

## Margin Agreement

KEEP A COPY FOR YOUR RECORDS. This is a copy of your Margin Agreement with CenterPoint Securities\*\*

### 1. APPLICABLE RULES AND REGULATIONS

All of your transactions shall be subject to the constitution, rules, regulations, customs, and usages of the exchange or market and its clearing house, if any, where executed by CenterPoint Securities or its agents, including its subsidiaries and affiliates.

### 2. DEFINITIONS

For purposes of this agreement "securities, commodities, and other property," as used herein shall include, but not be limited to money, securities, and commodities of every kind and nature and all contracts and options relating thereto, whether for present or future delivery.

### 3. LIEN

All of your securities, commodities, and other property, which CenterPoint Securities may at any time be carrying, or which may at any time be in CenterPoint Securities' possession or under CenterPoint Securities' control, shall be subject to a general lien and security interest in CenterPoint Securities' favor for the discharge of all of your indebtedness and other obligations to CenterPoint Securities, without regard to CenterPoint Securities having made any advances in connection with such securities and other property and without regard to the number of accounts you may have with CenterPoint Securities. In enforcing its lien, CenterPoint Securities shall have the discretion to determine which securities and property are to be sold and which contracts are to be closed.

### 4. LIQUIDATION

If, in its discretion, CenterPoint Securities considers it necessary for protection to require additional collateral, or in the event that a petition in bankruptcy is filed, or the appointment of a receiver is filed by or against you, or an attachment is levied against your accounts, or in the event of death (in case of partnerships), CenterPoint Securities shall have the right to sell any or all securities, commodities, and other property in your accounts with CenterPoint Securities, to buy any or all securities, commodities, and other property which may be short in such accounts, to cancel any open orders and to close any or all outstanding contracts, all without demand for margin or additional margin, notice of sale or purchase, or other notice or advertisement. Any such sales or purchases may be made at CenterPoint Securities' discretion on any exchange or other market where such business is usually transacted, or at public auction or private sale, and CenterPoint Securities may be the purchaser for its own account. It being understood that a prior demand, or call, or prior notice of the time and place of such sale or purchase shall not be considered a waiver of CenterPoint Securities' right to sell or buy without demand or notice.

### 5. PAYMENT OF INDEBTEDNESS UPON DEMAND AND LIABILITY FOR COSTS OF COLLECTION

You shall at all times be liable for the payment upon demand of any debit balance or other obligations owing in any of your accounts with CenterPoint Securities, and you shall be liable to CenterPoint Securities for any deficiency remaining in any such accounts in the event of the liquidation thereof, in whole or in part, by CenterPoint Securities or by you; and, you shall make payments of such obligations and indebtedness upon demand. The reasonable cost and expense of collection of the debit balance, recovery of securities, and any unpaid deficiency in your accounts with CenterPoint Securities, including, but not limited to attorney's fees, incurred and payable or paid by CenterPoint Securities shall be payable to CenterPoint Securities by you.

### 6. PLEDGE OF SECURITIES

All securities, commodities, and other property now or hereafter held, carried, or maintained by CenterPoint Securities in its possession in any of your accounts may be pledged and re-pledged by CenterPoint Securities from time to time, without notice to you, either separately or in common with other such securities, commodities, and other property for any amount due in your accounts, or for any greater amount, and CenterPoint Securities may do so without retaining into its possession or control for delivery, a like amount of similar securities, commodities, or other property.

### 7. MARGIN REQUIREMENTS, CREDIT CHARGES, AND CREDIT INVESTIGATION

You will at all times maintain such securities, commodities, and other property in your accounts for margin purposes as CenterPoint Securities shall require from time to time via a margin call or other request, and the monthly debit balances or adjusted balances in your accounts with CenterPoint Securities shall be charged, in accordance with CenterPoint Securities practice, with interest at a rate permitted by laws of the State of California. It is understood that the interest charge made to your account at the close of a charge period will be added to the opening balance for the next charge period unless paid. You acknowledge receipt of the Disclosure Statement, which explains the conditions under which interest can be charged to your

account, the annual rate of interest, how debit balances are determined, and the methods of computing interest. You further acknowledge receipt of the separate Margin Disclosure Statement, which provides some basic facts about purchasing securities on margin and alerts you to the risks involved with trading securities in a margin account. In regard to margin calls, whether for maintenance or any other margin call, in lieu of immediate liquidations, CenterPoint Securities, may permit you a period of time to satisfy a call. This time period shall not in any way waive or diminish CenterPoint Securities' right in its sole discretion, to shorten the time period in which you may satisfy the call, including one already outstanding, or to demand that a call be satisfied immediately. Nor does such practice waive or diminish the right of CenterPoint Securities to sell out positions to satisfy the call, which can be as high as the full indebtedness owed by you. Margin requirements may be established and changed by CenterPoint Securities in its sole discretion and judgment without notice to you. CenterPoint Securities may exchange credit information about you with others. CenterPoint Securities may request a credit report on you and upon request; CenterPoint Securities will state the name and address of the consumer reporting agency that furnished it. If CenterPoint Securities extends, updates, or renews your credit, CenterPoint Securities may request a new credit report without notifying you.

