

Risk Disclaimer Policy

Risk Warning

Contracts of Difference (hereinafter referred as "CFDs") are leveraged products that incur a high level of risk and a small adverse market movement may expose the client to lose the entire invested capital. 75% of retail investor accounts lose money when trading CFDs with Credit Financier Invest (CFI) Ltd previously CFI Markets Ltd. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money. The possibility exists that you (the "Client" or the "Customer") could sustain a loss in excess of your deposited funds even if a stop loss is used and therefore, you should not speculate with capital that you cannot afford to lose while being aware of trading risks. Please note that, if you are a retail client, you cannot lose more than the balance on your Trading Account, i.e. you cannot be left in debt to Credit Financier Invest (CFI) Ltd.

Credit Financier Invest (CFI) Ltd, previously CFI Markets Ltd (hereinafter referred as "CFI" or "the Company" or "us"), provides general information that does not take into account your objectives, financial situation or needs. The content of this website must not be interpreted as personal advice. Please ensure that you fully understand the risks involved and seek independent advice if necessary.

If you choose to enter into a trading relationship with us, it is important that you remain aware of the risks involved, that you have adequate financial resources to bear the risks involved and that you monitor your positions carefully.

The figures were extracted in August, 2018 for the period from 1st of August 2017 until 1st of August, 2018.

Nature of CFDs

CFDs are agreements to exchange the difference in value of a particular instrument or currency between opening time of the agreement and closing time. CFDs allow the Company's Clients to replicate the economic effect of trading in particular currencies or other instruments without requiring actual ownership of those assets.

CFDs are derivative products traded off-exchange (Over-the-Counter - OTC); this means CFI is at all times the counterparty to the Client trades and any CFD trades entered into with the Company, can only be closed with us. Your ability to open and/or close trades is dependent on the availability of our trading platform. The prices and other conditions are set by us, subject to any obligations we have to provide best execution, to act reasonably and in accordance with the Terms and Conditions and our Order Execution Policy.

You are not entitled to the physical delivery of the underlying instrument of the CFDs you are trading and have no rights in the underlying instrument. CFDs fluctuate in value during the day; the price movements of CFDs are determined by a number of factors including but not limited to availability of market information.

The following highlights part of the risk factors; please visit <http://cfifinancial.com.cy/files/terms.pdf> (Risk Disclosure) section part 26 and the Key Information Data <http://cfifinancial.com.cy/files/kid.pdf> to understand more about the risks involved:

1. Market Risk
2. Volatility risk
3. Capital Risk
4. Credit Risk
5. Counterparty Risk
6. Interest Rate Risk
7. Foreign Exchange Risk
8. Liquidity Risk
9. Risk of Conflicts of Interest
10. Technical Risk

11. Force Closure Risk
12. Currency risk
13. Leverage risk

The above list of risks is non-exhaustive.

Market risk

Market risk is the possibility of a client experiencing losses due to factors that affect the overall performance of the financial markets in which the client is involved. In times of high volatility or market/economic uncertainty, values may fluctuate significantly. Such fluctuations are even more significant in case of leveraged positions and may adversely affect your positions. In the event of default, your positions may be closed out. You should carefully consider whether trading in leveraged products, such as CFDs, is appropriate for you.

Clients are encouraged to place 'Stop Loss' orders to limit potential losses, and 'Take Profit' to collect profits to protect against market movements.

Volatility Risk

Some derivative financial instruments such as CFDs trade within wide intraday ranges with volatile price movements. Therefore, the Client must carefully consider that there is a high risk of losses as well as profits. The price of derivative financial instruments is derived from the price of the underlying asset in which the derivative financial instruments refer to. Derivative financial instruments and related underlying markets can be highly volatile. The prices of derivative financial instruments and the underlying asset may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the Client or the Company.

Under certain market conditions, it may be impossible for a Client's order to be executed at the declared prices, leading to losses. Due to market conditions which may cause any unusual and rapid market price fluctuations, or other circumstances, CFI may be unable to close out Customer's position at the price specified by Customer and the risk controls imposed by CFI might not work and Customer agrees that CFI will bear no liability for a failure to do so.

