



Customer Relationship Summary

1. Introduction

Firsttrade Securities Inc. (“Firsttrade” or “We”) is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

2. Relationships and Services

Firsttrade is an online discount broker-dealer that provides self-directed brokerage services and a complete suite of investment products. Firsttrade **does not** provide investment advice or make recommendations to you on what type of account to open. You decide the type of account, type of investment, and when to purchase or sell an investment. Apex Clearing Corporation is the clearing firm that carries your account.

- We provide self-directed investors with an online and mobile trading platform. The ultimate decision as to your investment strategy and the purchase or sale of investments will be yours.
- The investment products that we provide to you are stocks, Fixed Income Securities, CDs, mutual funds, index funds, Exchange Traded Funds (ETFs), options, margin investing, Dividend Reinvestment Plans (DRIP’s) and Securities Lending Income Programs.
- Fractional share trading executed by Apex Clearing marked as Principal Trades. Please see [disclosure](#).
- We do not monitor the performance of your account. We do check your account for other purposes such as compliance and to ensure your account does not present undue risk to Firsttrade.

Additional Information:	Please visit our website (www.firsttrade.com) for more detailed information about our broker-dealer products and services.
Conversation Starter:	• <i>Given my financial situation, should I choose a brokerage service? Why or why not?</i>

What fee will I pay?

3. Fees, Costs, Conflicts and Standard of Conduct

- **Commissions:** Commissions are transaction-based fees charged by brokers. We currently offer \$0 transaction fees (commissions) for **online orders** when you buy or sell a stock, mutual fund, index fund, exchange traded fund or option. There is a fee on **phone orders**: Stocks/ETFs - \$19.95; Options - \$19.95+\$0.50/contract; Load Funds - No Charge; No-Load Funds - \$19.95, which is subtracted from your investment amount at the time of purchase. A Short-Term Redemption Fee of \$19.95 will be applied to redemptions of mutual fund shares held less than 90 days. Please see our fee schedule at firsttrade.com/pricing.
- **Exchange, Regulatory, and Clearing Fees:** Exchanges, clearing houses and regulators may charge Firsttrade fees. These fees may be charged to your account depending on the products you trade.
- **Account Maintenance Fees:** There are no account maintenance or inactivity fees.
- **Subscription Service Fees:** You have free access to the third-party research tool. Financial customers may elect to access market data or other services with a monthly fee.
- **Interest and Financial Costs:** If you borrow on margin or borrow stock for short selling, the margin interest and stock borrow fee will apply to your account, please see our rate chart at firsttrade.com/pricing/marginrate.
- **Description of Other Fees and Costs:**

- Mutual funds, index funds and exchange traded funds may impose internal fees and expenses, which will reduce the amount of your investment.
- Bonds and CDs have mark-ups or mark-downs which are costs included in the price you pay for the investment.
- We deliver monthly/quarterly account statements to you electronically or in paper format as instructed by you. If the electronic delivery registration fails an extra mailing fee will apply.
- A standard industry transfer fee will be charged for conducting a complete or partial account transfer to another firm.

Additional Information:	You will pay any applicable fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.
Conversation Starter:	• <i>Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?</i>

What are your legal obligations to me when providing recommendations? How does your firm make money and what conflicts of interest do you have?

We **do not** provide recommendations. The way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the services, we provide you. Here are some examples to help you understand what this means.

- We do not receive any incentives on any investments that you make.
- We do not conduct proprietary trading against customer accounts.
- We receive third-party payments, such as 12b-1 fees from mutual fund companies.
- We share interest revenue from the clearing firm on customer credit and margin balances.
- We receive payment for order flow and securities lending from the clearing firm and market makers, and other third parties through whom Firstrate executes customer orders.

Additional Information:	We mitigate potential conflicts of interest by not providing recommendations as to what investment products to purchase, sell or hold. We prohibit our employees from recommending investments or providing investment, financial, legal or tax advice to retail investors.
Conversation Starter:	• <i>How might your conflicts of interest affect me, and how will you address them?</i>

How do your financial professionals make money?

Our financial professionals are paid a fixed base salary and merit-based discretionary bonuses. The bonus component is calculated based on factors including company and individual performance and may include cash and non-cash compensation. They **do not** receive product sales commissions or revenue from advisory services or recommendations.

Do you or your financial professionals have legal or disciplinary history?

4. Disciplinary History

Yes. Visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research us and our financial professionals. Firstrate is regulated by the U.S. SEC, FINRA, each of the U.S. stock exchanges and option exchanges, each U.S. state securities regulator. Please go to brokercheck.finra.org for additional information.

5. Additional Information

You can find additional information about our services on our web site (www.firstrate.com). We are a broker-dealer rather than an investment advisory firm. We do not assign registered representatives to manage client accounts. If you have any concerns regarding the service that you receive or request a copy of the *relationship summary*, you can contact us by email at service@firstrate.com, or calling us at 800-869-8800.

Conversation Starter:	• <i>Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?</i>
-----------------------	--



30-50 Whitestone Expressway
Ste. A301, Flushing, NY 11354
Client Services: (800) 869-8800
From Overseas: (718) 961-6600

Simple IRA Account

Plan Establishment

Forms needed to establish a **Savings Incentive Match Plan for Employees IRA (SIMPLE IRA)**:

1. IRS Form 5304-SIMPLE (*To be completed and retained by Employer. Do not forward to Apex Clearing Corporation*) – This form establishes the Simple IRA Plan.
2. Simple IRA Adoption Agreement (*To be completed by each participating employee.*) – This form establishes each employee’s Simple IRA Plan and allows for salary deferrals.
3. IRA Online Service Agreement
4. A copy of valid photo ID
5. Apex Clearing Corporation Transfer Document. (Complete only if appropriate)

NOTE: An individual cash account will be opened with Apex Clearing Corporation (If you are opening a spousal IRA, two separate accounts should be opened). The title of this account will be:

Name of Participant
SIMPLE IRA
Apex, Custodian

Participant’s Address

Employer Eligibility

You are eligible to establish and maintain a SIMPLE IRA plan only if you employed 100 or fewer employees last year that earned \$5,000 or more in compensation from you during the year. Also, you may not maintain any other qualified retirement plan in which your employees currently accrue benefits.

Contributions

Employee Salary Deferral Contributions: Employees may contribute up to \$12,500 in 2015. If the employee is age 50 or over, a ‘catch-up’ contribution is also allowed. This additional catch-up contribution amount is \$3,000 for 2015.

Employer SIMPLE Contributions: Employers are **required** to make contributions to the SIMPLE IRA of all employees. Employers are required to use one of the following contribution formulas:

1. Match eligible employee’s contribution dollar-for-dollar up to 3% of the employee’s compensation; or,
2. Elect to make a **matching contribution** of up to 3% of compensation in any two of the last five calendar years, including the year the match is reduced. The reduction may not be less than 1% of each employee’s compensation; or,
3. In any calendar year, the matching contribution may be replaced with a 2% contribution to all employees. This is called a **non-elective contribution** and must be made to all eligible employees regardless of whether or not they contribute through salary deferrals.

For additional information on SIMPLE IRA contribution, please visit:

<https://www.irs.gov/Retirement-Plans/SIMPLE-IRA-Plan-FAQs-Contributions>
<https://www.irs.gov/Retirement-Plans/Operating-a-SIMPLE-IRA-Plan>

BEFORE EXECUTING THESE FORMS YOU SHOULD CONSULT WITH YOUR ATTORNEY OR TAX ADVISOR TO DETERMINE WHETHER THIS IRA WILL ACCOMPLISH YOUR GOALS.

SIMPLE IRA APPLICATION

Self-Directed Savings Incentive Match Plan for Employees

ACCOUNT NUMBER _____

1. Account Information

Please print. All information must be completed in order for your account to be processed.

FULL NAME OF PARTICIPANT (First/ Middle/ Last)

SOCIAL SECURITY NUMBER

DATE OF BIRTH

HOME ADDRESS (P.O. Box is not sufficient)

CITY/ STATE/ ZIP CODE

HOME TELEPHONE NUMBER

EMAIL ADDRESS

BUSINESS ADDRESS

CITY/ STATE/ ZIP CODE

BUSINESS TELEPHONE NUMBER

PLEASE INDICATE THE ADDRESS TO WHICH ALL MAIL SHOULD BE SENT

Home Business P.O. Box

P.O. BOX/ CITY/ STATE/ ZIP CODE

NAME OF YOUR BANK

BANK ACCOUNT NUMBER

COUNTRY OF CITIZENSHIP

COUNTRY OF LEGAL RESIDENCE

OCCUPATION

EMPLOYER

IF YOU ARE AFFILIATED WITH OR WORK FOR A SECURITIES FIRM, PLEASE SPECIFY COMPANY.

IF YOU ARE A DIRECTOR, 10% SHAREHOLDER OR POLICY-MAKING OFFICER OF A PUBLICLY TRADED COMPANY, PLEASE SPECIFY THE COMPANY.

HAVE YOU GRANTED TRADING AUTHORIZATION TO ANOTHER PARTY?

