



AIMSCAP

AURIC INTERNATIONAL MARKETS (CAMBODIA) CO., LTD

**RISK
DISCLOSURE**

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Auric International Markets (Cambodia) Co. Ltd (hereafter the "Company") is a STP derivative broker incorporated and registered under the laws of the Securities and Exchange Regulator of Cambodia (SERC).

Following the implementation of the company procedure, the Company provides this notice with information about the risks associated when clients are dealing with financial products. This notice cannot and does not disclose or explain all the risks and other significant aspects involved in trading CFDs or other financial derivative products.

Clients can trade through the Company CFDs products.

Product Description

A CFD is an agreement between a 'buyer' and a 'seller' to exchange the difference between the current price of an underlying asset (currencies, commodities, indices, shares etc.) and its price when the contract is closed.

CFDs are leverages products. They offer exposure to the markets while requiring you to only put down a small margin ('deposit') of the total value of the trade. They allow investors to take advantage of prices moving up (by taking 'long positions') or prices moving down (by taking 'short positions') on underlying assets.

When the contract is closed you will receive or pay the difference between the closing value and the opening value of the CFD and/or the underlying asset(s). If the difference is positive, the Company pays you. If the difference is negative, you must pay the Company. CFDs might be seemed similar to mainstream investments such as shares but they are different as you never actually buy or own the asset underlying the CFD.

Although CFDs and other financial derivative products can be utilized for the management of investment risk, some of these products are unsuitable and not appropriate for many clients as they carry a high degree of risk.

CFDs and other financial derivatives are leveraged products and involve a high level of risk. It is possible to lose all your capital.

Trading is considered to be risky and speculative

The Client is responsible for all the losses suffered in his account. Consequently, the client should be prepared to lose all the invested capital. Do not invest money you cannot afford to lose.

Gearing and Leverage

Before the client opens a trade on CFDs or any other financial derivative products, he is required to maintain a margin. Margin is usually a relatively modest proportion of the overall contract value. This means that the client will be trading using "leverage" or "gearing".

The "gearing" or "leverage" is often obtainable in trading CFDs and other financial derivative products. This means a relatively small market movement can lead to a proportionately much larger movement in the value of the client's position and this can work either against the client or for the client. The greater the leverage, the greater the risk.

At all times during which the client opens trades, he must maintain enough equity, consider all running profits and losses, for meeting the margin requirements. If the prices move against the client then the client must deposit funds to avoid any margin calls otherwise the company will be entitled to close one or more or all the clients' trades regardless of whether the client agrees with the Company's decision to close his trade(s).

Appropriateness

The Company requires the client to pass through an appropriateness test during the application process and warns the client, if on the basis of the information provided, trading CFDs or any other derivative product is not appropriate based on the client's profile.

Off-Exchange Transactions

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

Counterparty risk is the risk that your counterparty defaults and is unable to meet its financial obligations. The Company holds the client's money in an account that is segregated from other clients' and the Company's money, in accordance with current regulations but this may not afford complete protection.

Underlying Market Volatility

CFDs and other financial derivative products are instruments that allow the client to trade on price movements in underlying markets/instruments. The Company's prices are derived based on the underlying instruments/markets.

It is important for the client to understand that the fluctuation of the underlying instrument may influence the value of the derivative product and affect the client's profitability. The client should also be aware of "gapping" where such events can result in a significant profit or loss on the client's account. "Gapping" can occur when the underlying instrument/market is open and when it is closed.

Stop loss limits

There are some circumstances in which a 'stop loss' limit is ineffective, for example, where there are rapid price movements or market closure. Stop limits cannot always protect you from losses.

Liquidity risk

Liquidity risk can affect your ability to trade. Some financial instruments may not become immediately liquid as a result, for example, of reduced demand and the client may not be able to sell them or easily obtain information on the value of these financial instruments or the extent of the associated risks.

Execution risk

Execution risk is associated with the fact that trades may not take place immediately. For example, there might be a time lag between the moment you place your order and the moment it is executed. In this period, the market might have moved against you. That is, your order is not executed at the price you expected.

If trading after the market is closed, be aware that the prices for these trades can differ widely from the closing price of the underlying asset. In many cases, the spread can be wider than it is when the market is open.

Time may not be on your side

If you do not have enough time to monitor your investment on regular basis, you should not trade CFDs or other complex financial instruments. These products are not suitable to 'buy and hold' trading. They can require constant monitoring over a short period of time. Even maintaining your investment overnight exposes you to greater risk and additional costs. The volatility of the market together with the extra leverage on your investment can result in rapid changes to your overall investment position. Immediate action may be required to manage your risk exposure or to post additional margin.

Cost and Charges

All relevant costs and charges will be provided by the Company or set out on the Company's website. Clients should be aware of such costs and charges that may influence the account profitability of the client.

In addition to any profit or losses, there are different types of costs linked to transactions in CFDs. Costs will impact the effective return. Examples of costs include commissions charged by the Company. Costs related to CFD trading may also include bid-offer spreads, daily and overnight financing costs, account management fees and taxes. These costs can be complex to calculate and may outweigh the gross profits from a trade.

Swap Values and Charges

If a client holds any positions overnight, an applicable swap charge will apply. The swap values are clearly stated on the Company's website and accepted by the Client during the account registration process as they are described in the Company's terms and conditions.

The swap rate is mainly dependent on the level of interest rates as well as the Company's fee for having an open position overnight. The Company has the discretion to change the level of the swap rate on each Financial Instrument at any given time and the Client acknowledges that he will be informed by the Company's main website. The Client further acknowledges that he is responsible for reviewing the contract specifications located on the Company's main website and for being updated on the level of swap value prior to placing any order with the Company.

Complex Instruments Warning

Complex Instruments are derivatives products for which special risks apply. This notice is provided to you as a retail client in compliance with the rules of the Securities and Exchange Regulator of Cambodia. This notice cannot disclose all the risks and other significant aspects of complex instruments. You should not deal with complex instruments unless you understand their nature and your exposure to risk. You should be satisfied that the products is suitable for you in the light if your circumstances and financial position.

Although complex instruments can be utilized for the management of investment risk, some of these products are unsuitable for many investors. Difference instruments involve different levels of exposure to risk and in deciding whether to trade in such instruments you should first make acquainted yourself with the risks associated with the investments. Independent financial advice is necessary if you are unsure whether such complex instruments are appropriate for you.

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Client's Acknowledgement

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

The value of the Financial Instrument (CFDs or any other derivative product) may decrease and the client may receive less money than originally invested or the value of the financial instruments may present high fluctuations. It is possible that the invested capital may become of no value.

Information on past performance of a Financial Instrument does not guarantee the present and/or future performance. The use of historic data does not constitute a binding or safe forecast as to the corresponding future return of the Financial Instruments to which such data refers.

Some Financial Instruments may not become immediately liquid due to various reasons such as reduced demand and the Company may not be in a position to sell them or easily or obtain information on the value of such Financial Instruments or the extent of any related or inherent risk concerning such Financial Instruments.

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 have a negative effect on the Financial Instruments' value, price and performance.

A Financial Instrument in foreign markets may entail risks different than the usual risks in the markets at the client's country residence. The prospect of profit or loss from transactions in foreign markets is also influenced by the exchange rate fluctuations