IC Trading

Risk Disclosure Policy

Version 2.0

www.ictrading.com

Disclosure

We do not provide advice relating to investments or possible transactions in investments or investment recommendations of any kind. We can provide factual market information or information, in relation to a transaction about which you have enquired, as to transaction procedures, potential risks involved and how those risks may be minimised.

Engaging in CFDs in Currency Pairs, Equity Indices, Metals and Commodities (in this notice referred to as a 'Transaction') carries a high degree of risk to your capital. You should not engage in this form of investing unless you fully understand the nature of the Transaction you are entering into and the true extent of your exposure to the risk of loss. Your profit and loss will vary according to the extent of the fluctuations in the price of the underlying markets on which your Transaction is based.

For many members of the public, these transactions are not suitable. You should, therefore, consider carefully whether they are suitable for you in the light of your circumstances and financial resources and investment objectives. In considering whether to engage in this form of investing, you should be aware of the following:

1.0 Leverage

The high degree of "leverage" or "gearing" (i.e. the funds required at the outset, compared with the size of the trade you can place) is a particular feature of this type of Transaction. Therefore, a relatively small movement in the underlying market can have a disproportionate effect on your Transaction. If the underlying market movement is in your favour, you may achieve a good profit, but an equally small adverse market movement can not only quickly result in the loss of your entire deposit but may also expose you to a large additional loss over and above your initial deposit. In particular, your losses may be unlimited, and no deposit or other amount you have paid will limit your losses. If you decide to engage in Margined CFD trading, you must accept this degree of risk.

You may be called upon to deposit substantial additional margin, at short notice, to maintain your position(s). If you do not provide such additional funds within the time required, your position (s) may be closed at a loss and you will be liable for any resulting deficit. If you are in any doubt regarding our products, you should seek independent professional advice.

2.0 Margined CFDs

The purpose of a Margined CFD Transaction is to secure a profit or avoid a loss by reference to fluctuations in the price of the underlying asset or an index (the "Underlying Market"). In the context of our activities, the Underlying Market may be a securities Index, exchange rate between two currencies, CFDs on gold, silver, oil or such other investment as we may from time to time agree in writing. It is an express term of each CFD Transaction that neither you nor us:

- acquire any interest in or right to acquire or is obliged to sell, purchase, hold, deliver or receive the Underlying Market; and
- that the rights and obligations of each party under the CFD Transaction are principally to make and receive such related payments.

3.0 Margin Requirement

We reserve the right to adjust margin requirements for any product that we may offer. This may result in your margin requirement increasing and you may therefore be required to deposit additional funds to maintain existing positions.

4.0 Position Monitoring

It is your responsibility to monitor and have control over your account. Should the net value of the account (cash plus running profits minus running losses) fall below the margin required, we may close some or all of your trades at the current market price. This should not however be taken as a guarantee, and it is your responsibility to ensure that sufficient funds are on your account at all times.

5.0 Market Risk

Margined CFD trading relies on the price movement of underlying financial products. You are therefore exposed to similar, but magnified, risks to holding the underlying assets. In some cases risks will be greater.

Activating a stop loss order may limit your loss but, this is not guaranteed as your losses may be greater in some circumstances. Slippage occurs when a stop loss does not get triggered at the exact order price, but slips to a higher or lower price. This may be because the particular underlying Market has become unusually volatile for a period of time. Where this happens, a Stop Loss order may not be effective and your position will be closed at the current Raw Trading (Mauritius) Ltd price.

Gapping is when a particular market jumps significantly, resulting in your stop loss being missed and your trade closed at a much higher or lower price than intended. Accordingly, where you have an open position in a volatile market environment you must understand the potential impact of these events, as you could be filled at the next available Raw Trading (Mauritius) Ltd price.

Under certain trading conditions it may be difficult or impossible to liquidate a Position. This may occur, for example at times of rapid price movement if the price rises or falls in one trading session to such an extent that trading is restricted or suspended.

At market opening and closing times and prior to announcements, the market spread may widen substantially. Consequently, you must ensure that you have sufficient funds on your account to cover this eventuality.

Where you are trading a product denominated in a currency different to that in which you hold your account, fluctuations in the exchange rate will affect your profit and loss potential.

6.0 Credit

No credit is extended to you. Neither a Variation Margin credit allocation, nor an Initial Margin credit allocation constitute a credit facility.

7.0 Counterparty Risk

We are the counterparty to all your trades. None of our products are listed on an exchange, nor can any rights, benefits or obligations be transferred to anyone else. While we undertake our obligation to provide you with best execution and to act reasonably and in accordance with our published Terms of Business, Margined CFDs opened on your account with us must be closed with us, based on our prices and on the terms and conditions that you have contracted with us.