Yes No

IF YES, REQUEST TRADING AUTHORIZATION FORM AND PROVIDE NAME OF AGENT

If you do not want your name, address and security position released to requesting companies in which you hold securities,

2. Investment Profile

INVESTMENT OBJECTIVE	INVESTMENT EXPERIENCE	ANNUAL INCOME (from all sources)	LIQUID NET WORTH (cash & liquid investments only)	ESTIMATED NET WORTH (excluding residence)	RISK TOLERANCE
<input type="checkbox"/> Capital Preservation (05)	<input type="checkbox"/> None (00)	<input type="checkbox"/> Under \$25,000 (01)	<input type="checkbox"/> Under \$50,000 (01)	<input type="checkbox"/> Under \$50,000 (01)	<input type="checkbox"/> Low (01)
<input type="checkbox"/> Income (04)	<input type="checkbox"/> Limited (01)	<input type="checkbox"/> \$25,001 to \$50,000 (02)	<input type="checkbox"/> \$50,001 to \$100,000 (02)	<input type="checkbox"/> \$50,001 to \$100,000 (02)	<input type="checkbox"/> Medium (02)
<input type="checkbox"/> Growth (03)	<input type="checkbox"/> Good (02)	<input type="checkbox"/> \$50,001 to \$100,000 (03)	<input type="checkbox"/> \$100,001 to \$200,000 (22)	<input type="checkbox"/> \$100,001 to \$200,000 (22)	<input type="checkbox"/> High (03)
<input type="checkbox"/> Speculation (06)	<input type="checkbox"/> Extensive (03)	<input type="checkbox"/> \$100,001 to \$200,000 (23)	<input type="checkbox"/> \$200,001 to \$500,000 (23)	<input type="checkbox"/> \$200,001 to \$500,000 (23)	
<input type="checkbox"/> Other (08)		<input type="checkbox"/> \$200,001 to \$300,000 (24)	<input type="checkbox"/> \$500,001 to \$1,000,000 (24)	<input type="checkbox"/> \$500,001 to \$1,000,000 (24)	
		<input type="checkbox"/> \$300,001 to \$500,000 (25)	<input type="checkbox"/> \$1,000,001 to \$5,000,000 (25)	<input type="checkbox"/> \$1,000,001 to \$5,000,000 (25)	
		<input type="checkbox"/> \$500,001 to \$1,200,000 (26)	<input type="checkbox"/> Over \$5,000,001 (26)	<input type="checkbox"/> Over \$5,000,001 (26)	
TAX BRACKET %		<input type="checkbox"/> Over \$1,200,001 (27)			

3. Suitability Information

TIME HORIZON

The number of years planned to invest to achieve a particular financial goal.

Short (Less than 3 Years) (01) Longest (8 years or more) (03)
 Average (4 to 7 Years) (02)

LIQUIDITY NEEDS

The ability to quickly and easily convert all or a portion of the account assets into cash without experiencing significant loss.

Very Important (01) Not Important (03)
 Somewhat Important (02)

4. Type of Account

(Check One)

Participant Account Employer Account

Name of Employer: _____

Employer's Tax Identification Number: _____ - _____

Employer's Apex Clearing Corporation SIMPLE Plan Account Number: _____ - _____

5. Contribution Type

(Check One)

Employee Salary Reduction contribution for tax year 20 _____

Employer Simple Contribution for tax year 20 _____

Transfer or Rollover of existing SIMPLE IRA Original funding date of transferring SIMPLE IRA _____ (required)

6. Depositor Authorization

I understand that I have the right to direct the investment and reinvestment of contributions to my Account and hereby appoint the following brokerage firm as my agent to execute my directions, as Broker under the terms of the Custodial Agreement.

BROKERAGE FIRM

ACCOUNT NUMBER



Please cut along the dotted line and return to your broker

6. Enhanced Account Features	<p>E-Documents Enrollment When you enroll your account in E-Docs, you will receive trade confirmations, account statements, tax-related documents, proxies, prospectuses, annual reports, and all other eligible account documents electronically. An e-mail notification will be sent to the Account Owner's e-mail address on the same day that any electronic documents become available. Just log into your account to access E-Docs and view, print or download your electronic documents.</p> <p>Please see your Investment Representative for enrollment information.</p>
-------------------------------------	---

7. Trusted Contact	Please see the 'Trusted Contact' section under the Final Disclosure for more information		
	NAME		
	MAILING ADDRESS		
	CITY	STATE	ZIPCODE
	HOME TELEPHONE	EMAIL ADDRESS	

8. Beneficiary Designation	<p>I hereby make the following designation of beneficiary pursuant to the provisions of the Apex Clearing Corporation Custodial Agreement: In the event of my death, pay any interest I may have in my Custodial Account in equal proportions unless otherwise indicated to the following Primary Beneficiary or Beneficiaries:</p>					
Primary Beneficiary or Beneficiaries	1	NAME	RELATIONSHIP	DATE OF BIRTH	SHARE PERCENTAGE %	
		ADDRESS		SOCIAL SECURITY NUMBER		
	2	NAME	RELATIONSHIP	DATE OF BIRTH	SHARE PERCENTAGE %	
		ADDRESS		SOCIAL SECURITY NUMBER		
	3	NAME	RELATIONSHIP	DATE OF BIRTH	SHARE PERCENTAGE %	
		ADDRESS		SOCIAL SECURITY NUMBER		
Alternate Beneficiary or Beneficiaries	1	NAME	RELATIONSHIP	DATE OF BIRTH	SHARE PERCENTAGE %	
		ADDRESS		SOCIAL SECURITY NUMBER		
	2	NAME	RELATIONSHIP	DATE OF BIRTH	SHARE PERCENTAGE %	
		ADDRESS		SOCIAL SECURITY NUMBER		
	<p>If none of the above-named Primary Beneficiaries survives me, pay any interest I may have in my Custodial Account in equal proportions unless otherwise indicated to the following Alternate Beneficiary or Beneficiaries of the survivor(s) thereof:</p>					
	1	NAME	RELATIONSHIP	DATE OF BIRTH	SHARE PERCENTAGE %	
ADDRESS		SOCIAL SECURITY NUMBER				
2	NAME	RELATIONSHIP	DATE OF BIRTH	SHARE PERCENTAGE %		
	ADDRESS		SOCIAL SECURITY NUMBER			
<p>Spouse Consent (See Note): _____</p> <p>Note: Consent of the Account holder's (Participant) Spouse may be required (for example, in a Community Property or Marital Property State) to effectively designate a beneficiary other than or in addition to the Participant's Spouse. Please consult a legal, tax, or other professional advisor to confirm if this consent is necessary. I indemnify Apex Clearing Corporation from any adverse action as a result of my beneficiary designation.</p> <p>I understand that the Beneficiaries named herein may be changed or revoked by me at any time by filing a new designation in writing with the custodian.</p>						

9. Signature Section

Please read the following IRA Account Terms and sign where indicated.

1. I acknowledge, by signing this agreement, that I have received, read, understand and agree to the terms and conditions as described in the Apex Clearing Corporation "Disclosure Statement" and "Custodial Agreement". I understand the eligibility requirements for the type of IRA deposit I am making and state that I do qualify to make the deposit.
2. **By Signing this application, I (We) acknowledge the following: (1) That, Page 3 Paragraph # 8.19 of the Custodial Account Agreement contains a Predispute Arbitration Clause and in accordance with this agreement I (We) agree in advance to Arbitrate any controversies which may arise between or among Me (Us), my Broker and/or Clearing Firm, (2) Receipt of a copy of the Custodial Account Agreement following this application and My (Our) agreement with the terms therein and (3) the information provided above is accurate.**
3. I certify that, under penalty of perjury, my Social Security number on this application is correct.
4. I have read and understand the Investment Objective Definitions: **Capital Preservation** - a conservative investment strategy characterized by a desire to avoid risk of loss; **Income** - strategy focused on current income rather than capital appreciation; **Growth** - investing in stocks with strong earnings and/or revenue growth or potential; **Speculation** - taking larger risks, usually by frequent trading, with hope of higher-than-average gain. All strategies involve various types and levels of risk, the most common of which are market, credit, inflation, business and interest rate.

SIGNATURE OF PARTICIPANT 	DATE
---	------

BRANCH APPROVAL	Apex Clearing Corporation ACCEPTANCE
-----------------	--------------------------------------

For Office Use Only

FIRST TRADE	DATE OPENED	INTRODUCING BROKER / DEALER	CUSTOMER ID VERIFIED <i>(Must be Completed)</i> <input type="checkbox"/> Yes <input type="checkbox"/> No
ACCOUNT NO.	INTRODUCING REP. SIGNATURE	APPROVED BY	



Account Number: _____

IRA Online Service Agreement

Name on Account		Social Security Number	
Home Address (Please provide a street address)	City	State	Zip Code
Home Telephone	Work Telephone	E-mail Address	

Account Agreement

Rule 14b-1(c) of the Securities Exchange Act, requires us to disclose to an issuer, unless you object, upon their request the name, address and securities position of our customers who are beneficial owners of the issuer's securities which are held by us in nominee name. The issuer would be permitted to use your name and other related information for corporate communication only. If you object to this disclosure, check this box:

I would like to establish a brokerage account with Firsttrade Securities Inc. which clears all transactions through Apex Clearing. I acknowledge, by signing this agreement, that I have received, read and understand the terms and conditions in the Firsttrade Securities Inc. Account Agreement (which includes the Electronic Services Agreement, Privacy & Security Policy), and Information Guide, and agree to abide by these terms and conditions as they apply to my account. I further acknowledge that these terms and conditions may be amended from time to time and agree to abide by these changes.

