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<GLOBAL TRADER>

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GLOBAL TRADER INTRODUCTION

1.1 Our Company

Global Trader is a pioneering international financial institution offering a Spread Trading and a Contract For Difference (CFD) execution only service to both institutional and private clients investing in international and domestic financial markets.

Global Trader was founded in Europe in 2000. Since then we have grown our global reach into South Africa, North America and Asia with a physical presence on the ground in the UK, South Africa, Canada and Thailand.

Global Trader conducts over 300,000 trades per year, worth over US$5 billion per annum, for clients in 26 countries.

We are authorised and regulated by the Financial Services Authority (FSA) in the UK, the birthplace of both CFD and Spread Trading, with a Category A listing. We are also a member of the London Stock Exchange, and a Derivative Member of the Johannesburg Stock Exchange (JSE).

1.2 Our Management

Global Trader is run by a group of market professionals who share a common goal to redefine trading. Applying their extensive financial backgrounds with leading Global Investment banks and software houses, our management team have built Global Trader into the leading international trading house that we are today.

CONTRACTS FOR DIFFERENCE – CFD'S

2.1 Definition

Contracts For Difference (CFD's) are an agreement between two parties to exchange the difference between the opening price of the contract and the closing price of the contract.

* A long (purchased) position in a CFD receives all the returns of an equivalent long position in the underlying stock, making a profit if the share price rises but a loss if the share price falls, and pays a daily financing charge.
* A short (sold) position in a CFD receives a daily financing charge and pays away any returns should the share price rise, but will profit if the share price goes down. This is the equivalent to taking a short position in the underlying stock.

A dividend adjustment is credited to long positions and debited from short positions held at the close of business on the day before the ex-dividend date. Payment is credited to your account on the ex-dividend date.

CFD positions will be adjusted in the event of a corporate action (e.g. a rights issue). The adjustment will be to replicate the corporate action on the underlying equity. If this is not possible then Global Trader may, at its discretion, make an equivalent cash adjustment. This will apply to positions held at the close of business on the preceding day to the ex-corporate action date.

Global Trader's CFD's are "financed" equity trades that give our clients low cost, low margin two way exposure to equity markets. We offer our clients the ability to trade via our real time, online trading platform and over the telephone or via a white label agreement.

CFD's take away a lot of the disadvantages of stock ownership, such as script custody and tracking dividend payments, thereby making them a very simple and flexible financial instrument. CFD's have no fixed expiration date and trade at the cash price of the underlying instrument. Furthermore, being an Over The Counter product (i.e. not exchange traded), no voting rights are applicable to them.

For working examples of CFD trades, see 2.5.

2.2 History

CFD's have been developed in the UK over the last 30 years as an alternative financial product and now account, directly or indirectly, for up to 30% of the total daily turnover on the London Stock Exchange.

CFD trading had historically been exclusively traded within the institutional investment market. However in 2000 they were developed into a professional retail product.

2.3 Advantages Over Conventional Trading

- **1) Gearing**
  CFD's are a geared (leveraged) product enabling clients to match the market exposure of a conventional underlying share purchase with as little as 10% of the capital.

- **2) Low costs**
  CFD's are a low cost, highly efficient alternative to traditional stock trading. Aside from the lower commissions, there is no Stamp Duty, UST, VAT, Strate or other charges associated with trading on an exchange.

- **3) Short selling**
  CFD's give investors direct market access to being able to both go short (sell stocks) or go long (buy stocks), thereby enabling investors to profit from rising or falling markets. Furthermore, borrowing fees are negotiated at preferential institutional rates and are priced into the interest rate.

- **4) Online trading platform**
  At Global Trader, we offer a fully automated, real time trading platform on which clients can both view the underlying market prices and trade.

- **5) Tailored services**
  To facilitate our institutional clients, we can tailor our CFD product. We also provide full Middle Office and Back Office (MOBO) functionality free of charge. Additional risk management and technology services geared at enabling start up funds are also available.

LONG POSITION

You decide that British Airways shares look attractive and are going to rise. You decide to trade and execute the deal at the current price of the underlying shares or better. You pay no Stamp Duty.

