



New Account  
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Interest  
& Disclosures

WELCOME

## Introduced Account Disclosures

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This Introduced Account disbursement and account authorization and disclosure sets forth the respective rights and obligations of Monness, Crespi, Hardt & Co., Inc. ("**Broker**") and the client identified in disbursement authorization. As used herein, the term "**Account**" refers to each and every account (cash, margin or otherwise), that Broker has established in Client's name, or in Client's name together with others, now or in the future. Both the Account Agreement and any applicable Supplements are subject to Broker's approval. Broker and Clearing Firm reserve the right to decline any request to open an Account or for any features.

Broker has entered into a fully disclosed clearing agreement with a Clearing Firm to perform execution, transaction processing, clearing and custodial and financing functions with respect to Client's Account. The Clearing Firm's responsibilities in relation to Client's Account are set forth in their documents.

Client understands and agrees that any right (but not obligation) that either Clearing Firm or Broker has under this Account Agreement may be exercised by either Clearing Firm or its Affiliates (as defined below) or Broker or may be assigned by one to the other, including, but not limited to, the right to collect any debit balance or other obligations owing in Client's Account, and that Clearing Firm and Broker may collect from Client or enforce any other rights under this Agreement independently or jointly.

**1. Ownership.** Client represents that no one except Client has a direct beneficial interest in Client's Account unless such interest is revealed in the title of such Account or is otherwise disclosed to Broker and Clearing Firm in writing and in any such case, Client has the interest indicated in such title. Client warrants it will inform Broker of any changes in the information supplied to Broker or Clearing Firm in connection with the establishment and maintenance of an Account for Client. Client agrees that all securities and other property held for the Account and the proceeds thereof shall be held for the Account in the manner indicated in the Account title, with all the legal and equitable rights of every nature and kind, and subject to all the obligations and conditions, that such form of ownership imposes. As used herein, the term "**securities and/or other property**" shall include securities, money and other property currently or in the future held, carried or maintained by Clearing Firm and its Affiliates, or in the possession or control of Clearing Firm and its Affiliates, on account of, on behalf of, or for the benefit of Client, or in or for any of Client's current or future accounts, and regardless of the purpose for which the securities and other property are so held, carried, maintained, possessed or controlled.

**2. Exchange or Market.** Client's Account and transactions effected and/or executed through the Account will be subject to and shall be in accordance with the rules and customs of any applicable national securities exchange, electronic communication network, national securities association, alternative trading system, contract market, derivatives transaction execution facility or other exchange or market (domestic or foreign) (each, an "**Exchange**," and collectively, "**Exchanges**") and their respective clearing houses, as well as any applicable self-regulatory organization, if any, where the transactions are executed, or that otherwise apply to Client's Account or transactions, and in conformity with applicable law and regulations of governmental authorities and future amendments or supplements thereto, and Client agrees to use the Account only in accordance with such rules, customs, laws and regulations. Client understands that the Exchanges have the right to break any executed transaction on various grounds, including if the executed transaction was, in their opinion, "clearly erroneous," and neither Broker nor Clearing Firm or its Affiliates will be liable for such broken transactions.

**3. General Lien; Delivery of Collateral.** Client hereby grants to Clearing Firm and its Affiliates a first priority perfected security interest in, and right of set-off against, all securities and other property, and the proceeds thereof, and all obligations, whether or not due, which are held, carried or maintained by Clearing Firm and its Affiliates or in the possession or control of Clearing Firm and its Affiliates or which are, or may become, due to Client (either individually or jointly with others or in which Client has any interest) and all rights Client may have against Broker or Clearing Firm (including all Client's rights, title or interest in, to or under, any

agreement or contract with Broker or Clearing Firm) as security for the performance of all Client's obligations to Broker or Clearing Firm and its Affiliates. Client shall execute such documents and take such other action as Broker or Clearing Firm shall reasonably request in order to perfect their rights with respect to any such securities and other property. In addition, Client appoints Broker and Clearing Firm as Client's attorney-in-fact to act on Client's behalf to sign, seal, execute and deliver all documents, and do all acts, as may be required, or as Broker or Clearing Firm shall determine to be advisable, to perfect the security interests created hereunder in, to provide for Broker and Clearing Firm's control of, or to realize upon any rights of Clearing Firm in, any or all of the securities and other property. Client further agrees that Broker and Clearing Firm and its Affiliates may, in their discretion at any time and from time to time, require Client to deliver collateral to margin and secure Client's performance of any obligations to Broker and Clearing Firm and its Affiliates. Such collateral shall be delivered, upon demand, in such amount and form and to such account or recipient as Broker and Clearing Firm and its Affiliates shall specify. Broker and Clearing Firm and its Affiliates may, in their discretion and without notice to Client, deduct any amounts from Client's Account and apply or transfer any of Client's securities and other property interchangeably between any of Client's accounts in which Client has an interest, each of which constitutes unconditional security for all obligations of Client. With respect to securities and other property pledged principally to secure obligations under an agreement with Broker, Broker and Clearing Firm shall have the right, but in no event the obligation, to apply all or any portion of such securities or other property to Client's obligations to Broker or Clearing Firm under any other agreement. Under no circumstances shall any securities or other property pledged principally to secure obligations to Broker or Clearing Firm under an agreement with Client be required to be applied or transferred to secure other obligations to Broker or Clearing Firm or to be released if Broker or Clearing Firm determines that subsequent to such transfer Broker or Clearing Firm would be under secured with respect to any obligations of Client (whether or not contingent or matured).

**4. Payment and Settlement.** Client agrees to pay for any securities purchased for Client's cash Account, on or before the settlement date, and deliver to Clearing Firm any securities sold for Client's cash Account, on or before the settlement date. Client agrees to pay on demand all balances (including accrued but unpaid interest thereon) and any other obligations owing with respect to Client's Account. Client's ability to purchase securities without free credit balances in Client's Account will be at the sole discretion of Broker or Clearing Firm. Client warrants that for all cash accounts, no sale of securities is contemplated before the securities are paid for as provided above and that each item sold will be owned by Client at the time of sale.

**5. Default.** If Client defaults in the performance of any obligation under any transaction in Client's Account or agreement with Broker, if Client becomes bankrupt, insolvent or subject to any voluntary or involuntary bankruptcy, reorganization, insolvency or similar proceeding, if the security interest hereunder is not or ceases to be a first priority perfected security interest, if, in the event that Client is a registered broker dealer, Client's membership is suspended by any Exchange or its registration status is suspended or terminated by any applicable federal, state, or self-regulatory authority, or if for any reason Broker or Clearing Firm (or its Affiliates) deem it advisable for its or their protection (each a "**Close-Out Event**"), Broker or Clearing Firm (or its Affiliates) may, without notice or demand to Client, and at such times and places as Broker or Clearing Firm (or its Affiliates) may determine, cancel, terminate, accelerate, liquidate and/or close out any or all transactions and agreements between Client and Broker, sell or otherwise transfer any securities or other property that Clearing Firm may carry for Client or which is due to Client (either individually or jointly with others) and apply the proceeds to the discharge of Client's obligations, set-off, net and recoup any obligations (whether physical or financial and whether or not then due) to Client against any obligations (whether physical or financial and whether or not then due) to Broker or Clearing Firm (or its Affiliates), exercise all rights and remedies of a secured creditor in respect of all collateral in which Broker or Clearing Firm (or its Affiliates) have a security interest under the UCC (whether or not the UCC is otherwise

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applicable in the relevant jurisdiction) or right of set-off, cover any open positions of Client (by buying in or borrowing securities or otherwise) and take such other actions as Broker or Clearing Firm (or its Affiliates) deem appropriate, including but not limited to, establishing positions in Client's account for purposes of hedging or reducing risk, provided that if applicable law would stay or otherwise impair the ability of Broker or Clearing Firm (or its Affiliates) to take any such action upon any such bankruptcy, reorganization, insolvency or similar proceeding, Broker and Clearing Firm (and its Affiliates) will be deemed to have taken such action with respect to the cancellation, termination, acceleration, liquidation and/or close-out of transactions, and the application of appropriate set-offs, and if and to the extent Broker or Clearing Firm (or its Affiliates) deem it appropriate, the sale or disposition of securities, the exercise of rights of a secured creditor, and the application of proceeds immediately prior to such bankruptcy, reorganization, insolvency or similar proceeding. Client shall remain liable for any deficiency and shall promptly reimburse Broker and Clearing Firm (and its Affiliates) for any loss or expense incurred thereby, including losses sustained by reason of an inability to borrow any securities sold for Client's Account. Client agrees to promptly notify Broker upon the occurrence of a Close-Out Event, but the failure to provide such notice shall not prejudice Broker's or Clearing Firm's right to determine that a Close-Out Event has occurred.

**6. Interest, Fees.** Client agrees to pay interest charges which may be imposed by Broker and charged by Clearing Firm in accordance with the terms of the "Interest Charges Disclosure Statement" and Broker's and Clearing Firm's usual custom as may be modified by any side rate letter issued by Broker, if applicable, with respect to late payments in conjunction with any transaction, including for securities purchased, in Client's Account and prepayments in Client's Account (i.e., the crediting of the proceeds of sale prior to settlement date or prior to the receipt by Clearing Firm of the item sold in good deliverable form) in cash accounts at the rate charged on net Debit Balances in margin accounts. Similarly, Broker may, but does not necessarily, charge interest on late payments by Client for securities purchased in cash accounts at the rate charged on net Debit Balances in margin accounts. Client acknowledges receipt of the attached supplement entitled "Interest Charges Disclosure Statement" and a rate schedule, if applicable, and agrees to be bound thereby. Client agrees to pay promptly any amount which may become due in order to meet requests for additional deposits or marks to market with respect to any transactions, including unissued securities purchased or sold by Client. Client agrees to promptly pay such commission rates as Broker or Clearing Firm may from time to time charge, as well as all other costs and fees (including, without limitation, an account maintenance fee, custody fees, ticket and clearing charges and fees imposed by any Exchange or other regulatory or self-regulatory organizations) arising out of Broker's or Clearing Firm's provision of services to Client and Client's Account. Client authorizes Broker and Clearing Firm to automatically debit Client's Account in payment of any charges posted to the Account. Except as required by applicable law, each payment by Client, and all deliveries of margin or collateral, under this Account Agreement shall be made, and the value of any margin or collateral shall be calculated, without withholding or deducting any taxes (including, for the avoidance of doubt, any withholding taxes), levies, imposts, duties, charges, assessments or fees of any nature, including interest, penalties and additions thereto that are imposed by any taxing authority ("**Taxes**"). If any Taxes are required to be withheld or deducted, Client shall pay such additional amounts as necessary to ensure that the actual net amount received by Broker is equal to the amount that Broker would have received had no such withholding or deduction been required. With respect to payments by Broker to Client under this Account Agreement, Client will provide Broker with any forms or documentation reasonably requested by Broker in order to reduce or eliminate withholding tax thereon. Broker is hereby authorized to withhold Taxes from any payment made hereunder and remit such Taxes to the relevant taxing authorities to the extent required by applicable law.

**7. Orders.** Except as provided in the next sentence, the giving of each sell order by Client shall constitute a designation of the sale as "long" and a certification that the securities to be sold are owned by Client and, if such securities are not in Clearing Firm's

possession, the placing of such order shall constitute a warranty and covenant by Client that Client shall deliver such securities to Clearing Firm on or before settlement date. If Client maintains a margin account, Client agrees to designate all sell orders as "long," "short" or "short exempt". Client agrees that Clearing Firm may cancel or "buy-in" any sell order, if such securities are not in the Account, are not timely delivered or are not in "good deliverable form." In a "buy-in," the party that failed to deliver the securities, or failed to deliver the securities in good deliverable form, is accountable for any resulting losses or expenses. See the Margin Supplement for information regarding "mandatory close-outs." Prior to placing an order for the sale or transfer of any securities subject to Rule 144 or 145(d) or Regulation S under the Securities Act of 1933, as amended (the "**Securities Act**") or any other rule relating to restricted or control securities or securities that are otherwise contractually restricted ("**Restricted Securities**"), Client agrees that it will advise Broker of the status of the securities and furnish Broker with the necessary documents (including opinions of legal counsel, if it so requests) to satisfy legal transfer requirements. Restricted Securities may not be sold or transferred until they satisfy legal transfer requirements. Client understands that even if the necessary documents are furnished in a timely manner, there may be delays in the processing of Restricted Securities, which may result in delays in their delivery and the crediting of cash to Client's Account. Client is responsible for any delays, expenses and losses associated with compliance or with failure to comply with all of the requirements and rules relating to Restricted Securities.

In addition, Client agrees to notify Broker and Clearing Firm immediately in the event that Client holds one or more securities of an issuer in its Account and (i) Client (or Client's investment manager with respect to all of its clients) owns, in the aggregate, more than 10% of any class of equity securities of such issuer, regardless of whether any or all such equity securities are held at Clearing Firm or elsewhere, (ii) Client, Client's investment manager or an employee of Client or Client's investment manager is or has become a member of the board of such issuer, or (iii) Client (or Client's investment manager) is otherwise an "affiliate" (as defined in Rule 144 under the Securities Act) of such issuer.