I acknowledge, by signing this agreement, that I have received, read, understand and agree to the terms and conditions as described in the Apex Clearing Corporation %Adoption Agreement+and %Custodial Agreement+. I understand the eligibility requirements for the type of IRA deposit I am making and state that I do qualify to make the deposit.

I agree to participate in the FDIC sweep program. I have read and understand the sweep program terms and conditions available at www.firsttrade.com/fdicterms and the paragraph 6 of Firsttrade Securities Inc. Account Agreement.

I agree that Firsttrade Securities Inc. does not provide legal or tax advice, and will not advise me concerning the nature, potential value, or suitability of any particular security, transaction, or investment strategy. I understand that investments purchased through Firsttrade Securities are not insured by the FDIC (Federal Deposit Insurance Corporation), are not obligations of or guaranteed by any financial institution and are subject to investment risk and loss.

I further acknowledge that I have received, read and understand the predispute arbitration clause located in the Firsttrade Securities Inc. Account Agreement, paragraph 23, and agree to resolve any disputes arising out of my IRA account by arbitration.

W-9 Certification: under penalties of perjury, I certify that: 1. the number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and 3. I am a U.S. citizen or other U.S. person (defined below); and 4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are: ~ An individual who is a U.S. citizen or U.S. resident alien; ~ A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States; ~ An estate (other than a foreign estate); or ~ A domestic trust (as defined in Regulations section 301.7701-7).

E-DOCUMENTS ENROLLMENT: I acknowledge that I will receive trade confirmations, account statements, tax-related documents, proxies, prospectuses, and other eligible account documents electronically. An e-mail notification will be sent to my e-mail address on the same day that any electronic documents become available. If a valid email address is not provided, I will receive paper copies of account documents by regular mail to my address on record. I will be responsible for any fees that may apply.

I acknowledge that the information provided in the Account Application is accurate and correct.

X

Applicant's Signature

Date

For Office Use Only

Approved By: _____

Date: _____

Account #: _____

Customer ID
Verified: _____

Yes
No

SIMPLE INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT AGREEMENT

Form 5305-SA under Section 408(p) of the Internal Revenue Code

FORM (REV. OCTOBER 2009)

The Participant named on the Application is establishing a savings incentive match plan for employees of small employers individual retirement account (SIMPLE IRA) under sections 408(a) and 408(p) to provide for his or her retirement and for the support of his or her beneficiaries after death.

The Custodian named on the Application has given the Participant the disclosure statement required by Regulations section 1.408-6.

The Participant and the Custodian make the following agreement:

ARTICLE I

The Custodian will accept cash contributions made on behalf of the Participant by the Participant's employer under the terms of a SIMPLE IRA plan described in section 408(p). In addition, the Custodian will accept transfers or rollovers from other SIMPLE IRAs of the Participant. No other contributions will be accepted by the Custodian.

ARTICLE II

The Participant's interest in the balance in the custodial account is nonforfeitable.

ARTICLE III

1. No part of the custodial account funds may be invested in life insurance contracts, nor may the assets of the custodial account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).
2. No part of the custodial account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

ARTICLE IV

1. Notwithstanding any provision of this Agreement to the contrary, the distribution of the Participant's interest in the custodial account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference.
2. The Participant's entire interest in the custodial account must be, or begin to be, distributed not later than the Participant's required beginning date, April 1 following the calendar year in which the Participant reaches age 70½. By that date, the Participant may elect, in a manner acceptable to the Custodian, to have the balance in the custodial account distributed in: (a) A single sum or (b) Payments over a period not longer than the life of the Participant or the joint lives of the Participant and his or her designated beneficiary.
3. If the Participant dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:
 - (a) If the Participant dies on or after the required beginning date and:
 - (i) the designated beneficiary is the Participant's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.
 - (ii) the designated beneficiary is not the Participant's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the Participant and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.
 - (iii) there is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the Participant as determined in the year of the Participant's death and reduced by 1 for each subsequent year.
 - (b) If the Participant dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with (ii) below:
 - (i) the remaining interest will be distributed in accordance with paragraphs (a)(i) and (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), starting by the end of the calendar year following the year of the Participant's death. If, however, the designated beneficiary is the Participant's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Participant would have reached age 70½. But, in such case, if the Participant's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with (ii) below if there is no such designated beneficiary.
 - (ii) the remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Participant's death.

4. If the Participant dies before his or her entire interest has been distributed and if the designated beneficiary is not the Participant's surviving spouse, no additional contributions may be accepted in the account.
5. The minimum amount that must be distributed each year, beginning with the year containing the Participant's required beginning date, is known as the "required minimum distribution" and is determined as follows:
 - (a) the required minimum distribution under paragraph 2(b) for any year, beginning with the year the Participant reaches age 70½, is the Participant's account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if the Participant's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Participant's account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph (a) is determined using the Participant's (or, if applicable, the Participant and spouse's) attained age (or ages) in the year.
 - (b) the required minimum distribution under paragraphs 3(a) and 3(b)(i) for a year, beginning with the year following the year of the Participant's death (or the year the Participant would have reached age 70½, if applicable under paragraph 3(b)(i)) is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the individual specified in such paragraphs 3(a) and 3(b)(i).
 - (c) the required minimum distribution for the year the Participant reaches age 70½ can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.
6. The owner of two or more IRAs (other than Roth IRAs) may satisfy the minimum distribution requirements described above by taking from one IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

ARTICLE V

1. The Participant agrees to provide the Custodian with all information necessary to prepare any reports required by sections 408(i) and 408(l)(2) and Regulations sections 1.408-5 and 1.408-6.
2. The Custodian agrees to submit to the Internal Revenue Service (IRS) and Participant the reports prescribed by the IRS.
3. The Custodian also agrees to provide the Participant's employer the summary description described in section 408(l)(2) unless this SIMPLE IRA is a transfer SIMPLE IRA.

ARTICLE VI

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III and this sentence will be controlling. Any additional articles inconsistent with sections 408(a) and 408(p) and the related Regulations will be invalid.

ARTICLE VII

This Agreement will be amended as necessary to comply with the provisions of the Code and the related Regulations. Other amendments may be made with the consent of the persons whose signatures appear on the Application.

ARTICLE VIII

- 8.01 *Definitions:* In this part of this Agreement (Article VIII), the words "you" and "your" mean the Participant, the words "we," "us" and "our" mean the Custodian, "Code" means the Internal Revenue Code, and "Regulations" means the Treasury Regulations.
- 8.02 *Notices and Change of Address:* Any required notice regarding this SIMPLE IRA will be considered effective when we send it to the intended recipient at the last address which we have in our records. Any notice to be given to us will be considered effective when we actually receive it. You, or the intended recipient, must notify us of any change of address.
- 8.03 *Representations and Responsibilities:* You represent and warrant to us that any information you have given or will give us with respect to this Agreement is complete and accurate. Further, you agree that any directions you give us, or action you take will be proper under this Agreement, and that we are entitled to rely upon any such information or directions. If we fail to receive directions from you regarding any transaction, or if we receive ambiguous directions regarding any transaction, or we, in good faith, believe that any transaction requested is in dispute, we reserve the right to take no action until further clarification acceptable to us is received from you or the appropriate government or judicial authority. We shall not be responsible for losses of any kind that may result from your directions to us or your actions or failures to act, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act. We shall not be responsible for any penalties, taxes, judgments or expenses you incur in connection with your SIMPLE IRA. We have no duty to determine whether your contributions or distributions comply with the Code, Regulations, rulings or this Agreement. We may permit you to appoint, through written notice acceptable to us, an

authorized agent to act on your behalf with respect to this Agreement (e.g., attorney-in-fact, executor, administrator, investment manager), however, we have no duty to determine the validity of such appointment or any instrument appointing such authorized agent. Any such delegation of investment responsibility shall be to an investment advisor under the Investment Advisors Act of 1940. If the assets of your SIMPLE IRA are to be directed by an investment advisor, you shall deliver to us a copy of the instruments appointing the investment advisor evidencing the investment advisor's acceptance of such appointment, an acknowledgment by the investment advisor that it is a fiduciary, and a certificate evidencing the investment advisor's current registration under said Act. We shall be fully protected in relying upon such instruments and certificate until otherwise notified in writing by you. We shall not be responsible for losses of any kind that may result from directions, actions or failures to act by your authorized agent, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act by your authorized agent.

The investment advisor at any time may issue orders for the purchase or sale of securities directly to a broker; and in order to facilitate such transaction, upon request we shall execute and deliver appropriate trading authorizations. Written notification of the issuance of each order shall be confirmed by written advice via confirms or otherwise to us by the investment advisor.

You hereby agree to fully indemnify us and hold us harmless from and against any claim or liability which may be asserted against us by reason of our acting or not acting pursuant to any direction from the investment advisor or failing to act in the absence of any such direction.

