

Account Number _____

MARGIN ACCOUNT AGREEMENT AND DISCLOSURE

This margin agreement (the "Margin Agreement") is an addendum to the TradeKing Customer Agreement (the "Agreement") and sets forth the terms and conditions which apply to the Margin Account. The words "I," "Me," "My" and "Mine" in this Agreement mean the owner(s) of the margin account (the "Margin Account(s)" or "My Margin Account(s)"). A margin account involves an extension of credit by Legent Clearing LLC ("Legent"), the Clearing Agent for Kane Reid Securities Group, Inc. d/b/a TradeKing ("TradeKing") in connection with My securities transactions. This Margin Agreement and the consent to loan securities below enables Legent to pledge or lend securities carried for the Margin Account when money is loaned to Me.

Informational Statement

Initial margin requirements established by the Board of Governors of the Federal Reserve specify the minimum amount of collateral I must provide when I buy securities on margin. This requirement is expressed as a percentage of the purchase price. It may change from time to time, and it may be a different percentage for different securities. For example, if the current margin requirement is 50%, and I purchase stocks on margin costing \$15,000, only 50% of that amount (\$7,500) is required to be paid as collateral. Under Regulation T, the required margin must be deposited into the Margin Account by settlement date. Lower priced or more volatile securities may be subject to higher initial requirements. The balance due on the purchase will be paid by Legent, and the Margin Account will be debited accordingly. As part of the initial margin requirement, I must have a minimum of \$2,000 equity every time I enter a new commitment in the Margin Account. The term "equity" means the excess market value of the securities in the Margin Account less any liabilities.

Maintenance margin requirements are established by Legent, TradeKing and by regulatory authorities for the purpose of maintaining a sound financial condition for Legent and the customer. If there is a decline in the market value or liquidity of securities that are the collateral for My Legent loan or in other circumstances where, in Legent's or TradeKing's judgment, adequate collateral does not exist, it may be necessary to issue a call (request) for additional margin collateral (cash or deposit of additional marginable securities). Ordinarily, a request for additional margin will be made when the equity in the Margin Account falls below 30% of the market value of all qualified securities in the Margin Account.

Additional margin will ordinarily be required if there is an undue concentration of one or more collateral securities, if My credit-worthiness significantly declines, or if the market value of low-priced stocks declines below \$6 per share. Stocks priced from \$3 to \$6 require 50% maintenance, and stocks priced below \$3 require 100% maintenance.

A margin call or a maintenance call may be satisfied by the prompt deposit of cash or additional acceptable securities. While most call notices are delivered with a three-day response time, Legent and TradeKing retain the right to require additional margin in any amount and in any time frame considered

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prudent. Legent's and TradeKing's determinations are based on market conditions, concentration in one or more securities and other relevant factors. If I do not meet a margin or a maintenance call, Legent and/or TradeKing may, at any time, liquidate securities in the Margin Account to the extent necessary to satisfy the call. Legent and/or TradeKing can sell My securities or other assets without contacting Me. Legent or TradeKing may attempt to notify Me of margin and maintenance calls but neither is required to do so. However, even if Legent or TradeKing has contacted Me and provided a specific date by which I must meet a margin or maintenance call, Legent or TradeKing can still take necessary action to protect their financial interests, including immediately selling the securities without notice to Me. I am not entitled to choose which securities or other assets in the Margin Account(s) are liquidated or sold by Legent or TradeKing to meet a margin or maintenance call. Legent and TradeKing can increase their "house" maintenance margin requirements at any time and are not required to provide Me with advance written notice. I am not entitled to an extension of time on a margin or maintenance call.

Interest charged by Legent is based on the amount of money loaned to Me. Interest is calculated in the manner described below and posted to the Margin Account statement monthly as an addition to My debit balance.

The Interest Rate will vary from time to time without prior notice, in accordance with shifts in money rates. If the interest rate is to be increased by Legent or TradeKing for any other reason, I will be notified in writing at least 30 days prior to such change.

Short account securities will be "marked to the market" daily. The closing price from the previous business day is used to determine any appreciation or depreciation in the market value of any security sold short. The value of the short security will be considered as a debit to the Margin Account.

Securities in a margin account are registered in Legent's name and are collateral for any margin loan. I will receive credit for all dividends or interest as long as all account requirements have been met. The Margin Account will be charged for any dividends or interest on short positions.

