

# Account Opening Instructions and Important Information

## Account Opening Instructions

**1. Complete all sections of each form.** Industry regulations govern our policy and the information requested. Please ensure that you answer all questions and complete each form. Sections left blank may delay the processing procedure and the opening of your account. If you are applying for an option trading account, a margin agreement is required for most types of accounts. IRAs and Custodian accounts do not allow the use of margin, however if you are approved, do allow option trading. Be sure to include Power of Attorney or Trust Certificate forms as applicable to your account requirements.

**2. Sign all forms.** Sign each form as required. Forms without appropriate signatures will be returned and result in a delay in processing your account. If you are opening a joint account, both parties must sign.

### **3. Fund your account.**

#### **Domestic Accounts**

There is no minimum investment for non-retirement and IRA accounts. Accounts may be funded by check, wire transfer, electronic transfer (ACH), stock certificate, or account transfer.

#### **International Accounts**

Regal Discount Securities requires a low minimum to open an International Account. Open an account with a minimum of \$5,000 equity in any combination of US dollars and/or US/foreign exchange traded securities. Some foreign securities may be ineligible. Please call 1-847-375-6024 for more information.

International clients may wire funds or may choose to transfer funds from a US based brokerage firm. Foreign stocks can be held and sold, and, Regal Discount Securities can purchase some, but not all, foreign securities. All Regal Discount Securities accounts deal in US dollars (\$) and are only based on cleared funds. Receipt of a wire transfer from a US affiliated bank constitutes "cleared funds."

#### **Important Note for International Accounts:**

To ensure prompt and efficient service we encourage our international clients to contact us via E-mail: [service@eregal.com](mailto:service@eregal.com).

### **4. Choose a money market fund.**

Choose one money market fund and select your choice on the account application in the Account Service Instructions area. Settled cash balances are automatically swept into your money market account so that you can earn interest on your available funds. When you purchase securities, funds will be drawn automatically from your money market account; there is no charge for this service. Before making a choice, we recommend that you check the current money market rates on our web site at [www.eregal.com](http://www.eregal.com).

## Depositing Funds and Securities

Funds and securities are required in advance. Sufficient buying power or cleared funds are required before any buy order can be accepted. Cleared securities must be in your account before any sell order will be accepted.

Account processing will occur within one (1) business day after receipt of account paperwork. Once your account has been approved, cleared funds are required to begin trading. All checks including certified and cashier's checks require ten (10) business days before the funds are available for investing.

#### **Checks**

All checks must be made payable to Penson Financial Services, Inc. Include your account number on all checks. **Money orders, third party checks, credit card checks, home equity line checks and starter checks are not accepted.** All checks must be US dollars (\$).

#### **Stock Certificates**

1. Appoint Penson Financial Services, Inc. as attorney. 2. Sign the certificate. Signature(s) must be the same as the name(s) on the front of the certificate(s). 3. Write your account number in the upper right-hand corner on the front of each certificate.

#### **Domestic Wire Transfer Instructions**

JP Morgan Chase Bank  
ABA#: 021000021  
F/A Penson Financial Services  
Bank Account #: 066-6-00030  
For further credit to: (Customer Account #),  
(Customer Name)

#### **International Wire Transfer Instructions\***

Chase Manhattan Bank, NYC  
Swift # CHASUS33  
FAO Penson Financial Services  
A/C #: 066600030  
For further credit to: Penson Financial Services,  
Inc., (Customer Account #), (Customer Name)

\*Funds wired to a bank not affiliated with the US will incur a \$40.00 charge. Funds wired to a US affiliated bank outside the US will be charged \$20.00.

## Customer Identification Program

To help the government fight the funding of terrorism and money laundering activities, federal law (the US Patriot Act) requires all financial organizations to obtain, verify and record information that identifies each person who opens an account along with any of their authorized agents and the source of initial funds. When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We will ask you to provide a valid driver's license number or other approved identifying documents. We require that you provide a copy of other identifying documents if you do not have a driver's license. If you do not have a valid driver's license, please provide one of the following forms of identification:

- Passport
- State Identification Card
- Military Identification Card
- Alien Registration Number
- Green Card
- National Identification Card
- Other Government Identification

International applicants are required to complete a W-8BEN form and provide a copy of their non-expired passport for identification. In addition, please provide a copy of your current bank statement or utility bill to confirm name and address on the account application.

## FINRA Public Disclosure Program

The FINRA has a program, Broker Check, whereby you may obtain information about a member firm or its representatives. You may obtain information by calling the FINRA Public Disclosure program's hotline at 1-800-289-9999 or by going to the FINRA regulation website at [www.finra.org](http://www.finra.org).

## Securities Investor Protection Corporation (SIPC)

Regal Securities, Inc. is a member of SIPC, the Securities Investor Protection Corporation. SIPC was created by Congress in 1970 and is an important source of investor protection. You may obtain more information, including the SIPC brochure, by contacting SIPC at 202-371-8300 or by visiting the SIPC web site at [www.sipc.org](http://www.sipc.org).

## Quarterly Order Routing Reports

Upon request you will be provided a copy of our quarterly Order Routing Report or the name of the market center or exchange to which a specific equity security or option security order was routed for execution. The specific order must have been processed within six (6) months from the date of your request.

## Complaint Inquiries

Customer complaints and changes to your account record should be directed to our Customer Service Department at 1-800-786-9000 or in writing: Regal Discount Securities, P.O. Box 9503, Fort Myers, FL 33906-9503.

## Privacy Notice

Regal Discount Securities provides investment brokerage services by means of its own internal operation and those of its clearing firm and other unaffiliated third party providers such as mutual funds and variable product sponsors. Regal Discount Securities acts as an introducing broker to its clearing firm which in turn processes the transactions and acts as the account custodian. All of the above named parties receive and maintain information about you that is related to and necessary for processing investments in your account.

### Where do We Obtain the Information

The information that we have comes directly from you. This includes such information as your name, address and Social Security Number that you provided on applications, agreements or other forms. In addition, we maintain records of each of your transactions and holdings processed by us.

We also may obtain information about you, such as your credit history or other facts relating to creditworthiness, from a consumer-reporting agency.

### To Whom Do We Disclose the Information

Regal Discount Securities does not sell your non-public personal information. We provide information about current or former clients from the sources described above to parties outside of this firm only as described below:

**To other companies as necessary to process your business.** For example, we process your mutual fund and variable product transactions through product providers with whom we have dealer selling agreements. If you have a trading account, the information that we obtained from you is given to the clearing firm for purposes of facilitating securities trading and statement preparation. These parties must limit their use of the information to the purpose for which it was provided.

**Where required by law or regulation.** Examples include responses to a subpoena, court order or regulatory demand.

**As authorized by you.** You may direct us, for example, to send account statements or other account information to a third party.

**As otherwise authorized or permitted by law.** For example, the law permits us to respond to a request for information about you from a consumer-reporting agency.

### Confidentiality and Security

We restrict access to information about you to those employees and authorized agents who need to know that information in order to provide products or services to you. We maintain physical, electronic and procedural safeguards to maintain the confidentiality of your information.

