



PhillipCapital (DIFC) Private Limited

Unit No 417, Liberty House, DIFC, P.O.Box 212291 Dubai UAE.

Tel: + 9714 605 3999 Fax: + 9714 320 4928

www.phillipcapitaldifc.ae

Risk Disclosure Statement

1.High Risk Investment Warning: Trading leveraged foreign exchange and/or contracts for difference on margin carries a high level of risk and may not be suitable for all investors as you could sustain losses in excess of deposits. The products are intended for retail, professional and eligible counterparty clients. Before deciding to trade any products offered by PhillipCapital (DIFC) Private Limited you should carefully consider your objectives, financial situation, needs and level of experience. You should be aware of all the risks associated with trading on margin. The content of this Website must not be construed as personal advice.

Important Note: Rolling Spot Contracts and CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 78% of our retail client accounts lose money while trading with us. You should consider whether you understand how Rolling Spot Contracts and CFDs work, and whether you can afford to take the high risk of losing your money.

2. This statement does not disclose all of the risks and other significant aspects of trading in Contract for Difference (CFDs) and leveraged foreign exchange. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Trading in CFDs and leveraged foreign exchange may not be suitable for many members of the public. You should carefully consider whether such trading is appropriate for you in the light of your experience, objectives, financial resources and other relevant circumstances. In considering whether to trade, you should be aware of the following:

(a) CFDs, Leveraged Foreign Exchange Trading

- ***Effect of 'Leverage' or 'Gearing'***

Transactions in CFDs and leveraged foreign exchange carry a high degree of risk. The amount of initial margin is small relative to the value of the futures



PhillipCapital (DIFC) Private Limited

Unit No 417, Liberty House, DIFC, P.O.Box 212291 Dubai UAE.

Tel: + 9714 605 3999 Fax: + 9714 320 4928

www.phillipcapitaldifc.ae

contract or leveraged foreign exchange transaction so that the transaction is highly 'leveraged' or 'geared'. A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit: this may work against you as well as for you. You may sustain a total loss if initial margin funds and any additional funds deposited with the firm to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice in order to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss and you will be liable for any resulting deficit in your account. Losses can exceed deposits.

- ***Risk-Reducing Orders or Strategies***

The placing of certain orders (e.g. 'stop-loss' orders, where permitted under local law, or 'stop-limit' orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. At times, it is also difficult or impossible to liquidate a position without incurring substantial losses. Strategies using combinations of positions, such as 'spread' and 'straddle' positions may be as risky as taking simple 'long' or 'short' positions.

(b) Additional Risks Common to CFDs and Leveraged Foreign Exchange Trading

- ***Terms and Conditions of Contracts***

You should ask the corporation with which you conduct your transactions, the term and conditions of the specific CFD or leveraged foreign exchange transaction which you are trading and the associated obligations (e.g. the circumstances under which you may become obligated to make or take delivery of the underlying interest of a leveraged foreign exchange transaction and, in respect of CFDs, expiration dates and restrictions).



PhillipCapital (DIFC) Private Limited

Unit No 417, Liberty House, DIFC, P.O.Box 212291 Dubai UAE.

Tel: + 9714 605 3999 Fax: + 9714 320 4928

www.phillipcapitaldifc.ae

- ***Suspension or Restriction of Trading and Pricing Relationships***

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any contract or contract month because of price limits or 'circuit breakers') may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions. Further, normal pricing relationships between the underlying asset and the CFD may not exist. The absence of an underlying reference price may arise which can make it difficult to judge 'fair' value.

- ***Deposited Cash and Property***

You should familiarise yourself with the protection accorded to any money or other property which you deposit for domestic and foreign transactions, particularly in the event of a firm's insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

- ***Over the counter (OTC) Nature of contracts***

CFDs are not listed on any exchange. The prices and other conditions are set by liquidity providers or broker counterparties. No Contracts provide any right to the underlying instruments or voting rights. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to separate regulatory regime. Before you undertake such transactions, you should familiarise yourself with applicable rules and attendant risks.



PhillipCapital (DIFC) Private Limited

Unit No 417, Liberty House, DIFC, P.O.Box 212291 Dubai UAE.

Tel: + 9714 605 3999 Fax: + 9714 320 4928

www.phillipcapitaldifc.ae

(c) Commission and Other Charges

Before you begin to trade, you should obtain a clear explanation of all commissions, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

(d) Transactions in Other Jurisdictions

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. Before you trade, you should enquire about any rules relevant to your particular transactions. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the firm with which you conduct your transactions for details about the type of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

(e) Currency Risks

The profit or loss in transactions in foreign currency denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

(f) Trading Facilities

Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house, our broker



PhillipCapital (DIFC) Private Limited

Unit No 417, Liberty House, DIFC, P.O.Box 212291 Dubai UAE.

Tel: + 9714 605 3999 Fax: + 9714 320 4928

www.phillipcapitaldifc.ae

counterparties and/or member firms. Such limits may vary: you should ask the firm with which you conduct your transactions for details in this respect.

(g) Electronic Trading

Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all.

(h) Others

You understand that PhillipCapital is acting as an agent of the client and cannot be held liable for transactions executed on the platform. In case PhillipCapital does not receive payout of funds / securities/ collaterals from the Exchange / Clearing

Corporation /Clearing House/Depository/Counterparty, then PhillipCapital is not liable to give such payout to the client and PhillipCapital shall not be liable in whatsoever manner and you cannot and will not claim the same from PhillipCapital. In case part payout is received from the Exchange / Clearing Corporation /Clearing House/Depository/ Counterparty, then you shall also get part payout and client cannot and will not claim the balance payout from PhillipCapital. In case of fraud/violation/non-compliance of any type by any entity i.e. entities involved in clearing and settlement other than PhillipCapital in the process of transactions, clearing and settlement PhillipCapital cannot and will not be held liable in whatsoever manner and client cannot and will not file any claim(s) of whatsoever nature against PhillipCapital in this regard. In case where pay-out of funds/securities is given by PhillipCapital to the clients and Exchange / Clearing Corporation /Clearing House/Depository/ Counterparty takes back such pay-out, then PhillipCapital has the right to take back the same from you and the you are liable to pay the same to PhillipCapital.



PhillipCapital (DIFC) Private Limited

Unit No 417, Liberty House, DIFC, P.O.Box 212291 Dubai UAE.

Tel: + 9714 605 3999 Fax: + 9714 320 4928

www.phillipcapitaldifc.ae

You understand and agree that there is no fixed return in CFDs, leveraged foreign exchange, currencies, derivatives or any other asset classes or segments traded on the exchange or OTC products. The principal or the initial investment (in cash or collateral or any other asset class) can also be lost fully and losses can be higher than your initial investment.

You understand and agree that PhillipCapital does not give any guarantee or assurance as to returns or profits or capital protection or appreciation. You further understand and agree that past performance is not necessarily a guide to future performance.