

## General Risk Notice

The trading of electronic foreign exchange with Managed Forex Hub (hereinafter “MFH”) has been prearranged to assist facilitating a limited number of self-directed traders and speculative investors. Participation shall only be disseminated to limited private persons whom MFH deem to be fit and proper and this service is typically not offered to the general public nor is this type of asset class suitable for every type of investor. The participation in trading this particular asset class in certain jurisdictions may be restricted. Investors are required to inform themselves about and to observe any such restrictions.

This document does not constitute, and may not be used for the purpose of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. This document’s purpose is to highlight various general risk factors associated in participation with MFH in any capacity. No party should construe the contents of this document as legal, tax or financial advice. Each prospective party should consult his own professional advisers on (a) the legal requirements within the country of his residence with regards to any form of participation with MFH, (b) any foreign exchange restrictions that may be relevant to him and (c) the income and other tax consequences that may be relevant to participation with MFH.

### 1. High Risk Notice

Margined currency trading is one of the riskiest forms of investment available in the financial markets and is primarily suitable for sophisticated individuals and institutions with extensive knowledge on this particular asset class. An account with MFH permits you to trade foreign currencies on a highly leveraged basis (leverage up to 100:1 available). The funds in an account trading at maximum leverage can be completely lost if the position(s) are left unattended and the markets move against any open positions and they do not have the proper risk/protection protocol in place. Theoretically, an account could lose more than the equity it contains, if the account is trading at maximum leverage and positions held in the account swing in a direction which constitutes more than their value. Given the possibility of losing one's entire investment, speculation in the off-exchange retail foreign currency market should only be conducted with risk capital funds that if lost will not significantly affect one's personal or institution's financial well beings.

## 2. Currency Trading is Speculative and Volatile

Foreign currency prices are highly volatile. Price movements for currencies are influenced by, among other things: changing supply and demand relationships; trade, fiscal, monetary, exchange control programs and policies of governments, US and foreign political and economic events and policies, changes in interest rates and inflation rates; currency devaluations and revaluations; and marketplace emotions. None of these factors can be controlled by any market participant and no assurance can be given that any strategy will result in profitable trades by any investor or that an investor will not incur losses. As mentioned, account leverage magnifies the impact of currency volatility on margin requirements of open positions.

## 3. Market Opinions by MFH

Any opinions expressed as to the future direction of prices of specific currencies or any other asset classes are purely the opinions of MFH, and do not necessarily represent the opinion of anyone else, and are not guaranteed in any way. In no event shall MFH have any liability for any losses incurred in connection with any decision made, action or inaction taken by any party in reliance upon the information provided verbally or via the Internet, or any delays, inaccuracies, errors in, or omissions of information.

## 4. Leverage Disclaimer

The leveraged nature of electronic currency trading means that any market movement will have an equally proportional effect on your deposited funds. This may work against you as well as for you. The possibility exists that you could sustain a total loss of initial margin funds and be required to deposit additional funds to maintain your position. If you fail to meet any margin call within the time prescribed, your position may be liquidated and you may be responsible for any resulting losses.

## 5. Accuracy of Information

Any information content provided by MFH either verbally, or electronically such as on the website [www.managedforexhub.com](http://www.managedforexhub.com) is subject to change at any time without notice, and is provided for the sole purpose of assisting traders to make independent investment decisions. MFH has taken reasonable measures to ensure the accuracy of the information given and on the website, however, does not guarantee its accuracy, and will not accept liability for any loss or damage which may arise directly or indirectly from the content or your inability to access the website, for any delay in or failure of the transmission or the receipt of any instruction or notifications sent through this website. As such, this may present an inherent risk to investors.

## 6. Partner Stability

No assurance can be given regarding the stability, financial strength, capitalization, or credibility (past, present or future) of the chosen banks, institutions, prime brokers, liquidity providers, clearing agents, law firms, consultants, accounting firms, or other affiliated partners chosen by MFH. MFH will not be held responsible for any actions, omissions, errors or misconduct, conducted by their chosen partners that may have any affect on a client's account(s), negative or otherwise which is out of the sole control of MFH.

## 7. Internet Trading Risks

In addition, there are risks associated with utilizing an electronic / Internet-based deal execution trading system including, but not limited to, the failure of hardware, software, and Internet connections. Since MFH does not control signal power, its reception or routing via Internet, configuration of your equipment or reliability of its connection, we cannot be responsible for communication failures, distortions or delays when trading via the Internet. MFH employs back up systems and contingency plans to minimize the possibility of system failure.

## 8. Performance Discrepancies

Discrepancies in performance reporting may occur occasionally or frequently. This phenomenon may occur for various different reasons in the forex market place. Some of the factors which may influence this include different parities or softwares compiling the performance reports, the period in which the reports were obtained from, the data feed provided by different brokerages, the fees and costs charged by different brokerages, the leverage made available by different brokerages, whether open or closed trades have been accounted for in the calculation, the period in which performance fees or management fees have been charged, and any technical problems which may have occurred at a given brokerage. MFH shall always do their best to ensure reporting is as accurate and as standardized as possible, however when working with multiple brokerages, the odds of having discrepancies occur increases exponentially in relation to the number of brokerages being used.

## 9. Economic News Disclaimer

As with all major economic releases there could be significant price volatility with this type of announcement. Currency spreads will typically widen just before the release and will remain wide for a few minutes after. If the announcement is a shock to the consensus estimate, the price of the currency pair could gap significantly. For example, if the price on the EURUSD is trading at 1.2820 / 1.2822 just before release could gap up 60 pips to 1.2880 - 1.2882, without any available prices available between the price of 1.2820 and 1.2882. A Buy Stop placed before the announcement at

1.2830 would turn into a Market Order and would be filled at the prevailing price 1.2882. The same would be true with a Sell Stop. During highly impactful news, it is best to plan on the spreads widening and if you are trading with a Buy or a Sell Stop entry order, do not anticipate always being filled at your entry price. You will be filled at the prevailing market price after the release, and this market price could be significantly different from your desired price of your entry order.

## 10. Potential Illiquidity of the Forex Market

Forex positions (depending on the size, pair, and nature) cannot always be liquidated at the desired price. Although this is rare, this can occur when the market is “thinly traded” (i.e., a relatively small volume of buy and sell orders).

**11. THIS BRIEF DOCUMENT CANNOT DISCLOSE ALL THE RISKS AND SIGNIFICANT ASPECTS OF THE FOREIGN EXCHANGE MARKETS. THEREFORE, YOU SHOULD CAREFULLY REVIEW THIS DOCUMENT BEFORE PARTICIPATION IN ANY CAPACITY AND SEEK INDEPENDENT PROFESSIONAL ADVICE AND GUIDANCE WHEN REQUIRED.**

## Questions

MFH is committed to transparency and integrity, and are always willing to assist in helping potential participants understand various topics and make well informed decisions. Please do not hesitate to [contact MFH](#) for any further questions.