



RISK DISCLOSURE POLICY

November 2025

1. Introduction

IN2MARKETS LTD (hereinafter referred to as the "Company" or "we") is a Cyprus Investment Firm ("CIF"), incorporated under registration number HE 333743 and authorized by the Cyprus Securities and Exchange Commission ("CySEC") under license number 263/14.

This Risk Disclosure Policy (hereinafter referred to as the "Policy") aims to provide Clients and potential Clients with a summary of the risks associated with the financial instruments and investment services offered by the Company, in particular Contracts for Difference (CFDs).

A Contract for Difference is a financial derivative agreement between two parties – typically referred to as the "buyer" and "seller" – that stipulates that the seller will pay to the buyer the difference between the current value of an underlying asset and its value at the time the contract was entered into. If the difference is negative, the buyer pays the difference to the seller. CFDs allow investors to speculate on price movements of financial instruments without owning the underlying asset.

Important Note:

This document does not disclose all the risks associated with CFDs or other financial instruments. It should not be considered investment advice or a personal recommendation. Before engaging in trading activities, the Client is expected to independently assess any financial, legal, or tax implications arising from such activities.

The Client should be aware that:

- The value of investments may rise or fall, and losses may exceed the initial investment;
- Past performance is not indicative of future results;
- Trading CFDs may entail tax or other charges not imposed by the Company;

- Adverse currency fluctuations may negatively affect the value or performance of CFDs denominated in a currency other than the Client's base currency.

2. Risks associated with CFDs

2.1 Leverage Risk

CFDs are traded on margin and are therefore highly leveraged products. Leverage magnifies both potential profits and potential losses. A small market movement against the Client's position can result in significant losses, possibly exceeding the initial margin deposited.

2.2 Market Volatility and Gapping

CFD prices are subject to rapid market fluctuations. In volatile markets, prices may "gap," moving from one level to another without passing through intermediate levels. This may result in stop-loss orders being executed at levels significantly worse than expected. While the Company offers stop-loss orders, there is no guarantee that execution will occur at the requested price.

2.3 Margin Requirements and Liquidation Risk

To maintain open CFD positions, Clients must hold sufficient funds to meet margin obligations. If the margin falls below required levels, the Company may require the Client to deposit additional funds or close positions. Failure to act promptly may result in the automatic liquidation of positions at a loss.

2.4 Risk of Losing the Entire Investment

CFDs carry a high risk of capital loss. Market movements may result in a loss of the entire balance in the Client's account. However, the Company applies negative balance protection, which means Clients cannot lose more than their account balance.

2.5 No Guarantee of Profit

Trading CFDs does not guarantee profit and involves substantial risk. The Client must be able to financially withstand potential losses and understand that trading

decisions are made at their own risk. The Company does not provide guarantees or warranties regarding the outcome of any transaction.

2.6 No Ownership of Underlying Asset

When trading CFDs, the Client does not own the underlying asset and has no rights (such as voting or dividend rights) attached to it. CFDs may be based on a wide range of underlying assets including equities, indices, commodities, and currencies.

2.7 Segregation of Client Funds

The Company maintains Clients' funds in segregated accounts, separate from the Company's own funds, in accordance with applicable legislation and regulatory requirements. Segregation aims to protect Client funds in the event of the Company's financial difficulties; however, it does not eliminate all associated risks.

The safeguarding of Client funds depends on the financial stability and operational processes of third-party institutions, such as banks and payment service providers, where such funds are held.

3. Other risk factors

3.1 Market Risk

The value of investments may decrease due to market factors such as price changes in equities, interest rates, currencies, or commodities. Clients may lose part or all of their capital.

3.2 Systemic Risk

A major disruption or collapse in the financial system may cause cascading failures, affecting liquidity, pricing, or even the execution of trades.

3.3 Technical Risk

The Client may suffer losses due to technical failures, such as system downtime, poor internet connection, software malfunctions, or errors in data transmission.

3.4 Operational Risk

Includes human error, internal process failure, or inadequate procedures. While the Company maintains high operational standards, this risk remains inherent in any business.

