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GTC GLOBAL LTD

RISK DISCLOSURE STATEMENT

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GTC GLOBAL LIMITED
COMPANY LICENSE NUMBER: GB22200292.
REGISTERED ADDRESS: The Cyberati Lounge, c/o Credentia International Management Ltd, Ground Floor, The Catalyst, Silicon Avenue, 40 Cybercity, 72201 Ebene, Republic of Mauritius

RISK DISCLOSURE STATEMENT

This notice is provided to you (hereinafter referred to as "Client" or "you") in light of your intention to engage in transactions with GTC GLOBAL LIMITED (hereinafter referred to as "the Company") involving Foreign Exchange Contracts. Contracts for Difference, deposits and payments products and other Derivatives Contracts (“Transactions”) either on a margin basis or otherwise.

This document is unable to and does not disclose or explain all of the risks and other significant aspects involved in engaging in these Transactions. It is intended to provide a general description of the nature of the risks inherent in such Transactions and to assist the Client in making informed investment decisions.

Prior to applying for an account, you should consider carefully whether trading in these Transactions is suitable for you in the light of your circumstances and financial situation. Margin FX and CFDs involve different levels of exposure to risk and, in deciding whether to trade in such instruments, you should be aware of the following points:

- Trading in Margin FX and CFDs (“OTC Derivatives”) carries a high degree of risk. The “gearing” or “leverage” involved in trading OTC derivatives means that a small initial margin payment can potentially lead to large losses above your initial investment. The geared nature of derivatives also means that Margin FX and CFDs trading can carry greater risks than conventional share trading, which is generally not geared.

- A relatively small market movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you.

- Most OTC derivatives are off-exchange derivatives. Engaging in such transactions may be deemed to entail greater risk compared to on-exchange derivatives, due to the absence of an exchange market for closing out open positions. Accordingly, you are limited to opening and closing your positions exclusively with us. Accordingly, you are exposed to the unlikely event that we may not be able to fulfil our obligations to you as a counterparty.

- Foreign markets will involve different risks to markets. The potential for profit or loss from OTC derivatives relating to a foreign market or denominated in a foreign currency will be affected by fluctuations in foreign exchange rates. It is possible to incur a loss if exchange rates change to your detriment, even if the price of the underlying instrument related to the OTC derivatives remains unchanged.

- Margin FX and CFDs are contingent liability transactions which are margined and require you to make a series of payments against the purchase price, instead of paying the whole purchase price immediately, and they may only be settled through deposit.

- You may sustain a total loss of the margin that you deposit with us to establish or maintain a position. If the market moves against you, you may be called upon to pay a substantial additional margin at short notice. If you fail to do so within the required time, your position may be liquidated at a loss, and you will be liable for any resulting deficit.

• You shall be deemed to have received a notice requiring the payment of such funds, regardless of your presence at home or the actual receipt of messages left for you, provided that the notices are delivered to your nominated contact points.
• Even if a Margin FX and CFD is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when you entered the contract.
• Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that trading in the underlying market is suspended or restricted.
• Placing a Stop Order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an Order if the underlying market moves straight through the stipulated price.
• We will not provide you with personal financial product advice relating to Margin FX and CFDs and we will not make Margin FX and CFD recommendations of any kind. The only advice we will give you will be as to how Margin FX and CFDs work. We are under no obligation to provide consultation beyond that in this regard.
• There is no clearing house for Margin FX and CFDs, and the performance of a Margin FX and CFD by GTC GLOBAL LIMITED is not 'guaranteed' by an exchange or clearing house.
• Our insolvency or default may lead to your positions being liquidated or closed out without your consent. As all deposits lodged with us are held in a segregated client account or accounts, in such circumstances those deposits would attract all legal protections afforded under the applicable laws. Net unrealised running profits are also held in trust by us (in excess of our contractual and regulatory requirements) and would normally be similarly protected for your benefit as beneficial owner unless a Court were not to uphold the trust in relation to the net unrealised profits, in which event you would rank as an unsecured creditor of ours in relation to such net unrealised profits. It should also be noted that keeping your funds in a segregated client account does not offer or guarantee absolute protection of your funds in the event of our insolvency or default where there is a deficit in the segregated client account.
• Although by dealing with us you will not be dealing in securities, you need to be aware that you may still be subject to the applicable laws.
• The obligations to you under the Client Agreement and the margin FX and CFDs are unsecured obligations, meaning that you are an unsecured creditor of ours.
GTC Global Limited, is a global finance brokerage company registered, supervised, and authorized by the Financial Services Commission, Mauritius of the Republic of Mauritius Company license number: GB22200292. It operates under the brand name GTCFX.