Account Number: \_\_\_\_\_

Type of Registration			
<input type="checkbox"/> Individual	<input type="checkbox"/> Joint Tenants - WROS	<input type="checkbox"/> Tenants in Common	<input type="checkbox"/> Community Property
<input type="checkbox"/> Custodian	<input type="checkbox"/> Trust	<input type="checkbox"/> Estate	<input type="checkbox"/> Retirement, Type: _____
<input type="checkbox"/> Corporate	<input type="checkbox"/> Partnership	<input type="checkbox"/> Investment Club	<input type="checkbox"/> LLC

SECTION 1: Primary Applicant Information					
Full Name		Citizenship <input type="checkbox"/> US <input type="checkbox"/> Other _____ <input type="checkbox"/> Resident Alien <input type="checkbox"/> Non-Resident Alien		Social Security or Tax ID #	
Address		City, State, Zip			Date of Birth
Mailing Address (if different than above)		Business Phone		Home Phone	
E-mail Address				Fax Number	
Employer Name and Address				Occupation/Type of Business	
Driver's License Number		State of Issuance		Expiration Date (mm/dd/yyyy)	
Passport Number (if no driver's license)		Country of Issuance		Expiration Date (mm/dd/yyyy)	
Other Documentation (Description)		Country of Issuance		Expiration Date (mm/dd/yyyy)	
How did you hear about us?					
Are you or joint applicant an employee of a bank, trust company, insurance company, securities firm, member of a stock exchange or the FINRA? <input type="checkbox"/> YES <input type="checkbox"/> NO _____ If YES, Name of Firm or Institution			Are you or joint applicant a director, a 10% or greater shareholder, policy making or executive officer of a publicly traded company? <input type="checkbox"/> YES <input type="checkbox"/> NO _____ If YES, Name of Firm or Institution		
<b>Income</b>		<b>Net Worth (excluding primary residence)</b>		<b>Liquid Net Worth (cash, equity, securities, bonds, etc.)</b>	
<input type="checkbox"/> \$0 - \$25,000	<input type="checkbox"/> \$125,000 - \$249,999	<input type="checkbox"/> \$0 - \$25,000	<input type="checkbox"/> \$125,000 - \$249,999	<input type="checkbox"/> \$0 - \$25,000	<input type="checkbox"/> \$125,000 - \$249,999
<input type="checkbox"/> \$25,000 - 39,999	<input type="checkbox"/> \$250,000 - \$499,999	<input type="checkbox"/> \$25,000 - 39,999	<input type="checkbox"/> \$250,000 - \$499,999	<input type="checkbox"/> \$25,000 - 39,999	<input type="checkbox"/> \$250,000 - \$499,999
<input type="checkbox"/> \$40,000 - \$64,999	<input type="checkbox"/> \$500,000 - \$1,000,000	<input type="checkbox"/> \$40,000 - \$64,999	<input type="checkbox"/> \$500,000 - \$1,000,000	<input type="checkbox"/> \$40,000 - \$64,999	<input type="checkbox"/> \$500,000 - \$1,000,000
<input type="checkbox"/> \$65,000 - \$124,999	<input type="checkbox"/> \$1,000,000 - Over	<input type="checkbox"/> \$65,000 - \$124,999	<input type="checkbox"/> \$1,000,000 - Over	<input type="checkbox"/> \$65,000 - \$124,999	<input type="checkbox"/> \$1,000,000 - Over

SECTION 2: Joint Applicant Information					
Full Name		Citizenship <input type="checkbox"/> US <input type="checkbox"/> Other _____ <input type="checkbox"/> Resident Alien <input type="checkbox"/> Non-Resident Alien		Social Security or Tax ID #	
Address		City, State, Zip			Date of Birth
Mailing Address (if different than above)		Business Phone		Home Phone	
E-mail Address				Fax Number	
Employer Name and Address				Occupation/Type of Business	
Driver's License Number		State of Issuance		Expiration Date (mm/dd/yyyy)	
Passport Number (if no driver's license)		Country of Issuance		Expiration Date (mm/dd/yyyy)	
Other Documentation (if no driver's license)		Country of Issuance		Expiration Date (mm/dd/yyyy)	
<b>Income</b>		<b>Net Worth (excluding primary residence)</b>		<b>Liquid Net Worth (cash, equity, securities, bonds, etc.)</b>	
<input type="checkbox"/> \$0 - \$25,000	<input type="checkbox"/> \$125,000 - \$249,999	<input type="checkbox"/> \$0 - \$25,000	<input type="checkbox"/> \$125,000 - \$249,999	<input type="checkbox"/> \$0 - \$25,000	<input type="checkbox"/> \$125,000 - \$249,999
<input type="checkbox"/> \$25,000 - 39,999	<input type="checkbox"/> \$250,000 - \$499,999	<input type="checkbox"/> \$25,000 - 39,999	<input type="checkbox"/> \$250,000 - \$499,999	<input type="checkbox"/> \$25,000 - 39,999	<input type="checkbox"/> \$250,000 - \$499,999
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<input type="checkbox"/> \$65,000 - \$124,999	<input type="checkbox"/> \$1,000,000 - Over	<input type="checkbox"/> \$65,000 - \$124,999	<input type="checkbox"/> \$1,000,000 - Over	<input type="checkbox"/> \$65,000 - \$124,999	<input type="checkbox"/> \$1,000,000 - Over

**SECTION 3: Account Information**

<p style="text-align: center;"><b>Investment Objective</b></p> <input type="checkbox"/> Income (want to use proceeds of the account as a source of income) <input type="checkbox"/> Long Term Growth with Safety (long term capital appreciation with relative safety of principal) <input type="checkbox"/> Growth and Income (preserve capital as much as possible) <input type="checkbox"/> Long Term Growth with Greater Risk – Aggressive Growth (trade volatile securities that have wide changes in price) <input type="checkbox"/> Short Term Growth with High Risk (appreciation with acceptance of high risk) <input type="checkbox"/> Speculative (want increase in value of investments – high risk)	<p style="text-align: center;"><b>Tax Bracket</b></p> <input type="checkbox"/> 10% <input type="checkbox"/> 28% <input type="checkbox"/> 15% <input type="checkbox"/> 33% <input type="checkbox"/> 25% <input type="checkbox"/> 36% or above
	Number of Dependents: _____ Marital Status: _____

Investment Experience	Risk Tolerance	Payment Instructions																														
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>Yrs.</th> <th>Avg. Size</th> <th>Avg. # Trades/Yr.</th> </tr> <tr> <td>Options:</td> <td></td> <td></td> </tr> <tr> <td>Stocks:</td> <td></td> <td></td> </tr> <tr> <td>Bonds:</td> <td></td> <td></td> </tr> <tr> <td>Commodities:</td> <td></td> <td></td> </tr> <tr> <td>Others (specify):</td> <td></td> <td></td> </tr> </table>	Yrs.	Avg. Size	Avg. # Trades/Yr.	Options:			Stocks:			Bonds:			Commodities:			Others (specify):			<input type="checkbox"/> Stable/Capital Appreciation <input type="checkbox"/> Conservative <input type="checkbox"/> Moderate <input type="checkbox"/> High/Aggressive <input type="checkbox"/> Very High/Speculative	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>Securities</th> <th>Monies</th> <th>Dividends</th> </tr> <tr> <td> <input type="checkbox"/> Transfer and Ship  <input type="checkbox"/> Hold St. Name                 </td> <td> <input type="checkbox"/> Pay  <input type="checkbox"/> Hold                 </td> <td> <input type="checkbox"/> Pay  <input type="checkbox"/> Pay Monthly  <input type="checkbox"/> Hold                 </td> </tr> <tr> <td>Principal &amp; Maturity:</td> <td><input type="checkbox"/> Credit to Account</td> <td><input type="checkbox"/> Paid Weekly <input type="checkbox"/> Paid Monthly</td> </tr> <tr> <td>Money Market Sweeps:</td> <td colspan="2"><input type="checkbox"/> Yes / <input type="checkbox"/> No    If Yes, Check Fund Below.</td> </tr> </table>	Securities	Monies	Dividends	<input type="checkbox"/> Transfer and Ship <input type="checkbox"/> Hold St. Name	<input type="checkbox"/> Pay <input type="checkbox"/> Hold	<input type="checkbox"/> Pay <input type="checkbox"/> Pay Monthly <input type="checkbox"/> Hold	Principal & Maturity:	<input type="checkbox"/> Credit to Account	<input type="checkbox"/> Paid Weekly <input type="checkbox"/> Paid Monthly	Money Market Sweeps:	<input type="checkbox"/> Yes / <input type="checkbox"/> No    If Yes, Check Fund Below.	
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Money Market Sweeps:	<input type="checkbox"/> Yes / <input type="checkbox"/> No    If Yes, Check Fund Below.																															

