GHC Capital Markets Limited
Risk Warnings and Controls

There are a number of risk warnings and controls that you should be aware of relating to the services we offer. These are detailed below.

Emerging Markets Risk Warning

Where we invest in emerging markets, which tend to be more volatile than mature markets, the value of your client's investment could move sharply up or down. In some circumstances the underlying investments may become illiquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in emerging markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise which could put the value of the investment at risk.

Small Cap Risk Warning

If you believe you are eligible to invest in Small Cap stocks it is worth noting that there is an extra risk of losing money when shares are bought in some smaller companies including "Penny Shares". There is a big difference between the buying price and the selling price of these shares. If they have to be sold immediately, you may get back much less than you paid for them. The price may change quickly and it may go down as well as up. The past is not necessarily a guide to future performance.

Concentrated Risk Controls

To produce a diversified portfolio and thereby reducing the 'specific' risk, the maximum exposure of the overall portfolio at the time of acquisition to the various individual assets may be restricted to the assets allocation parameters of the service selected.

Placing

A placing occurs when securities already in issue but not listed, or not yet in issue, are marketed to specified persons or clients of the sponsor or any securities house assisting in the placing, which does not involve an offer to the public or to existing holders of the issuers securities generally. A placing carries the risks of potentially diluting the number of shares in issue, reducing the market for the shares and potentially offering the shares at a discount.

Initial Public Offering (IPO)

An IPO occurs when a private company first sells shares of its stock to the general public. A IPO may give investors the opportunity to participate in the growth and development of a formerly private company but they can be speculative investments and not appropriate for every investor. Following IPO, the market price for the securities may be subject to significant fluctuations in response to numerous factors such as lack of liquidity, general market volatility, and other factors unrelated to the operating performance of the issuer.

If you would like to receive details of Placings and IPOs please tick the relevant box: ☐ Yes ☐ No

Date	D D M M Y Y
Signature of customer	
Please print name	