

# STANDARD INVESTMENT CHARTERED, INC.

## NOTICE OF PRIVACY POLICY

*Assisting the professional investor with our proprietary research, trade formulation and execution in a unique and often challenging marketplace.*

As your securities firm, we take your privacy seriously. We want you to understand what information we collect and how we use it. We collect and use “nonpublic personal information” from our new account forms to help us determine suitability for certain investments, as a tool in obtaining your investment objectives, and to satisfy the requirements of various regulatory agencies that govern our securities firm.

We do not disclose nonpublic personal information about you to non-exempt third parties.

We may also collect non-public personal information about you from data we receive from non-affiliated third parties, including consumer and industry reporting agencies.

We maintain physical and electronic safeguards to protect your nonpublic information.

If you have any questions regarding our privacy policy, please contact your investment executive.

**STANDARD INVESTMENT**

CHARTERED, INC.  
NASD Member SIPC

2801 BRISTOL STREET SUITE 100 COSTA MESA, CA 92626  
(714) 444-4300 (714) 444-0072 FAX

**CLIENT DATA**

Existing Client

New Client

Date \_\_\_\_\_

Clearing Acct # \_\_\_\_\_

**GENERAL INFORMATION:**

Check if client or spouse is associated with an NASD firm. NASD Firm Name: \_\_\_\_\_

FOR THE ACCOUNT OF \_\_\_\_\_

MAILING ADDRESS \_\_\_\_\_

PRIMARY TEL. ( ) \_\_\_\_\_ SECONDARY TEL. ( ) \_\_\_\_\_ FAX ( ) \_\_\_\_\_

CO-OWNER'S NAME: \_\_\_\_\_ RELATIONSHIP TO CLIENT: \_\_\_\_\_

CLIENT SOC. SEC. # \_\_\_\_\_ CO-OWNERS SOC. SEC. # \_\_\_\_\_  
OR TAX I.D. # (if applicable) \_\_\_\_\_ OR TAX I.D. # (if applicable) \_\_\_\_\_

CLIENT OCCUPATION \_\_\_\_\_ CO-OWNER OCCUPATION (if applicable) \_\_\_\_\_

EMPLOYER'S NAME \_\_\_\_\_ EMPLOYER'S NAME \_\_\_\_\_

EMPLOYER'S ADDRESS \_\_\_\_\_ EMPLOYER'S ADDRESS \_\_\_\_\_  
Street Address or P.O. Box Street Address or P.O. Box

City State ZIP City State ZIP

CLIENT - DATE OF BIRTH \_\_\_\_\_ AGE \_\_\_\_\_ CITIZENSHIP  USA  OTHER \_\_\_\_\_

CO-OWNER - DATE OF BIRTH \_\_\_\_\_ AGE \_\_\_\_\_ CITIZENSHIP  USA  OTHER \_\_\_\_\_

CLIENT MARITAL STATUS \_\_\_\_\_ (married/single) DEPENDENTS: \_\_\_\_\_

If client is a corporation, partnership or other legal entity, list the persons authorized to transact business on behalf of the entity:

Print name: \_\_\_\_\_ Print name: \_\_\_\_\_

**SELECTED FINANCIAL DATA:**

IF CHECKED, THE FOLLOWING ARE REPRESENTATIVE'S ESTIMATES

APPROX. ANNUAL INCOME \$ \_\_\_\_\_ PASSIVE INCOME \$ \_\_\_\_\_

APPROX. COMBINED TAX BRACKET \$ \_\_\_\_\_ RESIDENCE \$ \_\_\_\_\_

APPROX. CASH \$ \_\_\_\_\_ OTHER REAL ESTATE \$ \_\_\_\_\_

APPROX. MARKETABLE SECURITIES \$ \_\_\_\_\_ ILLIQUID SECURITIES \$ \_\_\_\_\_

APPROX. ASSETS \$ \_\_\_\_\_ APPROX. LIABILITIES \$ \_\_\_\_\_

OTHER FINANCIAL DATA: \_\_\_\_\_

BANK REFERENCE(S): \_\_\_\_\_

OTHER BROKERAGE REFERENCE(S): \_\_\_\_\_

**PRIOR INVESTMENT EXPERIENCE:**

INVESTMENT EXPERIENCE (state year of 1st experience)

In stocks: 19 \_\_\_\_\_ in options: 19 \_\_\_\_\_ in commodities: 19 \_\_\_\_\_ in partnerships: 19 \_\_\_\_\_

In other investments: 19 \_\_\_\_\_ (specify: \_\_\_\_\_)

Life Insurance  Yes, \$ \_\_\_\_\_,000 face value Annuities  Yes, \$ \_\_\_\_\_,000 face value

HOW ACCOUNT ACQUIRED: \_\_\_\_\_

TRANSFER FROM: \_\_\_\_\_

**CLIENT'S OBJECTIVES:** IN ORDER OF PRIORITY, WITH "1" BEING THE PRIMARY OBJECTIVE):

\_\_\_\_\_ Income    \_\_\_\_\_ Tax Benefits    \_\_\_\_\_ Aggressive Income    \_\_\_\_\_ Other (specify: \_\_\_\_\_)  
\_\_\_\_\_ Growth    \_\_\_\_\_ Capital Preservation    \_\_\_\_\_ Aggressive Growth    \_\_\_\_\_

ANTICIPATED HOLDING PERIOD:

\_\_\_\_\_ trading account    \_\_\_\_\_ short term (1-3 yrs.)    \_\_\_\_\_ intermediate (3-5 yrs.)    \_\_\_\_\_ (5+ yrs.)    \_\_\_\_\_ combination

INITIAL TRANSACTION(S): \_\_\_\_\_

OTHER PRODUCT INTEREST(S): \_\_\_\_\_

OTHER RELEVANT DATA/COMMENTS: \_\_\_\_\_

The foregoing information is true and correct as of the date stated above, is provided by Client to enable Standard Investment to properly handle Client's transactions, and will be held in confidence by Standard Investment.

