



# RISK DISCLOSURE



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## RISK DISCLOSURE AGREEMENT

In consideration of Alpex Ventures Ltd (hereafter referred to as the "Company") agreeing to engage in over-the-counter ("OTC") contracts for differences ("CFDs") and foreign exchange contracts ("FX Contracts") with the undersigned (hereinafter referred to as the "Customer," "you," or "your"), the Customer acknowledges, understands, and agrees to the following:

### 1. Trading is Highly Speculative and Risky

Trading in CFDs and FX Contracts is highly speculative, entails significant risk of loss, and is not suitable for all investors. This type of trading is intended only for customers who:

- a) fully understand and are prepared to accept the economic, legal, and other risks involved;
- b) possess substantial experience and knowledge in trading derivatives and underlying asset types; and
- c) are financially capable of assuming losses that may greatly exceed margin or deposits, as investors can lose the entire value of the contract, not just the margin or deposit.

The leverage associated with CFD trading carries a high risk of rapid loss, which may work to an investor's advantage or disadvantage.

CFDs and FX Contracts are generally inappropriate for retirement funds and are among the riskiest types of investments, potentially leading to substantial losses. The Customer represents, warrants, and agrees to the following: the Customer comprehends these risks, is willing and financially capable of bearing such risks, and that a loss of the Customer's entire account balance will not impact their lifestyle.

Before deciding to trade, Customers should evaluate whether they fully understand how CFDs function, consider all associated risks relative to their investment objectives and experience level, and determine whether they can afford the high risk of potential losses.

### 2. Risks Associated with Long CFD Positions (Purchasers of CFDs)

Holding a long CFD position involves purchasing CFDs with the expectation that the market price of the underlying asset will increase between the time of purchase and sale. As the holder of a long position, you generally profit if the market price of the underlying asset rises while your CFD position is open. Conversely, if the market price declines while your long CFD position is open, you typically incur a loss.

The potential loss on a long CFD position can exceed the initial margin deposited. Additionally, you may experience a loss if your position is closed due to insufficient liquidity in your account to cover the required margin for keeping the position open.

### 3. Risks Associated with Short CFD Positions (Sellers of CFDs)

Holding a short CFD position involves selling CFDs with the expectation that the market price of the underlying asset will decrease between the time of purchase and sale. As the holder of a short position, you generally profit if the market price of the underlying asset falls while your CFD position is open. Conversely, if the market price increases while your short CFD position is open, you will typically incur a loss.

The potential loss on a short CFD position can exceed the initial margin deposited. Additionally, you may experience a loss if your position is closed due to insufficient liquidity in your account to cover the required margin for maintaining the position.



#### **4. High Leverage and Low Margin Can Lead to Rapid Losses**

The high level of "gearing" or "leverage" is a distinct feature of CFDs and FX Contracts, making investments in these instruments significantly riskier compared to direct investments in the underlying asset. Leverage amplifies the impact of price movements due to the margin system, where only a small deposit is required relative to the transaction's size. This structure means that even minor price changes in the underlying asset can greatly influence your trade outcome.

While leverage can enhance returns when the price movement is favorable, even a small adverse movement can lead to substantial losses. In leveraged trading, losses may be limited to the balance of your account, as your account will be adjusted to zero if losses surpass the deposited amount. However, such losses can happen quickly. The higher the leverage, the greater the risk, as the leverage level partly dictates the investment's outcome.

#### **5. Margin Requirements**

The Customer must consistently maintain the minimum margin requirement on their open positions. It is the Customer's responsibility to monitor their account balance. Should the margin in the account fall below the required level, the Customer may receive a margin call to deposit additional funds. The Company reserves the right to liquidate any or all open positions if the minimum margin requirement is not met, which could result in the closure of the Customer's CFDs or FX Contracts at a loss, for which the Customer will be liable.

#### **6. Cash Settlement**

The Customer understands that CFDs and FX Contracts can only be settled in cash. The difference between the buying and selling price partially determines the outcome of the investment.

