



RISK DISCLOSURE NOTICE



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OVAL LTD

AUTHORIZED AND REGULATED BY THE FINANCIAL SERVICES
AUTHORITY SEYCHELLES

B2C (Business to Client) General Terms & Conditions

Your Gateway to Global Trade

Effective from

December 2025

Version 1

RISK DISCLOSURE NOTICE

Oval Ltd

Authorized and Regulated by the Financial Services Authority of Seychelles (FSA)

Licence Number: SD221

Effective Date: December 2025

Version: 2.0 (Revised)

1. INTRODUCTION

This Risk Disclosure Notice ("Notice") is issued by **Oval Ltd** (the "Company"), a company incorporated in the Republic of Seychelles and licensed by the Financial Services Authority of Seychelles (FSA) as a Securities Dealer under licence number SD221.

This Notice is intended to inform clients ("you" or the "Client") of the nature and risks associated with trading **Contracts for Difference (CFDs)** offered by the Company. This Notice does not constitute investment advice, a personal recommendation, or a solicitation to engage in any trading activity. Its purpose is to assist you in making informed decisions by outlining the principal risks involved in CFD trading.

This Notice should be read carefully and in conjunction with the following documents, which form part of the contractual framework governing your relationship with the Company:

- Client Agreement
- Best Interest and Order Execution Policy
- Conflicts of Interest Policy
- Complaints Handling Policy
- Privacy and Data Protection Policy

Trading CFDs involves a high degree of risk and may not be suitable for all investors. You should only trade if you fully understand the risks involved and are able to bear the potential losses.

2. NATURE AND CHARACTERISTICS OF CONTRACTS FOR DIFFERENCE (CFDs)

2.1 Definition of CFDs

A Contract for Difference ("CFD") is a derivative contract that enables the Client to gain exposure to the price movements of an underlying asset without acquiring ownership of that asset. The value of a CFD is determined by the difference between the opening price and the closing price of the position.

CFDs allow Clients to speculate on both rising and falling markets by opening:

- a **buy (long)** position if the Client expects the price of the underlying asset to increase; or
- a **sell (short)** position if the Client expects the price of the underlying asset to decrease.

2.2 No Ownership of Underlying Assets

When trading CFDs, you do not acquire any ownership, voting rights, dividend rights, or other rights associated with the underlying asset. CFDs are synthetic instruments that reflect price movements only.

3. UNDERLYING ASSETS AND CONTRACT SPECIFICATIONS

The Company offers CFDs that reference various underlying asset classes, which may include:

- Foreign exchange (FX) pairs;
- Precious metals;

- Commodities;
- Equity indices; and
- Other instruments made available from time to time in accordance with the Company's licence.

Each CFD is subject to specific contract specifications, including but not limited to minimum trade size, contract value, margin requirements, leverage limits, spreads, financing charges, and trading hours. These specifications are available on the Company's trading platform and may be amended in response to market conditions, liquidity considerations, or risk management requirements.

4. LEVERAGE AND MARGIN TRADING

CFDs are leveraged products. This means that you are required to deposit only a portion of the total notional value of a position (the "margin") in order to open and maintain a trade.

While leverage can amplify potential profits, it equally magnifies potential losses. Even small adverse market movements may result in significant losses, including losses that exceed the amount of funds initially deposited to open a position.

You are responsible for ensuring that sufficient margin is maintained at all times. If your account equity falls below the required margin level, the Company may take risk management actions, including the closure of some or all open positions, in accordance with the Client Agreement.

5. PROFIT AND LOSS

The profit or loss arising from a CFD transaction is calculated based on the difference between the opening and closing prices of the position, multiplied by the applicable contract size and number of units traded.

Your overall trading result may be affected by additional costs, including spreads, commissions, financing charges, and other applicable fees, as set out in the contract specifications and the Client Agreement.

Past performance and illustrative examples do not guarantee future results.

6. PRICING, EXECUTION, AND LIQUIDITY RISKS

Prices available on the Company's trading platforms are generated in accordance with the Company's pricing and execution arrangements and are influenced by prevailing market conditions and available liquidity.

During periods of high volatility, reduced liquidity, or abnormal market conditions:

- spreads may widen;
- orders may be executed at prices different from those requested;
- execution delays or rejections may occur; and
- it may be difficult or impossible to open or close positions at desired levels.

The Company seeks to execute orders fairly and in accordance with its Best Interest and Order Execution Policy, but execution at a specific price cannot be guaranteed.

7. MARKET VOLATILITY AND GAP RISK

Financial markets can be highly volatile. Prices of underlying assets may change rapidly due to economic data releases, geopolitical events, market sentiment, or other external factors.

Market gaps may occur when prices move sharply without trading at intermediate levels. As a result:

- Stop Loss or Take Profit orders may be executed at less favourable prices; and

- losses may be greater than anticipated.

8. MARGIN CALL AND POSITION CLOSURE RISK

If your account equity falls below the required margin level, you may be required to deposit additional funds within a specified timeframe. If you fail to do so, or if market conditions continue to move adversely, the Company may close open positions without prior notice in order to manage risk.

Such closures may occur at unfavourable prices and may result in significant losses.

9. NEGATIVE BALANCE RISK

In extreme market conditions, including rapid price movements or market disruptions, losses may accumulate faster than account equity can be updated. As a result, it may be possible for losses to exceed the funds available in your trading account.

You should not trade with funds that you cannot afford to lose.

10. OPERATIONAL AND TECHNOLOGICAL RISKS

Trading through electronic platforms involves operational and technological risks, including:

- internet connectivity failures;
- hardware or software malfunctions;
- latency or data transmission delays; and
- platform outages or maintenance.

Such events may affect your ability to place, modify, or close trades and may result in losses.

11. LEGAL, REGULATORY, AND TAX RISKS

Changes in laws, regulations, or regulatory guidance may affect trading conditions, leverage limits, margin requirements, or the availability of certain instruments.

CFD trading may have tax implications depending on your jurisdiction. The Company does not provide tax or legal advice, and you are solely responsible for understanding and complying with applicable tax obligations.

12. PSYCHOLOGICAL AND BEHAVIOURAL RISKS

The use of leverage and exposure to fast-moving markets may lead to emotional decision-making, including overtrading or failure to manage risk effectively.

You should assess your experience, financial resources, and emotional resilience before engaging in CFD trading.

13. NO GUARANTEE OF PROFIT

CFD trading does not guarantee profits and involves a real risk of loss. Past performance, historical data, or simulated results are not indicative of future performance.

All trading decisions are made at your own risk.

14. ACKNOWLEDGEMENT

By opening and maintaining a trading account with the Company, you acknowledge that you have read, understood, and accepted the risks described in this Risk Disclosure Notice. You confirm that you have the financial capacity, experience, and risk tolerance necessary to engage in CFD trading and that you understand you may lose some or all of the funds invested.

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