CLIENT SIGNATURE: (X) \_\_\_\_\_ CO-OWNER SIGNATURE: (X) \_\_\_\_\_

COMMENTS: \_\_\_\_\_

RR SIGNATURE \_\_\_\_\_ RR NO. \_\_\_\_\_ BRANCH OFFICE \_\_\_\_\_ BR NO. \_\_\_\_\_

BRANCH MGR. APPROVAL \_\_\_\_\_ HOME OFFICE APPROVAL \_\_\_\_\_  
White - Home Office    Yellow - Branch Office    Pink - Registered Representative    Gold - Client    (7/97)

**STANDARD INVESTMENT**

CHARTERED, INC.  
NASD • Member • SIPC

2801 BRISTOL STREET • SUITE 100 • COSTA MESA, CA 92626  
(714) 444-4300 • (714 ) 444-0072 FAX

**CLIENT AGREEMENT**

Existing Client  New Client

Date \_\_\_\_\_

Clearing Acc't # \_\_\_\_\_

*In consideration of our agreement, as my broker, to execute one or more transactions for the purchase or sale of certain securities or other investments for me, at my direction and at my risk, the undersigned client(s) ("Client") provides the information set forth and referred to below, and agrees that any disputes between us will be submitted to arbitration, as provided in the Predispute Arbitration Clause which immediately precedes Client's signature.*

**GENERAL INFORMATION: NOTICES**

FOR THE ACCOUNT OF: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_

PRIMARY TELEPHONE NO. ( \_\_\_\_\_ ) FAX ( \_\_\_\_\_ )

ACCOUNT TYPE:  Individual  Joint  Custodian  Other ( \_\_\_\_\_ )

NAMES OF CO-OWNER(S): \_\_\_\_\_

STANDARD INVESTMENT IS  IS NOT  AUTHORIZED TO FOLLOW CO-OWNER'S INSTRUCTIONS.

All communications will be mailed to the above address until Standard Investment receives written notice from Client directing communications to a different address. All communications are presumed to have been given upon mailing, whether or not actually received. Client agrees to notify Standard Investment immediately of any error or inaccuracy in any transaction or other communication, and all notices of transactions and other communications so mailed shall be final and valid unless Standard Investment receives written notice to the contrary within 10 days following mailing.

Client has provided the information called for by Standard Investment's "Client Data" form, and represents that all of the information contained therein is true and correct as of the date stated above. Client agrees to immediately notify standard Investment in writing of any material change in any of that information.

**PREDISPUTE ARBITRATION AGREEMENT**

**I. ARBITRATION**

- 1) Arbitration is final and binding on the parties in arbitration;
- 2) The parties are waiving their right to seek remedies in court, including the right to jury trial;
- 3) Pre-arbitration discovery is generally more limited and different from court proceedings;
- 4) The arbitrator's award is not required to include factual findings or legal reasoning and the right of any party to appeal or seek modification of rulings by arbitrators is strictly limited;
- 5) The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.

**II. ARBITRATION OF CONTROVERSIES:**

THE UNDERSIGNED AGREE(S) THAT ANY CONTROVERSIES WHICH MAY ARISE BETWEEN US CONCERNING ANY TRANSACTION(S) OR THE CONSTRUCTION PERFORMANCE OR BREACH OF THIS OR ANY OTHER AGREEMENT BETWEEN US, WHETHER ENTERED INTO PRIOR, ON OR SUBSEQUENT TO THE DATE HEREOF SHALL BE DETERMINED BY ARBITRATION PURSUANT TO THE FEDERAL ARBITRATION ACT, BEFORE THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. AND IN ACCORDANCE EITHER ITS RULES. 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 ACTION IS DECERTIFIED; OR (III) THE CUSTOMER IS EXCLUDED FROM THE CLASS BY THE COURT. SUCH FORBEARANCE TO ENFORCE AND AGREEMENT TO ARBITRATE SHALL NOT CONSTITUTE A WAIVER OF ANY RIGHTS UNDER THIS AGREEMENT EXCEPT TO THE EXTENT STATED HEREIN.

THE UNDERSIGNED ACKNOWLEDGES AND UNDERSTANDS THAT INVESTMENTS ARE SUBJECT TO CERTAIN RISKS, INCLUDING CHANGES IN MARKET VALUE, GENERAL ECONOMIC CONDITIONS AND ACTS BY THE MANAGEMENT OF ISSUERS, AND THE UNDERSIGNED AGREES TO ACCEPT SUCH RISKS.

The undersigned acknowledge(s) having received and read a copy of this Agreement as of the date first written above.

The undersigned further acknowledge(s) that this Agreement contains a Predispute Arbitration Clause.

CLIENT SIGNATURE: (X) \_\_\_\_\_ CO-OWNER SIGNATURE: (X) \_\_\_\_\_

COMMENTS: \_\_\_\_\_

RR SIGNATURE \_\_\_\_\_ RR NO. \_\_\_\_\_ BRANCH OFFICE \_\_\_\_\_ BR NO. \_\_\_\_\_

BRANCH MGR. APPROVAL \_\_\_\_\_ HOME OFFICE APPROVAL \_\_\_\_\_

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I.E. Code

Account Number

Dear Valued Customer

In order to better service your financial needs, our firm has engaged Wedbush Morgan Securities Inc., a member of the New York Stock Exchange and other major exchanges, as our correspondent broker-dealer clearing agent (the "Clearing Agent"), and accordingly we have opened an account under your name with our Clearing Agent on a correspondent broker basis pursuant to a written agreement between us and the Clearing Agent.

Under this agreement, the Clearing Agent will: provide cashiering services; monitor compliance of credit according to applicable rules, regulations and policies; prepare and mail trade notifications and periodic account statements; and provide for the dissemination of proxy, tender offer and other similar shareholders' materials. In addition, the Clearing Agent may provide, upon our specific instructions, order execution and/or certificate clearance. **However, the Clearing Agent will not be involved with or have responsibility for decisions regarding transactions in your account.** Moreover, under no circumstances will we be an agent of the clearing agent nor be in any partnership, association or joint venture relationship with the clearing agent. If the Clearing Agent pays interest on your qualified credit balances left on deposit in your account, for the purpose of pending investment or reinvestment, we may receive an administrative fee that would be in the form of an interest rate decrease of no more than one-half of one percent from the interest rate established for credit balances.

Since you continue to be a customer of our firm, the opening and approval of accounts and the entry of orders and instructions regarding the deposit or withdrawal of securities or money for your account must be handled by us. We will continue to be responsible for all activities in connection with your account, and inquiries or complaints regarding your account should be directed to us. You may access your account online, at any time, by visiting [www.mysecuritiesaccount.com](http://www.mysecuritiesaccount.com). Please contact us for a password.

You acknowledge that in connection with this Agreement that we, or our Clearing Agent, may submit and collect nonpublic and public information to consumer and industry reporting agencies. Upon your written request, we will inform you if we have obtained information through these inquiries, and if so, we will provide you with the name and address of the consumer and industry reporting agency.

To acknowledge your understanding of these matters and to provide us with your required taxpayer certification and beneficial ownership election, please complete, sign, and return this document to us. Please note, in order to avoid backup withholding taxes imposed by the IRS, we must receive this document within 20 days. If you have any questions, please call us at your convenience.