The prices of derivative financial instruments and the underlying asset will be influenced by, amongst other things, changing supply and demand relationships, governmental, agricultural, commercial and trade programs and policies, national and international political and economic events, and the prevailing psychological characteristics of the relevant market place.

Errors in quoting

Should a quoting error occur (including responses to Customer requests), CFI is not liable for any resulting errors in account balances and reserves the right to make necessary corrections or adjustments to the relevant Account. Any dispute arising from such quoting errors will be resolved on the basis of the fair market value, as determined by the Company in its sole discretion and acting in good faith, of the relevant market at the time such an error occurred.

Liquidity Risk

Some of the underlying assets may not become immediately liquid as a result of reduced demand for the underlying asset, and the Client may not be able to obtain the information on the value of these or the extent of the associated risks.

Client Money and Counterparty Risk

Any money that we hold on your behalf are kept in one or more segregated accounts with an institution within or outside the European Economic Area, separated from the Company's money. It is understood that the legal and regulatory regime applying to any financial institution outside Cyprus or the EEA will be different to that of Cyprus.

The Client Money will be pooled with money belonging to other clients ("Omnibus Account"). As such, an individual client will not have a claim against a specific sum in a specific account, in the event of insolvency. A Client's claim may be against the Client Money in the Omnibus Account. In general, accounts held with institutions, including omnibus accounts, face various risks, including the potential risk of being treated as one account in case the institution defaults. Under such circumstances, the enforcement of the national deposit guarantee scheme may be applied without consideration of the ultimate beneficial owners of the Omnibus Account. Another risk might be that the funds in the Omnibus Account may be exposed to obligations of the Company connected with the positions of other Clients in case the Company is unable to meet its obligations towards them.

Given that you are dealing with the Company as the counterparty to every transaction, you will have an exposure to us in relation to each of your transactions and are reliant on our ability to meet our obligations to you under the terms of each transaction.

However, where we are unable to meet our duties and obligations arising from your claim, you may benefit from the Investor Compensation Fund. CFI participates in the Investor Compensation Fund for clients of investment firms regulated in the Republic of Cyprus. Certain clients will be entitled to compensation under the Investor Compensation Fund where the Company is unable, due to its financial circumstances and when no realistic prospect of improvement in the above circumstances in the near future seems possible. Any compensation which may be provided to you by the Investor Compensation Fund shall not exceed twenty thousand Euros 20,000.

Risks related to Long CFD positions

Being Long in CFD means you are buying the CFD on the market by speculating that the market price of the underlying will rise between the time of the purchase and sale. As owner of a long position, you will generally make a profit if the market price of the underlying rises whilst your CFD long position is open. Your potential loss may therefore be bigger than the initial margin deposited. In addition, you might suffer a loss due to the closing of your position, in case you do not have enough liquidity for the margin on your account in order to maintain your position open. On the contrary, you will generally suffer a loss, if the market price of the underlying falls whilst your CFD long position is open.

Risks related to Short CFD positions

Being Short in CFD means you are selling the CFD on the market by speculating that the market price of the underlying will fall between the time of the purchase and sale. As owner of a short position, you will generally make a profit if the market price of the underlying falls whilst your CFD short position is open. Your potential loss may therefore be bigger than the initial margin deposited. In addition, you might suffer a loss due to the closing of your position, in case you do not have enough liquidity for the margin on your account in order to maintain your position open. On the contrary, you will generally suffer a loss, if the market price of the underlying falls whilst your CFD short position is open.

High Leverage and Low Margin Risk

The high degree of "gearing" or "leverage" is a particular feature of both CFDs and FX Contracts. Trading risks are magnified by leverage. The effect of leverage makes investing in CFDs riskier than investing in the underlying asset. This stems from the margining system applicable to CFDs which generally involves a small deposit relative to the size of the transaction, so that a relatively small price movement in the underlying asset can have a disproportionately dramatic effect on your trade. This can be both advantageous and disadvantageous.

A small price movement in your favour can provide a high return on the deposit, however, a small price movement against you may result in significant losses. Your losses will never exceed the balance of your account, which is balanced to zero, if the losses are higher than the amount deposited. Such losses can occur quickly. The greater the leverage, the greater the risk. The size of leverage therefore partly determines the result of the investment.

