



## Risk Disclosure

## Risk Warning

### High Risk Investment

Margined Currency Trading is one of the riskiest forms of investment available in the financial markets and is only suitable for sophisticated individuals and institutions. An account with EZ SQUARE permits you to trade foreign currencies on a highly leveraged basis (leverage up to 100:1 available). In a standard account or mini account, 0.1% of the notional value of the contract is required to enter into a position. The notional value is defined as 100,000 of the base currency.

The funds in an account trading at maximum leverage can be completely lost if the position(s) held in the account has 0.1% swing in value. Theoretically, an account could lose more than the equity it contains, if the account is trading at maximum leverage and positions held in the account swing more than one percent in value. Given the possibility of losing one's entire investment, speculation in the off-exchange retail foreign currency market should only be conducted with risk capital funds that if lost will not significantly affect one's personal or institution's financial well beings.

### Market Opinions - EZ SQUARE

Any opinions expressed by representatives of EZ SQUARE as to the future direction of prices of specific currencies are purely opinions, do not necessarily represent the opinion of EZ SQUARE, and are not guaranteed in any way. In no event shall EZ SQUARE have any liability for any losses incurred in connection with any decision made, action or inaction taken by any party in reliance upon the information provided verbally or via the Internet, or any delays, inaccuracies, errors in, or omissions of information.

### Internet Trading Risks

In addition, there are risks associated with utilizing an Internet-based deal execution trading system including, but not limited to, the failure of hardware, software, and Internet connection. Since EZ SQUARE does not control signal power, its reception or routing via Internet, configuration of your equipment or reliability of its connection, we cannot be responsible for communication failures, distortions or delays when trading via the Internet. EZ SQUARE employs back up systems and contingency plans to minimize the possibility of system failure, and trading via telephone is always available.

### Leverage Disclaimer

The leveraged nature of FX trading means that any market movement will have an equally proportional effect on your deposited funds. This may work against you as well as for you. The possibility exists that you could sustain a total loss of initial margin funds and be required to deposit additional funds to maintain your position. If you fail to meet any margin call within the time prescribed, your position will be liquidated and you will be responsible for any resulting losses.

### Economic News Disclaimer

As with all major economic releases there could be significant price volatility with this announcement. Currency spreads will typically widen just before the release and will remain wide for a few minutes after. If the announcement is a shock to the consensus estimate, the price of the currency pair could gap significantly. For example, the price on the EURUSD trading at 1.2820 - 1.2822 just before release could gap up 60 pips to 1.2880 -

1.2882, without any available prices available between the price of 1.2820 and 1.2882. A Buy Stop placed before the announcement at 1.2830 would turn into a Market Order and would be filled at the prevailing price 1.2882. The same would be true with a Sell Stop.

During news, plan on the spreads widening and if you are trading with a Buy or a Sell Stop entry order, do not anticipate being filled at your entry price. You will be filled at the prevailing market price after the release, and this market price could be significantly different from your desired price of your entry order.