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INFINITY GMARKET

RISK WARNING

Prerequisite:

Potential customers should carefully consider the following risk warnings.

We describe the general nature of the risks involved in dealing with financial instruments in a fair and non-misleading manner. The Company INFINITY GLOBAL MARKET LTD executes orders relating to one or more financial instruments mainly CFDs on currencies, CFDs on commodities, CFDs on spot metals, CFDs and CFDs on indices.

1) General Execution Risk:

- CFDs are complex financial products and are not suitable for all investors. CFDs are leveraged products, which mature when an existing open position is closed. When you invest in a CFD, the level of risk is very high and can result in a loss of all the invested capital.
- 76% of retail investor accounts lose money when trading CFDs with this provider.

You need to make sure that you understand how CFDs work and that you can afford to take the likely risk of losing your money.

A Client can only engage in a trading activity if he knows and fully understands the risks involved in financial instruments. Customers should not risk more money than they would be willing to lose. Before applying to open a trading account with INFINITY GLOBAL MARKET LTD or placing an order, Clients should carefully examine the financial instrument, taking into account their circumstances and financial resources. If a client is unsure or does not understand the risks involved in trading financial instruments, he or she should consult an independent financial advisor. If after consulting the financial advisor, he or she still does not understand these risks, then it is best that he or she does not trade.

The content of the INFINITY-GMARKET.COM site should not be interpreted as personalized advice. Retail clients may suffer losses up to the total amount of funds deposited.

Indeed, the purchase and sale of financial instruments involve a significant risk of loss and damage and each client must understand that the value of his investment can increase but also decrease.

Opinions, news, studies, analyzes, quotes and other information provided on the INFINITY-GMARKET.COM site are presented as market commentary and do not constitute investment advice.

INFINITY GLOBAL MARKET LTD is not responsible for any loss or damage, including but not limited to any shortfall that may result directly or indirectly from the use of such information or from the consideration thereof.

2) Technical Risks:

INFINITY GLOBAL MARKET LTD attaches great importance to the execution of Client orders and strives, at all times, to offer the highest possible execution speed, within the limits of technology and communication links. The Client is responsible for the risks of financial losses caused by the malfunction of electronic systems, communication, information and any other system. For example, the Client may give instructions by telephone to modify or close a position. The Customer is responsible for the security of his access data. If the client trades on an electronic system (trading platform), he or she will be exposed to risks associated with the system, including hardware and software (internet / servers) failures. For example, there may be a delay on the Company's platform when receiving an order and this may affect the execution price. Thus, the consequence of a system failure may be that the order is not executed in accordance with the Client's instructions or is not executed at all. The Company INFINITY GLOBAL MARKET LTD accepts no responsibility in the case of such a malfunction.

When the Client negotiates on the Client Terminal, he or she is responsible for the risks of financial losses caused by:

- Hardware malfunctions or misuse of Company or customer software;
- Bad internet connection at Customers, Company or both. This includes interruptions, transmission cuts, failure of the public electricity grid, overload or hacker attacks;
- Wrong settings on the Client Terminal;
- Delay in updating the Client Terminal.

The Client recognizes that when the flow of transactions is excessive, he or she may experience difficulty in contacting a broker by telephone, especially in a fast-paced market (for example, when key macroeconomic indicators are published).

3) Risks Related to Abnormal Market Conditions:

The Client acknowledges that under abnormal market conditions the period during which instructions and requests are executed may be extended.

4) Risks Related to Communication:

The Customer acknowledges that unencrypted information transmitted by email is not protected against unauthorized access.

The Client is fully responsible for the risks regarding the non-receipt of internal e-mails from the trading platform sent to the Client by INFINITY GLOBAL MARKET LTD.

The Client is fully responsible for the confidentiality of the information received from the INFINITY GLOBAL MARKET LTD Company and accepts the risk of financial losses caused by unauthorized access by a third party to his trading account.

The Company assumes no responsibility if authorized / unauthorized third parties have access to information, including email addresses, electronic communications and personal data, access data when the foregoing is transmitted between the Company or any other party, when using the internet or other means of network communication, telephones, or any other electronic means.

5) Risk Associated with a Force Majeure Event:

In the event of a Force Majeure event, the Client accepts the risk of financial loss.

