



Penson Financial Services
New Account Approval Form

Account Number: _____

Cash _____ Mgn. _____ Short _____ Optn. _____ IRA _____ Office Code: _____ RR# _____ Acct. Open Date: _____

Is this account for a Foreign Bank? [] YES / [] NO. If yes, please list U.S. agent for service of process: _____

Name of Primary Account Holder or Title of Account: _____
(Write name exactly as it appears on Social Security Card or Fed ID Registration)

Name of Secondary Acct. Holder: _____

Primary Account Holder Information:

Form with fields for SSN, Fed ID, Cedula, NIT#, Home Telephone, Residential Address, City, State, Zip, Mailing Address, Drivers License #, Occupation, Employer's Name, Address, Telephone, Email Address, Date of Birth, and Associated person of a Broker?

Secondary Account Holder Information (If Joint Acct.): [] YES / [] NO - Is Secondary Account holder the Spouse of Primary Account Holder?

Form with fields for SSN, Fed ID, Cedula, NIT#, Home Telephone, Residential Address, City, State, Zip, Mailing Address, Drivers License #, Occupation, Employer's Name, Address, Telephone, Email Address, Date of Birth, and Associated person of a Broker?

Citizenship Information:

Primary: Are you a U.S. Citizen? Resident Alien? Non-Resident Alien?

Secondary: Are you a U.S. Citizen? Resident Alien? Non-Resident Alien?

Investment Objectives: (* If more than one, please rank 1-8)

Table with investment objectives A through N and checkboxes.

Tax Information:

Table with tax information: # Of Dependents, Tax Status, Initial Deposit, Initial Transaction.

Marital Status: [] S / [] M / [] D / [] W

Signature: Primary _____ Secondary _____



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Cash _____ Mgn. _____ Short _____ Optn. _____ IRA _____ Office Code: _____ RR# _____ Acct. Open Date: _____

Client Information:

How long has account holder known the Broker?
Who were you introduced by?
Is account holder a control person? (Officer, Director or 10% stock owner) <input type="checkbox"/> Yes / <input type="checkbox"/> No
If Yes, Please list the company(s) controlled & position:
Is client an employee of Insurance Co., Bank, Fund, Securities firm or Investment Advisor? <input type="checkbox"/> Yes / <input type="checkbox"/> No

Net Worth:

(Excluding Primary Residence)

Income:		Liquid Net Worth:		Payment Instructions:		
<input type="checkbox"/> \$0 - 24,999	<input type="checkbox"/> \$0 - 25,000	<input type="checkbox"/> \$0 - 25,000	A	<u>Securities:</u>	<u>Money</u>	<u>Dividends</u>
<input type="checkbox"/> \$25,000 - 39,999	<input type="checkbox"/> \$25,000 - 39,999	<input type="checkbox"/> \$25,000 - 39,999	B	<input type="checkbox"/> Transfer & Ship (1)	<input type="checkbox"/> Pay (1)	<input type="checkbox"/> Pay Weekly (1)
<input type="checkbox"/> \$40,000 - 64,999	<input type="checkbox"/> \$40,000 - 64,999	<input type="checkbox"/> \$40,000 - 64,999	C	<input type="checkbox"/> Hold St. Name (2)	<input type="checkbox"/> Hold (7)	<input type="checkbox"/> Pay Monthly (1)
<input type="checkbox"/> \$65,000 - 124,999	<input type="checkbox"/> \$65,000 - 124,999	<input type="checkbox"/> \$65,000 - 124,999	D			<input type="checkbox"/> Hold (4)
<input type="checkbox"/> \$125,000 - 249,999	<input type="checkbox"/> \$125,000 - 249,999	<input type="checkbox"/> \$125,000 - 249,999	E			
<input type="checkbox"/> \$250,000 - \$499,999	<input type="checkbox"/> \$250,000 - \$499,999	<input type="checkbox"/> \$250,000 - \$499,999	F	Principal & Maturity: <input type="checkbox"/> Credit to Account <input type="checkbox"/> Send Payment		
<input type="checkbox"/> \$500,000 - \$999,999	<input type="checkbox"/> \$500,000 - \$999,999	<input type="checkbox"/> \$500,000 - \$999,999	G	Process checks: <input type="checkbox"/> Monthly <input type="checkbox"/> Weekly		
<input type="checkbox"/> \$1,000,000 - Over	<input type="checkbox"/> \$1,000,000 - Over	<input type="checkbox"/> \$1,000,000 - Over	H	Money Market Sweeps: <input type="checkbox"/> Yes / <input type="checkbox"/> No - If Yes, List Fund:		

Investment Experience:

	Yrs.	Avg. Size	Avg. # P/Yr.
Options:			
Stocks:			
Bonds:			
Commodities:			
Other (specify):			

Type of Registration:

<input type="checkbox"/> Individual / <input type="checkbox"/> Joint Community Property / <input type="checkbox"/> Payable on Death (Individual)
<input type="checkbox"/> Joint Tenants In Entirety / <input type="checkbox"/> Joint with Rights of Survivorship (except in LA) / <input type="checkbox"/> Joint Tenants In Common
<input type="checkbox"/> Joint with Rights of Survivorship & Payable on Death (except in LA) / <input type="checkbox"/> Transfer on Death
<input type="checkbox"/> UGMA/ <input type="checkbox"/> UTMA (Provide DOB & SSN for minor): SSN _____ DOB _____
<input type="checkbox"/> Retirement Account - Type: _____ / <input type="checkbox"/> Foreign Non-Resident Alien / <input type="checkbox"/> Resident Alien
<input type="checkbox"/> Other (Circle): Corporate, LLC, Trust, Partnership, Estate, Non-Profit, Sole Proprietorship, Investment Club.

