

Ribova Investment Ltd

**Risk Disclosure**

## **1. Introduction**

1.1 The website [ribovainvest.com](http://ribovainvest.com) (hereinafter referred to as “the Company’s Website”) is owned and operated by Ribova Investment Ltd is a registered company in Seychelles, with registration number 8429383-1 and registered address at Room 12, First Floor, Kingsgate House, Victoria, Mahe, Seychelles, licensed and regulated by the Seychelles Financial Services Authority (FSA) under the Securities Dealer's License Number SD099.

## **2. Scope**

2.1 The Risk Disclosure Notice (the “Notice”) is provided by the Company to its Clients in order to help them to understand the risks that may arise when trading Contract for Difference (CFDs). However, this notice cannot and does not disclose or explain all of the risks and other significant aspects involved in trading CFDs or other financial derivative products.

2.2 The Client should carefully read the Notice in conjunction with the Company’s Terms and Conditions of Use and all the other documentation and information available on the Company’s Website.

2.3 The Client needs to ensure that any decision to engage in trading CFDs is made by him/her on an informed basis and considering his/her knowledge and experience as well as to his/her personal circumstances (including but not limited to his/her financial situation). In addition, the Client needs to ensure that he/she understands the nature of CFDs and the extent of all risks and aspects involved in trading CFDs.

2.4 CFDs are leveraged financial products and therefore as such, trading CFDs involves a high risk of loss as price movements are influenced by the amount of leverage the Client is using.

2.5 The Client, under no circumstances, should risk more than he/she is prepared to lose.

## **3. General Risk Warning**

3.1 Trading on financial markets carries risks. Contracts for Difference (‘CFDs’) are complex financial products that are traded on margin. Trading CFDs carries a high level of risk since leverage can work both to your advantage and disadvantage. As a result, CFDs may not be suitable for all investors because you may lose all your invested capital. You should not risk more than you are prepared to lose. Before deciding to trade, you need to ensure that you understand the risks involved taking into account your investment objectives and level of experience.

## **4. General Risk Disclosure**

4.1 The Client is warned of the following general risks:

4.2 The Company does not and cannot guarantee the initial capital of the Clients' portfolio or its value at any time or any money invested in any Financial Instrument.

4.3 Regardless of any information which may be offered by the Company, the value of any investment in Financial Instruments may fluctuate downwards or upwards and it is even probable that the investment may become of no value.

4.4 Information of the previous performance of a Financial Instrument does not guarantee its current and/or future performance. The use of historical data does not constitute a binding or safe forecast as to the corresponding future performance of the Financial Instruments to which the said information refers.

4.5 The Client is hereby advised that the transactions undertaken through the services of the Company may be of a speculative nature. Large losses may occur in a short period.

4.6 Some Financial Instruments may not become immediately liquid as a result for example of reduced demand and the Client may not be in a position to sell them or easily obtain information on the value of these Financial Instruments or the extent of the associated risks.

4.7 When a Financial Instrument is traded in a currency other than the currency of the Client's country of residence, any changes in the exchange rates may have a negative effect on its value, price and performance.

4.8 A Financial Instrument on foreign markets may entail risks different to the usual risks of the markets in the Client's country of residence. In some cases, these risks may be greater. The prospect of profit or loss from transactions on foreign markets is also affected by exchange rate fluctuations.

4.9 A Derivative Financial Instrument (i.e. option, future, forward, swap, CFD, NDF) may be a nondelivery spot transaction giving an opportunity to make profit on changes in currency rates, commodity, stock market indices or share prices called the underlying instrument. The value of the Derivative Financial Instrument may be directly affected by the price of the relevant underlying instrument.

4.10 The Client must not purchase a Derivative Financial Instrument unless he/she is willing to undertake the risks of losing entirely all the money which he/she has invested and also any additional commissions and other expenses incurred.

## **5. Additional Risk Disclosure**

5.1 The Client is warned of the following additional risks:

5.2 The insolvency of the Company or of a Bank or Broker used by the Company to affect its transactions may lead to the Client's positions being closed out against his/her wishes.

