

## RISK DISCLOSURE

Trading foreign exchange, Contracts for Differences or Binary Options (hereinafter referred to as “Products”) carries a high level of risk, and may not be suitable for everyone. You should analyze your financial objectives, risk tolerance, financial status, investment constraints and tax liability to determine whether trading these Products is suitable for you. These Products involve different levels of exposure to risk and, in deciding whether to trade in such instruments, you should be aware of the following points:

1. Trading these Products involves a high amount of risk, is highly speculative and may result in losses of your entire investment. Losses, in some cases, have the potential to extend beyond the Customer’s Account Value.
2. Excessive leverage available with these Products can lead to losses due to price changes. Prices can move quickly, particularly at times of high market volatility, and if these price movements are unfavorable to your trades, you can quickly build up significant losses.
3. Margin policies require that your Account be properly margined at all times. Failure to meet margin requirements may result in the liquidation of any open positions with a resultant loss for which you will be liable.
4. These Products carry a high degree of risk. The amount of initial margin is small relative to the value of the Product so that transactions are “leveraged” or “geared”. A relatively small market movement may have a proportionately larger impact on the funds you have deposited or will have to deposit. This may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with Milton to maintain your position.
5. Placing contingent orders, such as “stop-loss” or “limit” orders, particularly in volatile market conditions, will not necessarily limit your losses to the intended amounts, since market conditions may make it impossible to execute such orders. Strategies using combinations of positions, such as “spread” and “straddle” positions may be as risky as taking simple “long” or “short” positions.
6. Certain Products experience periods of liquidity risk. This usually due to unanticipated changes in economic and/or political conditions or those outside of Milton’s control.

When liquidity decreases, customer spreads may be increased. Decreases in liquidity can also result in "Fast Market" conditions where the price of an instrument moves sharply higher or lower or in a volatile up/down pattern without trading in an ordinary step-like fashion. In some instances (i.e. when there is no liquidity) a trading bid and/or ask price for an instrument is unavailable.

Trading at times of extraordinarily volatile market conditions, e.g. key news announcements may expose you to additional risks, including the risk that you may not get the price requested. Milton cannot and does not guarantee its prices in times of extraordinary market volatility.

There is no clearinghouse for CFDs, and the performance of a CFD by Milton is not ‘guaranteed’ by an exchange or clearing house. Milton may decide to exit the business. As a result, Milton may liquidate all your positions, and return margined funds to you at the sole discretion of Milton, at any time and for any reason.

### **Volatile Market Conditions:**

Markets can be highly volatile. A Products value may fluctuate rapidly at times of extraordinarily volatile market conditions. Such conditions are often unforeseeable and are not controlled by you or Milton.

### **Advice:**

We will not provide you with personal financial Product advice relating our Products and we will not make recommendations of any kind. All Market Recommendations made by Milton or any representative of Milton are for informational purposes only. Any decision by the Customer to trade in any of these Products is an independent decision by the Customer. Milton and its

employees are not investment advisors and have no fiduciary duty to you and therefore are not liable for any losses incurred by you as a result of information or any recommendations made by Milton or representative of Milton.

Your decision to enter into any transaction is based on your own judgment. Milton is not liable for any losses, costs, expenses, or damages suffered by customer arising from any inaccuracy or mistake in any information we give you.

**Internet Trading Systems:**

Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including any failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or not executed at all. Since Milton does not control signal power, its reception or routing via Internet, configuration of your equipment or reliability of its connection, Milton is not responsible for communication failures, distortions or delays when trading on the Internet. In no event shall Milton be liable for speculative or expectancy damages for potential future lost profits.

**Simulated Conditions on Demo Accounts:**

Simulated conditions on demo accounts may differ from real conditions. Therefore, Customers who trade on demo Accounts should not necessarily expect the same results from live trading.