



Regulated by CySEC, CIF No.030/04

Risk Disclosure Statement

Member of CIFSA, FSA no.463727

Risk Disclosure Statement

This brief statement does not disclose all of the risks and other significant aspects of trading in financial instruments such as futures, options, commodities, contracts for differences, foreign exchange and other financial transactions ("Financial Instruments"). In light of the risks, Client should undertake such transactions only if Client understands the nature of the contracts (and contractual relationships) into which Client is entering and the extent of Client's exposure to risk.

Trading in Financial Instruments is not suitable for many members of the public. Client should carefully consider whether trading is appropriate for him/her in the light of his/her experience, objectives, financial resources and other relevant circumstances.

FUTURES

1. Effect of "Leverage" or "Gearing"

Transactions in futures carry a high degree of risk. The amount of initial margin is small relative to the value of the future contracts so that transactions are "leveraged" and "geared." A relatively small market movement will have a proportionately larger impact on the funds deposited or will have to be deposited by the Client; this may work against the Client as well as for the Client. Client may sustain a total loss of initial margin funds and any additional funds deposited with Windsor to maintain Client's open position(s). If the market moves against Client's open position(s) or margin levels are increased, Client may be called upon to pay substantial additional funds on short notice to maintain Client's open position(s). If Client fails to comply with a request for additional funds within the time prescribed, Client's open position(s) may be liquidated with a loss and Client will be liable for any resulting deficit.

2. Risk-reducing orders or strategies

The placing of certain orders (e.g., "stop-loss" orders, or "stop-limit" orders, where permitted under law) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Strategies using combinations of positions, such as "spread" and "straddle" positions may be as risky as taking simple "long" or "short" positions.

OPTIONS

Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarize themselves with the type of option (i.e. put or call) which they contemplate trading and the associated risks. Client should calculate the extent to which the value of the options must increase for Client's position to become profitable, taking into account the premium and all transaction costs. The purchaser of options may offset or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a future, the purchaser will acquire a futures position with associated liabilities for margin (see the section on Futures above). If the purchased options expire worthless, Client will suffer a total loss of Client's investment which will consist of the option premium plus transaction costs. If

Client is contemplating purchasing deep-out-of-the-money options, Client should be aware that the chance of such options becoming profitable ordinarily is remote. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavorably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a future, the seller will acquire a position in a future with associated liabilities for margin (see the section on Futures above). If the option is "covered" by the seller holding a corresponding position in the underlying interest or a future or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited. Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability for margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

OFF EXCHANGE TRANSACTIONS / OTC

Windsor is acting as Client's counterparty to the off exchange ("OTC") transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk and for these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime due to the fact that there is no exchange or central clearinghouse to support the transaction. Before Client undertakes such transactions, he/she should familiarize himself/herself with applicable rules and related risks.

FOREIGN EXCHANGE

Foreign Exchange can be highly volatile and transactions therein carry a substantial risk of loss. The high degree of "gearing" or "leverage" which is often obtainable in trading stems from the payment of what is comparatively modest deposit or margin when compared with the overall contact value. As a result, a relatively small market movement can, in addition to achieving substantial gains, where the market is in Client's favor, result in substantial loss which may exceed Client's original investment where there is an equally small market movement against Client.

Client's risk exposure increases if Client's transactions are denominated in a foreign currency or in a basket currency.

CONTRACT FOR DIFFERENCES (CFD)

Futures and options contracts can also be referred to as contracts for differences ("CFDs"). These can be futures and options on the FTSE100 index or any other index or share, as well as currency and interest swaps. However, unlike other futures and options, these contracts can only be settled in cash. Investing in CFDs carries the same risk as investing in futures or options and Client should be aware of these as set out above. Transaction in CFDs may

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also have a contingent liability and Client should be aware of the implication of this.

ADDITIONAL RISKS

I Terms and conditions of contracts

Client should request from Windsor to be provided with the terms and conditions for trading of the specific financial instrument and any associated obligations (e.g. the circumstances under which the Client may become obligated to make or take delivery of the underlying interest of a future contract and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

II Suspension or restriction of trading and pricing relationships

Market conditions (e.g. liquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any contract, trading hours, dealing hours etc) may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions. If Client has sold options, this may increase the risk of loss. Further, normal pricing relationships between the underlying interest and the future, and the underlying interest and the option may not exist. This can occur when, for example, the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge "fair" value to the transaction. It may be difficult or impossible to liquidate an existing open position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks.

III Deposited cash and property

Client should familiarize himself/herself with the protections of accorded money or other property deposited by the Client for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which Client may recover his/her accorded money or other property may be governed by specific legislation or local rules. In some jurisdictions property which had been specifically identifiable as Client's own property will be appropriated in the same manner as cash for purposes of distribution in the event of a shortfall.

IV Commission and other charges

Before Client begins to trade, Client should obtain a clear explanation of all commission, fees and other charges for

which Client will be liable. These charges will affect Client's net profit (if any) or increase Client's loss.

V Limiting losses

Where permitted, placing a stop-loss order will not necessarily limit Client's losses to the intended amounts, for market conditions may make it impossible to execute such orders at the stipulated price. A spread; straddle or hedge position may be risky as a simple long or short position and can be more complex.

VI Transactions in other jurisdictions

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose Client to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. Before Client begins to trade, Client should enquire about any rules relevant to his/her particular transactions. Client's local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where Client's transactions have been effected. Before Client begins to trade, he/she should request from Windsor all details regarding the types of redress available in both Client home jurisdiction and other relevant jurisdictions.

VII Currency risks

The profit or loss for transactions in foreign currency-denominated contracts (whether they are traded in Client's own or another jurisdiction) will be affected by fluctuations in currency rates when there is a need to convert from the currency denomination of the contract into another currency.

VIII Trading facilities

Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Client may ascertain losses and the ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or member firms.

IX Electronic trading

Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If Client undertakes transactions on an electronic trading system, Client will be exposed to risks associated with the specific electronic trading system including the failure of hardware and software. The result of any system failure may be that Client's orders are either not executed according to Client's instructions or are not executed at all.

Acknowledgment

By signing this Risk Disclosure Statement, Client understands that profits from trading are not guaranteed and that past result(s) do not assure future profitability, and Client understands the high risks involved with trading with Financial Instruments. Client acknowledges and confirms that he/she has fully read and understood the Risk Disclosure Statement.

Client Signature(s): X.....

Date:

Client Name(s):