**8. Orders, Recommendations, Average Price Trades.** Client acknowledges that Broker may, in their sole discretion and without prior notice to Client, refuse to accept or execute any order from Client and, in such case, Broker shall endeavor to give Client notice of such refusal as soon as practical. Client agrees that Broker, in its sole discretion, may, but is not required to combine or "bunch" orders for Client's Account with orders for other clients' accounts or accounts in which Broker has beneficial interest and allocate the securities as proceeds acquired among the participating accounts in a manner that Broker believes is fair and equitable, and/or in accordance with directions of Client's agents, if applicable. In addition, there may be circumstances in which Broker does not obtain the same price or execution for all of Client's order or for the bunched order described above. In either event, Client will receive an average price for these transactions unless Client, or its agent (if applicable), otherwise instructs. Client agrees that the confirmation price for such transactions will reference an average price execution and that details will be furnished upon request. Client acknowledges that, unless Broker has expressly agreed in writing otherwise, Broker is acting in the capacity of Client's broker or dealer in connection with any transaction executed for or with Client's Account and not as a financial adviser or a fiduciary and no advice provided by Broker has formed or shall form a primary basis for any investment decision by or on behalf of Client. Broker may make available certain information about securities and investment strategies, including their own research reports and market commentaries as well as materials prepared by others. None of this information is personalized or in any way tailored to reflect Client's personal financial circumstances or investment objectives and the securities or investment strategies discussed might not be suitable for Client. Therefore, Client should not view the fact that Clearing Firm is making this information available as a recommendation to Client of any particular security or investment strategy. To the extent that Client's transactions differ from a specific recommendation made by Broker, if any, to Client with respect to the security, size, price and timing of a recommended transaction, or to the extent there have been variations in the facts relevant to the transaction,

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Client agrees that Broker will not have a responsibility for determining the suitability of these transactions to Client.

### **9. Information, Reports, Statements & Communications.**

Upon Broker's reasonable request, Client will promptly furnish to Broker any information about Client (including financial information) Broker believes relevant to evaluating Broker's relationship with Client. Client represents (which representation shall be deemed repeated on each date on which this Account Agreement is in effect) that Client's financial statements or similar documents previously or hereafter provided to Broker (i) do or will fairly present the financial condition of Client as of the date of such financial statements and the results of its operations for the period for which such financial statements are applicable, (ii) have been prepared in accordance with generally accepted accounting principles consistently applied and, (iii) if audited, have been certified without reservation by a firm of independent public accountants.

All confirmations, purchase and sale notices, correction notices, account information, statements and any other notices and reports sent to Client (collectively, "**Statements**"), shall be conclusive if not objected to in writing within ten (10) days after forwarding by Clearing Firm on behalf of the Broker to Client by mail or otherwise. Notwithstanding the foregoing, (a) all reports or confirmations of the execution of option orders shall be conclusive and binding on Client if not objected to in writing within one day after forwarding by Broker or Clearing Firm to Client by mail or otherwise; and (b) if client is a registered broker dealer, Statements, shall be conclusive and binding on Client if not objected to in writing prior to the opening of the securities markets in New York City on the day such Statements are delivered to Client (unless such day is not a trading day, in which case prior to the opening of such markets on the next trading day); provided, however, if Statements reflecting transactions are not delivered to Client prior to thirty minutes before the opening of such markets, such Statements shall be conclusive and binding on Client, if not objected to in writing within one hour after delivery of such Statements to Client. Client expressly waives any right to object to any transaction or terms of any transaction reflected in such Statements, whether effected by Client, Broker, Clearing Firm or its Affiliates or any other person if such objection is not made within the applicable time period set forth above. Communications mailed, electronically transmitted or made available via Broker's or Clearing Firm's internet or intranet website, file transfer protocol or other electronic means, whether now in existence or in the future devised, or otherwise sent to Client at the address or other Client locators (which may include, without limitation, e-mail or IP addresses depending on the delivery method) specified in Broker's or Clearing Firm's records shall be deemed to have been delivered by Broker or Clearing Firm when sent. Client shall notify Broker in writing of any change in address. However, any change in address shall not become effective until both Broker and Clearing Firm have updated their records (such update may take up to three (3) business days after receipt by Clearing Firm).

**10. Mandatory Close-Out.** Regulations applicable to Clearing Firm mandate that Clearing Firm close-out sale transactions in certain equity securities for which delivery has not occurred within the period prescribed by the regulations after the normal settlement date. The close-out is to be effected by Clearing Firm purchasing in the market securities of like kind and quantity for which delivery is owed. Any loss arising from this close-out will be for the account of the customer of Broker whose positions are closed out. A list of securities subject to this mandatory close-out requirement is or will be published by U.S. Exchanges and U.S. securities associations for the securities that trade on that Exchange or association.

If Client fails to deliver any securities it has sold in a long sale, Clearing Firm is authorized to borrow the securities necessary to enable Clearing Firm to make delivery. Client agrees to be responsible for any cost or loss Clearing Firm may incur in sourcing and maintaining the borrow, or the cost Clearing Firm may incur in obtaining the securities if Clearing Firm is unable to borrow such securities. Client hereby appoints Clearing Firm as its agent to complete all such transactions and authorizes Clearing Firm to make advances and expend monies as are required. In respect of short positions maintained by Client over a corporate action record date, Clearing Firm will, on the relevant payment date for such corporate

action, if any, charge Client's Account for money or property equal in value to the cost of such corporate action attributable to Client's short position, including the costs of any lost tax benefits for the lenders. Client acknowledges that Clearing Firm may source a borrow of securities from its own proprietary accounts or from customer margin shares.

Client is ultimately responsible for the delivery of securities on the settlement date, the consequences of a failure to deliver and the timely return of securities borrowed on Client's behalf and all costs associated with such borrowings, including costs relating to any corporate actions.

To the extent that Clearing Firm effects a close-out transaction by buying-in shares as described above, it will allocate the shares so acquired to those of its clients maintaining short positions on a pro-rata basis. Such allocation methodology is subject to change at any time in Clearing Firm's sole discretion based on individual facts and circumstances; provided that, in no case will any client who obtained a "locate" from Clearing Firm or its Affiliates for such shares be allocated more than its pro-rata share of the buy-in.

**12. Buy-in of Government Securities.** Regulations issued under the Government Securities Act of 1986 require Clearing Firm to initiate buy-in procedures for mortgage-backed securities that have been purchased for Client and that remain in a fail-to-receive status for more than sixty (60) calendar days (referred to below as "**fully paid fails**"). Mandatory buy-ins are also required to complete a sale by Client (referred to below as "**sell order fails**") of government securities which have not been received from Client within thirty (30) calendar days after the settlement date (or in the case of mortgage-backed securities, sixty (60) calendar days after settlement date). The Securities Industry and Financial Markets Association Buy-in Procedures for Mortgage Backed Securities and the Securities Industry and Financial Markets Association Buy-in Procedures for Government Securities permit the use of alternatives other than purchasing securities (e.g., securities may be borrowed, substituted or bought back) in closing out fully paid fails and sell order fails and also provide an exemption for short sales.

**13. Termination.** Each party agrees that the Accounts maintained hereunder may be terminated by either party at any time effective upon the giving of notice of such termination to the other party. All applicable provisions will survive the termination of the Accounts and this Account Agreement. Without limiting the foregoing, upon any such termination, the provisions of this Account Agreement shall remain in effect with respect to all securities and other property then held in such Account, all assets subject to the security interest hereunder and all transactions and agreements then outstanding between Client and Broker and/or Clearing Firm.

**14. Power and Authority; Joint Ownership.** If Client is a natural person, Client represents that Client is at least twenty-one (21) years of age and Client (and each person acting on Client's behalf) is competent to enter into this Account Agreement and perform Client's obligations hereunder. If Client is a legal entity, including an estate or trust, Client (and each person acting on Client's behalf) represents and warrants that it has all necessary power and authority to execute and perform this Account Agreement and that the execution and performance of this Account Agreement will not cause it to violate any provisions in its charter, by-laws, partnership agreement, its trust agreement, will or other constituent agreement or instrument and that neither this Account Agreement nor any transaction entered into or contemplated hereunder will violate any applicable law, rule, regulation or constitutional provision (including, without limitation, any provision of ERISA, Section 4975 of Code or any tax "qualification" rule under the Code). Client further represents and warrants that this Account Agreement, as amended from time to time, is a legal, valid and binding obligation, enforceable against Client in accordance with its terms. Client and any agents authorized by Client to act on Client's behalf through trading authorization accepted and approved by Broker or Clearing Firm will be the only authorized users of the brokerage and other services under this Account Agreement.

If Client's Account is a joint account with two or more owners, each joint owner agrees that each joint owner will have authority on behalf of all of the joint owners to deal with Broker or Clearing Firm as fully

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and completely as if each was the sole owner of the Account, all without notice to the other joint owner(s). Notwithstanding the foregoing, each joint owner agrees that Broker may, at its sole discretion: (a) require joint instruction from some or all of the joint owners before taking action under this Account Agreement; and (b) if Broker receives instructions from any joint owner that are, in Broker's opinion, in conflict with instructions received from any other joint owner, comply with any of these instructions and/or advise each joint owner of the apparent conflict and/or take no action as to any of these instructions until it receives instructions from any or all of the joint owners that are satisfactory to it. Notice provided by Broker or statements provided by Clearing Firm to any joint owner will be deemed notice to all joint owners. Each joint owner further agrees that it, he or she will be jointly and severally liable for the Account with each other joint owner.

If Client is not a natural person, each of the persons executing this Account Agreement on Client's behalf represents that he or she acting alone has full power and authority to deal with Broker on Client's behalf without notice to Client or any other person executing the Signature Page or named in any Corporate or Limited Liability Company Resolution, Partnership Authorization, or other similar document. Client agrees that Broker and Clearing Firm will be entitled to act upon the instructions of any officer, director or employee of Client having actual or apparent authority to act on behalf of Client.

**15. Use of Name.** Client agrees not to use Broker's or its Affiliate's names for any purpose without Broker's and or its appropriate Affiliate's prior written consent, including, but not limited to, in any advertisement, publication or offering material.

**16. Background Check.** Client authorizes Broker and Clearing Firm to use, verify and confirm any of the information that Client provides, including obtaining reports concerning Client's (and Client's spouse's if Client lives in a community property state) background, credit standing and business conduct and to share all such information with their successors, assigns, agents and service providers to determine Client's eligibility for an Account or any feature or otherwise. Upon Client's written request, Broker and Clearing Firm will inform Client whether Broker and Clearing Firm has obtained credit reports, and, if so, Broker and Clearing Firm will provide Client with the name and address of the reporting agency that furnished the reports. Client agrees that, without notifying Client, Broker and Clearing Firm may request a new credit report in connection with any review, extension, or renewal of the Account. Client further agrees that Broker and/or Clearing Firm may submit information reflecting on Client's credit record to a credit reporting agency. Client authorizes Broker and Clearing Firm to share with their respective affiliates, credit bureau information, information contained in Client's application to open an Account, information obtained from third parties and similar information, or to use such information consistent with Broker's and Clearing Firm's privacy policies.

**16. Disclaimer of Liability; Indemnification.** Except as otherwise provided by law, neither Broker nor Clearing Firm or its Affiliates shall be liable for any expenses, losses, damages, liabilities, demands, charges, claims, penalties, fines and Taxes of any kind or nature (including legal expenses and reasonable attorneys' fees) ("**Losses**") by or with respect to any matters pertaining to the 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 Broker's or its Affiliate's gross negligence or willful misconduct. In addition, Client agrees that Broker and its Affiliates shall have no liability for, and agrees to indemnify and hold Broker and its Affiliates harmless from, all Losses that result in connection with or related to the Account any other agreement between Client and Broker or Clearing Firm and from: (a) Client's or its agent's misrepresentation, act or omission or alleged misrepresentation or, act or omission, (b) Broker, Clearing Firm or its Affiliates following Client's or its agent's directions or failing to follow Client's or its agent's unlawful or unreasonable directions, (c) any activities or services of Broker or Clearing Firm in connection with the Account (including, without limitation, any

technology services, reporting, trading, research or capital introduction services), and (d) the failure by any person not controlled by Broker or Clearing Firm and its Affiliates to perform any obligations to Client.

Client consents to the use of automated systems or service bureaus by Broker and Clearing Firm and its Affiliates in conjunction with Client's Account, including, but not limited to, automated order entry and execution, record keeping, reporting and account reconciliation and risk management systems (collectively "**Automated Systems**"). Client understands that the use of Automated Systems entails risks, such as interruption or delays of service, 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 Client. Client understands and agrees that Broker, Clearing Firm and its Affiliates will have no liability whatsoever for any claim, loss, cost, expense, damage or liability of Client arising out of or relating to a System Failure.

Client also agrees that Broker, Clearing Firm and its Affiliates will have no responsibility or liability to Client in connection with the performance or non-performance by any Exchange, market, clearing organization, or other third party (including, without limitation, other clearing firms, banks, and subcustodians) or any of their respective agents or affiliates, of its or their obligations relative to any securities or other property of Client. Client agrees that Broker, and its Affiliates will have no liability, to Client or to third parties, or responsibility whatsoever for: (i) Losses resulting from a cause over which Broker and its Affiliates 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, communications, power failure or equipment or software malfunction), Exchange or market rulings or suspension of trading; and (ii) any special, indirect, incidental, consequential, punitive or exemplary damages (including lost profits, trading losses and damages) that Client may incur in connection with Client's use of the brokerage and other services provided by Broker.