5.3 Under certain market conditions it may be difficult or impossible to execute an order.

5.4 A Bank or Broker through whom the Company may deal with could have interest's contrary to the Client's interests.

5.5 The Client's attention is expressly drawn to currencies traded so irregularly or infrequently that it cannot be certain that a price will be quoted at all times or that it may be difficult to effect transactions at a price which may be quoted owing to the absence of a counter party.

5.6 Trading on-line, no matter how convenient or efficient, does not necessarily reduce risks associated with currency trading.

5.7 There may be situations, movements and/or conditions occurring at weekend, in the beginning of week or intra-day after release of significant macroeconomic figures, economic or political news that make currency markets to open with price levels that may substantially differ from previous prices. In this case, there exists a significant risk that orders issued to protect open positions and/or open new positions may be executed at prices significantly different from those designated.

5.8 There is a risk that the Client's trades in Financial Instruments may be or become subject to tax and/or any other duty for example because of changes in legislation and/or his/her personal circumstances. The Company does not warrant that no tax and/or any other stamp duty will be payable. The Client should be responsible for any taxes and/or any other duty which may accrue in respect of his/her trades.

5.9 The Client should take the risk that his/her trades in Financial Instruments may be or become subject to tax and/or any other duty for example because of changes in legislation or his personal circumstances. The Company does not warrant that no tax and/or any other stamp duty will be payable. The Client should be responsible for any taxes and/or any other duty which may accrue in respect of his trades.

5.10 The Client shall accept the risk of a loss in the event of Force Majeure.

## **6. Clients' Money and Trading Related Costs**

6.1 The Client may be required to pay a commission and/or other fees.

6.2 Before the Client begins to trade, he/she should obtain details of all commissions and other charges for which the Client will be liable. If any charges are not expressed in money terms (but for example as spread), the Client should ask for a written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms.

6.3 The Client shall refer to the Cost, Fees and Charges section of the Terms and Conditions of Use before placing an Order.

6.4 The Client should not fund his/her Account using money obtained from any credit facility (including, but not limited to bank loans). The Client should understand that his/her overall risk will be significantly increased in case of trading on 'borrowed money'. The Client shall

never finance any trades with the borrowed money, nor rely on being able to profit on any trade in order to repay such borrowed amounts.

## **7. Trading Conditions: Required margin, leverage and Stop Out**

7.1 Financial markets may fluctuate rapidly to reflect events that are outside the control of the Company and/or the Client's. As a result, prices may become volatile. One form of price volatility is 'gapping', which occurs when there is a sudden shift in prices from one level to another. Created this way Market Gap may prevent the Company to execute the order at the price requested by the Client. Additionally, Market Gaps are creating a risk that Client's Account(s) may be automatically stopped-out.

7.2 Trading on margin/leverage can work in the Client's advantage, but it may also work against him/her. The Client should understand that a higher leverage may on one hand bring higher profit and on the other may lead to stop-out significantly faster than a lower leverage.

## **8. Technical Risks**

8.1 If the Client undertakes transactions on an electronic system, he/she will be exposed to risks associated with the system including the failure of hardware and software (Internet / Servers). The result of any system failure may be that his order is either not executed according to his instructions or it is not executed at all. The Company does not accept any liability in the case of such a failure.

8.2 The Client shall refer to the relevant sections of the Company's Terms and Conditions of Use, to find more information regarding electronic trading and risks related to security and access to his/her Trading Account.

## **9. Client's Acknowledgment**

9.1 The Client acknowledges that the Services offered by the Company do not include the provision of investment advice. Any investment information as may be announced or provided by the Company or on its behalf does not constitute investment advice services whatsoever, or in any circumstances and shall be regarded as given for informative purposes only. No information announced or provided by the Company shall be deemed as an assurance or guarantee on the expected results of any Transaction.

9.2 The Client acknowledges that the information in this document cannot and do not disclose or explain all of the risks and other significant aspects involved in dealing in CFDs. The Client should be aware of all the risks associated with trading on margin, and seek advice and consultation from an independent financial advisor if he/she has any doubts. The Company does not provide such advice. If the Client does not understand the risks involved in trading in CFDs, he/she should not trade at all.