Credit References:

Bank:
Branch:
Type of Acct.:
Broker:

Duplicate Confirmations:

Please send Duplicate confirms to the following address:

Authorized Person:

If a person, other than the primary and/or secondary account holder will be operating this account, list Name, Address, ID# & Employer:
Is this a Discretionary account? Yes No (Circle One)

Customer and Authorized Person's Signature:

Primary Account Holder: _____ Date: _____

Secondary Account Holder: _____ Date: _____

Authorized Person (if Applicable): _____ Date: _____

Broker Use Only:

Registered Rep Signature:
Branch Manager Signature:
Designated Officer Signature:

Daytrading:

Approved for Day Trading Strategy? <input type="checkbox"/> YES / <input type="checkbox"/> NO
Was Daytrading Risk Disclosure Statement Delivered? <input type="checkbox"/> YES / <input type="checkbox"/> NO
Date Daytrading Disclosure was delivered:

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

OMB No. 1545-1621

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

Do not use this form for:

- A U.S. citizen or other U.S. person, including a resident alien individual W-9
- A person claiming that income is effectively connected with the conduct of a trade or business in the United States W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) W-8ECI or W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) W-8ECI or W-8EXP

Instead, use Form:

Note: These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.

- A person acting as an intermediary W-8IMY

Note: See instructions for additional exceptions.

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner		2 Country of incorporation or organization	
3 Type of beneficial owner:			
<input type="checkbox"/> Individual	<input type="checkbox"/> Corporation	<input type="checkbox"/> Disregarded entity	<input type="checkbox"/> Partnership <input type="checkbox"/> Simple trust
<input type="checkbox"/> Grantor trust	<input type="checkbox"/> Complex trust	<input type="checkbox"/> Estate	<input type="checkbox"/> Government <input type="checkbox"/> International organization
<input type="checkbox"/> Central bank of issue	<input type="checkbox"/> Tax-exempt organization	<input type="checkbox"/> Private foundation	
4 Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box or in-care-of address.			
City or town, state or province. Include postal code where appropriate.			Country (do not abbreviate)
5 Mailing address (if different from above)			
City or town, state or province. Include postal code where appropriate.			Country (do not abbreviate)
6 U.S. taxpayer identification number, if required (see instructions)		7 Foreign tax identifying number, if any (optional)	
<input type="checkbox"/> SSN or ITIN <input type="checkbox"/> EIN			
8 Reference number(s) (see instructions)			

Part II Claim of Tax Treaty Benefits (if applicable)

9 I certify that (check all that apply):

a The beneficial owner is a resident ofwithin the meaning of the income tax treaty between the United States and that country.

b If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, \$500,000.

10 Special rates and conditions (if applicable—see instructions): The beneficial owner is claiming the provisions of Article of the treaty identified on line 9a above to claim a% rate of withholding on (specify type of income):
Explain the reasons the beneficial owner meets the terms of the treaty article:

Part III Notional Principal Contracts

11 I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

1 I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,

2 The beneficial owner is not a U.S. person,

3 The income to which this form relates is (a) not effectively connected with the conduct of a trade or business in the United States, (b) effectively connected but is not subject to tax under an income tax treaty, or (c) the partner's share of a partnership's effectively connected income, **and**

4 For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶ _____
Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY) Capacity in which acting

**PENSON FINANCIAL SERVICES, INC.
AND/OR BROKER DEALERS
FOR WHICH IT CLEARS**

CUSTOMER ACCOUNT, MARGIN AND SHORT ACCOUNT AGREEMENT

Account Number:	Full Name and Address on Account	Social Security Number / Employment Identification Number

The TIN provided must match the name given to avoid backup withholding.

CERTIFICATION OF TAXPAYER ID NUMBER (SUBSTITUTE W-9)
(Please skip this section if you are not a U.S. Person for Tax Purposes)

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.

Signature _____ **Date** _____

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. By not checking below, you acknowledge that your ownership information may be transmitted to a third party for the processing and reporting of such information.

_____ I object to the disclosure of such information

AUTHORIZATION TO EARN INTEREST ON FUNDS AWAITING INVESTMENT

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.

BY SIGNING BELOW, THE UNDERSIGNED AGREES TO ALL TERMS OF THE CUSTOMER AGREEMENT PRINTED ON THIS SIDE AND THE REVERSE OF THIS DOCUMENT. THE UNDERSIGNED ACKNOWLEDGES RECEIPT OF A COPY OF THIS AGREEMENT, THE INFORMATION BROCHURE PREPARED BY PENSON FINANCIAL SERVICES, INC., AND PENSON'S PRIVACY POLICY. THE UNDERSIGNED CERTIFIES THAT THE UNDERSIGNED HAS READ AND UNDERSTANDS ALL PROVISIONS OF THIS AGREEMENT. THIS AGREEMENT BENEFITS PENSON FINANCIAL SERVICES, INC., INTRODUCING BROKERS FOR WHICH IT CLEARS AND PERSONS RELATED TO EACH OF THE FOREGOING. THE REVERSE SIDE OF THIS AGREEMENT, PARAGRAPH 8, CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE.

