

Additional Risk Disclosure

The high risk associated with futures trading makes it essential that you carefully consider whether such trading is appropriate for you in light of your financial condition.

While trading futures presents the possibility of earning outsized rewards, it also involves significant risk. Futures contracts in general are recognized to be volatile trading instruments, and futures trading is highly speculative in nature. Therefore, an appreciation of the risks must be gained and a determination of the appropriateness of futures trading given your personal circumstances must be made prior to trading. Futures trading is not appropriate for everyone.

Trading futures is a challenging and potentially profitable opportunity for disciplined and experienced traders. However, before deciding to participate in the futures markets, you should carefully consider your investment objectives, level of experience, and risk appetite. Most importantly, do not commit money to futures trading you cannot afford to lose. Futures trading via the Internet entails substantial risk, including, but not limited to, system failures or interruptions, market volatility and illiquidity, and the possibility of changing political and/or economic conditions that may substantially affect the price or liquidity of a futures contract.

The leveraged nature of futures trading means that any market movement will have a disproportional effect on your deposited funds. Leverage may work for you or against you, magnifying any trading gains or amplifying any trading losses. You could sustain a total loss of initial margin funds and be required to deposit additional funds to maintain your position. If your account is under-margined, or if we become insecure at any time with respect to the adequacy of the collateral on deposit in your account, we reserve the right, at any time and without prior notice, to cancel any or all outstanding orders and offset any or all open positions in your account. You are liable for any deficiency or debit balance that might result.

This brief statement cannot disclose all the risks and other significant aspects related to trading in the futures markets. By continuing to trade futures in your optionsXpress account after receiving this Additional Risk Disclosure, you acknowledge that you have a full and complete understanding of the risks involved in futures trading and have decided to trade futures in spite of these risks. You further acknowledge that the funds you have committed to futures trading should represent purely risk capital, and a loss of the funds which you have allocated for futures trading should not jeopardize your lifestyle.

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