# Risk Disclosure Policy

v1.0 November 2025

1. **Introduction**

1.1. Aurra Markets International Limited is authorised and regulated as a Saint Lucia International Business Company (referred to as “**Aurra**” or the “**Company**”) with the registration number 2025-00208 and is committed to conducting all business with every individual or entity (referred to as “**Client**”) in accordance with the highest standards of honesty, fairness, and fiduciary responsibility. The Company places each Client’s best interests at the forefront of every interaction, usage, and business decision.

1.2. This policy provides a clear and fair explanation of the general risks associated with trading Contract for Difference (referred to as “**CFD**”). The Client should only engage in CFD trading if they fully understand the underlying risks.

1.3. It is important to note that the document cannot cover all the risks and how they may apply to each Client’s specific situation. The Client should ensure they make informed decisions and may seek independent professional advice before trading.

1.4. This policy is intended for informational purposes and should not be considered as marketing material or a solicitation.

1.5. This document is deemed to be reviewed in conjunction with the Company’s Client Agreement and any other policies that are published, and the Client is considered to have accepted the clauses as stipulated forthwith.

2. **General Terms**

2.1. The Client acknowledges that trading and investment, whether leveraged or not, are inherently speculative and carry significant risks, including the potential for losses greater than the margin deposit.

2.2. The Client must act at their own discretion and accept all associated risks, knowing they are not protected by statutory compensation schemes under any circumstances.

2.3. It is important for the Client to be aware of the risks involved in the Company’s services and ensure they have the financial capacity to manage these risks. The Client should also regularly monitor their open positions, understanding that investments can fluctuate and that profits are not guaranteed. Losses may exceed the initial investment, potentially depleting the entire account balance.

2.4. The Client should only trade with funds they can afford to lose, keeping in mind that past performance is not an indicator of future results.

2.5. The Company does not provide specific advice, including tax, investment, or legal guidance, except for general consultations. The Company is not liable for any outcomes resulting from these consultations.

2.6. The Client who is intending to trade the Company's products are strongly advised to seek independent professional advice on the investment risks and viability of these products and services.

3. **Margin Trading**

3.1. Margin refers to the amount of money required to open a trade, based on the margin rate. Margin trading is a high-risk approach that allows you to trade beyond the funds you deposit, also known as leverage. This enables you to place larger trades than your initial margin. While it can lead to significant profits if the market moves in your favor, even small adverse price changes can result in considerable losses.

3.2. If losses occur, you may be asked to add more margin to maintain your position, known as a "Margin Call." You are responsible for ensuring you have sufficient margin and for any losses when positions are closed. The potential for both profits and losses are unlimited in margin trading, so it is important to consider this when making decisions.

3.3. Due to the considerable risk involved, margin trading is not suitable for all investors. Make sure you fully understand the risks before engaging in margin trading and seek professional advice if needed.

3.4. The Client will be required to always maintain the minimum margin for their open positions. It is the Client's responsibility to monitor their account balance and ensure sufficient funds are available to meet their trading strategy and margin requirements. Failing to do so may lead to the liquidation of positions. All Clients should avoid relying on last-minute deposits.

4. **Leverage**
    4.1. Leverage in CFD trading enables the Client to access the underlying asset with a lower initial investment, known as margin. While leverage offers the potential for greater profits, it also amplifies risks. Small market movements can significantly increase both profits and losses, and the Client may face considerable losses if their position moves unfavorably. However, the Client is protected from losses exceeding their account balance through "negative balance protection" provided by the company.
    4.2. Before participating in margin trading, the Client should ensure they only invest money they can afford to lose.

5. **Insolvency Risk**
    5.1. In case of insolvency or default, positions may be closed or liquidated without the Client's prior approval.
    5.2. In some situations, the Client may not get back the specific assets they provided as collateral, and instead, they may receive cash as compensation.
    5.3. Unless the Client is a retail client, they are giving up full ownership of part or all the funds they have deposited with the company. This transfer is made to secure their open positions or to cover current or future obligations. The amount is calculated daily at the Company's discretion, based on the Client's open positions and trading activities. Depending on market conditions, the required amount may be higher than the margin needed for the Client's open positions.