You will have sixty (60) days after you receive any documents, statements or other information from us to notify us in writing of any errors or inaccuracies reflected in these documents, statements or other information. If you do not notify us within 60 days, the documents, statements or other information shall be deemed correct and accurate, and we shall have no further liability or obligation for such documents, statements, other information or the transactions described therein.

By performing services under this Agreement we are acting as your agent. You acknowledge and agree that nothing in this Agreement shall be construed as conferring fiduciary status upon us. We shall not be required to perform any additional services unless specifically agreed to under the terms and conditions of this Agreement, or as required under the Code and the Regulations promulgated thereunder with respect to SIMPLE IRAs. You agree to indemnify and hold us harmless for any and all claims, actions, proceedings, damages, judgments, liabilities, costs and expenses, including attorney's fees, arising from, or in connection with this Agreement.

To the extent written instructions or notices are required under this Agreement, we may accept or provide such information in any other form permitted by the Code or applicable regulations.

8.04 **Service Fees:** We have the right to charge an annual service fee and other designated fees (e.g., a transfer, rollover or termination fee) in conjunction with your SIMPLE IRA. In addition, we have the right to be reimbursed for all reasonable expenses, including legal expenses, we incur in connection with the administration of your SIMPLE IRA. We may charge you separately for any fees or expenses, or we may deduct the amount of the fees or expenses from the assets in your SIMPLE IRA at our discretion. The full annual service fee attributable to the year in which you terminate your SIMPLE IRA, along with the termination fee, shall be due and payable upon termination of your SIMPLE IRA regardless of the date during the year in which you terminate your SIMPLE IRA. We reserve the right to charge any additional fee upon 30 days notice to you that the fee will be effective. Fees such as subtransfer agent fees or commissions may be paid to us by third parties for assistance in performing certain transactions with respect to this SIMPLE IRA.

Any brokerage commissions attributable to the assets in your SIMPLE IRA will be charged to your SIMPLE IRA. You cannot reimburse your SIMPLE IRA for those commissions.

8.05 **Investment of Amounts in the SIMPLE IRA:** You have exclusive responsibility for and control over the investment of the assets of your SIMPLE IRA. All transactions shall be subject to any and all restrictions or limitations, direct or indirect, which are imposed by our charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed; our policies and practices; and this Agreement. After your death, your beneficiary(ies) shall have the right to direct the investment of your SIMPLE IRA assets, subject to the same conditions that applied to you during your lifetime under this Agreement (including, without limitation, Section 8.03 of this article). The right to direct investment of assets may be restricted, however, as provided in Section 8.06. We shall have no discretion to direct any investment in your SIMPLE IRA. We assume no responsibility for rendering investment advice with respect to your SIMPLE IRA, nor will we offer any opinion or judgment to you on matters concerning the value or suitability of any investment or proposed investment for your SIMPLE IRA. In the absence of instructions from you, or if your instructions are not in a form acceptable to us, we shall have the right to hold any uninvested amounts in cash, and we shall have no responsibility to invest uninvested cash unless and until directed by you. We will not exercise the voting rights and other shareholder rights with respect to investments in your SIMPLE IRA unless you or your agent provide timely written directions acceptable to us.

You will select the type of investment for your SIMPLE IRA assets, provided, however, that your selection of investments shall be limited to any investment vehicle approved and obtainable by us, that we are authorized by our charter, articles of incorporation, or bylaws to offer and do in fact, in our sole discretion offer for investment in SIMPLE IRAs. For example, investments may include but shall not be limited to common stocks, government and corporate bonds, mutual funds, the purchase of put options on existing positions and writing of covered listed call options and such other options strategies that we may, from time to time, in our sole discretion make available for SIMPLE IRAs and which strategies are approved for your account by your broker. Investments not generating confirmations must be accompanied by additional written instructions and such other documentation as we may, in our sole discretion, require. We shall act as a stockbroker or dealer whenever such services are required. We may, in our sole discretion, make available to you, additional investment offerings, which shall be limited to publicly traded securities, mutual funds, money market instruments and other investments that are approved and obtainable by us and that we, in our sole discretion, determine that we are capable of holding in the ordinary course of our business.

We shall have the power and authority in the administration of this Agreement to do all acts, including by way of illustration but not in limitation of the powers conferred by law, the following:

- (1) Pursuant to your or your agent's direction, to invest and reinvest all or any part of the assets in securities obtainable through us and to invest in any lawful investment which is administratively acceptable to us without any duty to diversify and without regard to whether such property is authorized by the laws of any jurisdiction for investment by us;
- (2) Pursuant to your or your agent's direction, to hold part or all of the uninvested assets or to place the same in a savings account approved by you or purchase a Certificate of Deposit with an institution approved by you;
- (3) To employ suitable agents and counsel and to pay them reasonable expenses and compensation;
- (4) Pursuant to your or your agent's direction, to vote in person or by proxy with respect to securities held by us and to delegate our discretionary power;
- (5) Pursuant to your or your agent's direction (and subject to approval of a custodial account for option trading privileges), to write covered listed call options against existing positions, to liquidate or close such option contracts, and to purchase put options on existing long positions (the same securities cannot be used to simultaneously cover more than one position);
- (6) Pursuant to your or your agent's direction, to consent to or participate in dissolutions, reorganizations, consolidations, mergers, sales, leases, mortgages, and transfers or other changes affecting securities held by us;
- (7) To leave any securities or cash for safekeeping or on deposit, with or without interest, with such banks, brokers and other custodians as we may select, and to hold any securities in bearer form or in the name of these banks, brokers and any other custodians or in the name of the custodian without qualification or description or in the name of any nominee; and
- (8) Prior to the entry of any orders to purchase or sell securities in your account, you or your agent shall approve beforehand all such orders and direct us to implement such instructions. Selling short and executing purchases in an amount greater than available cash are prohibited. All investments outside of the cash account shall be accompanied by additional written instructions.

8.06 **Beneficiary(ies):** If you die before you receive all of the amounts in your SIMPLE IRA, payments from your SIMPLE IRA will be made to your beneficiary(ies).

You may designate one or more persons or entities as beneficiary of your SIMPLE IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during your lifetime. Unless otherwise specified, each beneficiary designation you file with us will cancel all previous ones. The consent of a beneficiary(ies) shall not be required for you to revoke a beneficiary designation. If you have designated both primary and contingent beneficiaries and no primary beneficiary(ies) survives you, the contingent beneficiary(ies) shall acquire the designated share of your SIMPLE IRA. If you do not designate a beneficiary, or if all of your primary and contingent beneficiary(ies) predecease you, your spouse will be the beneficiary, or if there is no spouse living at the time of your death, your estate shall be the beneficiary.

A spouse beneficiary shall have all rights as granted under the Code or applicable Regulations to treat your SIMPLE IRA as his or her own.

If the beneficiary designated to receive payments hereunder is a minor or person of unsound mind, whether so formally adjudicated or not, we may, at our discretion, make such payments to such person as may be acting as parent, guardian, committee, conservator, trustee or legal representative of such minor or incompetent and the receipt by any such person as selected by us shall be a full and complete discharge of us for any sums so paid.

We reserve the right to, at our discretion, deposit funds in a special savings account established in our name as Custodian for a beneficiary when within six months after any payment is due because we cannot ascertain the whereabouts or the identity of the beneficiary by mailing to the last known