Margin Agreement

TradeKing will be pleased to answer any questions I may have regarding the Margin Account. This Margin Agreement is part of the Agreement. In consideration of Legent's acceptance of the Margin Account under this Margin Agreement, I agree to the following supplemental terms and provisions:

Provision of Credit. Pursuant to Regulation T under the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Securities Exchange Commission ("SEC") and the Board of Governors of the Federal Reserve System, it is agreed that I may purchase, carry and trade certain securities on margin. I authorize Legent and TradeKing to obtain reports concerning My credit-worthiness and business conduct. Upon My request, Legent and TradeKing agree to provide Me a copy of said reports.

Maintenance of Margin. I agree to maintain such positions and margins as are required by Regulation T and all other applicable statutes, rules and regulations, or as Legent or TradeKing deem necessary (which requirements may be more stringent than those required by law or exchange regulations). Legent and/or

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TradeKing may increase or modify such requirements without prior notice to Me. I shall promptly satisfy all margin and maintenance calls.

Short Sales. I shall clearly designate any order to sell "short" as a "short sale". All other sales shall be deemed to be "long." Short sales are sales of a security that I do not own, or any sales contemplated by the delivery of a security borrowed by the seller, usually from a broker. I understand that if I do not own the security being sold, or own the security but do not believe the security will be in the physical possession of Legent prior to settlement, I must designate the sale as a "short sale." If a security is recalled by the lender of the security, Legent or TradeKing may, at their discretion, attempt to re-borrow the security. If Legent or TradeKing, however, are unable to re-borrow the security, Legent or TradeKing may cover My short position by purchasing the security on the open market, at the then-current market price, without notice. Legent or TradeKing may cover a short position, at their discretion, if they anticipate an inability to borrow or re-borrow the security. Further, Legent and TradeKing reserve the right, at their discretion and without notice, to prohibit the entry or transmission of an order to sell short if either Legent or TradeKing are unable to borrow the security. I understand that regulations applicable to Legent mandate that Legent close out sale transactions in equity securities for which delivery has not occurred within the period prescribed by the regulations after the normal settlement date. I understand that I am ultimately responsible for the delivery of securities on settlement date, the consequences of a failure to deliver and all costs associated with such borrowings, including costs relating to any corporate actions.

Interest on Margin. On demand, I shall pay interest on credit extended to Me by Legent under this Margin Agreement for the purpose of purchasing, carrying or trading securities. The rate of interest charged for the provision of credit shall be calculated on a 360-day year and actual days elapsed, and in accordance with the schedule determined by TradeKing and published on its site at <https://www.tradeking.com/p/home/tradeking/about/marginschedule.tmpl>. I understand that the use of a 360-day year results in a higher effective rate of interest than if a year of 365 days was used. For purposes of this provision, the following definitions apply:

- a. "Average Debit Balance" means the average daily amount of money loaned by Legent to Me during the calculation period.
- b. "Broker Call Rate" means the daily rate of interest quoted by Legent's primary bank from time to time as its "broker call rate."

On demand, I also shall pay any balance owing with respect to the Margin Account, including fees and any cost of collection (including attorney's fees). All payments received in the Margin Account, including interest, dividends, premiums and principals, may be applied to the balance owed to Legent.

Prior to exercising any margin privileges, I acknowledge that I have carefully considered My financial condition, investment objectives and tolerance for risk along with the provisions of this Margin Agreement and the information in the margin disclosure. Based on that review, I represent that I have determined that margin trading is appropriate for My particular profile and situation.

Securities Lending. For any securities held by Legent as property on margin under this Margin Agreement or as collateral for My obligations under this Margin Agreement, I authorize Legent to lend

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such securities, either separately or with other securities, to Legent or to other entities. Until written revocation is received by Legent, this Margin Agreement constitutes My continuing consent to effect securities lending transactions. Upon such written revocation, Legent shall have reasonable time to deliver such securities to Me.

