SUN INVESTING GLOBAL LTD

RISK DISCLOSURE

MARCH 2025

Regulated by the Financial Services

Commission of Mauritius

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1. OVERVIEW

Sun Investing Global Ltd (hereinafter "the Company", "us", "our", "we") holds an Investment Dealer (Full-service Dealer, excluding underwriting) License, GB23202480, in accordance with Section 29 of the Securities Act 2005, Rule 4 of the securities (Licensing) Rules 2007, and the Financial Services (Consolidated Licensing and Fees) Rules 2008.

Prior to initiating any relationship or engaging in trading activities with our Company, both existing and potential clients must carefully read and acknowledge this notice.

This General Risk Disclosure aims to provide an overview of the risks associated with dealing in Financial Instruments. While it cannot cover every possible risk, it serves to convey the general risks involved in trading Contracts for Difference (CFDs). Clients are strongly advised to seek guidance from independent financial advisors if they have any uncertainties. It is essential to comprehend all the risks linked to trading CFDs, and if a Client is unsure, they should refrain from trading altogether.

CFDs constitute an agreement between two parties to exchange the difference between the opening and closing prices of a contract, encompassing assets such as shares, currencies, commodities, and indices. Investors involved in CFD trading bear both the advantages and risks associated with owning securities, without any rights to the underlying asset.

2. RISK ON CFD

Please note that CFDs are intricate financial instruments that carry a significant risk of rapid money loss due to leverage. In fact, based on data from this provider, over 80% of retail investors trading CFDs with them incur losses. Prior to commencing CFD trading, it is crucial to thoroughly consider whether you comprehend their workings and whether you can afford the high risk of losing your investment.

CFDs represent a type of high-risk investment that may not be suitable for everyone. Understanding the risks and characteristics of CFDs before trading is essential. One of the primary risks involves amplified losses due to leverage, which enables you to initiate trades of substantially larger nominal value than your available equity. If you are uncertain about trading CFDs, it is advisable to seek independent advice beforehand.

While the company has an obligation to assess whether CFDs are appropriate for you based on your knowledge, experience, and financial resources, the final decision to trade CFDs rests with you.

CFDs are not appropriate for long-term investors and necessitate continuous monitoring over short periods. Keeping a CFD position open overnight exposes you to heightened risk and additional costs, and the combination of financial market volatility and added leverage can lead to rapid changes in your overall investment position.

CFDs do not suit investors seeking a steady income, as the income from such investments may fluctuate in value. CFDs are speculative products that allow investors to capitalize on price movements, both upwards (long positions) and downwards (short positions) on underlying financial instruments.

It is important to note that you have no rights or obligations concerning the underlying instruments or assets related to CFDs, and there is no physical delivery of the underlying instruments. Therefore, it is crucial to invest only money that you can afford to lose. Due to their nature as leveraged products, CFD trading can result in the loss of all your invested capital.

Price volatility is one of the risks of trading CFDs, which can be triggered by unexpected economic events or market announcements. Monitoring your positions closely is imperative, as the company may be unable to execute your instructions at the requested price, exposing you to execution risk.

Before opening a CFD, you will need to deposit money with the company as margin. This margin requirement will generally be a proportion of the overall contract value, depending on the leverage of the specific underlying instrument. Trading with leverage can work for or against you to an equal extent. Throughout the period with open positions, you must ensure that the amount in your trading account exceeds the maintenance margin to keep the transaction open. Failure to do so when the price moves against you may lead the company to close or partially close your trades, and you will be responsible for any resulting losses.

CFDs are not traded on any exchange, and prices are set by the company, subject to its obligation towards the client. Prices may differ from those reported elsewhere and may not directly correspond to real-time market levels at the point in time when the sale of options occurs.

3. COST DISCLOSURE

Prior to investing in CFDs, it is essential for the client to be aware of the associated costs, which include Spread(s), Commission(s), and Swap(s). In this context, a swap refers to the interest added or deducted for holding a position open overnight. Notably, the swap for a position opened on Wednesday and held overnight is three times that of other days. This is due to the value date of a trade held open overnight on a Wednesday, which would typically be Saturday. However, since banks are closed on Saturdays, the value date becomes Monday, resulting in the client incurring an extra two (2) days of interest. Conversely, from Friday to Monday, the swap is charged only once. For further details on Commission, Fees, and Charges, please refer to our comprehensive Terms & Conditions.