**17. Entire Account.** This Account and all related documentation hereto, and any future supplemental documents made available by Broker and/or Clearing Firm to Client (which when made available to Client shall be deemed incorporated by reference herein) constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior agreements, understandings and negotiations, both written and oral, between the parties with respect to the subject matter of this Account. No representation, inducement, promise, understanding, condition or warranty not set forth herein has been made or relied upon by either party hereto. The rights and remedies set forth in this Account are intended to be cumulative and not exclusive. Neither this Account nor any provision hereof is intended to confer upon any person other than the Clearing Firm and the parties hereto any rights or remedies hereunder. If any provision of this Account is held to be invalid, void or unenforceable by reason of any law or legal process, that determination will not affect the validity of the remaining provisions of this disclosure. The fulfillment of any and all obligations of Broker or Clearing Firm to Client hereunder or under any other agreement between Client and Clearing Firm is contingent upon there being no breach, repudiation, misrepresentation or default or potential default (however characterized) by Client under any agreement between Client and Clearing Firm.

**18. Governing Law, Successor and Assigns.** This Account documents and its enforcement, and each transaction entered into hereunder and all matters arising in connection with this disclosure and Agreement and transactions hereunder shall be governed by, and construed in accordance with, the laws of the State of New York without reference to its choice of law doctrine, and its provisions shall cover individually and collectively all Accounts, which Client may have opened with Broker and maintained with Clearing Firm, provided however, this shall not otherwise limit Broker or Clearing Firm (or its Affiliates) from exercising rights available under any other agreement or by operation of law or otherwise. As between

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Client and Broker, both agree that the securities intermediary's jurisdiction, within the meaning of Section 8-110(e) of the UCC, in respect of the Account is the State of New York and the law applicable to all the issues specified in Article 2(1) of the "Hague Convention on the Law Applicable to Certain Rights in Respect of Securities Held with an Intermediary (Hague Securities Convention)" is the law in force in the State of New York and agree that none of them has or will enter into any agreement to the contrary. Client understands that federal and state laws, and the rules and regulations of Exchanges and any applicable self-regulatory organizations, are subject to change, and therefore Broker and Clearing Firm may be required to change their procedures to conform to applicable law. This Account Agreements and disclosures executed by the client is binding upon and inures to the benefit of the parties and their respective legal representatives, successors, permitted assigns, heirs, and agents. Neither Broker nor Client may assign its rights or delegate its obligations under this Account Agreement, in whole or in part, without the prior written consent of the other party, except for an assignment and delegation by Broker of all of Broker's rights and obligations hereunder to any affiliate or successor, which may be undertaken without giving Client notice. Any purported assignment in violation of this Section 20 will be void.

**19. ERISA.** If the assets of Client constitute the assets of one or more employee benefit plans subject to Title I of ERISA or plans subject to Section 4975 of the Code, including by reason of Section 3(42) of ERISA, Client represents and warrants on each day during the life of this Account Agreement and any transactions entered into hereunder, both in its individual and fiduciary capacities, that: (i) no transaction engaged in by Client will constitute a non-exempt "prohibited transaction" within the meaning of Section 406 of ERISA or Section 4975 of the Code by reason of Department of Labor Prohibited Transaction Class Exemption 84-14, as amended ("**PTCE 84-14**"), Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code, or another available exemption; (ii) Client shall enter into any transaction hereunder solely on the basis of determining that, in connection with the transaction, Client (and each plan which constitutes the assets of Client) will receive no less and pay no more than "adequate consideration" (within the meaning of Section 408(b)(17)(B) of ERISA and Section 4975(f)(10) of the Code); (iii) Client's investment manager will be eligible to act as a "qualified professional asset manager" within the meaning of PTCE 84-14 with respect to Client and each plan the assets of which constitute the assets of Client; (iv) Client's investment manager will at all times meet the requirements of Section 412 of ERISA; (v) Client's investment manager qualifies as an investment adviser described in Department of Labor Regulation Section 2550.404b-1(a)(2)(i)(C) and, if and to the extent the indicia of ownership of any of the assets of Client are held outside of the jurisdiction of the district courts of the United States, Client will meet the requirements of Section 404(b) of ERISA by reason of Department of Labor Regulation Section 2550.404b-1(a)(2)(i); (vi) neither this Account Agreement nor any transaction entered into or contemplated hereunder will violate any applicable law, rule, regulation or constitutional provision applicable to Client or any documents governing Client or any plan the assets of which constitute the assets of Client; (vii) by having made any oral or written statement or communication prior to the date hereof, or by making any future oral or written statement or communication to Client, including relating to this Account Agreement or any transactions entered into or contemplated hereunder none of Broker, Clearing Firm nor any of their affiliates is undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with this Account Agreement or any transactions entered into or contemplated hereunder, and neither Broker nor Clearing Firm is, nor shall Broker or Clearing Firm become, a fiduciary with respect to Client by reason of its services provided hereunder because the conditions of the exception for "independent fiduciaries with financial expertise" as set forth in 29 CFR 2510.3-21(c) (1) are satisfied; and (viii) with respect to any distribution directed with respect to Client relating to any payment, disbursement or other transaction not effected under any transaction hereunder (including, without limitation, any distribution to any participant or beneficiary of any plan or payment for services rendered with respect to any such plan), such directed distribution will be effected in accordance with

all applicable terms governing such plan and all applicable laws (including ERISA and the Code), and neither Broker nor Clearing Firm nor any of its Affiliates will have any other responsibility or liability with respect to such distribution or transaction, including, without limitation, with respect to any tax withholding or reporting as may otherwise be required by law.

including the SIPC brochure, by contacting SIPC at [www.sipc.org](http://www.sipc.org) or 202-371-8300.

**20. Foreign Currency Risk.** Client agrees that in the event that Client directs Broker to enter into any transaction denominated in a foreign currency: (i) any profit or loss arising from a fluctuation in the exchange rate affecting such currency will be entirely for Client's Account and risk, (ii) all initial and subsequent deposits for margin purposes shall be made in U.S. Dollars, in such amounts as Clearing Firm may, in its sole discretion, require, and (iii) Clearing Firm is authorized to convert funds in Client's Account into and from such foreign currency at a rate of exchange determined by Clearing Firm, in its sole discretion, on the basis of then prevailing money markets, and Client will reimburse Clearing Firm for any expenses incurred in connection therewith.

**21. Recording of Telephone Conversations.** Client recognizes that both parties are afforded protection by the recording of telephone conversations, and Client acknowledges, authorizes and consents to the recording of conversations by means of electronic telephone recording equipment, whether such conversations occur between partners, managing directors, officers, directors, employees or other agents of Broker or Clearing Firm (or its Affiliates) and Client. Client understands that Broker or Clearing Firm may, in their sole discretion, tape record conversations without further notice or disclosure, without the use of an automatic tone warning device, and without assuming responsibility to make or retain such tape recordings.

**22. Third-Party Actions and Invoices.** Client agrees that Broker and Clearing Firm are responsible for complying with all legal proceedings, citations, sequestrations, attachments, arbitral or judicial orders, or orders, including but not limited to demands or requests issued by a regulatory or self-regulatory authority, in each case related to Client's Account with Broker, and Broker and Clearing Firm shall not be liable to Client for obeying any order given in such proceedings, including any judicial process or any order issued by an arbitral or judicial tribunal or regulatory or self-regulatory authority of competent jurisdiction which has the effect of restricting activity in, or withdrawals from, Client's Account, or requiring Broker or Clearing Firm to disclose information regarding Client's Account, including statements and this Account Agreement.

Client hereby authorizes Broker to pay invoices submitted by third parties, and charge such invoices against Client's Account, for: (i) exchange fees and clearing organization fees; (ii) any brokerage fees. Without waiving any defenses that Client may have with respect to invoices submitted by third parties to Broker or Clearing Firm, Client further agrees that presentation of any such invoice by a third party to Broker shall constitute conclusive proof of the validity of such invoice for Broker's purposes only. Disputes regarding any such invoice shall be resolved by Client and the third party. Notwithstanding such authorization, Broker shall not have any responsibility or liability to Client or any third party for improper payment or failure to make such payment.

**23. Modification and Waiver.** Client agrees that Broker may change the terms of this Account Agreement by giving Client notice of the new terms. Client agrees that Client and Client's Account will be bound by the changes through any subsequent use of Client's Account, or if Client does not close Client's Account, within fifteen (15) calendar days of being notified of the changes. Except as specifically permitted in this Account Agreement, no provision of this Account Agreement will be deemed waived, altered, modified or amended unless agreed to in writing by Broker (subject to approval by Clearing Firm). No waiver of any provision of this Account Agreement shall be deemed a waiver of any other provision, or a continuing waiver of the provision or provisions so waived.

## Introduced Account Disclosures

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**24. Arbitration.** This Account Agreement contains a predispute arbitration clause. By signing an arbitration agreement, the parties agree as follows:

- (a) All parties to this Account Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- (b) Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- (c) The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- (d) The arbitrators do not have to explain the reason(s) for their award, unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date. The parties hereby agree that with respect to disputes eligible for arbitration with the Financial Industry Regulatory Authority Dispute Resolution ("FINRA-DR") (or any other arbitration forum in which the parties are resolving a dispute) they will submit a written request to the arbitrators for a written reasoned opinion of the arbitrator(s) decision at least 20 days prior to the first scheduled hearing date for such arbitration proceeding.
- (e) The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry, unless Client is a member of the organization sponsoring the arbitration facility, in which case all arbitrators may be affiliated with the securities industry.
- (f) The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- (g) The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Account Agreement.

Client agrees that any and all controversies that may arise between or among Client, Clearing Firm and its Affiliates, and Broker and its Affiliates including, but not limited to, those arising out of or relating to the transactions contemplated hereby, the Accounts established hereunder, any activity or claim related to Client's Accounts or the construction, performance, or breach of this Account Agreement or any other agreement between Client and Broker, shall be determined by arbitration conducted before FINRA-DR, or, if FINRA-DR declines to hear the matter, before an arbitration forum jointly agreed to by the parties to this Account Agreement, in accordance with their arbitration rules then in force. The award of the arbitrators shall be final, and judgment upon the award rendered may be entered in any court, state or federal, having jurisdiction.

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; (ii) the class is decertified; or (iii) Client is excluded from the class by the court.

Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Account Agreement except to the extent stated herein.

For purposes of this Section 27, the term "Client" shall include any and all other persons acting on behalf of Client in connection with this Account Agreement.

**25. Dormant Accounts; Escheat; and Unresponsive Payees.** (a) Securities and/or other property held in any dormant account at Clearing Firm may escheat to the State of New York under applicable New York law or to another appropriate state, generally being the last known residence or domicile of the account holder. A dormant account under New York law is an account for which there has been no customer contact for the time period specified thereby, but under the laws of other states longer or shorter time period or inactivity criteria may apply. (b) If Client has authorized Broker and Clearing Firm to send it one or more checks representing, in whole or in part, any payment to Client from the issuer of any security (including dividend, interest or other regularly-scheduled payments) and Client fails to negotiate (i.e. cash or deposit) any such check either within six months after Broker or Clearing Firm sent the check or, if earlier, before the next regularly-scheduled check is to be sent, then Client will be considered an "unresponsive payee" within the meaning of Rule 17Ad-17 of the Exchange Act. In such a situation, Broker or Clearing Firm may elect to cancel such check and Client hereby instructs Broker and Clearing Firm to credit its Account for the amount of such un-negotiated check.



# Order Handling and After-Hours Equity Trading Disclosure Statement

This Order Handling and After-Hours Equity Trading Disclosure Statement ("**Order Handling and After-Hours Disclosure Statement**") is part of Client's Account Agreement. Unless otherwise defined in this Order Handling and After-Hours Disclosure Statement, terms used but not defined herein have the meaning ascribed to them in Client's Account Agreement. In the event any provision in this Order Handling and After-Hours Disclosure Statement conflicts or is inconsistent with any provision of the Account Agreement, the provisions of this Order Handling and After-Hours Disclosure Statement shall control for matters or services related to this Order Handling and After-Hours Disclosure Statement.

**1. Payment for Order Flow:** Certain market centers, such as many exchanges, provide rebates or charge fees based upon whether routed orders contribute liquidity to, or extract liquidity from the market center. The amounts of such fees and rebates vary, and rebates may or may not exceed the fees paid by the firm to a market center during any given time period. Monness, Crespi, Hardt & Co., Inc. will disclose liquidity costs and credits in venues that we need access to in order to provide options and best execution to our clients in accordance with SEC Rule 606 and upon request.

**2. After-Hours Trading; Hours of Operation.** Client may place orders as and when permitted by Broker for execution outside of regular trading hours (i.e., the hours of 9:30 a.m. to 4:00 p.m. Eastern Time) except for official Exchange and market holidays and those days on which Broker chooses not to accept orders outside of regular trading hours.

Client agrees that Broker may, at any time and without notice, change or modify its hours of operation (including the hours during which it accepts orders outside of regular trading hours). If Broker chooses to make such changes or modifications, this Order Handling and After-Hours Disclosure Statement will also apply to the changed or modified hours. Client further agrees that Broker may, at any time and without notice, amend the terms that apply to orders accepted outside of regular trading hours.

**3. Risk Factors.** After-hours trading is not for everyone. It is important for Client to understand the risks associated with after-hours trading before engaging in such trading. Purchases and sales of securities outside of regular trading hours may entail special risks, including the following:

**a. Risk of Lower Liquidity.** Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular market hours. As a result, your order may only be partially executed, or not at all.

**b. Risk of Higher Volatility.** Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular market hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price in extended hours trading than you would during regular market hours.

**c. Risk of Changing Prices.** The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular market hours, or upon the opening of the next morning. As a result, you may receive an inferior price in extended hours trading than you would during regular market hours.

**d. Risk of Unlinked Markets.** Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive an inferior price in one extended hours trading system than you would in another extended hours trading system.

