Kudo

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RISK DISCLOSURE

Kudo Trade (Mauritius) Ltd

COMPANY NUMBER: C215955

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RISK DISCLOSURE

Trading on margins carries a high level of risk to your capital. Retail clients benefit from Negative Balance Protection under Kudo's policies, meaning your losses will not exceed your deposited funds under normal market conditions. However, losses may still be substantial, and you should not trade with funds you cannot afford to lose. We advise you to read this full risk disclosure before opening an account with Kudo Trade (Mauritius) Ltd. (hereinafter referred to as 'the Company' or "Kudo"), licensed by the Financial Services Commission, Mauritius, having License Number GB24203599. Margined trades are based on the price movement of an underlying financial product. They are settled based on the respective difference between the opening price and closing price of the trade. Foreign exchange (forex, FX) and Contracts for Difference (CFDs) on currencies, commodities, indices, or equities are all margin-traded products and thus inherently carry a high-risk level that is not suitable for all investors.
Trading in Forex and CFDs exposes you to a number of distinct risks, each of which may affect the value of your positions and your overall financial situation. The following risks are not exhaustive but represent the principal risks you should be aware of before opening an account or placing any trade.

Market Risk — the value of your positions may decline due to adverse price movements in the underlying asset, which can occur rapidly and without warning.

Leverage Risk — leverage amplifies both gains and losses. A small adverse price movement relative to your position size can result in a loss disproportionate to your initial margin, and losses may significantly exceed your initial deposit.

Liquidity Risk — under certain market conditions it may be difficult or impossible to execute orders at the quoted price, which may result in your position being closed at a less favourable price.

Currency Risk — where your account is denominated in a currency different from the underlying asset, exchange rate fluctuations may affect the value of your positions and returns.

Overnight and Gap Risk — positions held overnight are subject to swap charges or credits. Prices may also gap between trading sessions or during periods of low liquidity, meaning your position may be closed at a significantly worse price than anticipated, including below your stop-loss level.

Counterparty Risk — all trades are executed with the Company as counterparty. The Company's financial standing and ability to meet its obligations may affect your positions. In the event of insolvency of the Company, a banking institution, payment provider, or other relevant counterparty, clients may be exposed to financial loss despite safeguarding arrangements.

Rapid Losses — CFD prices can move rapidly, and losses can accumulate quickly, particularly where leverage is applied. You may lose your entire margin in a short period of time.

Volatility — underlying assets may experience extreme price volatility, particularly around market announcements, economic data releases, or geopolitical events, which may result in sudden and significant losses.

Inability to Close Positions — under certain market conditions it may be impossible to close an open position at the desired price or at all, which may result in further losses accumulating.

Market Suspension — if trading in an underlying asset is suspended or halted, Kudo may be unable to close your position until trading resumes, during which time your exposure to loss continues.

Technology Risk — Trading through online platforms carries risks associated with reliance on computer and telecommunications systems. These include platform outages, execution delays, internet disconnection, software or hardware failure, and third-party platform risks. Orders submitted during periods of high volatility or low liquidity may be subject to slippage, meaning execution at a price different from the requested price. Off-quote errors may also occur. The Company does not control signal reception, routing, or reliability of your internet connection and cannot be responsible for communication failures or delays. You are responsible for arranging alternative means of executing orders in the event of platform unavailability.

Prior to opening an account, you should carefully consider your objectives, financial situation, relevant experience and understanding with regards to trading. You should ensure that you will be

able to manage and understand the risks involved and sustain any losses. You should only trade with capital that you can afford to lose.
The Company recommends seeking advice from an independent financial advisor. Margin trading is based on leverage that allows you to execute large trades by only investing a small amount of money as margin. If the price moves in your favor, you can increase profits; however, even small adverse movements may lead to substantial losses.
You may be required to deposit additional margin immediately to keep positions open. You are liable for any losses that may occur in case of closed positions. Not all trades can be opened or closed 24 hours a day. Your orders/positions are based on our prices and not those on any exchange.

The information contained in this Risk Disclosure is provided for informational purposes only and does not constitute investment advice, a personal recommendation, or an offer to buy or sell any financial product. The Company reserves the right to update or amend this document at any time without prior notice. Whilst the Company takes reasonable care to ensure the accuracy of the information provided, it does not guarantee its completeness or accuracy and accepts no liability for any loss or damage arising directly or indirectly from reliance on such information. You are encouraged to seek independent financial advice before opening an account or placing any trade.