Risk Disclosure Statement

1. **Trading Of CFDs Is Risky And You May Lose More Than You Deposit:**

Trading Contracts for Differences ("CFDs") is highly risky due to the speculative and volatile markets in these products and the leverage (margin) involved. Trading these products may result in loss of funds greater than you deposited in the account. ***You must carefully consider your financial circumstances and risk tolerance before trading CFDs, and you should not trade CFDs unless you are an experienced investor with a high-risk tolerance and the capability to sustain losses if they occur.*** Trading shares of stock without using margin is less risky than trading leveraged CFDs.

2. **No Investment, Tax Or Trading Advice:**

PINO MARKETS does not provide investment, tax or trading advice. Our service is "execution only", meaning we are only acting on your instructions and will not advise you on any transaction, nor will we monitor your trading decisions to determine if they are appropriate for you or to help you avoid losses. You should obtain your own financial, legal, taxation and other professional advice as to whether CFDs are an appropriate investment for you.

3. **CFDs Are Not Traded On A Regulated Exchange And Are Not Cleared On A Central Clearinghouse:**

CFDs are contracts with PINO MARKETS as your counterparty, and are not traded on a regulated exchange and are not cleared on a central clearinghouse. Thus, exchange and clearinghouse rules and protections do not apply to trading CFDs with PINO MARKETS.

4. **You Are Subject To Counterparty Credit Risk On CFD Trades:**

Since PINO MARKETS is the counterparty to your CFD trades, you are exposed to the financial and business risks, including credit risk, associated with dealing with PINO MARKETS. That is, in the unlikely event that PINO MARKETS were to become insolvent, it may be unable to meet its obligations to you.

5. **CFDs Do Not Give You Any Rights In The Underlying Product:**

A CFD is to secure a profit or avoid a loss by reference to fluctuations in the price of the Underlying Product, rather than by taking delivery of any Underlying Product. No CFD transaction shall confer on you any right, voting right, title or interest in any Underlying Product or entitle or oblige you to acquire, receive, hold, vote, deliver, dispose of or participate directly in any corporate action of any Underlying Product.

6. **CFD Markets Are Diverse, Speculative And Volatile:**

Derivative markets such as markets for CFDs can be highly volatile and carry a high degree of risk. We offer CFDs on a range of Underlying Products, including shares, indices and currency pairs, and each of the types of Underlying Products has risks that are specific to that Underlying Product type, such as with regard to the range and speed of price fluctuations and market liquidity. Trading may not be suitable for all members of the public. You should carefully consider whether such trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances and make sure you understand the specific risks associated with each of the types of Underlying Products prior to trading. The prices of CFDs may fluctuate rapidly and over wide ranges and will be influenced by, among other things, the market price of the Underlying Product of the CFD, the earnings and performance of the company or companies whose shares comprise the Underlying Product or a related index, the performance of the economy as a whole, the changing supply and demand relationships for the Underlying Product or related instruments and indices, governmental, commercial and trade programs and policies, interest rates, national and international political and economic events and the prevailing psychological characteristics of the relevant marketplace.

7. Example of Leverage and Margin Losses on CFDs:

Using leverage or margin means that you may lose more than you have actually deposited in your account if the price of the CFD moves significantly against you. For example, if you purchase a CFD position on shares of ABC and the total value of the CFD position is $50,000, and if the Margin Requirement is 20%, you will be required to deposit $10,000 as margin. If the value of the CFD position in ABC then drops to $35,000, you will have lost your original $10,000 deposit, plus an additional $5,000, which you will be required to pay to PINO MARKETS (this excludes commissions, spreads and financing costs). Margin Requirements can vary significantly by Underlying Product type, and within the type by underlying instrument. PINO MARKETS determines Margin Requirements based on the historical volatility of the Underlying Product type and instrument. Historical volatility cannot be relied upon to accurately predict future volatility and you face the risk of losing your deposit, or more than your deposit, regardless of the level of margin requirement.

8. PINO MARKETS Has the Right to Liquidate Your Positions Without Notice In the Event of a Margin Deficiency:

You must monitor your account so that at all times the account contains sufficient equity to meet PINO MARKETS' Margin Requirements. PINO MARKETS does not have to notify you of any failure to meet Margin Requirements prior to PINO MARKETS exercising its rights under its Agreement with you, including but not limited to its right to liquidate positions in your account(s).

Unlike the practice of some other brokers and dealers who allow "grace periods" for margin compliance, PINO MARKETS generally will not issue margin calls; generally will not allow a grace period for you to meet intraday or other margin deficiencies; and is authorized to liquidate account positions immediately in order to satisfy Margin Requirements, without prior notice.