- address shown on our records, and such beneficiary has not submitted a written claim for such payment before the expiration of said six-month period.
- We may allow, if permitted by state law, an original SIMPLE IRA beneficiary(ies) (the beneficiary(ies) who is entitled to receive distribution(s) from an inherited SIMPLE IRA at the time of your death) to name a successor beneficiary(ies) for the inherited SIMPLE IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during the original SIMPLE IRA beneficiary's(ies') lifetime. Unless otherwise specified, each beneficiary designation form that the original SIMPLE IRA beneficiary(ies) files with us will cancel all previous ones. The consent of a successor beneficiary(ies) shall not be required for the original SIMPLE IRA beneficiary(ies) to revoke a successor beneficiary(ies) designation. If the original SIMPLE IRA beneficiary(ies) does not designate a successor beneficiary(ies), his or her estate will be the successor beneficiary. In no event shall the successor beneficiary(ies) be able to extend the distribution period beyond that required for the original SIMPLE IRA beneficiary.
- 8.07 **Required Minimum Distributions:** Your required minimum distribution is calculated using the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if your spouse is your sole designated beneficiary and is more than 10 years younger than you, your required minimum distribution is calculated each year using the joint and last survivor table in Regulations section 1.401(a)(9)-9. If you fail to request your required minimum distribution by your required beginning date, we can, at our complete and sole discretion, do any one of the following:
- make no distribution until you give us a proper withdrawal request;
 - distribute your entire SIMPLE IRA to you in a single sum payment; or
 - determine your required minimum distribution from your SIMPLE IRA each year based on your life expectancy, calculated using the uniform lifetime table in Regulations section 1.401(a)(9)-9, and pay those distributions to you until you direct otherwise.
- We will not be liable for any penalties or taxes related to your failure to take a required minimum distribution.
- 8.08 **Resignation or Removal of Custodian:** We may resign as Custodian at any time upon 30 days written notice to the Participant. Upon resignation, we may, but shall not be required to, appoint a successor custodian under this Agreement; provided that any successor custodian shall satisfy the requirements of Code section 408(a)(2). Upon any such successor's acceptance of appointment, we shall transfer the assets of the custodial account, together with copies of relevant books and records, to such successor custodian; provided, however, that we are authorized to reserve such sum of money or property as we may deem advisable for payment of any liabilities constituting a charge on or against the assets of the custodial account, or on or against us. We shall not be liable for the acts or omissions of any successor custodian. If no successor custodian is appointed by us, the custodial account shall be terminated, and the assets of the Account, reduced by the amount of any unpaid fees or expenses, will be distributed to you.
- If we are required to comply with Regulations section 1.408-2(e), and we fail to do so, or we are not keeping the records, making the returns or sending the statements as are required by forms or Regulations, the IRS may, after notifying you, require you to substitute another trustee or custodian.
- We may establish a policy requiring distribution of the entire balance of your SIMPLE IRA to you in cash or property if the balance of your SIMPLE IRA drops below the minimum balance required under the applicable investment or policy established.
- 8.09 **Termination of Custodial Account:** You may terminate this Agreement at any time upon notice to us in a manner and form acceptable to us. Upon such termination, we shall transfer the assets of the custodial account, reduced by the amount of any unpaid fees or expenses, to the custodian or trustee of another individual retirement account (within the meaning of Code section 408) or other retirement plan designated by you. We shall not be liable for losses arising from the acts, omissions, delays or other inaction of any such transferee custodian or trustee. If we receive notice of your intention to terminate the custodial account and you have not designated a transferee custodian or trustee for the assets in the custodial account, custodial account reduced by any unpaid fees or expenses, will be distributed to you.
- 8.10 **Successor Custodian:** If our organization changes its name, reorganizes, merges with another organization (or comes under the control of any federal or state agency), or if our entire organization (or any portion which includes your SIMPLE IRA) is bought by another organization, that organization (or agency) shall automatically become the trustee or custodian of your SIMPLE IRA, but only if it is the type of organization authorized to serve as a SIMPLE IRA trustee or custodian.
- 8.11 **Amendment and Termination of the Plan:** We have the right to amend or terminate this Agreement at any time consistent with the provisions of applicable law without obtaining your consent, or the consent of your spouse or your beneficiary(ies). You will be deemed to have consented to any other amendment unless, within 30 days from the date we mail the amendment, you notify us in writing that you do not consent.
- 8.12 **Withdrawals or Transfers:** All requests for withdrawal or transfer shall be in writing on a form provided by or acceptable to us. The method of distribution must be specified in writing. The tax identification number of the recipient must be provided to us before we are obligated to make a distribution.

- Withdrawals shall be subject to all applicable tax and other laws and regulations, including possible early withdrawal penalties or surrender charges and withholding requirements.
- 8.13 **Transfers from Other Plans:** We can receive amounts transferred or rolled over to this SIMPLE IRA from the custodian or trustee of another SIMPLE IRA. We reserve the right not to accept any transfer or rollover.
- 8.14 **Liquidation of Assets:** We have the right to liquidate assets in your SIMPLE IRA if necessary to make distributions or to pay fees, expenses, taxes, penalties or surrender charges properly chargeable against your SIMPLE IRA. If you fail to direct us as to which assets to liquidate, we will decide, in our complete and sole discretion, and you agree not to hold us liable for any adverse consequences that result from our decision.
- 8.15 **Restrictions on the Fund:** Neither you nor any beneficiary may sell, transfer or pledge any interest in your SIMPLE IRA in any manner whatsoever, except as provided by law or this Agreement.
- The assets in your SIMPLE IRA shall not be responsible for the debts, contracts or torts of any person entitled to distributions under this Agreement.
- 8.16 **What Law Applies:** This Agreement is subject to all applicable federal and state laws and regulations. If it is necessary to apply any state law to interpret and administer this Agreement, the laws of the State of New York shall govern. Any court accounting shall be in the courts of New York.
- If any part of this Agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither your nor our failure to enforce at any time or for any period of time any of the provisions of this Agreement shall be construed as a waiver of such provisions, or your right or our right thereafter to enforce each and every such provision.
- 8.17 **Summary Description Requirements:** Notwithstanding Article V above, we will be deemed to have satisfied our summary description reporting requirements under Code section 4081(2) if either
- a. we provide a summary description directly to you, or
 - b. we provide our name, address and withdrawal procedures to you, and your employer provides you with all other required information.
- 8.18 **Payment For Order Flow / Order Routing:** **“Payment for order flow” is a common and widespread industry practice whereby a brokerage firm receives monetary or non-monetary remuneration in return for the routing of customer orders to a designated exchange, market maker, dealer or market center for execution. Apex Clearing receives payment for order flow on certain transactions in the form of rebates, monetary compensation or an inter-company transfer of funds. Payment for order flow is considered to be compensation to Apex Clearing. Your broker, the introducing firm that clears its trades through Apex Clearing, may or may not be compensated for such orders. The source and nature of any compensation received in connection with a specific transaction will be furnished upon written request of the customer. Absent specific instructions from customers, Apex Clearing automatically routes orders in over-the-counter (“OTC”) securities to selected OTC market makers. Selected exchange-traded securities may be routed to affiliated specialists, regional exchanges or designated third-market dealers. All orders are routed to an exchange, market-maker, dealer or market center that matches or improves upon the displayed national best bid or offer for the particular security at the time the order is processed. Price improvement opportunities, or execution at prices superior to the displayed national best bid or offer, may be available for certain transactions in NASDAQ and listed securities from execution destinations to which orders are routed.**
- 8.19 **Arbitration:** This agreement contains a Pre-dispute Arbitration Clause. By Signing an Arbitration Agreement the Parties agree as follows: A. All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury except as provided by the rules of the Arbitration form in which a claim is filed; B. Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited. C. The liability 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. E. The panel of Arbitrators will typically include a minority of Arbitrators who were or are affiliated with the securities industry. F. The rules of some Arbitration forums may impose time limits for bringing a claim in Arbitration. In some cases, a claim that is ineligible for Arbitration may be brought in court. G. The rules of the Arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

The following Arbitration Agreement should be read in conjunction with the disclosures above. Any and all controversies, disputes or claims between the Customer and You, or the Introducing Broker, or the Agents, Representatives, Employees, Directors, Officers, or Control Persons of You or The Introducing Broker, Arising out of, in connection with, from or with respect to (a) Any provisions of or the validity of this agreement or any related agreements, (b) The relationship

of the parties hereto, or (c) Any controversy arising out of your business, the Introducing Broker's business or the Customer's accounts, shall be conducted pursuant to the code of Arbitration procedure of the Financial Industry Regulatory Authority ("FINRA"). Arbitration must be commenced by service of a written demand for Arbitration or a written Notice of Intention to Arbitrate. The decision and award of the Arbitrator(s) shall be conclusive and binding upon all parties, and any judgment upon any award rendered may be entered in a court having jurisdiction thereof, and neither party shall oppose such entry.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is de-certified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

8.20 *Assignability*: This Agreement shall inure to the benefit of our successors and assigns, shall be binding on you, your heirs, executors, administrators and assigns, and shall be governed by the laws of the State of New York.

8.21 *Accounting*: Within 90 days from the close of each custodial account year, We shall render an accounting (valuing the assets fair market value) to you, which accounting may consist of copies of regularly issued broker-dealer statements to you. In the absence of the filing in writing with us of exceptions or objections to any such accounting, within 30 days after the mailing of such accounting, you shall be deemed to have approved such accounting. In such case, or upon your written approval, we shall be released, relieved and discharged with respect to all matters and things set forth in such accounting as though such accounting had been settled by the decree of a court of competent jurisdiction. No person other than you may require an accounting or bring any action against us with respect to this agreement or our actions as Custodian.

We reserve the right to apply to a court of competent jurisdiction for judicial settlement of our accounts, for determination of any questions of construction which may arise or for instructions. You shall be the only necessary party defendant to such action except we may, if we so elect, bring in as a party defendant any other person or persons.

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Form 5305-SA is a model custodial account agreement that meets the requirements of sections 408(a) and 408(p) and has been pre-approved by the IRS. A SIMPLE individual retirement account (SIMPLE IRA) is established after the form is fully executed by both the individual (Participant) and the Custodian. This account must be created in the United States for the exclusive benefit of the Participant and his or her beneficiaries.

Do not file Form 5305-SA with the IRS. Instead, keep it with your records.

For more information on SIMPLE IRAs, including the required disclosures the Custodian must give the Participant, see **Pub. 590, Individual Retirement Arrangements (IRAs)**.

Definitions

Participant. The participant is the person who establishes the custodial account.

Custodian. The custodian must be a bank or savings and loan association, as defined in section 408(n), or any person who has the approval of the IRS to act as custodian.

Transfer SIMPLE IRA

This SIMPLE IRA is a "transfer SIMPLE IRA" if it is not the original recipient of contributions under any SIMPLE IRA plan. The summary description requirements of section 408(l)(2) do not apply to transfer SIMPLE IRAs.

