

Terms and conditions

# Risk disclosure

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# Table of contents

1. General risks	3
2. CFD trading risks	5
3. Non-financial risks	5

# Risk disclosure

This document sets out the terms and conditions that specifically deal with the risks you may be exposed to by using our online services. It forms part of the agreement between you and Deriv and should be read in conjunction with our [General Terms of Use](#) for clients. Any defined terms used in this risk disclosure shall have the meaning given to them in the General Terms of Use.

Please note that it is not possible for a risk disclosure document to contain all risks and aspects involved in trading, and this document is not intended to be exhaustive. You should consider the risks set out in this document at a minimum and, if you choose to enter into a trading relationship with us, remain aware of the risks involved.

## 1. General risks

- 1.1. You may lose all the money you invest. Therefore, you should not trade or invest money that you cannot afford to lose. The services offered by Deriv are only appropriate for you if you can afford to bear these losses and if you understand the risks involved in these trades.
- 1.2. The returns and losses you experience will vary depending on many factors, including market behaviour, market movement, and your trade size. Markets may be volatile and unpredictable, which means that prices can change rapidly.
- 1.3. Our services are provided on an execution-only basis, which means we do not give you financial advice on the merits of a transaction or any other investment advice.
- 1.4. We may provide information on our Website, emails, or other platforms such as social media. The only purpose of this information is to help you make independent investment decisions. This information does not consider your personal circumstances and objectives. It should not be regarded as a personal recommendation or as research. We recommend you do your own research before making any trading decisions.
- 1.5. We do not give any representation or warranty as to the accuracy or completeness of the information that we provide on our Website, emails, or other platforms such as social media. Information given may be accurate and correct at the time of publication, but changes in circumstances after the time of publication may impact the accuracy of the information. Performance figures quoted may refer to the past, and past performance is not a guarantee of future performance or a reliable guide to future performance.
- 1.6. Trading conditions, services, products, product features, and platforms may differ depending on your country of residence.
- 1.7. The decision to open an account and use our products and services is entirely yours. It is important that you have adequate investment resources to bear such risks and monitor your positions carefully. You should make careful, considered, and independent decisions, both upon setting up an account and while using our online services.
- 1.8. When you trade, you are exposed to the performance of an underlying or reference instrument or asset, each of which has its own features and risks. You should make sure you understand these risks before trading with us.

- 1.9. International currency, cryptocurrency, or commodity prices are highly volatile and difficult to predict. Therefore, no trade purchased in our system can be considered a safe trade, irrespective of whether the payout exceeds the initial capital amount or not.
- 1.10. Please note that market prices can change very quickly, so the execution price may not necessarily be instantly visible once your order has been filled. Moreover, order execution is not guaranteed and may be subject to slippage, partial fills, or rejections, especially in fast or illiquid markets.
- 1.11. Market prices of underlying assets can move quickly and unpredictably, causing losses of up to all invested amounts. Close-out may occur rapidly in volatile markets.
- 1.12. Additionally, certain market conditions, such as illiquid markets, may make it difficult or impossible to close a position, potentially resulting in greater than expected losses.
- 1.13. Trading our products does not give you any right to the underlying instrument of the transaction. Our products represent a notional value only.
- 1.14. You should be aware that all trades through Deriv are made on over-the-counter (OTC) markets. This means that the trades we offer do not take place under the rules of any recognised, designated, or regulated exchange, multilateral trading facility (MTF), or organised trading facility (OTF). As a result, engaging in these trades may expose you to substantially greater risks than the investments that are traded under such rules.
- 1.15. Deriv is both the manufacturer and distributor of its products.
- 1.16. The value of your investments may go down as well as up. Trading on leverage magnifies gains and losses. Stop orders are not guaranteed and may not protect you in highly volatile markets, gaps, or illiquid conditions.
- 1.17. Trading large or correlated positions can increase the risk of significant loss if a market moves against you.
- 1.18. It is your responsibility to monitor all of your positions closely and make sure that your exposure matches your risk appetite. We have no responsibility to notify you of any instances where your positions are closed due to the unavailability of trading funds (for example, because you do not have sufficient margin in your trading account to maintain an open position). During the period that you have any open contracts, you should ensure that you have the ability to access any accounts you hold with Deriv.
- 1.19. We may have access to information not available to you, acquired trading positions at prices not available to you, and interests different from your interests. We are not under any obligation to provide you with any information in our possession or interfere in your trading or trading decisions in any way.
- 1.20. You are responsible for managing your tax and legal affairs, including making any required regulatory filings and/or payments and complying with any applicable laws and regulations. We do not provide any regulatory, tax, or legal advice. If you are in any doubt about the tax treatment or liabilities of the products available on our Website, please seek independent advice.
- 1.21. If you are uncertain about how any of our products work or the relevant risks, we recommend you seek independent advice prior to opening an account with Deriv. You should not commence trading until you understand the risks involved.
- 1.22. The primary risk associated with stop orders is the lack of a guaranteed exit price, particularly in volatile or fast-moving markets where "gaps" can cause the price to jump instantly past your trigger level without trading at the prices in between. Because orders are processed on a first-in, first-out (FIFO) basis, your request enters a

