

# CFD and Rolling Spot FX Risk Warning

You should note that CFDs and Rolling Spot Forex contracts are leveraged financial instruments and are deemed to be HIGH RISK investment products. CFDs and Rolling Spot Forex contracts are not suitable for all investors. It is solely your decision as to whether you apply for an account with us and you should ask a financial adviser as to whether our products are suitable for you. You should ensure that you understand the nature and risks involved of trading on margin and that you fully understand the extent of your exposure to possible large losses from this form of trading.

Before you apply for a trading account, you should carefully consider whether using such volatile financial instruments is appropriate for you, this consideration should be with specific reference to your personal trading experience and in particular to your financial circumstances. **YOU SHOULD ONLY COMMIT FUNDS THAT WOULD NOT SERIOUSLY IMPACT YOUR FINANCIAL CIRCUMSTANCES SHOULD THOSE FUNDS BE LOST.**

CFDs and Rolling Spot Forex contracts are derivatives and such markets can be highly volatile. The price of a Rolling Spot Forex contract or CFD and its underlying market (a currency; commodity; index etc) may change very quickly as a consequence of (amongst other reasons):

- an unforeseen event, (i.e. an act of God, terrorism, FX revaluation etc)
- an unexpected piece of economic data, (i.e. an unusually poor economic release from a major economy) or
- a sudden change in sentiment.

Each transaction can involve different levels of risk and, when deciding whether to trade in such instruments, you should be aware of the following points:

1. Trading carries a high degree of risk. The gearing (leverage) used when trading means that whilst a relatively small initial margin payment may be required to open a position, this can potentially lead to comparatively large losses. The nature of this gearing means that a relatively small movement in the price of the market in which you have a position can lead to a significant movement in the value of your trade. This can result in large losses.
2. Rolling Spot Forex contracts and CFDs offered by us are off-exchange derivatives (commonly called OTC derivatives). This can involve greater risk than an on-exchange derivative as you are only able to open and close your positions with us and you will be unable to close a position that you have opened us with a third party. This means that, should you be unable to access our trading platforms, you may be exposed to large losses.
3. There is the potential for you to incur losses (or make profits) in relation to your exposure to foreign exchange fluctuations when trading in a market denominated in a currency that is not the same as the base currency of your account. It is possible that any losses incurred by you may increase

(or profits decrease) due to adverse exchange rate changes even if the price of the instrument to which the trade relates remains unchanged.

4. Rolling Spot Forex and CFDs are 'margined contingent liability transactions' which may require you to make a series of margin payments versus the purchase price, and they may only be settled in cash. We will never deliver the underlying market asset to which your trade relates.

5. As mentioned earlier in this Risk Warning you may sustain a total loss of the monies that you have deposited with us when opening a position. If the market moves against your positions such that the monies which you have deposited with us are insufficient to support said positions, we may close such positions as we see fit to bring your account back into a positive margin situation.

6. In certain trading conditions it may be difficult (or even impossible) to close a position held by you, even though you have insufficient margin to hold that 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. If this occurs your exposure to losses may encompass all the monies deposited in your account.

7. You may place a Stop Loss Order against your position but this may not limit your losses to the amount indicated as market conditions may make it impossible to execute such an Order if the underlying market moves straight through the stop price requested by you.

8. While your transactions will not take place on any exchange you are still liable to all laws pertaining to market manipulation and insider trading. TigerWit is regulated and authorised by the Financial Conduct Authority and all client transactions will be reported to a depository that is accessible by them.

9. TigerWit will not give advice relating to future market activity and we will not make recommendations of any kind. Any statements made by a member of staff of TigerWit concerning market activity are their personal opinion and are not the opinion of TigerWit. We will comment, if we are able to do so, on past market activity, on matters of fact (i.e. dividend dates, economic data releases etc) and on the mechanics of how Rolling Spot Forex and CFD accounts work.

TigerWit will not give you any personal financial advice. Any general financial comment or technical data that we supply does not take into account your personal objectives or financial situation and has not been prepared with reference to any specific requirement of yours.

You should obtain independent financial and legal advice before you open an account with TigerWit. No statement of ours should be taken as a recommendation to trade in any financial product, either with us or with any third party.

In agreeing to the Terms and Conditions you agree that every trading decision made by you is subject solely to your personal judgement. TigerWit will not be liable for any losses, costs, expenses or

damages suffered by you arising from any inaccuracy or mistake in any information we give to you in the absence of fraud, wilful default or gross negligence.

Any money that you deposit with us will be held separately from our money in a trust account (commonly called a segregated client money account) and held and dealt with in accordance with FCA rules. As permitted under FCA rules your money may be co-mingled into one or more trust accounts with our other customers' money, which is also held in trust.

### Other FX risks

Unrealised profits and losses in currencies other than the base currency of your account may result (when realised and converted back into your base currency) in a greater than expected loss (or a lower profit) being debited from (or credited to) your account. Significant movements in the currency of any open positions versus your base currency may all require extra margin from your account.

A profit or loss that is realised in a currency other than your base account currency will be immediately converted into the base currency of your account at a rate no worse than 0.5% from the current spot rate of that currency versus your base currency.

### General Information

Should TigerWit suffer an insolvency (or default) event then this may result in your positions being closed without notice to you. As all Retail client monies are held in a trust account (commonly called a segregated client money account) those monies attract the regulatory protections. Money held in such accounts will include net unrealised client profits and these would be held to your benefit as well.

There is no clearing house for Rolling Spot Forex and CFDs, and any price quoted by TigerWit may be significantly different to that quoted by an exchange or clearing house.

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