



SCFM Limited

RISK DISCLOSURE STATEMENT

INTRODUCTION

SCFM Limited, trading as Scope Markets Kenya, is a Limited Liability Company registered in Kenya and authorised and regulated by the Capital Markets Authority as a non-dealing online foreign exchange trading broker and whose registered address is Westside Tower, 4th Floor, Office No. 402 & 403, along Lower Kabete Road, Westlands, Nairobi and of P.O. Box 2673-00606 Nairobi, Kenya. Reference to 'Scope Markets' throughout this document relates to 'SCFM Limited' unless stated otherwise.

If you have pursued only conservative forms of investment in the past, you should study currency trading further before continuing an investment of this nature. You could lose all funds you deposit as initial margin as well as substantial amounts of capital when trading currencies, if the market goes against your investment. You may also be liable for losses that exceed the amount of margin you post. If you wish to continue with your investment, you confirm that the funds you have committed are purely risk capital and loss of your investment will not jeopardize your style of living nor will it detract from your future retirement program. Additionally, you fully understand the nature and risks of currency investments, and your obligations to others will not be neglected should you suffer investment losses

You should be aware of the following points:

LEVERAGE

High leverage and low margin can result in significant losses due to small price fluctuations in the traded products. High leverage allows the customer to assume more risk, magnifying both losses and profits; which can result in loss up to and in excess of deposits and margin. The customer must consider that if the trend on the market is against him/her the customer may sustain a total loss of the initial margin funds and any additional funds deposited to maintain open positions. The customer is responsible for all his/her risks, financial resources he/she uses and for the chosen trading strategy.

MARKET RISK

Because of sharp and substantial changes in currency rates the client's orders may be executed at the rates which differ significantly from stated in the orders. For example, in the case when the price breaks out of the trading range and leaves on the chart an empty space with no trading activity (such situation is called gap). The order will be executed at the price first appeared after gap. Likewise placing orders for reducing losses/profits may be inefficient as market conditions may make it impossible to execute these orders



TECHNICAL RISK

The client accepts the risk caused by software or telecommunications facilities failures as well as by other technical problems. The company is not responsible for client's losses sustained due to non-observance of instructions included in the MT5 client terminal user guide. The client accepts the risk of executing unplanned trading transactions in the case of repeating an order before the last order processing results were received. The client must keep passwords and ensure that third parties will not have access to the trading system. The client will be subject to the trading obligation, assumed by him/her on the one part and by the Company on the other part, executed using client's password even if the password was used by a third party. The client realizes that the information on him/her (sent via email, instant messenger service) is not protected from unauthorized access.

FORCE MAJEURE

The Company is not responsible for client's losses sustained due to force majeure such as (included but not limited to) acts of wars, riots, civil disorders, labour disputes, blockades, embargoes, terrorist activities, civil insurrection, rebellions or revolutions natural disasters, financial market trading stops, currency interventions, government decisions, instability on financial markets with rapid drops of liquidity, and other significant changes of counter agents working process or any other similar cause beyond the reasonable control of such party.

This brief statement cannot disclose all risk of investments in margin trading markets. Trading these financial products carries a high level of risk to your capital with the possibility of losing more than your initial investment and may not be suitable for everyone. Ensure you fully understand the risks involved and seek independent advice if necessary.

