

FX1 Group Holdings Limited's Standard Forex Risk Disclosure

The risk of loss in trading foreign exchange can be substantial. You should carefully consider whether such trading is suitable for you in light of your financial condition. **You may sustain a total loss of funds and any additional funds that you deposit with your broker to maintain a position in the foreign exchange market. Actual past performance is no guarantee of future results.** Simulated performance results also have certain limitations unlike actual performance records; simulated results do not represent composite trading. No representation can or is being made that any trading system will, or is likely, to achieve profits or losses similar to those shown in this simulated performance record.

The performance records have been calculated in a manner we believe to be reasonable and is based on the respective leverage factors intended to be used. Prospective investors must recognize that any simulation of a hypothetical record, even when based on actual trading systems, with qualified trade execution, has inherent limitations. We believe that the records as presented should be of interest to investors in determining whether to participate, such rates of return should by no means be taken as an indication of how the system will perform or would have performed, even given the same trades. Any performance record compiled from individual performance records of any trading methodologies has certain hypothetical and artificial characteristics and must be evaluated accordingly.

If you purchase or sell a foreign exchange option you may sustain a total loss of the initial margin funds and additional funds that you deposit with your broker to establish or maintain your position. If the market moves against your position, you could be called upon by your broker to deposit additional margin funds, on short notice, in order to maintain your position. If you do not provide the additional required funds within the prescribed time, your position may be liquidated at a loss, and you would be liable for any resulting deficit in your account.

Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example when a currency is deregulated or fixed trading bands are widened.

The placement of contingent orders by you or your trading advisor, such as a "stop-loss" or "stop-limit" orders, will not necessarily limit your losses to the intended amounts, since market conditions may make it impossible to execute such orders.

A "spread" position may not be less risky than a simple "long" or "short" position. Trading in the interbank markets differs from trading

in futures or futures options in a number of ways that may create additional risks. For example, there are no limitations on daily price moves in most currency markets. In addition, the principals who deal in interbank markets are not required to continue to make markets. There have been periods during which certain participants in interbank markets have refused to quote prices for interbank trades or have quoted prices with unusually wide spreads between the price at which transactions occur.

Frequency of trading; degree of leverage used. It is impossible to predict the precise frequency with which positions will be entered and liquidated. Foreign exchange trading, due to the finite duration of contracts, the high degree of leverage that is attainable in trading those contracts, and the volatility of foreign exchange prices and markets, among other things, typically involves a much higher frequency of trading and turnover of positions than may be found in other types of investments.

Trading is very speculative and risky. Foreign Exchange Trading is highly speculative and is suitable only for those customers who (a) **understand and are willing to assume the economic, legal and other risks involved, and (b) are financially able to assume losses significantly in excess of margin or deposits.** Customer represents, warrants and agrees that Customer understands these risks; that Customer is willing and able, financially and otherwise, to assume the risks of Foreign Exchange Trading and that loss of Customer's entire Account Balance will not change Customer's life style.

This brief statement cannot disclose all the risks and other significant aspects of the foreign exchange markets. You should therefore carefully study all documents and foreign exchange trading before you trade, including the description of the principle risk factors of the investment.

Use of Software Disclosure

FX1 FATS signals generated are based on factual inputs and information from the market and are not deemed as financial advices.

FXI does not hold the investors' monies; such monies are to be deposited into a Broking account under their own name which the investor has to apply and be approved by the working Brokers of FXI. Approval of the broking account/s is solely the discretion of the Broker and FXI has no right or say to the final decision made by the Broker.

Client's Initial _____

FX1 owns, operates or provides the information service that comprises the FATS signals through an electronic broadcasting and telecommunications medium where:-

- a) The service is based on information available to the public in Singapore.
- b) Any advice given, or analysis report issued or promulgated, is given, issued or promulgated through that service.
- c) FX1 receives no commission or other consideration from the investor, apart from fee received from subscription to the service by FX1.
- d) The advice is given, or the analysis or report is issued or promulgated, solely as incidental to that FX1's ownership, operation or provision of the FATS service.

There is a monthly service fee for the use of the software which is described in the Limited Power of Attorney upon signing up with the working Brokers of FX1. FX1 reserves the right to change and amend the service fee as they deemed fit and necessary.

Other than the service fee for the use of software, there is an administrative fee of USD 500 or 2% of the invested fund which ever is higher.