	Bid	Offer
Price of BA	299.75p	300.00p
Number of Shares	10,000	
Value of Position	£30,000	
Commission	-£150 (0.05%)	
Initial Margin Requirement	£3,000	

OVERNIGHT FINANCING

If you hold a long CFD position open overnight you pay a financing charge based on Sterling LIBOR and the closing value of the shares. In this example the financing rate is LIBOR + 2%. LIBOR is 4% and the closing price of British Airways on the day of the opening trade is 300.00p.

So financing charge rebate = 10,000 x 300.00p x 6% (4% + 2%)
= £4.93 per day.

CLOSING THE POSITION

10 days later British Airways shares have risen. You decide to close the position at a profit.

	Bid	Offer
Price of BA	340.00p	340.25p
Number of Shares	10,000	
Value of Position	£34,000	
Commission	-£170 (0,05%)	
Financing Cost (position held over 10 nights)	-£49.31	
Total Costs	-£369.31	
Total Monies Required to Open and Close Position	£3,369.31	
Total Profit After Costs	£3,630.69	
Percentage Profit	12%	

This example is obviously a favourable outcome.

If the share price had moved against you, the leverage effect would have magnified your losses.

SHORT POSITION

You decide that Cable & Wireless shares are overpriced and are going to fall. You call your trader and execute a trade to sell short at the market price of the underlying shares or better.

	Bid	Offer
Price of C & W	125.00p	125.25p
Number of Shares	25,000	
Value of Position	£31,250	
Commission	-£156 (0.50%)	
Initial Margin Requirement	£3,125	

OVERNIGHT FINANCING

If you hold a Short CFD position open overnight you receive financing based on Sterling LIBOR and the closing value of the shares. In this example the financing rate at GT247 is LIBOR - 2%. LIBOR is 4% and the closing price of Cable & Wireless on the day of the opening trade is 125.00p.

So financing charge rebate = 25,000 x 125.00p x 2% (4% + -2%)
= £1.71 per day.

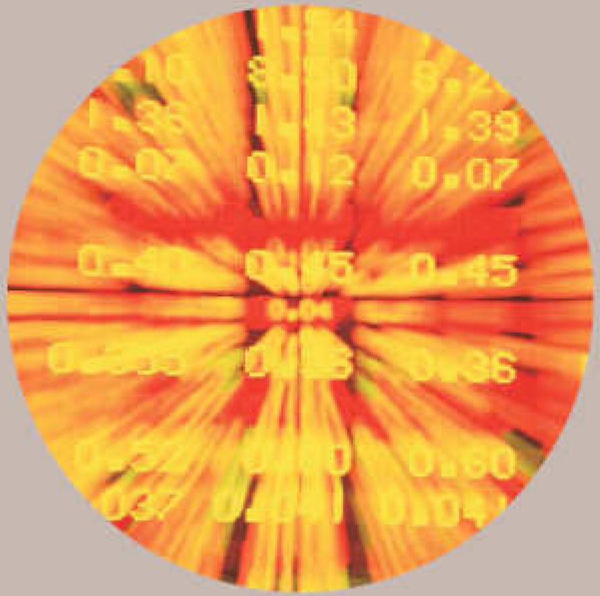
CLOSING THE POSITION

2 days later C&W shares have fallen. You decide to close the position at a profit.

	Bid	Offer
Price of C & W	115.75p	116.00p
Number of Shares		25,000
Value of Position		£29,000
Commission		£145 (0,50%)
Financing Cost (position held over 2 nights)		+£3.42
Total Costs		£297.58
Total Monies Required		£3,422.58
Total Profit After Costs		£1,952.42
Percentage Profit		6,2%
Percentage Returned on Monies Utilised		62,47%

This example is obviously a favourable outcome.

If the share price had moved against you, the leverage effect would have magnified your losses.



