

RISK DISCLOSURE STATEMENT

This brief statement does not disclose all of the risks and other significant aspects of trading financial instruments with or without leverage. Trading is not free of risks. Only trade with money which you can afford to lose. Do not trade, for example, with retirement money, borrowed money or money that you need to maintain your living standard. Be on your guard against advertisements promising extraordinary returns based on trading.

Trading requires significant knowledge of the capital markets and trading techniques. You must build experience, progress carefully and make sufficient time to manage your investments on an active basis.

You can lose the total value of the assets you dedicate to trading. In addition by using margin or selling short you can lose more money than the value of your account. This is a debt you owe your broker and which you must cover without delay as detailed in the general terms and conditions. A decrease in value of positions bought on margin can require you to add assets to your account should you wish to avoid the forced liquidation of your open positions. Short selling increases your risk as the value of the financial instrument you need to buy back to close your position can, theoretically, go up indefinitely.

In light of these risks, you should undertake transactions in futures, options, shares, contracts for difference (CFDs) or foreign exchange (forex) only if you understand the characteristics of each of these financial instruments and only if you fully understand the risks to which you expose yourself. Trading these instruments is not suitable for all members of the public.

You should carefully consider whether trading is appropriate for you in light of your experience, your objectives, your financial resources and other relevant circumstances.

RISK INFORMATION

1 Effect of 'Leverage' or 'Gearing'

Leveraged transactions in futures, options, shares, CFDs or forex carry a high degree of risk. The amount of initial margin is small relative to the value of the contract so that transactions are 'leveraged' or 'geared'. A relatively small market movement will have a proportionally larger impact on the value of your account. This may work against you as well as for you. You may sustain a total loss of initial margin funds as well as additional funds. If the market moves against your position or margin levels are increased, you may be called upon to pay additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss and you will be liable for any resulting deficit. The choice whether to use leverage or not is entirely yours. It is not an obligation.

2 Risk reducing orders or strategies

The placing of certain orders (e.g. 'stop-loss' or 'stop-limit' orders) which are intended to limit losses to certain amounts or simply relying on your broker's sell out rules may not be effective because market conditions may make it impossible to execute such orders or may make it impossible to reduce the slippage to a minimum. Strategies using combinations of positions, such as 'spread' and 'straddle' positions may be as risky as taking simple 'long' or 'short' positions.

3 Terms and conditions of financial instruments

You should inform yourself in great detail about the terms and conditions of the financial instruments which you are trading. Under certain circumstances the specifications of outstanding contracts may be modified by a relevant party in order to reflect changes in the underlying interest.

4 Foreign exchange market

Foreign exchange trades done internationally are not executed on a centralized exchange on the basis of a single price. Counterparties quote prices and it is up to the traders to take them or leave them. There is no 'correct' price and there is no exchange which centralizes monitors and records all transactions.

5 Suspension or restriction of trading and pricing

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions.

6 Cash and financial instruments on deposit

You should familiarize yourself with the protections accorded money or other property you deposit for domestic and foreign transactions, particularly in the event of a broker or depository bank's insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, deposits, which had been specifically identifiable as your own, will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

7 Commissions, spreads and other charges

Before you begin to trade, you should inform yourself regarding all commissions, spreads, fees and other costs which will apply to your account and your transactions. Costs affect your profit or loss.

8 Transactions in other jurisdictions

Transactions on markets in other jurisdictions may expose you to additional risk. Such markets may be subject to regulation, which may offer diminished investor protection. Before you trade you should inform yourself about any rules relevant to your transactions. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected.

9 Currency risks

The profit or loss resulting from transactions in foreign currency-denominated instruments (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract into the base currency of your account or into another currency.

10 Electronic trading and order routing systems

Electronic trading and order routing systems differ from traditional open outcry pit trading and manual order routing methods. Transactions using an electronic system are subject to market rules and regulations or rules determined by the party offering the system and prices. Before you engage in transactions using an electronic system, you should carefully review the rules and regulations which apply to the financial instruments you plan to trade. Differences can occur, for example, in order matching procedures, price quoting practices, open and close price conventions and, trade error policies. You need to inform yourself regarding the conditions under which you can be granted or refused access to electronic trading systems as well as the order types electronic trading systems accept. All these parameters influence the risk to which you are exposed when making use of electronic trading systems. In addition each electronic trading system has its individual risk profile which is a function of factors such as response times, permissioning and security.

