

Generalities

- This Risk Disclosure Statement provides a description of certain risks associated with Forex & CFD Trading and overall the trading Transactions provided on the platform offered by WCS. It does not disclose or explain all of the risks and other significant aspects involved in Trading Transactions. This Risk Disclosure Statement is not a substitute for the advice of a financial expert.
- This Risk Disclosure Statement forms an integral part of the Special Terms and Conditions for Forex and, thus, of the Agreement. Except if otherwise stated herein, the definitions set out in the General Terms and Conditions and the Special Terms and Conditions for Forex shall apply for the purposes of this Forex Risk Disclosure Statement.

Sensitive information is subject to greater restrictions

- Forex, CFD & Commodity Trading Transactions are highly speculative, involve an extreme degree of risk and are generally suitable only for persons who can assume and sustain a risk of loss in excess of their Margin. Forex, CFD & Commodity Trading Transactions may, by their nature, generate losses that are in theory unlimited. In the absence of prior intervention, the loss could greatly exceed all the Client's assets deposited with WCS.
- Forex, CFD & Commodity Trading Transactions are in particular highly speculative because of the significant leverage effect that can be used in such Forex Transactions. The Client can open positions for an amount much higher than his Forex Margin. A small movement in prices can generate a considerable gain or loss.
- As an example, let us assume that the Client wishes to invest EUR 10,000 in order to open a EUR/USD position with a leverage effect of 10. The Client's EUR/USD position will be 100,000. If the EUR falls in value by 1% against the USD, the Client's loss will be as much as EUR 1,000, i.e. 10% of the Client's invested amount.
- While Forex, CFD's & commodities trading Transactions sometimes offer opportunities for high profits, they at the same time bear a high risk of losses since small variations in the prices can lead to a considerable loss. In other words, the greater the leverage effect, the greater the chance of gain and the risk of loss. The Client should use the leverage effect that is suitable to him. WCS does not examine whether the leverage effect used by the Client is suitable or recommended in view of the Client's situation.
- The Client may wish to increase the Margin's very quickly in order to maintain his Open Position and avoid it being automatically liquidated. However, fluctuations in prices are often so rapid that the Client's Open Position will be liquidated automatically without the Client having time to increase the Margin. The Client also understands that a reduction in the leverage effect may lead to the automatic liquidation of his Open Positions.
- As soon as a position is opened on the trading Platform, the Client understands that it is the Client's sole responsibility to keep himself informed of the maximum applicable leverage effect and to take all consequent decisions.
- The Client recognizes and accepts that the Bank has the right to alter the maximum leverage effect at any time, without notice, for a definite or indefinite period or for clients or client groups of its choice. The Client recognizes and accepts that an alteration to the maximum leverage effect of the Client may bring about the automatic liquidation of his Open Positions.
- The exchange market, the bullion market and the markets for the other underlying assets of CFD's, Forex Instruments are extremely volatile. The movements of these markets are unforeseeable.
- These markets may also experience periods of decreased liquidity or even periods of illiquidity. This liquidity risk may affect all the participants in the market or specifically the WCS, in particular if there are changes in the liquidity provided by the WCS's counterparties. A lower liquidity may result in very rapid and hectic price movements, in wider spreads and/or in higher rejection rates. Trading Transactions aimed at excluding or limiting the risks arising from Open Positions, whether performed by the Client or by the Bank, may therefore not be feasible or may only be so at a very unfavorable price.



- The Client's sole counterparty for all the trading Transactions is WCS. The Trading Transactions may or may not be conducted via an exchange, multilateral trading facility or any similar organization.
- Trading Transactions involve for the Client the risk to lose in a very short time all his assets deposited with WCS and in some cases, an amount higher than the assets deposited with WCS, creating a liability of the Client towards WCS for the uncovered amount.

Other Risks

- In exceptional circumstances or other undesirable situations, the market rules applicable to Trading Transactions may offer wide powers to the markets, clearing houses, bodies, organizations and companies that issued the said market rules which, if exercised, may considerably impact the Open Positions of the Client or his ability to carry out trading Transactions.
- Various events may arise over a week-end or, more generally, outside the Business Days, which may cause the markets to open at a significantly different price from where they closed. Orders cannot be executed outside the Business Days. This may cause considerable losses. Stop loss orders (as defined on WCS website or on the Trading Platforms) may be executed at prices significantly worse than the price desired by the Client. The Client's open Orders may also not be cancelled outside the Business Days or outside the hours of operation of the trading Platforms.
- The insolvency of WCS or a custodian or counterparty used by WCS may result in the Client's Open Positions being liquidated against his wishes or without the Client being consulted and without prior notice.
- The risks associated with Forex Transactions are even higher if the said Transactions are made on currencies or other underlying assets directly or indirectly connected with emerging markets. Indeed, many emerging markets lack a strong infrastructure. Telecommunications are generally poor, and banks and other financial systems are not always well developed, well regulated and well integrated. These countries may also have considerable external debt which could affect the proper functioning of their economies with a corresponding adverse impact on the performance of their markets. Tax regimes may be subject to the risk of a sudden imposition of arbitrary or onerous taxes, which could adversely affect investors.
- Forex Transactions bear risks inherent to Internet and technology, as described in the General Terms and Conditions. Such risks include risks associated with latency, which the Client shall reduce by ensuring that his IT and mobile devices used for carrying out Forex transactions benefit from the fastest possible internet connectivity.
- For any further information regarding the risks, the Client should refer to the brochure "Special risks linked to securities trading" available on WCS's website, in particular the page related to the risk in investing in commodities.