The default leverage on a retail Client's Account is set at the 1:50. The Client may request a higher leverage; however, it will be adjusted at the Company's sole discretion and subject to Client's Appropriateness Assessment.

Margin Requirements – Contingent Liability Transactions

Customer must maintain the minimum margin requirement on their open positions at all times. It is Customer's responsibility to monitor his/her account balance. Customer may receive a margin call to deposit additional cash if the margin in the account concerned is too low. Credit Financier Invest (CFI) Ltd has the right to liquidate any or all open positions whenever the minimum margin requirement is not maintained and this may result in Customer's CFDs or FX Contracts being closed at a loss for which you will be liable.

Spread

The difference between our bid price and our ask price is "Our Spread". Our Spreads are set in our absolute discretion, since we are acting as market maker, and any changes are effective immediately. Information in relation to Our Spread, leverage, cost and fees is stated in:

<http://cfifinancial.com.cy/accounttypes>

<http://cfifinancial.com.cy/files/orderexecution.pdf>

<http://cfifinancial.com.cy/files/kid.pdf>

<http://cfifinancial.com.cy/faq>

Cash settlement

Customer understands that CFD and FX Contracts can only be settled in cash and the difference between the buying and selling price partly determines the result of the investment. The CFDs available for trading with the Company are non-deliverable transactions, giving an opportunity to make profit on changes in the underlying asset. You have no rights or obligations in respect of the underlying instruments or assets relating to your CFDs trading.

Prices, Margin And Valuations

CFI will provide prices to be used in trading, valuation of Customer positions and determination of Margin requirements in accordance with its Trading Policies and Procedures and Market Information Sheets. The performance of your CFD or FX Contract will depend on the prices set by CFI and market fluctuations in the underlying asset to which your contract relates. Each underlying asset therefore carries specific risks that affect the result of the CFD concerned.

CFI prices for a given market are calculated by reference to the price of the relevant underlying asset which we obtain from third party external reference sources or exchanges. For our CFD and FX Contracts, we obtain price data from wholesale market participants. Although CFI expects that these prices will be reasonably related to prices available in the market, CFI's prices may vary from prices available to banks and other market participants. CFI has considerable discretion in setting and collecting margin.

Foreign Exchange and Currency Risk

Investing in FX Contracts and CFDs with an underlying asset listed in a currency other than your base currency entails a currency risk, due to the fact that when the CFD or FX Contract is settled in a currency other than your base currency, the value of your return may be affected by its conversion into the base currency. Any changes in the exchange rates may have a negative effect on the financial instrument's value, price and performance, and may lead to losses for the Client.

Conflict of Interest

Credit Financier Invest (CFI) Ltd always aim to identify and prevent or manage the conflicts of interest arising in relation to their various business lines and their group's activities under a comprehensive conflicts of interest policy. As required by Article 23(2) of Directive 2014/65/EU, the disclosure of conflicts of interest by CFI should not exempt it from the obligation to maintain and operate the effective organisational and administrative arrangements required under Article 16(3) of Directive 2014/65/EU.

The Company shall not receive any remuneration, discount or non-monetary benefit for routing client orders to a particular trading venue or execution venue which would infringe the requirements on conflicts of interest or inducements under the Law. The Client acknowledges that the Company acts as a principal counterparty to its clients' trades. Part or all of these trades are covered within the Company or related entities having same or similar shareholders. Some of these related entities may also act as a market maker for some instruments. This may entail additional risk of conflicts of interest. For transparency, the client is hereby made aware of this and accepts this risk when conducting business with the Company, the Company is part of the CFI Group

<http://cfinancial.com/aboutus>. For more information on (potential) conflicts of interest and the mitigation measures taken by the Company, kindly refer to the Company's Conflicts of Interest policy.

Appropriateness Risk Assessment

Upon the opening of your account, CFI carries out an assessment of your appropriateness to trade CFDs and determines, based on information you provide us with, if you have sufficient knowledge and experience to understand the risks involved in this trading. The assessment does not relieve you of the need to carefully consider whether to trade or not CFDs with us. If we warn you that trading these instruments may not be appropriate for you, then you should refrain from trading CFDs until you gain sufficient knowledge and experience. You could for example trade CFDs on a Demo Account prior to trading them in a live environment to be sufficiently acquainted with the relevant risks incurred.