Important information about procedures for opening a new account: To help the 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 to 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.

Date of Delivery of Privacy Policy _____

BY SIGNING BELOW, THE UNDERSIGNED AGREES TO ALL TERMS OF THE MARGIN AND SHORT ACCOUNT AGREEMENT PRINTED ON THIS SIDE AND THE REVERSE SIDE OF THIS DOCUMENT. THE REVERSE SIDE OF THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE IN PARAGRAPH 8. The undersigned acknowledges that the undersigned's margin account securities may be borrowed by you or loaned to others. The undersigned also acknowledges receipt of a copy of this Agreement and a copy of the Margin Risk Disclosure Statement.

Date of Delivery of Margin Risk Disclosure Statement: _____

For Use by Individuals, including joint accounts:

Signature: _____

Print Name: _____

Signature (Second Party, If Joint Account): _____

Print Name: _____

Date: _____

For use by entity accounts only (i.e. corporations, partnerships, trusts):

Is this account 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

Signature: _____

Print Name: _____

Title: _____ Date: _____

1. Applicable Rules and Regulations. All transactions shall be subject to the constitution, rules, regulations, customs and usages of the exchange or market and its clearing house, if any, upon which such transactions are executed, except as otherwise specifically provided in this Agreement.

2. Definitions. "Introducing broker" means any brokerage firm which introduces securities 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. **"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 Pension Financial Services, Inc.

3. Breach; Security Interest. Whenever in your discretion you consider it necessary for your protection, and 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.

4. Cancellation. 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.

5. Payment of Indebtedness Upon Demand. The undersigned shall at all times be liable for the payment upon demand of any obligations owing from the undersigned to you, and the undersigned shall be liable to you for any deficiency remaining in any such accounts in the event of the liquidation thereof (as contemplated in Paragraph 3 of this Agreement or otherwise), in whole or in part, by you or by the undersigned; and the undersigned shall make payment of such obligations upon demand. If Customer also holds a futures account with Pension Financial Futures, Inc. ("PFFI"), Customer hereby authorizes Pension, without prior notice, to transfer from any account held with Pension to any account held with PFFI, any assets that PFFI represents to Pension are reasonably required to avoid the calling of margins for such PFFI account or the payment of any obligations owed Pension by Customer. Customer also authorizes Pension to request from PFFI assets held by PFFI that in Pension's judgment may be reasonably required to avoid the calling of margins for a Pension account or the payment of any obligations owed Pension by Customer.

6. 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 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.

6A. Accounts Carried as Custodian. In some cases the undersigned's account is being carried by arrangement with the undersigned's Investment Advisor or Investment Manager, who uses Pension as their Broker-Dealer custodian. The undersigned acknowledges that Pension's role as custodian is to hold or custody account assets, distribute or collect funds on behalf of the undersigned's account, execute and clear trades under instruction of the undersigned's Investment Advisor or Investment Manager, generate account statements and provide other custodial services as may be mandated by various regulatory standards and requirements. The undersigned understands that in the capacity as custodian, you will not offer investment advice, review the undersigned's accounts, and will have no responsibility for trades made in the undersigned's accounts. Additionally, in your capacity as custodian, you will not verify the accuracy of management fees that the undersigned's pays to Investment Advisors or Investment Managers pursuant to the terms of the Investment Management Agreement executed between the undersigned and the Investment Advisor or Investment Manager. Notwithstanding the foregoing, in the event that the undersigned initiates a claim against you in your capacity as custodial broker and does not prevail, the undersigned shall be responsible for the costs and expenses associated with your defense of such claim.

7. Communications. 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.

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.

8. 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 NASD. 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.

9. Representations. The undersigned represents that the undersigned is of majority age, that the undersigned is not an employee of any exchange, or of any corporation of which any exchange owns a majority of the capital stock, or of a member of any exchange, or of a member firm or member corporation registered on any exchange or of a bank, trust company, insurance company or of any corporation, firm or individual engaged in the business dealing either as broker or as principal in securities, bills of exchange, acceptances or other forms of commercial paper. If the undersigned is a corporation, partnership, trust or other entity, the undersigned represents that its governing instruments permit this Agreement, that this Agreement has been authorized by all applicable persons and that the undersigned signatory is authorized to bind the undersigned. The undersigned represents that the undersigned shall comply with all applicable laws, rules and regulations in connection with the undersigned's account. The undersigned further represents that no one except the undersigned has an interest in the account or accounts of the undersigned with you.

10. Joint Accounts. If the undersigned shall consist of more than one person, the undersigned's obligations under this Agreement shall be joint and several. References to the "undersigned" shall include each of the undersigned. You may rely on transfer or other instructions from any one of the undersigned in a joint account, and such instructions shall be binding on each of the undersigned. You may deliver securities or other property to, and send confirmations; notices, statements and communications of every kind, to any one of the undersigned, and such action shall be binding on each of the undersigned. 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.

11. Other Agreements. If the undersigned trades any options, the undersigned agrees to be bound by the terms of your **Customer Option 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.

12. 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.

13. Order Flow Disclosure. Depending on the security traded and absent specific direction from the undersigned, stock orders are routed via an electronic system to a listed, NASDAQ or over the counter broker or dealer. You or your correspondents may receive cash payments for routing such orders to specific brokers or dealers. Because these agents are market makers, they carry inventory in their specific securities, allowing for price improvement to the undersigned by trading through their inventories. Accordingly, the undersigned's orders will always be executed at the "best bid" or "best offer", or at a price superior to either, by virtue of the market maker's inventory positioning capabilities.

