

## RISK AWARENESS POLICY

### 1. Introduction

RS Markets hereinafter referred to as ("**RS Markets**") is an investment company providing Forex and CFD trading across multiple asset classes to retail, professional, and institutional clients.

As a fair participant in the financial services market it is our duty to raise our Customers and Prospective Customers' hereinafter referred to as ("**Customers**") awareness on the risk of engaging in any trading activities through our Risk Awareness Policy hereinafter referred to as the ("**Policy**").

This Policy provides general information with respect to the risk associated with trading in financial instruments and it shall be noted that it cannot and does not cover or explain all of the risks and other impacting factors involved.

### 2. General Risk Warning & Acknowledgement

Customers shall understand and acknowledge that trading on margin carries a high level of risk and may not be suitable for all investors. It may result in loss of some or all invested capital and in extreme cases losses may exceed the value of the funds deposited.

Customers shall not engage directly or indirectly in any financial investment unless they know of and are aware of the risk involved.

Prior to any investment Customers shall carefully consider their investment objectives, financial resources, level of experience and risk appetite.

RS Markets provides no guarantees of profit or of avoiding losses when making any financial investments.

By entering into a business relationship with RS Markets Customers agree to and acknowledge the Risk Awareness Policy of RS Markets, accept and are willing to take risks associated with trading on financial instruments, are further able to bear the associated financial cost and withstand any losses incurred.

### 3. Cost

Customers understand, accept and acknowledge that the provision of services provided by RS Markets may be subject to additional cost in the form of charges, fees, commission, taxes that trading in financial instruments entails. Customers are introduced to RS Markets' Terms of Business.

### 4. General Types of Risks

The list below provides some of the major risks associated with trading on financial instruments. The list aims to provide general understanding of the landscape and is in no way comprehensive:

- 4.1 Market Risk** – the risk of unfavorable and unpredictable changes in factors that affect the overall market. Those may include political & economic changes, market supply and demand, investor's perceptions and others;
- 4.2 Credit Risk** - the risk of loss caused by borrowers, bond obligors, guarantors or counterparties failing to fulfil their obligations. You should familiarize yourself with the protections accorded to you in respect of money or other property you deposit for domestic and foreign transactions, particularly in the event of a company insolvency or bankruptcy;
- 4.3 Currency Risk** – the risk of changes or fluctuations in exchange rates that may have a negative impact on the price of financial instruments;

- 4.4 Leverage Risk** – the risk of trading by using a financial leverage where the nominal value of the transactions may exceed the value of contributed margin. Even small market movements may have great impact on a Customer's trading account due to the effect of leverage;
- 4.5 Liquidity Risk** - the risk of reduction or inability to purchase or sell a financial instrument;
- 4.6 Reduction in Collateral Value Risk** – the risk of unfavorable changes in the prices of financial instruments that may lead to a decline in the value of the contributed margin;
- 4.7 Price Gap Risk** – the risk of price changes of a financial instrument on leaving an open position for a period in which there is no trading;
- 4.8 Slippage Risk** – the risk of unavailability of order execution at chosen price, but execution at the best available price at that time;
- 4.9 Order Execution Risk** – the risk of failure of the order execution by the liquidity provider at an earlier offered price;
- 4.10 Operational Risk** - transaction executed through IT systems carries the risk of technological lags, errors or delays. Those are unpredictable and RS Markets is not at any time liable for such instances;
- 4.11 Force Majeure** – the risk of unpredictable situations which remain outside the control of RS Markets and the Customers like riots, floods, etc.;
- 4.12 Tax Risk** – the risk of trades being subject to tax as per relevant laws and regulations;
- 4.13 Third Party Risk** – the risk of a third-party provider like Payment Service Providers (PSPs) or other fails to deliver on agreed terms. Those are unpredictable risks and RS Markets is not at any time liable for such instances;
- 4.14 Technical Risk** - the risk of financial loss caused by the failure of information, communication, electronic and other systems.

## 5. Customer Consent

Customers declare that they have read, understood, acknowledged and accepted the Risk Awareness Policy of RS Markets.

They are to thoroughly assess their financial resources and risk tolerance prior any trading on financial instruments.

Trading on financial instruments bears high risk of loss or in extreme cases loss greater than the investment.

## 6. Amendments to This Risk Awareness Policy

RS Markets may modify or amend this Risk Awareness Policy from time to time and pursuant to any regulation thereof. When we make changes to this Policy, we will amend the revision date at the top of this page, and such modified or amended Risk Awareness Policy shall be effective as of that revision date. We encourage Customers to periodically review this Risk Awareness Policy to see any changes or amendment to it as they apply.

## 7. Contact Us

For any questions related to this Risk Awareness Policy, please contact:

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