

AUTO-LIQUIDATION ACKNOWLEDGEMENT

Client has entered into a Futures Client Agreement with Advantage Futures LLC (“Advantage”). If Client account has been introduced to Advantage by an Introducing Broker or Foreign Correspondent Referral Broker, all references to Advantage in this acknowledgement shall include Client’s Introducing Broker or Foreign Correspondent Referral Broker.

Advantage permits use of front-end trading platforms that incorporate account auto-liquidation features. Client hereby requests to execute trades into Client account carried by Advantage utilizing auto-liquidation feature and authorizes Advantage to deploy auto-liquidation feature on Client account(s) front-end trading system and on any subaccounts opened in the future.

Advantage will determine the percentage loss from start-of-day account net liquidating value to utilize as the liquidation threshold. If the auto-liquidation feature is triggered, the system should attempt to liquidate all open positions, cancel working orders, and prevent further trading. The auto-liquidation may occur even if Client holds excess funds in another account. The auto-liquidation function should send offsetting market orders to the exchange to close any and all open positions. If, for any reason, open positions are not liquidated in the market, Client remains liable for open positions and for any adverse market movements affecting Client account including any open positions. Further, Client is responsible to pay any debit balance that may result from account being auto-liquidated or its failure to be auto-liquidated.

Auto-liquidation does not offer the same assurance or price certainty for exiting trades as self-executing trades to liquidate existing positions. **Self-executing is the recommended manner for exiting open positions and auto-liquidate should not be relied upon.** Auto-liquidate is permitted by Advantage as a backup measure. Client should endeavor to self-execute to liquidate trades.

Advantage can liquidate account without prior notice to Client. This is also the case in auto-liquidation. There are risks associated with account auto-liquidation features. Client should be aware of these and familiarize themselves with risks of the front-end application they selected for trade execution. Some risks to consider include but not limited to the following:

- Risks account can be auto-liquidated if Advantage or front-end trading system receives inaccurate market data from the exchanges, market data vendor, or from a keypunch error in recording trade data. Advantage is not responsible for any inaccurate data it or front-end trading system receives nor is Advantage responsible for late, lost, misdirected, misdelivered, incomplete, illegible or unintelligible orders; unavailable network connections; failed, incomplete, delayed computer transmissions; keypunch errors, or any other technical malfunctions or disturbances. If account value changes overnight or while a market is closed, the account may be auto liquidated upon market open without notice to Client;
- Risk that trading system attempts to liquidate position(s) with market orders to buy or sell:
 - when market is illiquid and moves significantly and adversely from the price where the auto-liquidate feature was triggered with a resultant significantly larger loss than may have been anticipated;

- and market develops a significant order imbalance resulting in an order executed at a significantly different price than prevailing prices at the time the order was entered;
- and market subsequently halts trading either due to a pre-defined exchange trading halt or any other reason and upon the market reopen the order is executed at a significantly different price than the prevailing price at the time the order was entered.

Client agrees to indemnify, defend and hold harmless Advantage and its affiliates, officers, directors, delegates and agents from and against any and all losses, damages, claims, costs and expenses incurred by Client as a direct or indirect result of the account auto-liquidation feature.

Auto-liquidation per contract execution fee may apply which Client agrees will be debited directly from Client account.

Client will actively monitor their trading account(s) and not solely rely upon the account auto-liquidation feature to offset open positions.

By checking the box "I ACKNOWLEDGE" below, I agree, acknowledge, and understand the foregoing and agree to be bound by the terms of this Acknowledgement. All provisions of the Futures Client Agreement shall remain in full force and effect.

I ACKNOWLEDGE

Please type name here: _____

Date: _____