14. 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.

15. Miscellaneous. If any provision of this Agreement is held to be unenforceable, it shall not affect any other provision of this Agreement. The headings of each section 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 laws 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 inure 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 8. 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.

Additionally, for margin and/or short accounts, the following provisions are also applicable:

16. Liquidation. In the event of the death of the undersigned, or in the event the margin in any account in which the undersigned has an interest shall in either your or the introducing broker's discretion become unsatisfactory to either you or the introducing broker, or be deemed insufficient by either you or the introducing broker, you are hereby authorized; (a) to sell any or all securities or other property which you may hold for the undersigned (either individually or jointly with others); (b) to buy any or all securities and other property which may be short in such accounts; and/or (c) to cancel any open orders and to close any or all outstanding contracts; all without demand for margin or additional margin, notice of sale or purchase, or other notice or advertisement, and that any prior demand or notice shall not be a waiver of your rights provided herein. You may likewise accept and rely upon instructions which you receive from the introducing broker to effect any of the aforementioned transactions (as noted in (a); (b); and (c). You shall have the discretion to determine which securities and other property are to be sold and which contracts are to be closed. Any such sales or purchases may be made at your discretion on any exchange, the over-the-counter market or any other market where such business is usually transacted, or at public auction or private sale, and you may be the purchaser for your own account.

17. Hypothecation. Within the limitations imposed by applicable laws, rules and regulations, all securities now or hereafter held by you, or carried by you in any account for the undersigned (either individually or jointly with others), or deposited to secure same, may from time to time, without any notice, be carried in your general loans and may be pledged, replighted, hypothecated or re-hypothecated, separately or in common with other securities for the sum due to you thereon or for a greater sum and without retaining in your possession or control for delivery a like amount of similar securities. The IRS requires Broker Dealers to treat dividend payments on loaned securities positions as in-lieu dividends for 1099 tax reporting purposes. Taxation of substitute dividend payments may be greater than ordinary on qualified dividends. It is understood, however, that you agree to deliver to the undersigned upon demand and upon payment of the full amount due thereon, all securities in such accounts, but without obligation to deliver the same certificates or securities deposited by the undersigned originally. Any securities in the undersigned's margin or short account may be borrowed by you, or lent to others.

18. Interest. Debit balances in all the accounts of the undersigned shall be charged with interest in accordance with your established custom, as disclosed to the undersigned in the Customer Information Brochure pursuant to the provisions of Rule 10b-16 of the Securities Exchange Act.

19. Margin. The undersigned agrees to maintain in all accounts with you such positions and margins as required by all applicable statutes, rules, regulations, procedures and custom, or as you deem necessary or advisable. The undersigned agrees to promptly satisfy all margin and maintenance calls.

20. Sales. The undersigned agrees to specifically designate any order to sell a security which the undersigned does not own as a short sale, and understands that you will mark such order as a short sale. The undersigned agrees that any order which is not specifically designated as a short sale is a sale of securities owned by the undersigned, and that the undersigned will deliver the securities on or before settlement date, if not already in the account. If the undersigned should fail to make such delivery in the time required, you are authorized to borrow such securities as necessary to make delivery for the undersigned's sale, and the undersigned agrees to be responsible for any loss you may thereby sustain, or which you may sustain as a result of your inability to borrow such securities.

PENSON FINANCIAL SERVICES, INC.
AND/OR BROKER DEALERS FOR WHICH IT CLEARS
Customer Option Agreement

To open an Options Account we must obtain the following supplemental information in addition to that on the New Account form. If account is a joint account, give information as to all owners. Information concerning the customer obtained from sources other than the customer, including estimates, should be noted as such on this form. Also, the customer's refusal to provide information called for on this form should be noted on the form.

Account Name: _____ Account Number: _____
 Address: _____ Home Phone #: _____
 (No P.O. Boxes) _____
 No. of Dependents: _____ Marital Status : S M D W N/A
 Birth date: _____ Spouse's Name: _____
 Work Phone #: _____ Spouse's Birth date: _____
 Employer / _____ Spouse's Employer _____
 Position: _____ / Position: _____

PREVIOUS OPTIONS EXPERIENCE			PREVIOUS INVESTMENT EXPERIENCE				INVESTMENT OBJECTIVES & ANTICIPATED TYPE(S) OF OPTION TRANSACTIONS: Please choose one below
	Stock Options	Index Options		Years of Experience	Usual Size of Trades Per Year	Usual No. Of Trades Per Year	Income: <input type="checkbox"/>
Buying (Includes Debit, Spreads & Straddles):			Options:				Safety or Leverage: <input type="checkbox"/>
Covered Writing:			Stocks:				Speculation: <input type="checkbox"/>
Spreads:			Bonds:				Covered Call Writing: <input type="checkbox"/>
Uncovered Writing:			Commodities:				Purchasing Options: <input type="checkbox"/> *Puts for Safety or Leverage/Calls for Leverage
None:			Other: (Specify)				Other Option Transactions: <input type="checkbox"/> *(Uncovered) Spreads, Straddles, Combinations

APPROXIMATE ANNUAL INCOME AND NET WORTH:

Salary	Bonus	Other	Total	Approximate net worth: (Exclusive of residence, etc.)	Approximate liquid net worth: (Cash, cash equivalents, marketable securities)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

BY SIGNING BELOW, THE UNDERSIGNED CERTIFIES THAT THE INFORMATION CONTAINED HEREIN IS COMPLETE AND ACCURATE. THE UNDERSIGNED AGREES TO ADVISE ITS 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 THE 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.

