

KEY INFORMATION DOCUMENT – CONTRACTS FOR DIFFERENCE (CFDS)

Manufacturer: Black Pearl Securities Limited (Trading as BP Prime) | FRN: 688456 | Company No: 08823678

Competent Authority: Financial Conduct Authority (FCA), United Kingdom | Document Version: 2.0 (October 2026)

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You are about to purchase a product that is not simple and may be difficult to understand.

1. Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

2. What is this product?

Type

A contract for difference ('CFD') is a leveraged contract entered into with Black Pearl Securities Limited on a bilateral basis. It allows investors to speculate on rising or falling prices of an underlying financial instrument. An investor has the choice to buy (go 'long') to benefit from rising prices, or to sell (go 'short') to benefit from falling prices. The price of a CFD is dynamically derived from the price of the underlying commodity, index, equity, or currency. You will never own the underlying asset, but you will make gains or suffer losses as a result of price movements in the underlying asset to which you have indirect leveraged exposure.

Objectives

The objective of a CFD is to allow an investor to gain leveraged exposure to the price movement of an underlying asset without owning the physical asset. Exposure is leveraged because the contract only requires a small proportion of the notional value to be deposited upfront as initial margin.

For example, if an investor purchases 1 Major Index CFD with an initial margin requirement of 5%, and the underlying index price is 7,000, the initial margin required will be £350.00 ($5\% \times 7,000 \times 1$). The effect of leverage in this example is 20:1 ($1 \div 5\%$), which is the maximum leverage permitted for Retail Clients on major indices under FCA CFD product intervention rules (COBS 22.5), establishing a total contract notional value of £7,000 (£350 x 20). This means that for each 1-point change in the price of the underlying index, the value of the CFD changes by £1.

A cash CFD does not have a pre-defined maturity date and is open-ended; a futures CFD has a pre-defined expiry date. As a result, there is no recommended holding period for either product, and it is at the discretion of each individual investor to determine the most appropriate holding period based on their own strategy.

Failure to deposit additional funds in order to meet margin requirements as a result of adverse market movement may result in positions being automatically closed. For Retail Clients, we are required by FCA rules to begin closing open positions if your account equity falls to 50% of the initial margin required for all open positions.

Intended Retail Investor

CFDs are intended for investors who possess comprehensive knowledge of, or are experienced with, leveraged derivative products and who have successfully passed our appropriateness assessment. Retail investors must understand how prices are derived, the mechanics of leverage, and the operation of margin calls and the 50% close-out rule. Investors must have the financial capacity to bear total losses up to, but never exceeding, the capital deposited in their account.

Negative Target Market: CFDs are not intended for investors seeking capital protection, guaranteed returns, regular income, or those investing essential living funds.

3. What are the risks and what could I get in return?

Currency Risk: It is possible to trade CFDs denominated in a currency different from the base currency of your trading account. The final return you obtain depends on the prevailing exchange rate between the two currencies. This risk is not captured in the Summary Risk Indicator below.

Summary Risk Indicator (SRI)

1	2	3	4	5	6	7
◀ Lower Risk						Higher Risk ▶

We have classified this product as 7 out of 7, which is the highest risk class. CFDs are complex, highly leveraged instruments that can generate financial losses rapidly due to underlying market volatility. Pursuant to mandatory FCA rules (COBS 22.5), all Retail Clients are protected by Negative Balance Protection, meaning your trading losses can never exceed the total capital deposited within your active trading account. There is no capital guarantee against market risk, counterparty risk, or liquidity risk.

Performance Scenarios (Major Index CFD – Intraday Demonstration)

The metrics below demonstrate how your investment could perform across different market environments under an illustrative 5-lot Major Index CFD position (Opening Price: 7,000; Margin: 5%; Notional Value: £35,000; Initial Margin Required: £1,750):

Scenario	LONG Close	LONG %	LONG P&L	SHORT Close	SHORT %	SHORT P&L
Favourable	7,105	+1.50%	£525	6,895	-1.50%	£525
Moderate	7,035	+0.50%	£175	6,965	-0.50%	£175
Unfavourable	6,895	-1.50%	-£525	7,105	+1.50%	-£525
Stress	6,650	-5.00%	-£1,750	7,350	+5.00%	-£1,750

Note on Scenarios: Figures exclude execution spreads, overnight financing (swaps), and commissions, which reduce profits or increase losses. In the stress scenario, the loss equals 100% of the initial margin deposited (£1,750). Because of mandatory Negative Balance Protection, a Retail Client cannot lose more than the deposited funds in their account.

4. What happens if Black Pearl Securities Limited is unable to pay out?

Black Pearl Securities Limited segregates all retail client funds from its own corporate money in designated statutory trust accounts in accordance with the FCA's Client Asset rules (CASS 7). If the Firm fails and cannot meet its obligations, eligible retail claimants may seek compensation from the UK Financial Services Compensation Scheme (FSCS). The FSCS covers investment claims up to £85,000 per person, per firm. The FSCS does not cover trading losses resulting from normal market movements. Further information is available at www.fscs.org.uk.

5. What are the costs?

Instrument	Cost Category	Cost Item	Operational Description
Cash & Futures	One-off Entry/Exit	Spread	The spread is the difference between the bid (sell) and ask (buy) price. It is incurred each time you open and close a trade.
Cash & Futures	One-off Entry/Exit	Currency Conversion	Transactions or realised P&L denominated in a currency different from your account base currency incur a conversion fee.
Cash CFDs	Ongoing Cost	Overnight Holding (Swap)	A financing fee is debited or credited each night a position is held open past market rollover, increasing total costs over time.
Cash & Futures	Incidental Cost	Distributor / IB Fee	Where introduced by a third party, the Firm may share a proportion of spreads or commissions. Client spreads are never marked up.
Futures CFDs	Other Cost	Rollover Cost	A fee equal to half the prevailing spread is charged when rolling an expiring futures CFD into the subsequent contract month.

6. How long should I hold it and can I take money out early?



CFDs have no minimum or recommended holding period and are generally designed for intraday or short-term speculation. You may close positions at any time during active market hours. Overnight positions incur financing swaps. Withdrawals of free, unencumbered equity may be requested at any time, provided remaining equity satisfies active margin requirements.

7. How can I complain?

If you wish to register a formal complaint, please contact our Compliance Department:

- Post: Compliance Department, Black Pearl Securities Limited, 28 King Street, London, EC2V 8EH, United Kingdom
- Telephone: +44 (0) 20 3745 7101 | Email: compliance@bpprime.com

In accordance with FCA DISP rules, we will acknowledge your complaint promptly and issue a Final Response Letter within eight (8) weeks. If you remain dissatisfied, you have the statutory right to refer your grievance to the Financial Ombudsman Service (FOS) free of charge within six (6) months of our final decision (www.financial-ombudsman.org.uk | 0800 023 4567).

8. Other Relevant Information

Prior to opening an account or executing trades, you should review our full regulatory disclosure suite available at www.bpprime.com, including our Customer Terms and Conditions, Best Execution Policy, Conflicts of Interest Policy, Risk Warning Notice, and Costs & Charges Disclosure.