



RISK DISCLOSURE STATEMENT

Placing contingent orders, such as “stop-loss” or “stop-limit” orders, will not necessarily limit the customer’s losses to the intended amounts, since market conditions on the exchange or market where the order is placed may make it impossible to execute such orders.

Under certain market conditions, the customer may find it difficult or impossible to liquidate a position. This can occur, for example, when the market reaches a daily price fluctuation limit.

In addition to normal market risks, a customer may experience losses due to system failures involving exchanges, other markets and other counterparties. Systems at exchanges, other markets and other counterparties often malfunction. A customer may experience losses due to: system crashes during both peak and low volume periods; the loss of live customer orders on various systems; and, delayed, conflicting and inaccurate quotes and confirmations on orders or cancellations initiated by the customer.

The use of any margin or leverage in an account can work against as well as for the customer. Leverage can lead to large losses as well as gains. A customer may sustain a total loss of the initial margin funds and any additional funds that are deposited with the broker to establish or maintain a position, and the customer may incur losses beyond the customer’s initial investment. If the market moves against a customer’s position, the customer may be called upon by the customer’s broker to deposit a substantial amount of additional margin funds, on short notice, in order to maintain the customer’s position. If the customer does not provide the required funds within the time required by the customer’s broker, the customer’s position may be liquidated at a loss, and the customer will be liable for any resulting deficit in the customer’s account.

The customer should consult the customer’s broker concerning the nature of the protections available to safeguard funds or property deposited in the customer’s account.

The customer must have the necessary skills to operate the computer as well knowledge of the trading software utilized. By entering orders on their own behalf, the customer represents that the customer has the necessary skills to engage in the proposed securities activities in which they will engage.