**e. Risk of News Announcements.** Normally, issuers make news announcements that may affect the price of their securities after regular market hours. Similarly, important financial information is frequently announced outside of regular market hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

**f. Risk of Wider Spreads.** The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

**g. Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value ("IIV").** For certain Derivative Securities Products, an updated underlying index value or IIV may not be calculated or publicly disseminated in extended trading hours. Since the underlying index value and IIV are not calculated or widely disseminated during the pre-market and post-market sessions an investor who is unable to calculate implied values for certain Derivative Securities Products in those sessions may be at a disadvantage to market professionals.

**4. Eligible Securities.** Most Nasdaq and certain Exchange-listed securities are eligible for trading outside of regular trading hours although the individual markets may vary with respect to the availability of certain securities. It is possible, at any time, that trading in any number of these securities may not be available due to a lack of trading interest. Broker reserves the right, at any time and without notice, to suspend trading in any or all securities outside of regular trading hours. If Broker exercises that right, any outstanding orders that Client has entered will be cancelled, unless Broker and Client have previously specifically agreed that they will be carried over to the next day.

**5. Orders.** Broker will not accept market orders for trading outside of regular trading hours. Client agrees that Client will enter all orders in round lots (i.e., in increments of 100 shares) and that Broker is under no duty to accept odd and mixed lot orders.

**6. Handling of Orders.** Broker will attempt to have all orders received by it for execution outside of regular trading hours executed in a timely manner. However, because the bid and offer prices of orders reflected in quotations outside of regular trading hours are subject to change, there is no guarantee that Client's orders will be executed. In addition, delays or failures in communications or other computer system problems may cause delays in, or prevent, the execution of orders. As with orders entered during regular trading sessions, Client agrees that Broker may deliver Client's order to an electronic communication network or other alternative trading system that, although operated independently of Clearing Firm or Broker, may have Clearing Firm or Broker or one of their affiliates as an equity investor. In addition, Broker or Clearing Firm or one or more of its affiliates may decide to display orders or to trade with limit orders displayed by Broker or Clearing Firm on Client's behalf. These affiliates may operate independently of Broker or Clearing Firm.

**7. Cancellation or Change Requests.** Client may attempt to change or cancel orders placed outside of regular trading hours at any time so long as they have not been executed. Due to the risk of communication delays, it is possible that all or a portion of such orders may be executed before the change or cancellation request is processed. Unless Broker or Clearing Firm and Client specifically agree to the contrary, Client cannot change an order entered outside of regular trading hours to a regular trading session order, and all unexecuted orders placed outside of regular trading hours will be cancelled at the close of the trading session, on the day that Broker receives them.

**8. Trade Settlement.** The trade date for orders entered outside of regular trading hours will be the date of order execution. Such trades will normally settle in accordance with the customer settlement time applicable to the market in which orders were executed.

## **9. Best Execution (Req NMS)**

The Best Execution Policy sets forth the policy and methods used by MCH when handling orders for clients.



# Order Handling and After-Hours Equity Trading Disclosure Statement

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When the Monness, Crespi, Hardt & Co., Inc. ("Firm") receives an agency order from a client ("Agency Order"), the Firm will promptly handle such order via our trading participant and in accordance with the instructions indicated on the underlying order. In general, the following policies apply to the Firm in this regard: When handling client orders, as agent, the Firm must consider whether sending the order to another market, market maker or potentially crossing the order would result in a superior execution.

Every order received by Monness, Crespi, Hardt & Co., Inc. is considered "not held" unless otherwise specified as a "held" order, specifically, by the customer placing the order. Metrics used when measuring execution quality may include, but shall not be limited to various or combinations of execution measurements as listed below:

- Client needs and expectations;
- The terms and conditions of the order;
- Price improvement opportunities;
- The likelihood of execution;
- The speed of execution;
- The size of the order;
- The size of execution;
- Effective spread;
- Liquidity;
- Order type;
- The trading characteristics of the security involved;
- Accessibility to the quotation of the security involved;
- The availability of accurate information affecting choices as to the most favorable market center for execution and the availability of technological aids to process such information
- Transaction costs;
- Volatility;
- Volume; and
- The listing of the underlying issue

Please note the above metrics used to measure execution quality may change from time to time. Best execution obligations cannot be satisfied simply by routing to the primary market of the underlying stock and trading at the inside price in that market. In determining where to route an order, the Firm must carefully evaluate the extent to which a different routing destination may offer opportunities for an improved execution.

Historical Rule 606 Statistics and Order Routing (Reg NMS Rule 606) Tag Audit/SS&C-S3. Historical Rule 606 statistics for MCH are available for public review by visiting [mchny.com](http://mchny.com).

Pursuant to the U.S. Securities and Exchange Commission ("SEC") Rule 606, certain "broker-dealers", including MCH, are required to publicly disclose, on a quarterly basis, certain statistical information relating to their most significant execution venues for certain types of customer orders. As a result, a broker-dealer shall make publicly available for each calendar quarter a report on its routing of non-directed orders in NMS stocks that are submitted on a held basis and of non-directed orders that are customer orders in NMS securities that are option contracts during that quarter broken down by calendar month and keep such report posted on an internet website that is free and readily accessible to the public for a period of three (3) years from the initial date of posting on the internet website. Such report shall include a section for NMS stocks - separated by securities that are included in the S&P 500 Index as of the first day of that quarter and other NMS stocks - and a separate section for NMS securities that are option contracts. For each section, this report identifies the venues most often selected by MCH, sets forth the percentage of

various types of orders routed to the venues, and discusses the material aspects of MCH's relationship with the venues if applicable.

Additionally, every broker-dealer shall, on request of a customer, disclose to its customer orders in NMS stocks submitted on a held basis, orders in NMS stocks submitted on a not held basis, and orders in NMS securities that are options contracts, the identity of the venue to which the customer's orders were routed for execution in the six (6) months prior to the request, whether the orders were directed orders or non-directed orders, and the time of the transactions, if any, that resulted from such orders.

Furthermore, on request of a customer that places, directly or indirectly with the Firm, one (1) or more orders in NMS stocks that are submitted on a not held basis with the Firm, disclose to such customer within seven (7) business days of receiving the request, a report on its handling of such orders for that customer for the prior six (6) months by calendar month.

Monness, Crespi, Hardt & Co., Inc. shall, upon customer request, disclose the identity of the venue to which the customer's orders were routed for execution within the six (6) months prior to the request, including whether the orders were directed orders or non-directed orders, time of the transactions, and other salient information.

Note: The Firm has made every attempt to prepare these statistics in compliance with SEC rules. However, these statistics have not been audited and may contain errors. Accordingly, any decision about whether to establish a relationship with Monness, Crespi, Hardt & Co., Inc., should not be based solely on these statistics, but on an evaluation of Monness, Crespi, Hardt full range of provided services.

Broker does not act as a market maker. Broker is an agency broker dealer and trades actively across all domestic exchanges as well as Mexico, Canada, and European major markets to affect clients' orders. Broker also uses various electronic communications networks with algorithms in its trading activities.

Upon receipt of an order, the firm's primary goals are to execute the client's order by delivering the best price, liquidity, and speed to market. The firm does not participate in proprietary trading; therefore, it does not run the risk of conflicts of interest with its clients; hence there is no "internal" liquidity. The Broker trading operations are capable of executing all orders regardless of size, liquidity, or exchange in the US and certain large Global markets.

The Broker immediately directs all orders to the appropriate exchange and continuously communicates the trade status to the client. Our hallmark is service. The firm's goal is to execute client orders in an expeditious, professional, and intuitive manner. Every order received by Monness, Crespi, Hardt & Co., Inc. is considered "not held" unless otherwise specified as a "held" order, specifically, by the customer placing the order.

The Firm does not have a proprietary smart order router, we use other dealers' electronic communications network's ("ECN") electronic products. The ECN's Monness, Crespi, Hardt & Co., Inc. use, utilize the various exchanges including dark pools and algorithms to search for liquidity. The Firm's traders, on a case-by-case basis, utilize their knowledge and experience as professional traders, as well as their experience with the ECNs, to determine which ECN is beneficial to the specific order. The Firm does not preference one specific execution venue.

The Broker will route orders through various ECN venues, NYSE floor brokers and to market makers as necessary for best execution. Orders are monitored for market impact on an ongoing basis.

# Order Handling and After-Hours Equity Trading Disclosure Statement

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## Anti-gaming:

Each Monness, Crespi, Hardt & Co., Inc. trader has over 15 years' experience, Monness, Crespi, Hardt & Co., Inc. utilizes the imbedded safeguards of our vendor's technology which includes anti-gaming technology, but our traders are experienced and carefully manage orders from inception to completion. Monness, Crespi, Hardt & Co., Inc. does not operate a specific dark pool, a liquidity pool or internalizing engine. Monness, Crespi, Hardt & Co., Inc. uses various ECN products with the imbedded safeguards of the vendor's technology.

Monness, Crespi, Hardt & Co., Inc.

- does not transmit IOIs
- does not aggregate orders,
- has the ability to set parameters
- the liquidity pools used do not accept IOC orders

Please note: There may be instances where, due to system failure or other reasons, the Firm has no alternative but to handle an order using a method other than the method selected pursuant to the Best Execution Policy.

Even if a trade appears not to have been executed at the best possible price in hindsight, it does not necessarily constitute a violation of the duty of best execution.

If you are a customer of Monness, Crespi, Hardt & Co., Inc., and would like additional information on our order handling practices, please call 212-838-7575 ask for Peter Zecca e-mail [pzecca@mchny.com](mailto:pzecca@mchny.com) or Karen Ferguson-Moran e-mail [kmoran@mchny.com](mailto:kmoran@mchny.com).

## Third-Party Agent Supplement

This Third-Party Agent Supplement and Authorization ("**Agent Supplement**") contains the terms under which Client appoints and authorizes the agent designated in the New Account Application to do certain things in connection with Client's Account. This Agent Supplement is part of Client's Account Agreement. Unless otherwise defined in this Agent Supplement, defined terms used but not defined herein have the meaning ascribed to them in Client's Account Agreement. In the event that any provision of this Agent Supplement conflicts or is inconsistent with any provision of Client's Account Agreement, this Agent Supplement shall control for matters related to this Agent Supplement.

**1. Appointment and Authorization of Agent.** Client hereby authorizes and appoints the agent designated in the New Account Application as Client's agent and attorney-in-fact ("**Agent**") to purchase, invest in, or otherwise acquire, exchange, transfer, borrow, lend, sell or otherwise dispose of and generally deal in and with, any and all forms of securities, security futures, swap agreements and/or security-based swap agreements, and foreign currency, including, but not limited to, shares, stocks, listed or over-the-counter options and/or futures or options on futures, security futures contracts or options on security futures contracts, forwards, swaps, contracts for differences and any other listed or over-the-counter derivative contract, bonds, debentures, notes, commodities, scrip, evidences of indebtedness, participation certificates, mortgages, mortgage-backed and asset-backed securities, contracts, certificates of deposit, commercial paper, "when-issued" securities, subscription rights, warrants, other derivative transactions and securities, and certificates of interest of any and every kind and nature whatsoever as well as any other instrument or interest generally regarded as an investment, secured or unsecured, whether represented by certificate or otherwise and, entering into repurchase and reverse repurchase agreements and securities lending transactions and secured loans (including entering into margin transactions and short sales, if a margin account for Client has been applied for and approved by Clearing Firm) in accordance with Clearing Firm's terms and conditions for Client's account or accounts (collectively, the "**Account**"). Client also authorizes Agent to receive, on Client's behalf, prospectuses and other offering documents, confirmations, Account statements, notices and other communications related to the Account. Client acknowledges and agrees that it is responsible for investigating and selecting Agent, that Agent is not affiliated with or employed or controlled by Broker or Clearing Firm and that Broker and Clearing Firm are not responsible for and have no duty to review, monitor or supervise Agent's exercise of the powers granted to it. Client hereby agrees to indemnify and hold Broker, Clearing Firm and its Affiliates harmless from and to pay Broker and Clearing Firm promptly on demand any and all Losses arising from any breach of the Agent Supplement or from any of Agent's acts or omissions to act in relation to Client's Account.

In all matters and things aforementioned, as well as in all other things necessary or incidental to the furtherance or conduct of the Account, Broker is authorized to follow the instructions of Agent (including any officers, directors, employees and agents having actual or apparent authority to act for Agent) in every respect (including instructions to provide information about Client and the Account to third parties) and he or she or it (as the case may be) is authorized to act for Client and on Client's behalf in the same manner and with the same force and effect as Client might or could do with respect to the Account. Client hereby ratifies and confirms any and all transactions with or by Broker heretofore or hereafter made by Agent for the Account and waives notification to such Client of any of the aforementioned transactions and the delivery of any statements, notices or demands pertaining thereto. Client additionally authorizes Agent to appoint any other person to do any and all of the things which said Agent is authorized to do hereunder.

Client hereby agrees on Client's behalf and, as applicable, on behalf of Client's or any joint owner's heirs, executors, administrators, successors and current and future legal representatives, to and hereby does indemnify and hold Broker, Clearing Firm and its Affiliates harmless from any Losses which Broker, Clearing Firm and its Affiliates might sustain or which might be incurred by or imposed upon Broker, Clearing Firm and its Affiliates by reason of any action, instruction or transaction with Client's Agent relating to the Account prior to Broker's receipt, with a reasonable time to act, of written

notice of the revocation of the authority granted herein. Client's indemnification obligations under this Agent Supplement will survive the revocation of Client's appointment of Agent hereunder.

