

## Risk Disclosure Statement

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**RISK WARNING:** Contracts for Difference ('CFDs') are complex financial products, most of which have no set maturity date. Therefore, a CFD position matures on the date you choose to close an existing open position. CFDs, which are leveraged products, incur a high level of risk and can result in the loss of all of your invested capital. As a result, CFDs may not be suitable for all individuals. You should not risk more than you are prepared to lose. Before deciding to trade, you should ensure that you understand the risks involved and take into account your level of experience. You should seek independent advice, if necessary.

### 1. Scope of the Notice

1.1 - The Risk Disclosure Notice ('the Notice') is provided to you in accordance with regulation on the basis that you are proposing to trade with Uniglobe Markets in CFDs.

1.2 - It should be noted that it is impossible for the Notice to contain all the risks and aspects involved in trading CFDs; you need to ensure that your decision is made on an informed basis and as a minimum you should be taking into consideration the following:

### 2. Product Description

2.2 - A CFD is an agreement to either buy or sell a contract that reflects the performance of, including amongst others, forex, precious metals, futures and shares; the profit or loss of is determined by the difference between the price a CFD is bought at and the price is sold at and vice versa. CFDs are traded on margin and it should be noted that no physical delivery of either the CFD or underlying asset is occurring. It should also be noted that when you purchase, for example, CFDs on shares you are merely speculating on the share's value to either increase or decrease.

2.2 - CFDs fluctuate in value during the day; the price movements of CFDs are determined by a number of factors including but not limited to availability of market information.

### 3. Performance

3.1 - It should be noted that past performance of CFDs is not a useful indicator of future performance.

### 4. Main Risks Associated with Transactions in CFDS

4.1 - Prior to trading CFDs, you need to ensure that you understand the risks involved. CFDs are leveraged products; therefore, they carry a higher level of risk to your capital compared to other financial products. The value of CFDs may increase or decrease depending on market conditions.

4.2 - Due to the fact that CFDs are leveraged products, engaging in CFD trading may not be suitable for you and independent advice should be sought if necessary. The potential for profit must be balanced alongside prudent risk management given the significant losses that may be generated over a very short period of time when trading CFDs.

4.3 - You should not commence trading in CFDs unless you understand the risks involved.

### 5. Capital Loss

5.1 - CFDs, which are leveraged products, incur a high level of risk and can result in the loss of all of your invested capital. However, it should be noted that Uniglobe Markets operates on a 'negative balance protection' basis; this means that you cannot lose more than your initial investment.

## 6. Credit Risk

6.1 - When trading CFDs, you are effectively entering into an over-the-counter ('OTC') transaction; this implies that any position opened with Uniglobe Markets cannot be closed with any other entity. OTC transactions may involve greater risk compared to transactions occurring on regulated markets, for example traditional exchanges; this is due to the fact that in OTC transactions there is no central counterparty and either party to the transaction bears certain credit risk (or risk of default).

## 7. Leverage (Or Gearing)

7.1 - CFD trading, unlike traditional trading, enables you to trade the markets by paying only a small fraction of the total trade value. However, it should be noted that leverage, or gearing as it is often referred to, means that a relatively small market movement may lead to a proportionately much larger movement in the value of your position. Uniglobe Markets offers flexible leverage starting from 1:1 up to 1:500. In the context of MetaTrader 4, every Friday from 21.00 until 24.00 server time, or during any other time period specified by Uniglobe Markets, the Firm sets a maximum leverage rate for opening a position of 1:100; if the latter occurs you shall be informed accordingly.

7.2 - It should be noted that the Firm shall monitor the leverage applied your positions, at all times; the Firm reserves the right to decrease the leverage depending on your trading volume.

## 8. Margin Account and Other Requirements

8.1 – Client needs to ensure that there is sufficient margin in the trading account at all times in order to maintain an open position and cover the midnight widen spread. In addition, client needs to continuously monitor any open positions in order to avoid positions being closed due to the low margin percentage; it should be noted that Uniglobe markets is not responsible for notifying clients for any such instances.

8.2 - At margin levels of 40% (Micro account type) and 70% (ECN account type) for the Uniglobe Markets platform, the firm shall automatically begin closing positions at market price, starting from the most unprofitable one.

8.3 - Trading with the help of certain additional software such as Expert Advisor etc will be allowed on sole discretion of Uniglobe Markets. If abnormal trading patterns such as Arbitrage or any unethical trades are noticed in a Trading Account then Uniglobe Markets have the right to disable the Account and/or Disallow/Cancel those trades where a minimum difference between opening and closing of a trade is less than Five minutes.

8.4 - The unethical use of arbitrage strategies and hedging is prohibited. If the Company reasonably suspects that the Client uses arbitrage & hedging in an explicit or hidden way, the Company reserves the right to take the following actions:

- a. Immediate Cancel & Close all trades of the Client.
- b. Cancel all the gained profit associated with all closed trades.
- c. Disable all trading accounts of the Client and refuse further provision of the service to the Client.

8.5 - Scalping is permitted; however, traders must operate within normal market parameters. The Company monitors trading activity to ensure fair execution and reserves the right to investigate and take action, including adjustment or cancellation of profits, where scalping is deemed excessive or abusive.

Abnormal scalping includes, but is not limited to:

- a. Exploiting price feed delays, latency, or server lag.
- b. Opening and closing multiple trades within seconds under volatile or favorable market conditions.
- c. Engaging in high-frequency, non-holding trades aimed at exploiting temporary quote discrepancies.
- d. The Company reserves full discretion to define and act upon abnormal scalping behavior to protect system integrity and fair-trading conditions.

