Risk Warning

Fidelis Wealth Management

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This Notice provides you with information about the nature and risk of certain investment types and trading strategies and the potential for risk and loss that arises in respect of trading on the financial markets. It does not explain all the risks or how the risks relate to your personal circumstances.

Please note in particular that Rolling Spot Forex ("FX"), Contracts for Differences (CFDs) and Futures and Options are all leveraged products.

They are high risk and it is difficult for the majority of retail investors to understand the risks involved.

For most retail investors they are not appropriate.

THE INSTRUMENTS WE OFFER

We provide the opportunity for investment and dealing in a wide range of instruments, including:

- shares ("equities") and bonds;
- contracts for differences on shares, bonds and other securities, on indices, exchange traded funds on commodities, on futures ("CFDs");
- futures and options on oil and metals, on other commodities (including agricultural, softs and metals) energy, financials, interest rates, and indices ("Futures and Options").

By investing in or dealing in any of the above you are risking your capital and you may not get back as much as you originally invested.

GENERAL

Before deciding to invest in or deal in any investment you should ensure you understand the features of the markets in which you are dealing and all the risks to which they expose you. You should carefully consider its suitability for you in light of your investment objectives, level of experience and risk appetite. You should not invest money that you cannot afford to lose and if you have any questions you may wish to seek advice from an independent financial advisor.

RISKS ATTACHING TO ALL INVESTMENTS

It is not possible to explain or outline all the potential risks, but in considering the risks of a potential investment or transaction you might like to consider some or all of the following:

- Volatility. The value of investments, the income available from them and the amount for which they can be realised are variable. They can go down as well as up. Price movements depend upon a large number of factors such as world economic sentiment, interest rates and changes to them, exchange rates and changes to them, changing commodity or other prices, company or country credit ratings, tax and regulatory changes, the passage of time, and, factors that are specific to the particular investment.

There can be sharp price movements and changes of direction (the degree of which varies between instruments). This is particularly the case in reaction to news events. This obviously has a direct impact on the prospect of your profit and loss, and, can lead to apparently sudden losses

 Liquidity: Some investments are illiquid and it may not be possible to sell them (or, buy them) at a reasonable price within a reasonable time period.

 Commissions and Charges: Charges levied by ourselves or third parties will reduce potential profit you can make or increase the level of loss. Before you begin to trade, you should understand all commissions and other charges for which you will be liable. For example, commissions may be charged in the form of spreads, or, as a percentage of total contract value, or, might be levied by an exchange or clearing house and not simply as a percentage of your initial payment.

 Tax: We do not advise on the taxation merits or consequences of transaction or particular types of transaction. You are solely responsible for your taxation affairs but should be aware that the taxation consequences of investments can be complex; that taxation bases, rates and levels and modes of calculation can change at any time. If in any doubt about the taxation implications of a particular investment or transaction you should seek your own legal advice.

 Market rules: Some investments or transactions are subject to the rules of a Market, over which neither you nor we have control.

 Regulatory action: Regulatory changes, sometimes introduced at short notice, can affect your profit or loss, trading rights or, liquidity.

 Market gapping: This is a sudden shift in the price of an instrument or its underlying from one level to another. It can happen at any time, but occurs most frequently when the market closes at one level but reopens at another. This can cause unexpected losses. With leveraged trading it can result in a total loss of investment (or, more).

 Position monitoring: It is your responsibility to monitor your positions. We do not do so on your behalf. You may need to act quickly to cut losses or reduce positions or take out new positions in order to manage your risks effectively.

 Complexity: Some investments, transactions or strategies are inherently complex and the prospect of registering a profit or a loss may be difficult to determine.

 Leveraged, margined and contingent liability investments. The leveraged, margined or contingent liability nature of these investments can increase volatility and risk. You should not invest in such instruments unless you fully understand all the relevant risks and are comfortable with them.

 Foreign markets. Foreign markets will involve different risks from markets in your home or base currency. In some cases the risks will be greater. The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts will be affected by fluctuations in exchange rates.

 Non-readily realisable investments. We may arrange or enter into transactions in non-readily realisable investments. These are investments in which the market is limited or could become so. You may have difficulty selling such an investment at a reasonable price and, in some circumstances. It may be difficult to sell it at any price. Do not invest in such investments unless you have carefully thought about whether they are suitable for you.

 Electronic trading . You must always ensure you understand the operation of any electronic trading system before you use it. If you undertake Transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software.

The result of any system failure may be that your order is not executed according to your instructions, or, is not executed at all or a failure of capability to keep you informed about your positions and fulfilment of the Margin requirements.

CFDs and Futures and Options

These all involved leveraged dealing and share a number of characteristics.

 Leveraged dealing (also known as dealing on margin): When you enter into a contract you are required to pay or to have on deposit with us only a small proportion of the overall contract value. Your profits or losses are determined on the basis of the overall contract value, that is, on a leveraged or geared basis. If the market moves against you, or, margin requirements increase, you may be called upon to pay substantial additional margin at short notice to maintain the position (a “margin call”).

 Failure to meet a margin call: If you fail to meet a margin call within the time required (or, indicate that you are unlikely to do so) your position may be liquidated without further notice to you. This may be at a loss. You will be responsible for any resulting deficit.

 Failure to maintain minimum margin requirement: If your account is under the minimum margin requirement set by the exchange or your position may be liquidated at a loss without further notice to you and you will be liable for any deficit in your account.. Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when you entered the contract.

 Risk of loss As with any high-risk financial product, you should not risk any money that you cannot afford to lose, such as your retirement savings, medical and other emergency funds, funds set aside for education or home ownership or funds required to meet your living expenses.

