

## Risk Disclaimer

This document is **not** designed to present an exhaustive analysis of the risks associated with financial instruments. The purpose of this document is to provide clients with summarized information and with a general warning about the risks associated with the specific derivative financial instruments traded through the trading platforms of Triple A Experts Investment Services S.A. (“AAAFx”), so that the clients have a reasonable understanding of the nature and risks of such financial instruments and, as a consequence, are able to make informed investment decisions.

This document contains a general description of the financial instruments offered by AAAFx and the related risks. **It is highly recommended, before you request the performance of any transaction from us, to read carefully the Key Information Documents regarding each specific product**, as such documents have been provided to you by AAAFx. In the event that you wish to access these documents online, they are available by using the link <https://aaafx.com/key-docs>.

By entering into an agreement with AAAFx for the provision of investment services regarding over-the-counter (“OTC”) transactions in contracts for differences (“CFDs”) and foreign exchange contracts (“FX Contracts”) you (also referred to as the “Customer”), acknowledge, understand and agree that:

### Trading Is Very Speculative and Risky

Trading CFDs and FX Contracts is highly speculative, involves a significant risk of loss and is not suitable for all investors but only for those customers who:

- (a) understand and are willing to assume the economic, legal and other risks involved;
- (b) are experienced and knowledgeable about trading in derivatives and in underlying asset types; and
- (c) are financially able to assume losses significantly in excess of margin or deposits because investors may lose the total value of the contract not just the margin or the deposit.

Neither CFDs nor FX Contracts are appropriate investments for retirement funds or/and conservative funds. CFD and FX transactions mainly – but not exclusively – due to leverage, are among the riskiest types of investments and can result in large losses. Customer represents, warrants and agrees that Customer understands these risks, is willing and able, financially and otherwise, to assume the risks of trading CFDs and FX Contracts and that the loss of Customer’s entire account balance will not change Customer’s lifestyle.

### Risks Related to Long positions, i.e. for Purchasers of derivative contracts

Being long in a derivative contract such as a CFD means you are buying the said CFD on the market by speculating that the market price of the underlying will rise between the time of the purchase and sale. As owner of a long position, you will generally make a profit if the market price of the underlying rises whilst your CFD long position is open. On the contrary, you will generally suffer a loss, if the market price of the underlying falls whilst your CFD long position is open. Your potential loss may therefore be bigger than the initial margin deposited. In addition, you might suffer a loss due to the closing of your position, in case you do not have enough liquidity for the margin on your account in order to maintain your position open.

### Risks Related to short positions, i.e. for sellers of contracts

Being short in a derivative contract such as a CFD means you are selling the CFD on the market by speculating that the market price of the underlying will fall between the time of the purchase and sale. As owner of a short position, you will generally make a profit if the market price of the underlying falls whilst your CFD short position is open. On the contrary, you will generally suffer a loss, if the market price of the underlying rises whilst your CFD short position is open. Your potential loss may therefore be bigger than the initial margin deposited. In addition, you might suffer a loss due to the closing of your position, in case you do not have enough liquidity for the margin on your account in order to maintain your position open.

## High Leverage and Low Margin Can Lead To Quick Losses

The high degree of “gearing” or “leverage” is a particular feature of both CFDs and FX Contracts. The effect of leverage makes investing in CFDs riskier than investing in the underlying asset. This stems from the margining system applicable to CFDs which generally involves a small deposit relative to the size of the transaction, so that a relatively small price movement in the underlying asset can have a disproportionately dramatic effect on your trade. This can be both advantageous and disadvantageous. A small price movement in your favor can provide a high return on the investment deposit, however, a small price movement against you may result in significant losses. Your losses will never exceed the balance of your account, which is balanced to zero, if the losses are higher than the amount deposited. Such losses can occur quickly. The greater the leverage, the greater the risk. The size of leverage therefore partly determines the result of the investment.

## Margin Requirements

Customer must maintain the minimum margin requirement on their open positions at all times. It is Customer's responsibility to monitor his/her account balance. Customer may receive a margin call to deposit additional cash if the margin in the account concerned is too low. AAAFx has the right to liquidate any or all open positions whenever the minimum margin requirement is not maintained and this may result in Customer's CFDs or FX Contracts being closed at a loss for which you, the end user, will be liable.

## Spread

The difference between our bid price and our ask price is “Our Spread”. Our Spreads are set in our absolute discretion, since we operate through our liquidity providers on CFD and FX contracts for end clients, and any changes are effective immediately. Information in relation to Our Spread, leverage, rollover fees and trading hours for each market is stated in “Spreads” section of our website [www.aaafx.com](http://www.aaafx.com).

## Cash Settlement

Customer understands that CFD and FX Contracts can only be settled in cash and the difference between the buying and selling price partly determines the result of the investment.

## Conflicts of Interest

AAAFx fully hedges and/or Straight-Through-Processes (STP) all the transactions it conducts with you to its Liquidity Providers. As such, AAAFx' interests may be in conflict with yours, although the profit made by us is not dependent upon your profits or losses. Our Conflicts of Interest Policy has been provided to you together with his document and is also available on our website.

## OTC Transactions

When trading CFDs or FX Contracts with us, such transactions will not be executed on a recognized or designated investment exchange. Such transactions, which are executed outside regulated markets and other trading venues, are known as “OTC” (over the counter) transactions. All positions entered into with us must be closed with us and cannot be closed with any other entity. OTC transactions may involve greater risk than investing in on-exchange contracts/products because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an OTC transaction or to assess the exposure to risk. Bid prices and ask prices may not be quoted by us, based on best execution policies applicable in the market. There is no central clearing and no guarantee by any other party of AAAFx's payment obligations to the Customer, thus Customer is exposed to credit risk with AAAFx, its Liquidity Providers and its banks. Customer must look only to AAAFx for performance of all contracts in Customer's account and for return of any margin or collateral.