## 9. Abnormal Market Conditions

Trading in leveraged instruments such as Forex and CFDs entails amplified exposure to the price dynamics of the underlying financial instruments. During periods of elevated volatility, reduced liquidity, or market dislocation, execution prices may deviate materially from the prices requested by the client.

**9.1 - Stop-Loss, Take-Profit, and Limit Orders:** These order types are non-guaranteed and are executed on a "best available price" basis. In conditions of extreme price movement, such orders may be filled at the next available market price, which may result in positive or negative slippage relative to the requested level.

**9.2 - Slippage and Price Gapping:** Abrupt price movements or gaps may result in orders being executed at prices significantly different from the specified levels or, in certain instances, not being executed at all. Such events may lead to unanticipated profits or losses.

**9.3 - Liquidity Risk:** During periods of market stress, trading halts, or when circuit breakers are triggered, it may be difficult or impossible to enter or exit positions at desired price levels.

**9.4 – Spread Widening:** Bid–ask spreads may widen substantially during market open/close periods, low-liquidity sessions, or in proximity to high-impact economic announcements, thereby affecting margin utilization and potential execution costs.

**9.5 - Currency Exposure:** Trading instruments denominated in currencies other than the client’s account base currency subjects the client to exchange rate fluctuations, impacting realized and unrealized profit and loss.

Clients are responsible for maintaining adequate margin levels and acknowledging that the above market conditions may result in execution outcomes materially different from expected outcomes.

## 10. Trading Platform Conditions

10.1 - You accept that the only reliable source of price related information is the Quotes represented on the real/ live server; this service may be disrupted and as a result price related information may not reach the client.

10.2 - You shall regularly consult the ‘Help’ menu or User Guide of the trading platform(s); if a conflict arises the Service Agreement shall prevail unless Uniglobe Markets determines, in its sole discretion, otherwise.

## 11. Communication

11.1 - Uniglobe Markets bears no responsibility for any loss that arises as a result of delayed or un-received communication sent to you by the Firm.

11.2 - In addition, Uniglobe Markets bears no responsibility for any loss that arises as a result of unencrypted information sent to you by the Firm that has been accessed via unauthorised means.

11.3 - Uniglobe Markets bears no responsibility for any un-received or unread internal messages sent to you through the trading platform(s); in case a message is not received or read within 7 (seven) calendar days the message gets automatically deleted.

11.4 - You are solely responsible for the privacy of any information contained within the communication received by Uniglobe Markets.

11.5 - Moreover, you accept that any loss that arises as a result of unauthorised access of a third party to your trading account is not the responsibility of Uniglobe Markets.

## **12. Force Majeure Event**

12.1 - In case of a Force Majeure Event you shall accept any loss arising.

12.2 - Further details read the 'Force Majeure Event' is available in the 'Client Agreement'.

## **13. Taxation**

13.1 - Although investing in CFDs does not involve taking physical delivery of the underlying financial instrument independent tax advice should be sought, if necessary, to establish whether you are subject to any tax, including stamp duty.

## **14. Account Review**

14.1 – Through the trading platform(s), you may review any of your trading accounts, including but not limited to open and closed positions. In addition, through Uniglobe Markets client area you may manage your account and deposit or withdraw money depending on your trading needs.

## **15. Costs and Other Consideration**

15.1 – Prior to trading CFDs you need to consider the costs involved such as spread(s) (including mark-up, if applicable), commission(s) and swap(s). Not all costs are represented in monetary terms (for example, costs may appear as a percentage of the value of a CFD). Uniglobe Markets reserves the right to change, from time to time, any of the costs applicable to trading CFDs; you understand and accept that the most up-to-date information in relation to costs is available online at the Uniglobe Markets site.

## **16. Swap Value**

16.1 – A swap is the interest added or deducted for holding a position open overnight. Depending on the position held and the interest rates of the currency pair involved in the transaction your trading account may either be credited or debited, accordingly. Your trading account is reconciled every day at 23:59:31 (server time) and the resulting amount shall be automatically converted into the currency that your trading account is denominated in.

The swap for a position opened on Wednesday and held open overnight is three times that of other days; the reason for this is that the value date of a trade held open overnight on a Wednesday would normally be Saturday, but since banks are closed, the value date is Monday and the client incurs an extra 2 (two) days of interest. From Friday to Monday swap is charged once. Please note that the rollover interest rates charged by Uniglobe Markets are based on the interbank rates; Uniglobe Markets updates such rollover interest rates as often as it deems necessary. In addition, you are responsible for checking the applicable swap value prior to placing an instruction for trading. Some trading accounts will be exempted from swaps such as; Islamic religious laws, or swap-free offers for certain time limits. Its your responsibility to check the criteria before starting trading on your account.

## **17. Geolocation Compliance for Trading Activity**

All trading activity must be conducted exclusively from the country of residence as verified in the client's KYC documentation. Trading activity initiated from any other jurisdiction, or through the use

of VPNs, proxies, or other IP-masking technologies, shall constitute a material breach of these Terms and Conditions.

In such cases, the Company reserves the right to suspend or terminate the account, nullify any profits or gains derived from such activity, and take any additional action necessary to comply with regulatory and risk management obligations.

Clients intending to travel and trade from another country are required to submit prior written notification to the Company's support team and obtain explicit written approval before engaging in trading activities from the new location. Failure to do so may result in the above measures being enforced.