Furthermore, a spread in the context of CFD trading denotes the difference between the bid price and the ask price of a financial instrument, such as a stock, commodity, or currency. The bid price represents the highest price that a buyer is willing to pay for the instrument, while the ask price is the lowest price that a seller is willing to accept. The spread essentially signifies the cost of trading the instrument, as it is the amount that the buyer must pay above the market price and the amount that the seller receives below the market price. The size of the spread may vary depending on several factors, including the liquidity of the instrument, the trading volume, and the prevailing market conditions.

4. RISK STATEMENT WITH LEVERAGE

Trading in financial markets involves a high level of risk, and there is a possibility of losing your entire investment. It's important to be aware that when trading on margin or using leverage, your losses may exceed your initial investment, and you might be required to deposit additional funds to maintain your position. Leverage can amplify both gains and losses, making it unsuitable for all investors.

Using leverage or margin trading means borrowing money to trade, which can significantly magnify potential profits and losses. Rapid losses that exceed your original investment are possible, and you should carefully consider your investment objectives, risk tolerance, and financial situation before utilizing leveraged products or margin trading.

Leverage is expressed as a ratio (e.g., 10:1 or 100:1), indicating how much of the underlying asset you can control with each dollar deposited. While leverage can increase potential profits, it also increases potential losses. Even a small market movement can result in significant gains or losses when using leverage. Leverage allows you to execute trades with a larger nominal value than the funds available, using a smaller margin to initiate the trade. However, lower margin requirements also entail greater potential risk of losses if the market moves unfavorably. Nevertheless, we provide negative balance protection, ensuring that clients cannot lose more than their initial investment.

In addition to leverage risks, it's crucial to consider the risks associated with the underlying asset or security, including market risks, credit risks, and liquidity risks, which can vary based on the specific asset or security being traded.

Our platform offers access to leveraged products and margin trading, and we provide educational resources and tools to enhance your understanding of the associated risks. However, it's vital to recognize that trading in financial markets inherently carries risks, and you should only invest what you can afford to lose.

By using our platform, you acknowledge that you have read and understood this risk statement, and you accept the risks related to trading in financial markets. If you have any questions or concerns about the risks associated with our products or services, please contact us using the information provided in this policy.

5. TECHNOLOGY AND TECHNICAL RISK

Our Company relies on technology to provide access to financial markets and execute trades. However, we understand that there are inherent technical risks involved in using any online system. These risks may include system failures leading to delayed or failed trade execution or settlement, technical glitches causing incorrect pricing or other errors, cyber-attacks or security breaches, disruptions in trading activities, and more.

To address these technical risks, we have implemented various measures, including investing in robust and redundant technology systems, strict cybersecurity measures, regular testing and monitoring of technology systems, and developing contingency plans for business continuity and disaster recovery. We also maintain up-to-date software and hardware, provide training to employees on technology systems and cybersecurity best practices, and partner with reliable technology vendors and service providers.

While we take these technical risks seriously and have measures in place to mitigate them, it's essential to understand that they cannot be entirely eliminated. By using our platform, you acknowledge and accept these technical risks, recognizing that we cannot guarantee uninterrupted or error-free operation of our platform or services.

If you have any questions or concerns about the technical risks associated with our platform or services, please feel free to contact us using the information provided in this policy. Your satisfaction and safety are our top priorities, and we are committed to providing you with the best possible trading experience while managing potential technical risks.