For use by individual, including joint accounts:

Signature

Print Name

Signature (Second Party, if Joint Account)

Print Name

Date: _____

For use by entity customers only (i.e., corporations, partnerships, trusts)

Customer Name

By:

Title:

Date: _____

FOR BROKER USE ONLY: (Must be filled in before Penson can accept)

<u>Please note date of delivery on the items listed below:</u>	<u>Approved for Option Trading as follows:</u>	<u>INTRODUCING BROKER APPROVAL</u>
Characteristics and Risk of Standard Options: ____/____/____	<input type="checkbox"/> Option Level 1 <input type="checkbox"/> Option Level 2 <input type="checkbox"/> Option Level 3 <input type="checkbox"/> Option Level 4 <input type="checkbox"/> Option Level 5 <input type="checkbox"/> Option Level 6	AE Signature: _____ Date: _____ Option Principal Approval _____ Date: _____ Branch Manager Signature: _____ Date: _____
Special Statement for Uncovered Option Writers: ____/____/____		

In connection with any transactions in options which have been or may be purchased, sold, exercised or endorsed for the undersigned's account with an introducing broker(s) which clears through Penson Financial Services, Inc., the undersigned agrees as follows:

1. Definitions. **"Introducing broker"** means any brokerage firm which introduces security transactions on behalf of the undersigned, which transactions are cleared through Penson, whether one or more. **"Obligations"** means all indebtedness, debit balances, liabilities or other obligations of any kind of the undersigned to Penson, 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. **"Penson"** 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 Penson in its discretion, should Penson deem it necessary for Penson's protection for any reason, including death of the undersigned, to buy, sell, or sell short for the undersigned's account any 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 Penson for the undersigned's account. Any and all expenses incurred by Penson in connection with such transactions shall be reimbursed by the undersigned to Penson. 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 Penson may use its 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 Penson 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 Penson under this Agreement or otherwise. The decision to enter into options transactions was made entirely by the undersigned without any investment advice from Penson or the introducing broker.

4. Notice, Exercise, Random Allocation. The undersigned is aware of Penson's 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 Penson to sell valuable options on the undersigned's behalf within such time, the undersigned agrees that Penson 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 Penson, and Penson may exercise such option for its own account. If the undersigned does not instruct the introducing broker to exercise the valuable option by the time stated above, and Penson for whatever reason, does 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 Penson arising out of the fact that the option was not exercised. The undersigned is aware that Penson utilizes 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 options(s) for the undersigned's account, uncovered options are prohibited in IRA accounts. The undersigned agrees not to sell, during the life of the options in the account, 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 Penson and/or the introducing broker for carrying uncovered options. The undersigned also agrees that the introducing broker and/or Penson, in its 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 Penson and/or the introducing broker for carrying uncovered options. Penson has the right, in its 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, Penson 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 Penson is 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 Penson. Until receipt from the undersigned of written notice to the contrary, Penson 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 Penson acts 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 Penson 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 Penson's representatives, employees or other agents. The undersigned understands that Penson will not review the undersigned's accounts and will have no responsibility for trades made in the undersigned's accounts, including but not limited to for appropriateness or suitability. Penson shall not be responsible or liable for any acts or omissions of the introducing broker or its representatives, employees or other agents. The execution of any such trades shall not be deemed to be an approval of such trades.

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 PENSON, OR THE INTRODUCING BROKER, OR PENSON'S 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 PENSON'S BUSINESS, THE INTRODUCING BROKER'S BUSINESS OR THE UNDERSIGNED'S ACCOUNTS SHALL BE CONDUCTED PURSUANT TO THE CODE OF ARBITRATION PROCEDURE OF THE FINANCIAL INDUSTRY REGULATORY AUTHORITY.

ARBITRATION MUST BE COMMENCED BY SERVICE OF A WRITTEN DEMAND FOR ARBITRATION OR A WRITTEN NOTICE OF INTENTION TO ARBITRATE. IF PENSON IS 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 bounded by the terms of Penson's **Retirement Custodial Account Agreement, Penson's Customer Account Agreement and/or Penson's Customer Margin and Short Account Agreement.** The undersigned understands that copies of this agreement are available from Penson and, to the extent applicable, are incorporated by reference herein. The terms of this other agreement is in addition to the provisions of this Agreement and any other written agreements between Penson 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 Penson are 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 Penson or any of Penson's 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 Penson or Penson's 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 Penson or with the delay or inability to use such reports.

12. Credit Check. Penson is authorized, in Penson's discretion, should Penson for any reason deem it necessary for Penson's protection to request and obtain a consumer credit report for the undersigned.

13. Miscellaneous. The undersigned is aware of and 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 the Financial Industry Regulatory Authority, and all exchanges or other facilities upon which options are traded for the account of the undersigned. If any provisions of this Agreement are 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 Penson, 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 executed in writing by Penson's authorized representative. This Agreement and all provisions shall insure to the benefit of Penson and Penson's successors, whether by merger, consolidation or otherwise, Penson's assigns, the undersigned's introducing broker, and all other persons specified in Paragraph 9. Penson shall not be liable for losses caused directly or indirectly by any events beyond Penson's reasonable control, including without limitation, government restrictions, exchange or market rulings, and suspension of trading or unusually heavy trading in securities, a general change in economic, political or financial conditions, war or strikes. Penson may transfer the accounts of the undersigned to Penson's successors and assigns. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the undersigned.

