

Initial Public Offering Risk Disclosures

Investments in initial public offerings (“IPOs”) involve significant risks and are not suitable for all investors. Customers should carefully consider the following risks before investing.

General IPO Risks

Securities offered in an IPO have no prior public trading history. As a result, there can be no assurance that an active or liquid market will develop or be sustained following the offering. The initial offering price is determined by the issuer and the underwriters and may not reflect the market price of the securities after trading begins.

The market price of IPO securities may be highly volatile and may fluctuate significantly due to factors including, but not limited to, issuer performance, changes in market conditions, investor sentiment, analyst coverage, and broader economic or geopolitical events. Investors may experience substantial losses, including the loss of their entire investment.

Issuer-Related Risks

Issuers in IPOs may have limited operating histories and may not have achieved profitability. Financial statements included in the registration statement may not be indicative of future performance. There is no assurance that the issuer will be able to execute its business plan or achieve its stated objectives.

Information available about an IPO issuer may be limited, and material risks may exist that are not fully known or understood at the time of investment.

Liquidity and Trading Risks

Following the IPO, trading in the securities may be limited or thinly traded, particularly in the early stages. Investors may be unable to sell their securities at desired prices or at all. Lock-up agreements may restrict the sale of shares by insiders, and the expiration of such lock-ups may result in increased selling pressure and price declines.

Regulatory and Disclosure Considerations

IPO investments are subject to risks arising from regulatory changes, legal proceedings, and compliance obligations applicable to the issuer. The issuer’s failure to comply with applicable laws or regulations could adversely affect the value of the securities.

Neither the Securities and Exchange Commission (“SEC”) nor any state securities regulator has approved or disapproved of the securities or passed upon the accuracy or adequacy of the registration statement. Any representation to the contrary is a criminal offense.

Broker-Dealer Capacity and Investor Responsibility

Alpaca Securities LLC (“Alpaca Securities”) is acting solely in its capacity as a broker-dealer and intermediary in connection with the offering of IPO securities and does not guarantee the performance, success, or future value of any investment. Participation in an IPO through Alpaca Securities does not constitute a recommendation, endorsement, or assurance regarding the issuer, the securities, or the suitability of the investment for any particular investor.

Investors are solely responsible for determining whether an IPO investment is appropriate in light of their individual investment objectives, financial circumstances, risk tolerance, and overall investment strategy.