The authorization and indemnity contained in this Agent Supplement (a) is a continuing one and will not, with respect to natural persons, be effected by the subsequent disability or incompetence of Client or any joint owner (if the Account is a joint account) and shall remain in full force and effect until an officer of Broker have received and had reasonable time to act on written notice of the revocation by Client of Client's appointment of Agent under the Third-Party Agent Authorization in Section D of the New Account Application, or, if applicable, the death of any joint owner, but such revocation shall not affect any liability in any way resulting from transactions initiated while such authorization remained in full force and effect; (b) shall inure to the benefit of Broker and of any successor firm or firms irrespective of any change or changes at any time in the personnel thereof for any cause whatsoever, and of the assigns of Broker, or any successor firm; (c) will be binding upon Client, and, as applicable, Client's or any joint owner's heirs, executors, administrators, successors and current and future legal representatives; and (d) is in addition to (and in no way limits or restricts) any of the provisions of or the rights that Broker or Clearing Firm may have under any other agreement or agreements between Broker and Client relating to the Account. Nothing in this Agent Supplement will obligate Broker to take any action that Broker reasonably believes would be inconsistent with applicable law or its internal policies. This Agent Supplement will become effective when accepted by Broker.

**2. Acceptance by Agent; Agent's Undertakings.** Agent accepts its appointment under the Third-Party Agent Authorization located in Section D of the New Account Application and this Agent Supplement (collective, the "**Authorization**"). Agent will exercise the powers granted in the Authorization for the benefit of Client and with the care, skill, prudence and diligence under the circumstances that a prudent person acting in a like capacity would use. Agent agrees not to give or transmit any instruction concerning the Account that Agent knows or reasonably believes does not comply with the Authorization or Agent's obligations, or if Agent knows or has reason to know that the Authorization has been revoked, terminated or suspended, in whole or in part, or is no longer valid for any reason. Agent represents and warrants that Agent possesses the sophistication, expertise and knowledge (including knowledge of Client's financial position and investment objectives) necessary to fulfill Agent's obligations hereunder and under the Authorization, and Agent acknowledges that, unless Broker has expressly agreed otherwise in writing, Broker is acting in the capacity of broker in connection with any transaction executed for Client's Account and not as a financial adviser or a fiduciary. Agent agrees to and hereby does indemnify and hold Broker, Clearing Firm and its Affiliates harmless from any Losses that Broker, Clearing Firm and its Affiliates might sustain or that might be incurred by or imposed on Broker, Clearing Firm and its Affiliates by reason of Agent's acts or omissions in relation to the Account or any breach of this Agent Supplement. Agent's indemnification obligations hereunder will survive the revocation or termination of Client's appointment of Agent under Section D of the New Account Application or under this Agent Supplement. Agent represents and warrants that Agent is registered as an investment adviser under federal or state law or is not required to be so registered. In performing Agent's obligations under this Agent Supplement, Agent will not be an employee, agent or representative of Broker or Clearing Firm and nothing hereunder creates a joint venture, partnership, franchise or agency relationship between Agent and Broker or Clearing Firm. Agent represents and warrants to Broker and Clearing Firm that all information provided by it now and in the future is accurate and complete, and Agent agrees to notify Broker immediately of any changes to this information. Agent further agrees to supply any information reasonably requested at any time by Broker or Clearing Firm.

**3. Power and Authority.** If Agent is a natural person, Agent represents that Agent is at least 21 years of age and Agent is competent to enter into and to perform Agent's obligations under this Agent Supplement. If Agent is a legal entity, Agent represents that it has all necessary power and authority to execute and perform this Agent Supplement and that the execution and performance of this Agent Supplement will not cause Agent to violate any provisions in

## Third-Party Agent Supplement

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Agent's charter, by-laws, partnership agreement, trust agreement or other constituting agreement or instrument.

**4. Governing Law.** This Agent Supplement and each transaction entered into hereunder and all matters arising in connection with this Agent Supplement and transactions hereunder will be governed by and construed in accordance with the laws of the State of New York, without reference to its choice of law doctrine.

**5. Recording of Telephone Conversations, Monitoring of Account.** Agent recognizes that both parties are afforded protection by the recording of telephone conversations, and Agent acknowledges, authorizes and consents to the recording of conversations by means of electronic telephone recording equipment, whether such conversations occur between officers, directors, partners, employees or other agents of Broker or their respective affiliates and Agent. Agent understands that Broker and may, in their sole discretion, tape record conversations without further notice or disclosure, without the use of an automatic tone warning device, and without assuming responsibility to make or retain such tape recordings.

Agent acknowledges and agrees that Broker and may monitor and record Agent's use of the Electronic Services and any communications between Broker and Agent that occur over the Internet or any other network, including telephone, cable and wireless networks, and that Broker may use the resulting information for internal purposes or as may be required by applicable law. Any such monitoring and recording will be carried out consistent with Broker's respective privacy policies.

**6. Certain Provisions Related to ERISA.** If the assets of Client constitute the assets of one or more employee benefit plans subject to Title I of ERISA or plans subject to Section 4975 of the Code including by reason of Section 3(42) of ERISA, Agent represents and warrants that Client is a retirement plan or account or is an entity, the assets of which are deemed to constitute the asset of any retirement plan under applicable law, Agent represents and warrants that: (i) in connection with each transaction entered into hereunder, it has independently determined that Client (and each employee benefit plan which constitutes the assets of Client) will receive no less and pay no more than "adequate consideration" (within the meaning of Section 408(b)(17)(B) of ERISA); (ii) each transaction it directs Clearing Firm to take on behalf of Client will be permitted under the terms of the documents governing the plan (or plans) and, to the extent otherwise prohibited, will be exempt from the provisions of PTCE 84-14, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code, or another available exemption; (iii) Agent is familiar with the requirements of ERISA (if applicable) as they relate to Client, each employee benefit plan the assets of which constitute the assets of Client and to itself, and with the requirements of any applicable state or other laws (including any requirements for "qualification" under the Code or other applicable tax law), and will direct Clearing Firm with respect to a transaction only if and to the extent it determines that such transaction complies with such requirements; (iv) Agent is an investment adviser described in Department of Labor Regulation Section 2550.404b-1(a)(2)(i)(C) and, if and to the extent the indicia of ownership of any of the assets of Client are held outside of the jurisdiction of the district courts of the United States, Client will meet the requirements of Section 404(b) of ERISA by reason of Department of Labor Regulation Section 2550.404b-1(a)(2)(i); and (v) Clearing Firm has not provided and will not provide any advice that constitutes or shall constitute a primary basis for any investment decision on behalf of Client. Agent agrees that any assets pledged as collateral by Client in connection with any transaction entered into under this Authorization will not constitute "plan assets" under ERISA or Section 4975 of the Code. In addition to the foregoing, Agent and Client each represent that, with respect to any distribution directed with respect to Client relating to any payment, disbursement or other transaction not effected under any transaction hereunder (including, without limitation, any distribution to any participant or beneficiary of any plan or payment for services rendered with respect to any such plan) such directed distribution will be effected in accordance with all applicable terms governing such plan and all applicable laws (including ERISA and the Code) and neither Clearing Firm nor any of its Affiliates will have any other responsibility or liability with respect to such distribution or transaction, including, without limitation, with respect to any tax withholding or reporting as may otherwise be required by law.

**7. Arbitration.** A predispute arbitration clause is contained 27 above

# Margin Risk Disclosure Statement

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This Margin Risk Disclosure Statement is part of the Account Agreement. Broker is required, pursuant to FINRA Rule 2264, to furnish the following Margin Risk Disclosure Statement to its customers, to provide some basic facts about purchasing securities on margin, and to alert customers to the risks involved with trading securities in a margin account:

Before trading securities in a margin account, you should carefully review this Margin Risk Disclosure Statement. You should call your Broker representative regarding any questions or concerns you may have with your margin accounts at Broker. When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from your brokerage firm's clearing firm. If you intend to borrow funds in connection with your Account, you will be required to open a margin account, which will be carried by Clearing Firm. The securities purchased in such an account are Clearing Firm's collateral for its loan to you. If the securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and, as a result, a brokerage firm is required to take action, such as issue a margin call and/or sell securities or other assets in your accounts, in order to maintain necessary level of equity in the account. It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including your margin account carried by Clearing Firm. These risks include the following:

- **You can lose more funds than you deposit in your margin account.** If you purchase securities on margin and the value of those securities declines, Broker or Clearing Firm may require additional funds from you. Otherwise, Broker or Clearing Firm may be required to liquidate the securities that you purchased on margin or other securities or other assets in your account in accordance with applicable regulations.
- **Broker or Clearing Firm can force the sale of securities or other assets in your account.** If the equity in your account falls below the regulatory maintenance margin requirements, or Broker's or Clearing Firm's higher "house" requirements, Broker or Clearing Firm can sell the securities or other assets in any of your accounts carried by Clearing Firm to cover the margin deficiency. You also will be responsible for any short fall in the account after such a sale.

**Broker or Clearing 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 a margin call unless the firm has contacted them first. This is not the case. A brokerage firm may attempt to notify

- introduced customers of margin calls, but is not required to do so. However, even if Broker or Clearing Firm has contacted you and provided a specific date by which you can meet a margin call, Broker or Clearing Firm can take steps to protect their financial interests prior to such date, including immediately selling assets in your account without notice to you.
- **You are not entitled to choose which securities or other assets in your margin account are liquidated or sold to meet a margin call.** Because the securities are collateral for the margin loan, Broker or Clearing Firm have the right to decide which security or other asset to sell in order to protect their interests.
- **Clearing Firm can increase its "house" maintenance margin requirements at any time and are 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 Clearing Firm to liquidate or sell securities or other assets in your account.
- **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.

## Interest Charges Statement

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This Interest Charges Disclosure Statement (the "**Interest Disclosure Statement**") is part of the Account Agreement. Unless otherwise defined in this Interest Disclosure Statement, defined terms have the same meaning as set forth in the Account Agreement. In the event that any provision of this Interest Disclosure Statement conflicts or is inconsistent with any provision of the Account Agreement, this Interest Disclosure Statement shall control for matters related to this Interest Disclosure Statement.

Until further notice and except as set forth below, the annual rate of interest that Clearing Firm charges Broker's Clients on credit extended to or maintained for them by Clearing Firm with respect to securities accounts will be determined on the basis of either the federal funds rate or the federal open rate, as notified to each Client, and will be no more than 600 basis points above the federal funds rate or the federal open rate, as the case may be, each computed on a daily basis. The precise rate of interest charged on credit extended to or maintained for Client will be as agreed upon from time to time by Client and Broker. International balances may be subject to different and/or local benchmarks or standards.

The "federal funds rate" will be determined by Clearing Firm for this purpose, in its sole discretion, in accordance with prevailing money market conditions. In making such determination, Clearing Firm will consider, among other things, the rates quoted for overnight federal funds by Federal Reserve member banks and for overnight repurchase agreements by securities dealers at several points during each business day. The "federal open rate" for this purpose, shall be the rate as quoted from time to time by Bloomberg or any other reliable source, which source shall be determined by Clearing Firm in its sole discretion. These rates are available by calling

Broker and may be available on Clearing Firm's website, which address may be obtained from Broker.

Credit "extended to or maintained for" Client is any adjusted net debit balance resulting from aggregating the debit balances in all margin accounts of the Client and any free credit balances in any cash accounts of the Client. If the relevant rates of interest are dependent upon the federal funds rate, or the federal open rate, they will change automatically without prior notice to Clients in accordance with changes in the federal funds rate or the federal open rate, as the case may be.

Interest on the basis of the charges described above is computed daily, using a 360-day base year, from the last business day of each month through the next to the last business day of the succeeding month. If the aggregate value of the securities sold short by a Client appreciates, an amount equal to such appreciation will be transferred from the Client's general margin account to its short account resulting in a debit entry in the general margin account. If the aggregate value of all the securities sold short depreciates, an amount equal to such decline in value will be transferred from the Client's short account to its general margin account resulting in a credit entry in the general margin account. At the close of each month in which interest is charged to Client, the charges will appear on Client's monthly account statement.

Short positions 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.

# Options Position Limits/Exercise Procedures Disclosure Statement for U.S. Listed Options

This Options Position Limits/Exercise Procedures Disclosure Statement for U.S.-Listed Options ("**Options Disclosure**") is part of the Account Agreement. Unless otherwise defined in this Options Disclosure, defined terms have the same meaning as in the Account Agreement. In the event any provision in this Options Disclosure conflicts or is inconsistent with any provision of the Account Agreement, the provisions of this Options Disclosure shall control for matters or services related to this Options Disclosure.

**1. Applicable Rules and Regulations.** Client is aware of and agrees to be bound by all laws and rules applicable to the trading of listed option contracts. In particular, Client, either acting alone or in concert with others, agrees not to violate directly or indirectly (through Broker, Clearing Firm, or its Affiliates or otherwise), or contribute to the violation of the position or exercise limits of the applicable Exchange, which limits can be obtained by contacting Broker.

**2. Position Limits.** The options Exchanges have established limits on the maximum number of puts and calls covering the same underlying security that may be held or written by a single investor or group of investors acting in concert or under common control (regardless of whether the options are purchased or written on the same or different Exchanges or are held or written in one or more accounts or through one or more brokers). Under Exchange and FINRA rules, customers are required to agree not to violate these limits. Clearing Firm is required to monitor and report positions to the options Exchanges and may be required to liquidate positions in excess of these limits. Failure by Clearing Firm to adhere to these regulations may result in the imposition of fines and other sanctions by the options Exchanges. The position limit applicable to a particular option class is determined by the options Exchanges based on the number of shares outstanding and trading volume of the security underlying the option. Positions are calculated on both the long and short side of the market. To calculate a long position, aggregate calls purchased (long calls) with puts written (short puts), on the same underlying. To calculate a short position, aggregate calls written (short calls) with puts purchased (long puts) on the same underlying. The aggregation of positions is illustrated in the following table. OTC options positions are calculated separately from listed positions. Expiring options are included in your end of day position.

