



GMO-Z.com Trade Limited

Risk Warning Disclosure and Notice

Effective Date: 17th July2017

Version 1.0

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A) Risk of Trading

You acknowledge and accept that:

Trading in any financial product carries an inherent risk. Our products are traded on margin or/and leverage, which means that they carry a significantly greater risk than some traditional investment instruments and are not suitable for everyone. You should not trade with us unless you understand the nature of the transaction that you are entering into and the extent of your potential loss from a trade. If you are in any doubt you should seek independent advice. You trade entirely at your own risk.

Our trading service is execution-only. This means that we carry out your trading instructions. We do not provide you with any investment advice as part of our service and we do not carry out a suitability assessment of you or your particular circumstances. Therefore, it is important that you are able to assess, understand and manage the risks associated with margined trading. You must be satisfied that our products are suitable for you in light of your own circumstances and financial resources.

Your orders will be executed exclusively, and without exception, on the Platform(s) offered by us. We are counterparty to all your trades. Any position you open with us can only be closed with us and cannot be transferred to any other person.

From time to time, there may be circumstances that affect the platform's ability to provide a price feed on its platform or the prices generated, for example but not limited to extremely volatile market conditions.

In deciding whether this type of trading is suitable for you, the risks that you should have regard to include the following:

- Our services involve a high degree of gearing or leverage. For the majority of the trades you place with us, you will be required to deposit a relatively modest proportion of the overall contract value to open the trade. This can work for and against you as a relatively small movement in the price of the financial instrument being traded can have a disproportionate effect on your trade. This may result in you achieving a good profit but equally may result in you incurring significant losses. These losses may be in excess of the cash you have deposited with us.
- It is important that you monitor your positions closely due to the speed at which profits or losses can be incurred. It is your responsibility to monitor your account at all times. If you have working orders and open trades you should always be in a position to access and manage your account. You may do this online, 24 hours a day; 7 days a week (please note that access is not available during scheduled system maintenance hours, details of which can be found on our website). We may be able

to rectify mistakes depending on their nature and the circumstances, but only if you notify us as soon as possible and in any event within 24 hours of the trade.

- You must understand that the price of the financial instruments being traded is determined by fluctuations in markets outside our control and that the historical performance of a financial instrument is no indication as to its future performance.
- Price slippage may occur: Normal market circumstances such as volatility and liquidity apply to this account and may impact on the Platform's ability to execute your orders at the price that you instruct it to do so.
- If you trade in a Product that is not quoted in the base currency of your account, currency exchange fluctuations will impact upon your profits and losses.
- We do not guarantee that an order you place to limit the loss on a trade will be filled at the price that you specify. In a fast moving market, your order may be liable to 'gap through', with the result that your trade is closed at an increased loss as compared with the level of the order that you placed. In the event that a 'gap through' occurs there can be a markedly different price in the financial instrument being traded with no opportunity to close your trade in-between. Therefore, an order you place to limit the loss on a trade should not be treated as a guarantee to limit your loss on that trade to a specific amount. Likewise, in a fast moving market your position may be closed at a less favorable level than the margin liquidation level which may result in you incurring losses, and it should not be considered as a guaranteed closing price.
- One or more of your trades may be affected by a corporate action type event the occurrence of which may have a dramatic effect on that trade or trades and/or on your account generally. We recommend that before you open a trade with us you carry out your own research into whether the trade that you intend to open is liable to be the subject of a corporate action type event and if so the likely effect of that action on the trade that you wish to open.

B) Risk of trading Binary Options

You acknowledge and accept that:

The Expiry Time may be very soon after placing the Order for the Binary Option (even only a few seconds);

We will not responsible for, and will not compensate you for, any losses or costs of any kind caused by delays or disruptions in electronic communications, including any error or disruption caused by your internet or mobile telephone communications provider; including any error or disruption caused by your internet or mobile telephone communications provider;

We are under no obligation to accept or execute an order submitted by you. The submission and acceptance of an order is not a guarantee of its execution. However, we shall normally

do so if your Account contains sufficient resources required for the order that you wish to place and you are not otherwise in breach of this Agreement;

You cannot cancel any transaction once you entered into an Order;

We determine the Expiry Price in our sole discretion;

we may at any time, in our discretion, close out a transaction and pay you back (or credit you) the equivalent amount of your initial investment, during the term of a Binary Option and at the Expiry Time if:

- (i) we ceases to receive pricing information in relation to the Binary Option Underlying Asset; or
- (ii) there is a major announcement that could reasonably cause a material change in the price of the Binary Option Underlying Asset, in our reasonable opinion.

We reserve the right to enter into hedge contracts in our absolute discretion without notice at any time.

C) Language of Communications

All GMO-Z.com Trade Limited legal documents are available in English. Translations into other languages are provided for referential purposes only. For the avoidance of doubt, the English version shall prevail in the event of any inconsistencies or ambiguities.