

## GENERAL RISK DISCLOSURE

LIBRA WEALTH (PTY) LTD, also known as "VPTrade," holds authorization and regulation from the Financial Sector Conduct Authority ("FSCA") under license number 52313. This authorization allows the company to provide intermediary services related to derivative instruments. This disclosure is presented in accordance with the Financial Advisory and Intermediary Services Act (Act 37 of 2002, "FAIS Act") and includes crucial information about the risks associated with Contracts for Difference ("CFDs") and other financial derivative products.

It's important to note that this disclosure may not cover all risks and aspects involved in CFD trading or other financial derivative products. VPTrade does not engage in market making and does not act as the counterparty to your CFD trades. The company functions as a platform, facilitating your access to the product supplier's website for the decision to open a trading account. It is strongly recommended that you thoroughly review and understand the product supplier's Risk Disclosure statement and any other pertinent disclosures and documents.

Before initiating any trading transactions, all customers are advised to carefully read the following risk disclosures. It should be noted that this policy may not encompass all potential risks associated with dealing in financial instruments offered by LIBRA WEALTH (PTY) LTD, a South African registered Financial Services Provider regulated by the South African Financial Sector Conduct Authority (FSCA No. 52313), hereafter referred to as the "Company."



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The Company provides investment services in the following financial instruments:

Contracts for Differences (CFDs) on stocks, Foreign Exchange (FOREX) and Cryptocurrencies. You do not possess any rights or responsibilities concerning the underlying instruments or assets associated with your CFDs or FX Contracts. You as a Customer acknowledges that CFDs may have diverse underlying assets, including but not limited to stocks, indices, currencies, and commodities.

THE CLIENT ACKNOWLEDGES, COMPREHENDS, AND CONCURS WITH THE ASSOCIATED RISKS, ENCOMPASSING BUT NOT RESTRICTED TO:

**SPECULATIVE AND HIGH-RISK NATURE OF TRADING**

Engaging in Forex trading involves significant speculation and risk. It is suitable only for customers who fully comprehend and willingly accept the economic, legal, and other inherent risks. Additionally, they should possess the financial capability to withstand the complete loss of their invested capital, demonstrating a comprehensive understanding of CFDs, Forex trading, and the associated underlying assets. It is imperative to note that customers bear responsibility for any losses incurred in their trading accounts. Consequently, only funds that one can afford to lose should be invested.

CFDs are intricate financial instruments and carry a substantial risk of rapid capital loss due to leverage. Trading CFDs with this provider involves a high risk, with 67% of retail investor accounts experiencing monetary losses. It is crucial to assess whether one comprehends the functioning of CFDs and if they can afford the considerable risk of losing their invested capital.



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Prior to margin trading, careful consideration of investment objectives, level of experience, and risk tolerance is essential. CFDs present greater risks compared to on-exchange products, as market liquidity is not guaranteed, and liquidating an existing position may be more challenging. Prices and other conditions are determined by us, adhering to our obligation to provide best execution, as outlined in our order execution policy. We commit to act reasonably and in alignment with the applicable Terms and Conditions. The characteristics of our CFDs may differ significantly from the actual underlying market or instrument. In the event of unfavorable market movements, there is a potential for a total loss exceeding the funds invested in a specific position, and customers bear full responsibility for all losses in their accounts.

### **RISKS ASSOCIATED WITH OPEN POSITIONS UNDER REGULATION AND/OR OPERATION**

All customers are duly informed that open positions can be closed prematurely by the Company and may lead to financial loss if the trading account is deemed to be in breach of the Company's policies or in violation of regulatory requirements.

### **THE COMPANY DOES NOT PROVIDE PERSONALIZED ADVICE OR FIDUCIARY SERVICES**

When the Company issues general market suggestions, it is important to note that these do not constitute personalized recommendations or specific investment advice. The suggestions do not take into consideration any of your unique circumstances or individual investment objectives.

Furthermore, they should not be construed as an invitation to trade or a



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solicitation of such an invitation in any Forex Trading. Each decision made by you, the Customer, to engage in Forex trading with the Company is an independent choice. It is your responsibility to assess whether a transaction is appropriate or suitable for your circumstances.

The Company explicitly disclaims any role as an advisor or fiduciary to you, the Customer. The Company does not assume any fiduciary duty towards you and is not liable for any liabilities, claims, damages, costs, or expenses, including legal fees, incurred in connection with your reliance on the Company's general trading recommendations or your decision to take or refrain from taking any action based on such general recommendations or information provided by the Company.

### **FOREIGN CURRENCY EXPOSURE**

Trading in Financial Instruments denominated in a currency different from the Customer's account currency carries inherent risks. Fluctuations in exchange rates may adversely affect the value, pricing, and performance of these instruments, potentially resulting in losses for the Client.

It is important to note that your account with us may be denominated in a currency that differs from the currency used for your initial deposit. Consequently, you should stay vigilant regarding potential currency fluctuations.