Market Commentary

When deemed appropriate, CFI may, issue or distribute third party material, which contains information including but not limited to the conditions of the financial markets, posted through the website and other media and/or received by you. The material should be considered as marketing communication only and does not contain, and should not be construed as containing, investment advice and/or an investment recommendation and/or, an offer of or solicitation for, any transactions in financial instruments; any decision to enter into a specific transaction shall be made by the Clients following an appropriateness assessment of their trading knowledge and experience. CFI shall not be responsible for any loss arising from any investment based on any recommendation, forecast or other information provided. Any opinions, news, research, analyses, prices, or other information contained on this website are provided as general market commentary, and do not constitute investment advice. CFI will not accept liability for any loss or damage, including without limitation to, any loss of profit, which may arise directly or indirectly from use of or reliance on such information.

The contents of any report provided should not be construed as an expressed or implied promise, as a guarantee or implication that Clients will profit from the strategies herein, or as a guarantee that losses in connection therewith can, or will be limited. CFI does not provide investment, financial, legal, tax, regulatory or other advice relating to investments or trading CFDs. Any material or information or other features, which may be provided to you through our website, trading platforms, marketing or training events, is generic and shall not be treated as advice appropriate for you or based on a consideration of your personal situations. Each decision by Customer to enter into a CFD or FX Contract with the Company and each decision as to whether a transaction is appropriate or proper for Customer, is an independent decision made by the Customer. You should seek independent professional advice from a suitably qualified advisor, if necessary, prior to engaging in trading CFD with us.

CFI is not acting as an advisor or serving as a fiduciary to Customer. Customer agrees that the Company has no fiduciary duty to Customer and no liability in connection with and is not responsible for any liabilities, claims, damages, costs and expenses.

Information of the previous performance of a financial instrument does not guarantee its current and/or future performance. The use of historical data does not constitute a binding or safe forecast as to the corresponding future performance of the financial instruments to which the said information refers.

Technical/Internet Trading Risks

There are risks associated with utilizing an Internet-based deal execution trading system including, but not limited to, the failure of hardware, software, and Internet connection. Since CFI does not control signal power, its reception or routing via Internet, configuration of your equipment or reliability of its connection, we cannot be liable for communication failures, distortions or delays when trading via the Internet. CFI employs backup systems and contingency plans to minimize the possibility of system failure, and trading via telephone is available.

Telephone Orders

CFI is not responsible for disruption, failure or malfunction of telephone facilities and does not guarantee its telephone availability. For the avoidance of doubt, Customer is aware that the Company may not be reachable by telephone at all times. In such cases Customer shall place his/her order through other means offered by CFI via the trading platform. For more information on the conditions applying to orders placed via telephone, please refer to the Company's Terms and Conditions, <http://cfifinancial.com.cy/files/terms.pdf>

Fair Execution

CFI's Online Trading System provides immediate transmission of Customer's order once Customer enters the notional amount and clicks "Buy/Sell." This means that there is no opportunity to review the order after clicking "Buy/Sell" and Market Orders cannot be cancelled or modified. This feature may be different from other trading systems you have used. Customer should utilize the MetaTraderDemo Trading System to become familiar with the Online Trading System before actually trading online with CFI. Client acknowledges and agrees that by using CFI's Online Trading System to the one-click system and accepts the risk of this immediate transmission/ execution feature.

Accuracy of Information

The content on this website is subject to change at any time without notice, and is provided for the sole purpose of assisting traders to make independent investment decisions. CFI has taken reasonable measures to ensure the accuracy of the information on the website. However, CFI does not guarantee the accuracy of the information, and will not accept liability for any loss or damage that may arise directly or indirectly from the content or your inability to access the website, for any delay in or failure of the transmission or the receipt of any instruction or notifications sent through this website.

Position Monitoring

You should ensure that you are able to monitor positions on your account at all times, as you are solely responsible for this. We are not responsible for monitoring positions on your account.