6) Risk Warning for Derivatives and Foreign Exchange Transactions:

This information cannot disclose all the risks and other important aspects of derivatives and foreign exchange transactions, such as Contracts for Difference. A client should not trade in these products unless he understands their nature and the extent of his exposure to risk. These products are risky and require regular monitoring (especially when leverage is higher and / or markets are volatile). Customers also need to be confident that the product is right for them based on their financial situation. Some strategies, such as a “spread” or “straddle” position can be just as risky as a long or short position.

Although Forex and Derivatives can be used for investment risk management, some of these products are not suitable for many investors. Clients should not trade derivatives directly or indirectly unless they know and understand the risks associated with such products and understand that they may also lose all of their capital. Different instruments involve different levels of risk exposure and when the client decides to trade these instruments, he should be aware of the following:

7) The Impact of Leverage:

Under the trading margin conditions, even the smallest market movements can have a big impact on the Client's trading account. It is important to note that all accounts trade under leverage. The Client must also consider that if the market evolves against him, the Client could lose all of the funds deposited. The Client is responsible for all risks, the financial resources he uses and the trading strategy chosen.

The Client is responsible for all financial losses caused by the opening of the position, if he uses the excess free margin available on the trading account gained as a result of a profit position, (and then canceled by the Company) opened to an error course (spike) or to a course received due to the manifest error.

8) High Volatility Instruments, Price Movements and the Meaning of the Slide:

Some instruments trade in wide intraday ranges with volatile price movements. Therefore, the customer should carefully consider that there is a high risk of loss and profit.

The price of derivative financial instruments is derived from the price of the underlying asset to which the instruments refer (e.g.: currencies, stocks, metals, indices, etc.) Financial derivative instruments and related markets can be very volatile. The prices of the instruments and the underlying asset may fluctuate rapidly, over wide ranges and may reflect unforeseeable events or changes in conditions, which cannot be controlled by the Client or the Company. Under certain market conditions, it may not be possible for a Client's order to be executed at the declared prices, and therefore may result in a loss. The prices of the instruments and the underlying asset will be influenced by, among others, the relationship between supply and demand, government, agricultural and trade programs and policies, economic, political, national and international events and dominant psychological characteristics of the market in question. Therefore, a Stop Loss order cannot guarantee a loss limit.

The Client acknowledges and accepts that whatever information may be offered by the Company, the value of the instruments may fluctuate downward or upward and it is even possible that the investment loses all of its value. This is due to the margin system applicable to these transactions, which typically involves a comparatively modest deposit or margin in terms of the total contract value. A relatively small movement in the underlying market can have a dramatically disproportionate effect on the Client's transaction. If the underlying market movement is in favor of the Client, the latter may make a good profit, but a small unfavorable market movement can not only quickly cause the Client's deposit to be completely lost, but also expose the client to a loss. important additional.

At this point, it's important to refer to the slippage that typically occurs during times of high volatility - this is when the trader has executed an order at a price that is different from the price they expected. There are two kinds of slip, positive slip and negative slip. A positive slippage occurs when the price is executed at a better level than what was asked; a negative shift is exactly the reverse. Consequently, the Client must consider the risks and / or the danger that he could encounter. Slippage can occur on all order types and accounts and under any execution conditions.

In general, market volatility can affect price, speed and volume. Therefore, trading while conditions are volatile, when important news and data is released is terribly risky and since best execution criteria might not apply, the execution price will always be provided at the first available price.

9) Liquidity and Margin Call:

Some of the underlying assets may not become liquid immediately in the event of a drop in demand for the underlying asset and the Client may not be able to obtain information on their values or the extent of the risks related.

The logic of margin trading is that your margin acts as a good faith deposit intended to secure the greater notional value of your position. Margin trading allows traders to hold a position that is much larger than the current value of the account. INFINITY GLOBAL MARKET LTD offers margin management capabilities that allow this leverage to be utilized. Of course, margin trading is not without its risks, as leverage is likely to backfire on you just as much as it benefits you. If the equity on the account falls below the margin obligations, INFINITY GLOBAL MARKET LTD will trigger a close order for all positions. When positions have been placed with too much leverage or the trading losses incurred are such that the invested capital is no longer sufficient to keep the positions open, and the usable margin is less than zero, this will result in a call. margin and will close all positions (the Liquidity).

