RISK DISCLOSURE NOTICE

Effective Date: July 2026

Introduction

CPT Markets Limited ("CPT Markets", "we", "us", "our") a company incorporated in Belize with its registered office located at **New Horizon Building, Ground Floor, 3 ½ Miles Philip S.W. Goldson Highway, Belize City, Belize** and is **authorised and regulated by the Belize Financial Services Commission under License Number 000314/45**.

You are strongly advised to carefully read this Risk Disclosure Notice before applying for an account with us and before you begin trading using our services.

If English is not your first language, you should seek advice from professionals, such as a solicitor, accountant, or financial adviser, who can explain the technical and financial terms included in these terms and conditions before undertaking any trading.

You acknowledge that granting third parties access to your account may result in losses and fees accumulating without your direct awareness or control. In such instances, CPT Markets bears no responsibility or liability for any financial or other losses incurred.

Trading CFDs (Contracts for Difference) is not suitable for everyone, involves a high level of risk, and can result in the total loss of your funds. The purpose of this document is to advise you of some of the risks associated with trading CFDs. However, this notice does not include a full and complete description of all risks involved in CFD trading. You should ensure that your decision to use our services is based on an informed assessment and that you fully understand the risks involved. If you are unsure or do not understand the contents of this notice, please seek independent financial advice.

CFD trading is highly leveraged, which means that risks are magnified. Leverage (or margin trading) can work both for and against you, potentially resulting in substantial losses as well as gains.

Past performance of these types of investments does not guarantee future results. You must consider any commissions, charges, and tax liabilities you may personally incur. CPT Markets accepts no liability or responsibility for any tax obligations arising from profits made on our trading platform. Trading on margin involves a high level of risk and is not suitable for all investors. The high degree of leverage can amplify losses significantly. You bear sole responsibility for monitoring your open positions at all times.

Before trading, you should carefully assess your investment objectives, level of financial experience, and risk tolerance. If you are unsure whether our products are suitable for you, please seek independent financial advice. There is always a relationship between high rewards and high risks. Any speculative market trading that offers the potential for significant returns also carries a high risk of capital loss. You should only trade with funds that you can afford to lose.

We strongly recommend that all clients and prospective clients familiarise themselves with CFDs, margin requirements, trading tools, our trading platforms, and financial markets in general by utilising our free and risk-free Demonstration Account (Demo Account). Please visit https://belize.cptinternational.com/ for more details.

CFDs in General

A CFD is an agreement between a 'buyer' and a 'seller' to exchange the difference between the current price of an underlying asset (currencies, commodities, indices, shares etc.) and its price when the contract is closed. (This can be subject to change depending on the terms of the underlying asset class and or product).

CFDs can be likened to futures contracts, which can be entered into in relation to certain foreign currencies, indices, precious metals, oil, commodities, or financial instruments. However, unlike other futures, contracts CFDs can only be settled for the difference of the closing value and the opening value of the CFD. Transactions in CFDs may also have a contingent liability and you should be aware of the implications of this as set out below.

All our CFDs are synthetic contracts, which means that clients do not have any right to the underlying instrument or thing or the rights which are attached to the same unless specifically stated in the CFD. This includes no right to any underlying reference shares or attached voting rights.

Market Volatility

CFDs are highly volatile financial instruments subject to significant price fluctuations due to macroeconomic conditions, geopolitical events, corporate actions, and market sentiment shifts. Such fluctuations may result in substantial gains or losses, including losses exceeding the initial investment. Price gaps may occur when markets reopen after weekends or major events, potentially leading to stop-loss orders being executed at prices materially different from those specified. In certain extreme market conditions, trading may also be temporarily suspended or halted due to regulatory intervention, exchange rules, or liquidity shortages, preventing order execution.

Furthermore, unforeseen events, including regulatory changes, economic crises, or natural disasters, may cause extreme market volatility. In such circumstances, trading may be suspended, spreads may widen, and liquidity may deteriorate, potentially preventing the execution of orders at preferred prices or at all. If the market reopens at a significantly different price level following a suspension or halt, gapping risk may result in stop-loss orders being triggered at unfavourable prices. Additionally, CPT Markets may be required to close positions in compliance with regulatory or exchange mandates, for which it holds no liability.