Loan or Hypothecation of Securities. For any amount due to Legent, I authorize Legent to pledge and re-pledge, and hypothecate and re-hypothecate, any security held or carried by Legent in an account, without notice to Me, either separately or with other securities of other bona fide Legent clients. I acknowledge that Legent may move securities held in My cash account to the Margin Account and pledge and re-hypothecate the transferred security. I represent that I will not cause or allow any collateral in any of My Margin Accounts to become subject to any liens, security interests, mortgages or encumbrances. I further represent that I am not controlled by or in control of any issuer of any security I have provided as collateral to Legent. I acknowledge that, in certain circumstances, I may not be able to exercise voting rights of the securities that are lent to Me. In addition, if any securities in the Margin Account are lent out past the ex-dividend date, I understand that I will receive a payment in lieu of the dividend (also known as a substitute payment) from TradeKing, instead of the actual dividend. Payments in lieu of dividends are reported as ordinary income, which would cause customers with taxable accounts to lose the benefit of preferential tax rates on qualified dividend income under U.S. tax laws. I understand that TradeKing does not offer tax advice and that I will consult with My tax advisor as necessary.

Disclosure Regarding Liquidation. I acknowledge that: (i) Legent is not required to provide notice to Me of a margin deficiency, and (ii) Legent may, under certain circumstances, liquidate property held in the Margin Account, without notice, to satisfy minimum maintenance or margin calls. I also acknowledge that failure of Legent to promptly enforce its margin requirements does not prevent Legent from subsequently enforcing such margin requirements with respect to the Margin Account.

Liquidation. It is understood and agreed that to satisfy Legent's and TradeKing's policy regarding margin maintenance requirements. Legent and/or TradeKing may, in their discretion, require Me to provide additional collateral or liquidate any part of the Property in the Margin Account. Without limitation, any of the following circumstances may give rise to Legent's and/or TradeKing's exercise of this power: (i) My failure to meet promptly any call for additional collateral; (ii) a petition in bankruptcy is filed by or against Me; (iii) the appointment of a receiver is filed by or against Me; (iv) a significant judgment is entered against Me, and any levy on the Margin Account is made; (v) My death; or (vi) the occurrence of any event which, in Legent's and/or TradeKing's judgment, operates to impair My ability to perform my obligations under this Margin Agreement. In any such event, and without further notice, I authorize Legent and TradeKing (i) to sell any property held in the Margin Account; (ii) to buy any security or other property which may be short; (iii) to cancel any open order; (iv) to close any outstanding order; and (v) otherwise to take such action as Legent or TradeKing, in their discretion, deem necessary to comply with applicable statutes, rules and regulations governing a margin account.

Disclaimer of Liability; Indemnification. Except as otherwise provided by law, Legent, TradeKing or their affiliates shall not be liable for any expenses, losses, damages, liabilities, demands, charges, claims, penalties, fines and excise taxes of any kind or nature (including legal expenses and reasonable attorneys' fees) ("Losses") by or with respect to any matters pertaining to the Margin Account, except to the extent that such Losses are actual Losses and are determined by a court of competent jurisdiction or an

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arbitration panel in a final non-appealable judgment or order to have resulted solely from Legent's or TradeKing's or their affiliate's gross negligence or willful misconduct. In addition, I agree that Legent, TradeKing, their affiliates and their respective partners, managing directors, officers, directors, employees and agents (collectively, "Indemnified Parties") shall have no liability for, and I agree to indemnify, defend and hold harmless Indemnified Parties from, all Losses that result from: (a) My or My agent's misrepresentation or alleged misrepresentation, or act or omission; (b) Indemnified Parties following My or My agent's directions or failing to follow My or My agent's unlawful or unreasonable directions; (c) any activities or services of Legent or TradeKing in connection with the Margin Account (including, without limitation, any technology services, reporting, trading, research or capital introduction services); or (d) the failure by any person not controlled by Legent or TradeKing and their affiliates to perform any obligations to Me.

I consent to the use of automated systems or service bureaus by Legent and TradeKing and their affiliates in conjunction with the Margin Account, including, but not limited to, automated order entry and execution, record keeping, reporting and account reconciliation and risk management systems (collectively "Automated Systems"). I understand that the use of Automated Systems entails risks, such as interruption or delays of service, errors or omissions in the information provided, system failure and errors in the design or functioning of such Automated Systems (collectively, a "System Failure") that could cause substantial damage, expense or liability to Me. I understand and agree that Indemnified Parties will have no liability whatsoever for any claim, loss, cost, expense, damage or liability of Mine arising out of or relating to a System Failure.

