



Risk Warning Notice and Website Disclaimer

ODL Markets is the spread betting division of ODL Securities Ltd (“ODL”) which is authorised and regulated by the Financial Services Authority (“FSA”) of 25 The North Colonnade, Canary Wharf, London E14 5HS.

This notice is provided to you in compliance with the rules of the FSA because you are proposing to undertake dealings in contracts for differences in the form of spread bets with us.

This notice cannot and does not disclose or explain all of the risks and other significant aspects involved in dealing in spread betting products. Engaging in this type of transaction can carry a high risk. Spread betting transactions differ markedly from normal (or ‘fixed odds’) bets where your potential losses are pre-determined in advance. The amount that you may win or lose will vary according to the extent of the fluctuations in the price of the Underlying Market on which the bet is based. You should not engage in this form of betting unless you understand the nature of the transaction you are entering into and the true extent of your exposure to the risk of loss.

These transactions are not suitable for many members of the public; you should, therefore, consider carefully whether they are suitable for you in the light of your circumstances and financial resources and investment objectives.

In considering whether to engage in this form of betting, you should be aware of the following:

- The high degree of “gearing” or leverage” is a particular feature of this type of transaction. This stems from the margining system applicable to such bets, which generally involves a comparatively modest deposit or margin in terms of the overall contract value, so that a relatively small movement in the Underlying Market can have a disproportionately dramatic effect on your bet.
- If the Underlying Market movement is in your favour, you may achieve a good profit, but an equally small adverse market movement can not only quickly result in the loss of your entire deposit, but may also expose you to a large additional loss that is greater than your initial deposit. All transactions will be settled in cash.
- You may be called upon to deposit substantial additional margin, at short notice, to maintain your bet. If you do not provide such additional funds within the time required, your bet may be closed at a loss and you will be liable for any resulting deficit.
- ODL may offer you a credit allocation which may amongst other payments cover the initial margin requirements. The extent of your agreed credit allocation facility does not limit your loss or financial liability. You can be subject to margin calls for an amount in excess of your credit allocation. The amount of capital which you are prepared to place at risk should be sufficient to cover your credit allocation and the possibility of further margin calls that may arise.

- Transactions in spread bets will not be undertaken on a recognised or designated investment exchange and, accordingly, they may expose you to greater risks than exchange transactions. The betting structure and betting rules will be established solely by ODL in accordance with FSA Conduct of Business rules. For example, if you wish to close the bet earlier than the time at which it would otherwise automatically expire you will have to close it at our quotation which may reflect a premium or discount of the Underlying Market. When the Underlying Market is closed our quotation can be influenced by the weight of other clients buying or selling with the firm. When you deal with us by opening a spread bet position you are obligated to close the same position with us.
- Contracts for differences (including spread bets) are enforceable as a result of the Financial Services and Markets Act 2000 and ODL may be sued by you (if you win) and may sue you (if you lose).
- There are certain circumstances where it may be difficult to liquidate a position, especially during periods of rapid price movement. Placing a Stop Order may not limit your losses to the intended amount.
- A limited risk transaction limits the extent of your liability for loss in a transaction to an amount agreed by you and the firm prior to entering into such transaction, but you may sustain such loss in a relatively short period of time. You may incur additional costs for this type of transaction and you should obtain written information from the firm stating the nature of these costs, if they are applicable. Such additional costs may take the form of a specific additional charge, or could be a 'hidden cost' because the prices or spread on which these bets are based differ from those applicable to other bets which do not have limited liability. The limit of your liability is derived from ODL's terms and conditions and you should pay particular attention to whether the limited liability is guaranteed only during normal business hours.
- ODL is prohibited under FSA requirements from providing you with investment advice relating to investments or possible transactions in investments or from making investment recommendations of any kind. This prohibition is subject to an exception where advice given amounts to the giving of factual market information or information, in relation to a transaction about which you have enquired, as to transaction procedures, potential risks involved and how those risks may be minimised.
- ODL will normally hold your money in segregated trust accounts in accordance with the Client Money Rules of the FSA, as explained in our terms and conditions under the heading "Title Transfer of Cash".
- If you deposit collateral as security with us, you should ascertain from the firm how your collateral will be dealt with.
- Betting on foreign markets may involve different risks from UK markets. In some cases risks will be greater. The potential for profit or loss from transactions in foreign denominated contracts will be affected by fluctuations in the exchange rate.

ODL maintains its financial stability by hedging against large bets. If we became insolvent or defaulted, positions you have with us may be liquidated or closed without your permission. In the

unlikely event that ODL were to face liquidation, retail clients are covered by the Financial Services Compensation Scheme to a ceiling of £48,000

If you have reason to believe that we are not acting in accordance with representations we have made to you, the terms of your customer agreement or the rules of the FSA, you should complain in accordance with our complaints procedure as explained in our terms and conditions.

Website Disclaimer

This website should not be regarded as an offer or solicitation to conduct investment business as defined by The Financial Services and Markets Act 2000, in any other jurisdiction than the United Kingdom. Investors who are resident or citizens of countries other than the United Kingdom may be subject to local laws or regulations.

Accordingly investors resident outside of the United Kingdom should ensure they do not contravene local financial regulations before using this service and may only proceed once they are satisfied that by doing so will not result in such a contravention. By continuing to access the Site it will be taken as confirmation that this is not the case in your local jurisdiction. The information on this Site does not constitute an offer to buy or sell securities. In particular, it does not constitute an offer or solicitation to buy or sell any securities or products referred to on this site, by anyone in any jurisdiction in which such offer or solicitation would be unlawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

We are not responsible for the accuracy of information contained on other sites provided by third parties that have links to or from our site, nor are they necessarily authorised and regulated by The Financial Services Authority.

If you have reason to believe that the firm with which you deal is not acting in accordance with representations that it has made to you, the terms of your customer agreement or the rules of the FSA, you should report it to the Financial Services Authority, 25 the North Colonnade, Canary Wharf, London E14 5HS. Telephone 020 7066 1000.