Libertex™

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RISK DISCLOSURE

FOREX CLUB INTERNATIONAL LLC

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1. INTRODUCTION

1.1. The purpose of this document is to inform the Client of FOREX CLUB INTERNATIONAL LLC of potential risks related to Operations in financial markets and to warn the Client about possible financial losses in connection with these risks.

1.2. This document forms an integral part of the Client Agreement of FOREX CLUB INTERNATIONAL LLC.

1.3. All Clients and prospective Clients should carefully read the following Risk Disclosure and Warning Notices contained in this document before applying to the Company for a Trading Account and before they begin to trade with the Company. However, this document cannot and does not disclose or explain all of the risks and other significant aspects involved in dealing with Financial Instruments. This notice was designed to explain in general terms the nature of the risks involved when dealing with Financial Instruments in a fair and non-misleading manner.

1.4. The Client should NOT carry out any Trading Operations unless he/she is fully aware of their nature, the risks involved and the extent of their exposure to these risks. In case of uncertainty as to the meaning of any of the warnings described below, the Client must seek independent legal or financial advice before taking any investment decision.

1.5. No information represented in the documents of the Company or the Company's Websites/mobile apps shall be considered to be advice.

1.6. This Risk Disclosure and Warning Notices is not intended to make the Client eschew executing operations in financial markets but to help the Client assess risks related to executing operations and to be responsible when considering the type of business strategy within the framework of the Client Agreement concluded with the Company.

2. RISKS ASSOCIATED WITH CFDs

2.1. Leverage is a distinct feature of Contracts for Difference (CFDs). The effect of leverage makes investing in CFDs riskier than investing directly in the underlying asset. This is a result of the margin 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 disproportionate impact on a Client's trade. A small price movement in the Client's favour can provide a high return on the deposit. However, a small price movement against the Client may quickly result in significant losses.

2.2. A number of Financial Instruments have a significant intraday price change range, which implies a high probability of receiving profit or sustaining losses on operations. In case of high volatility, low liquidity and other significant market conditions changes that cause a price change of 5% or more during a period no longer than a Trading Day, the Company is entitled to fix the financial result of the Client's Operations at a price that doesn't differ by more than 5% from the starting point of the financial instruments price change established by the Company.

2.3. The Client acknowledges that under abnormal market conditions, the period during which Orders are executed may be extended or that it may be impossible for Orders to be executed at declared prices or may not be executed at all. Abnormal market conditions include but are not limited to times of rapid price fluctuations, rises or falls in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted, or the lack of liquidity. These phenomena may also occur at the opening of trading sessions.

2.4. Clients have no rights or obligations regarding the underlying instruments or assets relating to their CFD(s). The Client should understand that CFDs can have different underlying assets, including equities, stock indices and commodities. Specifically for equity CFDs, Clients will not receive any voting rights.

3. TECHNICAL RISKS

3.1. The Client shall be responsible for the risks of financial losses caused by failure, malfunction, interruption, disconnection or malicious actions of information, communication, electricity, electronic or other systems. 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, software, servers, communication lines and/or the internet. The result of any such failure may be that his/her Order is either not executed according to his/her instructions or is not executed at all. The Company does not accept any liability in the event of such a failure.

3.2. At times of excessive deal flows, the Client may have some difficulties connecting over the phone or with the Company's Trading Platform(s)/system(s), especially in fast markets (for example, when key macroeconomic indicators are released).

3.3. The Client acknowledges that the internet may be subject to events that may affect his access to the Company's Website and/or the Company's Trading Platform(s)/system(s), including but not limited to interruptions or transmission blackouts, software and hardware failure, internet disconnection, public electricity network failures or hacker attacks. The Company is not responsible for any damages or losses resulting from events that are beyond its control or for any other losses, costs, liabilities or expenses (including but not limited to the loss of profit) which may result from the Client's inability to access the Company's Website and/or Trading Platform(s)/system(s) or the delay or failure to send Orders, not due to the Company's gross negligence or wilful default.

4. OTHER RISKS

4.1. The Client shall take risks of financial losses caused by force majeure circumstances, including but not limited to:

4.1.1. Strikes, mass riots or civil strife, acts of terrorism, wars, natural disasters, accidents, fires, floods, storms, hurricanes, interruptions of electricity, communication, software or electronic equipment, which in the Company's well-grounded opinion, resulted in the destabilisation of one or several trading Instruments in a market or markets

4.1.2. The interruption, liquidation or closing of a market or the absence of any event that serves as the basis for the Company's quotes, which cause limitations or special or non-standard trading conditions or the performance of Operations in any market or in respect of any event of this kind.

4.2. When planning and executing Operations subject to increased risk, the Client shall take into account that, in practice, the probabilities of positive and negative deviation of a real result from the planned (or expected) one often contemporise and realise depending on a number of particular circumstances, the level of measurement of which determines the effectiveness of the Client's Operations.

4.3. The Company provides no guarantees of profit nor of avoiding losses when trading Financial Instruments. The Company cannot guarantee the future performance of the Client's Trading Account, promise any specific level of performance or otherwise suggest that the Client's investment decisions and/or strategies will be successful/profitable. The Client has received no such guarantees from the Company or from any of its representatives. The Client is aware of the risks inherent in trading in Financial Instruments and is financially able to bear such risks and withstand any losses incurred. The Client acknowledges and accepts that there may be additional risks apart from those mentioned above.

4.4. In consideration of the foregoing, the Company shall recommend that the Client consider if the risks associated with conducting Operations in a financial market are acceptable with due regard to the Client's goals and financial capacities.