When I purchase or sell, you are authorized to sweep to the following money market fund:

<input type="checkbox"/> California Daily Tax Free Income Fund	<input type="checkbox"/> Daily Income Fund Municipal Portfolio Retail & Short Term Income Shares Classes	<input type="checkbox"/> Institutional Daily Income Fund Money Market Portfolio*
<input type="checkbox"/> Connecticut Daily Tax Free Income Fund	<input type="checkbox"/> Florida Daily Municipal Income Fund	<input type="checkbox"/> Institutional Daily Income Fund US Treasury Portfolio*
<input type="checkbox"/> Daily Income Fund Money Market Portfolio	<input type="checkbox"/> New Jersey Daily Municipal Income Fund	* Initial requirement of \$1 million.
<input type="checkbox"/> Daily Income Fund US Government Portfolio	<input type="checkbox"/> New York Daily Tax Free Income Fund	For a complete prospectus go to <a href="http://www.money-funds.com/Regal">www.money-funds.com/Regal</a> .
<input type="checkbox"/> Daily Income Fund Municipal Portfolio		

**Duplicate Confirmations**

Please send Duplicate Confirms to the following Address:

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**Disclosure of Name/Address on Securities You Own**

Under rule 14b-1(c) of the Securities Exchange Act, we are required to disclose to an issuer the name, address, and securities position of our customers who are beneficial owners of that issuer's securities unless the customer objects. Please check below if you do not want your ownership disclosed.

I object to the disclosure of such information.

**Banking References**

Bank-Branch	City, State	Account Number
Other Brokerage Accounts	City, State	Account Number

**Source of Funds**

<input type="checkbox"/> Income From Earnings	<input type="checkbox"/> Investment Proceeds	<input type="checkbox"/> Gift, specify: _____	<input type="checkbox"/> Sale of Business
<input type="checkbox"/> Inheritance, specify: _____	<input type="checkbox"/> Legal Settlement	<input type="checkbox"/> Pension/IRA/Retirement Savings	<input type="checkbox"/> Spouse/Parent
<input type="checkbox"/> Lottery/Gaming	<input type="checkbox"/> Disability Payments	<input type="checkbox"/> Insurance Proceeds	<input type="checkbox"/> Other: _____

**Certification of Taxpayer ID Number (Substitute W-9)**

Check appropriate box:  Individual/Sole Proprietor    Corporation    Partnership    Other \_\_\_\_\_    Exempt from Backup Withholding

Under penalty of perjury, I certify that:

(1) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me) **and**

(2) I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding (does not apply to real estate transactions, mortgage interest paid, the acquisition or abandonment of secured property, contributions to an individual retirement account (IRA), and payments other than interest and dividends).

(3) I am a U.S. person (including a U.S. resident alien).

**Certification Instructions** - You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

**SECTION 4: Signatures**

In consideration of your accepting this account, I hereby acknowledge that I understand and agree to the terms set forth in the Customer Agreement (including the predispute arbitration clause, a copy of which I have received) and the Certificate Statement, which I have both read. All persons must sign if this is a joint account. **I UNDERSTAND THAT THE INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISIONS OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.**

Primary Applicant Signature	Date	Joint Applicant Signature	Date
Joint Applicant Signature	Date	Joint Applicant Signature	Date

**Office Use Only**

Account Number	Registered Representative	Rep. Code	Office Code
Approved By:			Date

Client Name: \_\_\_\_\_ Account Number: \_\_\_\_\_

Date of Delivery of Privacy Policy: \_\_\_\_\_

**For use by entity accounts only (i.e. corporations, partnerships, trusts):** Is this account for a foreign bank?  Yes /  No

If yes, please list Agent for service of process:

Is this account for a foreign shell bank?  Yes /  No

Does this firm offer services to a foreign shell bank?  Yes /  No

**If you answered yes to any of the above questions, Corporation will need to complete Certification Regarding Correspondent Accounts.**

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**To Regal Discount Securities:**

In consideration of your opening one or more accounts on my behalf, I represent and agree as follows:

1. I am of legal age, authorized to enter into this agreement, and except as otherwise disclosed to you, I am not an employee of any exchange or a member firm of any exchange or the FINRA, and that I will promptly notify you if I become so employed.
2. I appoint you as my agent for the purpose of carrying my directions to you in accordance with the terms and conditions of my agreement with you for my account and risk with respect to the purchase or sale of securities. To carry out your duties, you are authorized to open or close brokerage accounts, place and withdraw orders, and take such other steps as are reasonable to carry out my directions.
3. I understand that Penson Financial Services, Inc. will execute and clear all transactions under this agreement.
4. I understand that you provide no investment advice in connection with the account nor do you give advice or offer any opinion with respect to the suitability of any security or order unless the account is otherwise specifically approved for participation in mutual funds, bonds, and/or preferred stock transactions. All transactions will be done only on my order or my authorized delegate, except as described in paragraph 8.
5. This is to confirm my intention to reinvest cash credit balances held by you in my name, and I further confirm that this cash credit balance is being maintained with you solely for the purpose of reinvestment. I understand that cash balances of up to \$100,000 are protected by the Securities Investor Protection Corporation (SIPC), but that SIPC coverage is not available for funds maintained solely for the purpose of earning interest.
6. Penson Financial Services, Inc. or its agents will hold all securities kept in my account. Penson is a member of the SIPC, which protects securities customers of its members up to \$500,000 (including \$100,000 for claims for cash). A second level of protection has been privately obtained. Both SIPC and the additional coverage may provide protection in the event of a member firm failure but does not insure against market decline.
7. Whenever in your discretion you consider it necessary for your protection, or for the protection of the undersigned's introducing firm or in the event of, but not limited to; (i) any breach by the undersigned of this or any other agreement with you or (ii) the undersigned's failure to pay for securities and other property purchased or to deliver securities and other property sold, you may sell any or all securities and other property held in any of the undersigned's accounts (either individually or jointly with others), cancel or complete any open orders for the purchase or sale of any securities and other property, and/or borrow or buy-in any securities and other property required to make delivery against any sale, including a short sale, effected for the undersigned, all without demand for deposit of collateral, other notice of sale or purchase, or other notice or advertisement, each of which is expressly waived by the undersigned, and/or you may require the undersigned to deposit cash or adequate collateral to the undersigned's account prior to any settlement date in order to assure the performance or payment of any open contractual commitments and/or unsettled transactions. Any and all securities and other property belonging to the undersigned or in which the undersigned may have an interest held by you or carried in any of the undersigned's accounts with you (either individually or jointly with others) shall be subject to a first and prior security interest and lien for the discharge of the undersigned's obligations to you, wherever or however arising and without regard to whether or not you have made advances with respect to such securities and other property, and you are hereby authorized to sell and/or purchase any and all securities and other property in any of the undersigned's accounts, and/or to transfer any such securities and other property among any of the undersigned's accounts to the fullest extent of the law and without notice where allowed. The costs and expenses

of collection of the debit balance and any unpaid deficiency in the accounts of the undersigned with you, including but not limited to reasonable attorneys' fees and expenses, incurred and payable or paid by you shall be payable to you by the undersigned.

