



RISK DISCLAIMER

Risk Disclaimer

This notice provides you with information about the risks associated with Over-the-Counter Foreign Exchange, Commodities, Indices and Contracts for Difference transactions.

Also refer to Disclosure of Information.

High Risk Investment

Before deciding to participate in such Over the Counter (OTC) transactions, you should carefully consider your investment objectives, level of experience and risk appetite. We are required to make an assessment whether it is appropriate for you, and to warn you if, on the basis of the information you provide to us, it is not appropriate. Most importantly, do not invest money you cannot afford to lose. There is considerable exposure to risk in OTC transactions including, but not limited to, leverage, creditworthiness, limited regulatory protection and market volatility that may substantially affect the price, or liquidity of the relevant financial instrument. easyMarkets seeks to provide clients with the best execution available in accordance with our Client Agreement and with our Order Execution Policy.

Slippage

There are times when, due to an increase in volatility or volume, orders may be subject to slippage. Slippage most commonly occurs during fundamental news events or periods of limited liquidity. The volatility in the market may create conditions where orders are difficult to execute at the quoted price of the market order, and in such cases would be filled at the next price available for that order.

Liquidity

easyMarkets offers fixed spreads. However, during very rare market conditions when liquidity is reduced, spreads may be widened and deal sizes may vary. In illiquid markets, you may find it difficult to enter or exit positions at your requested price, experience delays in execution, and receive a price at execution that may be significantly different from your requested rate.

Gearing and Leverage

Furthermore, OTC Derivatives trading involves the use of leverage or gearing which means that any market movement will have an evenly proportional effect on your deposited funds. This may work in your favour or against you. The possibility exists that you could sustain a total loss of initial margin funds and be required to deposit additional funds to maintain your position. If you fail to meet any margin requirement, your position may be liquidated and you will be

responsible for any resulting losses. Because of the effect of gearing and therefore the speed at which profits or losses can be incurred you can manage exposure, by employing risk-reducing strategies such as 'stop loss' or 'limit' orders.

Internet Trading Risks

There are risks associated with utilising an Internet-based trading system including, but not limited to, the failure of hardware, software, and internet connection. easyMarkets is not responsible for communication failures or delays when trading via the Internet. easyMarkets employs back-up systems and contingency plans to minimise the possibility of system failure, and trading via telephone is always available.

Market Opinions

Any opinions, news, research, analyses, prices, or other information contained on this website are provided as general market commentary, and do not constitute investment advice. easyMarkets is not liable for any loss or damage, including without limitation, any loss of profit, which may arise directly or indirectly from use of or reliance on such information. easyMarkets has taken reasonable measures to ensure the accuracy of the information on the website. The content on this website is subject to change at any time without notice.

Rollover costs

Rollover is the simultaneous closing and opening of a position at a particular point during the day in order to avoid the settlement and delivery of the purchased currency. At the time at which positions are closed and reopened, a rollover fee is levied. Please manage positions accordingly around rollover and understand the implications of spreads widening in regard to execution with existing/open positions or new positions/orders.

Execution model

easyMarkets offers OTC trading via an automatic validation Dealing Desk execution model. easyMarkets will act as a dealer and is the counterparty to any trades that you undertake. In this model, easyMarkets compensation may not be limited to our standard markup and our interests may be in direct conflict with yours. Each transaction you open constitutes a contract with us; these contracts can be closed only with us, and are not transferable to any other person. This also means that you may be exposed to the risk of our default. In this unlikely event then we are members of the Cyprus Investor Compensation Fund (ICF) which, in respect of proven and eligible claims provides protection to cover the first €20.000 of any claim per client. easyMarkets may take steps

to mitigate risk arising from market making, including, at our sole discretion and at any time, so that easyMarkets can manage its risk more effectively.

Risk Warning: Forward Rate Agreements, Options and CFDs (OTC Trading) are leveraged products that carry a substantial risk of loss up to your invested capital and may not be suitable for everyone. Please ensure that you fully understand the risks involved and do not invest money you cannot afford to lose. Please refer to our full [risk disclaimer](#). Easy Forex Trading Ltd (CySEC – License Number [079/07](#)).