 Knowledge of the underlying: Knowledge of the underlying, how it is traded and what affects its price is required in order to understand its derivatives. t

 Be cautious of claims that you can make large profits. Although the high degree of leverage in futures can result in large and immediate gains, it can also result in large and immediate losses. As with any financial product, there is no such thing as a "sure winner."

 Because of the leverage involved and the nature of futures transactions, you may feel the effects of your losses immediately. Unlike holdings in traditional securities, gains and losses in security futures are credited or debited to your account on a daily basis at a minimum. Because of daily market moves, your broker may require you to have or make additional funds available.

 Under some market conditions, it may be difficult or impossible to hedge or liquidate a position. If you cannot hedge or liquidate your position, any existing losses may continue to mount. Even if you can hedge or liquidate your position, you may be forced to do so at a price that involves a large loss.

FUTURES

 Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash.

 The risk of loss in trading futures contracts can be substantial. You should, therefore, carefully consider whether such trading is suitable for you in light of your circumstances and financial resources. Placing contingent orders, such as "stop-loss" or "stop-limit" orders, will not necessarily limit your losses to the intended amounts, since market conditions on the exchange where the order is placed may make it impossible to execute such orders.

 Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example, when the market reaches a daily price fluctuation limit ("limit move").

 The 'gearing' or 'leverage' often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you.

 Futures transactions have a contingent liability, and you should be aware of the implications of this, in particular the margining requirements. You may sustain a total loss of the funds that you deposit with your broker to establish or maintain a position in the commodity futures market, and you may incur losses beyond these amounts. If the market moves against your position, you may be called upon by your broker to deposit a substantial amount of additional margin funds, on short notice, in order to maintain your position. If you do not provide the required funds within the time required by your broker, your position may be liquidated at a loss, and you will be liable for any resulting deficit in your account.

 You should consult your broker concerning the nature of the protections available to safeguard funds or property deposited for your account.

OPTIONS

There are many different types of options with different characteristics subject to the following conditions.

 Buying options: Buying options involves less risk than selling options because, if the price of the underlying asset moves against you, you can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if you buy a call option on a futures contract and you later exercise the option, you will acquire the future. This will expose you to the risks described under 'futures'.

 Writing options: If you write an option, the risk involved is considerably greater than buying options. You may be liable for margin to maintain your position and a loss may be sustained well in excess of the premium received. You will need to monitor your position closely. You may be required to deposit further margin at short notice or may be closed out without notice by your broker, By writing an option, you accept a legal obligation to purchase or sell the underlying asset if the option is exercised against you, however far the market price has moved away from the exercise price. If you already own the underlying asset which you have contracted to sell (when the options will be known as 'covered call options') the risk is reduced. If you do not own the underlying asset ('uncovered call options') the risk can be unlimited. Only experienced persons should contemplate writing uncovered options, and then only after securing full details of the applicable conditions and potential risk exposure.

 Traditional options: Certain London Stock Exchange ("LSE") member firms under special LSE rules write a particular type of option called a 'traditional option'. These may involve greater risk than other options. Two-way prices are not usually quoted and there is no access to a market via a Market on which to close out an open position or to effect an equal and opposite transaction to reverse an open position. It may be difficult to assess its value or for the seller of such an option to manage his exposure to risk.

 Certain options. Markets operate on a margined basis, under which buyers do not pay the full premium on their option at the time they purchase it. In this situation you may subsequently be called upon to pay margin on the option up to the level of your premium. If you fail to do so as required, your position may be closed or liquidated in the same way as a futures position.

OTHER RISKS

Clearing house protections

On many exchanges, the performance of a transaction by us (or of a third party with whom we are dealing on your behalf) is guaranteed by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover you and may not protect you if your firm or another party defaults on its obligations to you. On request, we must explain any protection provided to you under the clearing guarantee applicable to any on-exchange derivatives in which you are dealing. For off-exchange instruments it is usual for there to be no clearing house protections.

PAST PERFORMANCE

You should be aware that the price of the financial instruments that you are dealing with depends on fluctuations in the financial markets outside of our control and that past performance is no indicator of future performance.

INSOLVENCY

Our insolvency or default, or that of any other brokers involved with your transaction, may lead to positions being liquidated or closed out without your consent.

DEALING IN SECURITIES WHICH MAY BE SUBJECT TO STABILISATION

We, and/or our representatives, may from time to time carry out transactions on your behalf in securities subject to stabilisation.

Stabilisation enables the market price of a security to be maintained artificially during the period when a new issue of securities is sold to the public. Stabilisation may affect not only the price of the new issue but also the price of other securities relating to it. The FSA allows stabilisation in order to help counter the fact that, when a new issue comes onto the market for the first time, the price can sometimes drop for a time before buyers are found.

Stabilisation is being carried out by a ‘stabilisation manager’ (normally the firm chiefly responsible for bringing a new issue to market). As long as the stabilising manager follows a strict set of rules, he is entitled to buy back securities that were previously sold to investors or allotted to institutions, which have decided not to keep them. The effect of this may be to keep the price at a higher level than it would otherwise be during the period of stabilisation.

LISTED SECURITIES WHERE GEARING IS INVOLVED

In relation to listed securities where gearing is involved, the gearing strategy used by the issuer may result in movements in the price of the securities being more volatile than the movements in the price of the underlying investments. Your investment may be subject to sudden and large falls in value and you may get back nothing at all if there is a sufficiently large fall in your investment.

COLLATERAL

If you deposit collateral as security with us, the way in which it will be treated will vary according to the type of transaction and where it is traded. There could be significant differences in the treatment of your collateral depending on where or how you are trading Deposited collateral may lose its identity as your property once dealings on your behalf are undertaken and even if your dealings should ultimately prove profitable, you may not get back the same assets which you deposited, and may have to accept payment in cash. You should ascertain from us how your collateral will be dealt with.