2.5 CFD Trading Strategy Examples

• EQUITY CONVERSION - FREE UP CAPITAL

If you hold a position in a share, it may be possible to sell the shares and take out the equivalent long CFD position. This will result in exactly the same exposure to the shares' movements, but you will have freed up a large percentage of the capital invested.

• PAIRS TRADING

If you feel a stock is overvalued compared to another stock (i.e. BP versus Shell) you can use CFD's to go long on the cheaper stock whilst going short on the more expensive stock.

• EFFICIENT TRADING

TAX EFFICIENCY- Both professionals and fund managers who want effective hedging tools on stock portfolio's in times of market uncertainty. If you have a holding of physical shares you can sell CFD's against this without crystallising a potential capital gain, enabling you to control the time when you crystallise the capital gain/loss.

COST EFFICIENCY - If you are holding long term stocks, you may feel the need to protect your positions in times of market volatility. Shorting the CFD on the stock is an efficient short-term solution until market volatility avails.

• SHORT TERM TRADING

For proactive investors with strong views on the market who want to maximise their potential short term returns through gearing.

2.6 Trading Products

Through Global Trader, clients can trade CFD's in 5 base currencies (GBP / EUR / CAD / USD / ZAR) on thousands of international stocks including:

- United Kingdom - FTSE 350 constituents
- Europe - Euro Stoxx 50 and constituents of main indices
- US - DOW 30; NASDAQ 100; S&P 500 constituents
- Eastern Europe - Constituents of the main indices
- Asia - Constituents of the main indices
- Ireland - Major liquid constituents
- South Africa - ALSI 40 constituents and more

This product range is being continually expanded and if you want to trade a stock outside of the constituents of this list, please contact us (see contact information) or email info@gt247.com and we will be delighted to look at the possibilities of offering you a CFD on your chosen stock.

SPREAD TRADING

3.1 Definition

- Our "Spread Trades" are tailored, geared products that are priced off futures contracts.
- We write our Spreads contracts on multiple tradable liquid futures contracts across all key asset classes.
- Spread Trades are exempt from UK Taxation as they are treated as "Spread bets".

For working examples of Spread Trades, see the Spread Trading examples in Section 3.4.

3.2 History

Spread Trading was invented in the 1970's in the UK in response to restrictions that had been imposed on the trading of certain financial instruments. By trading a derivative of the underlying asset, traders were able to replicate the profit and loss that they would have had if they had been able to trade the underlying asset itself.

Today, Spread Trading has grown to become one of the key trading tools for an estimated 100 000 Spread Trading market professionals in the UK alone.

3.3 Why Spread Trading?

Spread Trading holds many advantages over conventional trading:

- **Gearing**
  Spreads are a geared (leveraged) product enabling clients to match the market exposure of a conventional underlying share purchase with a small percentage of the capital.
- **Low Costs**
  Spreads are a low cost, highly efficient alternative to traditional stock trading. Many of the taxes associated with conventional trading, as well as additional costs such as Stamp Duty*, are not applicable to spreads.
  Spreads are also free from capital gains tax under UK tax laws.**
- **Short Selling**
  Spreads give investors direct market access to being able to both go short (sell) or go long (buy) on a multitude of financial instruments, thereby enabling investors to profit from rising or falling markets.
- **Online Trading Platform**
  At Global Trader, we offer a fully automated, real time trading platform on which clients can both view the underlying market prices and trade.
- **Transparent Pricing**
  There are no added costs or charges on top of the price that you see on our trading application (or that we quote over the phone).
  Spread Trades can give international investors access to overseas assets when otherwise restricted.

* Tax laws are country specific, please contact us to find out more.
** Tax laws are subject to change.

Spread Trading with Global Trader holds further advantages:

Global Trader offers the fastest, most responsive Spread Trading platform in the world.
Designed and built by our in-house trading and technology teams, Global Trader's Spread Trading platform has given our clients the tools and functionality that the best traders have demanded.