Specific Instructions

Article IV. Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the Participant reaches age 70½ to ensure that the requirements of section 408(a)(6) have been met.

Article VIII. Article VIII and any that follow it may incorporate additional provisions that are agreed to by the Participant and Custodian to complete the agreement. They may include, for example, definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the Custodian, Custodian's fees, state law requirements, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the Participant, etc. Attach additional pages if necessary.

DISCLOSURE STATEMENT

RIGHT TO REVOKE YOUR SIMPLE IRA

You have the right to revoke your SIMPLE IRA within seven (7) days of the receipt of the Disclosure Statement. If revoked, you are entitled to a full return of the contribution you made to your SIMPLE IRA. The amount returned to you would not include an adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to the **IRA Administrator, Apex Clearing Corporation, c/o Penson Financial Services, Inc., 1700 Pacific Ave., Suite 1400, Dallas, TX, 75201.**

If you send your notice by first class mail, your revocation will be deemed mailed as of the date of the postmark, or if sent by certified or registered mail, it shall be deemed to be mailed as of the date of certification or registration. If mailed, the written notice of revocation shall be mailed in the United States in an envelope, or other appropriate wrapper, first-class mail with the postage prepaid.

If you have any questions about the procedure for revoking your SIMPLE IRA, please call the Custodian at the telephone number listed on the attached Application.

REQUIREMENTS OF A SIMPLE IRA

- A. **CASH CONTRIBUTIONS** – Your contribution must be in cash, unless it is a rollover contribution.
- B. **MAXIMUM CONTRIBUTION** – The only contributions which may be made to your SIMPLE IRA are employee elective deferrals under a qualified salary reduction agreement, employer contributions and other contributions allowed by Code or related Regulations, which are made under a SIMPLE IRA plan maintained by your employer. Employee elective deferrals shall not exceed the lesser of 100 percent of your compensation for the calendar year or \$7,000 for 2002, \$8,000 for 2003, \$9,000 for 2004, and \$10,000 for 2005 with possible cost-of-living adjustments in 2006 and thereafter. Your employer may make additional contributions to your SIMPLE IRA within the limits prescribed in Internal Revenue Code (Code) section 408(p). Your employer is required to provide you with information which describes the terms of its SIMPLE IRA plan.
- C. **CATCH-UP CONTRIBUTIONS** – If you are age 50 or older by the close of the plan year, you may make an additional contribution to your SIMPLE IRA. The maximum additional contribution is \$500 for 2002, \$1,000 for 2003, \$1,500 for 2004, \$2,000 for 2005, \$2,500 for 2006 with possible cost-of-living adjustments in year 2007 and beyond.
- D. **NONFORFEITABILITY** – Your interest in your SIMPLE IRA is nonforfeitable.
- E. **ELIGIBLE CUSTODIANS** – The Custodian of your SIMPLE IRA must be a bank, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.
- F. **COMMINGLING ASSETS** – The assets of your SIMPLE IRA cannot be commingled with other property except in a common trust fund or common investment fund.
- G. **LIFE INSURANCE** – No portion of your SIMPLE IRA may be invested in life insurance contracts.
- H. **COLLECTIBLES** – You may not invest the assets of your SIMPLE IRA in collectibles (within the meaning of Code section 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver coins, and certain state-issued coins are permissible investments. Platinum coins and certain gold, silver, platinum or palladium bullion (as described in Code section 408(m)(3)) are also permitted as SIMPLE IRA investments.
- I. **REQUIRED MINIMUM DISTRIBUTIONS** – You are required to take minimum distributions from your SIMPLE IRA at certain times in accordance with Regulations section 1.408-8. Below is a summary of the SIMPLE IRA distribution rules.

1. You are required to take a minimum distribution from your SIMPLE IRA for the year in which you reach age 70½ and for each year thereafter. You must take your first distribution by your required beginning date, which is April 1 of the year following the year you attain age 70½. The minimum distribution for any taxable year is equal to the amount obtained by dividing the account balance at the end of the prior year by the applicable divisor.
2. The applicable divisor is generally determined using the uniform lifetime table provided by the IRS. The table assumes a designated beneficiary exactly 10 years younger than you, regardless of who is named as your beneficiary(ies), if any. If your spouse is your sole designated beneficiary, and is more than 10 years younger than you, the required minimum distribution is determined annually using the actual joint life expectancy of you and your spouse obtained from the joint and last survivor table provided by the IRS, rather than the life expectancy divisor from the uniform lifetime table.

We reserve the right to do any one of the following by April 1 of the year following the year in which you turn age 70½

- (a) make no distribution until you give us a proper withdrawal request,
 - (b) distribute your entire SIMPLE IRA to you in a single sum payment, or
 - (c) determine your required minimum distribution each year based on your life expectancy calculated using the uniform lifetime table, and pay those distributions to you until you direct otherwise.
3. Your designated beneficiary is determined based on the beneficiary(ies) designated as of the date of your death, who remains your beneficiary(ies) as of September 30 of the year following the year of your death. If you die,
- (a) on or after your required beginning date, distributions must be made to your beneficiary(ies) over the longer of the single life expectancy of your designated beneficiary(ies), or your remaining life expectancy. If a beneficiary other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary of your SIMPLE IRA for purposes of determining the distribution period. If there is no designated beneficiary of your SIMPLE IRA, distributions will commence using your single life expectancy, reduced by one in each subsequent year.
 - (b) before your required beginning date, the entire amount remaining in your account will, at the election of your designated beneficiary(ies), either
 - (i) be distributed by December 31 of the year containing the fifth anniversary of your death, or
 - (ii) be distributed over the remaining life expectancy of your designated beneficiary(ies).

If your spouse is your sole designated beneficiary, he or she must elect either option (i) or (ii) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year you would have attained age 70½. Your designated beneficiary(ies), other than a spouse who is the sole designated beneficiary, must elect either option (i) or (ii) by December 31 of the year following the year of your death. If no election is made, distribution will be calculated in accordance with option (ii). In the case of distributions under option (ii), distributions must commence by December 31 of the year following the year of your death. Generally if your spouse is the designated beneficiary, distributions need not commence until December 31 of the year you would have attained age 70½, if later. If a beneficiary(ies) other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary(ies) of your SIMPLE IRA for purposes of determining the distribution period. If there is no designated beneficiary of your SIMPLE IRA, the entire SIMPLE IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

A spouse beneficiary shall have all rights as granted under the Code or applicable Regulations to treat your SIMPLE IRA as his or her own.

- J. **WAIVER OF 2009 RMD** – If you are a SIMPLE IRA holder age 70½ or older, you are not required to remove an RMD for calendar year 2009. In addition, no beneficiary life expectancy payments are required for calendar year 2009. If the five year rule applies to a SIMPLE IRA with respect to any decedent, the five year period is determined without regard to calendar year 2009. For example, if a SIMPLE IRA owner died in 2007, the beneficiary's five year period ends in 2013 instead of 2012.

INCOME TAX CONSEQUENCES OF ESTABLISHING A SIMPLE IRA

- A. **DEDUCTIBILITY FOR SIMPLE IRA CONTRIBUTIONS** – You may not take a deduction for the amounts contributed to your SIMPLE IRA as either employee elective deferrals or employer contributions. However, employee elective deferrals to a SIMPLE IRA will reduce your taxable income. Further, employer SIMPLE IRA contributions, including earnings, will not be taxable to you until you take a distribution from your SIMPLE IRA.

Participation in your employer's SIMPLE IRA plan renders you an active participant for purposes of determining whether or not you can deduct contributions to a Traditional IRA.

- B. **TAX CREDIT FOR CONTRIBUTIONS** – You may be eligible to receive a tax credit for your SIMPLE IRA deferrals. This credit will be allowed in addition to any tax deduction that may apply, and may not exceed \$1,000 in a given year. You may be eligible for this tax credit if you are
- age 18 or older as of the close of the taxable year,
 - not a dependent of another taxpayer, and
 - not a full-time student.

The credit is based upon your income (see chart below), and will range from 0 to 50 percent of eligible contributions. In order to determine the amount of your contributions, add all of the deferrals made to your SIMPLE IRA and reduce these contributions by any distributions that you may have taken during the

testing period. The testing period begins two years prior to the year for which the credit is sought and ends on the tax return due date (including extensions) for the year for which the credit is sought. In order to determine your tax credit, multiply the applicable percentage from the chart below by the amount of your contributions that do not exceed \$2,000.

Adjusted Gross Income*			Applicable Percentage
Joint Return	Head of a Household	All Other Cases	
\$1 – 30,000	\$1 – 22,500	\$1 – 15,000	50
30,001 – 32,500	22,501 – 24,375	15,001 – 16,250	20
32,501 – 50,000	24,376 – 37,500	16,251 – 25,000	10
Over 50,000	Over 37,500	Over 25,000	0

*Adjusted gross income includes foreign earned income and income from Guam, America Samoa, North Mariana Islands and Puerto Rico. AGI limits are subject to cost-of-living adjustments for tax years beginning after 2006.