SUPPLEMENTAL PROVISIONS

A. Pledging. The undersigned understands that under Section 408(e)(4) of the Internal Revenue Code of 1986, as amended, if the undersigned pledges any portion of the undersigned's IRA as collateral for a loan, the amount so pledged will be treated as a distribution, and may be included in the undersigned's gross income for the taxable year in which the undersigned pledges the assets to the extent it represents earnings or be subject to excise taxes.

B. Prohibited Transactions. The undersigned understands that the extension of credit through margin, short selling positions, and uncovered options are not permitted in IRA accounts. If the undersigned or the undersigned's beneficiary engage in a prohibited transaction with the undersigned's IRA, as described in Section 4975 of the Internal Revenue Code of 1986, as amended, the undersigned's IRA may lose its tax-deferred or tax-exempt status, and the undersigned must generally include the value of the earnings in the undersigned account in gross income for the taxable year the undersigned engages in the prohibited transactions.

C. ERISA. The undersigned hereby represents, warrants, and covenants that the undersigned's IRA is not subject to the Employee Retirement Income Security Act of 1974, as amended, and the undersigned will not engage in any transaction in the undersigned's IRA that involves any extension of credit by Penson.

D. No Advice. The undersigned has been provided with an opportunity to consult with the undersigned's tax adviser regarding the advisability of holding options or conducting options strategies in the undersigned's IRA account. The undersigned has not and will not, rely on Penson for legal or tax advice in connection with engaging in options transactions in the undersigned's IRA. The undersigned will not hold Penson responsible for any adverse tax consequences or penalties that the undersigned or the undersigned's IRA may incur in connection with options transactions.

E. Obligations. The undersigned understands that the undersigned is solely responsible for ensuring that sufficient assets are maintained in the undersigned's IRA to cover all potential obligations arising from the holding of options and conducting any options strategies, including any potential assignment and exercise. The undersigned acknowledges responsibility for not conducting options transactions that can result in liabilities or obligations in excess of the undersigned's IRA account balance. Penson shall not be responsible for the dishonor of any transaction due to an insufficient balance in the undersigned IRA. If an assignment creates a short position or debit balance, Penson is authorized to immediately cover deficit in the undersigned's IRA with other assets in the undersigned IRA account.

F. Indemnification. By signing this Agreement, the undersigned hereby agrees to indemnify and hold Penson, Penson's affiliates, and their respective officers, directors, employees and agents, and their respective successors and assigns, harmless from and against any and all losses (including but not limited to consequential damages), liabilities, tax consequences (including excise taxes, penalties and interest), demands, claims and expenses, attorneys' fees, damages (including consequential, incidental, special or exemplary) arising out of any actions or omissions by Penson, or Penson's agents in connection herewith, which are not caused by Penson's gross negligence or willful misconduct. This provision shall survive the termination of this Agreement and shall be binding upon, and inure to the benefit of, each party's respective successors, assigns, heirs, and personal representatives.

G. Option Levels

- Level 1 Covered calls, including:
 - Covered calls sold against stocks held long in your brokerage account
 - Buy-writes (simultaneously buying a stock and writing a covered call)
 - Covered call roll-ups/roll-downs
- Level 2 All Level 1 strategies, plus:
 - Married puts
 - Long calls
 - Long puts
 - Long straddles
 - Long strangles
 - Covered puts (short stock and short put position)
- Level 3 All Levels 1 and 2 strategies, plus:
 - Equity debit spreads
 - Equity credit spreads
 - Equity calendar/diagonal spreads
 - Index debit spreads
 - Index credit spreads
 - Index calendar/diagonal spreads
- Level 4 All Level 1, 2, and 3 strategies, plus:
 - Naked equity puts
- Level 5 All Level 1, 2, 3, and 4 strategies, plus:
 - Naked equity calls
- Level 6 All Level 1, 2, 3, 4 and 5 strategies, plus:
 - Naked index calls
 - Naked index puts

Special Statement for Uncovered Option Writers

There are special risks associated with uncovered option writing, which expose the investor to potentially significant loss. Therefore, this type of strategy may not be suitable for all customers approved for options transactions.

1. The potential loss of uncovered call writing is unlimited. The writer of an uncovered call is in an extremely risky position, and may incur large losses if the value of the underlying instrument increases above the exercise price.
2. As with writing uncovered calls, the risk of writing uncovered put options is substantial. The writer of an uncovered put option bears a risk of loss if the value of the underlying instrument declines below the exercise price. Such loss could be substantial if there is a significant decline in the value of the underlying instrument.
3. Uncovered option writing is thus suitable only for the knowledgeable investor who understands the risks, has the financial capacity and willingness to incur potentially substantial losses, and has sufficient liquid assets to meet applicable margin requirements. In this regard, if the value of the underlying instrument moves against an uncovered writer's options position, the investor's broker may request significant additional margin payments. If an investor does not make such margin payments, the broker may liquidate stock or options positions in the investor's account, with little or no prior notice in accordance with the investor's margin agreement.
4. For combination writing, where the investor writes both a put and a call on the same underlying instrument, the potential risk is unlimited.
5. If a secondary market in options were to become unavailable, investors could not engage in closing transactions, and an option writer would remain obligated until expiration or assignment. 6. The writer of an American-style option is subject to being assigned an exercise at any time after he has written the option until the option expires. By contrast, the writer of a European-style option is subject to exercise assignment only during the exercise period.