- Speed - Traders need speed.
  Our stand alone trading application delivers a true speed advantage over browser based platforms.
- No interference - Trade without dealer distortion.
  Our clients want to trade the market price, not a price that we might want you to see. The Global Trader spread price has no dealer intervention, enabling our clients to know they are trading the market.
- Market feel – Benefit from market spread fluctuations.
  Our prices are built off the market bid and market offer. When market trading volumes peak, for example during a news release, our bid-offer spread will shrink as a result of the tighter market spread.

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3.4 Global Trader's Risk Management Functionality

As a result of the increased risk associated with Spread Trading, Global Trader has introduced the following automated risk management services – all geared to reduce the risk of trading financial Spreads. They include:

- **Stop Loss**

  When opening a Spread Trade with Global Trader, clients are required to select a mandatory Stop Loss level appropriate to their trading strategy. A Stop Loss is a predetermined level at which a trade (long or short) will be closed out in order to limit the traders' loss.

  It is important to note that this Stop Loss level is not guaranteed, as fast moving markets will often "gap" past the pre-selected Stop Loss level. To address this, Global Trader also offers a Guaranteed Stop Loss.

- **Guaranteed Stop Loss**

  This facilitates a controlled risk trade where clients are guaranteed to exit their position at their chosen Stop Loss level, plus or minus a small premium applicable to that instrument, irrespective of market conditions. A small initial charge (the Guaranteed Stop Cost) is applied for the Guaranteed Stop Loss by way of a slightly wider Spread. When trading with a Guaranteed Stop, risk is greatly reduced, as the maximum loss cannot be greater than the margin placed to open that position. Please also note that clients can only choose to trade with a Guaranteed Stop when opening a trade, though the stop level can be moved at any time during the trade.

  The Guaranteed Stop Loss is not available on all Global Trader instruments.

- **Take Profit**

  When opening a Spread Trade, or leaving an order to open a Spread Trade with Global Trader, clients may select a Take Profit level appropriate to their trading strategy. This is a pre-determined level at which the trade is to be closed out at a profit. As with Stop Losses, there is no guarantee that the trade will be closed at or near the chosen level (again, because markets can "gap" past the Take Profit level). However, with Take Profit levels, this can only be to the client's benefit.

- **Trailing Stops**

  A Trailing Stop is a free facility that offers clients the ability to have their Stop Loss or Guaranteed Stop Loss automatically moved as the market moves in favour of their position. Clients are able to select at what intervals they would like to have these levels moved.

  Trailing Stops can be initiated, edited or removed at any time while the position is open.

- **Orders**

  An order is another free service. Clients can not only leave Take Profit and Stop Loss levels on their trades, but they can also place "orders" for trades to be activated at certain pre-defined levels. Again, by defining these order levels, this permits clients to leave their machines knowing that if the markets hit their order level then the order will be executed. Orders must be entered with a Stop Loss level and can also be combined with a Take Profit.

3.5 Spread Trading Examples

Long Example 1 (Spread Trading on a stock)
The Global Trader quote for September Anglo American is GT BID: 1266 - GT OFFER: 1274.
If you think it is going up, you should BUY at 1274, if you think it is going down, you should SELL at 1266.

Your Trade
You like Anglo American, so you buy it at 1274 for GBP 5 per point (the same "profit profile" as buying 500 shares in Anglo American). In order to equate your Spread Trade to the equivalent share exposure, you multiply the amount of risk traded per point by 100.

The Result
Anglo American rallies strongly on the back of gold prices; two weeks later the Global Trader price for Anglo American is 1385 - 1393. You decide to take your profit and you SELL GBP 5 per point at 1385, closing your trade and making GBP 555 profit (BUY at 1274, SELL at 1385, making 111 points profit at GBP 5 per point).*

Short Example 2 (Spread Trading on a currency)
The Global Trader quote for the September Euro against the US Dollar is GT BID 1.2905 - GT OFFER 1.2910

If you think the Euro is going to strengthen against the Dollar, you should BUY at 1.2910, if you think the Euro is going to weaken against the Dollar, you should SELL at 1.2905.

Your Trade
You think the Euro has rallied too high against the US Dollar and that it will weaken, so you SELL at 1.2905 for GBP 5 per point.

