

November 2022

License no. GB21027161

UNI FIN INVEST

Risk Disclosure Statement

Version 1.0

1. Key Information

- 1.1.** UNI FIN INVEST is an Investment Dealer (Full-Service Dealer, excluding Underwriting), regulated by the Financial Services Commission ('FSC') in Mauritius under the license number **GB21027161** (hereinafter referred to as "UFI" or the "Company").
- 1.2.** This Risk Disclosure Statement explains what you need to know about the products we can offer you. It is designed to provide you with the information you need to determine whether the products we offer are appropriate for your personal objectives, financial situation and needs, by explaining the risks, rights and obligations associated with our products.

2. Risk warning and important considerations

- 2.1.** Trading in OTC Derivatives is not suitable for all investors and involves the risk of significant loss as well as potential for profit. Any losses you sustain may substantially exceed the amount of your initial deposit. Movements in the price of the margin contract's Underlying Asset (e.g., foreign exchange rates, commodity prices, or indices) are influenced by a variety of unpredictable factors of global origin. Violent movements in the price of the Underlying Asset may occur in the market, as a result of which you may be unable to settle adverse trades. We are unable to guarantee a maximum loss that you may suffer from your trading activities.
- 2.2.** OTC Derivative products are considered speculative products which are highly leveraged and carry significantly greater risks than non-geared investments. You should not invest in OTC Derivative products unless you properly understand the nature of OTC Derivative products and you are comfortable with the risks.
- 2.3.** Engaging in CFDs in Currency Pairs, Equity Indices, Metals and Commodities (in this notice referred to as a 'Transaction') carries a high degree of risk to your capital. You should not engage in this form of investing unless you fully understand the nature of the Transaction you are entering into and the true extent of your exposure to the risk of loss. Your profit and loss will vary according to the extent of the fluctuations in the price of the underlying markets on which your Transaction is based.
- 2.4.** Trading in OTC Derivatives is not suitable for all investors and involves the risk of significant loss as well as potential for profit. You should, therefore, consider carefully whether they are suitable for you in the light of your circumstances and financial resources

and investment objectives.

In considering whether to engage in this form of investing, you should be aware of the following:

2.4.1. Leverage

The high degree of "leverage" or "gearing" (i.e., the funds required at the outset, compared with the size of the trade you can place) is a particular feature of this type of Transaction. Therefore, a relatively small movement in the underlying market can have a disproportionate effect on your Transaction. If the underlying market movement is in your favour, you can achieve a good profit, but an equally small adverse market movement cannot only quickly result in the loss of your entire deposit but can also expose you to a large additional loss over and above your initial deposit. In particular, your losses can be unlimited, and no deposit or other amount you have paid will limit your losses. If you decide to engage in Margined CFD trading, you must accept this degree of risk.

You can be called upon to deposit substantial additional margin, at short notice, to maintain your position(s). If you do not provide such additional funds within the time required, your position

(s) can be closed at a loss and you will be liable for any resulting deficit. If you are in any doubt regarding our products, you should seek independent professional advice.

2.4.2. Margined CFDs

The purpose of a Margined CFD Transaction is to secure a profit or avoid a loss by reference to fluctuations in the price of the underlying asset or an index (the "Underlying Market"). In the context of our activities, the Underlying Market can be a securities Index, exchange rate between two currencies, CFDs on gold, silver, oil or such other investment as we can from time to time agree in writing. It is an express term of each CFD Transaction that neither you nor us:

- acquire any interest in or right to acquire or is obliged to sell, purchase, hold, deliver or receive the Underlying Market; and
- that the rights and obligations of each party under the CFD Transaction are principally to make and receive such related payments.

2.4.3. Margin Requirement

We reserve the right to adjust margin requirements for any product that we offer. This may result in your margin requirement increasing and you may therefore be required to deposit additional funds to maintain existing positions.

2.4.4. Position Monitoring

It is your responsibility to monitor your account. Should the net value of the account (cash plus running profits minus running losses) fall below the margin required, we may close some or all of your trades, at the current market price. This should not however be taken as a guarantee, and it is your responsibility to ensure that sufficient funds are on your account at all times.

2.4.5. Market Risk

Margined CFD trading relies on the price movement of underlying financial products. You are therefore exposed to similar, but magnified risks, to holding the underlying assets. In some cases, risks will be greater.