- C. **TAX-DEFERRED EARNINGS** – The investment earnings of your SIMPLE IRA are not subject to federal income tax until distributions are made (or, in certain instances, when distributions are deemed to be made).
- D. **ROLLOVERS AND CONVERSIONS** – Your SIMPLE IRA may be rolled over to a SIMPLE IRA of yours, may receive rollover contributions, and may be converted to a Roth IRA, provided that all of the applicable rollover and conversion rules are followed. Rollover is a term used to describe a tax-free movement of cash or other property from your SIMPLE IRA to either a Traditional IRA or another SIMPLE IRA. Conversion is a term used to describe the movement of SIMPLE IRA assets to a Roth IRA. A conversion is generally a taxable event. The rollover and conversion rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.

- SIMPLE IRA to SIMPLE IRA Rollovers** – Funds distributed from your SIMPLE IRA may be rolled over to a SIMPLE IRA of yours if the requirements of Code section 408(d)(3) are met. A proper SIMPLE IRA to SIMPLE IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another SIMPLE IRA to SIMPLE IRA rollover from the distributing SIMPLE IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months.
- SIMPLE IRA to Traditional IRA Rollovers** – Funds may be distributed from your SIMPLE IRA and rolled over to your Traditional IRA without IRS penalty, provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. As with SIMPLE IRA to SIMPLE IRA rollovers, the requirements of Code section 408(d)(3) must be met. A proper SIMPLE IRA to Traditional IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another SIMPLE IRA to Traditional IRA or SIMPLE IRA to SIMPLE IRA rollover from the distributing SIMPLE IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months.
- SIMPLE IRA to Employer-Sponsored Retirement Plans** – As permitted by Code or applicable Regulations, you may roll over, directly or indirectly, any eligible rollover distribution from a SIMPLE IRA to an employer's qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan, provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. However, the employer-sponsored retirement plan must allow for such rollover contributions. An eligible rollover distribution is defined as any taxable distribution from a SIMPLE IRA that is not a part of a required minimum distribution. An employer-sponsored retirement plan may not be rolled over to a SIMPLE IRA.
- SIMPLE IRA to Roth IRA Conversions** – If your modified adjusted gross income is not more than \$100,000 and you are not married filing a separate income tax return, you are eligible to convert all or any portion of your existing SIMPLE IRA(s) into your Roth IRA(s), provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. Beginning in 2010, the \$100,000 MAGI limit and the married filing separate tax filing restriction will be eliminated for conversion eligibility. If you are age 70½ or older you must remove your required minimum distribution prior to converting your SIMPLE IRA. The amount of the conversion from your SIMPLE IRA to your Roth IRA shall be treated as a distribution for income tax purposes, and is includable in your gross income. Although the conversion amount is generally included in income, the 10 percent early distribution penalty shall not apply to conversions from a SIMPLE IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent penalty.
- Written Election** – At the time you make a proper rollover to a SIMPLE IRA, you must designate in writing to us, your election to treat that contribution as a rollover. Once made, the rollover election is irrevocable.

- E. **RECHARACTERIZATIONS** – If you have converted from a SIMPLE IRA to a Roth IRA, you may recharacterize the conversion along with net income attributable back to the SIMPLE IRA. The deadline for completing a recharacterization is your tax filing deadline (including any extensions), for the year in which the conversion was completed.

LIMITATIONS AND RESTRICTIONS

- A. **DEDUCTION OF ROLLOVERS AND TRANSFERS** – A deduction is not allowed for rollover contributions or transfers.
- B. **GIFT TAX** – Transfers of your SIMPLE IRA assets to a beneficiary made during your life and at your request may be subject to federal gift tax under Code section 2501.
- C. **SPECIAL TAX TREATMENT** – Capital gains treatment and 10-year forward income averaging authorized by Code section 402 do not apply to SIMPLE IRA distributions.
- D. **INCOME TAX TREATMENT** – Any withdrawal from your SIMPLE IRA is subject to federal income tax withholding. You may, however, elect not to have withholding apply to your SIMPLE IRA withdrawal. If withholding is applied to your withdrawal, not less than 10 percent of the amount withdrawn must be withheld.
- E. **PROHIBITED TRANSACTIONS** – If you or your beneficiary engage in a prohibited transaction with your SIMPLE IRA, as described in Code section 4975, your SIMPLE IRA will lose its tax-deferred status, and you must include the value of your account in your gross income for the taxable year you engage in the prohibited transaction. The following transactions are examples of prohibited transactions with your SIMPLE IRA: (1) taking a loan from your SIMPLE IRA; (2) buying property for personal use (present or future) with SIMPLE IRA funds; or (3) receiving certain bonuses or premiums because of your SIMPLE IRA.
- F. **PLEDGING** – If you pledge any portion of your SIMPLE IRA as collateral for a loan, the amount so pledged will be treated as a distribution, and will be included in your gross income for the taxable year in which you pledge the assets.

FEDERAL TAX PENALTIES

- A. **EARLY DISTRIBUTION PENALTY** – If you are under age 59½ and receive a SIMPLE IRA distribution, an additional tax of 10 percent will apply, unless made on account of 1) death, 2) disability, 3) a qualifying rollover, 4) the timely withdrawal of an excess contribution, 5) a series of substantially equal periodic payments (at least annual payments) made over your life expectancy or the joint life expectancy of you and your beneficiary, 6) medical expenses which exceed 7.5 percent of your adjusted gross income, 7) health insurance payments if you are separated from employment and have received unemployment compensation under a federal or state program for at least 12 weeks, 8) certain qualified education expenses, 9) first-home purchases (up to a life-time maximum of \$10,000), 10) a levy issued by the IRS, or 11) active military duty (see *Qualified Reservist Distributions*, below). This additional tax will apply only to the portion of a distribution which is includable in your taxable income. If less than two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer, the additional tax shall be increased from 10 percent to 25 percent.
- B. **EXCESS CONTRIBUTION PENALTY** – An additional tax may be assessed against you by the IRS for contributions which exceed the permissible limits under Code section 408(a) and 408(p).
- C. **EXCESS ACCUMULATION PENALTY** – As previously described, you must take a required minimum distribution by your required beginning date for the year you attain age 70½ and by the end of each year thereafter. Your beneficiary(ies) is required to take certain minimum distributions after your death. An additional tax of 50 percent is imposed on the amount of the required minimum distribution which should have been taken but was not.
- D. **PENALTY REPORTING** – You must file IRS Form 5329 along with your income tax return to the IRS to report and remit any additional taxes.

OTHER

- A. **IRS PLAN APPROVAL** – The Agreement used to establish this SIMPLE IRA has been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.
- B. **ADDITIONAL INFORMATION** – You may obtain further information on SIMPLE IRAs from your District Office of the IRS. In particular, you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements*, by calling 1-800-TAX-FORM, or by visiting www.irs.gov on the Internet.
- C. **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT** – To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.

D. **HURRICANE-RELATED RELIEF** – If you are an individual who sustained an economic loss due to, or are otherwise considered affected by, hurricane Katrina, Rita or Wilma, you may be eligible for favorable tax treatment on distributions and rollovers from your SIMPLE IRA. Qualified distributions include SIMPLE IRA distributions made on or after specified dates for each hurricane and before January 1, 2007 to a qualified individual. For a complete definition of what constitutes a qualified individual and a qualified hurricane distribution for purposes of hurricane relief, refer to IRS Publication 4492, *Information for Taxpayers Affected by Hurricanes Katrina, Rita and Wilma*.

1. **10 Percent Penalty Exception on Qualified Distributions** – Qualified hurricane distributions are not subject to the 10 percent early distribution penalty tax. This penalty exception applies only to the first \$100,000 of qualified distributions to each individual.
2. **Taxation May be Spread Over Three Years** – If you receive qualified hurricane distributions, you may elect to include the distribution in your gross income ratably over three years, beginning with the year of the distribution.
3. **Repayment of Qualified Hurricane Distributions** – You may roll over qualified hurricane distributions to an eligible retirement plan, and avoid federal income taxation, within three years of the date of receipt of the distribution. The 60-day rollover rule does not apply to these distributions.

For further detailed information on tax relief granted for hurricanes Katrina, Rita and Wilma, and other exceptions which may be granted in the future by the IRS, you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements*, by calling 1-800-TAXFORM, or by visiting www.irs.gov on the Internet.

E. **QUALIFIED RESERVIST DISTRIBUTIONS** – If you are a qualified reservist called to active duty, you may be eligible to take penalty-free distributions from your SIMPLE IRA and recontribute those amounts to an IRA generally within a two-year period from your date of return. For further detailed information you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements* from the IRS.

F. **HEARTLAND DISASTER RELATED TAX RELIEF** – If you are an individual who has sustained an economic loss due to, or are otherwise considered affected by, the severe storms, tornadoes and flooding that occurred in the Midwestern disaster area, you may be eligible for favorable tax treatment on distributions and rollovers from your SIMPLE IRA. Qualified disaster recovery assistance distributions include SIMPLE IRA distributions made on or after specified dates for each disaster, and before January 1, 2010 to a qualified individual. For more information on this tax relief, refer to IRS Publication 4492-B, *Information for Affected Taxpayers in the Midwestern Disaster Area*.