Markets Gaps

A market gap occurs when there is a sudden and significant difference between the closing price of one trading session and the opening price of the next, without any trading occurring in between. These gaps frequently arise when markets reopen after weekends, major economic announcements, or unexpected global events.

Market gaps can significantly impact order execution, particularly for stop-loss orders. When a gap occurs, a stop-loss order may be triggered at the next available price, which could be substantially different from the trader's specified level. In extreme cases, where no available prices exist at the stop level, the order may not be executed at all.

Traders should be aware that market gaps are common following key economic data releases, geopolitical developments, or extended trading suspensions. Managing risk during such periods requires a thorough understanding of how market gaps can affect trade execution and potential losses.

Weekend, Holidays, and Overnight Risk

Markets do not operate continuously, and there are times when trading is unavailable, such as weekends or bank holidays. Significant price movements can occur during these periods due to geopolitical developments, economic events, or policy changes. When the market reopens, price gaps may occur, potentially causing stop-loss orders to be executed at significantly different levels than originally set. Overnight financing charges (swap fees) also apply to positions held past daily rollover times.

Non-Guaranteed Stop-Loss Orders

Stop-loss orders are designed to help manage risk by automatically closing positions when the market reaches a specified price. However, stop-loss orders do not guarantee execution at the designated level, especially in volatile market conditions.

In certain circumstances, such as rapid price fluctuations, low liquidity, or significant market gaps, stop-loss orders may be executed at prices significantly different from the trader's specified level. In extreme cases, where no available prices exist at the stop-loss level, orders may not be executed at all.

Traders should be aware that non-guaranteed stop-loss orders are particularly vulnerable during major economic news releases, geopolitical crises, or extended market suspensions. These conditions may result in stop-loss orders being filled at less favourable prices or failing to execute as expected. Understanding the limitations of stop-loss orders is essential for managing risk effectively in CFD trading.

Liquidity & Execution Risk

Trading CFDs is subject to liquidity risk, where certain markets may experience reduced liquidity, impacting the ability to enter or exit positions at favourable prices. During periods of market stress or when trading illiquid instruments, traders may encounter widened spreads, order slippage, or the inability to execute trades at the intended price. Market conditions may also change rapidly, resulting in orders being executed at prices materially different from those requested.

In certain circumstances, a market or asset may be suspended or temporarily halted, preventing trade execution. Pending stop-loss orders may not be filled at the specified levels, and traders may incur losses when the market resumes trading.

Slippage Risk

Orders placed in fast-moving markets may be executed at prices materially different from those requested. Slippage may occur due to market volatility, order processing delays, or liquidity constraints. In extreme market conditions, stop-loss orders may be executed at significantly less favourable prices than expected or, in some cases, may not be executed at all.

Traders should not assume that stop-loss or limit orders will be executed at the specified price, as execution is subject to market liquidity and the availability of counterparties.

Leverage Risk

Trading CFDs on leverage magnifies both potential gains and losses. While leverage enables control of larger positions with a smaller initial margin, even minor price fluctuations may result in significant losses exceeding the initial deposit. In volatile market conditions, losses may escalate rapidly, triggering margin calls or the automatic liquidation of positions.

The trader bears sole responsibility for monitoring and managing leveraged positions at all times. The platform reserves the right to adjust leverage limits, amend margin requirements, or close positions as deemed necessary due to market conditions. Leveraged trading entails contingent liability, and traders may be required to deposit additional funds at short notice to maintain open positions.

Margin Calls and Liquidation Risk

CFD trading requires traders to maintain sufficient margin to keep positions open. If the margin balance falls below the required minimum, a margin call may be issued, requiring the trader to deposit additional funds. However, it is the trader's sole responsibility to monitor their account balance and ensure they have adequate funds to meet margin requirements. CPT Markets does not guarantee the issuance of margin call notifications and is not responsible for alerting traders before liquidation occurs. Failure to meet margin requirements may result in the automatic liquidation of positions at unfavourable prices.

