RISK DISCLOSURE STATEMENT

You are strongly advised to carefully read the risk disclosures and the warnings contained in this Schedule 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 advisor, who can explain the technical and financial terms included in these terms & conditions before undertaking any trading,

You are aware that giving access to the use of your account by third parties may lead to losses and fees accumulated on your account which you may not be directly aware or in control of. In such instances CPT Markets limited will have no responsibility or liability for the losses, financial or otherwise that take place.

Trading CFDs is not suitable for everyone, involves high risk and can result in a complete loss of your funds.
The purpose of this Schedule is to advise you of some of the risks associated with trading CFDs. It is not intended that this Schedule includes a full and complete description of all the risks involved in trading CFDs. You should ensure that your decision to use our services is made on an informed basis and that you are happy with the information available to you. If you are unsure or do not understand the contents of this Schedule in particular, please seek independent financial advice.

Prior to trading CFDs you must be aware of the risks involved. The high degree of leverage associated with these types of investments means that the degree of risk **compared** to other financial products is higher. Leverage (or Margin trading) may work against you resulting in a substantial loss as well as a substantial gain.

Past performance of these types of investments does not guarantee any future results. You must bear in mind any commission and tax liabilities you will personally incur. CPT Internationals accepts no liability or responsibility for any tax you may be required to pay on any profits made on our Online Platform.

Trading on Margin involves a high level of risk and is not suitable for all investors. The high degree of leverage can work against you as well as for you. It is your sole responsibility to monitor your open positions and you should monitor them closely.

Before trading, you should carefully consider your investment objectives, level of financial experience, and risk appetite. If you are at all unsure as to the suitability of the products offered by us, please seek independent financial advice. There is always a relationship between high reward and high risk. Any type of market or trade speculation that can yield unusually high returns also poses a high risk to capital. Only surplus funds should be placed at risk and if you are not able to sustain trading losses then you should not trade CFDs.

We recommend that ALL CLIENTS AND PROSPECTIVE CLIENTS familiarize themselves with CFDs, Margin requirements, trading tools, our trading platforms, and financial markets in general by taking advantage our FREE TO USE and RISK-FREE Demonstration account (**Demo Account**). Please see our website www.cptmarkets.com/#/ for details. It is noted however that this document and the Demo Account cannot and do not disclose or explain all of the risks involved when dealing in Financial Instruments on a fair and non-misleading basis. As it is impossible for this Risk Disclosure to contain all the risks and aspects involved in trading CFD's you need to ensure that your decision is made on a well-educated and informed basis but as minimum you should take the below in consideration.

1. CFDS IN GENERAL

CFDs are complex financial products which generally only close when a client chooses to close an existing open position, and therefore generally have no set maturity date. (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 in cash. 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.

2. Foreign Markets

CFDs relating to foreign markets involve different risks from the client's native markets. In some cases, risks will be greater. The potential for profit or loss from transactions relating to foreign markets will be affected by fluctuations in foreign exchange rates. Such enhanced risks include the risks of political or economic policy charges in a foreign jurisdiction, which may substantially and permanently alter the conditions, terms, marketability, or price of a foreign currency.

3. Risk Reducing Orders or Strategies

The placing of certain orders (e.g. ''stop loss'' or ''stop limits'' orders) that are intended to limit losses to certain amounts may not always work because market conditions or technological limitations may make it impossible to execute such orders at the required prices or at all. Should a client trade using such orders or strategy they must do so accepting this risk.

4. Leverage

CFDs carry a high degree of risk. The gearing and leverage that is obtainable with CFD trading means that you only need to place a small deposit (Margin) to commence trading with us although this small deposit may result in large losses or large gains. Highly leveraged transactions are subject to significant changes in value because of relatively small changes in the value or level of the underlying instrument or thing on which the price of the CFD is based.

5. Contingent Liability Transactions

CFDs are leveraged or margined transactions requiring you to make a series of payments against the contract value, instead of paying the entire contract value immediately. You may sustain a total loss of the Margin you deposit with us to establish or maintain a position. We re-value your open positions continuously during each business day, and any profit or loss is immediately reflected in your account and a loss may result in you being called upon to pay substantial additional Margin on short notice to maintain your open positions.

We may change the rates of Margin and/or notional trading requirements at any time (including over weekends/bank holidays or in abnormal market conditions), which may also result in a change to the Margin you are required to maintain. If you do not maintain sufficient Margin on your account at all times and/or provide such additional funds within the time required, your open positions may be closed at a loss, and you may be liable for any resulting deficit.

6. Over- the Counter (OTC) Transactions

When trading CFDs you are not trading on a regulated market or exchange. You will enter directly into a contract with us in respect of the underlying financial instrument or thing on which the price of the CFD is based. All open positions with us must be closed with us and cannot be closed with any other party. This may make it difficult for you to close a position at a price that you are happy with or at all (for example, if we experience technical problems with our Online Platform and it is unavailable, or we become insolvent).

Trading in OTC financial transactions may expose you to greater risks than trading on a regulated market because there is no market on which to close out your open positions and prices and other conditions are set by us subject to any legal/regulatory requirements. OTC transactions may increase the liquidity risk and introduce other significant risk factors: it may be impossible, for example, to assess the value of a position resulting from an OTC transaction or to determine the risk exposure. Also, bid prices and offer prices need not be quoted by us and, even where they are, we may find it difficult to establish a fair price particularly when the relevant exchange or market for the underlying is closed or suspended. You are also exposed to the risk of our default.

