Jiko Securities, Inc.

U.S. Treasuries Risk Disclosures

May 16, 2023

Overview

U.S. Treasury bills ("T-Bills") are short-term debt instruments, issued by the U.S. government and backed by its full faith and credit.

Pursuant to this Agreement, funds in your Jiko Brokerage Account will be invested and periodically re-invested into T-Bills of one or more maturities. These U.S. Treasuries Risk Disclosures may be amended in the future, from time to time, as required.

Your positions in T-Bills may be held until the bills reach maturity, unless you transfer or withdraw funds from your account, in which case we may sell the bills prior to the maturity date to generate the necessary proceeds.

SIPC Protection

Jiko Securities, Inc. is a member of the Securities Investor Protection Corporation (SIPC), which protects securities of its customers up to $500,000 (including up to $250,000 for claims for cash). An explanatory brochure is available upon request or at www.sipc.org. SIPC's telephone number is (202) 371-8300.

Risk Disclosures

Summary Risk Factors

An investment in any financial instrument involves risks. While short-term U.S. Treasury securities such as T-Bills are considered safer than many other financial instruments, you could, as with any investment, lose all or part of your investment in your account. Your investments are subject to certain risks, including the risks noted below, any one or more of which may adversely affect the value of your portfolio, yield, or the total performance of your portfolio.

Asset Class Risk

T-Bills may underperform in comparison to the general financial markets, a particular financial market, or other asset classes.

Concentration Risk

The T-Bills held in your portfolio may be susceptible to an increased risk of loss, including losses due to adverse events that affect your investments more than the market as a whole, as your investments are not diversified and are concentrated wholly in T-Bills.

Cyber Security Risk

Failures or breaches of the electronic systems of Jiko Securities, Inc., its vendors, service providers, partner businesses, trading or other counterparties, clearing brokers, or market makers may cause disruptions and negatively impact the firm's business operations, potentially resulting in financial losses to your holdings. While the firm has established a business continuity plan and risk management systems seeking to address system breaches or failures, there are inherent limitations in such plan and systems. Furthermore, the firm cannot control the cybersecurity plans, arrangements, and systems of its vendors, service providers, partner businesses, trading counterparties, clearing brokers, or market makers. Cyberattacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Recently, geopolitical tensions may have increased the scale and sophistication of deliberate attacks, particularly those from nation-states or entities with nation-state backing.

Income Risk

A fall in interest rates may cause the yield of T-Bills to decline, because your funds may subsequently be invested in lower-yielding securities as your T-Bills mature, are near maturity, are substituted, or are otherwise used to purchase additional T-Bills.

Interest Rate Risk

An increase in interest rates may cause the value of the T-Bills held in your portfolio to decline, may lead to heightened volatility in the fixed-income markets, and may adversely affect the liquidity of certain fixed-income investments. The historically low interest rate environment increases the risks associated with rising interest rates.

U.S. Government Issuer Risk

The performance of the T-Bills held in your portfolio depends on the performance of individual T-Bills that you hold. Changes to the financial condition or credit rating of the government of the United States may cause the value of its securities to decline.

Market Risk

T-bills could decline in value over short periods due to short-term market movements and over longer periods during more prolonged market downturns.

Operational Risk

The T-Bills held in your portfolio are exposed to operational risks arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the firm’s service providers, counterparties or other third parties, and failed or inadequate processes and technology or systems failures. The firm seeks to reduce these operational risks through controls and procedures. However, these measures do not address every possible risk and may be inadequate.

Risk of Investing in the United States

Certain changes in the U.S. economy, such as when the U.S. economy weakens or when its financial markets decline, may have an adverse effect on the T-Bills you hold in your portfolio.

Other Economic and Political Risks

The value of T-Bills may be susceptible to adverse economic, market, or political events and occurrences, global or regional events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events, as well as various other medium or long-term economic and political trends could have a significant impact on the value of T-Bills, either individually or in combination with each other.

U.S. Treasury Obligations Risk

U.S. Treasury obligations may differ from other securities in terms of interest rates, maturities, times of issuance, and other characteristics and may provide relatively lower returns than those of other securities. Similar to other issuers, changes to the financial condition or credit rating of the U.S. government may cause the value of U.S. Treasury obligations to decline.