You cannot assume that PINO MARKETS' general policy to liquidate positions with a margin deficiency will prevent you from losing more than you have deposited with PINO MARKETS. Among other things, markets may "gap" overnight and PINO MARKETS may not be able to close out a position at a price that would avoid losses greater than your margin deposit. ***If you wish to avoid further losses on any CFD position, you must close out the position yourself and not rely on PINO MARKETS to do so.***

9. PINO MARKETS Has the Right to Change or Increase Its Margin Requirements At Any Time:

In order to protect the firm and all of our clients, PINO MARKETS may modify Margin Requirements for any or all clients for any open or new positions at any time, in PINO MARKETS' sole discretion. If we increase our margin requirements, it may prevent you from adding positions or hedging existing positions if you have insufficient equity. If margin requirements increase on your existing CFDs, you will have to deposit additional equity in advance or your positions may be liquidated as described in Section 7 above.

10. CFDs Carry Liquidity Risk:

PINO MARKETS is not obligated to provide quotes for any CFD at any time, and PINO MARKETS does not guarantee the continuous availability of quotations or trading for any CFD. ***PINO MARKETS may in its sole discretion cease quoting CFDs and/or cease entering new CFD transactions at any time*** based on lack of market data, halts or suspensions or errors or illiquidity or volatility in the market for the Underlying product, PINO MARKETS' own risk or profit parameters, technical errors, communication problems, market or political or economic or governmental events, Acts of God or Nature, or for other reasons.

11. You Will Pay Commissions, Spreads And Financing Charges Among Other Costs Of Trading CFDs:

PINO MARKETS will charge commissions on your CFD trades. In addition, you will pay a spread on your CFD transactions, meaning that the price you pay to buy a CFD generally will be some amount higher than the theoretical market value of the CFD and the price you receive when you sell a CFD generally will be some amount lower than the theoretical market value of the CFD. You will also pay financing charges (interest) on your long CFD positions (you may receive a rebate on your short CFDs or pay interest, depending on interest rates). All of these costs will lower the total return (or increase the loss) on your investment in the CFD.

12. **Risk of Foreign Currency Fluctuation:**
When you deal in a CFD that is denominated in a currency other than the base currency or currency you have on deposit in your PINO MARKETS account, all margins, profits, losses and financing credits and debits in relation to that CFD are calculated using the currency in which the CFD is denominated. In addition, the risk from CFDs in currency pairs may be adversely affected by the size and direction of your positions and the relative movement of such currencies. PINO MARKETS applies a margin "haircut" to reflect this risk, and so the Margin Requirement on the CFD will effectively increase.

13. **Risk of Interest Rate Fluctuation:**
Interest rates fluctuate, which will affect the financing charges (or rebates) you will pay (or may receive) on your long (or short) CFD positions. This will also affect your total profits or losses.

14. **Risk of Regulatory and Taxation Changes:**
Changes in taxation and other laws, government, fiscal, monetary and regulatory policies may have an adverse effect on the value of your CFDs, the tax you pay on your CFDs, and the total return on your CFDs.

15. **PINO MARKETS Has the Right to Correct Trade Errors:**
PINO MARKETS can cancel, adjust or close out CFD transactions after confirmation to you to correct errors, including but not limited to CFD transactions executed at a time and price at or near which trades in the market for the Underlying Product were cancelled or adjusted by exchanges or market centers, CFD transactions subject to technical errors in PINO MARKETS' platform, and CFD transactions not reasonably related to the correct market price for the Underlying Product or CFD.

16. **You May Be Unable To Short CFDs Or May Suffer Forced Closeout Of An Open Short Position:**
Depending on regulations, stock loan and borrow market conditions, or other factors, short sales of CFDs may or may not be allowed depending on the Underlying Product. Further, PINO MARKETS reserves the right, at any time in its sole discretion, to close out your open short CFD transaction.

17. **PINO MARKETS's Rights To Adjust, Modify And/Or Close-Out CFD Transactions In The Event Of A Corporate Action Affecting The Underlying Product:**
In the event of a Corporate Action affecting the Underlying Product of a CFD (e.g. splits, spin-offs, rights offerings, mergers and acquisitions, etc.):

i) PINO MARKETS in its sole discretion will determine the appropriate adjustment or modification or action to take, if any, and when, with respect to the CFD to preserve the economic equivalent of the rights and obligations of the parties;
ii) As an addition or alternative to the foregoing, PINO MARKETS reserves the right in its sole discretion to close out your open CFD position in the Underlying Product prior to the Corporate Action.

18. **Risk Of Disruption Or Interruption Of Access To PINO MARKETS' Electronic Systems And Services:**
PINO MARKETS relies on computer software, hardware and telecommunications infrastructure and networking to provide its services to Clients, and without these systems PINO MARKETS cannot provide the services. These computer-based systems and services such as those used by PINO MARKETS are inherently vulnerable to disruption, delay or failure, which may cause you to lose access to the PINO MARKETS trading platform or may cause PINO MARKETS not to be able to provide CFD quotations or trading, or may negatively affect any or all aspects of PINO MARKETS' services.
Under the PINO MARKETS Trading Agreement, you accept the PINO MARKETS systems and services "As-Is" and our liability to you is limited. You must also maintain alternative trading arrangements in addition to your PINO MARKETS account for execution of your orders in the event that PINO MARKETS' electronic system and services are unavailable.