The Result
The Euro does weaken against the US Dollar and one month later, the price for Euro-US Dollar is 1.2845 - 1.2850. You decide to close your trade and lock in your profit, so you BUY at 1.2850, making GBP 275 profit (SELL at 1.2905, BUY at 1.2850, making 55 points profit at GBP 5 per point).*

Example 3 (Spread Trading on an Index)
The Global Trader quote for the September WALL STREET 30 is GT BID: 10,450 - GT OFFER: 10,458.
If you think it is going up, you should BUY at 10,458, if you think it is going down, you should SELL at 10,450.

Your Trade
You like the WALL STREET 30 and think it will rise, so you BUY at 10,458 for GBP 10 per point.

The Result
The WALL STREET 30 rallies and one day later the price for the WALL STREET 30 is 10,525 - 10,533. You decide to close your trade and take your profit, so you SELL at 10,525, making GBP 670 profit; BUY at 10,450, SELL at 10,525, making 67 points at GBP 10 per point.*

3.6 Trading Products

Through Global Trader, clients can trade Spreads in 5 base currencies (GBP / EUR / CAD / USD / ZAR) on hundreds of international financial instruments, including:

- Global Indices
- Commodities
- Global equities
- Currencies
- Interest rate products

This product range is being continually expanded and if you want to trade a product outside our current product range, please contact the salesperson at the relevant office (see contact information) or email info@gt247.com and we will be delighted to look at the possibilities of adding your requested product.

3.7 Future Product Release

Rolling cash spreads - arriving summer 2005.

4.1 Register For An Account

In order to open a Trading Account with Global Trader, please take the following steps:

- Read our Trading Terms & Conditions.
- Visit our website at www.gt247.com and complete the online application process.
- Alternatively run our CD on your PC and follow the instructions for opening a live or a simulated account and downloading our trading platform.

4.2 Education - Register For Simulated Trading

Global Trader also offers free simulated CFD and Spread Trading accounts that give the investor a good taste of a real time environment without risking any money. It's the perfect way to test your strategies, educate yourself on the product and test the online platform.

To open a simulated account, visit our website at www.gt247.com and register for a demo account with your chosen product.

Our trading platform and the required Java downloads can either be downloaded from our website or can be found on our CD.

5.1 White Label

Global Trader owns all the intellectual property rights to the software of its proprietary developed trading systems. Therefore, it can offer a full white labeling service that provides banks, brokerages and financial providers with a full online infrastructure, to help them move rapidly into Spread and CFD Product Trading.

Many institutions have recognised the major advantages of being able to provide such products under their own banner, if they are to maximise revenues and keep high client retention. For such institutions, the ability to enter the online derivative financial markets has become a priority and we are able to provide it on a turnkey basis.

With the Global Trader online platform, white labeled to reflect their marketplace identity and brand, these banks and brokerages gain rapid access to the dynamic world of CFD Trading and/or Spread Trading.

For further information please contact our sales line (see "contact information" section).

5.2 Introducing Broker

If you are trading on behalf of your own clients, we offer a business model that allows you to introduce your clients to us and retain direct control of your client relationship. Under this structure, your client will open a trading account with us directly and grant you "Power of Attorney" to trade on their behalf. The real time Back Office is available 24 hours a day via the platform, so you can view all of your sub accounts in real-time, resulting profit and loss, exposure, margin requirements and net free equity balances. You may also place block orders and then split them into your client sub accounts. This is an ideal structure for managed accounts, and smaller money managers who do not have a full back office system in place.

In order to proceed with an Introducing Broker relationship, please call our sales line (see "contact information" section) to discuss your business levels, request an IB contract and we will be delighted to structure this partnership with you.

5.3 Introducing Agent

Under this business model you simply introduce clients to Global Trader and we take care of the rest. These introduced clients then trade directly with us and you receive a rebate based on the volume of business generated. This is an ideal way to increase your product range, and maximise returns from your client base, without having any further hands-on responsibilities. This is the best structure for those referral partners such as websites, market commentary providers and individual investors. For introducing the client to us, you will receive a share of the trading revenues generated from the client.

