

OPTION ACCOUNT AGREEMENT AND APPLICATION

Account Name _____

Account Number _____

This option account agreement (the "Option Agreement") is an addendum to the TradeKing Customer Agreement (the "Agreement") and sets forth the terms and conditions which apply to the option account (the "Option Account"). The words "I," "Me," "My," and "Mine" in this Agreement mean the owner(s) of the Option Account. In consideration of TradeKing's acceptance of the Option Account under this Option Agreement, I agree to the following supplement terms and conditions:

Acknowledgment. I acknowledge that I have received and read the booklet titled "Characteristics and Risks of Standardized Options" issued by the Options Clearing Corporation ("OCC"), and I am familiar with and understand the risks, duties and responsibilities associated with options trading. In the event that I request Level 4, Level 5, or Level 6 Option Trading, I further acknowledge having received written disclosure describing the additional risks associated with uncovered options trading titled "Special Statement for Uncovered Option Writers." I further acknowledge that any options trading activity engaged in pursuant to this Option Agreement will be governed by the rules and regulations of the Securities and Exchange Commission ("SEC"), the Financial Industry Regulatory Authority ("FINRA"), the OCC and any applicable exchanges. I further agree not to take any action, either alone or in concert with others, to violate the position or exercise limits that the exchanges or marketplaces may establish from time to time as set forth in the booklet, "Characteristics and Risks of Standardized Options."

Purchase and Sale of Options. In the event that I purchase or write any option position, I agree:

- a. to pay a commission upon the opening of an option position and to pay a second commission upon the exercise or closing of that option position;
- b. to deliver the securities subject to an option at such time as Legent Clearing LLC ("Legent") or TradeKing determine and, in the event that I do not deliver the underlying securities, I authorize Legent and TradeKing to act as My agent to purchase replacement securities at the then-current market price in order that delivery to the exercising holder of My call option is effectuated;
- c. with respect to the purchase of an option position, to be solely responsible for providing notice to Legent and/or TradeKing of My intention to exercise the right of purchase or sale no later than 3 p.m. Central Time on the business day preceding the date of expiration of such option, and that Legent and TradeKing are not obligated to exercise an option on My behalf, but may do so; and
- d. in the event it becomes necessary to allocate between two (or more) persons who have established an option position as seller, Legent and TradeKing shall use a predetermined automated allocation system to determine which seller shall receive notice of such allocation, and that I am bound by such system of allocation.

Remedies. In the event I fail to satisfy any cash or collateral call, Legent and/or TradeKing may, in its discretion and without notice to Me, take any steps necessary to protect Legent's position, including and without limitation, (i) buying and/or selling short, or short exempt, for the Option Account and at My risk, all or any portion of the shares or instruments represented by options endorsed by Legent for the Option Account, and (ii) engaging in any other lawful transaction reasonably calculated to protect Legent's and TradeKing's position. I agree that I will bear and be solely responsible for any losses associated with such a reduction or liquidation.

Uncovered Sale of Options. I specifically acknowledge that the sale of any call option without depositing the underlying securities may subject Me to a significant loss.

Adjustments. From time to time the OCC may make adjustments to existing listed options contracts as a result of corporate actions or other events. Information on adjustments is generally available from the OCC. I agree to contact TradeKing if I have any questions regarding options adjustments.

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 Option Account, except to the extent that such Losses are actual Losses and are determined by a court of competent jurisdiction or an 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,

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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 Option 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 Option 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 Option Agreement.

I UNDERSTAND THAT THIS OPTION 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.