8. You are authorized, in your discretion, should you for any reason whatsoever deem it necessary for your protection, without notice, to cancel any outstanding order, to close out the accounts of the undersigned, in whole or in part, or to close out any commitment made on behalf of the undersigned.
9. I understand and agree that any telephone conversation with you will be recorded for accuracy.
10. In the event I become indebted to you in the course of operation of this account, I agree that I will repay such indebtedness upon demand. I agree that if after demand I fail to pay the indebtedness, you may close my account and liquidate the assets in my account on a pro rata basis in an amount sufficient to pay my indebtedness. If Customer also holds a futures account with Penson Financial Futures, Inc. ("PFFI"), Customer hereby authorizes Penson, without prior notice, to transfer from any account held with Penson to any account held with PFFI, any assets that PFFI represents to Penson are reasonably required to avoid the calling of margins for such PFFI account or the payment of any obligations owed Penson by Customer. Customer also authorizes Penson to request from PFFI assets held by PFFI that in Penson's judgment may be reasonably required to avoid the calling of margins for a Penson account or the payment of any obligations owed Penson by Customer.
11. Upon the purchase or sale of any security, if you are unable to settle the transaction by reason of my failure to make payment or deliver securities in good form, I authorize you to take steps necessary to complete the transaction, in which event I agree to reimburse you for all costs, losses or liabilities incurred by you.
12. This agreement and all transactions made in my account shall be governed by the laws of the Commonwealth of Pennsylvania (regardless of the choice of law rules thereof).
13. I agree that neither Penson nor Regal Discount Securities and its affiliates will be liable for any consequential, incidental, special, or indirect damage (including lost profits, trading losses, and damages) which result or indirectly from inconvenience, delay, or loss of service; a cause over which Penson or Regal Discount Securities or its affiliates does not have direct control, including, but not limited to, failure of electronic or government restriction(s), exchange or market rules, and "force majeure" (i.e. war, strike, riot, flood, fire, extraordinary weather, or other act of God), or any other condition beyond its control even if Regal Discount Securities has been advised of the possibility of such damages.
14. The reasonable costs of collection of the debit balance and any unpaid deficiency in my accounts, including attorney's fees incurred by you, shall be reimbursed by me to you.
15. I agree to have available or agree to deliver sufficient funds to cover the amount due on purchases by 2:00 p.m. Eastern Time on settlement date, and I agree to deliver any securities I have in my possession in sufficient time to be received by Regal Discount Securities one day before settlement date.
16. In consideration of your carrying a joint account for the undersigned, the undersigned jointly and severally agree that each of them shall have authority on behalf of the joint account to buy, sell (including short sales) and otherwise deal in, through you as brokers, stocks, bonds, and other securities on margin or otherwise; to receive on behalf of the joint account demands, notices, confirmations, reports, statements of account and communications of every kind; to receive on behalf of the joint account money, securities and property of every kind and to dispose of same; to make on behalf of joint account agreements relating to any of the foregoing matters and to terminate or modify same or waive any of the provisions thereof; and generally to deal with you on behalf of the joint account as fully and completely as if he alone were interested in said account, all without notice to the other or others interested in said account. You are authorized to follow the instructions of any of the undersigned in every respect

## Regal Discount Securities

- concerning the said joint account with you and to make deliveries to any of the undersigned, or upon his instructions, of any or all securities in said joint account, and to make payments to any of the undersigned, or upon his order, of any or all monies at any time or from time to time in the said joint account as he may order and direct, for the benefit of the joint account. Notwithstanding the foregoing, you are authorized in your discretion to require joint action by the joint tenants with respect to any matter concerning the joint account, including but not limited to the giving or cancellation of orders and the withdrawal of money, securities, futures or commodities. The authority hereby conferred shall remain in force until written notice of the revocation addressed to you is delivered at your main office.
17. The liability of the undersigned with respect to said account shall be joint and several. The undersigned further agrees jointly and severally that all property you may at any time be holding or carrying for any one or more of the undersigned shall be subject to a lien in your favor for the discharge of the joint account to you, such lien to be in addition to and not in substitution of the rights and remedies you otherwise would have.
  18. It is further agreed that in the event of death of either of any of the undersigned, the survivor or survivors shall immediately give you written notice thereof, and you may, before or after receiving such notice, take such proceedings, require such papers and inheritance or estate tax waivers, and retain such portion of and/or restrict transactions in the account as you may deem advisable to protect you against any tax, liability, penalty or loss under any present or future laws or otherwise. The estate of any of the undersigned who shall have died shall be liable, and each survivor shall continue liable jointly and severally, to you for any net debit balance or loss in said account in any way resulting from the completion of transactions initiated prior to the receipt by you of the written notice of the death of the decedent or incurred in the liquidation of the account or the adjustment of the interests of the respective parties.
  19. The proceeds of all sales transactions and dividends paid will be reported to the Internal Revenue Service (IRS) in accordance with applicable law.
  20. The undersigned (1) certifies that the information contained in this application is complete, true and correct, and acknowledges that knowingly giving false information for the purpose of inducing Regal Discount Securities to extend credit is a federal crime; (2) authorizes Regal Discount Securities to contact any individual or firm noted herein and any other normal sources of debit or credit information; (3) authorizes anyone so contacted to furnish such information to Regal Discount Securities as Regal Discount Securities may request; (4) agrees that this application is the property of Regal Discount Securities and Regal Discount Securities may retain this application in its record at its sole discretion, whether or not credit is extended.
  21. "Unless otherwise instructed, Penson Financial Services, Inc. routes equity orders taking into consideration, among other factors, the quality and speed of execution as well as the credits and cash payments receivable from the New York Stock Exchange, Inc. and other market centers. Equity orders are generally eligible for possible price improvement. Specialists and Dealers accomplish this by exposing the order to competition, size guarantees or by stopping the order temporarily at the current inside bid or offer and providing the Specialist or Dealer the opportunity to improve the price. The nature and source of any payments and/or credits received in connection with your specific transactions will be furnished upon written requests."
  22. If any provision hereof is or at any time should be inconsistent with any present or future law, rule or regulation of any securities exchange or of any sovereign government or a regulatory body thereof, and if any of these bodies have jurisdiction over the subject matter of this agreement, said provision shall be deemed to be superseded or modified to conform to such law, rule, or regulation, but in all other respects, this Agreement shall continue and remain in full force and effect.
  23. I understand market data, including stock price quotations, are obtained from independent pricing services believed to be reliable. I agree that Penson or Regal Discount Securities cannot and do not guarantee the accuracy of such data and will not be liable for any consequential, incidental, special, or indirect damages (including lost profits, trading losses, and damages) which result from reliance upon the same. The undersigned expressly agrees that any data or online reports is provided to the undersigned without warranties of any kind, express or implied, including but not limited to, the implied warranties of merchantability, fitness of a particular purpose or non-infringement. The undersigned acknowledges that the information contained in any reports provided by you is obtained from sources believed to be reliable but is not guaranteed as to its accuracy or completeness. Such information could include technical or other inaccuracies, errors or omissions. In no event shall you or any of your affiliates be liable to the undersigned or any third party for the accuracy, timeliness, or completeness of any information made available to the undersigned or for any decision made or taken by the undersigned in reliance upon such information. In no event shall you or your affiliated entities be liable for any special incidental, indirect or consequential damages whatsoever, including, without limitation, those resulting from loss of use, data or profits, whether or not advised of the possibility of damages, and on any theory of liability, arising out of or in connection with the use of any reports provided by you or with the delay or inability to use such reports.
  24. You may send communications to the undersigned at the undersigned's address or at such other address as the undersigned may hereafter give you in writing, and all communications so sent, whether by mail, telegraph, or otherwise, shall be deemed given to the undersigned personally, whether actually received or not. Reports of execution of orders and statements of accounts of the undersigned shall be conclusive if not objected to in writing to you, the former within five (5)

days and the latter within ten (10) days, after forwarding by you.

