



# GENERAL RISK DISCLOSURE

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### 1. Introduction

- 1.1. Fintrade Limited, is a limited liability company incorporated and registered under the laws of Mauritius, with Company number 0447 and whose registered address is at c/o Amicorp (Mauritius) Limited, 6th Floor, NeXTeracom Building, Ebene, Mauritius. The Company is authorized and regulated by the Financial Services Commission in Mauritius ("**FSC**") under the license number GB20025835 as Investment Dealer (Full Service Dealer excluding Underwriting) (hereinafter referred to as the "**Company**").
- 1.2. The Company is operating under the Securities Act 2005, the Financial Services Act 2007, the Companies Act 2001, Securities (Licensing) Rules 2007, the Anti-Money Laundering and Combatting the Financing of Terrorism and Proliferation (Miscellaneous Provisions) Act 2019 and 2020, the Financial Intelligence and Anti-Money Laundering Act 2002, as amended from time to time and any other applicable laws, rules and regulations issued by the FSC from time to time (hereinafter referred to as the "**Applicable Laws, Rules and Regulations**").
- 1.3. This notice is provided to you in accordance with the above Applicable Laws, Rules and Regulations, because you are considering dealing with the Company in certain securities provided by the Company ("**Securities**").
- 1.4. This notice cannot and does not disclose or explain all of the risks and other significant aspects involved in dealing in Securities and is solely designed to explain in general terms the nature of the risks particular to dealing in Securities provided by the Company and to help you to take investment decisions on an informed basis.

### 2. Risk Warnings

The Clients should not engage in any investment directly or indirectly in Securities unless they know and understand the risks involved for each one of the Securities. So, prior to applying for an account the Clients should consider carefully whether investing in a specific Security is suitable for them in the light of their own circumstances and financial resources.

The Clients are warned of the following risks:

- 2.1. 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 Security.
- 2.2. The Clients should acknowledge that, regardless of any information which may be offered by the Company, the value of any investment in Securities may fluctuate downwards or upwards and it is even probable that the investment may become of no value.
- 2.3. The Clients should acknowledge that they run a great risk of incurring losses and damages as a result of the purchase and/or sale of any Security and accepts that they are willing to undertake this risk.
- 2.4. Information regarding any previous performance of a Security 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 Securities to which the said information refers.
- 2.5. The Clients are 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.

- 2.6. Some Securities may not become immediately liquid as a result for instance, of reduced demand and the Client may not be in a position to sell them or easily obtain information on the value of these Securities or the extent of the associated risks.
- 2.7. When a Security is traded in a currency other than the currency of the Clients' country of residence, any changes in the exchange rates may have a negative effect on its value, price and performance.
- 2.8. A Security on foreign markets may entail risks different to the usual risks of the markets in the Clients' 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.
- 2.9. A derivative Security 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.
- 2.10. The value of the derivative Security may be directly affected by the price of the Securities or any other underlying asset which is the object of the acquisition.
- 2.11. The Clients must not purchase a derivative Security unless they are willing to undertake the risks of losing entirely all the money they have invested and also any additional commissions and other expenses incurred.
- 2.12. Under certain market conditions it may be difficult or impossible to execute an order.
- 2.13. 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.
- 2.14. Should the Equity of your account be insufficient to hold current positions open, the Client may be warned of a potential stop-out. Failure to deposit additional funds at short notice or reduce exposure within the time required may result in the liquidation of positions at a loss and you will be liable for any resulting deficit.
- 2.15. 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.
- 2.16. The insolvency of the Company or of a Bank or Broker used by the Company to effect its transactions may lead to the Clients' positions being closed out against their wish.
- 2.17. The Clients' 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.
- 2.18. Trading online, no matter how convenient or efficient, does not necessarily reduce risks associated with currency trading.
- 2.19. There is a risk that the Clients' trades in Securities may be or become subject to tax and/or any other duty for example because of changes in legislation or their personal circumstances. The Company does not warrant that no tax and/or any other stamp duty will be payable. The Clients should be responsible for any taxes and/or any other duty which may accrue in respect of their trades.
- 2.20. Before the Clients begin to trade, they should obtain details of all commissions and other charges for which they will be liable. If any charges are not expressed in money terms (but for example as a dealing spread), the Clients should ask for a written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms.

- 2.21. Investing in some Securities entails the use of “gearing” or “leverage”. In considering whether to engage in this form of investment, the Clients should be aware that the high degree of “gearing” or “leverage” is a particular feature of derivative Securities. 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 Clients’ trade. If the underlying market movement is in the Clients’ favor, the clients may achieve a profit, but an equally small adverse market movement cannot only quickly result in the loss of the Clients’ entire deposit, but may also expose the Clients to a large additional loss. In regard to transactions in derivative Securities with the Company, a derivative Security is 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. The Clients must not purchase derivative Securities unless they are willing to undertake the risks of losing entirely all the money which they have invested and also any additional commissions and other expenses incurred.
- 2.22. Transactions may not be undertaken on a recognized or designated investment exchange and, accordingly, they may expose the Clients to greater risks than exchange transactions. The terms and conditions and trading rules may be established solely by the counterparty. The Clients may only be able to close an open position of any given contract during the opening hours of the exchange. The Clients may also have to close any position with the same counterparty with whom it was originally entered into. In regard to transactions in Securities with the Company, the Company is using a Trading Platform for transactions in Securities which does not fall into the definition of a recognized exchange as this is not a Multilateral Trading Facility because the Company may be a in a client transaction.
- 2.23. The Company will not provide the Clients with investment advice relating to investments or possible transactions in investments or make investment recommendations of any kind.
- 2.24. The Company may be required to hold the Clients’ 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.

This notice cannot and does not disclose or explain all of the risks and other significant aspects involved in dealing in all Securities and investment services.

The Company reserves the right to review and/or amend its Risk Disclosure notices, at its sole discretion, whenever it deems fit or appropriate.

Our Risk Disclosure notices are not part of our Terms and Conditions of Business and are not intended to be contractually binding or impose or seek to impose any obligations on us which we would not otherwise have, but for the Applicable Laws, Rules and Regulations.