## ACCOUNT AGREEMENT, TAXPAYER CERTIFICATION, AND BENEFICIAL OWNERSHIP ELECTION

Under penalties of perjury, I certify that:

- (1) that the number supplied below is my correct taxpayer identification number, 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 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 and **(IF YOU HAVE BEEN NOTIFIED BY THE IRS THAT YOU ARE SUBJECT TO BACKUP WITHHOLDING, YOU MUST CROSS OUT CERTIFICATION (2) ABOVE.)**
- (3) I am a U.S. Person (including a U.S. Resident Alien)

Rule 14b-1(c) of the Securities Exchange Act requires disclosure to requesting companies of the name, address and securities positions of customers who are beneficial owners of that company's securities, unless the customer objects. If you do not object to this disclosure, no action is required. If you do object, please check the box below.

Do not disclose this information to requesting companies.

***By signing below, you acknowledge that you have read and received a copy for your records of this agreement and the "Disclosure Statement-Facts About Your Borrowing Costs and Other Matters". You acknowledge your understanding and agreement that 1) your account is to be handled in the manner described in these agreements and 2) the "Disclosure Statement-Facts About Your Borrowing Costs and Other Matters" contains a Pre-dispute Arbitration clause in Paragraph 9, and 3) you understand that such Pre-dispute Arbitration clause will be binding on you upon signing below.***

***The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.***

PRINT NAME

SOCIAL SECURITY/TAX ID  
NUMBER

CUSTOMER SIGNATURE - IF ENTITY  
ACCOUNT, PLEASE SIGN IN CAPACITY  
(TTEE, PRESIDENT, ETC.)

DATE

PRINT NAME

SOCIAL SECURITY/TAX ID  
NUMBER

JOINT CUSTOMER SIGNATURE (IF  
JOINT ACCOUNT, BOTH MUST SIGN)

DATE

SIGNATURE GUARANTEED BY (For Official Use Only)

0504C Letter A

## DISCLOSURE STATEMENT-FACTS ABOUT YOUR BORROWING COSTS AND OTHER MATTERS

1. **INTEREST POLICY:** Your account will be charged on any credit extended to or maintained for you by our Clearing Agent. The annual rate of interest will vary in relation to the size of your daily net debit balance and the prime rate in effect from time to time. The term "prime rate" means the current prime rate as correctly published in the Pacific Edition of the Wall Street Journal. The actual interest rate charged will not exceed the maximum rate of 2 ½% above the prime rate. Since the actual rates of interest charged are related to the prime rate, any changes in the prime rate may result in corresponding changes without notice in the actual rates charged. There may be an administrative fee charged to you, in the form of an interest rate increase of not more than one-half of one percent which will be determined by us and paid directly to us by the Clearing Agent. Please call your broker for the actual rates currently in effect.
2. **METHOD OF COMPUTING INTEREST:** Your account will be charged interest using a 365 day per year factor on the daily net debit balance in your combined account types. Each day your settled money balances in each account type will be combined in determining your daily net debit balance. A daily net debit balance results whenever the total of combined debit balances exceeds the total of combined free credit balances. For purposes of this calculation, free credit balances exclude credit balances in short accounts, and the sales proceeds included in settled balances from transactions in cash accounts involving non-negotiable long positions, technical short positions and uncovered option positions. Short account credit balances are disregarded because the securities sold by you are not available for delivery and collection of the sales proceeds resulting from short sales. Sales proceeds included in settled balances from the other described sales transactions in cash accounts are disregarded because such credit items are not available to our Clearing Agent, until the related securities sold are rendered deliverable. Although the interest charge is calculated daily, it is generally posted once a month and compounded monthly. Interest charges are summarized on your monthly account statement. The summary uses a weighted average of the daily net debit balance (weighted average balance) and an imputed average interest rate for the period shown. The summary is determined by dividing the total amount of the interest charge (calculated on a daily basis using the actual daily net debit balance and the applicable interest rate) by the product of the weighted average balance multiplied by the number of calendar days the account had a daily net debit balance divided by 365 days. A copy of the daily calculation is available upon written request.
3. **INTEREST CREDIT POLICY:** Your account will be paid interest by our Clearing Agent (unless not permitted by state law) on qualified free credit balances left on deposit for investment or reinvestment purposes only. Unless you advise otherwise, our Clearing Agent will continue to rely on this representation for credit interest. There may be an administrative fee charged to you, in the form of an interest rate decrease of not more than one-half of one percent which will be determined by us and paid directly to us by the Clearing Agent. Monthly interest amounting to under \$6.00 will not be paid. The Clearing Agent's interest participation policy is non-discriminating, uniform and fair. A free credit balance represents funds payable to you upon demand (including checks deposited pending satisfactory clearance) which, although properly accounted for on the books and records, are not segregated and may be used in the conduct of the firm's business, including the financing of customers' securities purchased on margin (subject to the limitations of Section 240.15c3-3 of the Securities Exchange Act of 1934). You have a right to receive, in the course of normal business operations, upon demand, the delivery of: (a) any free credit balance to which you are entitled; (b) any fully paid security to which you are entitled; and (c) any security purchased on margin upon full payment of any indebtedness.
4. **PREPAYMENTS:** Prepaid amounts (i.e. instances where the proceeds from sales transactions are paid to you prior to each respective settlement date) are recorded as debit entries in your account on the date of each prepayment. Such prepayments are included in the money balances when calculating daily net debit balances.
5. **LIENS & ADDITIONAL COLLATERAL:** With respect to all your accounts (either individual or joint with others) carried or maintained by our Clearing Agent containing securities, or other property which has been deposited for any purpose, including safekeeping, our Clearing Agent as pledgee has a general lien on all such property for the discharge of all your obligations to the Clearing Agent, regardless of origin or the number of accounts you may have with such Clearing Agent. The Clearing Agent may require you to deposit additional collateral in accordance with the rules and regulations of various governmental and self-regulatory organizations having jurisdiction over the Clearing Agent. The Clearing Agent also may (but shall have no obligation to) require you to deposit additional collateral as the Clearing Agent, in its sole discretion, determines is needed as additional security for your obligations.
6. **MARKING-TO-THE-MARKET:** All short positions in your short account will be "marked to the market", which means that the money balance maintained in the short account will be adjusted from time to time to reflect any changes in the market value of the short securities. The opposite side of such adjustments will be reflected in your margin account balance, thus increasing or decreasing the money balance in the margin account, which is the amount used in computing your interest charge. For example, if you are short 1000 shares of XYZ against a credit balance in your short account of \$50,000, and XYZ falls to \$40 per share, the credit balance in your short account will be reduced by \$10,000 and a corresponding \$10,000 credit adjustment will be made in your margin account, thereby decreasing the amount subject to interest by \$10,000.
7. **DIVIDEND AND INTEREST PAYMENTS:** When you select the payment option, dividends and interest (including other similar distributions) generally will be distributed to you on a monthly basis.
8. **CLEARING AGENT'S PRIVACY POLICY:** The Clearing Agent collects "nonpublic personal information" from us. This information may be used by them in order to provide the services outlined in the "Letter of Understanding" you signed upon establishing your account with us. On our behalf, they may also submit and collect nonpublic and public information about you to or from consumer and industry reporting agencies. This information may relate to transactions and other activities with us or with others. The Clearing Agent may disclose any information when they believe it necessary to conduct their business, or where disclosure is required by law. The Clearing Agent will not sell any information about you. The Clearing Agent maintains physical and electronic safeguards to protect your nonpublic and public personal information in its possession.
9. **PRE-DISPUTE ARBITRATION AGREEMENT: THE FOLLOWING GENERAL PROVISIONS APPLY TO ALL ARBITRATIONS UNDER THIS AGREEMENT:**
  - (A) ARBITRATION IS FINAL AND BINDING ON THE PARTIES.
  - (B) THE PARTIES ARE WAIVING THEIR RIGHT TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO JURY TRIAL.
  - (C) PRE-ARBITRATION DISCOVERY IS GENERALLY MORE LIMITED THAN AND DIFFERENT FROM COURT PROCEEDINGS.
  - (D) THE ARBITRATORS' AWARD IS NOT REQUIRED TO INCLUDE FACTUAL FINDINGS OR LEGAL REASONING AND ANY PARTY'S RIGHT TO APPEAL OR TO SEEK MODIFICATION OF RULINGS BY THE ARBITRATORS IS STRICTLY LIMITED.
  - (E) THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.

