

Jarvis Investment Management CFD Risk Warning Notice

This notice is designed to explain in general terms the nature of and risks particular to Margined Trading to help you to take investment decisions on an informed basis. However, please note that this notice cannot and does not explain all the risks. Margined Trading carries a higher risk of loss than trading many traditional instruments. For many members of the public these transactions are not suitable. You should not engage in Margined Trading unless you know and understand the features and risks of the Margined Trading you wish to carry on and are also satisfied that Margined Trading is suitable for you in light of your circumstances and financial resources. In considering whether to engage in Margined Trading, you should be aware of the following:

Risks and Leverage

- A high degree of “gearing” or “leverage” is associated with Margined Trading. This stems from the margining system applicable to Margined Trades, which generally involves a comparatively modest deposit of the overall contract value to open a Margined Trade. This can work for you and against you. A small price movement in your favour can result in a high return on the money placed on deposit; however, a small price movement against you may result in substantial losses, possibly more than the money placed on deposit. Prices can move quickly.
- You may be called upon to deposit substantial additional margin, at short notice, to maintain your Margined Trades. If you do not do so within the time required, your Margined Trades may be closed at a loss and you will be liable for that loss.

Nature of Margined Trades

- Our terms and conditions explain in detail how Margined Trades operate; see our Margin Security, Payments and Delivery; and Margin Trades sections.
- A Margined Trade is a bet/trade on price movements. Whether you make a profit or loss will depend on the prices we set and fluctuations in the underlying financial instrument (“Underlying”) to which your Margined Trade relates.
- Margined Trades can only be settled in cash.
- Margined Trades are legally enforceable.
- In certain circumstances your losses on a Margined Trade may be unlimited. For instance, if you short a market and the price rises, it is impossible to know the limit of your potential losses until you end the Margined Trade. You must ensure that you understand the potential consequences of any particular Margined Trade and be prepared to accept that degree of risk.
- Margin Trades are not executed on a recognised or designated investment exchange. If you open a Margined Trade with us, you have to close it with us.
- You will not acquire the Underlying nor any rights or delivery obligations in relation to the Underlying.
- Margined Trades that settle in a currency other than your base currency may be affected by the conversion of any profit or loss into your base currency.

Volatility

As mentioned above, whether you make a profit or a loss will depend on fluctuations in the price of the Underlying market to which your Margined Trade relates. Neither you nor we will have any control over movements in the Underlying market. Movements in the Underlying market can be volatile and unpredictable.

Movement of the Underlying market may affect your ability to close a Margined Trade, making it difficult or impossible to close a Margined Trade. This may occur, for example, if the Underlying market is suspended or restricted from trading on an exchange.

General

If you deposit collateral with us, we will agree with you separately how that will be dealt with. The Client Asset Rules of the FSA will apply to your money unless we have entered into a separate agreement with you to the effect that the Client Asset Rules do not apply. To be an eligible claimant under the rules of the Financial Services Authority, you will be covered by the Financial Services Compensation Scheme to a maximum of £50,000 in cash holdings or £48,000 in equity (claimants would receive the first £30,000.00 in full and 90% of the balance – a total of £48,000.00 or £50,000 accordingly). If there is anything you do not understand, or you require clarification on any matter, please contact our Derivatives Trading Desk on 01892 700835.

Jarvis CFD's is a trading name of Jarvis Investment Management (No:116413), 78 Mount Ephraim, Royal Tunbridge Wells, Kent, TN4 8BS. For the purposes of Margined Trading the contract is between you and Jarvis Investment Management and your Account is with Jarvis Investment Management. Jarvis Investment Management are authorised and regulated by the Financial Services Authority and are entered on the Financial Services Authority's register under number 116413.