SIMPLEFX

RISK DISCLOSURE AND RISK WARNING

Introduction

This Risk Disclosure and Risk Warning (the “Notice”) is intended to inform clients and prospective clients of SimpleFX (the “Company”) of the general risks associated with trading in the Company’s products and services, including but not limited to margin trading, leveraged products, foreign exchange, derivatives, commodities and other non-deliverable financial instruments.

This Notice does not disclose or explain all risks and other significant aspects involved in trading. It should be read in conjunction with the General Risk Disclosure, the Terms and Conditions, and other applicable legal documentation available on the Company’s website.

Clients should carefully consider whether trading is suitable for them in light of their financial situation, investment objectives, experience and risk tolerance.

1. General Trading Risks

Trading in financial instruments may result in losses as well as profits, even when conducted in accordance with recommendations, analyses or market information. In particular, trading in leveraged and speculative products is highly risky and not suitable for all investors.

The value of financial instruments may fluctuate rapidly and unpredictably due to market conditions, economic events, political developments or other factors beyond the control of the Client or the Company. It is possible for an investment to lose all its value.

Past performance is not indicative of future results. Historical data does not constitute a reliable forecast of future performance.

2. Margin Trading and Leverage Risks

Margin trading involves a high degree of risk due to the use of leverage (“gearing”). Because only a relatively small initial margin is required to open a position, small market movements may have a disproportionately large impact on the Client’s position.

If the market moves in the Client’s favor, profits may be magnified. However, an adverse movement may result in:

- ➔ the loss of the entire deposited margin, and
- ➔ additional losses exceeding the initial investment, including commissions and other charges.

Clients must not open positions unless they are prepared to lose all funds deposited and any additional amounts required to cover losses.

Margin requirements depend on the underlying instrument and may change at any time. The Company is not obliged to notify the Client of margin calls. If margin levels fall:

- ➔ the Company may begin closing positions when margin reaches approximately 30%, starting with the largest losing position;
- ➔ all positions may be automatically closed at market prices if margin falls below 5%.

Failure to provide additional margin may result in forced liquidation at a loss, and the Client remains liable for any resulting deficit.

3. Market and Execution Risks

Financial markets can be highly volatile. Under certain conditions, it may be impossible to execute orders at the requested price, including Stop Loss orders, which do not guarantee loss limitation.

Some instruments may become illiquid, making it difficult or impossible to close positions or obtain reliable pricing information.

Transactions are executed off-exchange through the Company's trading platform or liquidity providers and may expose the Client to greater risk than transactions executed on regulated exchanges. Trading conditions and rules are set by the Company or its counterparties.

4. No Recommendations, No Advice

The Company does not take into account any Client's individual investment objectives, financial situation or specific needs.

Unless expressly stated otherwise, all publications, content and information provided by the Company are for informational and/or marketing purposes only and shall not be construed as:

- ➔ investment, financial, legal, regulatory, tax or accounting advice,
- ➔ a recommendation, trading idea or solicitation,
- ➔ any form of encouragement to invest, divest or trade.

The Company shall not be responsible for losses arising from decisions made based on a perceived recommendation.

5. No Representation or Warranty

All publications are provided on an "as is" basis without any representation or warranty, express or implied. The Company does not guarantee that information is complete, accurate, timely or suitable.

The Company disclaims liability for:

- ➔ inaccuracies or errors in market quotations,
- ➔ delays, interruptions or omissions in information,
- ➔ discontinuation of market data.

Publications are not updated after release and may become outdated or misleading due to changing circumstances. The Company is under no obligation to update or notify recipients of changes.

Opinions expressed may be personal to the author and do not necessarily reflect the views of the Company. The Company reserves the right to amend or withdraw any publication at any time without notice.

6. Internet Trading Risks

Trading via an Internet-based platform involves risks including hardware failures, software malfunctions and Internet connectivity issues. The Company is not responsible for communication failures, delays or distortions caused by factors beyond its control.

The Company maintains backup systems and contingency plans; however, such measures do not eliminate all risks. Trading via telephone may be available where applicable.

7. Use of the Website

Use of the Company's websites is subject to the applicable Terms of Use, which form an integral part of this Notice.

The Company shall not be liable for any damage arising from access to or inability to access its websites, including damage caused by viruses, malware or other harmful code.

Accessing the Company's website does not establish a client relationship and does not impose any duty or liability on the Company.

8. Taxes and Other Charges

Clients are solely responsible for any taxes, duties or other charges arising from their trading activities. The Company does not provide tax advice and does not guarantee that no taxes or duties will be payable.