BY SIGNING THE "ACCOUNT AGREEMENT, TAXPAYER CERTIFICATION AND BENEFICIAL OWNERSHIP ELECTION" FORM (THE "AGREEMENT") YOU AGREE, AND BY ESTABLISHING AN ACCOUNT FOR YOU, WE AND OUR CLEARING FIRM AGREE THAT ALL CONTROVERSIES WHICH MAY ARISE BETWEEN YOU AND OUR FIRM AND/OR OUR CLEARING AGENT (OR ANY OF OUR/THEIR OFFICERS, EMPLOYEES OR AGENTS OR ASSIGNEES) CONCERNING ANY TRANSACTION OR THE CONSTRUCTION, PERFORMANCE OR BREACH OF THIS OR ANY OTHER AGREEMENT BETWEEN YOU AND OUR FIRM AND/OR OUR CLEARING AGENT, SHALL BE DETERMINED BY ARBITRATION IN ACCORDANCE WITH THE RULES, THEN IN EFFECT, OF THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, THE NEW YORK STOCK EXCHANGE OR ANY OTHER EXCHANGE OR FORUM OF WHICH OUR FIRM AND/OR OUR CLEARING AGENT IS A MEMBER, AS YOU MAY ELECT. IF YOU DO NOT MAKE SUCH ELECTION BY REGISTERED MAIL SENT TO OUR FIRM AT ITS MAIN OFFICE WITHIN TEN (10) DAYS AFTER THE RECEIPT OF NOTIFICATION FROM OUR FIRM AND/OR OUR CLEARING AGENT REQUESTING SUCH AN ELECTION, THEN YOU AUTHORIZE US TO MAKE SUCH ELECTION ON YOUR BEHALF.

FURTHERMORE, YOU AGREE AND ACKNOWLEDGE, AND OUR FIRM AND OUR CLEARING AGENT AGREE AND ACKNOWLEDGE THAT ANY CONTROVERSIES WHICH ARE THE SUBJECT OF AN ALLEGED CLASS ACTION OR A CERTIFIED CLASS ACTION SHALL NOT BE BROUGHT TO ARBITRATION UNDER THIS AGREEMENT, UNLESS: (I) THE CLASS CERTIFICATION IS DENIED; (II) THE CLASS IS DECERTIFIED; OR (III) THE CLASS PERSON WHO IS A PARTY TO THIS AGREEMENT SUBSEQUENTLY IS EXCLUDED FROM THE CLASS BY THE COURT OR HAS VOLUNTARILY WITHDRAWN FROM THE CLASS.

**CUSTOMER MARGIN ACCOUNT AGREEMENT ("AGREEMENT")**SC \_\_\_\_\_  
I.E. CODE      ACCOUNT NUMBERTO: *Standard Investment Chartered*

Relative to maintaining a margin account with you through the facilities of your correspondent clearing agent (the "Clearing Agent") whereupon the Clearing Agent may extend credit to the undersigned, the undersigned understands and concurs with the provisions of this Agreement.