### 25. THE FOLLOWING ARBITRATION AGREEMENT SHOULD BE READ IN CONJUNCTION WITH THESE DISCLOSURES:

- a. **ALL PARTIES TO THIS AGREEMENT ARE GIVING UP THE RIGHT TO SUE EACH OTHER IN COURT, INCLUDING THE RIGHT TO A TRIAL BY JURY EXCEPT AS PROVIDED BY THE RULES OF THE ARBITRATION FORM IN WHICH A CLAIM IS FILED;**
- b. **ARBITRATION AWARDS ARE GENERALLY FINAL AND BINDING; A PARTY'S ABILITY TO HAVE A COURT REVERSE OR MODIFY AN ARBITRATION AWARD IS VERY LIMITED.**
- c. **THE ABILITY OF THE PARTIES TO OBTAIN DOCUMENTS, WITNESS STATEMENTS AND OTHER DISCOVERY IS GENERALLY MORE LIMITED IN ARBITRATION THAN IN COURT PROCEEDINGS;**
- d. **THE ARBITRATORS DO NOT HAVE TO EXPLAIN THE REASON(S) FOR THEIR AWARD.**
- e. **THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.**
- f. **THE RULES OF SOME ARBITRATION FORUMS MAY IMPOSE TIME LIMITS FOR BRINGING A CLAIM IN ARBITRATION. IN SOME CASES, A CLAIM THAT IS INELIGIBLE FOR ARBITRATION MAY BE BROUGHT IN COURT.**
- g. **THE RULES OF THE ARBITRATION FORUM IN WHICH THE CLAIM IS FILED, AND ANY AMENDMENTS THERETO, SHALL BE INCORPORATED INTO THIS AGREEMENT. ARBITRATION AGREEMENT. ANY AND ALL CONTROVERSIES, DISPUTES OR CLAIMS BETWEEN THE UNDERSIGNED AND YOU, OR THE INTRODUCING BROKER, OR THE AGENTS, REPRESENTATIVES, EMPLOYEES, DIRECTORS, OFFICERS OR CONTROL PERSONS OF YOU OR THE INTRODUCING BROKER, ARISING OUT OF, IN CONNECTION WITH, FROM OR WITH RESPECT TO (a) ANY PROVISIONS OF OR THE VALIDITY OF THIS AGREEMENT OR ANY RELATED AGREEMENTS, (b) THE RELATIONSHIP OF THE PARTIES HERETO, OR (c) ANY CONTROVERSY ARISING OUT OF YOUR BUSINESS, THE INTRODUCING BROKER'S BUSINESS OR THE UNDERSIGNED'S ACCOUNTS, SHALL BE CONDUCTED PURSUANT TO THE CODE OF ARBITRATION PROCEDURE OF THE FINRA. ARBITRATION MUST BE COMMENCED BY SERVICE OF A WRITTEN DEMAND FOR ARBITRATION OR A WRITTEN NOTICE OF INTENTION TO ARBITRATE. THE DECISION AND AWARD OF THE ARBITRATOR (S) SHALL BE CONCLUSIVE AND BINDING UPON ALL PARTIES, AND ANY JUDGMENT UPON ANY AWARD RENDERED MAY BE ENTERED IN A COURT HAVING JURISDICTION THEREOF, AND NEITHER PARTY SHALL OPPOSE SUCH ENTRY.**

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is de-certified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

26. **Important Information about procedures for Opening a New Account.** To help the US government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

### NOTICE TO PENSON FINANCIAL SERVICES, INC.

The undersigned understands that you are carrying the accounts of the undersigned as clearing broker by arrangement with the undersigned's introducing broker through whose courtesy the account of the undersigned has been introduced to you. Until receipt from the undersigned of written notice to the contrary, you may accept from and rely upon the undersigned's introducing broker for (a) orders for the purchase or sale in said account of securities and other property, and (b) any other instructions concerning the undersigned's accounts. The undersigned represents that the undersigned understands that you act only to clear trades introduced by the undersigned's introducing broker and to effect other back office functions for the undersigned's introducing broker. The undersigned confirms to you that the undersigned is relying for any advice concerning the undersigned's accounts solely on the undersigned's introducing broker. The undersigned understands that all representatives, employees and other agents with whom the undersigned communicates concerning the undersigned's account are agents of the introducing broker, and not your representatives, employees or other agents. The undersigned understands that you are not a principal of or partner with, and do not control in any way, the introducing broker or its representatives, employees or other agents. The undersigned understands that you will not review the undersigned's accounts and will have no responsibility for trades made in the undersigned's accounts. You shall not be responsible or liable for any acts or omissions of the introducing broker or its representatives, employees or other agents. Notwithstanding the foregoing, in the event that the undersigned initiates a claim against you in your capacity as clearing broker and does not prevail, the undersigned shall be responsible for the costs and expenses associated with your defense of such claim.

**Instructions:**

1. Fill out the Deposit Slip completely. Make checks payable to: Penson Financial Services, Inc. and write your account number(s) on the face of your check.
2. If you are making an IRA contribution, fill out the appropriate section completely.
3. Penson Financial Services Inc. generally does not accept 3rd Party Checks, Credit Card Checks, or Line of Credit Checks. A 3rd Party Check is a check that is drawn on an account other than the account as styled and held by Penson Financial Services, Inc. All deposits will typically be held for 10 business days before funds are available for disbursement.

Penson Account Number: \_\_\_\_\_

Deposit Amount: \$ \_\_\_\_\_

Name on Penson Account: \_\_\_\_\_

Check One:

<input type="checkbox"/> Regular Contribution	Contribution for Tax Year _____ (If left blank will be deposited for current year.)
<input type="checkbox"/> Employer Contribution	Contribution for Tax Year _____ (If left blank will be deposited for current year.) Note: All SEP contributions are reported the year of deposit.
<input type="checkbox"/> Employee Contribution	Contribution for Tax Year _____ (If left blank will be deposited for current year.)
<input type="checkbox"/> Direct Transfer	Transferred from another firm where it was held with identical account type and title.
<input type="checkbox"/> Rollover	Qualified Direct Rollover from my Employer's Plan (ex. 401(k), 403(b), Profit Sharing Plan, Money Purchase Pension Plan, etc. or 60 Day Rollover.) <i>Note: For 60 Day Rollover, the assets and account type must match as they were distributed less than 60 days ago.</i> Account Owner agrees to the following: that the funds deposited as an Irrevocable Qualifying Rollover do not contain any amounts from a Required Minimum Distribution that the funds are being deposited within the allowable sixty day time period; and that the funds deposited have not been rolled over previously during the past twelve month time period. Account owner further agrees to be bound by the election of this deposit as an Irrevocable Qualifying Rollover.
<input type="checkbox"/> Fee Payment	This is to offset fees charged due administrative fees charged by the trustee only.

Account Number (If Already Assigned)

Investment Information					
Primary Applicant			Joint Applicant		
Primary Applicant Full Name			Joint Applicant Full Name		
Marital Status	# of Dependents	Income	Marital Status	# of Dependents	Income
Approximate Net Worth (excluding residence, furnishings, auto, boats, etc.)		Liquid Net Worth	Approximate Net Worth (excluding residence, furnishings, auto, boats, etc.)		Liquid Net Worth

I have the following investment experience:				I have the following investment experience:			
	Number of Years Investing In	Approx. Average # of Trades/Year	Average Size of Transactions		Number of Years Investing In	Approx. Average # of Trades/Year	Average Size of Transactions
Stocks			Shares	Stocks			Shares
Options			Contracts	Options			Contracts
Bonds			Bonds	Bonds			Bonds
Commodities			Contracts	Commodities			Contracts

I have the following option experience: (Check all that apply.)			I have the following option experience: (Check all that apply.)		
<input type="checkbox"/> Covered Writing	<input type="checkbox"/> Buying Puts & Calls	<input type="checkbox"/> Index Options	<input type="checkbox"/> Covered Writing	<input type="checkbox"/> Buying Puts & Calls	<input type="checkbox"/> Index Options
<input type="checkbox"/> Call Spreads	<input type="checkbox"/> Put Spreads	<input type="checkbox"/> Uncovered Writing	<input type="checkbox"/> Call Spreads	<input type="checkbox"/> Put Spreads	<input type="checkbox"/> Uncovered Writing
In addition to the options trading stated above, I hereby certify completion of listed course(s) or have the listed publication(s):			In addition to the options trading stated above, I hereby certify completion of listed course(s) or have the listed publication(s):		
Course/Publication	Date		Course/Publication	Date	

Investment Objectives	
<input type="checkbox"/> <b>Income:</b> The objective of the income strategy is to provide current income instead of long-term capital growth. Characteristics of this strategy include steady income with little potential for capital gain and a more limited risk of capital loss in comparison to other securities.	<input type="checkbox"/> <b>Speculation:</b> The objective of this strategy is to produce higher-than-average gains by assuming a higher risk of loss by taking advantage of expected price changes. This strategy should only be chosen by investors who are not dependent on these assets for their financial well-being and who have a high risk tolerance.
<input type="checkbox"/> <b>Preservation of Capital:</b> The objective of the preservation of capital investment strategy is to protect your initial investment by choosing investments that minimize the potential for loss of principal.	<input type="checkbox"/> <b>Short Term Trading:</b> The purchase and sale of a security within a short period of time, often in a single trading session. This is the opposite of buy and hold.
<input type="checkbox"/> <b>Capital Appreciation:</b> The objective of the capital appreciation strategy is to pursue growth in the principal of your investments over time while recognizing an increased level of volatility and risk.	<input type="checkbox"/> <b>Hedge:</b> An investment made in order to reduce the risk of adverse price movements in a security by taking an offsetting position in a related security. For example, buying an option or selling a stock short against a long position.

