RUM
INVEST

Risk Warning Disclosure

This brief disclosure clarifies some of the risks that may be associated with trading in foreign markets, so we advise you to read this disclosure carefully before opening a trading account with Rum Financial Brokerage PLC, emphasizing that this disclosure does not include all risks but rather clarifies part of them.

The risks set forth in this disclosure include, without limitation, the important aspects of trading in futures investments, options, commodities, contracts for difference (CFDs), currency exchange and other financial transactions. Considering the risks, the client should carry out these transactions only if they understand the nature of the contracts they intend to enter into and the extent of their exposure to risks, because trading in these contracts is not suitable for many and it is possible for the client to lose the entire deposited capital or more. Therefore, the client should not deposit funds that they cannot afford to lose, and you should, in the light of your experiences, goals, financial resources and other relevant circumstances, conduct a careful study to ascertain whether or not trading is suitable for you.

1. **Margin Trading:** When investing in foreign markets, transactions involve a high degree of risk, and one of the most common of these risks is the use of margin trading, where big and large transactions are carried out with small cash amounts compared to the size of such trading and this as a result will lead to the account being affected by any market movements, no matter how small, in proportion to the funds that are deposited or that funds the client should deposit; therefore, the client may incur a complete loss of the margin funds or any additional funds deposited with the Company to maintain their financial position.
2. **Price Volatility:** Prices in foreign markets are subject to volatility, especially at times when prices fluctuate and become overcrowded due to the large number of orders issued by clients or the lack of orders and liquidity in the market, so it may be difficult to determine the risks that the client may be exposed to; the price and value of any of the securities may fall as well as rise.
3. **Contracts for Difference:**
   - Trading CFDs involves high risks, especially if the trading is based on margin financing; in this case, the client may be requested to strengthen their financial position by depositing cash, and if they are not able to do so, then they will be subject to a large loss.
   - If the client is not able to strengthen their financial position by depositing cash, this will lead to the closure of some open financial positions, the inability to open new financial positions and/or extending the open financial positions.

4. Options Contracts:

Trading in these contracts involves high risks, and traders in those contracts must be aware of the type of option to avoid the loss of the investment value in the event that the value of the contracts is not increased and the share premium and associated costs are not taken into account.

- The trader in these contracts must be aware that when exercising the option right, this may lead to either a financial settlement or the receipt of the main benefit from it. In the latter case, the trader must be aware that if the option is not fully covered, the risk of loss may be expected, as the client may sometimes have to bear the risk of losing the share premium and transaction costs.

5. Stop-Loss Orders:

- Stop-loss orders are designed to limit losses, but in many cases, they may not be effective because those orders cannot be executed due to market conditions at the time. Therefore the client may turn to use different strategies to stop losses other than stop-loss orders.
- Prices on the platform are merely indicative and may differ from international markets, albeit slightly.

6. Price gaps during weekends and daily market stops, as well as when regular or sudden economic reports are issued, or any other reason that would cause major changes in the markets, which leads to making a big difference in prices, which leads to the inability to carry out orders within that gap.

- 7. The most important things to know before trading: - The client should be aware of the terms, conditions, and obligations of the assets that can be traded by the contracting Company, as the conditions and types of trading may differ from one contract to another, such as the difference in the duration of the exercise or delivery of any option. - The client should be aware that trading in any contract may be suspended due to emergency circumstances related to market conditions and/or the laws applicable therein, which may lead to the impossibility of liquidating the client's financial position within the period of these circumstances. - The client must inquire about all commissions, charges, and other fees that they must pay when investing in foreign markets. - The client must be aware of the different rules governing the various foreign markets, which leads to different rules regulating the invested (traded) contracts. - The client must know the risks associated with trading and online and smart applications trading because they depend entirely on the technical aspect, which may be subject to sudden interruptions as a result of malfunction, maintenance, and/or hacking.