

Risk Disclosure Notification

This notice does not disclose, and should not be considered as disclosing, all risks and other material aspects of foreign exchange trading (FX) and derivative financial instruments such as futures, contracts for difference (CFD), and other financial instruments. The purpose of this notice is to describe the principal risks associated with trading the financial instruments described above.

If you do not understand the fundamental aspects of trading Forex or CFDs and the risks associated with them, you should not make such speculative investments.

Trading in CFDs is speculative and carries a high level of risk.

In particular, because trades are made on margin (which guarantees only a small percentage of the value of the underlying asset being traded), you may incur substantial losses due to fluctuations in the price of Forex and CFD's.

You should be aware that you may lose the margin you have deposited with Merc as collateral for your trade orders and positions maintained in CFD's and forex transactions.

Please note that you may lose the margin you have deposited with Merc as collateral for placing orders and maintaining positions in CFD and FX transactions.

Therefore, only the following persons are suitable for trading in Forex and CFDs

(a) understand the economic and legal and other risks associated with such transactions and are willing to assume such risks; and

(b) can financially tolerate any loss of initial margin and additional funds deposited with Merc to maintain a position.

You should determine whether CFD trading is suitable for you based on your financial situation and your attitude towards risk.

If you are in doubt as to whether CFD trading is suitable for you, you are advised to seek objective advice from an independent financial services professional.

Merc does not provide such advice.

When you trade CFDs, you trade according to price movements as determined by Merc, and the prices Merc quotes you are relative to what Merc could receive or expect to receive if it were to enter into a transaction with you, either on an interbank basis or with another contracting firm, This will include spreads, markups and markdowns.

Please note that the overall impact of the spread can be significant depending on the size of the margin deposited, making it more difficult for you to make a profit from your trades.

You should carefully consider the impact of spreads, markups, and markdowns on your ability to profit from trading.

The "gearing" or "leverage" available in CFD and spot FX trading (i.e., the funds that Merc asks you to provide when you open a position, depending on the stocks available to the trader and the notional price) means that you can make large profits on a small amount of margin, but you can also suffer large losses as well.

This means that you can make a lot of money on a small margin, but you can also lose a lot of money as well.

It also means that the size of the loss or profit from even a relatively small change can be quite large, depending on the multiplier.

It is also possible to lose the entire amount of funds deposited with Merc as margin. Placing certain orders (such as "stop loss" or "limit" orders) with the objective of limiting losses to a certain amount is not always effective, as market conditions or technical limitations may prevent the execution of such orders.

Please note that with respect to any order (including guaranteed stop loss orders), losses may occur in a short period of time (even if the order is intended to limit losses to a certain amount).

No matter what information is provided by Merc, you should be fully aware and understand that the value of your investment in financial instruments will fluctuate and that you may lose all of the funds you have deposited.

You should be aware that CFD and Forex trading involves such risks.

CFD and Forex trading is not governed by the rules of any certified or designated investment exchange.

Therefore, when trading in CFDs and Forex, the risks involved may be considerably higher than those involved in transactions conducted pursuant to such rules.

The Merc may only trade CFDs and Forex on currencies and commodities handled by the Merc. However, Merc does not guarantee that it will continue to offer all such currencies and instruments.

Merc has no control over the fluctuating and unpredictable movements of the base price.

Such movements affect the prices Merc quotes, whether or not a position can be ordered or closed, and also affect the prices at which orders and settlements can be executed.

Merc may have access to information that is not available to you and may obtain trading positions at prices that are not available to you.

No obligation to use or refrain from using any of Merc's services.

The Merc does not guarantee the principal amount of your portfolio, its value at any given time, or the funds invested in any financial instrument.

Information regarding the historical performance of a CFD or the underlying assets of a CFD is no guarantee of current or future results. Historical data cannot be used to reliably or safely predict the future results of a CFD.

Some CFDs may not be immediately convertible to cash and, as a result, you may not be able to take a sell position or information about the value of the CFD and the level of risk associated with it may not be readily available.