Risk Tolerance
<input type="checkbox"/> Stable/Capital Appreciation <input type="checkbox"/> Conservative <input type="checkbox"/> Moderate <input type="checkbox"/> High/Aggressive <input type="checkbox"/> Very High/Speculative

I/we have the following strategies and objectives:
<b>Strategy Objective</b> <input type="checkbox"/> Covered Call Writing <input type="checkbox"/> Purchase Puts, Calls, Index <input type="checkbox"/> Spreads/Combinations <input type="checkbox"/> Uncovered Equity Puts <input type="checkbox"/> Uncovered Equity Calls <input type="checkbox"/> Uncovered Indexes

BY SIGNING BELOW, THE UNDERSIGNED CERTIFIES THAT THE INFORMATION CONTAINED HEREIN IS COMPLETE AND ACCURATE. THE UNDERSIGNED AGREES TO ADVISE THE ABOVE REFERENCED INTRODUCING BROKER OF ANY MATERIAL CHANGE IN THE UNDERSIGNED'S FINANCIAL STATUS AND/OR INVESTMENT OBJECTIVES. BY SIGNING BELOW, THE UNDERSIGNED AGREES TO ALL TERMS OF THE CUSTOMER OPTIONS AGREEMENT PRINTED ON BOTH SIDES OF THIS DOCUMENT. THE REVERSE SIDE OF THIS DOCUMENT, PARAGRAPH 9, CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE. THE UNDERSIGNED ACKNOWLEDGES THAT HE/SHE HAS RECEIVED THE DISCLOSURE DOCUMENT, "CHARACTERISTICS AND RISKS OF STANDARDIZED OPTIONS" AND IS AWARE OF THE SPECIAL RISKS INHERENT IN OPTIONS TRADING.

Applicant's Signature	Date	Joint Applicant's Signature	Date

Office Use Only						
Client Trading Approval:	<input type="checkbox"/> Level 1 Covered Call Writing	<input type="checkbox"/> Level 2 Purchase Puts, Calls, Index	<input type="checkbox"/> Level 3 Spreads/Combinations	<input type="checkbox"/> Level 4 Uncovered Equity Puts	<input type="checkbox"/> Level 5 Uncovered Equity Calls	<input type="checkbox"/> Level 6 Uncovered Indexes
Auto Trading Approval:	<input type="checkbox"/> Level 1 Covered Call Writing	<input type="checkbox"/> Level 2 Purchase Puts, Calls, Index	<input type="checkbox"/> Level 3 Spreads/Combinations	<input type="checkbox"/> Level 4 Uncovered Equity Puts	<input type="checkbox"/> Level 5 Uncovered Equity Calls	<input type="checkbox"/> Level 6 Uncovered Indexes
Options Approved By:	Date	Date OCC Mailed	Date Uncovered Writers Statement Mailed			

1. **Definitions. "Introducing broker"** means any brokerage firm which introduces security transactions on behalf of the undersigned, which transactions are cleared through you, whether one or more. **"Obligations"** means all indebtedness, debit balances, liabilities or other obligations of any kind of the undersigned to you, whether now existing or hereafter arising. **"Options"** means all types of options, including puts, calls, equity, debt, index or otherwise. **"Securities and other property"** shall include, but shall not be limited to money, securities, commodities or other property of every kind and nature and all contracts and options relating thereto, whether for present or future delivery. **"You"** or **"your"** refers to Penson Financial Services, Inc.
2. **Limits.** The Undersigned shall not, acting alone or in concert with others, exceed the position/exercise limits set forth by any exchange or market or by any other regulatory authority having jurisdiction.
3. **Authority, Execution of Orders, Security Interest.** The undersigned hereby authorizes you in your discretion, should you deem it necessary for your protection for any reason, or if the undersigned dies, to buy, sell, or sell short for the undersigned's account and risk, puts, calls or other forms of option and/or to buy, sell or sell short any part or all of the underlying shares represented by options endorsed by you for the undersigned's account. Any and all expenses incurred by you in connection with such transactions shall be reimbursed by the undersigned to you. The undersigned understands and acknowledges that when transactions on the undersigned's behalf are to be executed and the options are traded in more than one marketplace you may use your discretion in selecting the market in which to enter the undersigned's order unless the undersigned specifically instructs otherwise. All monies, securities, or other property which you may hold in any account of the undersigned shall be held subject to a general lien for the discharge of the undersigned's obligations to you under this Agreement or otherwise.
4. **Notice, Exercise, Random Allocation.** The undersigned is aware of your requirements and time limitations for accepting an exercise notice and expiration date. The undersigned understands that the undersigned may not receive actual notice of exercise until the week following exercise. The undersigned bears full responsibility for taking action to exercise or sell valuable options; however, in the absence of the undersigned notifying the introducing broker to exercise a valuable options contract by 3 p.m. Central Standard Time on the last business day prior to the expiration date of the options contract, and the introducing broker instructing you to sell valuable options on the undersigned's behalf within such time, the undersigned agrees that you may exercise the options contract on the undersigned's behalf. In the event of such exercise, the profit in excess of commission costs created thereby will be credited to the undersigned's account. In the event that the commissions to be charged for such an expiration transaction exceeds the proceeds to be realized, the undersigned agrees and hereby relinquishes the undersigned's ownership in said option to you, and you may exercise such option for your own account. If the undersigned does not instruct the introducing broker to exercise the valuable option by the time stated above, and you for whatever reason, do not exercise such option on the undersigned's behalf, the undersigned hereby waives any and all claims for damage or loss which the undersigned might at the time or any time thereafter have against you arising out of the fact that the option was not exercised. The undersigned is aware that you utilize a random method of allocation for all option(s) assignments received from the Option Clearing Corporation. Exercise assignment notices for options contracts are allocated among all customers' short positions within that series. This is accomplished by a manual procedure, which randomly selects from among all customer short positions, including positions established on the day of assignment, those contracts which are subject to exercise. All American short positions are liable for assignment at any time. The undersigned understands that a more detailed description of this procedure is available upon request by the undersigned.
5. **Uncovered Options.** The undersigned agrees that in connection with any uncovered option(s) for the undersigned's account, the undersigned will not sell, during the life of such options, the underlying securities collateralizing such options, including any cash or securities which may accrue on the underlying covered securities until such options are closed, exercised or expired or the undersigned has met the collateral requirements established by you and/or the introducing broker for carrying uncovered options. The undersigned also agrees that the introducing broker and/or you, in your respective sole discretion, may refuse any order to sell such underlying securities received from the undersigned or by means of a "give up" basis through another firm unless, prior to such sale, the undersigned has met the collateral requirements established by you and/or the introducing broker for carrying uncovered options. You have the right, in your sole discretion, to permit the undersigned to apply the proceeds of such sale to such collateral requirements.
6. **Risks.** The undersigned is aware of the high degree of risk involved in options transactions and has given the introducing broker, in strict confidence, information to demonstrate that this account and the trading anticipated in connection therewith is not unsuitable for the undersigned in light of the undersigned's investment objectives, financial situation and needs, experience and knowledge. The undersigned agrees to advise the introducing broker of any changes in the undersigned's investment objectives, financial situation or other circumstances that may be deemed to materially affect the suitability of executing options transactions for the undersigned's account.
7. **Options Account Form, Disclosure Documents.** The undersigned has reviewed the contents of the options account form and represents that they are accurate. Although certain types of transactions are indicated as anticipated you and the introducing broker may execute any other types of transactions for the undersigned's account upon the undersigned's instructions. The undersigned has received an Options Disclosure Document relating to options on the categories of underlying securities which the undersigned has been approved for trading.
8. **Accounts Carried as Clearing Broker.** The undersigned understands that you are carrying the accounts of the undersigned as clearing broker by arrangement with the undersigned's introducing broker through whose courtesy the account of the undersigned has been introduced to you. Until receipt from the undersigned of written notice to the contrary, you may accept and rely upon the introducing broker for (a) orders for the purchase or sale in said account of securities and other property, and (b) any other instructions concerning the undersigned's accounts. The undersigned represents that the undersigned understands that you act only to clear trades introduced by the undersigned's introducing broker and to effect other back office functions for the undersigned's introducing broker. The undersigned confirms to you that the undersigned is relying for any advice concerning the undersigned's accounts solely on the undersigned's introducing broker. The undersigned understands that all representatives, employees and other agents with whom the undersigned communicates concerning the undersigned's account are agents of the introducing broker, and not your representatives, employees or other agents. The undersigned understands that you will not review the undersigned's accounts and will have no responsibility for trades made in the undersigned's accounts. You shall not be responsible or liable for any acts or omissions of the introducing broker or its representatives, employees or other agents.

