFD mirrors the underlying asset's price, and any profit or loss depends on the price difference. CFDs carry significant risk, and losses can exceed the initial margin you have deposited.

7. Exchange Risk

Forex and derivatives carry currency risk, as fluctuations in exchange rates may affect the profitability of your position. You may experience losses due to unexpected movements in exchange rates.

8. Liquidity Risk

Liquidity risk arises when you cannot quickly buy or sell an asset due to market conditions. It can result in a wide bid-ask spread and substantial price movement, increasing the risk of losses.

9. Market Volatility

Market prices may fluctuate rapidly, and spreads may widen during market events, such as economic news or elections. This can lead to higher costs for closing positions, and you may face losses or margin calls more quickly. Extreme market volatility may result in significant losses, especially with leveraged trading.

10. Weekend and Holiday Risk

Markets are closed during weekends and holidays, and the opening prices may differ significantly from the previous closing prices. Non-guaranteed stop-loss orders may be executed at unfavorable prices, leaving you liable for unforeseen losses.

11. Charges and Commissions

Ensure you understand all charges, commissions, and costs associated with your trading activities. All charges have been disclosed separately.

12. Client Money

We hold client funds in segregated accounts in accordance with regulatory requirements. These funds are subject to the Client Money Rules set by the regulator.

13. Execution Only

You trade on an execution-only basis, meaning that we do not provide investment advice. We may provide market information, but the decision to trade is entirely yours.

14. General

There are risks associated with using internet-based trading systems, including hardware, software, and connectivity issues. We are not liable for any communication failures or delays when trading online. The content of our website is subject to change without notice, and opinions, news, and analyses provided on the website are for informational purposes only and not investment advice.

If you have any doubts about the risks involved in Forex and derivative products, we recommend that you seek independent professional advice before proceeding. Margin trading is not suitable for everyone, and it is crucial that you understand the risks fully before committing.