

POSSIBLE MATERIAL CONFLICTS OF INTEREST

This disclosure provides you with information about some of the conflicts of interest that can arise between you and Direct Access USA LLC (FCM) in connection with our performing services for you with respect to futures, options on futures, swaps (as defined in the Commodity Exchange Act), forwards or other commodity derivatives (Contracts). Conflicts of interests can occur when an FCM has a financial or other incentive to act, or persuade you to act, in a way that benefits the FCM and/or its affiliates.

An FCM or its affiliate may own stock in, or have some other form of ownership interest in, one or more U.S. or foreign trading facilities or Clearing Houses where your transactions in Contracts may be executed and/or cleared. As a result, the FCM or its affiliate could benefit financially or other benefits related to its ownership interest when Contracts are executed on a trading facility or cleared through a Clearing House, and the FCM would, in such circumstances, have an incentive to cause Contracts to be executed on that Trading Facility or cleared by that Clearing House. In addition, employees and officers of the FCM or its affiliate may also serve on the board of directors or on one or more committees of a Trading Facility or Clearing House.

In addition, Trading Facilities and Clearing Houses may from time to time have in place other arrangements that provide their members or participants with volume, market-making or other discounts or credits, may call for members or participants to pre-pay fees based on volume thresholds, or may provide other incentive or arrangements that are intended to encourage market participants to trade on or direct trades to that Trading Facility or Clearing House. The FCM or its affiliate may participate in and obtain financial benefits from such incentive programs.

When we provide execution services to you (either in conjunction with clearing services or in an execution-only capacity), we may direct orders to affiliated or unaffiliated market-makers, other executing firms, individual brokers or brokerage groups for execution. When such affiliated or unaffiliated parties are used, they may, where permitted, agree to price concessions, volume discounts or refunds, rebates or similar payments in return for receiving such business. Likewise, where permitted by law and the rules of the applicable Trading Facility, we may solicit a counterparty to trade opposite your order or enter into transactions for its own account or the account of other counterparties that may, at times, be adverse to your interests in a Contract. In such circumstances, that counterparty may make payments and/or pay a commission to the FCM in connection with that transaction. The results of your transactions may differ significantly from the results achieved by us for our own account, our affiliates, or for other customers.

In addition, where permitted by applicable law (including, where applicable, the rules of the applicable Trading Facility), the FCM, its directors, officers, employees and affiliates may act on the other side of your order or transaction by the purchase or sale for an account, or the execution of a transaction with a counterparty, in which an FCM or a person affiliated with an FCM has a direct or indirect interest, or may affect any such order with a counterparty that provides FCM or its affiliates with discounts related to fees for Contracts or other products. In cases where we



have offered you a discounted commission or clearing fee for Contracts executed through an FCM as agent or with an FCM or its affiliate acting as counterparty, FCM or its affiliate may be doing so because of the enhanced profit potential resulting from acting as executing broker or counterparty.

An FCM or its affiliates may act as, among other things, an investor, research provider, placement agent, underwriter, distributor, remarketing agent, structurer, securitizer, lender, investment manager, investment adviser, commodity trading advisor, municipal advisor, market maker, trader, prime broker or clearing broker. In those capacities, an FCM, its directors, officers, employees and affiliates may take or hold positions in, or advise other customers and counterparties concerning, or publish research or express a view with respect to, a Contract or a related financial instrument that may be the subject of advice from us to you. Any such positions and other advice may not be consistent with, or may be contrary to, your interests or to positions which are the subject of advice previously provided by an FCM or its affiliate to you, and unless otherwise disclosed in writing, we are not necessarily acting in your best interest and are not assessing the suitability for you of any Contract or related financial instrument. Acting in one or more of the capacities noted above may give FCM or its affiliate access to information relating to markets, investments and products. As a result, the FCM or its affiliate may be in possession of information which, if known to you, might cause you to seek to dispose of, retain or increase your position in one or more Contracts or other financial instruments. The FCM and its affiliate will be under no duty to make any such information available to you, except to the extent we have agreed in writing or may be required under applicable law.

PART 190 DISCLOSURE REGARDING SEPARATE ACCOUNTS

If you establish or maintain more than one account with a futures commission merchant (“FCM”) for the purpose of trading (a) futures and options on futures (collectively, “futures”) on either U.S. or foreign futures exchanges, or (b) cleared swaps (each, a “separate account”), it is important that you read and understand the following disclosure. Such separate accounts may be: (i) managed by different asset management firms, introducing brokers or associated persons; (ii) managed as separate investment portfolios by the same asset management firm, introducing broker or associated person; (iii) subject to liens in connection with operating loans that contractually obligate an FCM to treat the accounts separately; or (iv) otherwise required for regulatory or appropriate business purposes.

You should be aware that:

- **In the unlikely event of your FCM’s bankruptcy, you will be treated no differently from other customers as a result of having maintained separate accounts with the FCM. In particular, all separate accounts maintained for you or on your behalf will be combined in determining your rights and obligations under the applicable provisions of the U.S. Bankruptcy Code and Part 190 of the Commodity Futures Trading Commission’s Regulations.**