In order to proceed with an Introducing Agent relationship, please call our sales line (see "contact information" section) to discuss your business levels, request an IA contract and we will be delighted to structure this partnership with you.

5.4 Trading Tools

To further enhance the trading experience for our clients, we provide a number of complimentary value-added services.

Online Trading Platform

Intraday Graphs & Charts

- Equities
- Currencies
- Commodities
- Indices

Live Market Prices

SMS & Email Services

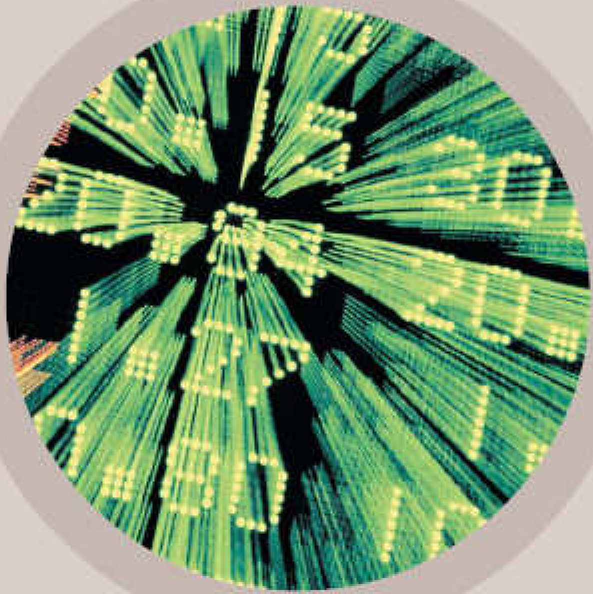
- Price alerts
- Live prices
- Trade confirmations

News Services

- Reuters news
- GT market commentary (daily)
- Economic calendar
- Trader Talk (weekly)

Live Help

- Online Chat
- Research Assistant - Equity markets
- Independent Market Research - Stock Cube - UK, Euro and US markets
- Sales trader contacts



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< CONTACT DETAILS

7.1 Risk Warning

i. Trading Contracts For Difference ("CFD's") and Spread Betting involves high risk and is not suitable for everyone. Profits and losses on CFD and spread betting trades can be many times the original trade size. Depending on the nature of a trade, losses may be unlimited. One should only trade if prepared to accept the attendant degree of risk. A worst case scenario should always be anticipated before entering into a trade. Some markets are more volatile than others, so select trade size accordingly, as large amounts of liquid risk capital may be required at short notice.

ii. GT would normally only conduct CFD trading with those it considers to be experienced, sophisticated clients. When assessing experience, GT will rely on the information provided by the client on the account application form. If there is any material change in the client's personal circumstances, it is the client's duty to immediately inform GT of such changes so that GT may consider the situation.

iii. Should GT conduct CFD or spread betting business with anyone other than a sophisticated client, then such investor's attention is particularly drawn to the "*Risk Disclosure Notice*". That section sets out certain risks involved with CFD and spread betting trading but is by no means an exhaustive statement of those risks. By establishing an account with GT, the client warrants to have read and understood the Risk Disclosure Notice.

iv. A client should not engage in CFD or spread betting trading unless the client understands the nature of the transaction being entered into, the risks involved and the true extent of the client's exposure to the risk of loss. The client must be familiar with and understand the nature of CFD and spread betting trading, how one can gain or lose money, how to calculate margin, jargon used, market/exchange/GT hours, the nature of the trade and any trading rules before the client enters into any position. The client is also responsible for monitoring its position and knowing when the client is liable to pay margin. The client may telephone or otherwise contact GT for a general explanation of how one succeeds or fails in CFD or spread betting trading, however it is ultimately the client's sole responsibility to ensure understanding of all these matters. If in doubt, seek professional advice and remember that debts incurred through CFD and spread betting trading are recoverable at law.

v. All dealings will be on an execution only basis. GT owes no duty to monitor the size of trading, to close any trade once opened or not to allow a client to over-trade. A client's own judgement must be relied on in deciding to enter into or close a trade. Any statements made to a client by GT shall not constitute a recommendation to enter into or close a trade in any way.

vi. The terms and conditions in *Part II* of the application form are made between the client and GT and apply to all trades between the client and GT (including any trades placed by another person giving the client's name, account number and, potentially, the client's password).

