

RISK DISCLOSURE STATEMENT

THE RISK OF LOSS IN TRADING SECURITIES, COMMODITIES OR OPTIONS CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. IN CONSIDERING WHETHER TO TRADE OR TO AUTHORIZE SOMEONE TO TRADE FOR YOU, YOU SHOULD BE AWARE OF THE FOLLOWING:

- 1. IF YOU PURCHASE OR SELL SHORT A SECURITY, COMMODITY OR OPTION , YOU MAY SUSTAIN A TOTAL LOSS, OR A LOSS GREATER THEN MARGIN REQUIRED IN THE CASE OF SHORT SELLING, OF THE PREMIUM OR CAPITAL INVESTED AND ALL TRANSACTION COSTS**
- 2. IF YOU PURCHASE OR SELL A SECURITY, COMMODITY FUTURE OR SELL A COMMODITY OPTION, YOU MAY SUSTAIN A TOTAL LOSS OF THE INVESTMENT OR INITIAL MARGIN FUNDS AND ANY ADDITIONAL FUNDS THAT YOU DEPOSIT WITH YOUR BROKER TO ESTABLISH OR MAINTAIN YOUR POSITION IF MARGIN OR LEVERAGE IS USED. IF THE MARKET MOVES AGAINST YOUR POSITION YOU MAY BE CALLED UPON BY YOUR BROKER TO DEPOSIT A SUBSTANTIAL AMOUNT OF ADDITIONAL MARGIN FUNDS, ON SHORT NOTICE, IN ORDER TO MAINTAIN YOUR POSITION. IF YOU DO NOT PROVIDE THE REQUIRED FUNDS WITHIN THE PRESCRIBED TIME, YOUR POSITION MAY BE LIQUIDATED AT A LOSS, AND YOU WILL BE LIABLE FOR ANY RESULTING DEFICIT IN YOUR ACCOUNT.**
- 3. UNDER CERTAIN MARKET CONDITIONS, YOU MAY FIND IT DIFFICULT OR IMPOSSIBLE TO LIQUIDATE A POSITION.**
- 4. THE PLACEMENT OF CONTINGENT ORDERS BY YOU OR YOUR ADVISOR, SUCH AS A "STOP-LOSS" OR "STOP-LIMIT" ORDER WILL NOT NECESSARILY LIMIT YOUR LOSSES TO THE INTENDED AMOUNTS, SINCE MARKET CONDITIONS MAY MAKE IT IMPOSSIBLE TO EXECUTE SUCH ORDERS**
- 5. A "SPREAD" POSITION MAY NOT BE LESS RISKY THAN A SIMPLE "LONG" OR "SHORT" POSITION**
- 6. THE USE OF A HIGH DEGREE OF LEVERAGE THAT IS OFTEN OBTAINABLE IN COMMODITY TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS.**
- 7. IN SOME CASES, MANAGED ACCOUNTS ARE SUBJECT TO SUBSTANTIAL CHARGES FOR MANAGEMENT AND ADVISORY FEES. IT MAY BE NECESSARY FOR THOSE ACCOUNTS THAT ARE SUBJECT TO THESE CHARGES TO MAKE SUBSTANTIAL TRADING PROFITS TO AVOID DEPLETION OR EXHAUSTION OF THEIR ASSETS. THIS DISCLOSURE DOCUMENT CONTAINS, AT PAGE 16, A COMPLETE DESCRIPTION OF EACH FEE THAT MAY BE CHARGED TO YOUR ACCOUNT BY THE ADVISOR.**

THIS BRIEF STATEMENT CANNOT DISCLOSE ALL THE RISKS AND OTHER SIGNIFICANT ASPECTS OF SECURITY, COMMODITY OR OPTION MARKETS. YOU SHOULD THEREFORE CAREFULLY STUDY THIS DISCLOSURE DOCUMENT AND YOUR ADVISORS TRADING STRATEGIES BEFORE YOU TRADE, INCLUDING THE DESCRIPTION OF THE PRINCIPAL RISK FACTORS OF THIS INVESTMENT, AT PAGE 19.

YOU SHOULD ALSO BE AWARE THAT THIS ADVISOR MAY ENGAGE IN TRADING FOREIGN SECURITIES, FUTURES OR OPTIONS. TRANSACTIONS ON MARKETS LOCATED OUTSIDE THE ADVISORS REGULATORY JURISDICTION, INCLUDING MARKETS FORMALLY LINKED TO OTHER REGULATORY MARKET JURISDICTIONS MAY BE SUBJECT TO REGULATIONS WHICH OFFER DIFFERENT OR DIMINISHED PROTECTION. FURTHER, YOUR ADVISOR'S REGULATORY AUTHORITIES MAY BE UNABLE TO COMPEL THE ENFORCEMENT OF THE RULES OF REGULATORY AUTHORITIES OR MARKETS IN OTHER JURISDICTIONS WHERE YOUR TRANSACTIONS MAY BE EFFECTED. BEFORE YOU TRADE YOU SHOULD INQUIRE ABOUT ANY RULES RELEVANT TO YOUR PARTICULAR CONTEMPLATED TRANSACTIONS AND ASK THE FIRM WITH WHICH YOU INTEND TO TRADE FOR DETAILS ABOUT THE TYPES OF REDRESS AVAILABLE IN BOTH YOUR LOCAL AND OTHER RELEVANT JURISDICTIONS.

THIS ADVISOR IS PROHIBITED BY LAW FROM ACCEPTING FUNDS IN THE ADVISORS NAME FROM A CLIENT FOR TRADING INTERESTS. YOU MUST PLACE ALL FUNDS FOR TRADING IN THIS TRADING PROGRAM DIRECTLY WITH YOUR OWN REGISTERED BROKER DEALR OR FUTURES COMMISSION MERCHANT.