



ANNEX C

RISK DISCLOSURE STATEMENT FOR FOREIGN CURRENCY TRADING

1. INTRODUCTION

Foreign currency exchange trading ("Foreign Currency Trading") offers a challenging opportunity where informed and experienced investors, who are willing to take above average risk, can seek to attain above average returns. It is important that potential Customers understand that the risks involved with Foreign Currency Trading can be substantial. This brief statement does not disclose all of the risks and other significant aspects of Foreign Currency Trading. Therefore you should carefully evaluate whether such trading is suitable for you, taking into consideration your experience, financial condition, resources and objectives, risk exposure tolerance and other relevant circumstances.

2. EFFECT OF LEVERAGE

Transactions in over-the-counter ("O.T.C.") Foreign Currency Trading carries a high degree of risk. The risks associated with Foreign Currency Trading are greatly increased by the high level of leverage available through Margin. The use of Leverage can lead to exaggerated losses as well as gains. You should not engage in Foreign Currency Trading unless you understand the nature of the trades into which you enter and the extent of your risk exposure. All potential clients are also strongly encouraged to download the Demo Trading System and to practice with it until they feel comfortable with the mechanics of the Trading Platform and the conventions of Foreign Currency Trading.

You may experience a total loss of the initial funds that you originally placed as margin to establish your Account. In addition, if the market moves against your position you may be called upon to provide additional funds to maintain your positions or they may be liquidated.

3. RISK REDUCING ORDERS OR STRATEGIES

The placing of certain orders (e.g. 'stop-loss' orders), which are intended to limit losses on a Customer's Account, may not always be effective. Market conditions may make it impossible to timely execute such orders or unforeseen circumstances may prevent execution all together.

According to Article 5.6 of AL Trade Inc Trading Policies And Procedures (Annex B), AL Trade Inc has the right to liquidate some or all of open positions in the Customer's Account, but under certain market conditions, it may be impossible to liquidate the positions at the predetermined level. Therefore, you may experience a larger than anticipated loss or even an account deficit. This same risk also applies to the placing of certain types of "Stop" or "Limit" orders.

4. ELECTRONIC TRADING

Trading on the Trading Platform may differ not only from trading in a conventional way (open-outcry market or telephonic market), but also from trading on other electronic trading systems. There are also risks associated with utilizing an Internet-based deal execution software application including, but not limited to, the failure of hardware and software. The result of any system failure may be that your Order is either not executed according to your instructions or is not executed at all.



5. TRADING FACILITIES

Most Interbank and electronic trading facilities are supported by computer based and computer Internet-based component systems for order routing, execution, matching, registration and/or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure.

6. TERMS AND CONDITIONS OF TRADING

Before dealing in any over-the-counter ("O.T.C.") Foreign Currency Trading, you should carefully read all terms of the current AL Trade Inc Trading Policies And Procedures (Annex B) and ask AL Trade Inc about the terms and conditions of the specific ("O.T.C.") Foreign Currency Trading Contracts, which you are trading, and any associated obligations.

7. WEEKEND RISK

Various situations, developments and/or events may arise over a weekend when the currency markets are closed for trading, that may cause the currency markets to open at significantly different price levels than where they closed on the previous trading session. In such situations, there is a substantial risk that orders left to protect open positions and also pending orders for opening of new positions, held over the weekend, will be executed at levels significantly worse than their specified rate. The same risks take place and at essential intraday price fluctuations.

8. FEES AND CHARGES

Before you begin to trade, you should obtain a clear explanation of all fees, expenses and other charges for which you will be liable. These charges will decrease your net profit (if any) or increase your net loss (if any).

9. CURRENCY RISKS

Foreign Currencies represent the legal tender of one or more foreign nations, and are normally not linked to any intrinsically valuable commodity (such as precious metals). Any transaction involving foreign currencies, including over-the-counter ("O.T.C.") Foreign Currency Trading, involves risks not common to investments denominated entirely in the customers' domestic currency. Such enhanced risks include the risks of political and/or economic policy changes in a foreign nation, which may substantially and permanently alter the conditions, terms, marketability and/or price of a foreign currency. The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) will be also affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

10. ADDITIONAL RISKS

It is impossible to disclose all the risks in the Foreign Currency Trading market in this brief overview. It is imperative that you understand the nature of Foreign Currency Trading and risk exposure. You should not trade unless you thoroughly understand these items and are comfortable with the level of risk involved. Further, you should consider that there are additional risks that you must consider prior to deciding to trade.

11. FORCE MAJEURE

The Customer incurs all risks of the financial losses caused by force majeure circumstances.