



OVAL MONEY (EUROPE) LTD

Risk Disclosure Notice

NOVEMBER 2022

powered by 

Risk Disclosure Notice



Contents

1. Introduction.....	3
2. Risks and Warnings associated with transactions in financial instruments.....	4
3. Review of Risk Disclosure Notice.....	5
4. Additional Information.....	6

1. Introduction

Oval Money (Europe) Ltd (the “Company”, “we”) is an Investment Firm incorporated and registered under the laws of the Republic of Cyprus, with registration no. HE114460, authorized and regulated by the Cyprus Securities and Exchange Commission (CySEC) under the license no. 096/08 and having its registered office at 5 Spartharikou, KSA Building, 1st Floor, Mesa Geitonia, Limassol 4004, Cyprus. OvalX and Oval are the trading names of Oval Money (Europe) Ltd.

The Company’s Risk Disclosure Notice (the “Notice”) is provided in accordance with Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on Markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as the same may be in force from time to time and modified or amended from time to time (hereafter the “Markets in Financial Instruments Directive (2014/65/EU) or “MiFID II”) and the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017).

This Notice contains information about Forex Contracts for Differences (CFDs) or any other financial derivative product as well as the risks associated with trading with those financial instruments. However, please be informed that this Notice does not and cannot disclose all the risks and aspects of trading in Forex, CFDs or any other financial derivative products.

In general, the scope of the Notice is to help you understand the risk and the nature of these risks associated with trading in Forex, CFDs or any other financial derivative product (“financial instruments”) being offered and, consequently, to be in a position to take investment decisions on an informed basis. Before taking any decision to engage in financial instruments the client should understand the nature of them, and the extent of all risks related to them. Trading in high-risk financial instruments may not be suitable for everyone, for this reason he should carefully consider whether trading is appropriate to your experience, objectives, financial resources and other relevant circumstances. If the client has any doubt as to the suitability of any investment he should seek independent professional expert advice.

The Company does not guarantee the initial capital of your money invested in any financial instruments at any time.

Please be informed that the value of the client’s investments may rise or fall depending on market conditions which means that both profits and losses can be raised, and therefore the client could incur very large losses, where his position moves against you. The client cannot lose more than the balance on your trading account.

Risk Disclosure Notice



The client should acknowledge and accept that he is running greater risk of incurring losses and damages as a result of trading in financial instruments.

Please note that the Notice cannot and does not disclose all the risks involved in dealing in all financial instruments.

Risk Warning: CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 77,99% of retail investor accounts lose money when trading CFDs. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.

2. Risks and Warnings associated with transactions in financial instruments

- The Client should unreservedly acknowledge and accept that the Company does not and cannot guarantee his initial capital invested in any financial instrument a great risk of incurring and accepts and declares that he is willing to undertake this risk.
- The Client should take the risk that his trades in financial instruments may be or become subject to tax and/or any other duty for example because of changes in legislation or his personal circumstances. The Client should be responsible for any taxes and/or any other duty which may accrue in respect of his trades.
- The high degree of “gearing” or “leverage” is a particular feature of Financial instruments meaning a relatively small movement in the underlying market can have a disproportionately effect on the Client’s trade.
- When trading CFDs with us, the orders will not be executed on a recognized or designated investment exchange and will be executed Over the Counter (OTC). OTC transactions may involve greater risk than investing in on-exchange transactions because there is no exchange market on which to close out an open position.
- The client may be called upon to deposit substantial additional margin (funds), at short notice, to maintain his position. If the client fails to comply with a request for additional funds within the time prescribed, his position may be closed at a loss and his pending orders cancelled by the Company without any notice to you.
- A loss (which may or may not result in a margin call) may require the Client to immediately provide additional funds to the Company to maintain the open positions. The Company may also change its rates of initial margin and/or notional trading requirements at any time, which may result in a change to the margin the Client is required to maintain.
- Under certain market conditions it may be difficult or impossible to execute your orders. This is because of the risk related to market liquidity.
- The Client understands that CFDs can only be settled in cash and the difference between the buying and selling price partly determines the result of the investment.
- instruments are not suitable for ‘buy and forget’ trading or long-term investment. Each day the client maintains the position it costs money (if you are long), so there is a time when Financial instruments become too expensive.
- Where the Financial instruments is settled in a currency other than your base currency, the value of your return may be affected by its conversion into the base currency.
- Where the Company provides generic market recommendations, such generic recommendations do not constitute a personal recommendation or investment advice and have not considered any of

Risk Disclosure Notice



your personal circumstances or your investment objectives, nor is it an offer to buy or sell, or the solicitation of an offer to buy or sell. Each decision, by the Client, to enter into a Forex.

- The Company may be required to hold client's money in an account that is segregated from other clients and from the Company's money in compliance with current regulations. However, in the event where a bank at which the client bank account is held has become insolvent or has otherwise failed to return the full amount of funds held in the client bank account, the Company cannot afford full protection of your funds.
- By trading online, you might face risks of slow or no internet connectivity and hardware or software failures.
- You may be exposed to the risks arising under the laws/rules/regulations of jurisdictions other than the one you are located.
- The Company does not guarantee that an order you place to limit the loss on a trade ("stop loss") will be filled at the price that you specify. This is because in a fast-moving market, your order may be liable to "gap through" with the result that your trade is closed at an increased loss as compared with the level of the order that you placed. When "gap through" occurs there can be a markedly different price in the financial instrument being traded with no opportunity to close your trade in-between. Therefore, an order you place to limit the loss on a trade should not be treated as a guarantee to limit your loss on that trade to a specific amount.
- You have no rights or obligations in respect of the underlying instruments relating to your Financial instruments.
- The client is obligated to keep passwords secret and ensure that third parties do not obtain access to client's online account. The client will be liable for trades executed by means of his password even if such use may be wrongful.
- Before the Client begins to trade, he should obtain details of all commissions and other charges for which the Client will be liable. If any charges are not expressed in money terms (but for example as a dealing spread), it is the Client's responsibility to request and obtain a clear written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms.
- All relevant cost and charges will be provided by the Company or set out in the Company's website. Clients should be aware of such costs and charges that may influence the account profitability of the Client.
- The Company participates in the Investor Compensation Fund (ICF) for clients of Investment Firms regulated in the Republic of Cyprus. Certain clients will be entitled to compensation under the ICF where the Company is unable to meet its obligations towards its clients due to its financial circumstances and when there is no realistic prospect of improvement in the above circumstances in the near future. To receive compensation, you will have to file a compensation claim to the Fund in a timely manner and get it approved by the Fund's Administrative Committee. In any case, the compensation shall not exceed twenty thousand Euro (EUR 20.000) per each entitled client.
- The Client understands that he might lose the full amount invested.
- The Client acknowledges and accepts that information of the previous past performance should not be seen as reliable indicator of future performance.

3. Review of Risk Disclosure Notice

The Company's Compliance Department reserves the right to review and/or amend its Notice at any time whenever deems appropriate.

Risk Disclosure Notice



The Company shall review and amend the Notice at least on an annual basis.

The Notice will get approved by the Company's Senior Management.

4. Additional Information

When processing the Client's "Account Application Form" the Company carries out an assessment of the appropriateness to trade in CFDs and determines, based on the provided information, if the client has sufficient knowledge and experience to understand the risks involved in trading leveraged products. The Company will inform the client about the results of his assessment, however, the client should always consider the risks of trading in CFDs based on the level of his financial resources.

If the Company warns the client that trading in CFDs is not appropriate for him, then he should refrain from trading.