Client's Situation

- In the light of the risks described in this Risk Disclosure Statement, the Client should carry out Transactions only if he understands the nature of such transactions and the extent of his exposure to such risks, and if such transactions are suitable for him. Transactions are not suitable for many members of the public.
- The Client undertakes to analyze his personal (in particular financial and tax) situation carefully before trading in Forex Instruments including CFD's, commodities and indices. The Client confirms that he has the necessary financial resources for all the Forex Transactions that he carries out or Orders to be carried out. The Client will only invest assets that he can afford to lose without having to change his standard of living, and the Client will cease trading in Instruments if his personal situation no longer permits it. The Client understands that only assets that are not required for meeting the current expenses of his household and that are proportionate to his income and other assets should be placed at risk by Forex Transactions. The may be considered by WCS as "risk capital". The Client understands that he should not carry out Transactions if he is seeking a regular or a safe return.





- The Client is solely responsible for deciding whether the Forex, CFD, & Commodities Transactions that he carries out are suitable in view of his personal (in particular financial and tax) situation, his investment objectives and other relevant circumstances. The Client further agrees that transactions is certainly not suitable for retirement funds.
- In case of doubt, the Client should seek independent financial advice.

Management and Monitoring of open Positions

- The Client is solely responsible for the management and monitoring of his Open Positions and open Orders.
- In order to limit the extent of the risks, the Client may want to consider using different types of orders, such as Stop orders, Trailing Stop orders, One Cancels the Other (OCO) orders, If Done orders or If Done One Cancels the Other orders, as defined on the Bank's website or on the Forex Platforms. The Client acknowledges that placing such Orders may not necessarily guarantee limitation of the risk since, in certain market conditions, such Orders may not be executed. Indeed, depending on the circumstances, such as the liquidity available on the market, the Bank will not be able to execute such Orders at the price the Client desires, and WCS shall not be liable for that. The Client remains responsible for any Transaction executed at prices that differ from his Order.
- The Client acknowledges that he shall frequently consult his Account, and in particular continually monitor the Margin when he has one or several Open Positions or open Orders in his Account.
- WCS has no obligation to cease entering into Trading Transactions when the Client suffers losses and/or the assets on the Account decrease, even substantially.

Client's Confirmations

As of the date of the opening of the Account, the date of any Transaction in relation to the Account and any date on which the Agreement or any part thereof is revised, updated or amended, the Client confirms to WCS and agrees to the following for the benefit of WCS that:

- The Client acknowledges and understands that trading in Forex, CFD's Instruments is highly speculative, involves an extreme degree of risk and is generally suitable only for persons who can assume and sustain a risk of loss in excess of their Margin
- The Client acknowledges and understands all the risks associated with Forex, CFD's, indices and commodities Trading Transactions, in particular the risk resulting from the use of a significant leverage effect, the volatility of the markets, the liquidity risk, the legal risks resulting, in particular, from the market rules applicable to Transactions, the technology risks and any other risks that may lead to a loss or any other Damage. The Client confirms that he is willing to assume these risks.
- The Client acknowledges that he has read and understood the General Terms and Conditions and the (TOB) Terms of Business, as well as the information contained in the documents to which these Terms and Conditions for Forex refer, and in particular the Bank's website, the Trading Rules and the various prospectuses, fact sheets and other information sheets available on the WCS website or on any Forex Platform.
- The Client in particular confirms that he has understood the explanations about any restrictions to use Forex Platforms, the leverage effect and the modification of the maximum leverage effect, the Required Margin and the Automatic Liquidation System, as explained in the Special Terms and Conditions for Forex and other documents to which the Special Terms and Conditions for Forex refer. The Client also confirms that he has understood and accepts the role of WCS within the Forex Transactions and the risks and conflicts of interest related thereto



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- The Client acknowledges and accepts that WCS is entitled to liquidate his Open Positions that are not adequately margined and the Client will be liable for all losses as a result of such liquidation. The Client acknowledges that WCS reserves the right to change the Liquidation Percentage at its sole discretion.
- The Client confirms that neither WCS nor its directors, managers, officers, employees, agents and other representatives guaranteed or Guarantee to the Client that Forex Transactions will generate profits for the Client. Moreover, past yields and profits are no indication of future performance.
- The Client acknowledges and understands that, in some cases, an amount higher than the assets deposited with WCS can be lost, in which case he will be liable towards WCS for the uncovered amount.
- The Client confirms that the Forex Transactions he will carry out are suitable for him.
- The Client acknowledges that he shall frequently consult his Account, and in particular continually monitor the Margin when he has one or several Open Positions or open Orders in his Account.

Governing Law and Jurisdiction

- This Risk Disclosure Statement, as well as the General Terms and Conditions and the Special Terms and Conditions for Forex, shall exclusively be governed by and construed in accordance with The Laws and Regulations of ADGM and ADGM Courts shall have the final ruling in case of any Disputes
- The place of performance, the place of enforcement against Clients residing abroad and the exclusive place of jurisdiction for any dispute arising from or in relation to this Risk Disclosure Statement, the General Terms and Conditions and the Special Terms and Conditions for Forex/CFD's. (TOB) Terms of Business agreement, ADGM Laws shall be final and binding. However, WCS reserves the right to bring such proceedings before the competent courts having jurisdiction at the Client's place of residence or domicile or before any other competent court, in which case substantive ADGM courts and laws shall remain exclusively applicable.



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