Margin levels and requirements are subject to change at any time, including on weekends and public holidays. In extreme market conditions, forced liquidation may occur at prices materially different from expected levels, potentially resulting in losses exceeding the initial investment. Traders should proactively manage their accounts and ensure sufficient available funds to avoid unexpected position closures.

Counterparty Risk

As CFDs are traded over-the-counter (OTC), transactions are not conducted on a centralized exchange but directly between the trader and the broker. Accordingly, traders are exposed to the financial stability and credit risk of the broker. In the event of the broker's insolvency or cessation of operations, there is a risk that funds may not be recoverable. Furthermore, as OTC transactions are not subject to exchange-based clearing or regulatory price validation, pricing and execution conditions are determined by CPT Markets' internal policies, which may differ from those of centralized markets.

OTC trading may also result in price discrepancies between the broker's quoted prices and those available in the broader market. The platform may determine pricing based on internal risk management considerations rather than external exchange rates, meaning bid/ask spreads, slippage, and execution quality may differ from those observed on regulated markets. Additionally, in periods of extreme volatility or reduced market liquidity, order execution may be delayed or unavailable, and stop-loss orders may not be executed at the specified levels. Positions must also be opened and closed solely through CPT Markets, meaning they cannot be transferred to or closed with another broker. If CPT Markets or its liquidity providers fail to meet their financial obligations, your ability to recover funds or execute trades may be adversely affected.

Position Monitoring

You are solely responsible for monitoring and managing your open positions at all times. You must ensure that you have sufficient margin in your account to maintain your trades and avoid potential liquidation. While we may attempt to close positions if your margin balance is insufficient, we do not guarantee that this will be executed in a timely manner, nor do we bear responsibility for any resulting financial shortfalls.

This Risk Disclosure Notice should be read in conjunction with our general Terms and Conditions, as well as any other legal documentation provided on our Online Platform.

Commissions

Before engaging in any trading activity, you must review and understand the details of all applicable commissions, fees, and charges associated with your transactions. These costs are outlined in the rates schedule available on our Online Platform and may be subject to change. You acknowledge that such charges may impact the profitability of your trades and accept full responsibility for any financial obligations arising from these fees.

Communication

We shall not be held responsible for any losses, delays, or disruptions arising from communication failures between you and us, including but not limited to missed notifications, system outages, or errors in message transmission. It is your responsibility to ensure that the contact details provided to us remain accurate and up to date. We strongly recommend that you regularly check your email, trading platform notifications, and other designated communication channels to stay informed of any relevant trading or account-related updates.

Advice

We do not provide investment advice, personal financial recommendations, or any form of advisory service. Our role is limited to providing execution-only services, and any market assessments or analyses we offer are strictly general in nature. These do not take into account your personal financial situation, investment objectives, or risk tolerance.

Before engaging in CFD trading, you should independently assess whether our products are suitable for you. We conduct an appropriateness assessment based on the information you provide regarding your trading experience, financial status, and investment knowledge. However, we do not monitor whether the information you have provided remains current, nor do we assess ongoing suitability for your personal circumstances. You are solely responsible for informing us of any changes that may affect our assessment of your ability to trade CFDs.

All trading decisions are made at your own discretion and risk, and you accept full responsibility for the consequences of your trading activities. If you require financial advice, you should seek independent advice from a qualified financial professional.

Electronic Trading Risks and System Fail

Trading CFDs through electronic platforms carries inherent risks related to system stability, security vulnerabilities, and connectivity disruptions. Technical failures, server outages, or software malfunctions may prevent traders from executing trades, closing positions, or modifying orders as intended. Market access disruptions caused by internet connectivity issues can further hinder timely trade execution, particularly during periods of high market activity.

Additionally, cybersecurity risks, including hacking, identity theft, and phishing attacks, may compromise account security and result in unauthorised transactions or financial losses. Traders should implement strong authentication measures and maintain secure internet connections to protect their accounts. While we strive to maintain uninterrupted platform access, we do not guarantee the continuous availability of our trading systems and accept no liability for losses resulting from technical failures, system errors, or connectivity issues beyond our control.

