TradeZero

Day Trading Risk Disclosure

1. Day trading is extremely risky and speculative. Traders should be prepared to lose all their funds used for day trading. Traders should never fund their day trading activities with retirement savings, loans, second mortgages, emergency funds, funds set aside for purposes such as education or home ownership, or funds required for current income or present or future medical expenses.

2. Traders should not believe claims of large profits resulting from day trading. Traders should realize that day trading could result in immediate and substantial losses of the capital invested, including additional capital that may be required by investing on margin. (See paragraph 6 below.)

3. Day trading requires in-depth knowledge of the securities markets, trading techniques and strategies. In attempting to profit from day trading, traders compete with professional traders, market-makers, etc.; therefore, a high level of investment and trading experience is necessary.

4. Traders must know TradeZero America Inc. rules and regulations applicable to day trading. Not following the rules and regulations applicable to day trading or any other regulation may result in forced sell-outs/buy-ins, temporary freezing of your account, closing your account and/or other actions necessary for the protection of TradeZero America Inc. and its traders.

5. Day trading may result in large commissions. The total daily/monthly/yearly commissions may add to losses and/or significantly reduce profits.

6. Day trading on margin, or the use of margin generally, may result in losses beyond the initial investment, because such accounts are subject to interest charges as well as "margin calls." A "margin call" is a demand on the customer for cash or additional collateral (negotiable securities) when account equity in a margin account declines below the minimum standard set by an exchange, the regulators, TradeZero America Inc. or our clearing firm. Extreme caution should be exercised relative to your use of a margin account.

7. Short selling as part of a day trading strategy is extremely risky, and can potentially lead to unlimited losses, as securities may need to be bought-in at a price infinitely higher than the original short sale price. Additionally, a trader will be charged a daily hard to borrow fee for holding a hard to borrow short position overnight. Furthermore, holding hard to borrow positions over a long period of time (more than one day) could be expensive due to the accumulation of daily hard to borrow fees which vary daily and can be substantial. Such fees may generate costs that surpass any trading profits. TradeZero America may inform the trader if TradeZero America does not have the ability to carry a trader's short position overnight or if the trader's short position exceeds TradeZero America's risk parameters. If the trader does not cover the position, TradeZero may cover the short position pre market hours, during market hours or post market hours and an assisted trade fee may apply (see here for more info).

8. Traders must be knowledgeable in the use and functionality of the day trading software provided by TradeZero America Inc. or by any third- party provider, in order to correctly interpret account information and to be able to place orders correctly. Traders are responsible for all orders placed in their account, regardless of your understanding of the system functionality. If you are not in complete understanding of the way the system operates, do not trade.

9. Holding large positions in volatile securities, especially after the close of the market, may result in considerable losses. Opening prices (next day) for such securities can be significantly different from the previous day closing prices; also, trading in such securities can unexpectedly be halted during trading hours for a variety of reasons and prices can vary dramatically at the re-opening of trading with no interim capabilities of trading during such time periods.

10. Abnormally high volume of trading in volatile stocks may cause delays in order executions, late reports of executions, as well as execution prices being significantly different from the market prices quoted at the time of order entry. Using limit orders is highly recommended in order to avoid executions at prices significantly different from the prices quoted at the time of order entry.

11. Traders must know the proper procedures for changing or canceling existing orders. In a fast moving market, or otherwise, attempts at canceling an existing order and replacing it with a new one may result in an execution of duplicate orders. In such situations, traders are wholly responsible for both executions and any resulting losses.

12. From time to time, traders may have difficulty accessing their account data due to a possible myriad of technical problems. TradeZero America Inc. make no warranty of merchantability, no warranty of fitness for a particular purpose, and no other warranty of any kind, express or implied, regarding this service, data or information provided thereby, or any aspect regarding the order entry or execution services, except as required by applicable law, regarding possible damages, including, but not limited to, lost profits, trading losses or damages that result from reliance on inaccurate data, or delay or loss of access to customer account execution services.

13. It is very important for you to reconcile your account on a daily basis. Your review should include confirmations, daily blotters, and monthly statements. Any suspected discrepancies should be immediately brought to the attention of TradeZero America Inc. All trade confirmations and monthly statements will be deemed accepted by you if not complained of upon receipt.

14. In order to be successful, you should consider trading to be a profession that will require you to be available each and every day during market hours. Even with such commitment, there is no guarantee that you will be successful in implementing your investment/ trading strategy. Some reports state that 70% of day traders suffer substantial losses or lose all of their investment capital.

15. Persons who are relatively new to electronic trading should strictly limit both the number of trades they do and the size of their trades to reduce the risk of large dollar losses during the learning process. Nearly all persons who are new to electronic trading suffer losses. Only persons who can sustain substantial losses during the learning process should attempt to engage in such electronic trading. The length of time required to develop the requisite skill and discipline necessary to trade successfully varies with different individuals (the minimum period generally being six months to a year) and most persons are never able to achieve consistent profitability.