1. **CORRESPONDENT ARRANGEMENT:** Under a correspondent arrangement, the undersigned's margin account is to be carried, cleared and maintained by your Clearing Agent pursuant to a written agreement between you and the Clearing Agent, which provides, in part, that the undersigned will continue to be your customer and not the customer of the Clearing Agent. Credit may be extended by the Clearing Agent to the undersigned in accordance with this Agreement.
  2. **DISCLOSURE STATEMENT:** The undersigned acknowledges receipt of the current Disclosure Statement concurrently furnished with this Agreement. This Agreement is expressly made in reference to the disclosures set forth in such statement.
  3. **APPLICABLE RULES AND REGULATIONS:** All transactions under this Agreement shall be subject to the constitution, rules, regulations, customs, usages, rulings and interpretations of the exchange or market, and its clearing and depository facilities, where executed, to all governmental acts and statutes and applicable rules and regulations made thereunder, and to all applicable judicial and administrative decisions or interpretations. Whenever any statute shall be enacted, or any rule or regulation shall be prescribed or promulgated by any exchange or association of which you or your Clearing Agent is a member, the Securities and Exchange Commission, the Commodities Futures Trading Commission or the Board of Governors of the Federal Reserve System, or whenever any final decision or interpretation shall be issued by any court or administrative body of competent jurisdiction which shall affect in a manner or be inconsistent with any of the provisions of this Agreement, those provisions shall be deemed modified or superseded, as the case may be, by such act, statute, rule, regulation, decision or interpretation. All other provisions of this Agreement and the provisions as so modified or as so superseded shall in all respects continue and be in full force and effect.
  4. **DEFINITION:** For purposes of this Agreement "securities or other property," as used herein shall include, but not be limited to monies, securities, financial instruments and commodities of every kind and nature, and all contracts and options relating thereto, whether for present or future delivery. The "undersigned" shall mean the customer or joint customer, as applicable.
  5. **LIEN:** All securities or other property which you, your Clearing Agent or your other agents or agents of your Clearing Agent may at any time be carrying or maintaining for the undersigned or which may at any time be in you or your Clearing Agent's possession or control for any purpose, including safekeeping, shall be held as security for the payment of any liability of the undersigned to your Clearing Agent irrespective of whether advances have been made in connection with such securities or other property, and irrespective of the number of accounts the undersigned may have with you or your Clearing Agent.
  6. **PLEDGES OF SECURITIES OR OTHER PROPERTY:** All securities or other property, presently or in the future, carried or maintained by the Clearing Agent for the undersigned (either individually, or jointly with others), may be held in the Clearing Agent's name or the name of any nominee and may from time to time and without notice to the undersigned, be carried in general loans and may be pledged, re-pledged, hypothecated, or re-hypothecated, or loaned either to the Clearing Agent or to others, separately or in common with other securities or other property, for any amount due in the accounts of the undersigned or for any greater amount, and without retaining possession or control for delivery a like amount of similar securities or other property. After receipt of demand for delivery and the undersigned becoming entitled to delivery, the Clearing Agent shall have a reasonable time to ship securities, or other property from Los Angeles, California, or from any other place where such may be located, to the place where such are to be delivered to the undersigned.
  7. **MAINTENANCE MARGIN REQUIREMENTS:** The undersigned shall at all times maintain acceptable collateral in the form of securities or other property in sufficient amounts as may be required by the Clearing Agent from time to time for the Clearing Agent's protection or to meet the requirements of various regulatory bodies ("maintenance margin"). The amount of maintenance margin required by the Clearing Agent may vary depending on the type of collateral (stocks, corporate bonds, municipal and government bonds, etc.) in the account and/or on the quantity of such collateral in terms of high concentration factors and/or illiquid trading markets for such collateral. The undersigned understands that although the Clearing Agent does not limit the factors which may require additional collateral, factors such as market fluctuations, unusual or volatile market conditions, high concentrations, precipitous market declines, illiquid trading markets, quality of collateral or the overall credit standing of the account shall be considered. Notwithstanding the foregoing, additional collateral may be required in the Clearing Agent's discretion. The undersigned further acknowledges and agrees that in the event a maintenance margin deficiency exists the Clearing Agent may liquidate (but the Clearing Agent shall not be required to do so) all or any part of the collateral in the account. The Clearing Agent may liquidate the collateral as the Clearing Agent, in its discretion, shall deem appropriate in view of the prevailing market conditions at such time. Such action by the Clearing Agent to liquidate all or any part of the collateral, whether in a single transaction or in a series of transactions of the same or of different collateral, could result in a deficit for which the undersigned shall remain liable to the Clearing Agent.
- THE UNDERSIGNED CLEARLY UNDERSTANDS THAT, NOTWITHSTANDING ANY GENERAL POLICY TO GIVE NOTICE OF A MAINTENANCE MARGIN DEFICIENCY, THERE IS NO OBLIGATION TO REQUEST ADDITIONAL MARGIN IN THE EVENT THE UNDERSIGNED'S ACCOUNT FALLS BELOW THE MINIMUM MARGIN REQUIREMENTS. MORE IMPORTANTLY, THERE MAY WELL BE CIRCUMSTANCES WHERE THE CLEARING AGENT MAY LIQUIDATE SECURITIES AND OTHER PROPERTY IN THE ACCOUNT OF THE UNDERSIGNED WITHOUT NOTICE TO THE UNDERSIGNED IN ORDER TO SATISFY THE CLEARING AGENT'S MAINTENANCE REQUIREMENTS.**
8. **LIQUIDATION: NOTWITHSTANDING OTHER PROVISIONS, THE CLEARING AGENT IS AUTHORIZED AT ITS DISCRETION TO CLOSE THE ACCOUNT IN WHOLE OR IN PART WHENEVER THE CLEARING AGENT CONSIDERS IT NECESSARY FOR ITS PROTECTION. IN ADDITION, THE OCCURRENCE OF EITHER OF THE FOLLOWING EVENTS SHALL BE CONSIDERED A DEFAULT BY THE UNDERSIGNED ENTITLING THE CLEARING AGENT, IN ITS DISCRETION, TO CLOSE THE ACCOUNT: (A) ONE OR MORE OF THE UNDERSIGNED BE JUDICIALLY DECLARED INCOMPETENT OR DIES, OR A PETITION IN BANKRUPTCY OR FOR THE APPOINTMENT OF A RECEIVER BY OR AGAINST ONE OR MORE OF THE UNDERSIGNED IS FILED, OR AN ATTACHMENT IS LEVIED AGAINST ONE OR MORE OF THE UNDERSIGNED'S ACCOUNTS; OR (B) THE COLLATERAL DEPOSITED TO PROTECT THE UNDERSIGNED'S ACCOUNT IS DETERMINED BY THE CLEARING AGENT IN ITS DISCRETION, AND REGARDLESS OF MARKET QUOTATIONS, TO BE INADEQUATE TO PROPERLY SECURE THE ACCOUNT. IN CONNECTION THEREWITH, THE CLEARING AGENT MAY SELL ANY OR ALL OF THE SECURITIES OR OTHER PROPERTY WHICH MAY BE IN ITS POSSESSION OR CONTROL, OR WHICH MAY BE CARRIED OR MAINTAINED BY THE CLEARING AGENT OR ITS AGENTS FOR THE UNDERSIGNED, OR THE CLEARING AGENT MAY "BUY IN" ANY SECURITIES OR OTHER PROPERTY OF WHICH THE ACCOUNT OR ACCOUNTS OF THE UNDERSIGNED MAY BE SHORT, OR CANCEL ANY OUTSTANDING ORDERS SO AS TO TERMINATE ANY COMMITMENT MADE IN BEHALF OF THE UNDERSIGNED. SUCH SALE, PURCHASE OR CANCELLATION MAY BE MADE ACCORDING TO THE CLEARING AGENT'S JUDGEMENT AND BE MADE, AT ITS DISCRETION, ON ANY EXCHANGE OR OTHER MARKET WHERE SUCH BUSINESS IS CUSTOMARILY TRANSACTED, OR AT PUBLIC AUCTION OR AT PRIVATE SALE, WITHOUT ADVERTISING THE SAME AND WITHOUT NOTICE TO THE UNDERSIGNED OR TO THE PERSONAL REPRESENTATIVES OF THE UNDERSIGNED, AND WITHOUT PRIOR TENDER, DEMAND OR CALL OF ANY KIND UPON THE UNDERSIGNED OR UPON THE PERSONAL REPRESENTATIVES OF THE UNDERSIGNED. THE CLEARING AGENT MAY (BUT SHALL NOT BE OBLIGATED TO) PURCHASE THE WHOLE OR ANY PART THEREOF FREE FROM ANY RIGHT OF REDEMPTION OR THE CLEARING AGENT MAY TRANSFER THE WHOLE OR ANY PART THEREOF OR THE RIGHTS THERETO TO THE UNDERSIGNED; AND, IN ANY SUCH EVENT, THE UNDERSIGNED SHALL REMAIN LIABLE FOR ANY DEFICIENCY. IT IS UNDERSTOOD THAT A PRIOR TENDER, DEMAND, CALL OF ANY KIND, OR PRIOR NOTICE FROM THE CLEARING AGENT OF THE TIME AND PLACE OF SUCH SALE OR PURCHASE SHALL NOT BE CONSIDERED A WAIVER OF THE CLEARING AGENT'S RIGHT TO SELL OR BUY ANY SECURITIES OR OTHER PROPERTY IN ITS POSSESSION OR CONTROL OR OWED THE CLEARING AGENT BY THE UNDERSIGNED, AT ANY TIME WITHOUT PRIOR TENDER, DEMAND, CALL OR NOTICE.**
  9. **PAYMENT OF INDEBTEDNESS UPON DEMAND:** The undersigned undertakes upon demand, to discharge the undersigned's obligations to the Clearing Agent, or, in the event of a closing of any account of the undersigned in whole or in part by the Clearing Agent or the undersigned, to pay the deficiency, if any, and the undersigned agrees to reimburse the Clearing Agent for any costs or expenses incurred in collecting such amounts, including reasonable attorney's fees.
  10. **EXECUTION OF ORDERS:** All orders given by the undersigned for the purchase or sale of securities or other property, which may be traded on more than one exchange or market, may be executed on any exchange or market.
  11. **RIGHT TO TRANSFER MONIES AND SECURITIES:** All transactions for or in connection with the undersigned's account shall be deemed to be included in a single account notwithstanding the fact that such transactions may be segregated on the Clearing Agent's records into separate account, either severally or jointly with others. At any time and from time to time, the Clearing Agent may without notice to the undersigned apply and transfer any or all monies, securities, and/or other property of the undersigned interchangeably between any accounts of the undersigned other than from or to a related commodity account.
  12. **INTEREST CHARGES:** Debit balances in the account of the undersigned shall be charged with interest in accordance with the Clearing Agent's usual custom, and as permitted by the laws of the State of California, and with such other charges as may be made to cover the Clearing Agent's facilities and extra services. It is understood and agreed that the interest charge made to the undersigned's account at the close of one charge period will be compounded, that is, added to the opening balance for the next charge period unless paid, thereby becoming part of the principal amount and bearing like interest. There may be an administrative fee charged to the undersigned's account in the form of an interest rate increase of not more than one-half of one percent which will be determined by you and paid directly to you by the Clearing Agent. It is further understood and agreed that the rate of interest charged may be changed by the Clearing Agent from time to time, and without notice, based on money market conditions and other factors, and that the procedures