#### **7. Prices, Margin, and Valuations Are Set by the Company and May Differ from External Reports**

The Company will establish prices for trading, valuation of Customer positions, and determination of Margin requirements. The performance of your CFD or FX Contract will depend on these Company-set prices and the market fluctuations of the underlying asset linked to your contract. Each underlying asset carries specific risks that may impact the result of the relevant CFD.

#### **8. Rights to Underlying Assets**

You hold no rights or obligations concerning the underlying instruments or assets related to your CFDs or FX Contracts. The Customer understands that CFDs may be based on various underlying assets, including stocks, indices, currencies, and commodities.

#### **9. Currency Risk**

Investing in FX Contracts and CFDs with an underlying asset denominated in a currency other than your base currency involves currency risk. When a CFD or FX Contract is settled in a currency other than your base currency, the value of your return may be impacted by the currency conversion into your base currency.

#### **10. One-Click Trading and Immediate Execution**

The Company's online trading system allows for immediate transmission of a Customer's order once the notional amount is entered and the "Buy/Sell" button is clicked. This means there is no chance to review



the order after clicking “Buy/Sell,” and Market Orders cannot be canceled or modified. This feature may differ from other trading systems the Customer has used. Customers are encouraged to use the Demo Trading System to become familiar with the Online Trading System before engaging in actual trading with the Company. By using the Company’s online trading system, the Customer acknowledges and agrees to the one-click system and accepts the risks associated with this immediate transmission and execution feature.

#### **11. The Company is Not an Adviser or Fiduciary to the Customer**

The Company’s generic market recommendations are not personal recommendations or investment advice and do not consider any of your personal circumstances or investment objectives. These recommendations do not constitute an offer to buy or sell, or a solicitation of an offer to buy or sell, any Foreign Exchange Contracts or Cross Currency Contracts. Each decision to enter into a CFD or FX Contract with the Company and each decision regarding the appropriateness of a transaction is made independently by the Customer. The Company is not acting as an adviser or fiduciary to the Customer. The Customer agrees that the Company has no fiduciary duty to the Customer and is not liable or responsible for any liabilities, claims, damages, costs, or expenses, including attorneys’ fees, incurred as a result of following the Company’s generic trading recommendations or taking or refraining from any action based on any generic recommendation or information provided by the Company.

#### **12. Recommendations Are Not Guaranteed**

The Company’s generic market recommendations are solely based on the judgment of its personnel and should be viewed as such. The Customer acknowledges that they rely on their own judgment when entering any transactions. Any market recommendations provided by the Company are intended to be general in nature and may not align with the market positions or intentions of the Company and/or its affiliates. These recommendations are based on information deemed reliable, but the Company does not guarantee their accuracy or completeness, nor does it represent that following such recommendations will reduce or eliminate the risks inherent in trading CFDs and/or FX Contracts.

#### **13. No Guarantees of Profit**

There are no guarantees of profit or assurance against losses when trading CFDs and FX Contracts. The Customer acknowledges that they have received no such guarantees from the Company or any of its representatives. The Customer understands the risks inherent in trading CFDs and FX Contracts and confirms that they are financially able to bear these risks and withstand any potential losses incurred.

#### **14. Internet Trading**

When the Customer trades online (via the internet), the Company shall not be liable for any claims, losses, damages, costs, or expenses caused, directly or indirectly, by any malfunction, disruption, or failure of any transmission, communication system, computer facility, or trading software, whether belonging to the Company, the Customer, any exchange, or any settlement or clearing system.

#### **15. Quoting Errors**

Should a quoting error occur (including responses to Customer requests), the Company is not liable for any resulting errors in account balances and reserves the right to make necessary corrections or adjustments to the relevant Account. Any dispute arising from such quoting errors will be resolved based on the fair market value, as determined by the Company in its sole discretion and acting in good faith, of the relevant market at the time the error occurred. In cases where the prevailing market represents prices different from those posted on our screen, the Company will attempt, on a best-efforts basis, to execute



Transactions close to the prevailing market prices. These prevailing market prices will ultimately be reflected on the Customer statements, which may or may not adversely affect the Customer's realized and unrealized gains and losses.