RISK DISCLOSURE

Agility Markets is a trading name of Agility Markets Pty Ltd (Agility Markets), which is incorporated in Australia (ACN 662207721, AFS Authorised Representative no. 001298847) whose address is Level 36, Gateway Tower, 1 Macquarie Place, Sydney, NSW 2000, Australia.

1. Introduction

This Risk Disclosure Statement (the "Disclosure Statement") provides a description of certain risks associated with transactions on foreign exchange instruments. It does not disclose or explain all of the risks associated with transactions on foreign exchange instruments. This Disclosure Statement is not a substitute for the advice of a financial expert.

The Client (hereinafter, "you") should carefully read the Risk Disclosure in conjunction with the "Terms and Conditions of Business", and any other legal documentation/information available through our Website.

2. Risks Associated with Foreign Exchange

2.1. Transactions on foreign exchange instruments are highly speculative, involve an extreme degree of risk and are generally suitable only for persons who can assume and sustain a risk of loss significantly in excess of the amount invested. In our experience, between 70 and 80% of retail clients (being clients that are neither professional nor institutional clients) experience losses when trading foreign exchange instruments. Further, a number of transactions on foreign exchange instruments may, by their nature, generate losses that are in theory unlimited. In the absence of prior intervention, the losses could greatly exceed all the Client's assets deposited with the Agility Markets.

2.2. The Instruments have various underlying assets, such as currencies, commodities, precious metals (or "bullions"), equity securities, other securities, as well as indexes. When trading Instruments, the Client is exposed to general risks outlined in this Disclosure Statement, but also to specific risks that relate to the underlying assets of the Instruments. Before trading Instruments, the Client must therefore ensure that he is familiar with those underlying assets and understands the risks associated with them.

2.3. The foreign exchange market, the bullion market and the markets for the other underlying assets of the Instruments are extremely volatile. The movements of these markets are unforeseeable. The foreign exchange market, the bullion market and the markets for the other underlying assets of the Instruments may also experience periods of decreased liquidity or even periods of illiquidity. This liquidity risk may affect all the participants in the market or Agility Markets specifically, in particular if there are changes in the liquidity provided by Agility Markets' counterparties. A lower liquidity may result in very rapid and hectic price movements, in wider spreads and/or in higher rejection rates. In such circumstances, risk mitigation measures may be ineffective.

3. Leverage Effect on Profit and Loss

3.1. Agility Markets may allow the Client to trade on margin. In such a case, the Client may enter into trades for amounts that are (sometimes significantly) higher than the amounts committed by the Client for the relevant trade (i.e. higher than the margin). When trading on margin, the Client uses leverage effect. The leverage effect makes transactions highly speculative, as a small movement in prices can generate a considerable loss (or gain).

3.2. As an example, if the Client is allowed to open a EUR/USD position of 100,000 with a leverage effect of 10x, which means that to open this position, the Client is allowed to maintain a margin of only EUR 10,000. If the EUR falls in value by 1% against the USD, the Client's losses will reach EUR 1,000, i.e. 10% of the Client's invested amount. In other words, the greater the leverage effect, the greater the risk of loss (or chance of gain). The Client should use the leverage effect that is suitable to him. Agility Markets does not examine whether the leverage effect used by the Client is suitable or recommended in view of the Client's situation.

3.3. The use of leverage can cause or amplify the risk that the Client will suffer losses that significantly exceed the value of the assets deposited by the Client with Agility Markets. Indeed, the higher the leverage, the more likely it becomes that a small change in the price of the relevant assets (which may occur swiftly) will result in the Client's losses exceeding the margin deposited. If the Client does not maintain sufficient other assets on his Account in such a case, the Client will be liable towards Agility Markets for any amount not covered by assets held on the Account. The Client is made aware that such situations may also occur if the Client does not use leverage but maintains positions that entail a short exposure to an asset, as the price of such asset may theoretically increase indefinitely, resulting in losses for the Client that are not limited to the invested amount.

4. Liquidation of Trade Positions

4.1. Agility Markets has set up an automated system to liquidate positions upon certain thresholds or triggers being reached (i.e. the Automatic Liquidation System). The Automatic Liquidation System is active unless otherwise agreed upon between Agility Markets and the Client. There is no guarantee whatsoever that the Automatic Liquidation System will be effective. Further, the Automatic Liquidation System is operated for the sole benefit of Agility Markets and is not intended to prevent losses for the Client. Accordingly, the Client cannot rely on the Automatic Liquidation System as a tool to effectively manage risks.

4.2. To prevent the liquidation of his positions, the Client must at all times satisfy the margin requirements set by Agility Markets (i.e. the Client must maintain the Required Margin). In this respect, the Client should take into account that Agility Markets:

(a) is under no obligation to make any "margin call", meaning that the Client may not be informed if the margin deposited is insufficient or likely to become insufficient in the near future; and

(b) may at any time amend the Required Margin and other parameters that impact margin requirements, such as the maximum net open position limit, the maximum leverage effect applicable to the Account and the Liquidation Trigger. The Client acknowledges that any amendment to the Required Margin or to other relevant margin parameters may (in and of itself) result in the Liquidation Trigger being reached and the Client's positions being liquidated.