employed by the Clearing Agent in charging and computing interest are as set forth in the current Disclosure Statement which has been delivered to the undersigned, or in any subsequent Disclosure Statement which the Clearing Agent may send the undersigned.

13. **REPRESENTATION AS TO SECURITIES TRANSACTIONS:** When entering a sell order, the undersigned shall designate it as either a "long sale" or "short sale" and hereby authorizes that all such sell orders be properly identified on the records as either long sales or short sales. Any sell order which the undersigned shall designate as being a long sale shall be for securities then owned by the undersigned, and if such securities are not presently held by the Clearing Agent or its agents in the account of the undersigned, the placing of such sell order shall constitute a representation that the undersigned shall deliver such securities forthwith. Further, in cases involving the sale of securities or other property by the undersigned, which results in the Clearing Agent's inability to deliver such to the purchaser or purchaser's agent due to failure by the undersigned to effect the delivery of such sold securities or other property in good deliverable form subject to no transfer restrictions, the undersigned authorizes the Clearing Agent, at its discretion, to borrow or to "buy in" such securities or other property in order to effect delivery. The undersigned agrees to be fully responsible for all losses and added expenses which the Clearing Agent may sustain by reason of its inability to borrow or as a result of buying in such securities or other losses and expenses which the Clearing Agent may sustain by reason of its inability to borrow or as a result of buying in such securities or other property. All securities transactions executed in behalf of the undersigned shall be on an agency basis, unless otherwise disclosed by formal trade notification or other writing that a specific transaction shall have been on a dealer basis. Transaction reports concerning the execution of orders and account statements of the undersigned shall be conclusive if not objected to in writing promptly.
14. **PRESUMPTION OF RECEIPT OF COMMUNICATIONS:** Communications may be sent to the undersigned at the address indicated in the Clearing Agent's records from time to time, and all communications so sent, whether by mail, telegram, messenger or otherwise shall be deemed given to the undersigned personally, whether actually received or not.
15. **LAWS OF THE STATE OF CALIFORNIA:** The provisions of this Agreement shall in all respects be construed according to, and the rights and liabilities of the parties hereto shall in all respects be governed by, the laws of the State of California.
16. **OBLIGATIONS CONTINUOUS:** The provisions of this Agreement shall be continuous and cover individually and collectively all accounts maintained by the Clearing Agent, which the undersigned may open or reopen and shall inure to the benefit of the Clearing Agent, its successors and assignees and shall be binding upon the undersigned and/or the estate, heirs, executors, personal representatives, administrators and assignees of the undersigned.
17. **REPRESENTATIONS AS TO CAPACITY TO ENTER INTO AGREEMENT:** The undersigned, if an individual, represents that the undersigned is of legal age, and, unless otherwise specifically disclosed in writing herewith, 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 of dealing, either as broker or as principal, in securities, bills of exchange, acceptances or other forms of commercial paper. The undersigned further represents that no one except the undersigned has an interest in the account or accounts of the undersigned maintained by the Clearing Agent, and that the undersigned shall cause notification to the Clearing Agent in writing of any change.
18. **JOINT AND SEVERAL LIABILITY:** If the undersigned consists of more than one individual, the obligations under this Agreement shall be joint and several.
19. **DISCLOSURE OF FINANCIAL INFORMATION:** The undersigned understands in connection with this Agreement an investigation may be made whereby information is obtained relative to the undersigned's character, general reputation, and credit worthiness, and that the undersigned has the right to make a written request within a reasonable period of time for a complete and accurate disclosure of additional information concerning the nature and scope of this investigation.
20. **EXTRAORDINARY EVENTS:** The Clearing Agent shall not be liable for losses caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading, war, strikes or other conditions beyond the Clearing Agent's control.
21. **CONTROL AND RESTRICTED SECURITIES:** In connection with any securities subject to resale limitations under Rule 144 or Rule 145 of the Securities Act of 1933, as amended (the "Act"), held by the Clearing Agent or its agents on behalf of the undersigned, the undersigned grants unto the Clearing Agent irrevocable power to execute stock powers, and to execute and file Form 144 and other applicable documents as required by the Act on behalf of the undersigned.
22. **MODIFICATIONS AND AMENDMENTS TO AGREEMENT:** Except as herein otherwise expressly provided, no provision of this Agreement may be waived, altered, modified or amended unless such waiver, alteration, modification or amendment is in writing and signed by a duly authorized officer as designated by the Clearing Agent.
23. **HEADINGS:** The heading of each provision hereof is for descriptive purposes only and shall not be deemed to modify or qualify any of the rights or obligations set forth in each provision.
24. **ARBITRATION: THE FOLLOWING GENERAL PROVISIONS APPLY TO ALL ARBITRATIONS UNDER THIS AGREEMENT:**
  - (A) **ARBITRATION IS FINAL AND BINDING ON THE PARTIES.**
  - (B) **THE PARTIES ARE WAIVING THEIR RIGHT TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO JURY TRIAL.**
  - (C) **PRE-ARBITRATION DISCOVERY IS GENERALLY MORE LIMITED THAN AND DIFFERENT FROM COURT PROCEEDINGS.**
  - (D) **THE ARBITRATORS' AWARD IS NOT REQUIRED TO INCLUDE FACTUAL FINDINGS OR LEGAL REASONING AND ANY PARTY'S RIGHT TO APPEAL OR TO SEEK MODIFICATION OF RULINGS BY THE ARBITRATORS IS STRICTLY LIMITED.**
  - (E) **THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.**