#### 8. COMMUNICATIONS

Communications may be sent to you at your current address, which is on file at CenterPoint Securities' office, or at such other address as you may hereafter give CenterPoint Securities in writing, and all communications, so sent, whether by mail, email, messenger, or otherwise, shall be deemed given to you personally, whether actually received or not.

#### 9. SCOPE AND TRANSFERABILITY

This agreement shall cover individually and collectively all accounts that you may open or reopen with CenterPoint Securities, and shall inure to the benefits of its successors and assigns, whether by CenterPoint Securities' merger, consolidation, or otherwise, and CenterPoint Securities may transfer your accounts to its successors and assigns, and this agreement shall be binding upon your heirs, executors, administrators, successors, and assigns.

#### 10. NO PROFESSIONAL ADVICE

You acknowledge that CenterPoint Securities will not provide you with any investment, legal, tax, or accounting advice, that its employees are not authorized to give any such advice, and that you will not solicit or rely upon any such advice from CenterPoint Securities or its employees whether in connection with transactions in or for any of your accounts or otherwise. In making investment, legal, tax, or accounting decisions with respect to transactions in or for your accounts or any other matter, you will consult with and rely upon your own advisors and not upon CenterPoint Securities, and CenterPoint Securities shall have no liability therefore.

#### 11. EXTRAORDINARY EVENTS

CenterPoint Securities shall not be liable for loss caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading, war, strikes, or other conditions beyond its control.

#### 12. REPRESENTATIONS AS TO CAPACITY TO ENTER INTO AGREEMENT

You represent that you are a legal entity duly formed and organized and are hereby authorized to enter into this agreement with CenterPoint Securities, and that the person executing this agreement on your behalf has the full power and authority to execute and deliver this agreement on your behalf. Further you represent unless otherwise disclosed to CenterPoint Securities in writing that you are not affiliated with any exchange; or affiliated with any corporation of which any exchange owns a majority of the capital stock; or affiliated with a member firm or member corporation registered on any exchange; or affiliated with a bank, trust company, insurance company; or affiliated with any corporation, firm, or individual engaged in the business of dealing either as a broker or as principal in securities, bills of exchange, acceptances, or other forms of commercial paper. You further represent that no one except you has an interest in your account or accounts with CenterPoint Securities

#### 13. OPTION TRANSACTIONS

If at any time you shall enter into any transaction for the purchase or resale of an option contract, you hereby agree to abide by the rules of any national securities association, registered securities exchange, or clearing organization applicable to the trading of option contracts and, acting alone or in concert, will not violate the position or exercise limitation rules of any such association, exchange, the Options Clearing Corporation, or other clearing organization.

#### 14. SEPARABILITY

If any provision or condition of this agreement shall be held to be invalid or unenforceable by any court, or regulatory or self-regulatory agency or body, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby and this agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein.

#### 15. HEADINGS ARE DESCRIPTIVE

The heading of each provision hereof is for descriptive purposes only and shall not be deemed to modify or qualify any of the rights or obligations set forth in each such provision.

#### 16. NO WAIVER

This Agreement cannot be modified by conduct and no failure on the part of CenterPoint Securities at any time to enforce its rights hereunder to the greatest extent permitted shall in any way be deemed to waive, modify, or relax all of the rights granted CenterPoint Securities herein, including those rights vested in CenterPoint Securities to deal with collateral on all loans advanced to you.

#### 17. ENTIRE AGREEMENT

This agreement constitutes the full and entire understanding between the parties with respect to the provisions herein, and there are no oral or other agreements in conflict herewith. Any future modification, amendment, or supplement to this Agreement or any individual provision herein can only be in the form of a writing signed by a representative of CenterPoint Securities

#### 18. ARBITRATION DISCLOSURES:

**THIS AGREEMENT CONTAINS A PREDISPUTE ARBITRATION CLAUSE. BY SIGNING AN ARBITRATION AGREEMENT THE PARTIES AGREE AS FOLLOWS:**

- **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 FORUM IN WHICH A CLAIM IS FILED.**
- **ARBITRATION AWARDS ARE GENERALLY FINAL AND BINDING; A PARTY'S ABILITY TO HAVE A COURT REVERSE OR MODIFY AN ARBITRATION AWARD IS VERY LIMITED.**
- **THE ABILITY OF THE PARTIES TO OBTAIN DOCUMENTS, WITNESS STATEMENTS AND OTHER DISCOVERY IS GENERALLY MORE LIMITED IN ARBITRATION THAN IN COURT PROCEEDINGS.**
- **THE ARBITRATORS DO NOT HAVE TO EXPLAIN THE REASON(S) FOR THEIR AWARD.**
- **THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.**
- **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.**
- **THE RULES OF THE ARBITRATION FORUM IN WHICH THE CLAIM IS FILED, AND ANY AMENDMENTS THERETO, SHALL BE INCORPORATED INTO THIS AGREEMENT.**