Psychological and Behavioural Risks

CFD trading requires careful decision-making, risk management, and emotional discipline. The speculative nature of CFDs may lead to impulsive trading behaviours, including overtrading, emotional decision-making, or engaging in excessive risk-taking. Failure to maintain a well-planned strategy may result in substantial financial losses.

Foreign Exchange Risk

If you trade CFDs in a currency other than your base currency, fluctuations in exchange rates may impact your overall trading results. Currency movements can amplify gains or losses and increase transaction costs when converting profits or losses back into your local currency.

Clearing and Settlement Risks

Unlike financial instruments traded on regulated exchanges, OTC CFD transactions do not benefit from central clearing protections. This means that the settlement of trades depends on the broker's financial standing. If the broker fails to meet its obligations, counterparty risks may arise, potentially impacting the retrieval of funds.

Regulatory and Compliance Risks

CFD trading is subject to continuous regulatory changes that may affect market conditions and trading accessibility. Financial regulators may impose restrictions on leverage, increase margin requirements, or prohibit certain trading instruments or strategies. These regulatory interventions can result in higher capital requirements, reduced market flexibility, and increased transaction costs. Traders must remain informed of any regulatory developments that could impact their ability to trade and should ensure compliance with all applicable financial regulations.

Legal and Taxation Risk

Changes in domestic and international legal frameworks may influence the availability and legality of CFD trading. Some jurisdictions impose restrictions or outright prohibitions on CFDs, limiting traders' access to specific products or markets. Additionally, tax obligations arising from CFD trading vary across different countries and may affect overall profitability. It is the trader's sole responsibility to ensure that their activities comply with relevant legal and tax requirements, and where necessary, seek independent legal or financial advice.

Insolvency and Client Fund Protection Risks

In the event of insolvency of CPT Markets or any of its counterparties, you may not be able to recover your funds. While client funds are typically held in segregated accounts as per regulatory requirements, this does not guarantee full protection. In extreme cases, segregated funds may still be subject to claims by creditors. If a counterparty or liquidity provider involved in CFD transactions fails, it may impact trade execution, pricing, and fund withdrawal processes. Traders are advised to conduct due diligence on their broker's financial stability and consider diversifying investment risks to mitigate exposure to counterparty insolvency.

Acknowledgement

You hereby acknowledge and confirm that you have carefully read, fully understood, and unconditionally accepted all the information contained in this Risk Disclosure Notice, including but not limited to the following:

- The value of financial instruments, including CFDs and other derivative products, may decrease, and you may receive less than your initial investment or, in some cases, lose the entire invested capital. Market conditions may cause significant price fluctuations, and there is no guarantee of investment security.
- Forex, CFDs, and other financial derivative products are highly speculative and involve substantial risk. These products are suitable only for clients who fully comprehend and accept the economic, legal, and financial risks associated with them and who have the financial capacity to sustain losses that may exceed initial margin deposits.

- Information on the past performance of a financial instrument does not guarantee present or future performance. The use of historical data does not constitute a binding or reliable indication of future returns.
- Certain financial instruments may have limited liquidity, making it difficult to sell them or determine their fair market value. Reduced demand may result in an inability to close positions at desired prices.
- If a financial instrument is denominated in a currency other than your base currency, fluctuations in exchange rates may negatively impact its value, price, and overall performance.
- Trading in foreign markets may expose you to additional risks, including different regulatory frameworks, market conditions, and exchange rate fluctuations, which can affect the profitability and viability of your trades.
- Market events occurring over weekends or public holidays may result in significant price movements when the market reopens, leading to gapping risk. Stop-loss orders executed under such conditions may be filled at significantly worse levels than specified.
- In the event of quoting errors (including, but not limited to, pricing discrepancies, typographical mistakes, or system miscalculations), we bear no liability for any resulting inaccuracies in your account balances. We reserve the right to rectify or adjust any such errors at our sole discretion.
- Any general market recommendations or insights we provide are not to be construed as personalised investment advice. These do not consider your financial situation, investment objectives, or risk tolerance. Each trading decision is made at your sole discretion, and you accept full responsibility for the consequences of your actions.