queue the moment it is triggered, and by the time it is filled, the market price may have moved significantly beyond your intended target. This creates the risk of slippage, where you are forced to exit at a much worse price than your stop level, resulting in unlimited loss potential because the order cannot strictly limit your losses to a specific dollar amount.

## 2. CFD trading risks

- 2.1. Contracts for Difference (CFDs) are complex financial instruments with a high risk of losing money rapidly due to leverage. Significant losses may be generated over a short period of time. You should not risk more than you are prepared to lose.
- 2.2. The prices of the underlying instrument that a CFD trade refers to may fluctuate rapidly and over wide ranges, even dropping to zero in the case of cryptocurrencies. These fluctuations may be caused by unforeseeable events or changes in conditions that neither you nor we can control. You may lose the entire sum that you have invested, and in some cases, your loss may even exceed the sums you have invested and/or deposited with us.
- 2.3. Margin is inversely proportional to leverage, which means if you choose a lower leverage, your required margin will increase. When you invest in a leveraged product, your returns can be multiple times higher than the margin, but your losses can also be multiple times higher, and you need to be aware of the risk.
- 2.4. While we try to close out your open positions if and when the margin level for your Deriv MT5/Deriv Trader real account reaches or falls below the stop out level, we do not guarantee that your open positions will be closed in such circumstances. To keep the trade open, you may need to deposit additional funds so as to retain sufficient margin for executing the trade.
- 2.5. Most CFDs have no set maturity date. A CFD position matures on the date you choose to close an existing open position. CFDs are typically regarded as unsuitable for long-term investments. If you hold a CFD open over a long period of time, the associated costs increase.

## 3. Non-financial risks

- 3.1. **Regulatory risk:** Regulatory or legal changes in your country or the Deriv's jurisdiction may impact product availability, leverage limits, your ability to open or maintain positions, or the company's right to offer its services. You may not have prior warning of such changes.
- 3.2. **Operational risk:** Using an internet-based system always involves risks, such as hardware, software, and internet connection failure. We do not control your signal power, its reception or routing via the internet, the configuration of your equipment, or the reliability of its connection, and we shall not be held responsible for any communication failures, distortions, or delays when using our online services. Please note:
  - 3.2.1. You are responsible for the correct configuration and maintenance of your devices and internet services.
  - 3.2.2. Any interruption, weakness, or malfunction in your hardware, software, or communications infrastructure may result in loss or trading delays.

- 3.2.3. We bear no responsibility for any loss that arises as a result of communications (including emails, notifications, or other messages) sent by us to your registered contact details that are not received by you (in a timely manner or at all), provided we have used the contact information you have supplied and made reasonable efforts to deliver such communications. You are responsible for keeping your contact details up to date and monitoring your registered channels.
- 3.3. **Cyber risk:** While we implement robust cybersecurity measures, no system is entirely immune to threats. You are responsible for maintaining the security and confidentiality of your account credentials and for ensuring the security and proper configuration of your devices and network. Failure to do so increases your risk of loss from cyber threats, for which we are not liable. In particular:
  - 3.3.1. You accept the risk of loss arising if unauthorised third parties gain access to your account due to inadequate security measures on your part.
  - 3.3.2. We bear no responsibility for losses if information you send to Deriv is accessed by unauthorised individuals because it was transmitted without proper encryption.
  - 3.3.3. We are not responsible for losses resulting from your failure to protect your access credentials or to properly respond to known cyber threats (for example, through phishing, malware, or social engineering tactics).
- 3.4. **Third-party risk:** Our business depends on external service providers, including banks, payment processors, cloud service providers, and vendors. Delays, failures, breaches, or insolvency of these third parties may impact your ability to access accounts, funds, or trading services. While we conduct due diligence and ongoing oversight of these providers as required by law and regulation, we do not accept liability for losses or damages resulting from such third-party failures, except to the extent required under applicable laws and regulations.
- 3.5. **Operational digital resilience:** Extraordinary events or circumstances beyond our control (such as wars, natural disasters, cyber-attacks, regulatory actions, or major system failures) may prevent us from providing all or part of our services. While we maintain business continuity and disaster recovery plans, no plan can guarantee uninterrupted access to our services in every situation. We are not liable for any losses or damages arising from such extraordinary events.

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