3.5 Country and Political Risk

Political instability, changes in laws or regulations, or government actions may negatively affect asset prices, investment returns, and trading conditions.

3.6 Interest Rate and Exchange Rate Risk

Changes in interest or exchange rates can affect the value of CFDs, especially if the underlying is denominated in a currency other than the Client's base currency.

3.7 Regulatory Risk

Regulatory changes may affect the cost, legality, or attractiveness of trading CFDs and may materially alter the risk/return profile of an investment.

4. Risks beyond the control of the Company

The Client remains solely responsible for the following risks:

- Misunderstanding or misconfiguration of the trading terminal;
- Use of outdated or faulty software on the Client's device;
- Disclosure of login credentials to third parties;
- Unauthorized access to the Client's email account;
- Failure to read or act upon the Company's communications in a timely manner;
- Any force majeure circumstances on the Client's side.

5. Risk Disclaimer

Trading in Contracts for Difference (CFDs) and other financial instruments offered by the Company involves significant risk and may not be suitable for all investors. The Client should not engage in CFD trading unless they

fully understand the nature of the product, the mechanics of trading, and the extent of exposure to potential loss.

The Company conducts the assessments required by applicable legislation, including tests designed to determine the Client's level of knowledge and experience, in order to assess whether the products and services offered are appropriate. These assessments do not remove the Client's responsibility to independently understand the risks and to make trading decisions based on their own financial situation and risk tolerance.

Before entering into any investment or trading arrangement, the Client must carefully consider the following:

- The possibility of partial or total loss of capital;
- The impact of leverage, which may magnify both profits and losses;
- The effect of market volatility and liquidity constraints;
- The consequences of inadequate margin maintenance and position liquidation;
- The risks associated with technical issues, human error, and force majeure;
- The potential for changes in tax treatment, laws, and regulations.

The Company does not guarantee the profitability of any transaction and shall not be held liable for any loss or damage, including without limitation to any loss of profit, which may arise directly or indirectly from trading in CFDs or reliance on the content of this Policy.

Important Note:

By entering into a Client Agreement with the Company and using its trading services, the Client acknowledges that they have read, understood, and accepted this Risk Disclosure Policy in full and are aware of the nature and extent of the risks involved.

Before entering into transactions involving high-risk financial instruments, including CFDs, the Client must independently assess the potential financial, legal, and tax implications of such transactions.

6. Relationship with Other Policies and Documents

This Policy forms part of the overall regulatory and contractual framework governing the relationship between the Client and the Company and should be read in conjunction with the other documents that govern the provision of services. Such documents include the Client Agreement, which sets out the terms and conditions for the provision of investment and ancillary services; the Order Execution Policy, which explains how Client orders are executed; the Leverage Policy, which defines leverage levels, margin requirements, and margin close-out rules applicable to Retail Clients; the Conflicts of Interest Policy, which describes how potential conflicts between the Company, its Clients, and third parties are identified and managed; the Cost and Charges Policy, which provides information on all commissions, fees, financing charges, and other costs associated with CFD trading; and the Privacy Policy, which governs the processing and protection of personal data in accordance with GDPR and applicable national legislation.

Clients are encouraged to review these documents, as they contain important information relevant to their rights and obligations.

7. Contact Information

For any questions, clarifications, or requests relating to this Risk Disclosure Policy or the risks associated with trading in CFDs, Clients may contact the Company using the following details:

Registered Office: Demokratias 12, Shop 2, 8028, Paphos, Cyprus

Email: support@in2markets.com

Website: www.in2markets.com

The Company's Client Support Department operates during the hours specified on the Company's Website and handles Client enquiries concerning this Policy.

IN2MARKETS LTD

Incorporated in the Republic of Cyprus (Registration no. HE 333743)

Authorised and regulated by the Cyprus Securities and Exchange Commission

Licence no. 263/14

Address: Demokratias 12, Shop 2, 8028, Paphos, Cyprus

Telephone: +357 26 221 007 | Fax: +357 26 221 008

<https://in2markets.com> | info@in2markets.com

Risk Disclosure Policy | November 2025