Please note that MT4 users are subject to different margin call procedures. When a margin call is triggered on the account, the individual positions will be liquidated until the remaining equity is sufficient to support the existing positions. To decide which positions will be liquidated individually, the most important losing position will be closed first on liquidation.

Although the margin call feature is designed to liquidate positions when the account capital falls below the margin requirements, in some cases liquidity is insufficient at the exact margin call rate. Account capital may therefore drop below the margin requirements when orders are executed, or even lead to negative account capital. This happens especially during times of market price gaps or high volatility.

10) Extended Spreads:

In some cases, spreads widen beyond the norm. Spreads are a function of market liquidity and in times of insufficient liquidity, when markets open or during extension hours at 5:00 p.m. ET, they may widen due to uncertainty over changes in market prices. price or increased market volatility or a lack of liquidity. This can happen during current events where spreads can widen significantly to compensate for extreme market volatility. This widening of spreads can last a few seconds or a few minutes. INFINITY GLOBAL MARKET LTD strongly encourages traders to be cautious when trading during times of current events and to always consider the available capital in their account, usable margin and market exposure.

Widening spreads can have a negative effect on all positions in an account, including hedged positions.

11) Hedging:

The possibility of hedging his positions allows the trader to simultaneously hold long and short positions on the same currency pair. Traders have the ability to trade in the market without choosing a specific direction for a currency pair. While hedging positions may mitigate or reduce future losses, it does not prevent the account from remaining exposed to other risk of loss. In the foreign exchange market, the trader can fully hedge quantities but not prices. This is because of the difference between the buy and sell prices, or the spread. INFINITY GLOBAL MARKET LTD traders will need to build up a margin for one side (the larger side) of a hedged position. Margin requirements can be managed at any time from the Simple Exchange Rates window. While the ability to hedge positions is an attractive feature, traders should be aware of the factors that may affect hedged positions.

12) Rollover Costs:

A rollover is the simultaneous closing and opening of a position, at a specific time, during the session, in order to avoid settlement and delivery of the currency purchased. This term also refers to the interest charged or applied to a trader's account for positions held overnight, i.e., held after 5:00 p.m. (New York time) on INFINITY GLOBAL MARKET LTD platforms. The point at which these positions are closed and reopened and rollover fees are debited or credited is commonly referred to as “Trade Roll Over” (TRO). Please note, the rollover fees will be higher than the rollover accumulations. When all positions are hedged for one account, even if the overall net position is unchanged, however, the account may incur losses due to the spread at the time of rollover. Rollover spreads are likely to be larger than at other times. Please manage positions according to the rollover and understand the implications of widening spreads in relation to execution with existing / open positions or new positions / orders.

13) Price Gaps (Gapping):

The prices at the opening on Sunday may or may not be the same as the closing price on Friday. It sometimes happens that the prices on Sunday at the open are close to what they were on Friday at the close. At other times, the difference between the Friday closing price and the Sunday opening price is large. A difference can occur when an important economic announcement or event changes the market's view of the value of a currency. Traders who hold positions or orders over the weekend should be fully aware of the potential for gapping (price spread) over the weekend.

If traders fear considerable market volatility over the weekend and therefore a price gap (gapping) or that the risk potential of the weekend is not suited to their trading style, they can simply close their orders. and positions before the weekend. It is imperative for traders who keep positions open over the weekend to understand that major economic events and announcements can occur and alter the value of their underlying positions. Due to the volatility expressed in the markets, it is not uncommon to see prices located at several pips when the market opens relative to its close. We encourage all traders to consider this fact before making a trading decision.

14) Meta Trader 4 (MT4):

The MT4 platform does not allow the inclusion of commissions for margin calculations on orders pending execution of clients. This means that if you place a trade with a small amount of usable margin available on an MT4 account, there is a risk that order execution will generate an immediate margin call with regard to commissions which may cause insufficient margin to maintain. open positions. Therefore, you need to make sure that you have enough usable margin before opening new positions.