6. **Market Volatility**
    6.1. The financial markets can experience rapid fluctuations, which will be reflected in the prices of our products. Similar to exchange rates, spreads can change, and they tend to widen during major market events, such as economic reports, political announcements, or elections. When this happens, spreads may be much larger than usual, which can affect your account in several ways. Typically, wider spreads will increase the cost of closing a position, leading to a loss in your equity and raising the risk of exceeding your margin requirement.

6.2. During periods of high volatility, your profit and loss will likely fluctuate more than usual, which could cause you to reach a margin closeout sooner and increase the likelihood of your account going into negative equity. In cases of sharp market movements like spikes, crashes, or gaps, significant losses can occur, especially if your account is highly leveraged.

6.3. Gapping is a risk that comes with market volatility, where prices suddenly jump from one level to another. In these situations, there may be no opportunity to place an order or for the platform to execute an order between these price points. This could cause stop-loss orders to be triggered at unfavorable prices, either higher or lower than expected, depending on your trade's direction.

6.4. The Client should carefully evaluate their investment goals, knowledge, experience, and risk tolerance before entering the market. The company will not be held liable for any losses incurred due to Client' failure to consider these factors.

7. **Foreign Exchange Risk**

7.1. When the Client trades in a market different from their base market, they should be aware that changes in currency exchange rates can affect their profits and losses.

7.2. Fluctuations in currency rates can impact the positions of currency pairs, influencing the potential for either profit or loss.

7.3. The Client may face foreign exchange risk if they make payments in a currency that is different from the currency of their trading account.

8. **Liquidity Risk**

8.1. Forex and derivative products are exposed to 'liquidity risk,' which occurs when an investor cannot execute a trade because there are no willing buyers or sellers. This risk arises when it is difficult to find buyers on the desired terms or when an asset cannot be quickly bought or sold to avoid or reduce a loss.

8.2. Securities that are not frequently traded tend to have higher liquidity risk, as it may be challenging to sell an investment without significantly reducing its price. Liquidity risk is often seen in the form of a wide bid-ask spread and substantial price changes. It can take three main forms:

8.2.1. **Bid-ask spread**: the potential loss incurred when an asset is sold and then immediately bought back.

8.2.2. **Market depth**: the amount of an asset that can be bought or sold at the current price without affecting its value.

8.2.3. **Market resiliency**: the time it takes for prices to correct themselves after temporarily deviating from their normal levels.

9. **Technical Risk**

9.1. The company offers the Client the option to trade and communicate with the Company via electronic channels, including the trading platform and email.

9.2. Client who trades electronically are exposed to risks inherent to the system, and they accept the possibility of financial loss resulting from issues such as:

9.2.1. Failures in hardware, software, or internet connectivity on the Client's side.

9.2.2. Equipment malfunctions caused by improper use.

9.2.3. Incorrect configurations within the trading platform.

9.2.4. Delays in updates for the trading platform.

9.2.5. A lack of understanding of the relevant instructions provided in the user guide and help section.

9.3. By engaging in electronic trading, the Client acknowledge and accept these risks, relieving both the Company and any third-party service providers from liability.

9.4. The Client understands that during peak demand periods, it may be difficult to establish phone communication with the Company's representative, especially in fast-moving market conditions.

9.5. The Client should avoid sharing their login credentials and ensure they use strong, unique passwords for their accounts.

9.6. The Client recognises that in abnormal market conditions, there could be delays in the execution of their instructions.

10. **Communication Risk**

10.1. The Client accepts the risk of financial loss resulting from not receiving or experiencing delays in receiving notifications from the company.

10.2. The Client is fully responsible for safeguarding information received from the company and bear the risk of financial loss caused by unauthorised access to their trading accounts by third parties.

10.3. The Client assumes all risks of financial loss resulting from Force Majeure events.

10.4. The Client accepts all financial and other risks associated with conducting transactions in financial markets that are legally prohibited or restricted under the laws of their jurisdiction of residence.

10.5. The Client understands that the trading platform processes only one request or instruction at a time. Once a request or instruction is sent, the Company awaits the market's execution result before processing another.

11. **Force Majeure**

11.1. The company cannot be held accountable for any financial losses caused by force majeure events.

11.2. These refer to extreme, unavoidable situations that occur independently of the parties' control and cannot be predicted, avoided, or mitigated. Such events may include but not limited to natural disasters, fires, industrial accidents, utility system failures, cyberattacks like denial-of-service attacks (DDOS), riots, warfare, terrorism, rebellions, civil unrest, labour strikes, or legal actions by government and local authorities.