THE FOLLOWING ARBITRATION AGREEMENT SHOULD BE READ IN CONJUNCTION WITH THESE DISCLOSURES:

- a. ALL PARTIES TO THIS AGREEMENT ARE GIVING UP THE RIGHT TO SUE EACH OTHER IN COURT, INCLUDING THE RIGHT TO A TRIAL BY JURY EXCEPT AS PROVIDED BY THE RULES OF THE ARBITRATION FORM IN WHICH A CLAIM IS FILED;
  - b. ARBITRATION AWARDS ARE GENERALLY FINAL AND BINDING; A PARTY'S ABILITY TO HAVE A COURT REVERSE OR MODIFY AN ARBITRATION AWARD IS VERY LIMITED.
  - c. THE ABILITY OF THE PARTIES TO OBTAIN DOCUMENTS, WITNESS STATEMENTS AND OTHER DISCOVERY IS GENERALLY MORE LIMITED IN ARBITRATION THAN IN COURT PROCEEDINGS;
  - d. THE ARBITRATORS DO NOT HAVE TO EXPLAIN THE REASON(S) FOR THEIR AWARD.
  - e. THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.
  - f. THE RULES OF SOME ARBITRATION FORUMS MAY IMPOSE TIME LIMITS FOR BRINGING A CLAIM IN ARBITRATION. IN SOME CASES, A CLAIM THAT IS INELIGIBLE FOR ARBITRATION MAY BE BROUGHT IN COURT.
  - g. THE RULES OF THE ARBITRATION FORUM IN WHICH THE CLAIM IS FILED, AND ANY AMENDMENTS THERETO, SHALL BE INCORPORATED INTO THIS AGREEMENT.
9. **ARBITRATION AGREEMENT, ANY AND ALL CONTROVERSIES, DISPUTES OR CLAIMS BETWEEN THE UNDERSIGNED AND YOU, OR THE INTRODUCING BROKER, OR YOUR AGENTS, REPRESENTATIVES, EMPLOYEES, DIRECTORS, OFFICERS OR CONTROL PERSONS, OR OF THE INTRODUCING BROKER, ARISING OUT OF, IN CONNECTION WITH, FROM OR WITH RESPECT TO (a) ANY PROVISIONS OF OR THE VALIDITY OF THIS AGREEMENT OR ANY RELATED AGREEMENTS, (b) THE RELATIONSHIP OF THE PARTIES HERETO, OR (c) ANY CONTROVERSY ARISING OUT OF YOUR BUSINESS, THE INTRODUCING BROKER'S BUSINESS OR THE UNDERSIGNED'S ACCOUNTS SHALL BE CONDUCTED PURSUANT TO THE CODE OF ARBITRATION PROCEDURE OF FINANCIAL INDUSTRY REGULATORY AUTHORITY, INC. ARBITRATION MUST BE COMMENCED BY SERVICE OF A WRITTEN DEMAND FOR ARBITRATION OR A WRITTEN NOTICE OF INTENTION TO ARBITRATE. IF YOU ARE A PARTY TO SUCH ARBITRATION, TO THE EXTENT PERMITTED BY THE RULES OF THE APPLICABLE ARBITRATION TRIBUNAL, THE ARBITRATION SHALL BE CONDUCTED IN DALLAS, TEXAS. THE DECISION AND AWARD OF THE ARBITRATORS(S) SHALL BE CONCLUSIVE AND BINDING UPON ALL PARTIES, AND ANY JUDGMENT UPON ANY AWARD RENDERED MAY BE ENTERED IN A COURT HAVING JURISDICTION THEREOF, AND NEITHER PARTY SHALL OPPOSE SUCH ENTRY.**
- No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is de-certified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.
10. **Other Agreements.** The undersigned agrees to be bound by the terms of your Customer Account Agreement. If the undersigned trade on margin or short accounts, the undersigned agrees to be bound by the terms of your Customer Margin and Short Account Agreement. The undersigned understands that copies of these agreements are available from you and, to the extent applicable, are incorporated by reference herein. The terms of these other agreements are in addition to the provisions of this Agreement and any other written agreements between you and the undersigned.
  11. **Data Not Guaranteed.** The undersigned expressly agrees that any data or online reports is provided to the undersigned without warranties of any kind, express or implied, including but not limited to, the implied warranties of merchantability, fitness of a particular purpose or non-infringement. The undersigned acknowledges that the information contained in any reports provided by you is obtained from sources believed to be reliable but is not guaranteed as to its accuracy or completeness. Such information could include technical or other inaccuracies, errors or omissions. In no event shall you or any of your affiliates be liable to the undersigned or any third party for the accuracy, timeliness, or completeness of any information made available to the undersigned or for any decision made or taken by the undersigned in reliance upon such information. In no event shall you or your affiliated entities be liable for any special incidental, indirect or consequential damages whatsoever, including, without limitation, those resulting from loss of use, data or profits, whether or not advised of the possibility of damages, and on any theory of liability, arising out of or in connection with the use of any reports provided by you or with the delay or inability to use such reports.
  12. **Credit Check.** You are authorized, in your discretion, should you for any reason deem it necessary for your protection to request and obtain a consumer credit report for the undersigned.
  13. **Miscellaneous.** The undersigned agrees that this Agreement and all transactions in the undersigned's accounts shall be governed by the constitution, rules, regulations, customs, usages and bylaws of the Options Clearing Corporation and all exchanges or other facilities upon which options are traded for the account of the undersigned. If any provisions of this Agreement is held to be unenforceable, it shall not affect any other provisions of this Agreement. The headings of each sections of this Agreement are descriptive only and do not modify or qualify any provision of this Agreement. This Agreement and its enforcement shall be governed by the law of the state of Texas and shall cover individually and collectively all accounts which the undersigned has previously opened, now has open or may open or reopen with you, or any introducing broker, and any and all previous, current and future transactions in such accounts. Except as provided in this Agreement, no provision of this Agreement may be altered, modified or amended unless in writing signed by your authorized representative. This Agreement and all provisions shall insure to the benefit of you and your successors, whether by merger, consolidation or otherwise, your assigns, the undersigned's introducing broker, and all other persons specified in Paragraph 9. You shall not be liable for losses caused directly or indirectly by any events beyond your reasonable control, including without limitation, government restrictions, exchange or market rulings, suspension of trading or unusually heavy trading in securities, a general change in economic, political or financial conditions, war or strikes. You may transfer the accounts of the undersigned to your successors and assigns. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the undersigned.

## Option Trading in a Self-Directed IRA

RE: \_\_\_\_\_  
Account Number

To Introducing Broker:

This letter will confirm that as the beneficial owner of the above referenced account, I intend to purchase, in my account, options positions despite your general policy of discouraging the purchase of long calls and long puts in a self-directed IRA account.

