

RISK DISCLOSURE

Galactus Limited is a licensed and regulated Cyprus Investment Firm by the Cyprus Securities and Exchange Commission (CySEC licence no. 322/17) with its registered office at 73 Agias Zonis and Tertaïou Corner, Denas House 3rd floor, 3090, Limassol, Cyprus. Company Number HE351644.

Introduction

Galactus Limited (hereafter called the "Company") with registered office at 73 Agias Zonis street and Tertaïou corner, Dena Court, 3rd floor, 3090, Limassol, Cyprus, is authorized and regulated by the Cyprus Securities and Exchange Commission (Cy SEC), with a license No 322/17.

The Client (hereafter referred to as "you") should carefully read the Risk Disclosure in conjunction with the "Terms and Conditions of Business", "the Order Execution Policy" and any other legal documentation/information available through our Website.

The reason the Company provides you with this Risk Disclosure is to help you understand the risks that might arise when trading Contracts for Difference ("CFDs"). The risk disclosure provides general information to the Client on the most common risks connected with the transactions execution at the international exchange market (FOREX) and warns of the potential financial losses.

You need to ensure that any decision to engage in trading CFDs is made on an informed basis and in light of your knowledge and experience as well as to your personal circumstances (including but not limited to your financial position).

Please be aware that the present risk statement doesn't disclose information about all risks at the international exchange market (FOREX) in the consequence of diversity of the situations occurring at this market. This statement doesn't contain an intention to force the Client to abandon trading but helps to assist to make a responsible approach for the activity strategy selection.

For the purposes of the present statement by the term «risk» at the marginal and investment trading at the international exchange market (FOREX) the Client is important to understand that trading CFDs is not appropriate for all persons and there is a high level of risk which can result in the loss of all of your invested capital. Nonetheless, as a result of the "Negative Balance Protection" ("NBP") you may not lose more than your initial investment.

Currency margin trading involves risk of loss thereby the execution of these transactions reveals manifold possibilities and allows Clients ready to take a risk to get high profit. Margin trading at the foreign exchange market is acceptable only for people that consider and acknowledge economic, legal and other kinds of risk related to such transactions and that are capable of standing the financial losses. It should be considered, that price movements at the foreign exchange market may result significant loss. The Client must carefully consider whether the trading at the foreign exchange is acceptable for him relying on his experience, objectives, financial assets and other circumstances.

The Client is liable for the right choice of the trading strategy, consideration of all risks, using of financial assets.

1. Trading conditions

Prior to trading account opening the client should carefully read, makes sure understands and accepts the legal documents as these are found in the www.fx88.com website and all relevant information on the Company's website.

2. Appropriateness Assessment

2.1 When processing your "Account Registration" Galactus Ltd carries out an assessment of your appropriateness to trade CFDs and determines, based on information you provide us with, if you have sufficient knowledge and experience to understand the risks involved in trading CFDs. The Company will inform you of the results of the assessment but this does not relieve you of the need to carefully consider whether to trade CFDs with us. If the Company warns you that trading CFDs may not be appropriate for you, then you should refrain from trading CFDs until you attain sufficient knowledge and experience for example you may trade CFDs on a demo account prior to start trading CFDs in a live environment and you acquainted yourself sufficiently with the relevant risks.

3. Basic risks

Risks at the international exchange market (FOREX) are classified on the basis of the origin, below there are provided the most common risks.

3.1 The Leverage:

The collateral margin is smaller than the required minimum amount for a transaction, therefore transactions are performed with a leverage. A relatively insignificant market movement produces a proportionally larger impact on the Client's assets deposited with a bank to perform operations in the international exchange market (FOREX). If the market moves against the position of the Client, the Client may suffer loss equal to the initially deposited (credited) collateral margin and any other assets deposited to maintain the position.

3.2 Market risk:

Because of the access to the international exchange market (FOREX) of the great number of participants, having various purposes, opportunities and amounts of equity, to the foreign exchange market, it is one of the riskiest markets from the point of intra-day ranges for exchange rates. Due to sharp and substantial changes in exchange rates, the Client's orders may be executed at the rates which are significantly different from those stated in the orders, and placing orders for reducing losses/profits sometimes may be inefficient since conditions of the market may make it impossible to execute these orders.

3.3. Technical risk:

Faults in electronic equipment used to perform margin trading and investment operations may lead to unexpected and unpredictable results and therefore to losses on the Client's operations in then international exchange market (FOREX). At the carrying out of transactions via an electronic trading system, the Client runs the risk related with possible faults in the system, including equipment and software failures.

3.4 Legal, social and political risks:

The risk of changes in the legislation implies the possibility of suffering loss on foreign currency investments due to the introduction of new laws or changes in the existing ones, that includes tax regulations as well. The risk of radical change in the political or economic course of the country, especially when the new President takes the post, in case of changes in the Parliament or Government, the risk of social unrest, including strikes.