8.0 Segregated Accounts

Raw Trading (Mauritius) Ltd is required to hold client funds in segregated trust accounts in accordance with the regulations of Financial Services Act, 2007, but this may not afford complete protection. While we monitor the creditworthiness of our banks closely and select them on the basis of robustness and solidity, this does not mean that they are risk-free. If you deposit collateral as security with Raw Trading (Mauritius) Ltd, you should ascertain from Raw Trading (Mauritius) Ltd how your collateral will be dealt with.

9.0 Financial Services Compensation Scheme

As an FSC regulated firm, your trading with Raw Trading (Mauritius) Ltd is not covered under any client compensation scheme under the laws of Mauritius.

10.0 Tax

You take the risk that your trades and any related profits may be or become subject to tax. You are responsible for all taxes and stamp duty in respect of your trades. We do not provide any tax advice to clients, and you are responsible for your own tax affairs.

11.0 Commission and Spreads

You should obtain details of all commission fees and other charges for which you will be liable, prior to trading with Raw Trading (Mauritius) Ltd. Where charges are not expressed in money terms (such as a bid offer spread), you should obtain a clear explanation of what such charges are likely to mean in specific money terms. When commission is charged as a percentage, it will normally be valued as a percentage of the total contract value, and not simply as a percentage of your initial payment.

Some type of trades you make may require you to pay financing costs. Trades in currencies different than your base currency may require you to convert those foreign currencies to your base currency. The combination of overnight financing and foreign exchange costs may exceed any profits on your trades or increase the losses that you may incur on your trade.

Please note that, in case of any inconsistency between the policy and applicable legislations, rules and regulations, the latter shall prevail.

12.0 Risk Disclosure – Crypto CFD

Before you engage in trading Crypto CFDs (Contracts for Difference), it is essential that you fully understand the associated risks. Crypto CFDs are complex financial instruments that allow you to speculate on the price movements of cryptocurrencies without owning the underlying assets. While they offer opportunities for potential profits, they also come with significant risks. Please carefully review the following risk disclosure statement:

1. Volatility Risk:
    - Cryptocurrencies are known for their extreme price volatility. Prices can change rapidly and unpredictably, leading to substantial gains or losses. It is possible to lose your entire investment in a short period.
2. Leverage Risk:
    - Many Crypto CFDs offer leverage, which can amplify both profits and losses. While leverage can magnify potential gains, it also increases the risk of significant losses, and you may be required to deposit additional funds to cover losses.
3. Market Liquidity Risk:
    - Liquidity in the cryptocurrency market can vary significantly. In times of low liquidity, executing trades at desired prices may be challenging, and spreads may widen, potentially impacting your trading results.
4. Counterparty Risk:
    - When you trade Crypto CFDs, you enter into a contract with a CFD provider. If the provider faces financial difficulties or becomes insolvent, you may not receive the full value of your investment or any profits.

5. Regulatory and Legal Risks:
   - Cryptocurrency markets and regulations are rapidly evolving and can vary by jurisdiction. Changes in regulations or legal developments may impact your ability to trade or access your funds.
6. Lack of Ownership:
   - When trading Crypto CFDs, you do not own the underlying cryptocurrencies. You are speculating on price movements without the benefits of direct ownership, such as voting rights or dividends.
7. Risk of Gap Moves:
   - Overnight or weekend gaps in cryptocurrency prices can result in significant losses, especially if you have open positions. Stop-loss orders may not always be executed at the desired price.
8. Information and Technology Risks:
   - Technical issues, server outages, or disruptions in data feeds can affect your ability to trade Crypto CFDs. You should have contingency plans for such events.
9. Emotional and Psychological Factors:
   - Trading can be emotionally challenging. Fear and greed can influence decision-making, leading to impulsive or irrational trades.
10. Investment Knowledge and Experience

    Ensure that you have the necessary knowledge and experience to trade Crypto CFDs effectively. Lack of experience can increase the risk of trading losses.
11. Risk of Loss of Capital

    There is no guarantee of profit when trading Crypto CFDs, and losses are possible. You should only invest funds that you can afford to lose.
12. Lack of Risk Diversification

    Concentrating your investments solely in cryptocurrencies or Crypto CFDs can lead to a lack of diversification, increasing overall portfolio risk.

By proceeding with trading Crypto CFDs, you acknowledge that you have read and understood the risks associated with these financial instruments. It is crucial to have a well-defined trading strategy, risk management plan, and to use appropriate risk-reducing tools like stop-loss orders.

If you have any doubts or concerns regarding the risks involved in trading Crypto CFDs, we strongly recommend seeking advice from a qualified financial advisor. Please trade responsibly and only with funds that you can afford to lose.