11 Risk associated with system failure

Trading through an electronic trading or order routing system exposes you to risks associated with system or component failure. In the event of system or component failure, it is possible that, for a certain time period, you may not be able to enter new orders, execute existing orders, or modify or cancel orders that were previously entered. System or component failure may also result in loss of orders or order priority.

12 Off-Exchange transactions

Firms are permitted to effect off-exchange transactions. The firm with which you deal may be acting as your counterparty to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these off-exchange transactions may involve increased risk. Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should inform yourself regarding the applicable rules and attendant risks.

13 Liquidity

Liquidity refers to the possibility to buy or sell a financial instrument. Liquidity increases with the number of orders present in a market. Liquidity is important. Liquidity implies that large orders can be executed rapidly at good execution prices. Outside market hours or during certain parts of the day liquidity can decrease significantly and in such a way that orders cannot

be executed or only partially; often at inferior execution prices. Be aware of the hours during which orders can be executed. Some instruments have order execution 24h/5d whereas other instruments have order execution limited to specified market hours.

14 Volatility

Volatility refers to the concept of price fluctuations in a financial instrument. Higher volatility means more extreme price fluctuations. Volatility can increase in such a way that an order cannot be executed or only partially. Volatility differs from financial instrument to financial instrument. Before placing orders you need to verify if the volatility of the financial instrument you are going to place orders on is acceptable to you.

As an active investor you look for liquidity and volatility. Nevertheless you should be aware of the risks related to a decrease in liquidity and/or changes in volatility due to unexpected changes in the capital markets, sudden price movements, sudden volume flows, etc.

- High volume in some financial instruments can lead to delays in order execution and to execution prices which differ significantly from the price at the time the order was entered.
- During periods of high volatility trading in a financial instrument can be suspended or slowed down, both via electronic and manual trading systems.
- Orders at market price must be executed immediately and can thus differ in price and/or quantity of those expected or shown at the time of order entry.
- Limit orders must be executed at a predetermined execution price. Hence it is possible such an order is not executed or only partially.
- You must keep in mind that in cases of extreme volatility even the most advanced electronic systems can experience delays or interruptions. At this point in time it might be possible that you cannot reach your broker by telephone.
- WH is convinced that its infrastructure and that of its depository banks, brokers and other partners is suitable to serve you even in times of great volatility. There is, however, no guarantee that, should such circumstances arise, the infrastructure will not be overloaded and hence be less efficient than under normal circumstances.
- Canceling and order repeatedly or entering an order repeatedly during moments of high volatility can lead to multiple executions. You enter your orders. Hence you are responsible for ALL your orders and subsequent positions.

15 Non-linearity and price gaps

Tomorrow's opening price is not necessarily equal to or even close to today's closing price. Prices can also 'jump' and show positive or negative gaps instead of evolving in a linear way. The forex market is a typical example of such non-linear price evolutions. Price gaps can be big and to your disadvantage. Before placing orders you need to verify if the financial instrument you are going to place orders on is susceptible to price gaps and if the size of these price gaps is acceptable to you.

16 Spreads

Spread refers to the difference between the best bid price (the price at which you can sell a position) and the best ask price (the price at which you can buy a position). The larger the spread on a financial instrument, the less interesting it becomes to the investor because a bigger price movement is required before the break-even point on an open position is reached.

17 Omnibus accounts

The omnibus accounts where client money is kept are not denominated under any client name but under the broker name with a denomination that indicates client money. Client money is segregated from WH's assets. Moreover, depository banks holding the omnibus account do not know the identity of underlying clients or their allocation of the money. In order to identify at any time individual clients' money, all clients' transactions are recorded in an individual account by client. This enables WH to know at any time the precise funds allocation by client as well as their localization in each depository bank.