

## LEVERAGED & INVERSE EXCHANGED-TRADED PRODUCTS AGREEMENT

Please take your time to review this important information. We want you to understand the special characteristics and risks of leveraged and inverse exchange-traded products ("ETPs") before you place your trade. This Agreement will be available for your review under the "disclosures and agreements" link that appears online at [folionet.com/disclosures](http://folionet.com/disclosures)

### RISKS OF INVESTING IN LEVERAGED AND INVERSE ETPs

**Investing in leveraged and inverse ETPs involves special risks and is not appropriate for most investors.**

- Leveraged and inverse ETPs seek to deliver multiples of the short-term performance (or the opposite of the performance) of the index or benchmark they track.
- For most of these products, the amount of leveraged or inverse exposure resets each day. The daily resetting has a compounding effect that can cause these securities to perform worse than their multiple would suggest over any period longer than one day.
- **It is important to remember that most of these securities are designed for daily use only, and are not intended to be held overnight.**

### ACCEPTANCE AND ACKNOWLEDGEMENT

By receiving this document "I agree," you represent, acknowledge and agree that you understand and accept the unique risks associated with investing in leveraged and inverse ETPs; you are a sophisticated and experienced investor; your risk tolerance is high and you can afford to lose some or all of your investment; and Folionet does not, and will not, recommend or solicit the purchase of leveraged and inverse ETPs. You further acknowledge and agree that this agreement and your above representations cover any and all Folionet accounts in your name or over which you exercise power of attorney, including any future accounts you may establish.

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