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Your Investment Experience				
Annual Income	Net Worth (excluding residence)	Liquid Net Worth	Tax Bracket	Primary Source of Income
<input type="checkbox"/> Under \$25,000	<input type="checkbox"/> Under \$50,000	<input type="checkbox"/> Under \$25,000	<input type="checkbox"/> 0%	<input type="checkbox"/> Investments
<input type="checkbox"/> \$25,001 - \$50,000	<input type="checkbox"/> \$50,001 - \$100,000	<input type="checkbox"/> \$25,001 - \$50,000	<input type="checkbox"/> 10%	<input type="checkbox"/> Compensation
<input type="checkbox"/> \$50,001 - \$100,000	<input type="checkbox"/> \$100,001 - \$500,000	<input type="checkbox"/> \$50,001 - \$100,000	<input type="checkbox"/> 25%	<input type="checkbox"/> Retirement Assets
<input type="checkbox"/> \$100,001 - \$200,000	<input type="checkbox"/> \$500,001 - \$1,000,000	<input type="checkbox"/> \$100,001 - \$200,000	<input type="checkbox"/> 28%	<input type="checkbox"/> Other (please specify) _____
<input type="checkbox"/> Over \$200,001 (please specify) _____	<input type="checkbox"/> Over \$1,000,001 (please specify) _____	<input type="checkbox"/> Over \$200,001 (please specify) _____	<input type="checkbox"/> 33%	
			<input type="checkbox"/> 35%	
Investment Objective		Investment Experience		Risk Exposure
<input type="checkbox"/> Current Income Preservation of capital with a primary consideration on current income	<input type="checkbox"/> Mutual Funds (yrs ___)	<input type="checkbox"/> Variable Products (yrs ___)	<input type="checkbox"/> Low	<input type="checkbox"/> Limited
<input type="checkbox"/> Balanced A balance between capital appreciation and current income with the primary consideration being current income	<input type="checkbox"/> Bonds (yrs ___)	<input type="checkbox"/> Stocks (yrs ___)	<input type="checkbox"/> Moderate	<input type="checkbox"/> Good
<input type="checkbox"/> Growth & Income A balance between capital appreciation and current income with the primary consideration being capital appreciation	<input type="checkbox"/> Options (yrs ___)	<input type="checkbox"/> Other (please specify) (yrs ___)	<input type="checkbox"/> Aggressive	<input type="checkbox"/> Excellent
<input type="checkbox"/> Growth Capital appreciation through quality equity investments and little or no income	<input type="checkbox"/> None		Time Horizon	
<input type="checkbox"/> Maximum Growth Maximum capital appreciation with higher risk and little to no income	DATE OF BIRTH:		<input type="checkbox"/> Short Term – Less than 1 yr.	
<input type="checkbox"/> Speculation Maximum total return involving a higher degree of risk through investment in a broad spectrum of securities	_____/_____/_____ Month Day Year		<input type="checkbox"/> Intermediate – 1 – 10 yr.	
			<input type="checkbox"/> Long Term – More than 10 yr.	
<input type="checkbox"/> Risk Level 1 Covered Call Writing	Minimum Annual Income: No Requirements Minimum Option Experience: None		Minimum Net Worth: No Requirements Investment Objective: Current Income, Balanced	
<input type="checkbox"/> Risk Level 2 Covered Call Writing Buying Puts & Calls	Minimum Annual Income: No Requirements Minimum Option Experience: None		Minimum Net Worth: No Requirements Investment Objective: Balanced, Growth & Income, Growth, Max Growth, Speculation	
<input type="checkbox"/> Risk Level 3 Covered Call Writing Buying Puts & Calls Combinations (Spreads, Straddles)	Minimum Annual Income: \$25,000 Minimum Option Experience: 1 year Minimum Account Equity: None		Minimum Net Worth: \$25,000 Minimum Investment Experience: 1 year Investment Objective: Growth & Income, Growth, Maximum Growth, Speculation	
<input type="checkbox"/> Risk Level 4 Covered Call Writing Buying Puts & Calls Combinations (Spreads, Straddles) Selling Uncovered Puts	Minimum Annual Income: \$50,000 Minimum Option Experience: 2 years Minimum Account Equity: \$25,000		Minimum Net Worth: \$50,000 Minimum Investment Experience: 3 years Investment Objective: Growth & Income, Growth, Maximum Growth, Speculation	
<input type="checkbox"/> Risk Level 5 Covered Call Writing Buying Puts & Calls Combinations (Spreads, Straddles) Selling Uncovered Equity Puts & Calls	Minimum Annual Income: \$50,000 Minimum Option Experience: 3 years Minimum Account Equity: \$100,000		Minimum Net Worth: \$100,000 Minimum Investment Experience: 3 years Investment Objective: Maximum Growth, Speculation	
<input type="checkbox"/> Risk Level 6 Covered Call Writing Buying Puts & Calls Combinations (Spreads, Straddles) Selling Uncovered Equity/Index Puts & Calls	Minimum Annual Income: \$50,000 Minimum Option Experience: 3 years Minimum Account Equity: \$100,000		Minimum Net Worth: \$100,000 Minimum Investment Experience: 3 years Investment Objective: Maximum Growth, Speculation	
I hereby request that Kane Reid Securities Group, Inc. d/b/a TradeKing ("TradeKing") and Legent Clearing LLC ("Legent") amend the account in the name(s) listed as account owner(s) on this OPTION application and to that purpose endorse this account as an OPTION ACCOUNT.				
By signing below, I acknowledge that I have received, read, understand and agree to be bound by the terms & conditions as set forth in the MAIN Customer 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 neither TradeKing nor Legent 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 provider 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 30 OF THE MAIN CUSTOMER AGREEMENT. I ACKNOWLEDGE THAT I HAVE RECEIVED AND READ THE PRE-DISPUTE ARBITRATION AGREEMENT.				
By signing below, I acknowledge that I have received, read and understand the Option Account Agreement and acknowledge having received and read the booklet entitled "Characteristics and Risks of Standardized Options" issued by the Options Clearing Corporation ("OCC")				
Account Name (Your full name)		Account Number		
Account Holder's Signature	Date	Joint Holder's Signature	Date	
Broker Signature	Date	TradeKing Registered Options Principal Signature	Date	
Approved Risk Level	<input type="checkbox"/> Level 1	<input type="checkbox"/> Level 2	<input type="checkbox"/> Level 3	<input type="checkbox"/> Level 4
				<input type="checkbox"/> Level 5
				<input type="checkbox"/> Level 6