



DIRECTPRIME

RISK DISCLOSURE

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RISK DISCLOSURE

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Our Risk Disclosure (“**Disclosure**”) contains information regarding the risks involved in financial and investment products that you may use through the Services we provide you. The nature of our business is only for users who can perform under legally binding contracts applicable to jurisdictions that allow our Services.

The investment products we offer include stocks, cryptocurrencies, futures, exchange-traded funds (“**ETFs**”), and contracts for differences (“**CFDs**”) that can provide you exposure to commodities, indices, and major and minor currencies. Additionally, transactions related to these products where we provide leverage are considered CFD transactions.

Given our nature of business and the abovementioned investment products that include monetary transactions, you must read, understand, and agree to the outlined risks herein. However, we can only state the most common occurrences and can only declare the possible risks to an extent. This Disclosure does not cover all market incidents you may encounter during your trading course.

CFDs and other leveraged products

Trading with CFDs means obtaining a contract to reduce the differences in the Bid and Ask price of a specific asset. By trading CFDs, you thereby trade on margin with leverage, which may significantly impact your trading account to your advantage or disadvantage. In that regard, you acknowledge the risk of sustaining a loss higher than your initial investment. Additionally, leveraged market products, including CFDs, are complex instruments that entail a significant risk of losing capital, where more than 75% of trading accounts lose capital when trading derivatives. Therefore, you must carefully assess your knowledge of trading and other relevant factors when acknowledging the risks of losing money.

Trading suitability and appropriateness

Before opening an account with us, you should carefully consider your investment and financial objectives, level of experience, personal risk tolerance, and other relevant trading factors, including our trading products, where market liquidity is not entirely guaranteed and can be more difficult to liquidate. If you continue to open an account with us, you confirm that you are informed of the risks and understand and accept those risks. We are not responsible for adjusting our service conditions according to Client needs. Our trading conditions are set according to the applicable regulations and policies, where our CFDs may vary significantly from the actual underlying market or instrument.

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The financial market is volatile in nature, which may work to your advantage or disadvantage. Due to the significant risks of trading derivatives and other leveraged products, you should only conduct transactions with us if you understand the nature of the contracts you enter into. You should carefully assess the extent of your risk potential and consider whether trading is appropriate for you based on your experience, objectives, risk appetite, and other relevant factors.

Margin requirements

You are obliged to ensure that your trading account meets our margin requirements, which may be changed from time to time. Margin requirements are essential to maintain an efficient trading operation on your account. Accordingly, you agree to comply with our margin requirements and accept to be bound by the changes with your continued use.

We have the right to increase the capital amount in your trading account on short notice to comply with the margin requirements and retain any ongoing trades. Otherwise, we have the right to perform any of the following actions when the Client margin is in disorder:

- a) Close or stop ongoing trades gradually or entirely to make up or minimize the floating loss from the total floating/variable profit
- b) Close the trades completely to avoid a more significant amount of loss
- c) Close the trades entirely, which may happen automatically through the system, if the margin can no longer hold the negative trades
- d) Close or restrict access to the trading account if, in some instances, the margin is excessively negative, where we must take partial control to avoid further damage

If you intentionally or unintentionally over-open trades that your margin cannot handle, you will be responsible for settling the margin requirements.

Market volatility and slippage

Through initiating a trade, you hereby understand and conform to the concept of price slippage or market gapping that occurs when trading a CFD. Such slippage or gapping is when there is a drastic shift in the price of an underlying asset during trading hours or before the market opens. We cannot guarantee that rapid price movements will be to your advantage or disadvantage, as you are solely responsible for monitoring your ongoing trades.

When trading cryptocurrencies or currency exchanges in the market, you must agree to those products' increased risks. Additionally, the cryptocurrency market is dynamic, and prices are often highly unpredictable and volatile. Therefore, cryptocurrencies and currency exchanges must be considered extreme assets, where you should never invest more money than you are prepared to lose.

Trades execution and monitoring

You can execute your trades manually or automatically by placing orders on the trading platform. Although we provide the best available execution, the market price can change between order placement and execution time. Therefore, we cannot guarantee that the price you request will be the same as the price the order is executed, where the price you receive can work in your favor or against you.

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You may set 'Take-Profit' and 'Stop-Loss' limits, which can automatically close your trade when it reaches a price limit of your choice. However, there are instances that these orders are not fully effective, including when there are rapid price movements or market closures. For more information about market and order executions, refer to our Order Execution.

Moreover, you are solely responsible for monitoring the ongoing trades in your account and agree that all such trades and transactions are executed under your sole decision.

Internet and system risks

The risks linked with online execution and trading systems include but are not limited to software crashes, hardware malfunctions, and internet disconnection.

You acknowledge that system errors may occur while trading on our platforms or applications, resulting in delayed or failed orders or execution. You further acknowledge the risks linked with using an internet-based trading system, including, without limitation:

- a) Unauthorized access to information and assets
- b) Blockchain network failure for cryptocurrency trades
- c) Computer viruses
- d) Communication failures, disruptions, and errors
- e) Phishing, spoofing, and other cyberattacks

On the basis thereof, you acknowledge and duly accept the relevant risks of trading.

Information and past performance

We cannot guarantee an asset's future performance through its past performance, where the value of investments can increase or decrease. You agree that any information we provide is for reference only, and you are solely responsible for deciding whether to apply such information to your trades. We are not responsible for any loss you may incur if you use the information we provide for your trades or investments.

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