Creating a stop loss order may limit your loss but this is not guaranteed as your losses may be greater in some circumstances. Slippage occurs when a stop loss does not get filled at the exact order price, but slips to a higher or lower price. This may be because the particular Underlying Market has become unusually volatile for a period of time. Where this happens a Stop Loss may not be effective and your position will be closed at the current UFI price.

Gapping is when a particular market jumps significantly, resulting in your stop loss being missed and your trade closed at a much higher or lower price than intended. Accordingly, where you have an open position in a volatile market environment you must understand the potential impact of these events, as you could be filled at the next available UFI price.

Under certain trading conditions it may be difficult or impossible to liquidate a Position. This may occur, for example at times of rapid price movement if the price rises or falls in one trading session to such an extent that trading is restricted or suspended.

At market opening and closing times and prior to announcements, the market spread may

widensubstantially. Consequently, you must ensure that you have sufficient funds on your account to cover this eventuality.

Where you are trading a product denominated in a currency different to that in which you hold your account, fluctuations in the exchange rate will affect your profit and loss potential.

2.4.6. Credit

No credit is extended to you. Neither a Variation Margin credit allocation, nor an Initial Margin credit allocation constitute a credit facility.

2.4.7. Counterparty Risk

We are the counterparty to all your trades. None of our products are listed on an exchange, nor can any rights, benefits or obligations be transferred to anyone else. While we undertake our obligation to provide you with best execution and to act reasonably and in accordance with our published Terms of Business, Margined CFDs opened on your account with us must be closed with us, based on our prices and on the terms and conditions that you have contracted with us.

2.4.8. Segregated Accounts

The Company is required to hold client funds in segregated trust accounts in accordance with the regulations of Financial Services Act, 2007, but this October not afford complete protection. While we monitor the creditworthiness of our banks closely and select them on the basis of robustness and solidity, this does not mean that they are risk-free. If you deposit collateral as security with the Company, you should ascertain from the Company how your collateral will be dealt with.

2.4.9. Financial Services Compensation Scheme

As an FSC regulated firm, your trading with the Company is not covered under any client compensation scheme under the laws of Mauritius.

2.4.10. Tax

You take the risk that your trades and any related profits October be or become subject to tax. You are responsible for all taxes and stamp duty in respect of your trades. We do not provide any taxadvice to clients, and you are responsible for your own tax affairs.

You should obtain financial, legal, taxation and other professional advice as necessary prior to entering an OTC Derivative transaction to ensure they are appropriate for your objectives, needs and circumstances. The taxation consequences of OTC Derivative transactions can be complex and will differ for everyone's financial circumstances. Your tax adviser should be consulted prior to entering into an OTC Derivative transaction.

2.4.11. Commission and Spreads

You should obtain details of all commissions and other charges for which you will be liable, prior to trading with the Company. Where charges are not expressed in money terms (such as a bid offer spread), you should obtain a clear explanation of what such charges are likely to mean in specific money terms. When commission is charged as a percentage it will normally be as a percentage of the total contract value, and not simply as a percentage of your initial payment.

Some types of trades you make October require you to pay financing costs. Trades in currencies different than your base currency October require you to convert those foreign currencies to your base currency. The combination of overnight financing and foreign exchange costs October exceed any profits on your trades or increase the losses that you October incur on your trade.

2.5. We also recommend that you seek independent advice to ensure the products are appropriate for your particular financial objectives, needs and circumstances. Nothing in this Risk Disclosure Statement should be considered as a recommendation to trade in OTC Derivatives or any other financial instruments. We do not guarantee the investment performance of OTC Derivative products or the investment performance of the Underlying Assets. Past performance is no indication or guarantee of future performance. Use of examples in this Risk Disclosure Statement are provided for illustrative purposes only and do not reflect our actions or determinations or an investor's personal circumstances.

2.6. The distribution of this Risk Disclosure Statement (electronically or otherwise) in any jurisdiction outside Mauritius October be restricted by law and persons who come into possession of this Risk Disclosure Statement should seek advice on and observe any such restrictions. The information in this Risk Disclosure Statement is not directed at residents

in any country or jurisdiction where such distribution or use would be contrary to local law or legislation.

2.7. Please note that, in case of any inconsistency between this Risk Disclosure Statement and applicable legislations, rules and regulations, the latter shall prevail.