I also agree that Indemnified Parties will have no responsibility or liability to Me in connection with the performance or non-performance by any Exchange, clearing organization, or other third party (including, without limitation, other clearing firms, banks and International Executing Brokers) or any of their respective agents or affiliates, of its or their obligations relative to any Securities. I agree that Indemnified Parties will have no liability, to Me or to third parties, or responsibility whatsoever for: (i) any Losses resulting from a cause over which Indemnified Parties do not have direct control, including the failure of mechanical equipment, unauthorized access, theft, operator errors, government restrictions, force majeure (i.e., earthquake, flood, severe or extraordinary weather conditions, or other act of God, fire, war, insurrection, riot, labor dispute, strike, or similar problems, accident, action of government, power failure or equipment or software malfunction), Exchange rulings or suspension of trading; and (ii) any special, indirect, incidental, consequential, punitive or exemplary damages (including lost profits, trading losses and damages) that I may incur in connection with My use of the brokerage and other services provided by Indemnified Parties under this Margin Agreement.

Margin Account Disclosure Statement. TradeKing and Legent are furnishing this document to Me to provide some basic facts about purchasing securities on margin and to alert Me to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, I should carefully review the Legent Margin Agreement and consult TradeKing or Legent regarding any questions or concerns I may have with Margin Account. When I purchase securities, I may pay for the securities in full or I may borrow part of the purchase price from Legent. If I choose to borrow funds from Legent, I will open a margin account with Legent. The securities purchased are Legent's collateral for the loan to Me. If the securities in the Margin Account decline in value, so does the value of the collateral supporting My loan,

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and, as a result, Legent can take action, such as issue a margin call and/or sell securities or other assets in any of My Margin Accounts held with Legent in order to maintain the required equity in the Margin Account. It is important that I fully understand the risks involved in trading securities on margin. These risks include the following:

I can lose more funds than I deposit in the Margin Account. A decline in the value of securities that are purchased on margin may require Me to provide additional funds to Legent to avoid the forced sale of those securities or other securities or assets in the Margin Account.

Legent can force the sale of securities or other assets in the Margin Account. If the equity in the Margin Account falls below the maintenance margin requirements or Legent's higher "house" requirements, Legent can sell the securities or other assets in any of the Margin Accounts held at Legent to cover the margin deficiency. I also will be responsible for any short fall in the Margin Account after such a sale.

Legent can sell My securities or other assets without contacting Me. 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. While Legent or TradeKing will attempt to notify its customers of margin calls, it is not required to do so. However, even if Legent or TradeKing has contacted Me and provided a specific date by which I must meet a margin call, Legent or TradeKing can still take necessary steps to protect their financial interests, including immediately selling the securities without notice to Me.

I am not entitled to choose which securities or other assets in the Margin Account are liquidated or sold by Legent to meet a margin call. Because the securities are collateral for the margin loan, Legent has the right to decide which securities to sell in order to protect its interests.

Legent can increase its "house" maintenance margin requirements at any time and is not required to provide Me advance written notice. These changes in Legent's policy often take effect immediately and may result in the issuance of a maintenance margin call. My failure to satisfy the call may cause Legent to liquidate or sell securities in the Margin Account.

I am not entitled to an extension of time on a maintenance margin call. While an extension of time to meet margin requirements may be available to Me under certain conditions, I do not have a right to the extension.

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I hereby request that TradeKing and Legent approve this account as a MARGIN ACCOUNT. By signing below, I acknowledge that I have received, read, understand and agree to be bound by the terms and conditions as set forth in the Agreement as currently in effect and as amended from time to time. I acknowledge that I have received, read, understand and agree to be bound by the terms and conditions as set forth in this Margin Agreement as currently in effect and as amended from time to time. I represent that I am of required legal age to enter into this Agreement. I understand and acknowledge that TradeKing and Legent do not provide investment, tax, legal, accounting, financial or other advice.

Please Note: Legent and/or TradeKing will verify information provided on this form through a third-party vendor in accordance with the USA Patriot Act.

I UNDERSTAND THAT THIS ACCOUNT IS GOVERNED BY A PRE-DISPUTE ARBITRATION AGREEMENT, WHICH IS SET FORTH IN SECTION 35 OF THE TRADEKING CUSTOMER AGREEMENT. I ACKNOWLEDGE THAT I HAVE RECEIVED AND READ THE PRE-DISPUTE ARBITRATION AGREEMENT.

Account Number: _____

Account Holder's Name: _____

Joint Holder's Name _____

Account Holder's Signature Date

Joint Holder's Signature Date

TradeKing General Principal's Signature Date

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