	Long Call	Short Call	Long Put	Short Put
Long Call	Aggregated	Not Aggregated	Not Aggregated	Aggregated
Short Call	Not Aggregated	Aggregated	Aggregated	Not Aggregated
Long Put	Not Aggregated	Aggregated	Aggregated	Not Aggregated
Short Put	Aggregated	Not Aggregated	Not Aggregated	Aggregated

For example, if the limit on a particular option class is 13,500 contracts, an investor or group of investors acting in concert or under common control may purchase up to 13,500 calls on a particular underlying security, and at the same time, write up to 13,500 calls covering the same underlying security (long call and short call positions are on opposite side of the market and are not aggregated for purposes of position limits). An investor or group of investors acting in concert or under common control that purchased 12,000 puts on a particular underlying security may, at the same time, write up to but no more than 1,500 calls covering the same underlying security (long put and short call positions are on the same side of the market, and are aggregated for purposes of the limits). The size of an options position depends on the number of shares underlying an option. Ten mini option contracts (overlying 10 shares) equal one standard options contract (overlying 100 shares). Positions in mini options and standard options on the same underlier on the same side of the market are aggregated.

Position limits in an option class may be adjusted temporarily as a result of certain corporate actions such as a stock split. The Exchanges' position limit rules also permit positions in excess of the applicable limit, if the customer is engaging in certain qualified hedging strategies. Additionally, under certain limited circumstances, the options Exchanges may also grant special position limit exemptions. Customers should determine the then current position limits from their brokers before engaging in any options transactions.

**3. Close-Out or Liquidation of Option Positions.** In addition to the rights granted to Broker or Clearing Firm under the Account Agreement and any other agreement between Broker, Clearing Firm, or its Affiliates and Client, Client expressly authorizes Broker or Clearing Firm to liquidate or close-out any of Client's listed option positions, without notice to Client and without Client's prior consent, in Broker's or Clearing Firm's sole and absolute discretion, (i) if and when Client's open positions exceed applicable position limits so as to reduce such open positions to a level that is in compliance with such limits, or (ii) upon the occurrence of a Close-Out Event. Client will bear and be solely responsible for any losses associated with such a reduction or liquidation.

**4. Adjustments.** From time to time the Options Clearing Corporation ("**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. Client should contact its Broker representative if it has questions regarding options adjustments.

**5. Review of Materials.** Client warrants and represents that Client has received, read and understands the Uncovered Option Disclosure Statement for U.S.-Listed Options in the Account Agreement and the current options disclosure documents of the OCC, including the pamphlet entitled "Characteristics and Risks of Standardized Options," which Broker has delivered to Client and which may also be obtained by contacting Client's Broker representative.

**6. Assignment Allocation.** Client acknowledges that the "style" of an option refers generally to when that option is exercisable. Specifically, (i) an "American-style" option is an option that may be exercised at any time (i.e., on a business day in which the option Exchange on which the option trades is open for trading) prior to its expiration, (ii) a "European-style" option is an option that may be exercised only on a specified exercise date (or expiration date) or during a specified time period before the option expires, and (iii) a "capped" option is an option that is automatically exercised prior to expiration if the market or Exchange on which the option trades determines that the value of the underlying interest at a specified time has reached the "cap price" for the option. Client understands that exercise assignment notices for option contracts are allocated among customer short positions, including positions established on the day of assignment. Clearing Firm uses a pro rata option exercise allocation methodology to allocate short exercise assignments. Client further understands that all short positions in "American-style" options are liable for assignment at any time. A more detailed description of this allocation procedure is available upon request.

**7. Client's Responsibility.** Client agrees to trade options only within the limits for which Client has been approved by Broker. Client represents that Client has sufficient knowledge, experience and access to professional advice to make Client's own legal, tax, accounting and financial evaluation of the merits and risks involved in the purchase and sale of options, that such purchase and sale may involve complex legal, tax and regulatory considerations that are highly dependent on facts and circumstances related to Client, that Broker will have insufficient information regarding Client's specific circumstances, and that Client and Client's legal, tax and financial advisors will be solely responsible for evaluating all necessary factors involving Client's purchase and sale of options. Client further represents that Client has the financial ability to bear the economic risk involved in the purchase and sale of options, and has adequate means of providing for Client's current needs and personal or other contingencies. Client agrees to review <https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document>



# Options Position Limits/Exercise Procedures Disclosure Statement for U.S.-Listed Options

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**8. Exercise Procedures.** The following sets forth the current procedures that apply to Client's expiring U.S. listed single stock options positions. To ensure that Client's expiring options positions are handled appropriately, Client is responsible for communicating its intended exercise activity to Broker in accordance with the procedures outlined below.

**a. To Exercise.** Unless Client notifies its Broker representative otherwise, the Options Clearing Corporation will automatically exercise all options in Client's Account that are at least US\$0.01 in-the-money at the time of expiration. Absent contrary instructions from Client, no positions that are in-the-money by less than US\$0.01 (or that are out-of-the-money) will be exercised.

**b. To Prevent Exercise of an Option that is at Least US\$0.01 In-the-Money.** In order to prevent a position that is in-the-money by at least US\$0.01 from being exercised automatically, Client must provide contrary exercise instructions to its Broker representative with directions not to exercise the option no later than 5:15 p.m. ET on the U.S. business day established by the options Exchanges (with respect to monthly exercises, on the Friday before their expiration, and for all other options, on the day of their expiration).

**c. To Exercise an Option that is Less Than US\$0.01 In-the-Money.** In order to exercise an option that is less than US\$0.01 in-the-money, Client must provide affirmative instructions to its Broker representative with directions to exercise the position no later than 5:15 p.m. ET on the U.S. business day established by the options Exchanges (with respect to monthly exercises, on the Friday before their expiration, and for all other options, on the day of their expiration). All expiring options that are less than US\$0.01 in-the-money and for which Client does not provide exercise instructions as provided above will expire without exercise.

**d. Special Notice for Options Purchased on the Day Immediately Preceding Their Expiration Date.** Expiring options positions in Client's Account purchased on the day immediately preceding their expiration may need special attention. Please remember to communicate these positions to a Broker representative. Please be reminded that Client will need to have cash or cash equivalents or margin available to fund any exercises.

**e. Special Notice for Options Expiring on Underlying Securities that are Subject to a Trading Halt.** Pursuant to OCC policy, in the event that trading in an underlying security has halted on or before the Monday before expiration and trading has not resumed before expiration, Client must provide Broker with exercise instructions for any option positions that it desires to exercise, regardless of whether the underlying security is at least US\$0.01 in-the-money. Such notices are required to be submitted to the OCC; therefore, if Broker does not receive exercise instructions from Client, none of Client's long options positions will be exercised.

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*Broker may from time to time provide Client with information regarding its expiring options positions and although Broker may provide Client with this information, Broker has no obligation to do so and will have no liability to Client for failure to provide this information or for any inaccuracies in the information.*

If Client has further questions, please contact your Broker representative.

**9. Notice Regarding U.S. Listed Options Orders Executed Using the Tied Hedge Procedures of the Executing Exchange.** When handling an option order of 500 contracts or more on your behalf, Broker or Clearing Firm may buy or sell a hedging stock, security futures or futures position following receipt of the option order but prior to announcing the option order to the trading crowd. The option order may thereafter be executed using the tied hedge procedures of the exchange on which the order is executed. These procedures permit the option order and hedging position to be presented for execution as a net-priced package subject to certain requirements. For further details on the operation of the procedures, please refer to the exchange rules for tied hedge orders including Chicago Board Options Exchange Rule 6.74.10, which is available at [www.cboe.org/Legal](http://www.cboe.org/Legal).

**10. Notice Regarding the execution of solicited orders on certain Exchanges:**

**a. Executed on the CBOE Using the CBOE's AON AIM Solicitation Mechanism.** When handling an option order of 500 contracts or more on your behalf on the Chicago Board Options Exchange, Broker or Clearing Firm may solicit other parties to execute against your order and may thereafter execute your order using the Chicago Board Options Exchange's AON AIM Solicitation Mechanism. This functionality provides a single-priced execution, unless the order results in price improvement for the entire quantity, in which case multiple prices may result. For further details on the operation of this mechanism, please refer to Chicago Board Options Exchange Rule 6.74B, which is available at [www.cboe.org/Legal](http://www.cboe.org/Legal).

**b. Executed on International Securities Exchange ("ISE").** When handling an order of 500 contracts or more on your behalf, Broker or Clearing Firm may solicit other parties to execute against your order and may thereafter execute your order using the International Securities Exchange's Solicited Order Mechanism. This functionality provides a single-price execution only, so that your entire order may receive a better price after being exposed to the Exchange's participants, but will not receive partial price improvement. For further details on the operation of this Mechanism, please refer to International Securities Exchange Rule 716, which is available at [www.ise.com](http://www.ise.com) under "Membership, Rules & Fees-Regulatory-ISE Rules."

## Uncovered Option Disclosure Statement for U.S.-Listed Options

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This Uncovered Option Disclosure Statement for U.S.-Listed Options is part of the Account Agreement. Brokerage firms, including Broker, are required, pursuant to NYSE MKT LLC rule 921(g), to furnish the following description of the risks involved in writing uncovered short option transactions to their customers:

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

1. The potential loss of uncovered call writing is unlimited. The writer of an uncovered call is in an extremely risky position, and may incur large losses if the value of the underlying instrument increases above the exercise price.

2. As with writing uncovered calls, the risk of writing uncovered put options is substantial. The writer of an uncovered put option bears a risk of loss if the value of the underlying instrument declines below the exercise price. Such loss could be substantial if there is a significant decline in the value of the underlying instrument.

3. Uncovered option writing is thus suitable only for the knowledgeable investor who understands the risks, has the financial capacity and willingness to incur potentially substantial losses, and has sufficient liquid assets to meet applicable margin requirements. In this regard, if the value of the underlying instrument moves against an uncovered writer's options positions, the investor's broker or clearing firm that carries investor's account may request significant additional margin payments. If an investor does not make such margin payments, the broker or clearing firm may liquidate stock or options positions in the investor's account,

with little or no prior notice in accordance with the investor's margin agreement.

4. For combination writing, where the investor writes both a put and a call on the same underlying instrument, the potential risk is unlimited.

5. If a secondary market in options were to become unavailable, investors could not engage in closing transactions, and an option writer would remain obligated until expiration or assignment.

6. The writer of an American-style option is subject to being assigned an exercise at any time after he has written the option until the option expires. By contrast, the writer of a European-style option is subject to exercise assignment only during the exercise period.

NOTE: Client agrees to review <https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document> In particular your attention is directed to the chapter entitled Risks of Buying and Writing Options. This statement is not intended to enumerate all the risks entailed in writing uncovered options.

# Prime Brokerage

Client maintains brokerage accounts with a number of other brokers and may, from time to time, place orders to be executed by one or more of these brokers designating Clearing Firm as Client's prime broker in accordance with the letter dated January 25, 1994 (or, if applicable, any subsequent amending or superseding letter) from the Division of Market Regulation of the Securities and Exchange Commission (the "**No-Action Letter**"). This Prime Brokerage Supplement constitutes a contract, within the meaning of the No-Action Letter between Broker's Client and Broker's Clearing Firm acting as prime broker. This Prime Brokerage Supplement also sets forth certain additional terms and conditions under which Clearing Firm will act as Client's prime broker ("**Prime Broker**") and will perform certain settlement and clearance services in connection with such transactions ("**Prime Brokerage Transactions**"). This Prime Brokerage Supplement sets forth certain additional terms and conditions under which Clearing Firm will perform services for Client relating to Prime Brokerage Transactions, or with regards to Section 15 of this Prime Brokerage Supplement, Non-U.S. Transactions (as defined in Section 15). In the event that any provision of this Prime Brokerage Supplement conflicts or is inconsistent with any provision of Client's New Account Agreement, this Prime Brokerage Supplement shall control for Prime Brokerage Transactions.

**1. Applicable Transactions; Limitations.** The terms of this Prime Brokerage Supplement shall apply only to Prime Brokerage Transactions executed by Client in the accounts and with the brokers set forth in the New Account Application or otherwise identified by Client to Clearing Firm. Such brokers will either be self-clearing executing brokers or Client will indicate on the New Account Application the name of the firm clearing for Client's introducing broker. In either case, the clearing firm is referred to herein as the "**Executing Broker**". Client and Clearing Firm may each add to or delete from such list by notice to the other party, provided that no addition may be made without Clearing Firm's consent nor will any addition be effective until all documentation required or deemed necessary or appropriate by Clearing Firm has been completed. The terms of this Prime Brokerage Supplement shall also apply only to Prime Brokerage Transactions in debt and equity securities cleared and settled through United States clearance and settlement systems and in such other securities and instruments as are otherwise specifically approved by Clearing Firm for clearance for the purposes of being governed by the terms of this Prime Brokerage Supplement (all such securities and instruments, "**Covered Securities**"). It is expressly understood and agreed that, with respect to Prime Brokerage Transactions in non-Covered Securities, Clearing Firm shall have no obligation to Client or to any third party to clear or settle trades executed by Client, and Client shall inform Executing Brokers in such Prime Brokerage Transactions that the Executing Broker must look only to Client for the settlement of such Prime Brokerage Transactions and the resolution of any claim or dispute relating thereto.