Distribution

This site is not intended for distribution, or any use by, any person in any country where such distribution or use would be contrary to local law or regulation. None of the services or investments referred to in this website is available to persons residing in any country where the provision of such services or investments would be contrary to local law or regulation. The trading platform provides sophisticated order entry and tracking of orders. CFI will make best efforts to fill your trade at the price requested. Trading on-line, no matter how convenient or efficient could be, does not necessarily reduce risks associated with currency trading. All quotes and trades are subject to the terms and conditions of the Legal Information accessible through this website.

Consent to the provision of information

By accepting and agreeing to the Terms and Conditions of this Agreement, the Client agrees that the provision of information through electronic means such as the Company's website or the verified email of the Client, due to the nature of the relationship established between the Company and the Client. The provision of information by means of electronic communication is treated as appropriate since the client has regular access to the internet. The provision by the Client of an e-mail address for the purposes of the carrying on of that business is considered as sufficient evidence. Through the following terms and conditions, the Client is provided with the specific addresses where core information is accessible. The Company will ensure that the website will be always kept up to date.

Advisory

Where CFI provides generic market recommendations, such generic recommendations do not constitute a personal recommendation or investment advice and have not considered any of your personal circumstances or your investment objectives, nor is it an offer to buy or sell, or the solicitation of an offer to buy or sell, any Foreign Exchange Contracts or Cross Currency Contracts. Each decision by Customer to enter into a CFD or FX Contract with the Company and each decision as to whether a transaction is appropriate or proper for Customer, is an independent decision made by the Customer.

No Guarantees for making a profit

There are no guarantees of profit nor of avoiding losses when trading CFDs and FX Contracts. Customer has received no such guarantees from CFI or from any of its representatives. Customer is aware of the risks inherent in trading CFDs and FX Contracts and is financially able to bear such risks and withstand any losses incurred.

CFDs on Cryptocurrencies

When trading in CFDs where the underlying asset is a Cryptocurrency, Client should be aware that the Cryptocurrencies are not recognized as Financial Instruments for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("MiFID II").

Cryptocurrencies are traded on non-regulated decentralized digital exchanges. Accordingly, price formation and price movements of the Cryptocurrencies depend solely on the internal rules of the particular digital exchange, which may be subject to change at any point in time and without notice. This often leads to a very high intra-day volatility in the prices of the Cryptocurrencies which may be substantially higher compared to Financial Instruments recognized under the MiFID. Therefore, by trading CFDs in Cryptocurrencies you accept a significantly higher risk of loss of your invested amounts which may occur within a very short time frame as a result of sudden adverse price movements of the Cryptocurrencies.

The Company derive our market and pricing data on the Cryptocurrencies from the digital decentralized exchanges the Cryptocurrencies are traded on. Due to the non-regulated nature of such exchanges, the market data and price feed information provided by such exchanges may be subject to the internal rules and practices of such exchanges which may significantly differ from the rules and practices observed by the regulated exchanges. In particular, Client should be aware that the pricing formation rules of the Cryptocurrency exchanges are not subject to any regulatory supervision and may be changed at the relevant digital exchange's discretion at any time.

Similarly, such digital exchanges may introduce trading suspensions or take other actions that may result in suspension or cessation of trading on such exchanges or the price and market data feed becoming unavailable to us. The above factors could result in material adverse effect on your open positions, including the loss of all of your invested amounts. Where a temporary or permanent disruption to or cessation of trading occurs on any digital exchange from which we derive our price feeds for the relevant Cryptocurrency, your positions in such Cryptocurrency will be priced at the last available price for the relevant Cryptocurrency, and you may be unable to close or liquidate your position or withdraw any funds related to such position until the trading on the relevant digital exchange resumes (if at all).

Client accepts that where trading resumes again at either the relevant initial digital exchange or on any successor exchange thereof, there may be significant price differential (price gapping) which may impact the value of your CFD positions in the relevant Cryptocurrencies and result in significant gains or losses. Where trading does not resume Client entire investment will potentially be lost altogether. Client agree and accept that he has been informed by the Company of and understand this particular risk, and that he shall take that risk into account when taking any investment decisions in respect of trading CFDs in Cryptocurrencies.