AUTO-LIQUIDATION

Cunningham offers a platform(s) with functionality that allows for Cunningham, in its sole discretion, to automatically liquidate positions in margin-deficient accounts. Customer acknowledges and agrees that trading will be subject to auto-liquidation, without notice, at Cunningham's sole discretion, as described below and in the End User Agreement. Customer further acknowledges that auto-liquidation does not offer price certainty for existing positions nor does it create a "floor" or "limit" on potential trading losses. When possible, Cunningham recommends that Customers submit orders to exit open positions. Customer acknowledges that he/she/it will not rely upon auto-liquidation to exit positions.

In futures trading, the margin to buy or sell a contract and/or hold a contract from one trading session to and/or through another is commonly referred to as Initial or Overnight Margin. If a Customer intends to carry a position overnight (or does not intend to close its position prior to 15 minutes before the close), Customer must post Initial/Overnight Margin by 30 minutes before the close. The margin requirement is set by the exchange on which the contract trades but may be raised at any time by Cunningham at our sole discretion. Intraday Margin refers to the amount of margin required to open, hold, and close a position within the same trading session and is generally a reduced holding requirement as compared to the Initial or Overnight Margin. The reduced requirement of Intraday Margin can be used to increase leverage. This increased leverage can increase the risk associated with the trades.

Intraday Margin applies during exchange market hours up to 15 minutes prior to market close. At any other time of the day the account shall typically reflect Cunningham's Initial/Overnight Margin requirements. The Customer is required to monitor their account to maintain sufficient margin at all times.

<u>Auto Liquidation</u>
In the event that the Customer's Net Equity, as defined in the End User Agreement, falls below the Intraday margin requirement and/or the full margin requirement during the closing period, or if positions are held within a predetermined number of ticks in front of lock limit up or down moves and prior to contract expiration, Cunningham has the right, but not the obligation, in its sole discretion, to auto liquidate any or all of the open positions in the account. In the event of an auto-liquidation, Cunningham retains sole discretion to determine the order by which positions will be auto-liquidated. Cunningham shall not be held liable for any losses arising from such liquidations. Cunningham further has the right, but not the obligation, at its sole discretion to cancel any or all working orders affecting the Customer's Net Equity prior to liquidation. For the avoidance of doubt, Cunningham may cancel working orders in certain other scenarios where liquidating a position is not necessary. Customer acknowledges and agrees to his/her account being auto liquidated as a market order. If for any reason, positions are unable to be liquidated, Customer remains liable for the positions and for adverse market movements affecting the account. Further, the Customer is liable and promptly shall pay any debit balance that may result from the account being auto liquidated.

<u>Principal Risks of Auto Liquidation</u>
In accordance with the End User Agreement, Cunningham has the right, but not the obligation, to liquidate (including via auto-liquidation) the Customer's account without prior notice. There are several risk factors associated with auto liquidation, including Cunningham's receipt of erroneous data from the exchanges or other technological errors, including delays in executing auto-liquidation trades. In cases of erroneous data or technological error, Customer acknowledges that Cunningham shall not be liable for any trading losses. Furthermore, Cunningham shall not be responsible for late, lost, misdirected, misdelivered, incomplete, illegible or unintelligible orders; unavailable network connections; failed, incomplete, garbled or delayed computer transmissions; keypunch errors; online failure or other technical

malfunctions or disturbances. Additional risks of auto-liquidation include: liquidation upon market open due to changes in account value overnight, cancellation of working orders resulting in a margin deficiency or otherwise negatively impacting the Customer's trading strategy. In particular, you may have working orders that may flip a position from long to short or vice versa due to the canceling for working orders. Market volatility may also could cause an account to be auto liquidated without notice to Customer. Customer is liable for all trading losses arising from the risks of auto-liquidation.

Auto Liquidation Fees

In the event that the Customer's account is auto liquidated, Cunningham may charge a fee to the Customer. Fees will be debited from the Customer's account. For fees related to auto-liquidation, please visit our website at TradeSniper.com

Trading futures utilizing increased leverage can be extremely risky. The risks described herein relate primarily to the risks of Cunningham's auto liquidation procedures and are in addition to the risks of futures trading generally described in the risk disclosure required under CFTC Rule 1.55 and other risk disclosures that have been provided to Customer separately. You acknowledge that you are prepared to lose all funds employed for this strategy and acknowledge that such trading could result in losses beyond your initial investment.

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