

BLACKWELL GLOBAL INVESTMENTS LIMITED

RISK WARNING NOTICE

Blackwell Global Investments Limited (“Blackwell Global” or the “Company”) is a company duly incorporated under the laws of the Commonwealth of The Bahamas, with company registration number 201732 B and having registered office at 201 Church Street, Sandyport, P.O. Box N-3406, Nassau, NP, The Bahamas. Blackwell Global is authorised and regulated by the Securities Commission of The Bahamas (“SCB”), with registration number SIA-F215.

RISK WARNING NOTICE

This notice is provided in compliance with SCB requirements because you are proposing to undertake dealings in derivative products with Blackwell Global. It contains information about products such as Contracts for Difference (“CFDs”) and Forex (“FX”), including some of the risks associated with trading with those financial instruments. This notice should be read in conjunction with the Terms of Business and the legal documents as provided. This notice is not intended to disclose or explain all of the risks and other significant aspects involved in dealing such financial instruments, nor does it disclose all risks and it does not replace your own understanding and experience of these products. It explains, in general terms, the nature of the risks associated with trading in these financial instruments to assist you in understanding the nature and risks of this specific type of financial instruments being offered and, consequently, to be in a position to take investment decisions on an informed bases. The majority of retail investor accounts lose money when trading CFDs with this provider.

Blackwell Global is licensed to offer discretionary investment management services, however, the Company is prohibited under its SCB permissions from providing you with investment advice relating to investments or possible transactions in investments or from making investment recommendations of any kind. The Company can provide factual market information or information in relation to a transaction about which you have enquired and the Company will inform you of the potential risks involved and how those risks may be minimised.

Engaging in these types of transactions can carry a high risk as trading the products and services offered by Blackwell Global can result in losses as well as profits. In particular, trading in leveraged products can be very speculative and losses and profits may fluctuate violently and rapidly with fluctuations in the price of the underlying markets. Trading these products is generally considered to be suitable for the more experienced investor and you should not engage in this form of trading unless you understand the nature of the transaction you are entering into and the true extent of your exposure to the risk of loss. If there is any doubt as to the suitability of any investment, you should seek independent professional advice.

For many members of the public, these transactions are not suitable; you should, therefore, consider carefully whether they are suitable for you in the light of your circumstances, financial resources and investment objectives. In considering whether to engage in this form of trading, you should be aware of the following:

1. The high degree of “gearing” or “leverage” is a particular feature of these types of transactions, which stems from the margining system applicable to such trades which generally involves a comparatively modest deposit or margin in terms of the overall contract value, so that a relatively small movement in the underlying market can have a disproportionately dramatic effect on your trade. If the underlying market movement is in your favour, you may achieve a profit, but an equally small adverse market movement can not only quickly result in the loss of your entire deposit, but may also expose you to a large additional loss over and above your initial deposit. The Company has the discretionary right to start closing positions when the margin level decreases to about 80% (“Margin Call”) and automatically close all positions at market prices if the margin drops to 50% (“Stop Out”).
2. You may be called upon to deposit substantial additional margin, at short notice, to maintain your trade(s). If you do not provide such additional funds within the time required, your trade(s) may be closed at a loss and you will be liable for any resulting deficit.
3. Such transactions may not be undertaken on a recognised or designated investment exchange. During normal market hours and outside normal market hours, Blackwell Global may execute orders and trades at our liquidity provider’s prices, acting as a “market maker” (see our Terms of Business for market hours). Closing trades will be traded at the price dictated by the spread quoted at the time of closing, irrespective of the spread at the time of the opening trade, which may be larger or smaller. No guarantee is given as to the spread at the time of closing. All trades opened with the Company must be closed with the Company and cannot be closed with any other entity.
4. Where entering into such transactions, Blackwell Global must do so under a two-way customer agreement pursuant to the SCB rules unless exempted from doing so. You should satisfy yourself that dealing is conducted throughout in strict conformity with that customer agreement and report to the SCB if you have reason to believe it is not.
5. Prior to placing trades, you should ensure that you understand all costs and charges for which you will be liable, which may influence your account profitability.
6. Under certain trading conditions it may be difficult or impossible to liquidate a 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 is restricted or suspended.
7. There are no guarantees of profit nor of avoiding losses when entering into such trades. You acknowledge that you have received no such guarantee from the Company or from any of its representative, and further declare and warrant that you are fully aware of the risks inherent and are financially able to bear such risks and withstand any losses incurred.
8. We are required to hold your money in segregated accounts in accordance with the regulations of the SCB, but this may not afford complete protection.
9. If you have reason to believe that we are not acting in accordance with representations that we have made to you, the Terms of Business or the rules of the SCB, you should report it to the Securities Commission of The Bahamas via the following details:
Address: Poinciana House, North Building, 2nd Floor, 31A East Bay Street, P.O. Box N-8347, Nassau, The Bahamas
Telephone: 1-(360)-450-0981.