RISK DISCLOSURE AND WARNING NOTICE

The foreign exchange and differential contracts provided by Redstone Markets Limited belong to margin trading products. Margin trading contains high risks, which may lead to your loss exceeding the principal. Please read carefully the following risk disclosures and warnings contained in this document before accepting our services. If you choose to use the website, accept the service and content, you confirm that you know all the risks associated with the service, and self-assessment of the risk matches your ability to participate in the transaction, and you are willing to be responsible for any consequences arising from your own judgment.

1. What is margin trading?

Margin trading refers to that when a customer buys or sells spot foreign exchange contracts, he only pays a certain proportion of the value of the contract, but not in full. Profits and losses are determined by the amount of the contract. Margin trading is conducted by fluctuating commodity prices, and the margin difference between the opening and closing prices of the transaction is used to settle the settlement.

Margin trading is leveraged trading, you only need to invest a small amount of money as a margin, you can carry out large transactions. If the price moves in a favourable direction, you will increase your profit. At the same time, if the reverse price moves, you may suffer a large loss, and you may need to replenish funds immediately to maintain the position. If you want to close your warehouse, you will be responsible for any losses that may occur during this process.

2. Potential risks in margin trading

a. Leverage risk

Foreign exchange and differential contracts allow investors to obtain large returns from small capital investments, so they are highly risky. Generally, margin trading can lead to a lot of gains or losses due to the use of leverage. If the price moves backwards, you may lose more than your initial investment.

b. Foreign exchange risk exposure

When you trade a spread contract in other currencies different from the base currency of your account, all initial margins, profits, losses, credit and debits associated with the spread contract are calculated in that currency. Therefore, your profits and losses may be affected by the exchange rate fluctuations between the time of signing the transaction and the time of the relevant currency conversion.

c. Liquidity risk

You may lose liquidity in currency pairs, commodities or indices due to unforeseen economic, political, natural disasters or catastrophic events in the course of trading. Even if you can liquidate your position, you may have to bear certain losses in the event of serious changes in economic or political conditions, disasters or regulatory restrictions on trading in financial products, inactive markets or insufficient liquidity.

d. Transaction time difference

Foreign exchange and differential contracts are not all traded 24 hours a day. Many commodities and transactions have strict opening and closing times and may change at any time. We are committed to updating the information in the Market Information Sheet (MIS), but we do not fulfill any responsibility or obligation for its accuracy. For example, a market may be closed for a variety of reasons, during which time you usually cannot trade.

e. Transaction quotation margin

You trade at the price we offer, not on the exchange. All transactions can only be liquidated and liquidated with us. The Redstone exchange-based offer we offer depends on the market and may vary due to various factors and fluctuations in the underlying price.

3. Obligations of Qualified Investors

Margin trading is not intended to replace the current or traditional investment methods. It is speculative and risky. It is not suitable for all investors. It only applies to the following investors:

1) You understand and are willing to take all the economic, legal and other risks involved in the margin exchange.

2) You take full account of your personal financial situation to be able to bear the loss of all your investments.

3) You have knowledge of differential contract transactions and related assets and markets.

Given the complexity and incomprehensibility of margin trading, it is not particularly suitable for retail investors. Before investing, you should carefully consider whether the investment meets the needs and suits your personal conditions. Unless you are fully aware of all the potential risks and have sufficient resources, you should not engage in any margin trading.

Our company will not give you any advice on the assets and market of the differential contract. If you have any questions about any aspects of foreign exchange and differential contracts, we recommend that you seek professional advice and advice before trading. If you are still unaware of the risks involved in the differential contract after consultation, you should not engage in margin trading.

If you intend to trade your company's stock, please consult the relevant legal personnel before trading to ensure that you have not violated any regulatory regulations.

Note: The purpose of this document is to explain the risks involved in margin exchanges on a fair and non-misleading basis. This document cannot fully disclose or explain all the risks and other important aspects involved in margin transactions. You should take this document and related investment knowledge into consideration when trading.