12. **Suspension of trading**

12.1. This scenario can occur during periods of rapid price movement when a significant rise or fall happens within a single trading session. Under such conditions, trading may be suspended or restricted according to the rules of the relevant exchange.

12.2. Placing a stop-loss order does not guarantee limiting losses to the desired level, as market conditions may prevent the order from being executed at the specified price.

13. **Slippage**

13.1. Slippage occurs when a trade is executed at a price different from the one initially requested. This happens when there is a discrepancy between the expected price of a trade and the actual execution price.

13.2. While slippage can occur at any time, it is most common during periods of high market volatility. It is not inherently positive or negative, as it simply refers to any variation between the intended and final execution prices.

13.3. Slippage can result in three outcomes: positive slippage (a more favourable price), no slippage, or negative slippage (a less favourable price). When this occurs with a market order, the trade may be executed at a price that is either better or worse than anticipated.

14. **Legal Risk**

14.1. This risk refers to the potential effects of changes in laws or regulations on investments or securities within a particular market or sector. Regulatory adjustments introduced by government or regulatory bodies can result in higher operating costs for businesses, reduced attractiveness for investors, and shifts in competitive dynamics, which may ultimately impact an investment's profitability.

14.2. This type of risk is inherently uncertain and can vary across markets. The Company accepts no liability for any consequences arising from such changes.

14.3. The Client is solely responsible for ensuring that all trading and non-trading activities are conducted in compliance with the laws and regulations of any applicable jurisdiction. The Company shall bear no responsibility or liability for any loss, damage, or consequence arising from the Client's engagement in activities that are restricted or prohibited by law.

15. **Third Party Risk**

15.1. The Company may entrust The Client's information and/or funds to a third party. While the Company will use reasonable skill, care, and diligence when selecting such parties, it acknowledges that certain circumstances are beyond its control. Therefore, the Company does not assume any liability for losses incurred by the Client due to the insolvency, failure, or any issues that may arise due to the use of third parties.

16. **Contract for Difference (CFD)**

16.1. Client trading CFD or other margin-based products risk losing their entire margin deposit or even more. If the market moves unfavourably, Client may be required to deposit additional funds promptly to maintain their open positions. Failure to meet this requirement within the stipulated time may result in the liquidation of their positions at a loss, and the Client will be responsible for any resulting shortfall.

16.2. CFD transactions will be executed in compliance with the rules and guidelines of a recognised or designated investment exchange whenever possible. However, engaging in contingent liability transactions—especially those not governed by a recognised or designated investment exchange—can carry additional risks.

16.3. Client should understand that trading CFD could result in the loss of their initial investment and may require repeated margin contributions. Additionally, trading CFD may expose the Client to the risk of unlimited losses.

16.4. Client should only trade CFD if they fully understand the nature of these instruments and the level of risk involved. Transactions in CFD may also include contingent liabilities, further increasing potential exposure.

17. **Fees and Charges**

17.1. Before trading, the Client should inquire about all applicable commissions and fees they will be responsible for. If the charges are not stated in monetary amounts, the Client should request a detailed written explanation from the Company, including relevant examples, to clarify the exact financial implications.

18. **Impersonation Risk**

18.1. There may be instances where individuals fraudulently impersonate the Company’s officers or representatives. The Client should refrain from sharing their personal information, including trading account details, with anyone claiming to represent the Company, unless they have verified that the communication comes from the Company's official contact channels and domains.

18.2. If you have any questions regarding the content of this document or the features of our products, you can reach out to our customer support team at support@aurra.markets.

18.3. Before you begin trading, it is important to carefully assess your financial situation, goals, and needs. Seek independent advice from financial, legal, tax, or other relevant professionals. If you have concerns about the risks of trading, we strongly advise consulting with your legal, tax, and financial advisors before engaging in any transaction with the Company.

## 19. **Amendments**

19.1. All clauses within this document are subject to periodic updates and the Client is deemed to acknowledge any modifications to this document after the updated copy is made available to the public at any medium.

19.2. Should inconsistency arise between different language version of all policy, terms and conditions or agreements, the English version shall supersede and prevail.

## 20. **Enquiries**

20.1. For enquiries with regards to this document, the Client may contact the Company by emailing dedicated customer support at support@aurra.markets.