7. Prices

The prices posted on our Online Platform may not necessarily reflect the broader market. We will select prices that we feel are appropriate to determine margin requirements and in periodically marking to market the positions in your account and closing out such positions. Although we expect that these prices will be reasonably related to those available on what is known as the interbank market or any appropriate trading venue or other financial market (**Reference Market**), prices we use may vary from those available to banks and other participants in the Reference Market. Consequently, we may exercise considerable discretion in setting Margin requirements and collecting Margin from you. As the CFDs are in part related to the underlying (and any Reference Market), you should ensure you are aware of the risks involved in the underlying including currency fluctuation, volatility, and gapping (a sudden price shift which can be caused by many factors including but not exclusively, economic events, market announcements and periods where trading in the underlying does not take place).

A non-guaranteed stop will not protect you against this risk as it is not immediate and only triggers an order to close the position at the nearest available price.

8. Position Monitoring

It is your responsibility to always monitor the positions you have opened, and you should always be in a position to do so. Whilst we will attempt to close positions once your Margin has been used up, we cannot guarantee this will be possible and therefore you will remain liable for any resulting shortfall.

This Schedule should be read in conjunction with the main terms and conditions of business of which this Schedule forms a part, and any other document supplied or otherwise made available on our Online Platform.

9. Unexpected Event and Weekend Risk

Various situations, developments, suspensions, un-expected breaks in trading hours or events that may arise over a weekend/bank holiday (either Belize or in another country) when a market will generally close for trading, may cause the market/underlying asset class to re- open at a significantly different price/level from where market/underlying asset class closed on the previous business/trading day. You will not be able to use the Online Platform to place or change orders at these times when the markets are generally closed. There is a substantial risk that stop-loss orders left to protect open positions held at these times will be executed at levels significantly worse than their specified price. When doing this you accept this risk and that you will be liable for any resulting deficit.

10. Electronic Trading

Trading in OTC contracts through the Online Platform may differ from trading on other electronic trading systems as well as from trading in a conventional or open market. You will be exposed to risks associated with the electronic trading system including the failure of hardware and software and system down time, with respect to the Online Platform, your systems, and the communications infrastructure (for example the Internet) connecting the Online Platform with you.

11. Trading Suspensions

Under certain conditions it may be difficult or impossible to liquidate a position. This can occur, for example, at times of rapid price movement where the price for an underlying rise or falls during one trading session to such an extent that trading in the underlying is restricted or suspended. Where this occurs, you accept any associated risk, and you will be liable for any resulting deficit. You should also be aware that under certain circumstances we may be required to close positions due to regulatory or exchange instructions and as such we are not responsible for any losses that may result.

12. Commissions

Before you begin to trade, you should obtain details of all commissions and other charges for which you will be liable, as indicated in the rates schedule available on the Online Platform.

13. Insolvency

If you become insolvent or bankrupt or default in your obligations to us, this may lead to your positions being liquidated or closed out without your consent. In the event of our insolvency, any money you hold with us may be irrecoverable by you.

14. Communication

We accept no responsibility for any losses that arise because of delayed or un-received communication between you and us.

15. Advice

We do not provide investment advice and we provide execution only services. Whilst we may make general assessments of the markets, such assessments are not individual investment advice and do not take into consideration your individual circumstances. Any decision to trade is yours alone.

We carry out an appropriateness assessment for CFD trading based on the information you give us regarding your trading experience and your financial assets and earnings. We do not monitor on your behalf that the information you provided in a duly completed application form or otherwise remains true or that your financial situation remains the same. You must take sole responsibility to ensure we are updated with any relevant information that may affect our assessment of the appropriateness of CFD trading for you.

16. Corporate Actions: Share CFDs

Please note that the treatment you receive during a corporate action may be less favourable that if you owned the underlying instrument because changes, we make may need to be made in a reactionary manner and to take effect sooner than required by the corporate action. Therefore, the time you have to make decisions could be considerably reduced; the options available may be more restrictive/less advantageous and may be such that there is no opportunity for you to close the position. Given that corporate events can often be announced at extremely short notice you may have no opportunity to close positions out to avoid negative consequences and you may be required to provide more funds to cover margin at very short notice.

17. Dividends and Dividend Adjustments on CFD's

A '**Dividend Adjustment**' is an adjustment that is applied when a share passes its ex- dividend date (including the ex-date of any special dividend) in the underlying stock market.

In the case of long positions, the dividend adjustment is credited to your account.

In the case of short positions, the dividend adjustment is debited from your account.

A. How do dividends affect positions on indices or shares?

When an underlying share goes ex-dividend (that is, they pay a dividend to shareholders), we make a cash adjustment to your account so that your position is not affected by the drop in price that occurs in the market for that share or index. If you are long,we will credit your account. If you are re short, we will debit it.

B. What happens when a stock or index goes ex-dividend?

When a share goes ex-dividend the value of the share will generally fall by the same amount as the dividend. Since a share index is made up of a number of companies, the fall in value of the shares will also cause a fall in the value of the index.

C. Why we make the adjustment

When the price of a share or index drops after going ex-dividend, your running profit & loss (P&L) is affected. If you are long, this means you miss out on potential profit. If you are short, this means your P&L is better than it should be.

Given that the drop in price is an expected market movement, we must make an adjustment so that your P&L is not affected. The dividend amount will vary depending on the company or index.