#### 19. ARBITRATION AGREEMENT

**ANY CONTROVERSY BETWEEN YOU AND CenterPoint Securities SHALL BE SUBMITTED TO ARBITRATION BEFORE ANY NATIONAL SECURITIES EXCHANGE ON WHICH A TRANSACTION GIVING RISE TO THE CLAIM TOOK PLACE (AND ONLY BEFORE SUCH EXCHANGE), OR THE LOS ANGELES OFFICE OF THE FINANCIAL INDUSTRY REGULATORY AUTHORITY, INC ("FINRA"). NO PERSON SHALL BRING A PUTATIVE OR CERTIFIED CLASS ACTION TO ARBITRATION, NOR SEEK TO ENFORCE ANY PREDISPUTE ARBITRATION AGREEMENT AGAINST ANY PERSON WHO HAS INITIATED IN COURT A PUTATIVE CLASS ACTION; OR WHO IS A MEMBER OF A PUTATIVE CLASS WHO HAS NOT OPTED OUT OF THE CLASS WITH RESPECT TO ANY CLAIMS ENCOMPASSED BY THE PUTATIVE CLASS ACTION UNTIL; (I) THE CLASS CERTIFICATION IS DENIED; (II) THE CLASS IS DECERTIFIED; OR (III) 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.**

#### 20. LOAN CONSENT

By signing this agreement, you acknowledge that securities not fully paid for by you may be loaned to CenterPoint Securities or loaned out to others.

#### 21. SHAREHOLDER VOTE OF LOANED SECURITIES

In the event your securities have been loaned by CenterPoint Securities on the record date of a shareholder vote involving those securities, you agree that your vote may be reduced to reflect the total amount of your securities loaned by CenterPoint Securities



## Margin Disclosure Statement

Your brokerage firm is furnishing this document to you to provide some basic facts about purchasing securities on margin, and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review the margin agreement provided by your firm. Consult your firm regarding any questions or concerns you may have with your margin accounts.

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from your brokerage firm. If you choose to borrow funds from your firm, you will open a margin account with the firm. The securities purchased are the firm's collateral for the loan to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, the firm can take action, such as issue a margin call and/or sell securities or other assets in any of your accounts held with the member, in order to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

- ***You can lose more funds than you deposit in the margin account.***  
A decline in the value of securities that are purchased on margin may require you to provide additional funds to the firm that has made the loan to avoid the forced sale of those securities or other securities or assets in your account(s).
- ***The firm can force the sale of securities or other assets in your account(s).***  
If the equity in your account falls below the maintenance margin requirements, or the firm's higher "house" requirements, the firm can sell the securities or other assets in any of your account held at the firm to cover the margin deficiency. You also will be responsible for any short fall in the account after such a sale.
- ***The firm can sell your securities or other assets without contacting you.***  
Some investors mistakenly believe that a firm must contact them for a margin call to be valid, and that the firm cannot liquidate securities or other assets in their accounts to meet the call unless the firm has contacted them first. This is not the case. Most firms will attempt to notify their customers of margin calls, but they are not required to do so. However, even if a firm has contacted a customer and provided a specific date by which the customer can meet a margin call, the firm can still take necessary steps to protect its financial interests, including immediately selling the securities without notice to the customer.
- ***You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call***  
Because the securities are collateral for the margin loan, the firm has the right to decide which security to sell in order to protect its interests.
- ***The firm can increase its "house" maintenance margin requirements at any time and is not required to provide you advance written notice.***  
These changes in firm policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause the member to liquidate or sell securities in your account(s).
- ***You are not entitled to an extension of time on a margin call.***  
While an extension of time to meet margin requirements may be available to customers under certain conditions, a customer does not have a right to the extension.

You are receiving this disclosure document because you are opening a day trading account with your broker. Day trading accounts require that your brokerage account be opened as a margin account. It is important that you read and understand the terms and conditions of a margin account. If there are aspects of the margin agreement, or of opening a margin account, that you do not understand, you should immediately contact your brokerage representative.

MARGIN AGREEMENT ACKNOWLEDGEMENT

I ACCEPT THE TERMS OF THE ENCLOSED AGREEMENT, AND I ACKNOWLEDGE THAT I HAVE READ AND UNDERSTOOD THE MARGIN DISCLOSURE STATEMENT WHICH DETAILS THE RISKS ASSOCIATED WITH A MARGIN ACCOUNT, AND THAT I HAVE READ AND UNDERSTOOD THE CREDIT TERMS EXPLAINED IN THE DISCLOSURE STATEMENT.

YOU ALSO ACKNOWLEDGE THAT THE MARGIN AGREEMENT CONTAINS A PREDISPUTE ARBITRATION CLAUSE IN PARAGRAPHS 18 AND 19 ON THIS PAGE.

ACCOUNT OWNER(S):

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

CENTERPOINT SECURITIES:

\_\_\_\_\_  
Principal Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\*\*CenterPoint Securities is a division of Precision Securities LLC, a FINRA and SIPC member firm