6. TRADING PLATFORM / TERMINAL RISK

Trading in financial markets through our trading platform/terminal involves inherent risks that you need to be aware of. These risks include market volatility, execution risks, and technical risks, among others. As a user of our trading platform/terminal, you acknowledge and accept these risks, understanding that we cannot guarantee uninterrupted or error-free service. It is essential to recognize that trading in financial markets carries inherent risks, and you should carefully assess your investment objectives, risk tolerance, and financial circumstances before engaging in trading activities. It is also crucial to have a solid understanding of the markets you are trading and familiarize yourself with the functionality and operation of our trading platform/terminal. We encourage you to exercise caution and seek professional advice if needed before making any trading decisions. Our team is here to support you and answer any questions or concerns you may have regarding the risks associated with trading on our platform/terminal. Please do not hesitate to reach out to us using the contact information provided in this disclosure. Your safety and success as a trader are of utmost importance to us, and we are committed to providing you with the necessary information and support to navigate the risks associated with trading in financial markets through our platform/terminal.

7. COMMUNICATION RISK

Communication with our company, including emails and telephone communications, may be vulnerable to interception, loss, or delay. While we take reasonable precautions to minimize these risks, we cannot guarantee the absolute security or confidentiality of such communications. Therefore, we will not be held liable for any damages resulting from the interception, loss, or delay of communication with our firm.

We want to remind you that any electronic communication you send to us, including emails and attachments, may be monitored and retained for regulatory compliance purposes.

For your own protection, please refrain from sharing sensitive personal or financial information in any communication with our firm. If you suspect any unauthorized access to your communication with us, kindly inform us immediately.

Your privacy and security are of utmost importance to us, and we are dedicated to providing a safe communication environment. If you have any questions or concerns about the risks associated with communicating with our firm, please do not hesitate to contact us using the information provided in this disclosure. We are here to address your inquiries and provide you with the necessary support.

8. LIQUIDITY RISK

Liquidity risk is a significant concern for our company, as it refers to the potential inability to meet our financial commitments to clients or counterparties due to a lack of available funds or easily convertible assets.

We are aware that liquidity risk can emerge from various factors, including sudden shifts in demand for specific currencies or financial instruments, a reduced number of market participants willing to provide liquidity, or unexpected market events causing price fluctuations and increased volatility.

To address liquidity risk, we adopt several key measures, including:

➔ Maintaining Adequate Liquidity Buffers: We ensure that we have sufficient funds set aside as liquidity buffers to meet our financial obligations promptly. These reserves serve as a safeguard against unforeseen liquidity demands.

➔ Diversifying Client and Counterparty Base: We strategically diversify our client and counterparty base to minimize concentration risk. By doing so, we reduce the impact of potential defaults from any single entity.

➔ Monitoring and Regular Review: Our risk management policies are continually monitored and reviewed to ensure their effectiveness. This proactive approach enables us to adapt swiftly to changing market conditions.

➔ Establishing Credit Lines: We establish credit lines with reputable financial institutions, allowing us to access additional funding when needed. These credit facilities act as an added layer of security.

By implementing these measures, we aim to mitigate liquidity risk and uphold our commitment to fulfilling our financial obligations to clients and counterparties with utmost reliability and stability. We are dedicated to safeguarding the interests of our clients and maintaining the trust they place in us.

9. COMMISSION RISK & TAX RISK

Before you begin trading, it is essential to have a comprehensive understanding of all the commissions and charges associated with your trades. Some fees may be presented as a percentage of the contract value, rather than a specific monetary value, so it is crucial to grasp the actual cost in monetary terms.

Additionally, be aware that your trades, including those involving derivatives and other financial instruments, may be subject to taxes or duties due to changes in legislation or your individual circumstances. While our Company cannot guarantee that no taxes or duties will be owed, we want to emphasize that it is your responsibility to fulfill any tax or duty obligations that may arise from your trades.

Furthermore, it is your responsibility to manage your own tax and legal obligations, which may include making regulatory filings and payments, as well as adhering to relevant laws and regulations. Please be advised that our company does not provide tax, legal, or regulatory advice. For your peace of mind, we strongly recommend that you seek independent advice from qualified professionals if you have any doubts or concerns about the tax treatment or liabilities associated with any investment products offered by us.

At our Company, we prioritize transparency and believe that informed traders are more equipped to make sound decisions. Therefore, we encourage you to familiarize yourself with all the costs, taxes, and legal responsibilities related to your trading activities. If you have any questions or uncertainties, do not hesitate to seek advice from professionals who can guide you based on your specific circumstances.