1. **10 Percent Penalty Exception on Qualified Distributions** – Qualified disaster recovery assistance distributions are not subject to the 10 percent early distribution penalty tax. This penalty exception applies only to the first \$100,000 of qualified distributions to each individual.
2. **Taxation May be Spread Over Three Years** – If you received qualified disaster recovery assistance distributions, you may elect to include the distribution in your gross income ratably over three years, beginning with the year of the distribution.
3. **Repayment of Qualified Disaster Recovery Assistance Distributions** – You may roll over qualified disaster recovery assistance distributions to an eligible retirement plan, and avoid federal income taxation, within three years of the date of receipt of the distribution. The 60-day rollover rule does not apply to these distributions.

FINANCIAL DISCLOSURE

Apex Clearing Corporation may charge your broker a fee. Please contact your broker for information regarding these charges.

Service Fees: We have the right to charge an annual service fee and other designated fees (e.g., a transfer, rollover or termination fee) in conjunction with your SIMPLE IRA. In addition, we have the right to be reimbursed for all reasonable expenses, including legal expenses, we incur in connection with the administration of your SIMPLE IRA. We may charge you separately for any fees or expenses, or we may deduct the amount of the fees or expenses from the assets in your SIMPLE IRA at our discretion. The full annual service fee attributable to the year in which you terminate your SIMPLE IRA, along with the termination fee, shall be due and payable upon termination of your SIMPLE IRA regardless of the date during the year in which you terminate your SIMPLE IRA. We reserve the right to charge any additional fee upon 30 days notice to you that the fee will be effective. Fees such as sub transfer agent fees or commissions may be paid to us by third parties for assistance in performing certain transactions with respect to this SIMPLE IRA.

Any brokerage commissions attributable to the assets in your SIMPLE IRA will be charged to your SIMPLE IRA. You cannot reimburse your SIMPLE IRA for those commissions.

The value of your SIMPLE IRA will be solely dependent upon the performance of any investment instrument chosen by you to fund your SIMPLE IRA. Therefore, no projection of the growth of your SIMPLE IRA can be reasonably shown or guaranteed. There are certain fees and charges associated with the investments you may select for your SIMPLE IRA.

In the event this Agreement is terminated or you transfer out of your existing SIMPLE IRA, a \$60 fee will apply. Additionally, brokerage commissions may apply according to your selection of investments. Questions relative to brokerage commission(s) should be discussed with your Account Executive prior to executing any orders or you may refer to the prospectus which will describe the terms of the investment you choose.

You will select the type of investment for your SIMPLE IRA assets, provided, however, that your selection of investments shall be limited to any investment vehicle approved and obtainable by us, that we are authorized by our charter, articles of incorporation, or bylaws to offer and do in fact, in our sole discretion offer for investment in SIMPLE IRAs. For example, investments may include but shall not be limited to common stocks, government and corporate bonds, mutual funds, the purchase of put options on existing positions and writing of covered listed call options and such other options strategies that we may, from time to time, in our sole discretion make available for SIMPLE IRAs and which strategies are approved for your account by your broker. Investments not generating confirmations must be accompanied by additional written instructions and such other documentation as we may, in our sole discretion, require. We shall act as a stockbroker or dealer whenever such services are required. We may, in our sole discretion, make available to you, additional investment offerings, which shall be limited to publicly traded securities, mutual funds, money market instruments and other investments that are approved and obtainable by us and that we, in our sole discretion, determine that we are capable of holding in the ordinary course of our business.

Trusted Contact

Under FINRA Rule 4512 Apex Clearing Corporation is required to disclose to you (the customer) that Apex Clearing Corporation or an associated person of Apex Clearing Corporation is authorized to contact the trusted contact person and disclose information about the customer's account to address possible financial exploitation, to confirm the specifics of the customer's current contact information, health status, or the identity of any legal guardian, executor, trustee or holder of a power of attorney, or as otherwise permitted by FINRA Rule 2165."

ACH Agreement

If I request Automated Clearinghouse ("ACH") transactions from my Account at Clearing Firm, I authorize Clearing Firm to originate or facilitate transfer credits/debits to/from my eligible bank account. Transactions sent through the NACHA network will be subject to all applicable rules of NACHA and all rules set forth in Federal Reserve Operating circulars or other applicable laws and regulations. ACH deposits to my brokerage account are provisional. If the beneficiary bank does not receive final and complete payment for a payment order transferred through ACH, the beneficiary bank is entitled to recover from the beneficiary any provisional credit and Clearing Firm may charge my account for the transaction amount. I understand Clearing Firm or my Broker may not notify me of any returned or rejected ACH transfers. I agree to hold Clearing Firm and Clearing Firm's agents free of liability for compliance with these instructions. I hereby agree to hold harmless Clearing Firm and each of its affiliates, offices, directors, employees, and agents against, any claims, judgments, expenses, liabilities or costs of defense or settlement relating to: (a) any refusal or failure to initiate or honor any credit or debit request, by Clearing Firm or my Broker, whether (i) due to a lack of funds necessary to credit my account; (ii) due to inadvertence, error caused by similarity of account holder names or (iii) otherwise provided Clearing Firm has not acted in bad faith; (b) if the routing number is incorrect or the routing number or other information changes at another U.S. financial institution or (c) any loss, damage, liability or claim arising, directly or indirectly, from any error, delay or failure which is caused by circumstances beyond Clearing Firm's direct control. To the extent permitted by applicable law or regulation, Clearing Firm hereby disclaims all warranties, express or implied, and in no event shall Clearing Firm be liable for any special indirect, incidental, or consequential damages whatsoever resulting from the ACH electronic service or any ACH transactions. Nothing in this herein shall constitute a commitment or undertaking by Clearing Firm or my Broker to effect any ACH transaction or otherwise act upon my instructions or those of my Broker with respect to any account at Clearing Firm. This authorization shall remain in full force and effect until I revoke authorization by written notification to my Broker that is forwarded to Clearing Firm. I understand that Clearing Firm has the right to terminate or suspend the ACH agreement at any time and without notice.

PRIVACY POLICY

Apex Clearing Corporation (“Apex”) carries your account as a clearing broker by arrangement with your broker-dealer or registered investment advisor as Apex’s introducing client. At Apex, we understand that privacy is an important issue for customers of our introducing firms. It is our policy to respect the privacy of all accounts that we maintain as clearing broker and to protect the security and confidentiality of non-public personal information relating to those accounts. Please note that this policy generally applies to former customers of Apex as well as current customers.

Personal Information Collected

In order to service your account as a clearing broker, information is provided to Apex by your introducing firm who collects information from you in order to provide the financial services that you have requested. The information collected by your introducing firm and provided to Apex or otherwise obtained by Apex may come from the following sources and is not limited to:

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

In addition to servicing your account, Apex may make use of your personal information for analysis purposes, for example, to draw conclusions, detect patterns or determine preferences.

Sharing of Non-public Personal Information

Apex does not disclose non-public personal information relating to current or former customers of introducing firms to any third parties, except as required or permitted by law, including but not limited to any obligations of Apex under the USA PATRIOT Act, and in order to facilitate the clearing of customer transactions in the ordinary course of business.

Apex has multiple affiliates and relationships with third party companies. Examples of these companies include financial and non-financial companies that perform services such as data processing and companies that perform securities executions on your behalf. We may share information among our affiliates and third parties, as permitted by law, in order to better service your financial needs and to pursue legitimate business interests, including to carry out, monitor and analyze our business, systems and operations.

Security

Apex strives to ensure that our systems are secure and that they meet industry standards. We seek to protect non-public personal information that is provided to Apex by your introducing firm or otherwise obtained by Apex by implementing physical and electronic safeguards. Where we believe appropriate, we employ firewalls, encryption technology, user authentication systems (i.e. passwords and personal identification numbers) and access control mechanisms to control access to systems and data. Apex endeavors to ensure that third party service providers who may have access to non-public personal information are following appropriate standards of security and confidentiality. Further, we instruct our employees to use strict standards of care in handling the personal financial information of customers. As a general policy, our staff will not discuss or disclose information regarding an account except; 1) with authorized personnel of your introducing firm, 2) as required by law or pursuant to regulatory request, or 3) as authorized by Apex to a third party or affiliate providing services to your account or pursuing Apex’s legitimate business interests.

Access to Your Information

You may access your account information through a variety of media offered by your introducing firm and Apex (i.e. statements or online services). Please contact your introducing firm if you require any additional information. Apex may use “cookies” in order to provide better service, to facilitate its customers’ use of the website, to track usage of the website, and to address security hazards. A cookie is a small piece of information that a website stores on a personal computer, and which it can later retrieve.

Changes to Apex's Privacy Policy

Apex reserves the right to make changes to this policy.

How to Get in Touch with Apex about this Privacy Policy

For reference, this Privacy Policy is available on our website at www.apexclearing.com. For more information relating to Apex’s Privacy Policy or to limit our sharing of your personal information, please contact:

Apex Clearing Corporation
Attn: Compliance Department 350 N. St. Paul St., Suite 1300
Dallas, Texas 75201
214-765-1055