**Prices, margin and valuations are set by AAAFx its Liquidity Providers and may be different from prices reported elsewhere.**

AAAFx will provide prices to be used in trading, valuation of Customer positions and determination of Margin requirements in accordance with its Trading Policies and Procedures and Market Information Sheets in line with the offering of its Liquidity Providers. The performance of your CFD or FX Contract will depend on the prices set by AAAFx and market fluctuations in the underlying asset to which your contract relates. Each underlying asset therefore carries specific risks that affect the result of the CFD or FX Contract concerned.

Our prices for a given market are calculated by reference to the price of the relevant underlying asset which we or our Liquidity Provider obtain from third party external reference sources or exchanges. For CFD and FX Contracts, we may obtain (directly or through our Liquidity Provider) price data from wholesale market participants. Although we expect that these prices will be reasonably related to prices available in the market, our prices may vary from prices available to banks and other market participants. AAAFx has considerable discretion in setting and collecting margin in line with its Liquidity Providers' offering. AAAFx is authorized to convert funds in Customer's accounts for margin into and from such foreign currency at a rate of exchange determined by AAAFx in its sole discretion on the basis of then-prevailing money market rates in line with its liquidity providers' offering.

### **Rights to Underlying Assets**

You have no rights or obligations in respect of the underlying instruments or assets relating to your CFDs or FX Contracts. The Customer understands that CFDs can have different underlying assets, such as stocks, indices, currencies and commodities.

### **Currency Risk**

Investing in FX Contracts and CFDs with an underlying asset listed in a currency other than your base currency entails a currency risk, due to the fact that when the CFD or FX Contract is settled in a currency other than your base currency, the value of your return may be affected by its conversion into the base currency.

### **AAAFx is Not an Adviser or a Fiduciary to Customer**

Where and if AAAFx provides generic market recommendations, such generic recommendations do not constitute a personal recommendation or investment advice and have not considered any of your personal circumstances or your investment objectives, nor is it an offer to buy or sell, or the solicitation of an offer to buy or sell, any financial instruments. Each decision by Customer to enter into a CFD or FX Contract with AAAFx and each decision as to whether a transaction is appropriate or proper for Customer, is an independent decision made by the Customer. AAAFx is not acting as an advisor or serving as a fiduciary to Customer. Customer agrees that AAAFx and its Liquidity Providers have no fiduciary duty to Customer and no liability in connection with and is not responsible for any liabilities, claims, damages, costs and expenses, including attorneys' fees, incurred in connection with Customer following AAAFx generic trading recommendations or taking or not taking any action based upon any generic recommendation or information provided by AAAFx.

### **Recommendations Are Not Guaranteed**

Any generic market recommendations provided by AAAFx are based solely on the judgment of AAAFx's personnel and should be considered as such. Customer acknowledges that he/she enters into any Transactions relying on Customer's own judgment. Any market recommendations provided are generic only and may or may not be consistent with the market positions or intentions of AAAFx and/or its affiliates. Such generic market recommendations are based upon information believed to be reliable, but AAAFx cannot and do not guarantee the accuracy or completeness thereof or represent that following such generic recommendations will reduce or eliminate the risk inherent in trading CFDs and/or FX Contracts.

### **No Guarantees Of Profit nor avoiding losses**

There are no guarantees of profit nor of avoiding losses when trading CFDs and FX Contracts. Customer has received no such guarantees from AAAFx or from any of its representatives. Customer is aware of the risks inherent in trading CFDs and FX Contracts and is financially able to bear such risks and withstand any losses incurred.

### **Customer May Not Be Able To Close Open Positions**

Due to market conditions which may cause any unusual and fast market price fluctuations, or other circumstances, AAAFx may be unable to close out Customer's position at the price specified by Customer and the risk controls imposed by AAAFx and / or its liquidity providers might not work and Customer agrees that AAAFx will bear no liability for a failure to do so.

### **Internet Trading**

When Customer trades online (via the internet), AAAFx shall not be liable for any claims, losses, damages, costs or expenses, caused, directly or indirectly, by any malfunction, disruption or failure of any transmission, communication system, computer facility or trading software, whether belonging to AAAFx, Customer, any exchange or any settlement or clearing system.

### **Telephone Orders**

AAAFx is not responsible for disruption, failure or malfunction of telephone facilities and does not guarantee its telephone availability. For the avoidance of doubt, Customer is aware that AAAFx may not be reachable by telephone at all times. In such cases Customer shall place his/her order through other means offered by AAAFx.

### **Quoting Errors**

Should a quoting error occur (including responses to Customer requests), AAAFx is not liable for any resulting errors in account balances and reserves the right to make necessary corrections or adjustments to the relevant Account. Any dispute arising from such quoting errors will be resolved on the basis of the fair market value, as determined by AAAFx in its sole discretion and acting in good faith, of the relevant market at the time such an error occurred. In cases where the prevailing market represents prices different from the prices AAAFx has posted on our screen, AAAFx will attempt, on a best efforts basis, to execute Transactions on or close to the prevailing market prices. These prevailing market prices will be the prices, which are ultimately reflected on the Customer statements. This may or may not adversely affect the Customer's realized and unrealized gains and losses.

**By entering into an agreement with AAAFx for the provision of investment services and by accepting our terms of business you acknowledge and state that YOU HAVE READ, UNDERSTOOD AND AGREE TO THE RISK DISCLOSURE STATEMENT.**