

AUGUST 2010 SUPPLEMENT TO THE SECURITY FUTURES RISK DISCLOSURE STATEMENT

The October 2002 Security Futures Risk Disclosure Statement is amended as provided below.

The first full paragraph on page 46, which pertains to dividends, is replaced with the following paragraph:

Corporate issuers also occasionally issue special dividends. A special dividend is an announced cash dividend payment outside the normal and customary practice of a corporation. The terms of a security futures contract may be adjusted for special dividends. The adjustments, if any, will be based upon the rules of the exchange and clearing organization. In general, there will be no adjustments for ordinary dividends as they are a normal and customary practice of an issuer and are already accounted for in the pricing of security futures. However, adjustments for ordinary dividends may be made for a specified class of security futures contracts based on the rules of the exchange and the clearing organization.