**2. Client Acknowledgement.** Client acknowledges that Prime Brokerage Transactions are subject to applicable laws and regulations and to the requirements of the No-Action Letter with respect to the provision of prime brokerage services, as the same may be amended, modified or supplemented from time to time. Client further acknowledges that Clearing Firm will, as required by the No-Action Letter and applicable law, enter into contractual arrangements pertaining to Prime Brokerage Transactions for Client's Account ("**Contractual Arrangements**") with the Executing Brokers identified on the list described above. Client acknowledges and agrees that Clearing Firm shall have no suitability obligation to Client in connection with trades placed by Client or for Client by an investment adviser or other agent.

**3. Accounts with Executing Brokers.** Client shall not begin to effect Prime Brokerage Transactions with an Executing Broker until Client advises Clearing Firm of its intent to do so and Clearing Firm advises Client that Clearing Firm and the Executing Broker have executed the appropriate Contractual Arrangements with respect thereto. Client understands and agrees that the Contractual Arrangements may affect Clearing Firm's dealings with Client in accordance with Clearing Firm's normal procedures. Client agrees to accept any restrictions or limitations affecting its Account which may result from such Contractual Arrangements and Clearing Firm's dealings with Executing Brokers. Clearing Firm reserves the right at any time to place a limit on the type or size of Prime Brokerage Transactions which may be effected by Client with Executing Brokers generally or with any particular Executing Broker. Client acknowledges that Clearing Firm has not recommended or endorsed any Executing Brokers.

**4. Communications with Executing Brokers.** Client understands and agrees that Clearing Firm may be required by the No-Action Letter, applicable law or by the Contractual Arrangements, or that Clearing Firm may otherwise deem it necessary or appropriate, to communicate

information concerning Client and the Account to Executing Brokers. Such information may include: (i) whether the net equity in the Account falls below certain minimums set forth in the No-Action Letter; (ii) information regarding the allocation of Prime Brokerage Transactions to sub-accounts, if applicable; (iii) other matters requested by Executing Brokers, after consultation with Client; and (iv) such other information as Clearing Firm may deem necessary or appropriate for Clearing Firm's own protection.

## **5. Reporting of Trade Information; Affirmation and Settlement.**

Client agrees to notify Clearing Firm (or cause Clearing Firm to be notified by persons it has authorized in writing to do so), by 5:30 P.M. (Eastern Time) on any trade date, of the details of all Prime Brokerage Transactions effected by or on behalf of Client through Executing Brokers for such date. Client will supply Clearing Firm with the following information to the extent known for each transaction: (i) Account Name; (ii) Name of Executing Broker (and clearing broker, if different); (iii) Security name, quantity and security symbol (or CUSIP number if no security symbol exists or is known); (iv) Whether transaction is a buy, buy to cover, sell or sell short transaction; (v) Price per share or other unit (if a trade is to be reported on an average price basis, Client must compute the average price to two decimal places); (vi) Exchange or other market where executed; (vii) Commission rate; (viii) Total execution and commission costs; (ix) If an options transaction is involved, whether the transaction is an opening or closing transaction; (x) The trade date and settlement date; (xi) For all trades in non-U.S. markets, all other information required for Clearing Firm to settle such trades; and (xii) Settlement instructions.

Client understands and agrees that, subject to the provisions of this Prime Brokerage Supplement and Clearing Firm's internal policies and procedures, Clearing Firm will affirm and settle transactions with an Executing Broker only to the extent that the information provided by such Executing Broker matches the trade information submitted to Clearing Firm by Client. Client understands and agrees that Clearing Firm may "DK" or otherwise decline to affirm and settle any and all trades as to which Client has not timely provided the foregoing information. If Client has provided information to Clearing Firm that does not match the information provided to Clearing Firm by the Executing Broker, and if time permits, Clearing Firm will attempt to contact Client so that Client can reconcile the differences in the reported information. If such contact and reconciliation is not made, Clearing Firm may, in its sole judgment: (i) settle such Prime Brokerage Transactions on Client's behalf if, in Clearing Firm's sole discretion, the differences between the Client report and the Executing Broker report are not material; or (ii) "DK" or otherwise decline to affirm and settle any such Prime Brokerage Transactions.

Client further understands and agrees that if Clearing Firm is responsible for settling a short sale on behalf of Client, or if Client fails to deliver any securities it has sold in a long sale, Clearing Firm is authorized to borrow or obtain the securities necessary to enable Clearing Firm to make delivery. Client agrees to be responsible for any cost or loss Clearing Firm may incur in sourcing and maintaining the borrow, or the cost Clearing Firm may incur in obtaining the securities if Clearing Firm is unable to borrow such securities. Client hereby appoints Clearing Firm as its agent to complete all such transactions and authorizes Clearing Firm to make advances and expend monies as are required.

Client expressly acknowledges and agrees that Clearing Firm shall have no responsibility or liability with respect to trade data that is not received by Clearing Firm in the manner provided above. Client further acknowledges that, under any of the circumstances described in Section 13 of this Prime Brokerage Supplement, Clearing Firm may decline to settle Client's Prime Brokerage Transactions. In any such case, Clearing Firm will attempt to so advise Client and Clearing Firm will "DK" or disaffirm such transaction or transactions in accordance with the terms of the No-Action Letter, the Contractual Arrangements, and applicable rules and procedures of any clearing agency registered pursuant to Section 17A of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") that Clearing Firm has agreed to use with Client and its Executing Brokers. Under such circumstances, Client acknowledges that it will be obligated to settle the Prime Brokerage Transactions directly with the Executing Broker. Client understands that the Contractual Arrangements may limit Clearing Firm's discretion and require Clearing Firm to disaffirm certain Prime Brokerage Transactions that Clearing Firm would have otherwise agreed to effect.

**6. Confirmations.** If Client has instructed Executing Brokers to send trade confirmations to Client in care of Clearing Firm, Clearing Firm agrees that such confirmations will be made available to Client, without charge, upon its request. On the day following Clearing Firm's receipt of information from Client regarding any Prime Brokerage Transaction, Clearing Firm will send to Client a notification of each such trade based on the information supplied to Clearing Firm by Client. Any trade notifications issued by Clearing Firm shall indicate the name of the Executing Broker

# Prime Brokerage

involved and the other information required by the No-Action Letter, provided that Clearing Firm shall have received such information in the manner and to the extent provided herein from Client. Client acknowledges that Clearing Firm has requested that Client supply Clearing Firm with all information required by Rule 10b-10 under the Exchange Act with respect to each Prime Brokerage Transaction. Client understands and agrees that the notifications sent by Clearing Firm will be based solely upon the information supplied by Client.

**7. Status of Client.** Client represents and warrants to Clearing Firm that no one except Client has a direct beneficial interest in the Account. In the event that Client is represented by an investment advisor or other agent, Client acknowledges and agrees that such agent is authorized to instruct Clearing Firm with respect to Client's Prime Brokerage Transactions and shall have all powers necessary in connection therewith, including, without limitation, full access, personally or through its agents, to Client's Account information through whatever medium Clearing Firm may choose for transmitting such information pursuant to Clearing Firm's agreement with such agent. Client further acknowledges that Prime Brokerage Transactions authorized by such an agent may, at such agent's instruction, be commingled with those of other clients of the agent for settlement as a single bulk trade with Clearing Firm, may be reported on an average price basis, and may later be allocated by such agent among such clients. Client agrees that Clearing Firm shall in no event be responsible for making any determination relating to the suitability of any transaction for Client's Account.

**8. Minimum Net Equity.** Client shall, at all times, maintain in the Account a minimum net equity with Clearing Firm of that required in the No-Action Letter (or such greater amount as to which Clearing Firm may from time to time inform Client). Client shall maintain such minimum net equity in cash or securities with a ready market and shall, upon Clearing Firm's request, promptly (but no later than within five (5) business days of such request) restore such net equity if it should fall below such minimum. Client understands and agrees that failure to maintain a minimum net equity at least equal to that required by the No-Action Letter will require Clearing Firm promptly to inform Executing Brokers that Clearing Firm is no longer acting as prime broker for Client and that Clearing Firm will "DK" or disaffirm any Prime Brokerage Transactions commenced thereafter by or on behalf of Client. In addition, Client acknowledges that failure to maintain a minimum net equity at least equal to that established by Clearing Firm, will permit Clearing Firm, in its sole discretion, to "DK" or disaffirm Prime Brokerage Transactions by or on behalf of Client.

**9. Short Sales.** Client agrees that no short sales will be effected by it through an Executing Broker unless a "locate" for such security has been obtained. If Client has arranged for Clearing Firm to obtain such locate, Clearing Firm shall have absolute discretion in the selection of sources to cover any short sales, including sourcing the securities from any other department within Clearing Firm or from any affiliate. All short positions in Client's Account will be marked-to-market daily. In the event income is paid in relation to any securities sold short by Client on or by reference to an "ex-date" on which such short sale remains open, Clearing Firm shall, on the date it is required to pay such income to the party from whom the securities were sourced (including, as the case may be, Clearing Firm and its Affiliates), debit a sum of money or property from Client's Account equivalent to the amount necessary for Clearing Firm to make an equivalent payment to such party in relation to the applicable loan of the securities, together with such additional amounts as may be agreed.

**10. Restricted Securities.** Prior to instructing the delivery into Client's Account (by purchase or otherwise) of Restricted Securities, Client agrees that it is responsible for ensuring that Client's Account is eligible to receive in such Restricted Securities. Additionally, prior to placing an order for the sale or transfer of any Restricted Securities, Client agrees that it will advise the relevant Executing Broker of the status of the securities and furnish such Executing Broker with the necessary documents (including opinions of legal counsel, if it so requests) to satisfy legal transfer requirements. These securities may not be sold or transferred until they satisfy legal transfer requirements. Client agrees that even if the necessary documents are furnished by it in a timely manner, there may be delays in the delivery of securities and the subsequent crediting of cash by Clearing Firm to Client's Account. Client is responsible for any delays, expenses and losses associated with compliance or failure to comply with any and all of the requirements and rules relating to Restricted Securities.

**11. Timely Settlement.** Client agrees that it is responsible to Clearing Firm for timely payment and delivery in connection with the settlement of all Prime Brokerage Transactions for which Clearing Firm becomes responsible pursuant to the Contractual Arrangements. Clearing Firm

agrees to cooperate with Client in resolving disputes with Executing Brokers related to settlement of Prime Brokerage Transactions.

**12. Provisional Credits.** Client understands and agrees that although Clearing Firm may credit or debit Client's Account on or about the settlement date with respect to a transaction executed by an Executing Broker, such credit is conditional and may be reversed upon the failure of the Executing Broker's delivery against payment or payment against delivery, as applicable.

**13. Prime Broker Ceasing to Act.** Client understands and agrees that Clearing Firm may, (a) at any time, cease to act as prime broker for Client's Account, (b) decline to affirm, clear and settle any Prime Brokerage Transaction to the extent permissible by the No-Action Letter, or upon the occurrence of a Close-Out Event, or for any reason it deems advisable for its protection, or (c) at any time decline to affirm, clear and settle any transactions effected by an executing broker other than a Prime Brokerage Transaction. If Clearing Firm does cease to act or so declines, Clearing Firm will make reasonable efforts promptly to notify Client, but such notice shall not be a condition to Clearing Firm's right to cease to act as prime broker or to decline to affirm, clear or settle Prime Brokerage Transactions and Clearing Firm shall incur no liability to Client or any third party for exercising such right. In any such case and in the case of any termination of this Prime Brokerage Supplement, Client understands and agrees that Client must settle outstanding trades that have been "DK'd" or disaffirmed and all future trades (in the event this Prime Brokerage Supplement is terminated) directly with the Executing Broker.

**14. Indemnification and Disclaimer of Liability.** For the avoidance of doubt, the disclaimer of liability and indemnification provisions found in Section 18 of the Account Agreement apply to this Prime Brokerage Supplement and any Losses which may arise in connection therewith.

**15. International Transactions.** If Client proposes to enter into an arrangement with another broker ("**Non-U.S. Executing Broker**") to execute transactions in non-U.S. securities ("**Non-U.S. Transactions**"), Client agrees that it shall not begin to effect Non-U.S. Transactions until Client advises Broker and Clearing Firm of its intent to do so and Broker and Clearing Firm thereafter advises Client that Clearing Firm has agreed to settle Non-U.S. Transactions executed by the Non-U.S. Executing Broker. Client agrees to accept any restrictions or limitations imposed by Broker or Clearing Firm in their sole discretion in connection with Clearing Firm's dealings with Non-U.S. Executing Brokers. Broker and Clearing Firm reserve the right at any time to reject or place a limit on the type or size of Non-U.S. Transactions which may be effected by Client with Non-U.S. Executing Brokers generally, or with any particular Non-U.S. Executing Broker. Client acknowledges that neither Broker nor Clearing Firm has recommended or endorsed any Non-U.S. Executing Brokers and neither Broker nor Clearing Firm shall be responsible or liable for any acts or omissions of any Non-U.S. Executing Broker or its employees. Client agrees that, as among Clearing Firm, Broker and Client, any Losses resulting from any action or failure to take action by a Non-U.S. Executing Broker or its agents or any other third party with respect to Client or its Account, including, without limitation, the insolvency of any such party or the failure of any such party to fulfill its execution or settlement obligations, will be borne solely by Client.