### **INDEPENDENT JUDGMENT ADVISED**

The generic market recommendations presented by the Company are subjective opinions of the Company's personnel and should be interpreted



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as such. The Customer acknowledges that all transactions are executed based on their own judgment. The market recommendations provided are generic and may not align with the market positions or intentions of the Company and/or its affiliates. While based on information believed to be reliable, the Company does not ensure the accuracy or completeness of such recommendations. The Company does not claim that adhering to these generic recommendations will mitigate or eliminate inherent risks associated with Forex trading.

### **POTENTIAL CONFLICTS OF INTEREST**

During any interaction between the Customer and the Company, there exists the possibility of conflicting interests between the Company and the Customer.

### **TRADING COUNTERPARTY EXPOSURE**

In your transactions, the Company serves as the counterparty, acting as the seller for your purchases and the buyer for your sales. This dynamic may pose potential conflicts of interest. As you engage in trading activities with us, it's crucial to acknowledge the inherent risk associated with the Company's ability to meet its financial obligations.

### **SUITABILITY ASSESSMENT**

Upon registration, customers undergo a suitability test questionnaire evaluating their capacity to invest in financial instruments. Based on this assessment, you'll receive a message serving as a risk warning for your prospective dealings with the Company. It's imperative to thoroughly review



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this message, as your decision to proceed implies a comprehensive understanding of all associated risks outlined in this policy.

### **NO PROFIT ASSURANCES**

The Company and its representatives provide no assurances of profit or guarantee against losses in Forex trading. Customers explicitly acknowledge the absence of such guarantees and fully comprehend the inherent risks associated with Forex trading. It is expected that the Customer possesses the financial capacity to endure these risks and manage any resulting losses.

### **DIGITAL TRADING ACKNOWLEDGMENT**

In engaging in online trading via the internet, the Customer recognizes the involvement of third parties in transmitting orders from the Customer to the Company. It is understood that these third parties may be responsible for losses, damages, costs, or expenses incurred directly or indirectly due to malfunctions or failures in any transmission, communication system, computer facility, or trading software not owned by the Company. In such instances, any potential liability of the Company towards the Customer may be disclaimed.

### **PROTECTING YOUR ACCOUNT INFORMATION**

The Customer acknowledges the critical connection between the account username, password, and associated funds. It is imperative to implement all necessary precautions to prevent the disclosure of login credentials to unauthorized individuals. Additionally, ensuring the security of the technology used to safeguard against third-party software attempting to



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pilfer this information is vital. It is emphasized that neither the Company nor any affiliated personnel will ever request the account password. However, other login details, such as the username, may be sought solely for verification purposes and only in instances where the Company requires customer identification.

### **ENHANCING TIMELY COMMUNICATION**

Effective communication between the Customer and the Company is crucial, but it is important to acknowledge potential factors contributing to miscommunication and time delays. Addressing these challenges is paramount to ensure efficient order execution for the Client.

### **AUTOMATED RESOLUTION OF EXPIRY SYSTEM ISSUES**

In the event of a failure in the expiry system due to any unforeseen circumstances, the system will automatically identify unexpired options. These options will be processed based on historical rates stored in the archive. Should any position fail to expire as scheduled, the system will promptly notify the Compliance Officer. This notification will contain comprehensive information about the positions, facilitating manual resolution as necessary.

### **UNPREDICTABLE MARKET MOVEMENTS**

Fluctuations in the prices of underlying assets and markets can be highly unpredictable and subject to volatility. Factors such as "force majeure," political events, and other unforeseen circumstances can significantly



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impact market dynamics, directly affecting the profits and losses of the Customer.

The pricing of Company assets is influenced by various factors, including but not limited to changes in supply and demand relationships, governmental policies, agricultural developments, commercial and trade programs, as well as national and international political and economic events. Additionally, the prevailing psychological characteristics of the relevant market also contribute to price fluctuations. Consequently, it's crucial to note that a Stop Loss order cannot guarantee an absolute limit on potential losses.

### **ENHANCED AWARENESS OF RISKS**

As a Customer, you acknowledge the potential existence of additional risks associated with trading CFDs, risks that may not be explicitly outlined in our Policy. It is your explicit responsibility to diligently assess all conceivable risks, determining whether your financial position and risk tolerance align with the act of buying, selling, or trading CFDs. Recognizing that the Company does not offer investment, legal, or tax advice, you must refrain from considering information on the Website as a substitute for professional counsel.

Furthermore, you must comprehend the tax implications related to any profits, gains, or losses incurred from CFD or other derivative financial instrument trading. Seeking advice from a qualified tax consultant for precise taxation guidance is imperative. The Company will not take into consideration your financial status, investment objectives, personal circumstances, or any other individual factors. Hence, it remains your responsibility to proactively seek independent professional advice before engaging with the Services and the Website.



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Careful consideration and evaluation of the aforementioned risks, along with any additional potential risks, are strongly recommended before utilizing any of the Services.

It is crucial to acknowledge that trading in CFDs and Forex involves inherent uncertainties, with no guarantees of profit or immunity from losses.

### **RECOGNITION AND DECLARATION**

By affixing your acknowledgment herewith, you confirm that you have thoroughly perused, comprehended, and unconditionally accepted all the information contained in this risk disclosure statement.



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