

Risk Disclosure

6i Group LLC

Registered and Authorised by the Financial Services Authority of St Vincent and the Grenadines. Registration number 1588 LLC 2021.

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1. Introduction

- 1.1.** **6i Group LLC** (hereafter "6iTrade" or the "Company") is an Investment Firm incorporated and registered under the laws of the Republic of Saint Vincent and the Grenadines with registration number 1588 LLC 2021. The Company is authorised by the Financial Services Authority of Saint Vincent and the Grenadines ("SVG").
- 1.2.** This notice is provided to the Clients in accordance with the laws of the Republic of Saint Vincent and the Grenadines, because they are considering dealing with the Company in certain derivative "Financial Instruments" provided by the Company ("Financial Instruments" also known as "Financial Securities").
- 1.3.** Although the Financial Instruments can be utilised for the management of investment risk, some of these products are unsuitable and not appropriate for many Clients as they carry a high degree of risk.
- 1.4.** Financial Instruments are leveraged products and involve a high level of risk. It is possible for Clients to lose all of their capital. Clients may also need to deposit further funds with little or no notice.
- 1.5.** Financial Instruments may not be suitable for everyone and Clients should ensure that they understand the risks involved.
- 1.6.** This notice cannot and does not disclose or does not explain all the risks and other significant aspects involved in dealing in Financial Instruments and is solely designed to explain in general terms the nature of the risks particular to dealing in the Financial Instruments provided by the Company and to help Clients take investment decisions on an informed basis. For a better understanding of some of the possible risks, Clients should read and understand this 'Risk Disclosure' Document, as well as the 'Terms and Conditions' Document, and other 'Legal Documents' provided by the Company, The Company does not provide Investment Advice and Clients should seek advice from an independent and/or authorized financial advisor if necessary.
- 1.7.** This Document forms part of the Client's Agreement, namely, the 'Terms and Conditions' with the Company, thus the Client is also bound by the terms of this Document, as set out herein.

2. Leverage or Margin Requirement

- 2.1.** Before the Client opens a trade on any Financial Instruments provided by the Company, they are required to maintain a Margin. Margin is usually a relatively modest proportion of the overall contract value. This means that the Client will be trading using "Leverage". The Client acknowledges that He is responsible for reviewing the "Contract Specifications" (located on the 'Instruments' page) of the Company's Website for being updated on the 'Leverage or Margin Requirement' prior to placing any order with the Company.
- 2.2.** Leverage is often obtainable in trading Financial Instruments products. This means a relatively small market movement can lead to a proportionately much larger movement in the value of the Client's position, and this can work either against the Client or for the Client. It is possible to make significant gains if the price moves in a Clients' favour however, even a small movement in price against Client, can also lead to significant losses.

- 2.3.** At all times during which the Client opens trades, they must maintain enough Equity, considering all running Profits and Losses, for meeting the Margin Requirements. If the prices move against the Client, then the Client must deposit funds to avoid any Margin Calls or otherwise the Company will be entitled to close one or more or all of the Client's trades.

3. Off-Exchange or Over The Counter Transactions

- 3.1.** When the Client trades Financial Instruments with the Company by placing their orders through the Company's Trading Platform, the Client will be entering into an "Off-Exchange or Over The Counter (OTC)" Transaction/Derivative.
- 3.2.** Off-Exchange or OTC Transactions may involve greater risk than investing in On-Exchange Derivatives because there is no Exchange Market on which to close out an open position. The Client needs to open and close a position with the Company that is not transferable to any other person. In this case, the Client may be exposed to the risk of the Company's default.

4. Underlying Market Volatility

- 4.1.** Financial Instruments are instruments that allow the Client to trade on price movements in underlying Markets. Even though the Company offers its own prices at which the Client can trade Financial Instruments, the Company's prices are derived based on the underlying instruments/markets.
- 4.2.** It is important for the Client to understand that the Volatility of the underlying instrument will affect His profitability. The Client should also be aware of "Gapping" where such events can result in a significant profit or loss on the Client's Account. Gapping can occur when the prices of the Financial Instrument suddenly shift from one price to another, as a consequence of market Volatility and can occur at any time without notice, when the underlying instrument/market is open and also in situations when underlying instrument/market is closed.
- 4.3.** The Volatility explained above may cause Financial Instruments to fluctuate rapidly and thus the prices of these Financial Instruments will also reflect this. Spreads will fluctuate just like the exchange rates. Clients risk increased periods of price volatility during market events such as economic and political news announcements, elections and so forth. During these periods there may be times where spreads are considerably wider than usual. This can impact a Client's Trading Account in the following generalised ways:
- a) wide spreads will mean the cost of opening or closing a position will be greater;
 - b) decrease in equity;
 - c) raises the chance of breaching margin requirements (falling below 'Margin Level' as explained in the Company's Terms and Conditions'.

