



# Risk Warning Notice – Spot Forex and CFD Trading

This Risk Warning Notice cannot and does not disclose all the risks and other significant aspects of spot forex and cfd trading.

You should not engage in spot forex or cfd trading unless you understand the nature of spot forex and/or cfd trading, how they work, how you make a profit or a loss and the extent of your exposure to risk and loss. Note in particular that your losses can be unlimited and no deposit or other amount you have paid (such as Initial Margin (we also call this Margin) or Variation Margin) will limit your losses. You should be satisfied that spot forex and cfd trading is suitable for you in the light of your circumstances and financial position.

Although spot forex and cfd trading can be utilised for the management of investment risk, spot forex and cfd trading are unsuitable for many investors. If you are in any doubt seek professional advice.

## General

When you engage in spot forex and cfd trading you are placing a trade in relation to movements of prices set by BizzTrade LTD Our prices relate to prices of the underlying. Our Execution Policy gives further details in relation to our prices. We can change our prices at any time, in particular having regard to changes in the underlying to which our prices relate.

Whether you make a profit or a loss depends on how our price has moved between when you opened your trade and when you closed your trade. Our terms and conditions clarify how you make a profit or a loss. Your trades with us will be subject to our terms and conditions. It is in your own best interests to read and understand them before you engage in spot forex and cfd trading with us.

Spot forex and cfd trading carries a high degree of risk. The "gearing" or "leverage" available in spot forex and cfd trading (i.e. the funds we require at the outset compared to the size of trade you can place) means that a small deposit (we call this Initial Margin or Margin) can lead to large losses as well



as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the size of any loss or profit can work against you as well as for you.

Spot forex and cfd trades are subject to payment of Variation Margin. If the market moves against you, you may be called upon to pay substantial additional Variation Margin at short notice to maintain your Open positions. If you fail to do so within the time required, your Open positions may be closed at a loss and you will be responsible for all losses. Your losses may be unlimited. You may lose all amounts you deposit with us such as Initial Margin (we also call this Margin) or Variation Margin. You have to pay us all losses you sustain as well as all other amounts payable under our terms and conditions such as interest and costs. If you decide to engage in spot forex and/or cfd trading, you must accept this degree of risk.

Spot forex and cfd trades can only be settled in cash.

As mentioned above, our prices relate to prices of the underlying; however, you do not acquire the underlying nor any rights or delivery obligations in relation to it.

Spot forex and cfd trades are not traded on or under the rules of a recognized or designated investment exchange.

Consequently, engaging in spot forex and cfd trading may expose you to substantially greater risks than investments which are so traded. Spot forex and cfd trades are legally enforceable. This means that, for example, we can take legal action to recover money you owe us.

The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts may be affected by fluctuations in foreign exchange rates.

Interest rates may affect whether you make a profit or a loss.



## Markets

You can only engage in spot forex and/or cfd trading on the markets we make available; we can change those markets. BizzTrade LTD is a company registered by the FSA in St Vincent & Grenadines.

## Collateral

If you deposit collateral with us we will agree with you in writing how that collateral will be dealt with.

## Charges

Our terms and conditions set out all charges you have to pay. Note also that charges may take the form of an additional spread.

## Volatility

The markets we offer (and our prices) are derived from related underlying markets. We have no control over movements in the underlying markets; movements in the underlying markets may be volatile and unpredictable. Those movements will affect our prices, whether or not you can open and close a trade and the price at which you can do so.

Under certain trading conditions it may be difficult or impossible to close an open position. This may occur, for example, if the price of the underlying market rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted.



# Orders

For all pending orders, the price at which they may be executed is not guaranteed and so the extent to which they may limit your loss is not guaranteed; for example, movements in the underlying may make it impossible to execute your order at the agreed execution price.



Please also note that for all orders you may sustain the loss (which your order is intended to limit) in a short period of time.

Our terms and conditions explain how orders operate; it is in your own best interest to make sure you understand how orders operate before you place an order.