

Risk Disclosure

The purpose of this document is to advise you of the possible associated risks with trading Foreign Exchange (Forex, FX) and Contracts for Difference (CFDs), as required under the market standards and VFSC. The content is based on those proposing to trade with SmartFX. Please note that this Risk Disclosure does not contain all the risks involved in trading Forex and CFDs and exist as a guide to assist the Client in acknowledging the possible risks involved. You should carefully read this document in conjunction with Client Agreement and Privacy Policy. Each Client should ensure that their decision is made on an informed basis and that they are happy with the information available to them. If you are unsure or do not understand something from this Risk Disclosure document, please seek independent financial advice.

1. Risk Warning

1.1 Trading on Margin involves a high level of risk and is not suitable for all investors.

1.2 Before deciding to participate in trading the Forex or CFDs, you should carefully consider your investment objectives, level of experience and risk appetite. Under no circumstances, do not invest money you cannot afford to lose.

1.3 Past performance of these types of investments does not guarantee any future results.

1.4 Leverage can work against you as well as for you. The leveraged nature of forex and CFDs trading means that any market movement will have an equally proportional effect on your deposited funds. The speeds with which profits or losses can occur, means that you should monitor positions closely – it is the Client's sole responsibility to monitor open trades.

1.5 There is a possibility that you could sustain a total loss of initial margin funds and be required to deposit additional funds to maintain your position. If you fail to meet any margin requirement, your position may be liquidated and you will be responsible for any resulting losses.

1.6 There are risks associated with utilizing an internet-based trading system including, but not limited to, the failure of hardware, software, and Internet connection.

2. Risk Acknowledgement.

2.1 Client acknowledges that investments in leveraged transactions are speculative, involve a high degree of risk, and are appropriate only for persons who can assume risk of loss of their margin deposit.

2.2 Client understands that because of the low margin normally required in trading over-the-counter contracts, price changes in contracts may result in the loss of Client's margin deposit.

2.3 Client warrants that he/she is willing and able, financially and otherwise, to assume the risk of trading, and in consideration of SmartFX' carrying his/her Account(s), Client agrees not to hold SmartFX responsible for losses incurred through following its trading recommendations or suggestions or those of its employees, agents or representatives.

2.4 Client recognizes that guarantees of profit or freedom from loss are impossible in trading.

2.5 Client acknowledges that he/she has received no such guarantees from SmartFX or from any of its representatives or any introducing agent or other entity with whom Client is conducting his/her SmartFX Account and not considering or relying on any such guarantees or similar representations.

2.6 The Client acknowledges that under Abnormal Market Conditions the period during which the Instructions and Requests are executed may be extended.

2.7 The Client shall accept the risk of any financial losses caused by the fact that the Client has received with delay or has not received at all any notice from SmartFX.

2.8 SmartFX has no responsibility if authorized/unauthorised third persons have access to Client's information, including electronic addresses, electronic communication, access data and personal data.

2.9 The Client is responsible for managing his/her tax and legal affairs including making any regulatory filings and payments and complying with applicable laws and regulations. SmartFX does not provide any regulatory, tax or legal advice.

2.10 Over the weekends, the various situations, Client Portal developments or world events may arise when the markets are generally closed for trading. That may cause the markets to open at a significantly different price from where they closed on Friday. You will not be able to use the MT5 Trading Platform to place or change orders over the weekend and at other times when the markets are generally closed. There is a substantial risk that stop-loss orders left to protect open positions held over the weekend will be executed at levels significantly worse than their specified price. When such events take place, you accept the risks.

2.11 In case of a Force Majeure Event the Client shall accept the risk of financial losses.

3. Third Party Risk

3.1 SmartFX may pass funds received from the Client to a third party (e.g. the liquidity provider, bank, market, intermediate broker, OTC counterparty) to hold or control in order to effect the transaction through or with that person or to satisfy the Client's obligation to provide collateral (e.g. initial margin requirement) in respect of the transaction. SmartFX has no responsibility for any acts or omissions of any third party to whom it will pass money received from the Client.

3.2 The third party to whom SmartFX will pass money may hold it in an omnibus account and it may not be possible to separate it from the Client's money, or the third party's money. In the event of the insolvency or any other analogous proceedings in relation to that third party, SmartFX may only have an unsecured claim against the third party on behalf of the Client, and the Client will be exposed to the risk that the money received by SmartFX from the third party is insufficient to satisfy the claims of the Client with claims in respect of the relevant account. SmartFX does not accept any liability or responsibility for any resulting losses.

3.3 SmartFX may deposit Client funds with a depository who may have a security interest, lien or right of set-off in relation to that money.