

## Risk Disclosure Statement for Foreign Exchange Trading

WeTrade Capital Limited (hereinafter referred to as "WeTrade" or "the Company" with Licence Number: MB/22/0100, regulated by the Labuan Financial Services Authority, with its registered office at Unit Level 9F (2), Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000, Federal Territory of Labuan, Malaysia.

This document outlines key risks and considerations associated with trading foreign exchange (forex) contracts. It is not an exhaustive disclosure of all potential risks. Clients should proceed with trading only if they fully understand the nature of the contracts, the associated risks, and the contractual obligations they are entering. Trading forex contracts may not be suitable for everyone, and clients must evaluate the appropriateness of such transactions considering their own experience, objectives, financial resources, and other relevant factors.

### 1. High-Risk Nature of Foreign Exchange Contracts

Forex contracts are inherently high-risk, primarily due to the use of leverage. The initial margin requirement is significantly lower than the value of the forex contract, making it a leveraged transaction. Consequently, minor market fluctuations can have a disproportionately large impact on the funds required to maintain open positions. Such fluctuations may move unfavourably, potentially resulting in the loss of the initial margin and any additional funds deposited.

### 2. Limitations of Conditional Orders

The use of conditional orders, such as "stop loss" or "limit order," does not guarantee that losses will be limited to the expected amount. During volatile market conditions, it may not be possible to execute such orders at the intended levels, and execution may be delayed or unavailable.

### 3. Risks of Trading Strategies

Implementing combined position strategies, such as "arbitrage," carries similar risks as holding straightforward "long" or "short" positions. Clients must be aware of the potential for significant losses with any trading strategy.

### 4. Understanding Fees and Charges

Clients should be fully informed of all potential fees and charges associated with forex trading before commencing. These costs will affect the net profit or increase any losses from trading activities.

### 5. Risks Associated with Electronic Trading

Engaging in forex trading via electronic systems carries risks distinct from those in traditional open-outcry markets or other electronic trading platforms. Clients may



encounter issues such as hardware or software failures, resulting in orders not being executed as instructed or at all.

WeTrade provides trading systems "as is," without warranties whether express or implied regarding performance, suitability, uninterrupted service, or compliance with any specific requirements. WeTrade will not be liable for any indirect, incidental, special, or consequential damages, including loss of business, profits, or goodwill.

#### 6. Service Interruptions and Delays

WeTrade will not be held responsible for delays or interruptions in service caused by various factors, including hardware or software failures, regulatory actions, natural disasters, or deliberate system maintenance. Alternative trading arrangements may not be guaranteed during such times.

#### 7. Margin Requirements

Clients are required to always maintain sufficient margin levels in their accounts, as per WeTrade's margin policy. Failure to meet margin requirements may lead to the closure of positions without notice, potentially resulting in losses.

#### 8. Handling of Pricing Errors

WeTrade will not be responsible for account balance discrepancies caused by pricing errors, including but not limited to incorrect price quotes, inaccuracies due to technical issues, or errors originating from third-party data providers. WeTrade reserves the right to adjust or correct affected account balances in such cases.

#### 9. Third-Party Trading Advisors

If clients authorize a third-party trading advisor to manage their accounts, WeTrade does not endorse, review, or make any recommendations regarding the advisor's methods or qualifications. Clients assume full responsibility for their choice of advisor and any resulting losses.

#### 10. Volatility and Market Conditions

Highly volatile markets, such as those reacting to significant news releases, expose clients to additional risks. WeTrade cannot guarantee specific pricing during such periods. Clients trading under simulated conditions should not assume that real-market outcomes will match simulated results.