5. Order Execution Risk

- 5.1.** Clients should be aware of the inherent risks associated with the execution of a Transaction in a Financial Instrument. Clients should read and understand the 'Terms and Conditions' and 'Order Execution Policy' Documents which are available on the Company's Website and upon registration.
- 5.2.** Considering the levels of Volatility affecting both price and volume (demonstrated in paragraph 4.), Client's orders (Market, Buy Limit, Buy Stop, Sell Limit, Sell Stop, Stop Loss and/or Take Profit) are executed at the available Market price. However, during periods of Volatile market conditions, during news announcements, on market Gapping, Client's orders (Buy Limit, Buy Stop, Sell Limit, Sell Stop, Stop Loss and/or Take Profit) are executed at the next available Market price. While this price might have significant deviation from the Client's declared price, the end result can be either to the Client's benefit (positive slippage) or to the Client's detriment (negative slippage).
- 5.3.** Slippage can occur on all types of Transactions, that if unfavorable to the Client can cause a decrease in equity and a change of Margin Level breach.

6. Cost and Charges

- 6.1.** All relevant Costs and Charges are provided by the Company. Clients should be aware of such Costs and Charges that may influence the account profitability. The Client is responsible for reviewing the Company's Website for being updated on all Costs and Charges before placing any order with the Company. The Client can request further information by contacting the Company through the various methods listed on the 'Get In Touch' page of the Company's Website.

7. Swap Rate/Financing Fee

- 7.1.** If a Client holds any positions overnight, then an applicable Swap Rate/Financing Fee will apply.
- 7.2.** The overnight Swap Rate/Financing Fee is mainly dependent on the level of interest rates as well as the Company's fee for having an open position overnight. The Company has the discretion to change the level of the Swap Rate on each Financial Instrument at any given time and the Client acknowledges that He will be informed by the Company's Website. The Client further acknowledges that He is responsible for reviewing the Contract Specifications (located on the 'Instruments' page) of the Company's Website for being updated on the level of Swap Rate prior to placing any order with the Company.

8. Electronic Systems

- 8.1.** Trading Financial Instruments through the Company's Trading Platforms may differ from trading on other electronic trading systems as well as from trading in a conventional or open market. Clients will be exposed to risks associated with Electronic Systems including, but not limited to the following:
 - a) the failure of hardware and software of Company's Platform that may lead to system down time;
 - b) the failure of the Client's own systems, hardware and software;

- c) the failure of the Client's own communications infrastructure (for example the internet) connecting the Client and the Company;
- d) other technical issues affecting the transfer rate of data networks or the quality of the Client's internet connection;
- e) system firewalls or other system blocking programs, from certain jurisdictions (National or International)

9. Tax Risk

- 9.1.** The Client assumes all risks associated with Tax related to trading on Financial Instruments. Clients must be aware that Transactions and any related profits may become subject to Tax. We do not represent or warrant that Tax or stamp duty will not be payable.
- 9.2.** The Company is not responsible for paying Client's Tax obligations in relation to possible income tax or similar taxes imposed on Him by His jurisdiction on profits and/or for trading in Financial Instruments.

10. Additional Acknowledgements

- 10.1.** The Client acknowledges and declares that He has read, understood and thus accepts without any reservation the following:
 - a) the value of the Financial Instrument (including FOREX, CFDs, or any other derivative product(s) offered by the Company) may decrease and the Client may receive less money than originally invested or the value of the Financial Instruments may also present high fluctuations;
 - b) information on past performance of a Financial Instrument does not guarantee the present and/or future performance; the use of historic data does not constitute a binding or safe forecast as to the corresponding future return of the Financial Instruments to which such data refers;
 - c) some Financial Instruments may not become immediately liquid due to various reasons such as reduced demand, and the Company may not be in a position to sell them or easily obtain information on the value of such Financial Instruments or the extent of any related or inherent risk concerning such Financial Instruments;
 - d) when a Financial Instrument is negotiated in a currency other than the currency of the Client's country of residence, any changes in an exchange rate may have a negative effect on the Financial Instruments' value, price and performance
 - e) it is the Client's responsibility to monitor, at all times, the Transactions they have opened and the Margin Requirement to keep said Transactions open.