Note: It is expected that you will read the booklet entitled Characteristics and Risks of Standardized Options available from your broker. In particular, your attention is directed to the chapter entitled Risks of Buying and Writing Options. This statement is not intended to enumerate all of the risks entailed in writing uncovered options.

PENSON FINANCIAL SERVICES, INC. PRIVACY POLICY



Penson Financial Services, Inc. carries your account as a clearing broker by arrangement with your broker-dealer as introducing broker. At Penson, we understand that privacy is an important issue for customers of our introducing firms. It is our policy to respect the privacy of all accounts that we maintain as clearing broker and to protect the security and confidentiality of nonpublic personal information relating to those accounts. Please note that this policy applies to former customers as well as current customers.

Personal Information Collected

In order to service your account as clearing broker, information is provided to Penson by your introducing broker who collects information from you in order to provide the financial services that you have requested.

The information collected by your introducing broker and provided to Penson may come from the following sources:

- Information received from you, such as your name, address, telephone number, social security number, occupation, and income;
- Information relating to your transactions, including account balances, positions, and activity;
- Information which may be received from consumer reporting agencies, such as credit bureau reports and other information relating to your creditworthiness; and
- Information which may be received from other sources with your consent or with the consent of your introducing broker

Sharing of NonPublic Personal Information

Penson does not disclose nonpublic personal information relating to current or former customers of introducing brokers to any third parties, except as required or permitted by law and in order to facilitate the clearing of customer transactions in the ordinary course of business.

Security

Penson strives to ensure that our systems are secure and that they meet industry standards. We protect personal information that is provided to Penson by your introducing broker by maintaining physical, electronic and procedural safeguards that either meet or exceed applicable law. Where appropriate, we employ firewalls, encryption technology, user authentication systems (i.e. passwords and personal identification numbers) and access control mechanisms to control access to systems and data. Third parties who may have access to such personal information must also agree to follow appropriate standards of security and confidentiality. Penson has educated its staff with regard to this privacy policy and as a general policy our staff will not discuss or disclose information regarding an account except with authorized personnel of your introducing broker or as required by law or pursuant to regulatory request and/or authority.

Access to Your Information

You may access your account information through a variety of media offered by your introducing broker and Penson (i.e. statements or online services). Please contact your introducing broker if you require any additional information.

Changes to Penson's Privacy Policy

Penson reserves the right to make changes to this policy.

How to Get in Touch with Penson about this Privacy Policy

For more information relating to Penson's privacy policy, please contact Penson Financial Services, Inc. – Legal/Compliance Department

1700 Pacific Avenue, Suite 1400
Dallas, TX 75201
1-800-696-3585

1. Margin Disclosure Statement

Our firm is furnishing this document to you to provide some basic facts about purchasing securities on margin, and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review the margin agreement provided by your firm. Consult your firm regarding any questions or concerns you may have with your margin accounts.

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from your brokerage firm. If you choose to borrow funds from your firm, you will open a margin account with the firm. The securities purchased are the firm's collateral for the loan to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, the firm can take action, such as issue a margin call and/or sell securities or other assets in any of your accounts held with the member, in order to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

* *You can lose more funds than you deposit in the margin account.* A decline in the value of securities that are purchased on margin may require you to provide additional funds to the firm that has made the loan to avoid the forced sale of those securities or other securities or assets in your account(s).

* *The firm can force the sale of securities or other assets in your account(s).* If the equity in your account falls below the maintenance margin requirements, or the firm's higher "house" requirements, the firm can sell the securities or other assets in any of your account held at the firm to cover the margin deficiency. You also will be responsible for any short fall in the account after such a sale.

* *The firm can sell your securities or other assets without contacting you.* Some investors mistakenly believe that a firm must contact them for a margin call to be valid, and that the firm cannot liquidate securities or other assets in their accounts to meet the call unless the firm has contacted them first. This is not the case. Most firms will attempt to notify their customers of margin calls, but they are not required to do so. However, even if a firm has contacted a customer and provided a specific date by which the customer can meet a margin call, the firm can still take necessary steps to protect its financial interests, including immediately selling the securities without notice to the customer.

* *You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.* Because the securities are collateral for the margin loan, the firm has the right to decide which security to sell in order to protect its interests.

* *The firm can increase its "house" maintenance margin requirements at any time and is not required to provide you advance written notice.* These changes in firm policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause the member to liquidate or sell securities in your account(s).

* *You are not entitled to an extension of time on a margin call.* While an extension of time to meet margin requirements may be available to customers under certain conditions, a customer does not have a right to the extension.

2. Lending Rule Disclosure

The Securities and Exchange Commission requires specific disclosure be made to a public customer at the time a margin account is established. These items summarize the required SEC disclosures:

- 1) An annual rate of interest is charged on the net debit balance in a margin account.
- 2) The applicable interest rate is based upon (but not equal to) the prevailing broker call money rate.
- 3) Adjustment and allowance in the percentage rate are frequently made depending upon the size of the debit balance and the activity in the account.
- 4) As the call money rate changes, so will the interest rate charge, without notice to the customer.
- 5) Interest is computed by taking the average daily balance, multiplying it by a rate over 100 and by the number of days the debit balance existed and dividing it by 360.
- 6) The customer must keep the prior period statement in order to compute the interest.
- 7) The firm has a lien on all securities in the account for any debit balance present in the account.
- 8) If the market value of the securities decline, the firm can request additional funds or collateral from the client. If not received, the firm can exercise its lien to sell securities in the account.