15) Contracts for Difference:

CFDs available for trading with INFINITY GLOBAL MARKET LTD are non-cash transactions, giving the opportunity to make profits on changes in the rates of currencies, commodities, stock indices or stocks (called the underlying instrument). If the movement of the underlying instrument is in favor of the Client, the Client can make a good profit, but a small unfavorable market movement can not only quickly lead to the total loss of the Client's deposit, but also others. additional commissions and other expenses incurred. The Client should not trade CFDs unless he is prepared to accept the risks of losing the entire invested capital and / or any additional commissions and other expenses incurred.

Investing in a Contract for Differences is just as risky as investing in a futures contract or option and the Client should be aware of the risks set out above. Transactions in Contracts for Difference may also have a contingent liability and the Client should be aware of the implications of the foregoing, as set out below.

16) Over-The-Counter Derivatives Transactions:

Foreign Currency CFDs, Commodity CFDs, Spot Metals CFDs, Stock CFDs and Index CFDs are over-the-counter transactions. The Client acknowledges that CFD transactions registered with the Company are not carried out on a recognized stock exchange, but over-the-counter (OTC) and for this reason, they may expose the Client to greater risks than transactions of regulated changes. Although some over-the-counter markets are very liquid, trading over-the-counter or in non-transferable derivatives may involve more risk than investing in on-exchange derivatives because there is no forex market in which to close an open position.

It may be impossible to liquidate an existing position, to determine the value of the position resulting from an over-the-counter transaction, or to assess risk exposure. Ask and ask prices may not be listed, and when they are, they will be set by the dealers on these instruments and therefore it can be difficult to establish a fair price.

With respect to currency CFD, commodity CFD, spot metal CFD, equity CFD and index CFD trading with the Company, the Company uses a trading platform for CFD transactions, which does not fall within the scope of the definition of a recognized stock exchange because it is not a multilateral trading system and therefore this platform does not have the same protection as an investment transaction relating to contingent liabilities.

For investment transactions involving contingent liabilities which are subject to a margin, the Client must make a series of payments against the purchase price, instead of paying the full purchase price immediately. The margin requirement depends on the underlying asset of the instrument. Margin requirements can be set or calculated from the current price of the underlying instrument, which can be found on the INFINITY-GMARKET.COM website.

When trading CFDs, a client could suffer a total loss of the funds that they have deposited to open and maintain a position. If the market plays against it, it may be called upon to pay additional funds quickly to maintain the position. If the Client does not deposit funds within the required time frame, his position may be liquidated at a loss and he will be liable for the deficit. It should be noted that the Company will have no obligation to notify the client in the event of a margin call to maintain a losing position.

Even if a trade is not subject to a margin, it may still be subject to an obligation for additional payments in certain circumstances - in excess of any amount paid when the Client entered into the contract.

Investment transactions in contingent liabilities that are not traded on, or are not governed by, a designated or recognized investment exchange, may expose the client to much greater risk.

17) Commissions and Taxes:

Before clients start trading, they should know all of the table-accordion commissions and other charges for which they will be held accountable. If the charges are not expressed in monetary terms (but, for example, as a percentage of the contract value), the Client must ensure that they understand the true monetary value of the charges. For example, for opening a position in certain types of CFDs the Client may be required to pay the finance charge or commission, the amount of which is indicated on the website of the Company INFINITY GLOBAL MARKET LTD (INFINITY-GMARKET.COM). Table-accordion commissions can be charged either as a percentage of the overall trade value or as a fixed amount. The value of open positions in certain types of CFDs is increased or reduced by a daily swap rate throughout the term of the contract. Swap rates are based on market interest rates, which may vary over time. For all types of CFDs that the Company offers, no commission and no financing costs are incorporated in the price indicated by the Company, but clearly charged to the Client's account.

The Client's transactions in financial instruments including derivative instruments may be subject to taxes and / or other taxes due, for example, to changes in legislation or the Client's personal circumstances. The Company does not guarantee that there will be no tax and / or any other stamp duty payable. The Client is responsible for the payment of taxes and / or any other fiscal obligations and / or fees and / or expenses which may be incurred with regard to his transactions.

18) Suspensions of Negotiations:

Under certain trading conditions it may be difficult or impossible to liquidate a position. This can happen, for example, when the price movement is rapid, if the price goes up or down in a trading session to such an extent that under the rules of the exchange trading is suspended or limited. Placing a Stop Loss will not necessarily limit losses to the expected amounts, because market conditions make it impossible to execute the Order at the stipulated price. In addition, under certain market conditions, the execution of a Stop Loss order may be worse than its stipulated price and the losses realized may be greater.