3.5 Force majeure:

The Company cannot be responsible for the losses which are directly or indirectly caused by the restrictions imposed by the Government, or related to foreign exchange and market regulations, interruption of trading, military actions or other events which are usually called "force majeure".

4. Client Funds

4.1 If you are categorized as a retail client, any money that we hold on your behalf will be kept in one or more segregated accounts with an institution within or outside the European Economic Area ("EEA"), separated from the Company's funds. The Clients Funds will be pooled with money belonging to other Clients (the "Omnibus Account"); thus, an individual Client will not have a claim against a specific sum in a specific account, in the event of insolvency. A Client's claim may be against the general Client Funds in the Omnibus Account. In general, accounts held with Institutions, including omnibus account(s), face various risks, including the potential risk of being treated as one (1) account in case the institution defaults. Under such circumstances, the enforcement of the national deposit guarantee scheme may be applied without consideration of the ultimate beneficial owners of the Omnibus Account. Another risk might be that the funds in the Omnibus Account may be exposed to obligations of the Company connected with the positions of other Clients in case the Company is unable to meet its obligations towards them. In the event that the solvency of the institution that the Company utilises to keep Client Money is partially or fully compromised, any loss shall be borne by you not us. In the event that any such institution defaults, the Client shall have no redress against the Company. In case Galactus Ltd becomes unable to meet its obligations the Client may be entitled to compensation from the CySEC under the "Investor Compensation Fund". You may refer to the "Investor Compensation Fund" document available on our Website or you can also press [here](#) for your convenience.

5. No Investment Advice

5.1 Galactus Ltd may, from time to time and as often as it deems appropriate, issue and/or distribute third party material (the "Material"), which contains information including but not limited to the conditions of the financial markets, sent to you posted through our Website and other media and/or sent to you via automatic e-mails. It should be noted that the Material is considered to be marketing communication only and does not contain, and should not be construed as containing, investment advice and/or personal investment recommendation and/or, an offer of or solicitation for any transactions in financial instruments; any decision to enter into a specific transaction shall be made by the Client following an assessment by him/her of their situation. Galactus Ltd makes no representation and assumes no liability as to the accuracy or completeness of the information provided, nor any loss arising from any investment based on a recommendation or other information supplied any employee of Galactus, a third party or otherwise. The material is not prepared in accordance with legal requirements promoting the independence of investment research and it is not subject to change without notice.

5.2 Galactus does not provide investment, financial, regulatory, legal, tax or other advice relating to investment or trading CFDs. Any material or information or other features, which may be provided to you through our Website, trading platforms, marketing or training events or otherwise, is generic and shall not be treated as advice appropriate for your or based on a consideration of your personal circumstances. You should seek independent professional advice from a suitably qualified advisor, if necessary, prior to engaging in trading CFD with us.

6. Risks beyond the control of the Company

The Client is completely liable for the following risks the listing of which is not exhaustive:

- Lack of knowledge of the trading terminal settings
- Technical faults in the Client's software
- Disclosure of the registration credentials to the third parties at the opening of the real account
- Unauthorized access by the third party to the personal email account of the Client
- Reading with the delay of the information sent the Client's email address
- Any other force-majeure circumstances on the part of the Client

7. Past Performance

7.1 Past performance, simulation or prediction of CFDs does not constitute an indication of future results. You should note that the value of your investment can decrease (as well as increase) as the market price of the underlying asset may fluctuate downwards (or upwards).

8. Company liability limitations

News, prices, opinions, researches, analytics and other information placed at the web site www.fx88.com provided exceptionally with enabling Client to independently be guided in the trading multiple and other relevant market tendency at making of personal investment and trading decisions and shouldn't be considered as an investment advice or as a recommendation on buying, selling or making use in any other way of the specific investment and/or any trading instrument.

The Company doesn't insist on the comprehensiveness and accuracy of the above mentioned information and is not liable for any loss or damage including but not limited by any profit loss that could take place directly or indirectly due to the fact that the Client used or relied on such information. By coming at access to any information the Client confirms that he understands and accepts that the Company declines all responsibility for any losses originated in connection with inaccuracy of the provided information.

The Client understands that the Company declines all responsibility for consideration of all risks, using of financial resources and choosing of the appropriate trading strategy.

The Company declines all responsibility for the losses associated directly or indirectly with the limitations that are applied by the government, foreign exchange or market rules, interruption of trading, military activity or any other circumstances usually called force majeure and not subject to the Company control. By executing of marginal operations in the electronic trading system, the Client incurs risks associated with the system including problems with software, failures in information, communication, electric and other systems and also risks associated with gaining access to the trading facilities by the third parties by means of Client's password.