VERSION 2.0

MAY 2026

Risk Warning

Statutory risk disclosures for CFDs and rolling spot forex — applicable to all RaiseFX regulated entities and their appointed Authorized Representatives.

LICENSED FSP

Raise Global SA (Pty) LTD

Reg. 2018/616118/07 · South Africa

FSCA Licence n° 50506

AUTHORIZED REPRESENTATIVE

Raise EU Services D.B LTD

Reg. HE428723 · Cyprus

Under Authorized Representative Agreement on behalf of Raise Global SA (Pty) LTD

VERSION

2.0

EFFECTIVE DATE

19 May 2026

OWNER

Kevin D. Wides · MLRO

REVIEW CYCLE

Annual, or upon regulatory change

RISK WARNING NOTICE

Trading CFDs Involves a High Risk of Loss

Read this Notice carefully before opening an account. Contracts for Difference and rolling spot forex are complex, leveraged instruments. You can lose money rapidly.

MANDATORY LOSS WARNING

CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 76% of retail investor accounts lose money when trading CFDs with this provider. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.

Provisional figure. The percentage shown is a provisional value adopted prior to the accumulation of a statistically meaningful 12-month sample of retail-client outcomes within Raise EU Services D.B LTD. RaiseFX will recalculate the figure from its own retail-client data within the first quarter of EU activity and will refresh it at least quarterly thereafter, in accordance with the methodology mandated by ESMA's Decision (EU) 2018/796 and the CySEC National Measures of 1 August 2019.

Prior to using our services, you are required to read this Risk Warning Notice. It is issued by Raise Global SA (Pty) LTD as the licensed FSP, and is binding on its Authorized Representative Raise EU Services D.B LTD.

1 Introduction

Before deciding to participate in the foreign-exchange and derivatives markets, you should carefully consider your level of knowledge and experience. You should have relevant and sufficient knowledge and experience of trading in forex and derivative products. This is to ensure that you understand the risks of trading in such products and that trading is appropriate for you.

You should also consider your investment objectives and risk appetite, how CFDs work and whether you can afford to take the high risk of losing your money. CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. Trading forex and derivatives carries a high level of risk to your capital.

Do not invest money you cannot afford to lose. Forex and derivative products are leveraged products and the effect of leverage is that a small price movement can cause both gains and losses to be magnified. Trading derivatives and forex may not be suitable for all investors. Please seek independent professional financial advice if you do not understand the risks involved.

Complex financial instruments tradable on the RaiseFX platform include:

- Rolling Spot Forex.
- Contracts for Difference (CFD).

2 Margin Trading & Leverage

Margin is the amount of money you need to open a position, defined by the margin rate. Margin trading is a high-risk strategy that allows you to trade more than the capital or 'margin' that we hold for you. This is also known as *leverage*, which means you can place trades greater than the relatively small amount you have deposited as margin. With margin trading you can make significant gains if the price moves in your favour. However, even a small movement against you can lead to substantial losses.

If this happens, you may be required to deposit additional margin with us immediately to keep open positions, referred to as a **Margin Call**. You are liable for ensuring that you always deposit enough margin and for any losses incurred when your positions are closed.

Margin trading carries a high degree of risk to your capital. Before you carry out any margin trading, ensure that you fully understand the risks involved, and seek independent advice if necessary.

3 Margin Close-Out & Negative Balance Protection

In normal market circumstances, a loss bringing the equity in your account to **50% of the Required Margin** for retail clients will trigger an automatic close-out, requiring RaiseFX to close one or more of your positions. This threshold is set in accordance with ESMA's product-intervention measures for CFDs as renewed by CySEC, and the FSCA Conduct Standards. The corresponding threshold for professional clients is **10% of the Required Margin**.

⚠

NEGATIVE BALANCE PROTECTION — RETAIL CLIENTS

For retail clients, RaiseFX provides **negative balance protection on a per-account basis**. Under no circumstances will a retail client's losses exceed the total funds deposited into the trading account. If, in conditions of severe market stress, gapping or extreme volatility, an account were to fall into a negative balance, that negative balance is written off by RaiseFX and the client is not liable to make good the shortfall. This protection does not apply to professional clients or to eligible counterparties.

Notwithstanding negative balance protection, in conditions of severe market stress it may not be possible to close out positions at the intended trigger price, which could lead to losses up to the full balance of your trading account.

To manage exposure, you should consider employing risk-reducing strategies such as:

- Use **stop-loss** or **limit** orders to constrain potential losses. Stop-loss orders are not guaranteed; gaps in market pricing may cause your stop-loss to be filled at a less advantageous price.
- Use a lower leverage so you impose a higher margin requirement on yourself and avoid positions beyond your comfortable leverage level.
- Monitor the status of your account and open positions continuously.

4 Rolling Spot Forex

A rolling spot forex contract is either a future in which the underlying instrument being traded is foreign exchange, or a contract for difference in which the profit is secured (or a loss avoided) through fluctuations in foreign exchange rates. In either case the contract is entered into for speculative purposes.

A rolling spot forex contract can be *rolled* indefinitely and no currency is actually delivered until the position is closed. This exposes both parties to fluctuations in the underlying currencies.