Slippage Disclaimer

Slippage refers to a failure to meet expectation with regard to the execution of an order. Slippage reflects the extent to which an order fill price differs negatively from the price level at which it was entered. For example if a sell stop loss order was placed at 1.2762 in the EUR/ USD and the order was filled at 1.2755, one would have experienced 7 pips of slippage on the order.

Slippage also describes the difference between estimated transaction costs for a trade and the amount paid due to market conditions, poor execution etc. By signing, the client agrees FX1 is not a Broking House and therefore the **client shall not hold FX1 responsible for any slippage**, if any, which occurs during the use of the software.

By agreeing to the terms, the client hereby understands and accept all issues and inherent risks associated with slippage.

Funding of new account or Additional deposit for existing accounts (applicable for Master Account)

A client may choose to fund their account at any point of time. The client is advised to inform FX1 before funding of the account.

All deposited funds will be place on hold till all existing open trades are closed. It is estimated it

would take about 2 weeks to a month depending on market condition.

Funds Withdrawal (applicable for Master Account)

A Client may choose to withdraw their funds at any point of time. Client has total rights to their funds in their account. The client is advised to inform FX1 before any funds withdrawal. This is to ensure that the software may perform in a normal condition.

Withdrawal requests will only be processed after all existing open trades are closed. It is estimated it would take about 2 weeks to a month depending on market condition.

Funding of new account or Additional deposit for existing accounts (applicable for Individual Account)

A Client may choose to fund their funds at any point of time. The client is advised to inform FX1 before funding of the account.

Funds Withdrawal (applicable for Individual Account)

A Client may choose to withdraw their funds at any point of time. Client has total rights to their funds in their account. The client is advised to inform FX1 before any funds withdrawal. This is to ensure that the software may perform in a normal condition.

There are 2 types of withdrawal: **Partial or Full/closing of account.**

For **PARTIAL withdrawal**, it is advised that the withdrawal to be 15-20% of the remaining funds.

There are 2 modes for **FULL withdrawal**:-

- a) **FORCED mode** - All existing open trades will be closed regardless of a positive or negative floating gain / loss.
- b) **SAFE mode** - Existing open trades will be closed only when all trades summed up turns positive. No further trades will be entered. Safe mode would take about a month depending on market condition.

Client's Initial _____

Use of the software is solely the freewill of the client. **FX1 shall bears no responsibilities to the use of the software and the client hereby indemnify FX1 from any claim, liability, action, loss, damage or suit arising from the use of the software.**

FX1 reserves the right to any amendments or changes to the terms and conditions to the use of the software.

While FX1 takes all care and caution for the application of the software, however each account may perform differently from one another and is by itself a unique account. FX1 does not guarantee 2 accounts opened at the same time will generate similar returns or losses for that matter.

Client's Initial _____

FX1 owns and operates the software. However because FX1 does not owns and operates the internet, the client shall not hold FX1 responsible for any internet connection failure. Such cases when occurs, though rare (due to Acts of God or War etc) are beyond the control of FX1.

The software is a "Black Box". FX1 reserves the rights to the non-disclosure of the software application, strategy adopted, methodology, trading style and calculation to the clients.

For marketing purposes, FX1 may open demo accounts for its clients. FX1 shall have the ownerships of such accounts and such accounts may be used at the disposal of FX1.

Actual past performance of the software is no guarantee of future results. Simulated performance results also have certain limitations unlike actual performance records; simulated results do not represent composite trading. No representation can or is being made that any trading system will, or is likely, to achieve profits or losses similar to those shown in this simulated performance record.

The performance records of the software have been calculated in a manner we believe to be reasonable and are based on the respective leverage factors intended to be used. Prospective investors must recognize that any simulation of a hypothetical record, even when based on actual trading systems, with qualified trade execution, has inherent limitations. We believe that the records as presented should be of interest to investors in determining whether to participate, such rates of return should by no means be taken as an indication of how the system will perform or would have performed, even given the same trades. Any performance record compiled from individual performance records of any trading methodologies has certain hypothetical and artificial characteristics and must be evaluated accordingly.

In both demo and live accounts created under FX1, the client hereby agrees that he/ she shall not conduct parallel trading, mirroring the trades performed in these accounts either for own use or for the benefits of any person.