7.2 Risk Disclosure Notice

This notice is provided in compliance with the rules of the FSA. If one is a "Private Customer" (as defined by the FSA), then that investor is afforded greater protection than other customers and should ensure that the trader informs of what these are. The investor should not deal in derivatives unless it understands the nature of the Contract For Differences being entering into and the attendant extent of exposure to risk. An investor should also be satisfied that the Contract For Difference is suitable for it in the light of its own circumstances and financial position. Whilst derivative instruments can be utilised for the management of risk, some investments are unsuitable for many investors. Different instruments involve different levels of exposure to risk, and in deciding whether to trade in such instruments an investor should be aware of the following points. This notice, however, does not disclose all of the risks and other significant aspects of derivative products such as Contracts For Difference.

1. Contracts For Difference

Contracts For Difference can be written on any index, share, currency, commodity and interest rate instrument. However unlike other investment products such as futures and options, these contracts can only be settled in cash and are traded over the counter. They carry a high degree of risk. The "gearing" or "leverage" often obtainable in Contracts For Difference Trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small market movement can lead to a proportionately much larger movement in the value of an investor's investment, and this can work against as well as for an investor. Contracts For Difference may have to be margined, and the investor should be aware of the implications of this, which are set out in paragraph (2) below. Transactions in Contracts For Difference may also have a contingent liability and the investor should be aware of the implications of this as set out in paragraph (2) below.

2. Contingent liability transactions (margined transactions)

Contingent liability transactions, which are margined, require the investor to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. If an investor trades in Contracts For Difference it may sustain a total loss of the margin deposited with its dealer to establish or maintain a position. If the market moves against the investor, it may be called upon to pay substantial additional margin at short notice to maintain the position. If the investor fails to do so within the time required, its position may be liquidated at a loss and the investor will be liable for any resulting deficit.

Even if the transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when entering into the contract. Contingent liability transactions, which are not traded on or under the rules of a recognised or designated investment exchange, may expose the investor to substantially greater risks.

3. Off-exchange transactions

It may not always be apparent whether or not a particular derivative (a classification which includes Contracts For Difference) is effected on exchange or is an off-exchange derivative transaction. In most instances, a transaction between the investor and GT is an off-exchange transaction. Whilst some off-exchange markets are highly liquid, transactions in off-exchange or "non transferable" derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an open position. It may not be possible to liquidate an existing position, to assess the value of the position arising from an off exchange transaction or to assess the exposure to risk. Bid and offer prices need not be quoted, and even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price.

4. Foreign markets

Foreign markets will involve different risks from the markets located in GT's jurisdiction. In some cases risks will be greater.

5. Transaction costs

Before an investor begins to trade, it should obtain details of all transactional and other charges associated with opening and closing a contingent liability transaction for which the investor will be liable. If any charges are not expressed in money terms (but, for example, as a dealing spread), the investor should obtain a clear explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms.

6. Suspension of trading

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that trading is suspended or restricted. Placing a stop-loss order will not necessarily limit an investor's losses to the intended amounts, because market conditions may make it impossible to execute an order at the stipulated price.

7. Insolvency

A dealer's insolvency or default may lead to an investor's positions being liquidated or closed out without its consent. In certain circumstances, the investor may not get back the actual assets which it lodged as collateral and the investor may have to accept any available payment in cash.

8. Clearing house protections

On many exchanges, the performance of a transaction by a broker (or the third party with whom he is dealing on the investor's behalf) is "guaranteed" by the exchange or its clearing house. However, this guarantee is unlikely in most circumstances to cover the investor, and may not protect the investor if its broker or other party defaults on its obligations to it. There is normally no clearing house for off-exchange instruments which are not traded under the rules of a recognised or designated investment exchange.