



Risk Disclosure

BinatonFX LTD operating under the trading name BinatonFX having its registered address at Flat 2,, 13 Rochdale Way, Deptford, London, SE8 4LY hereinafter collectively referred to as “BinatonFX”, we”, or “us”, is authorised and registered by the law of the United Kingdom.

“The Site” shall refer collectively to binatonfx.com website and its available language versions and domain names.

“Client” shall refer to any person or entity who registered an account at the Site, or who is using, visiting or otherwise accessing the Site.

This document is a disclosure by BinatonFx, of the potential risks involved in trading on financial markets. The document cannot and does not disclose all risks and all other considerable aspects inherent in trading on financial markets. The client should first and foremost be aware of the potential losses related to this activity.

The client hereby acknowledges, understands and agrees that:

Trading is highly speculative and risky

Trading CFDs or any other derivative product is highly speculative, involves a high-degree of risk of loss and may not be appropriate for all clients, but only for those clients who:

- understand and are willing to assume the economic, legal and other risks and costs involved;
- have knowledge and experience in trading in derivatives and in underlying asset types, as well as enough time to manage their investment in an active basis; and
- are able to assume financial losses significantly in excess of margin or deposits as clients may lose the total value of the contract not just the margin or the deposit.

The client is the only responsible person for all the losses suffered in his account. Therefore, the client should be prepared that he may lose all of his investments. Clients are advised not to invest money they cannot afford to lose.

Through BinatonFX clients can trade CFDs on forex (FX), spot metals, indices, futures, shares and crypto.

1. Product description

A Contract for Difference (CFD) is an agreement to buy or sell a contract that reflects the performance of, including among others, FX, precious metals, indices, futures, shares and crypto; the profit or loss of is determined by the difference between the price the CFD is bought at and the price the CFD is sold at and vice versa. CFDs are traded on margin and no physical delivery of either the CFD or the underlying asset is occurring. When buying, for instance, CFDs on shares, clients are just speculating on the value of the share to either increase or decrease.

The types of CFDs include, but are not limited to FX CFDs, Futures CFDs, Option CFDs, Share CFDs and Stock Index CFDs.

CFDs fluctuate in value during the day. The price fluctuations of CFDs depend on a number of factors including but not limited to availability and access to market information.

CFDs are leveraged products. They offer exposure to the markets while requiring clients to only put down a small margin ('deposit') of the total value of the trade. CFDs allow traders to benefit from prices moving up (take 'long positions') or prices moving down (take 'short positions') on underlying assets.

2. Performance

Past performance of CFDs does not constitute a reliable indicator of future results.

3. Leverage (Gearing)

When executing trading operations under margin trading conditions, even a small market movement may have a great impact on a client's trading account due to the effect of leverage (or 'gearing' as it is also referred to). This means that a relatively small market change may lead to a proportionately much larger change in the value of client's position either favourably or unfavourably. Greater leverage involves greater risk. The size of leverage therefore partly determines the result of the investment.

4. Major Risks Associated with CFDs Transactions

As CFDs are leveraged products, they carry a higher level of risk to client's capital as compared to other financial products and can result in large losses. The value of CFDs may increase or decrease depending on the market conditions.

The client hereby acknowledges, warrants and agrees that he understands these risks, is willing and is able, financially and otherwise, to assume the risks of trading CFDs. The client shall hold full responsibility for all risks and financial resources used, as well as the chosen trading strategy. We recommend maintaining a Margin Level no lower than 1,000%, as well as placing Stop Loss orders to limit potential losses. BinatonFx reserves the right to decrease the leverage depending on the client's trading volume.

5. Off-Exchange Transactions in Derivatives

When clients trade CFDs with BinatonFX, clients will be entering into an off-exchange (OTC) derivative transaction, by placing their orders through the trading platform of BinatonFX. These OTC transactions could involve greater risk than investing in on-exchange derivatives as there is no exchange market on which to close out an open position. The client must open and close a position with BinatonFX that is not transferable to any other person. In this case, the client may be exposed to the risk of BinatonFX default.

6. Counterparty Risk

A counterparty risk refers to the risk of default of one party in a particular transaction and its inability to meet its financial obligations. BinatonFx holds clients' money in an account that is segregated from other clients' and BinatonFX' money, in compliance with current regulations but this may not afford complete protection.

7. Stop Loss Limit

Clients understand that there may be cases in which a Stop Loss limit is ineffective, for example, where there are rapid price movements or market closure, and Stop Loss limits cannot always prevent clients from losses.

8. Liquidity Risk

Clients should take into consideration that some financial instruments may not become immediately liquid due, for example, to reduced demand and clients may not be able to trade them quickly enough to prevent a possible loss, or to easily obtain information on the value of these financial instruments or the extent of the associated risks.