5 Contracts for Difference (CFDs)

A CFD is an agreement to exchange the difference between the opening and closing value of a contract at its close. Rather than buying or selling the underlying instrument on which your contract is based, you simply place a trade with a CFD provider.

The price of your CFD replicates the price of the underlying asset (without you actually owning the underlying) giving you a profit (or a loss) as the price moves. The amount of any profit or loss on a CFD is equal to the difference between the opening and closing prices, multiplied by the number of underlying units to which the CFD relates.

CFDs are a way of trading on upward or downward price movements of traditional financial markets without buying or selling the underlying asset directly. CFDs are entered into on an OTC, *principal-to-principal* basis, which means that once a position has been opened you are restricted to closing it with the same counterparty, regardless of whether you could have achieved a better outcome elsewhere.

6 Exchange Risk

Forex and derivative products are exposed to **exchange risk**, the risk of loss (or gain) from unforeseen changes in exchange rates. You may have to close a long or short position in a foreign currency at a loss due to an adverse movement in rates. Exchange risk also describes the uncertainty of returns where you purchase securities in a currency different from your domestic currency.

7 Liquidity Risk

Forex and derivative products are exposed to **liquidity risk**, which arises where an investor cannot trade because no one in the market wants to take the other side. It is the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimise a loss.

Non-highly-traded instruments bear higher liquidity risk since there is a risk of having difficulty liquidating a position without taking a significant discount. Liquidity risk is usually reflected in a wide bid-ask spread and large price movements and can take three forms:

- **Bid-ask spread** — how much a trader can lose by selling an asset and buying it back immediately.
- **Market depth** — how many units traders can sell or buy at the current bid or ask price without moving the price.
- **Market resiliency** — how long it takes for prices that are temporarily incorrect to return to normal.

8 Market Volatility

Financial markets can fluctuate rapidly, and the prices of our products will reflect this. Spreads fluctuate just like exchange rates. You face increased periods of price volatility during market events such as economic and political news announcements, elections and similar. During these periods, spreads may be considerably wider than usual. Wide spreads mean the cost of closing your position will be greater and raise the chance of breaching your margin requirement.

Under extreme volatility your profit and loss may fluctuate far more than normal, and you may enter margin close-out faster. If the market spikes, crashes or gaps, it could result in significant losses, especially for a highly-leveraged account.

Gapping is a volatility-related risk: prices suddenly shift from one level to another with no opportunity to place or execute an order between the two levels. One effect is that stop-loss orders may be executed at unfavourable prices.

9 Weekend & Holiday Risk

There are limitations on when you can trade. Markets are generally closed over weekends and on bank holidays. You should be aware that markets may open at a significantly different price from where they closed. You will not be able to place or change orders over weekends, market holidays, or at other times when the relevant markets are closed.

There is a substantial risk that non-guaranteed stop-loss orders left to protect open positions during these periods may be executed at levels significantly worse than their specified price.

10 Charges & Commissions

Before you begin to trade, ensure that you understand all commissions and other charges for which you will be liable. A full schedule of costs and charges is provided separately and incorporated into the Client Agreement.

11 Execution-Only Basis

You carry out your trading activities on an **execution-only basis**. We do not provide you with investment advice relating to investments or possible transactions. We are permitted to provide factual market information and information about transaction procedures, potential risks and how those risks may be minimised, but any decision to trade must be yours.

12 Technology & Operational Risk

There are risks associated with using an internet-based trading system, including but not limited to the failure of hardware, software, or internet connection. RaiseFX is not responsible for communication failures or delays when trading via the internet, but employs back-up systems and contingency plans to minimise the possibility of system failure.

RaiseFX has taken reasonable measures to ensure the accuracy of information on the website. Content is subject to change without notice. Opinions, news, research, analyses, prices or other information published on the website constitute general market commentary and do not constitute investment advice. Nothing in this paragraph excludes or limits the rights you have under applicable law, including the negative balance protection set out in Section 3.

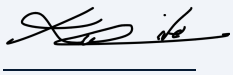
13 General

If you are in any doubt whatsoever about any aspect of the risks involved in the financial instruments described in this Risk Warning Notice, we strongly recommend that you seek independent professional advice before continuing. Margin trading is not designed to replace existing or traditional methods of investing and is not suited to everyone — ensure that you fully understand the risks before taking up any trading strategy.

ⓘ **RELATED DOCUMENTS**

This Notice should be read together with the Client Agreement (in particular §13 — Margin and Close-Out), the FAIS Upfront Disclosure, and the KYC/AML Policy. Where a conflict arises in respect of risk, the more protective wording prevails.

APPROVAL & SIGN-OFF

APPROVED BY	David BOTTIN
POSITION	Chief Executive Officer (CEO) — RaiseFX Group
SIGNATURE	
APPROVED BY	Kevin Douglas Wides
POSITION	Key Individual & FICA Compliance Officer — Raise Global SA (FSCA n° 50506)
SIGNATURE	
DATE	19 May 2026

DOCUMENT ID
RFX-RISK-V2.0

VERSION
2.0

EFFECTIVE
19 May 2026

NEXT REVIEW
19 May 2027

OWNER
Kevin D. Wides · MLRO

REGULATOR
FSCA n° 50506 · CySEC (via Auth. Rep.)

— End of Notice —