

DAY TRADING RISK DISCLOSURE DOCUMENT

All new non—institutional customers of Success Trade Securities, Inc. must be provided with this document upon new account establishment even if the customer does not intend to use the account for day trading purposes. The registered representative should ascertain if the account is used for Day Trading purposes, and that the approval of the firm has been granted pursuant to Rule 2360. This Risk Disclosure Statement must be provided to every new account as set forth in Rule 2361 of the National Association of Securities Dealers, Inc.

Account Name:

Account Number:

Dear Valued New Customer:

You should consider the following points before engaging in a day-trading strategy. A “day-trading strategy” means an overall trading strategy characterized by the regular transmission by a customer of intra-day orders to effect both purchase and sale transactions in the same security or securities.

Day trading can be extremely risky. Day trading generally is not appropriate for someone of limited resources and limited investment or trading experience and low risk tolerance. You should be prepared to lose all of the funds that you use for day trading. In particular, you should not fund day-trading activities with retirement savings, student loans, second mortgages, emergency funds, funds set aside for purposes such as education or home ownership, or funds required to meet your living expenses. Further, certain evidence indicates that an investment of less than \$50,000 will significantly impair the ability of a day trader to make a profit. Of course, an investment of \$50,000 or more will in no way guarantee success.

Be cautious of claims of large profits from day trading. You should be wary of advertisements or other statements that emphasize the potential for large profits in day trading. Day trading can also lead to large and immediate financial losses.

Day trading requires knowledge of securities markets. Day trading requires in-depth knowledge of the securities markets and trading techniques and strategies. In attempting to profit through day trading, you must compete with professional licensed traders employed by securities firms. You should have appropriate experience before engaging in day trading.

Day trading requires knowledge of a firm’s operations. You should be familiar with a securities firm’s business practices, including the operation of the firm’s order execution systems and procedures. Under certain market conditions, you may find it difficult or impossible to liquidate a position quickly at a reasonable price. This can occur, for example, when the market for a stock suddenly drops, or if trading is halted due to recent news events or unusual trading activity. The more volatile a stock is, the greater the likelihood that problems may be encountered in executing a transaction. In addition to normal market risks, you may experience losses due to system failures.

Day trading will generate substantial commissions, even if the per trade cost is low. Day trading involves aggressive trading, and generally you will pay commissions on each trade. The total daily commissions that you pay on your trades will add to your losses or significantly reduce your earnings. For instance, assuming that a trade costs \$16 and an average of 29 transactions are conducted per day; an investor would need to generate an annual profit of \$111,360 just to cover commission expenses.

Day trading on margin or short selling may result in losses beyond your initial investment. When you day trade with funds borrowed from a firm or someone else, you can lose more than the funds you originally placed at risk. A decline in the value of the securities that are purchased may require you to provide additional funds to the firm to avoid the forced sale of those securities or other securities in your account. Short selling as part of your day-trading strategy also may lead to extraordinary losses, because you may have to purchase a stock at a very high price in order to cover a short position.

Potential Registration Requirements. Persons providing investment advice for others or managing securities accounts for others may need to register as either an “Investment Advisor” under the Investment Advisors Act of 1940 or as a “Broker” or “Dealer” under the Securities Exchange Act of 1934. Such activities may also trigger state registration requirements.

OTHER USE AGREEMENT:

As the customer of this account, **I have decided NOT to engage in day trading** with Success Trade Securities, Inc. I acknowledge that I have received this disclosure and will not engage in day trading as an overall trading strategy. I understand that if I do make intra-day trades in the future, my account may be upgraded to a Day Trading and an appropriateness determination may be required:

Customer Signature

Date

Customer Signature

Date

DAY TRADING USER AGREEMENT:

As the customer of this account **I have decided to engage in day trading or wish my account to be designated as a Day Trading Account.** I understand that the firm shall make an appropriateness determination to ascertain if I qualify for Day Trading. I have read this disclosure, and by signing below I understand the risks of Day Trading and I certify that I have determined that Day Trading is suitable for my account. I understand my account may not be approved for Day Trading, and if the account is approved, the firm may re-examine periodically to see if Day Trading continues to be appropriate for me, and may request re-certification to Day Trade at the firm.

Customer Signature

Date

Customer Signature

Date