9. Execution Risk and Underlying Market Volatility

CFDs and other financial derivative products are instruments that allow clients to trade on price movements in underlying instruments/markets. Although we offer our own prices at which clients trade CFDs, BinatonFX' prices are derived based on the underlying instruments/markets.

Clients should understand and take into consideration that the fluctuation of the underlying instrument may have an effect on the value of the derivative product and can affect client profitability.

Under certain circumstances clients' trades may not take place immediately. Clients should be aware of "gapping" (time lag) where such events can result in a significant profit or loss on their accounts. Such "gapping" may occur when the underlying instrument/ market is open and when it is closed, or if there is a time lag between the moment the client places its order and the moment the order is carried out. During this period, the market conditions might have moved unfavourably for the client. That is, the order is not carried out at the requested price.

9.1. Technical Risk

9.1.1. Clients shall assume the risk of financial loss caused by the failure of information, communication, electronic and other systems.

9.1.2. When executing trading operations through the Site, the client shall assume the risk of financial loss or damage from any cause or fault whatsoever, including but not limited to the failure of hardware and software (Servers/ Internet), improper functioning and operation of client's equipment, delayed client terminal updates, wrong settings in client's terminal, client's ignorance of the applicable rules described in the MetaTrader User Guide. The result of any such failure may be that the client's orders are either not executed or are not executed according to his instructions.

BinatonFX does not accept any liability in the case of such a failure. The use of wireless or dial-up connection or any other form of unstable connection at the client's end, may result in poor or interrupted connectivity or lack of signal strength causing delays in the data transmission between us and the client when using BinatonFX' Electronic Trading Platform. The delay may cause sending to BinatonFX orders that are out of date (at old prices).

9.2. Communication

We bear no responsibility for any loss that arises as a result of delayed or un-received communication sent to clients by BinatonFX.

In addition, we bear no responsibility for any loss that arises as a result of unencrypted information sent to clients by BinatonFX that has been accessed via unauthorised means.

We bear no responsibility for any un-received or unread internal messages sent to clients through the trading platform.

The client is solely responsible for the privacy of any information contained within the communication received by BinatonFX.

Additionally, the client accepts that any loss that arises as a result of unauthorised access of a third party to his trading account is not the responsibility of BinatonFX.

9.3. Force Majeure Events

In case of a Force Majeure event the client shall accept any loss arising.

10. Costs and Other Considerations

All applicable costs, commissions and fees will be provided to clients by BinatonFX or published on the Site. Clients should be aware of such costs, commissions and fees that may be charged and influence the account profitability of the client. All such costs, commissions and fees may be complex to calculate and may be more significant than the gross profits from a trade.

Not all costs are represented in monetary terms (for instance, costs may appear as a percentage of the value of a CFD). BinatonFX reserves the right to change, from time to time, any of the costs applicable to trading CFDs and clients understand and agree that the most up-to-date information in relation to costs is available online at the Site.

11. Swap Values and Charges

A swap is the interest added or deducted for holding a position open overnight. Depending on the position held and the interest rates of the currency pair involved in the transaction a client's trading account may either be credited or debited, accordingly. Clients' trading accounts are

reconciled every day at 23:59:31 (our server time) and the resulting amount shall be automatically converted into the currency that client's trading account is denominated in.

BinatonFX reserves the right to change the level of the swap rate on each financial instrument at any time and clients understand and acknowledge that they shall stay informed about that through the Site. Clients further agree that they will stay informed of the applicable swap value by regularly checking the Site. In addition, clients are responsible for checking the applicable swap value prior to placing an instruction for trading.

12. Taxation

Although investing in CFDs does not involve taking physical delivery of the underlying financial instrument independent tax advice should be sought, if necessary, to establish whether the client is subject to any tax, including stamp duty. It is the client's sole responsibility to obtain such information and comply with it accordingly.

13. Client's Acknowledgement and Consent

The client hereby acknowledges and declares that he has read, understood and accepts without any reservation all the information herein including without limitation the following:

Financial instruments in foreign markets could involve risks different from the usual risks in the market at the client's country of residence. The prospect of profit or loss from transactions in foreign markets is also influenced by fluctuations of the exchange rate. When a financial instrument is negotiated in a currency other than the currency of the client's country of residence, any changes in an exchange rate may affect in a negative way the value, price and performance of the financial instrument.

The value of a financial instrument may decrease and the client may receive less money than invested or the value of the financial instrument may be highly fluctuating. There is a possibility that the client's investment becomes of no value.

Should you require any additional information about the Risk Disclosure of BinatonFX, please contact us at contact@binatonfx.com