**THE UNDERSIGNED AGREES, AND BY CARRYING AN ACCOUNT FOR THE UNDERSIGNED, YOU AND THE CLEARING AGENT AGREE THAT ALL CONTROVERSIES WHICH MAY ARISE BETWEEN THE UNDERSIGNED AND YOU AND/OR THE CLEARING AGENT CONCERNING ANY TRANSACTION OR THE CONSTRUCTION, PERFORMANCE OR BREACH OF THIS OR ANY OTHER AGREEMENT BETWEEN THE UNDERSIGNED, AND YOU AND/OR THE CLEARING AGENT, SHALL BE DETERMINED BY ARBITRATION IN ACCORDANCE WITH THE RULES, THEN IN EFFECT, OF THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, THE NEW YORK STOCK EXCHANGE, OR ANY OTHER EXCHANGE OR FORUM OF WHICH THE CLEARING AGENT IS A MEMBER, AS THE UNDERSIGNED MAY ELECT. IF THE UNDERSIGNED DOES NOT MAKE SUCH ELECTION BY REGISTERED MAIL ADDRESSED TO YOU OR THE CLEARING AGENT AT ITS MAIN OFFICE WITHIN TEN (10) DAYS AFTER RECEIPT OF NOTIFICATION FROM YOU OR THE CLEARING AGENT REQUESTING SUCH ELECTION, THEN THE UNDERSIGNED AUTHORIZES YOU OR THE CLEARING AGENT TO MAKE SUCH ELECTION.**

**FURTHERMORE, YOU, THE CLEARING AGENT AND THE UNDERSIGNED AGREE AND ACKNOWLEDGE THAT CONTROVERSIES WHICH ARE THE SUBJECT OF AN ALLEGED CLASS ACTION OR A CERTIFIED CLASS ACTION SHALL NOT BE BROUGHT TO ARBITRATION UNDER THIS AGREEMENT, UNLESS: (i) THE CLASS CERTIFICATION IS DENIED; (ii) THE CLASS IS DECERTIFIED; OR (iii) THE CLASS PERSON WHO IS A PARTY TO THIS AGREEMENT SUBSEQUENTLY IS EXCLUDED FROM THE CLASS BY THE COURT OR HAS VOLUNTARILY WITHDRAWN FROM THE CLASS.**

25. **LOAN CONSENT:** THE CLEARING AGENT IS HEREBY AUTHORIZED TO LEND, EITHER SEPARATELY OR WITH OTHER SECURITIES, TO EITHER THE CLEARING AGENT AS BROKERS OR TO OTHERS, SECURITIES HELD BY THE CLEARING AGENT ON MARGIN IN BEHALF OF THE UNDERSIGNED. THIS AUTHORIZATION SHALL BE EFFECTIVE UNTIL A WRITTEN REVOCATION IS RECEIVED BY THE CLEARING AGENT IN BEHALF OF THE UNDERSIGNED.

**BY SIGNING THIS PROVISION THE UNDERSIGNED ACKNOWLEDGES THAT THE UNDERSIGNED'S SECURITIES MAY BE LOANED TO THE CLEARING AGENT OR LOANED OUT TO OTHERS PURSUANT TO PARAGRAPH 25, ABOVE. THE UNDERSIGNED FURTHER ACKNOWLEDGES THAT THIS AGREEMENT ALSO CONTAINS A PREDISPUTE ARBITRATION PROVISION UNDER PARAGRAPH 24, ABOVE, AND THAT A SUBSTANTIVE FACSIMILE OF THIS PROVISION APPEARING UNDER PARAGRAPH 9 OF THE DISCLOSURE STATEMENT HAS BEEN FURNISHED TO THE UNDERSIGNED.**

***I HAVE RECEIVED A SEPARATE MARGIN RISK DISCLOSURE STATEMENT CONCURRENT WITH THIS AGREEMENT.***

Customer	_____	_____	_____
	(print name)	(signature)	(date)
Joint Customer	_____	_____	_____
	(print name)	(signature)	(date)
Correspondent Broker	_____	_____	_____
Signature Guarantee	(print name)	(signature)	(date)
	(If this is a Joint Account both Customer and Joint Customer must sign)		

## **MARGIN RISKS DISCLOSURE STATEMENT**

**Standard Investment Chartered Inc.** (“the 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. You should carefully review the margin agreement provided by us. Consult your investment executive or our management regarding any questions or concerns you may have with your margin account(s).

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price for marginable securities. If you choose to borrow funds, you will open a margin account. 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, 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 deposit additional funds to your account 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 your account(s) 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 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 securities 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 Firm 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.

## NOTICE REGARDING TRANSACTION PRICING POLICY AND CHARGES FOR SPECIAL SERVICES

To Our Valued Clients:

Our transaction and insurance fees on securities trades cover the cost of basic investment and custodial services. We are periodically presented with items that require special processing for which we incur additional expenses. It is our practice to pass such expenses through to those clients who receive special services. We believe this approach is more equitable than a system which would factor these expenses into our firm's transaction and insurance charges for all clients. For your reference, a list of these charges appears below.