Any option purchase I make shall constitute a small portion of my retirement assets and represent only a part of an overall investment strategy for this account.

I acknowledge that I have read and understand the *Characteristics and Risks of Standardized Options* booklet and have carefully considered the risks of trading options in this particular account. I further acknowledge that any purchase and subsequent sale of an option in this account is of my own accord having reached this investment decision without you or your clearing broker, Penson Financial Services, Inc., providing me with any investment advice or recommendation to trade options in this account. As such, I agree to indemnify and hold both you and Penson Financial Services, Inc. harmless against any and all losses that may incur as a result of purchasing both long calls and long puts in my account.

Sincerely,

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

cc: Penson Financial Services, Inc.

**1. Information about your account:**

Title of Your Account: \_\_\_\_\_

PFSI Account Number: \_\_\_\_\_ SSN/Tax ID: \_\_\_\_\_

**PLEASE ATTACH A COPY OF YOUR MOST RECENT STATEMENT FOR THE ACCOUNT YOU ARE TRANSFERRING TO PENSON.**

**2. Information about the account you are transferring:**

Title of Your Account: \_\_\_\_\_

Account Number: \_\_\_\_\_ Name of Firm: \_\_\_\_\_

Address of Firm: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_ Broker Clearing #: \_\_\_\_\_

If your PFSI account is not the same type of account as the one you are transferring, you must complete the **Letter of Authorization (Section 7)** on the 2nd page of this form.

**3. Type of Transfer:**

- Brokerage Firm Transfer (Transfer All Assets In Kind)
- Liquidate All Assets and Transfer as Cash
- Partial Transfer (Skip to Section 4)
- Mutual Fund Company Transfer (Skip to Section 5)
- Non-ACAT Transfer (Transfer All Assets In Kind)

- Liquidate Annuity and Transfer as Cash
- Liquidate Certificates of Deposit IMMEDIATELY  
**I am aware of and acknowledge the penalty for early withdrawal.**
- Transfer Proceeds of Certificates of Deposit AT MATURITY  
**Submit transfer request 30 days prior to maturity.**

**4. Partial Transfer: (Please specify the assets you wish to transfer, attach additional pages if needed.)**

Quantity	Assets Description/Symbol	Transfer (Select One)
		<input type="checkbox"/> Transfer in Kind <input type="checkbox"/> Liquidate
		<input type="checkbox"/> Transfer in Kind <input type="checkbox"/> Liquidate
		<input type="checkbox"/> Transfer in Kind <input type="checkbox"/> Liquidate
		<input type="checkbox"/> Transfer in Kind <input type="checkbox"/> Liquidate
		<input type="checkbox"/> Transfer in Kind <input type="checkbox"/> Liquidate

**5. Mutual Fund Company Transfer: (Use a separate form for each mutual fund company.)**

Name of Fund Company: \_\_\_\_\_

Name of Fund/Symbol/Cusip	Transfer (Select One)	Fund Account #	Transfer (Select One)	Future Dividend (Select One)	Future Capital Gains (Select One)
	<input type="checkbox"/> Transfer in Kind <input type="checkbox"/> Liquidate		<input type="checkbox"/> All <input type="checkbox"/> # of Shares _____	<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay in Cash	<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay in Cash
	<input type="checkbox"/> Transfer in Kind <input type="checkbox"/> Liquidate		<input type="checkbox"/> All <input type="checkbox"/> # of Shares _____	<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay in Cash	<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay in Cash
	<input type="checkbox"/> Transfer in Kind <input type="checkbox"/> Liquidate		<input type="checkbox"/> All <input type="checkbox"/> # of Shares _____	<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay in Cash	<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay in Cash

**6. Signature(s): (Please read and sign.)**

If this account is a qualified retirement account, I have amended the applicable plan so that it names Penson Financial Services, Inc. (PFSI) as successor custodian. Unless otherwise indicated in the instructions above, please transfer all assets in my account to PFSI. I understand that to the extent any assets in my account are not readily transferable with or without penalties; such assets may not be transferred within the time frames required by NYSE Rule 412 or similar rule of the FINRA or other designated examining authority.

**Regal Discount Securities**

I authorize you to liquidate any non-transferable proprietary money market fund assets that are part of my account and transfer the resulting credit balance to PFSI. I authorize you to deduct any outstanding fees due you from the credit balance in my account. If my account does not contain a credit balance, or if the credit balance in the account is insufficient to satisfy any outstanding fee due you, I authorize you to liquidate the assets in my account to the extent necessary to satisfy that obligation. If certificates or other instruments in my account are in your physical possession, I instruct you to transfer them in good deliverable form, including affixing any necessary tax waivers, to enable the successor custodian to transfer them into its name for the purpose of sale, when and as directed by me. I understand that upon receiving a copy this transfer instruction, you will cancel all open orders for my account on your books.

I affirm that I have destroyed or returned to you credit/debit cards and/or unused checks issued to me in connection with my securities account. I understand that you will contact me with respect to the disposition of any assets in my securities account that are non-transferable.

Primary Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Secondary Signature: \_\_\_\_\_ Date: \_\_\_\_\_



**Letter of Acceptance**

To the prior Custodian/Trustee: Please be advised that Penson Financial Services, Inc. (PFSI) hereby accepts an appointment as successor custodian.

Successor Custodian/Trustee Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Successor Custodian Tax ID Number: \_\_\_\_\_ Date of Trust: \_\_\_\_\_

**7: Letter of Authorization: (Please complete if the type of account in Section 1 is different than Section 2.)**

**To Penson Financial Services, Inc.:**

I hereby authorize the following transfer of assets:

**Transfer From:**

Delivering Firm: \_\_\_\_\_ Account Number: \_\_\_\_\_

Account Title: \_\_\_\_\_

**Transfer To:**

PFSI Account Number: \_\_\_\_\_

Account Title: \_\_\_\_\_

Investment Representative's Name: \_\_\_\_\_ Office #: \_\_\_\_\_ Rep #: \_\_\_\_\_

I understand this transfer constitutes a change in ownership of the assets and that the new registered account holders will have exclusive rights to the assets.

Sincerely,

Primary Applicant Signature: **X** \_\_\_\_\_

Secondary Applicant Signature: **X** \_\_\_\_\_

**COMPLETION OF THIS FORM DOES NOT GUARANTEE ACCEPTANCE BY DELIVERING FIRM.**

<b>For Broker Use Only - Transfer Instructions:</b>		
<b>MAILING ADDRESS:</b> Penson Financial Services, Inc. 1700 Pacific Avenue, Suite 1400 Dallas, TX 75201-7322	<b>TAX ID#:</b> 56-1673990	<b>INCOMING WIRE INSTRUCTIONS:</b> JP Morgan Chase ABA 021000021 F/A Penson Financial Services A/C #066-6-00030
<b>DTC INSTRUCTIONS:</b> #0234 PFSI FAO: Customer Acct # (Penson accepts PTDs and PTRs)	<b>NSCC INSTRUCTIONS:</b> NSCC# 0234 PFSI	FFC: Customer A/C # and Customer Name
<b>GNMA INSTRUCTIONS:</b> MHBDC/Penson	<b>FNMA/FREDDIES/US TREASURY INSTRUCTIONS:</b> ABA 021000021 J.P. Morgan Chase NYC/Penson	<b>CREST SECURITIES:</b> Penson Crest ID 08XHZ
<b>PHYSICAL INSTRUCTIONS:</b> New York Window 55 Water St., 1st Floor A/C Penson Customer Acct # New York, NY 10041	<b>AGENT ID/INSTITUTIONAL:</b> 89331	<b>MUTUAL FUND RE-REGISTRATION:</b> Penson Financial Services, Inc. FBO: _____ 1700 Pacific Avenue, Suite 1400 Dallas, TX 75201
	<b>FOREIGN SECURITIES INSTRUCTIONS:</b> Bank of New York - Brussels Euroclear # 10161	