As a result, the Client should consider holding, on his Account, amounts well in excess of the Required Margin. Further, the Client should constantly monitor his positions, as well as Agility Markets' margin, maximum leverage and other relevant requirements.

4.3. Even if the Client takes precautions that appear reasonably suited to avoid the Automatic Liquidation System being triggered, there may still be circumstances in which the Client's positions will be liquidated. This could happen, for example, due to significant fluctuations in prices that occur so rapidly that the Client is unable to provide additional margin in time to prevent the liquidation of the relevant positions.

4.4. When the Automatic Liquidation System is triggered, it sends requests to Agility Markets to enter into one or several transactions for the purposes of liquidating the relevant position(s). Agility Markets then generally seeks to execute these transactions as soon as possible. There is however no assurance that the relevant position(s) will be liquidated immediately, or at the pricing and liquidity conditions prevailing when the Liquidation Trigger was reached, as market conditions may change rapidly and significantly before the Transactions are executed. Even if the Automatic Liquidation System is activated, there is therefore no assurance the Client's losses will not be higher than the margin provided.

5. Available Tools for Mitigation of Risks

5.1. To mitigate risks relating to Transactions, the Client may consider using various tools made available through the Platforms, including using different order types that trigger certain actions upon predefined conditions being fulfilled (e.g. prices falling below a certain level). Using these types of orders is however not a guarantee that Transactions will be entered into at the prices defined by the Client when placing the order, or that such Transactions will be entered into at all.

5.2. Depending on the circumstances, such as the liquidity available to Agility Markets, Agility Markets will not be able to execute the relevant orders at the price the Client saw or considered when placing the order. In such a case, the Client is exposed to slippage, i.e. the risk that a Transaction will be entered into at a price that differs from the price that the Client saw or considered when placing the order. The Client remains responsible for any Transaction executed at prices that differ from his orders.

5.3. Various events may arise over the weekend and, more generally, outside of Business Days. The effect of these events will generally be felt strongly when market participants return on the Business Day that follows the events. Since Agility Markets does not process orders outside of Business Days (and may cancel Orders submitted outside of Business Days), the Client will be unable to react to these events as they unfold. The Client will, in such situations, be exposed to gapping risk, i.e. the risk that – when trading resumes after an interruption – prices differ significantly from those prevailing immediately before the interruption. Gapping may cause considerable losses for the Client, for example by triggering the liquidation of the Client's positions.

6. Risks beyond the Control of Agility Markets

The Client and not Agility Markets, is completely liable for the following risks the listing of which is not exceptive:

(a) Lack of knowledge of the trading terminal settings;
(b) Technical faults in the Client's software;
(c) Disclosure of the registration credentials to the third parties at the opening of the real account;
(d) Unauthorized access by the third party to the personal email account of the Client;
(e) Reading with the delay of the information sent the Client's email address;
(f) Any other force-majeure circumstances on the part of the Client.

7. Other Risks

(a) Market risk
Is the risk that the value of a portfolio will decrease due to the change in value of the market factors such as stock prices, interest rates, exchange rates and commodity prices. In case of a negative fluctuation in prices, the Client runs the risk of losing part or all of his invested capital.

(b) Systemic risk
Is the risk of collapse of the entire market or the entire financial system. It refers to the risks imposed by interdependencies in a system or market, where the failure of a single entity or cluster of entities can cause a cascading negative effect, which could potentially bring down the entire system or market.

(c) Technical risk
Faults in electronic equipment used to perform margin trading and investment operations may lead to unexpected and unpredictable results and therefore to losses on the Client's operations in the international exchange market (FOREX). At the carrying out of transactions via an electronic trading system, the Client runs the risk related with possible faults in the system, including equipment and software failures.

(d) Operational risk
Is the risk of business operations failing due to human error. Operational risk will change from industry to industry and is an important consideration to make when looking at potential investment decisions. Industries with lower human interaction are likely to have lower operational risk.

(e) Country risk
Is the risk that an investment's returns could suffer as a result of political changes or instability in a country. Instability affecting investment returns could stem from a change in government, legislative bodies, other foreign policy makers, or military control.

(f) Interest rate risk
Is the risk that an investment's value may change due to a change in the absolute level of interest rates, in the spread between two rates, in the shape of the yield curve, or in any other interest rate relationship.

(g) Foreign exchange risk
Is the risk of an investment's value being affected by changes in exchange rates.

(h) Legal and Regulatory Risk

A change in laws or regulations made by the government or a regulatory body may increase the costs of operating a business, reduce the attractiveness of an investment and/or change the competitive landscape and by such materially alter the overall profit potential of your investment. This risk is unpredictable and may vary depending on the market for the underlying asset.