The price of a CFD is calculated by reference to the price of the underlying asset, which INFINITY GLOBAL MARKET LTD obtains from third party external reference sources. The prices of the INFINITY GLOBAL MARKET LTD Company can be found at the website: INFINITY-GMARKET.COM. If the price reaches an order such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop - these orders will be closed. But under certain trading conditions it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop) at the prices declared by the Clients. Therefore, these orders may not limit the Client's losses in the event of highly volatile trading conditions, for example, in the reference price or of an underlying asset. In this case, the Company INFINITY GLOBAL MARKET LTD has the right to execute the order at the first available price. This can happen, as previously stated, when the price movement is fast, if the price goes up or down in a trading session to such an extent that under the rules of the exchange trading is suspended or limited. This can also happen at the opening of a trading session.

Indeed, the volatility of the market creates conditions which can make it difficult to execute certain orders at the given price due to the very high order volume. When orders can finally be filled, the bid / ask price may be several pips.

An order with an Execution Range will not be executed due to insufficient liquidity. Conditional entry (Limit) orders with limit (Limit Entry) or limit (Limit) will not be executed but reset until they can be executed. Depending on the underlying trading strategy and market conditions, traders may place more importance on execution than on price obtained.

19) Insolvency:

The Company has put in place adequate arrangements to secure the property rights and assets of Clients in the event of the Company's insolvency. However, the insolvency or bankruptcy of the Company INFINITY GLOBAL MARKET LTD may result in the liquidation or closure of positions without the consent of the Client. In some cases, a Client may not recover the actual assets that have been deposited as collateral and may have to agree to be paid in cash or by any other method deemed appropriate.

The segregated funds will be subject to the protection conferred by the applicable regulations. The Company may hold segregated funds on behalf of the Client in a segregated account located outside the EU, or pass money held on behalf of the Client to an intermediary broker, settlement agent or OTC counterparty. OTC located outside the EU. The legal and regulatory regime applying to such a person will be different from that of the EU and in the event of the insolvency or other default of that person, the Client's money may be handled differently than the treatment that would apply if the money had been kept in a separate account in the EU.

The Company will not be responsible for the solvency, acts or omissions of third parties referred to in this article. All client funds are held in segregated accounts, separate from Company funds.

20) Third party Risk:

This notice is provided to the Customer in accordance with the legislation in force.

The Company may transfer money received from the Client to a third party (for example, a bank, market, intermediary broker, OTC counterparty or clearing house) to maintain or control in order to complete a transaction through or with that person, or to satisfy the Client's obligation to provide collateral (e.g.: initial margin requirement) in respect of a transaction. The Company INFINITY GLOBAL MARKET LTD is responsible for any action or omission of any third party to whom it will transfer the money received from the customer.

The third party to whom the Company will transfer money, may keep that money in an omnibus account and it may not be possible to separate it from a Client's money, or from the third party's money. In the event of insolvency or any other similar procedure with regard to this third party, the Company may only hold an unsecured claim against said third party on behalf of the client, and the Client will be exposed to the risk that the money received of this third party by the Company is insufficient to satisfy the claims of the Client with regard to the account in question.

The Company accepts no responsibility for any resulting losses.

21) Market Risk Management:

Market risk is the risk of losses when the value of investments declines over a period of time, as a result of economic changes or events that impact a large part of the market.

Market risk can be divided into the following categories:

- Position risk:

  This is the probability of losses associated with a transaction (long or short) due to price changes;

- Interest rate risk:

  This is the risk of fluctuation in the fair value of future cash flows of a financial instrument due to variations in market interest rates;

- Commodity risk:

  These are the uncertainties about future market values and the size of forward income caused by fluctuating commodity prices. These products can be petroleum, metals, gas, electricity, etc.;

- Currency risk:

  This is a financial risk that exists when a financial transaction is denominated in a currency other than the currency of the Company. Currency risk in the Company is effectively managed through the establishment and control of currency limits, such as establishing the maximum exposure value to a specific currency pair, as well as through the use sensitivity analysis.