If Client has provided information relating to specific Non-U.S. Transactions to Broker or Clearing Firm that does not match the information provided to Clearing Firm by the Non-U.S. Executing Broker, and if time permits, Broker may attempt to contact Client so that Client can reconcile the differences in the reported information. If such contact and reconciliation is not made, Broker or Clearing Firm may, in Broker's or Clearing Firm's sole discretion: (i) settle such transaction on Client's behalf if, in Broker's or Clearing Firm's sole discretion, the differences between Client's report and the Non-U.S. Executing Broker's report are not material; or (ii) "DK" or otherwise decline to affirm and settle any such Non-U.S. Transaction.

Client understands and agrees that Broker or Clearing Firm may, at any time, decline to affirm, clear or settle any Non-U.S. Transaction(s) effected by a Non-U.S. Executing Broker on Client's behalf. If Broker or Clearing Firm so declines, Broker will make reasonable efforts promptly to notify Client, but such notice shall not be a condition to Broker's or Clearing Firm's right to decline to affirm, clear or settle Non-U.S. Transactions and neither Broker or Clearing Firm shall incur liability to Client or any third party for exercising such right. In any such case, Client understands and agrees that Client must settle outstanding trades that have been "DK'd" or disaffirmed and all future Non-U.S. Transactions directly with the Non-U.S. Executing Broker.

## Prime Brokerage

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Client further understands and agrees that although Clearing Firm may credit or debit Client's Account on or about the settlement date with respect to a Non-U.S. Transaction executed by a Non-U.S. Executing Broker, such credit or debit is conditional and may be reversed upon or after the failure of the Non-U.S. Executing Broker's delivery against payment or

payment against delivery, as applicable. Any Losses resulting from the Non-U.S. Executing Broker's failure to consummate any such transaction will, as among Broker, Clearing Firm, and Client, be borne solely by Client, and neither Broker nor Clearing Firm shall have responsibility or liability to Client or any third party with respect thereto.

# Business Continuity and Customer Privacy

## Business Continuity Plan Summary

Monness, Crespi, Hardt & Co., Inc.'s ("MCH") policy regarding any Significant Business Disruption (SBD) is to respond first and foremost by safeguarding our employees' lives. We will then make an operational assessment to quickly recover and resume operations, protect all of the firm's books and records, and allow our customers to transact business.

**Office Location:** Our offices are located at 767 Third Ave. 16<sup>th</sup> Fl New York, NY 10017 our Main Telephone number is 212-838-7575. The direct Trading line is 212-751-7900. We engage in order taking at this location.

**Significant Business Disruptions (SBDs)**

Our plan anticipates two kinds of SBDs, internal and external.

Internal SBD's affect only our firm's ability to communicate and do business, such as a fire in our building.

**Alternative Physical Location(s) of Employees**

In the event of an SBD, we will move our staff from affected offices to the closest of our unaffected office locations at Atlantic Beach and Garden City New York locations. Other key numbers as listed above are 917-882-3700 and 516-316-5481.

**External SBD**

**Customers' Access to Funds and Securities**

MCH does not maintain custody of customers' funds or securities. They are maintained at RBC Clearing & Custody [www.rbcclearingandcustody.com](http://www.rbcclearingandcustody.com). If during a SBD, MCH telephone service is available, our registered persons will take customer orders or instructions from our locations listed as usual, and if our Web access is available, our firm will post on our Web site <https://mchny.com/> that customers may access their funds and securities by contacting Karen Ferguson-Moran at our main number or at emergency contact numbers listed above or any alternatives as necessary. However, if our firm cannot be reached for any substantial time period, customers will be able to call the client service team at RBC Clearing & Custody directly for assistance. The firm will make this information available to customers if there is a Significant Business Interruption.

A more complete plan can be obtained by calling Karen Ferguson-Moran at MCH 212-838-7575

## Know your Customer & Customer Privacy

In accordance with our obligation to provide regulatory disclosures to our clients and our Know Your Customer ("KYC") obligations, Monness, Crespi, Hardt & Co., Inc. ("MCH"), member FINRA, SIPC, is sending you this email notification. At this time, we also ask that you notify your MCH if there have been any material changes to your firm's business including, but not limited to change of name, address, contact persons or authorized traders. Please forward this message to any colleagues that may need this information.

### **Notice to Customers Regarding Information Collected for Customer Identification Purposes**

To help the US government fight the funding of terrorism and money laundering activities, Monness, Crespi, Hardt & Co.,

Inc. ("MCH" or the "Firm") is required by the USA PATRIOT Act and FINRA Rule 3310 to obtain, verify, and record information that identifies each entity that obtains products or services from MCH. As such, MCH has established a Client Identification Program ("CIP") and will collect certain information such as entity name, physical address, tax identification number as well as any other information that will allow MCH to identify that entity. MCH may also request to obtain identifying documents, such as formation documents, business licenses or similar records. If all required documentation or information is not provided, MCH may be unable to open an account or establish a relationship with you.

**SEC Regulation S-P – Privacy Policy**

MCH understands that respecting and protecting client privacy are vital to its business.

MCH is committed to keeping client information private and secure and it complies with

**SEC Regulation S-P.**

**Customer Privacy**

Monness, Crespi, Hardt & Co., Inc. has always maintained the highest standard of confidentiality and respect the privacy of our client relationships. In that regard, we are providing this privacy notice to all our clients in accordance with Title V of the Gramm-Leach-Bliley Act of 1999 and its implementing regulations. This notice supplements any privacy policies and statements that we or our clearing firm provide in connection with our accounts.

The non-public information we collect about you comes primarily from the account applications or other forms you submit to us. We may also collect information about your transactions and experiences with us and our clearing firm. Also, depending upon the services you request, we may obtain additional information from consumer reporting agencies.

We do not disclose your information to anyone except as permitted or required by law. This does include sharing your information with our clearing firm which performs support services for our firm and your account. (Please note RBC Clearing & Custody will send you a privacy notice.)

**Personal information we collect.** We collect personal information about you in connection with our providing services to you. This information includes your social security number and may include other information, such as your assets, investment experience, transaction history, income; and wire transfer instructions.

**How we collect this information.** We collect this information from you through various means, including, without limitation, when you give us your contact information, enter into an investment advisory contract with us, buy securities (i.e., interests in a fund) from us, tell us where to send money, or make a wire transfer. We also may collect your personal information from other sources, such as our affiliates or other non-affiliated companies.

**How we use this information.** All financial companies need to share customers' personal information to run their everyday business and we use the personal information we collect from you for our everyday business purposes. For example: to provide services to you, to open an account for you, to process a transaction for your account, and/or to respond to market regulators, court orders and legal investigations.

**Disclosure to others.** We may provide your personal information to our affiliates and to firms that assist us in servicing your account and have a need for such information, such as our clearing broker.

## Business Continuity and Customer Privacy

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We may also disclose such information to service providers needed to service your account. We require third-party service providers and financial institutions with which we have arrangements to protect the confidentiality of your information and to use the information only for the purposes for which we disclose the information to them. These sharing practices are consistent with Federal privacy and related laws, and in general, you may not limit our use of your personal information for these purposes under such laws. We note that the Federal privacy laws only give you the right to limit the certain types of information sharing that we do not engage in (e.g., sharing with our affiliates certain information relating to your transaction history or creditworthiness for their use in marketing to you, or sharing any personal information with non-affiliates for them to market to you).

We limit access to your information to those employees and service providers who are involved in administering the services we offer. To guard your information, we maintain physical, electronic and procedural safeguards that are designed to comply with federal standards. If our relationship ends, we will continue to maintain your information in accordance to all applicable industry rules and regulations; we will continue to treat the information as described above. Any questions, please call us directly at 212-838-7575.



# Customer Education

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## Investor Education and Protection - FINRA BrokerCheck

### **Public Disclosure:**

You may reach FINRA by calling the FINRA BrokerCheck Hotline at (800) 289-9999 or by viewing FINRA BrokerCheck online at <http://brokercheck.finra.org>. A brochure describing the FINRA BrokerCheck Program is also available from FINRA online or upon request.

### **Statement of Financial Condition**

Customers may obtain the Firm's annual audited financial statement and semi-annual un-audited financial statement through our Firm by contacting Karen Ferguson-Moran [kmoran@mchny.com](mailto:kmoran@mchny.com)

### **Questions and Complaints**

You may direct any complaints you may have concerning your relationship with Monness, Crespi, Hardt & Co., Inc., 767 Third Ave., 16<sup>th</sup> Fl New York, NY 10017 to the Compliance Department or you can contact the Compliance Department at 212-838-7575

This is to inform you that Monness, Crespi, Hardt & Co., Inc. ("**Broker**") has entered into an agreement with RBC Clearing & Custody, a division of RBC Capital Market, LLC. ("**Clearing Firm**") for certain transaction processing, clearing, custodial and financing functions with respect to your securities account. This agreement allocates certain responsibilities and the performance of various functions with respect to your account between Broker and our Clearing Firm. In general, all activities related to the recommendation of securities transactions, the entering of orders, and the supervision of your account, including determining the suitability of transactions in your account, are performed by Broker. Clearing Firm does not have any supervisory authority or responsibility, under the agreement or otherwise, with respect to the activities of Broker or with respect to your Account.

Moreover, unless Clearing Firm receives from you prior written notice to the contrary, it may accept from Broker as your agent, without any inquiry or investigation: (a) all orders for the purchase or sale of securities and other property in your account on margin or otherwise, and (b) any other instructions concerning your account or the property therein, including the transfer of funds to you or third parties. The following is a more detailed description of the responsibilities and functions allocated under the agreement.

### **Responsibilities of Broker:**

Broker is exclusively responsible for:

1. Opening, approving and monitoring your account, including obtaining, verifying and retaining (a) information necessary to establish your account, (b) information relevant to the assessment of the suitability of transactions recommended to you (including your investment objectives and financial needs and resources), and (c) all other information and documentation with respect to your account that may be required by any applicable law, rule or regulation.

2. Any and all securities transactions in your account, including (a) having reasonable grounds for believing that any recommended transaction is suitable on the basis of facts, if any, disclosed by you as to your investment objectives, other security holdings and financial situation, and (b) that any transactions entered for your account are made in compliance with all applicable laws, rules and regulations.

3. Any investment advice given to you by your Account Executive (broker) or any employees of Broker.

4. Accepting, recording and executing transactions for your account or transmitting orders or instructions from you to Clearing Firm for the execution of transactions for your account.

5. Obtaining and providing to Clearing Firm all data necessary for the proper performance of any functions allocated to Clearing Firm with respect to your account.

6. Investigating and responding to any inquiries or complaints you may have concerning your account and promptly providing written notice to Clearing Firm of any complaint made with respect to the services provided by or functions allocated to Clearing Firm.

7. Ensuring that its employees comply with all applicable laws, rules and regulations, including, without limitation, the furnishing of any required prospectus or other disclosure statements.

8. Establishing the commissions charged to you for all transactions executed for your account and making details of such charges available to you upon your request.

9. Complying with all applicable laws, rules, regulations and restrictions regarding receipt of securities or funds. More information about the broker can be found at [www.mchny.com](http://www.mchny.com)

### **Responsibilities of Clearing Firm:**

Clearing Firm is responsible for:

1. Establishing and carrying an account for you based on information provided by Broker.

2. Settling and clearing securities transactions in your account in accordance with Broker's instructions. Unless Clearing Firm receives from you prior written notice to the contrary, Clearing Firm relies on instructions and orders received from Broker, as your agent, as being authorized by and suitable for you, and make no independent inquiry as to your authorization or the suitability of any transaction in your account.

3. Executing securities transactions for your account if requested by and in accordance with instructions received from Broker. Clearing Firm will not execute any order received directly from you. If Broker gives specific instructions with respect to the routing of your orders, Clearing Firm will follow those instructions. If Broker does not give specific instructions with respect to the routing of your orders, Clearing Firm may execute the order itself, execute the order with another securities firm that is a market maker, or execute the order through a primary or regional exchange.

4. Preparing and transmitting or supplying Broker with the information necessary to prepare and transmit, confirmations of securities transactions for your account.

5. Preparing monthly or periodic statements of your account and transmitting such statements to you at the address provided by Broker.

## Customer Education

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6. Preparing and maintaining such books and records as are required for a broker-dealer performing the functions of a clearing broker pursuant to the agreement between Broker and Clearing Firm and pursuant to all applicable laws, rules and regulations.

7. Receiving, delivering, holding and disbursing funds and securities for your account, including paying or collecting any interest or dividends and processing any exchange or tender offers, redemptions, conversions and the exercise of any options or rights with respect to securities, in each case in accordance with instructions received from Broker.

8. Extending credit to you for the purchase or sale of securities in your account in accordance with the margin agreement between you and Clearing Firm and in accordance with all applicable laws, rules and regulations.

9. Providing custody of funds and securities in your account while such funds and securities are in the possession of Clearing Firm.

10. Processing any instructions received regarding transfer of your account to another securities firm.

Please note that you are directly responsible to Clearing Firm, as carrying broker of your account, for the payment of all securities purchased in and the delivery of all securities sold for your account by or upon order of Broker.

Please direct any questions you may have to Broker about the functions allocated between Broker and Clearing Firm. Information about the clearing firm can be found at [www.rbcclearingandcustody.com](http://www.rbcclearingandcustody.com)

**SIPC.** Introducing broker and Clearing firm are members of the Securities Investor Protection Corporation ("**SIPC**"), which protects cash and securities held for a customer (as defined by the Securities Investor Protection Act of 1970 ("**SIPA**")) up to \$500,000.00, of which up to \$250,000.00 can be a cash claim. Cash (free credit balance) is protected by SIPC only when held in an account for the purpose of investing or reinvesting in securities. Client may obtain information about SIPC, regarding additional insurance, please see the RBC website above.







