Risk Disclosures of US Pre-market

Inability to See or Act Upon Quotes

Clients may not be able to view quotes during non regular trading hour. Also, client needs to understand that even if client can see quotes on public or other private sources does not necessary mean he/she can be able to trade based on those quotes.

Risk of Lower Liquidity

Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular trading hours. As a result, your order may only be partially executed, or not at all.

Risk of Wider Spreads

The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

Risk of Higher Volatility

Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular trading hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price when engaging in extended hours trading than you would during regular trading hours

Risk of Changing Prices

The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular trading hours, or upon the opening the next morning. As a result, you may receive an inferior price when engaging in extended hours trading than you would during regular trading hours.

Bias Toward Limit Order

We currently accept only limit orders, where client must provide a price limit at which he/she would like his/her order executed. A limit order ensures client will not pay more than the price he/she entered or sell for less. If the market moves away from client's price, his/her order will not executed. Orders not executed during the non-regular trading hour will be automatically entered when regular trading hour begins and cancelled once regular trading hour ends. Order placed during regular trading hours will not carry over to after-hours trading.

Competition with Professional Traders

Many of the non-regular hour traders are professionals with large institutions, such as mutual funds, who may have access to more information than individual investors.

Risk of Unlinked Markets

Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours trading system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive an inferior price in one extended hours trading system than you would in another extended hours trading system.

Risk of News Announcements

Normally, issuers make news announcements that may affect the price of their securities after regular trading hours. Similarly, important financial information is frequently announced outside of regular trading hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

Computer Delays

Client may encounter delays or failures in getting his/her order executed, including orders to cancel or change his/her trade orders due to a high volume of orders or to other computer or system problems, including disruptions. As order(s) will be routed to outside execution broker, if a computer problem exists, this may prevent or delay his/her order from reaching the market.

The Chinese version of this disclosure is a translation for your reference only and the English version will prevail in the event of any discrepancy.