3. Day-Trading Risk Disclosure Statement

You should consider the following points before engaging in a day-trading strategy. For purposes of this notice, a "day-trading strategy" means an overall trading strategy characterized by the regular transmission by a customer of intra-day orders to effect both purchase and sale transactions in the same security or securities.

****Day trading can be extremely risky.*** Day trading generally is not appropriate for someone of limited resources and limited investment or trading experience and low risk tolerance. You should be prepared to lose all of the funds that you use for day trading. In particular, you should not fund day-trading activities with retirement savings, student loans, second mortgages, emergency funds, funds set aside for purposes such as education or home ownership, or funds required to meet your living expenses. Further, certain evidence indicates that an investment

of less than \$50,000 will significantly impair the ability of a day trader to make a profit. Of course, an investment of \$50,000 or more will in no way guarantee success.

****Be cautious of claims of large profits from day trading.*** You should be wary of advertisements or other statements that emphasize the potential for large profits in day trading. Day trading can also lead to large and immediate financial losses. Day trading requires knowledge of securities markets.

****Day trading requires in-depth knowledge of the securities markets and trading techniques and strategies.*** In attempting to profit through day trading, you must compete with professional, licensed traders employed by securities firms. You should have appropriate experience before engaging in day trading.

****Day trading requires knowledge of a firm's operations.*** You should be familiar with a securities firm's business practices, including the operation of the firm's order execution systems and procedures. Under certain market conditions, you may find it difficult or impossible to liquidate a position quickly at a reasonable price. This can occur, for example, when the market for a stock suddenly drops, or if trading is halted due to recent news events or unusual trading activity. The more volatile a stock is, the greater the likelihood that problems may be encountered in executing a transaction. In addition to normal market risks, you may experience losses due to system failures.

****Day trading will generate substantial commissions, even if the per trade cost is low.*** Day trading involves aggressive trading, and generally you will pay commissions on each trade. The total daily commissions that you pay on your trades will add to your losses or significantly reduce your earnings. For instance, assuming that a trade costs \$16 and an average of 29 transactions are conducted per day, an investor would need to generate an annual profit of \$111,360 just to cover commission expenses.

****Day trading on margin or short selling may result in losses beyond your initial investment.*** When you day trade with funds borrowed from a firm or someone else, you can lose more than the funds you originally placed at risk. A decline in the value of the securities that are purchased may require you to provide additional funds to the firm to avoid the forced sale of those securities or other securities in your account. Short selling as part of your day-trading strategy also may lead to extraordinary losses, because you may have to purchase a stock at a very high price in order to cover a short position.

Potential Registration Requirements. Persons providing investment advice for others or managing securities accounts for others may need to register as either an "Investment Advisor" under the Investment Advisors Act of 1940 or as a "Broker" or "Dealer" under the Securities Exchange Act of 1934. Such activities may also trigger state registration requirements.

4. Extended Hours Trading Risk Disclosure

You will have the capability to execute trades during the extended hours, before 9:30am, and after 4:00pm. Please be aware of the following additional risks

- *Risk of Lower Liquidity.* Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular market hours. As a result, your order may only be partially executed, or not at all.
- *Risk of Higher Volatility.* Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular market hours. As a result, your order may only be partially executed or not at all.
- *Risk of Changing Prices.* The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular market hours, or upon the opening the next morning. As a result, you may receive a price in extended hours trading which is inferior to that you would obtain during regular market hours.
- *Risk of Unlinked Markets.* Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours trading system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive a price in one extended hours trading system inferior to one you would obtain in another extended hours trading system.
- *Risk of News Announcements.* Normally, issuers make news announcements that may affect the price of their securities after regular market hours. Similarly, important financial information is frequently announced outside of regular market hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the, price of a security.
- *Risk of Wider Spreads.* The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

Summary of Required Disclosures

I have received, read and understand each of the following disclosures:

- 1. Margin Disclosure**
- 2. SEC Lending Disclosure**
- 3. Day-trading Risk Disclosure**
- 4. Extended Hours Trading Risk Disclosure**

Signature

Date

Print Name

Authorization For Datafeed Fees And Fees For Related Services



I hereby authorize Pinnacle Capital Markets to deduct applicable monthly* datafeed fees and fees for related services from my Penson brokerage account.

This authorization is to remain in effect until I notify Pinnacle Capital Markets in writing at least 10 days prior of requested month of suspension or termination.

I hereby acknowledge that such deductions pursuant to this authorization may affect my daytrading buying power and extended margin capabilities.

* The calendar month calculations are based on a 'trade date-to-trade date' or, 3 (three) days excluding market holidays and weekends before the end of the month.

BY SIGNING BELOW, THE UNDERSIGNED AGREES TO THE FORGOING PROVISIONS.

For use by individuals, including joint account:

For use by entity accounts only, (i.e. corporations, partnerships, trusts):

Penson Account Number

Penson Account Number

Signature

Account Name

Print Name

Signature

Signature (Second Party, If Joint Account)

Name of Signer

Print Name

Title

Date

Date