We appreciate your business and look forward to continuing to serve your investment needs with improved products and services.

### MINIMUM TRANSACTION CHARGE AND CHARGES FOR SPECIAL SERVICES

Minimum Securities Commission Charge;	\$50-\$75
Qualified Retirement Plan (QRP) Account Annual Fee	\$70*
Electronic Account Transfer (ACAT) Termination Fee; IRA/QRP Termination Fee	\$75
Manual Transfer (non-ACAT)	\$75 and \$10 per position
Partial ACAT Transfer	\$15 per position
Limited Partnership Liquidation	\$50-\$150
Transfer of Securities Requiring Legal Opinion/Documents	\$40
IRA Set-Up and First Year Fee	\$20
Annual IRA Custodian Fee	\$35
ESOP (Employee Stock options) Processing Fee	\$30
Order Out Security (plus certificate fee); International Wire; Stop Payment on Checks; Returned Checks, Inactive Account Research; Annual Fee for Limited Partnership and other Non-General Securities Investment in Retirement Accounts, Letter of Authorization Processing	\$25
Rush Transfer of Securities (plus Actual Transfer Agent Fees and Express Mail Fees)	\$25
Reorganizations, Redemptions, Exchanges, Tenders, Domestic Wires, Cashiers Check, Subscriptions of Rights or Warrants	\$20
Account Insurance Fee	\$20 Maximum
Securities Returned from Transfer Agent Due to Incomplete Client Documentation, Mutual Fund De-Networking	\$15
Regulatory Extensions for Late Payment or Late Delivery; DTC Electronic Transfer of Security position, Mailgrams	\$10
CreditPlus Account (Visa Card and Checkwriting)	\$7/month**
Photocopy Charge per Page (Monthly Statements, Confirms, etc..)	\$2
Client Requested Special Mailing or Courier Service, Transfer of Foreign Securities	Actual Cost***
Interest Charge for Late Payment	Margin Rates

\*Plus \$45/Account for Each Participant

\*\*No Charge for Qualified Accounts

\*\*\*Please Contact your Investment Executive

## **Business Continuity Disclosure Policy**

Standard Investment Chartered, Inc. (“SICI” or “Firm”) is a NASD registered broker-dealer providing brokerage services to its customers. Accordingly, the Firm is furnishing this document to all clients to provide information about its efforts to ensure that SICI’s securities operations will not be significantly impacted as a result of an emergency or significant business disruption. Securities Industry regulations require each member firm to create and maintain a business continuity plan reasonably designed to meet its obligations to its clients or other counter-parties. In accordance with these requirements, SICI has designed a business continuity plan to address possible scenarios in efforts to minimize any service impact to our clients. In keeping with the regulatory requirements, the business continuity plan for SICI is designed to address key areas of concern - including but not limited to the following:

- Data back-up and recovery;
- All mission critical systems;
- Financial and operational assessments;
- Alternate means of communication between SICI and its customers;
- Alternate means of communication between SICI and its employees;
- Alternate physical locations of employees;
- Critical business constituent, bank and counter-party impact;
- Regulatory reporting;
- Communications with regulators; and
- How SICI will ensure that customers have access to their funds and securities in the event that SICI determines it is unable to continue its business.

Since events creating business disruptions may vary in nature and scope, SICI has anticipated scenarios in which the following are affected:

- A disruption to SICI’s primary or main office location
- A disruption to a single building in which SICI’s main office is located
- A disruption to the business district or city where SICI’s primary systems are located
- A disruption to the region where SICI’s primary systems are located

Regardless of the scope of potential disruption, SICI intends to continue to provide service to its clients.

### A Disruption to the Firm and/or Single Building

In the event that there is a significant business disruption to the firm and/or the building in which the Firm is located, SICI has duplicative systems that will be operated from a separate back-up (“alternate”) site. This disruption may be caused by physical damage, technology problems, or an inability to have personnel arrive at the office. As such, SICI will transfer its securities operations to one or more designated alternate site(s) located in the same city or in adjoining cities that are sufficiently separated from SICI’s main operations. The alternate site will be used to restore internal operations as well as electronic access and communications as soon as key employees are relocated to the designated sites. In this process, clients may experience a minor delay in reaching SICI due to increased telephone calls, technology delays, or other minor difficulties arising from the transfer of operations. SICI expects that any delay will be less than twelve (12) hours. Nevertheless, the unlikely failure of the telephone or other ancillary communication systems could result in a delay of up to twenty-four (24) hours.

A Business-District, Citywide, or Regional Disruption

In the event there is a significant business disruption that affects the *business district* or *city* where any of SICI's primary systems are located, SICI will transfer operations to its designated back-up ("alternate") site located in separate and distinct business district and city from SICI's main operations (see Alternate Location). The alternate site will be used to restore internal operations as soon as key employees are relocated to the site.

In the event of a significant business disruption to the *region* where SICI's primary systems are located, SICI would intend to take advantage of any available branch or other facilities that may be located in other geographical regions to use in limited capacity to resume operations temporarily (see Alternate Location). As a secondary back-up, SICI may enter into a "BCP Joint Pact" with another broker-dealer or similar firm that currently operates in an adjoining region that will effectively leverage the use of technology and infrastructure to continue operations. Under the BCP Joint Pact, the selected firm will be determined as sufficiently capable to operate as a designated back-up facility. In this process, clients may experience minor delays in reaching SICI due to increased telephone calls, technology delays, or other minor difficulties arising from the transfer of operations. SICI expects that any delay will be less than 24 hours.

Nevertheless, there can be no assurance that service will continue without interruption in certain circumstances, such as a regional blackout, a natural disaster or a terrorist attack. However, in the unlikely event that SICI has determined that it cannot resume operations within a reasonable amount of time; it will provide as much advance notice as possible regarding its ongoing operations.

Please be advised that the SICI BCP is reviewed and updated on an annual basis and subject to change and modification. Therefore, any changes and updated information will be promptly posted on the Firm's Website located at [www.standardinvestment.com](http://www.standardinvestment.com). Alternatively, customers may obtain a copy of the Firm's business continuity plan by requesting a written copy in

Additionally, our primary internal and external application and service providers periodically conduct testing of their own back-up capabilities to ensure that, in the event of an emergency or significant business disruption, they will be able to provide us with the critical information and applications we need to continue or promptly resume our business.

Making sure that any type of disruption does not unduly impact our clients is extremely important to us, and our business continuity plan is designed to allow us to continue to provide the quality service to all of our clients.

Client Acknowledgement: \_\_\_\_\_ Date: \_\_\_\_\_