

Margin Account Agreement

IMPORTANT TO READ

This Margin Account Agreement includes and incorporates by reference the Day-Trading Risk Disclosure Statement and the Truth-in-Lending Statement attached hereto (together, the “Agreement”).

Acknowledgments and Representations

By opening a Margin Account at Capital One Investing, LLC or by converting a pre-existing Non-Margin Account to a Margin Account, you acknowledge and represent that:

- a)** You have read and understand this Agreement, the General Terms and Conditions (“Account Agreement”), and our PRIVACY POLICY and you agree to be bound by such all terms and conditions included therein. Your clicking on “I Agree” is legally the same as manually signing this Agreement. We reserve the right to change or terminate this Agreement and you hereby agree to consult the Capital One Investing website periodically to review the most up to date Agreement. Your use of the Capital One Investing Service after a change to the Capital One Investing Service or after notice of change to this Agreement, or if you do not close your Account within fifteen (15) calendar days of such change(s) or notice, means that you accept the changes, whether or not you actually know of them. Changes required by law, however, will be effective immediately.
- b)** This Agreement amends, supplements and incorporates by reference the Account Agreement between you and Capital One Investing. In the event of a direct conflict between this Agreement and the Account Agreement, the terms of this Agreement shall control for matters or services related to this Agreement. For purposes of this Agreement, the term “Customer” or “you” shall also refer to your investment adviser or sub-adviser, acting as your agent (if applicable). Capitalized terms used in this Agreement and not otherwise defined shall have same the meaning as in the Account Agreement.
- c)** If you are an existing Capital One Investing customer with an approved cash account, and Money Market Fund as your sweep preference, you understand that by applying and being approved for a margin account, your entire cash account will be converted to a margin account and your cash account will no longer exist. If you are an existing Capital One Investing customer with an approved cash account and FDIC Insured as your cash sweep preference, you understand that by applying and being approved for a margin account any FDIC Insured cash will not contribute to your margin account equity. As such, any FDIC Insured cash cannot increase your account’s margin buying power. You understand that you will effect all transactions in your Margin account via the Capital One Investing website and receive all communications from Capital One Investing via the World Wide Web or e-mail. Such communications will include but not necessarily be limited to confirmations of transactions, account statements, tax documents, financial statements and reports of portfolio holdings, reorganization notices, proxy materials, notices of modifications to this Agreement, the Account Agreement, and Capital One Investing’s Privacy Policy, as well Margin Account Agreement as annual and semiannual audited and unaudited reports for Capital One Investing and other basic communications. You agree to advise

us promptly of any errors or omissions in any transaction or in the handling of your account. Failure to provide prompt notice of any errors will be deemed to constitute acceptance of the accuracy of all information sent to you.

d) In connection with opening this account, you hereby specifically acknowledge your understanding that investments through Capital One Investing are not insured by the FDIC or NCUA; are not a deposit or other obligation of, or guaranteed by, any depository institution; and are subject to investment risks, including possible loss of the principal amount invested.

e) As a self-directed investor you understand that: (i) you alone are responsible for determining the suitability of your investment choices and investment strategies in light of your particular circumstance; (ii) We assume no responsibility for such choices or determinations; and (iii) all orders are unsolicited, and that the market values of securities can and do fluctuate. Additionally, we cannot advise you, nor comment concerning the nature, risk or suitability of any security, transaction or investment strategy. We do not give legal or tax advice. You are of the age of majority as defined by the laws of the state of your home of record in order to enter into this Agreement and be bound thereby.

f) By applying for a margin account or placing an order on margin, you acknowledge that you have carefully considered all of the factors set forth in the following paragraph and the terms of this Agreement and have decided that margin financing is appropriate for you.

Margin transactions involve the possibility of greater loss than transactions for which you are not borrowing money. If the value of the securities and other assets in your Account falls, you may be required to deposit additional assets to secure your loan. Alternatively, we may sell the assets in your Account to pay down or pay off the loan without prior notice to you and at a loss or at lower prices than under other circumstances. Normal commissions for your account will be applied to any such sales. You remain solely liable for any deficiencies arising from such sales.

You carefully considered your own financial condition, tolerance for risk and investment objectives, as well as market conditions, before you decided to use margin credit account features. We have made available to you certain information relating to margin trading and that before submitting your application for a margin account, you had an opportunity to review this information.

g) The assets in your Accounts will be subject to a general lien and security interest in our favor for the discharge of your indebtedness and other obligations to us, without regard to our having made any advances in connection with such assets and without regard to the number of accounts you may have with us, whether carried individually or jointly with others. In enforcing our lien, we will have the discretion to determine which securities and property are to be sold and which contracts are to be closed.

h) 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 any of your Accounts, or in the event of your death, we will have the right to sell any of the assets in any of your Accounts whether carried individually or jointly with others, to buy any or all securities 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 may be made at our discretion on any exchange or market where such business is usually transacted, or at a public auction or private sale. You understand that a prior demand, or call, or prior notice of the time and place of such a sale or purchase shall not be considered a waiver of our right to sell or buy without demand or notice.

i) All assets now or hereafter held, carried or maintained by us in our possession in any of your Accounts may be pledged and repledged by us from time to time, without notice to you, either separately or in common with other customer's assets for any amount due in your Accounts, or for any greater amount as necessary to satisfy your indebtedness, and we may do so without retaining into its possession or control for delivery, a like amount of assets.

The document attached hereto and incorporated herein, entitled "Truth-in-Lending Statement" sets forth a general description of our margin policies, which are subject to change. We may, in our discretion, require you to deliver collateral, at an earlier or later point in time than called for by our general policies, to margin and secure your performance of any obligations due to us or pay any amount that may become due in order to meet requests for additional deposits for any transactions. You agree to deliver the collateral or make the payments in the amount and form and to the account or recipient specified by us upon demand. If any required margin is not posted in a timely manner, among other remedies, your Account may be liquidated, without prior notification. To the extent permitted by law, you agree to pay our costs of collection, including reasonable attorney's fees incurred in enforcing any of our rights or collecting any amounts owed to us.

j) You agree that all assets deposited in your Margin Account as collateral for any margin loan that you may have obtained are freely transferable and are not subject to any restriction on resale under any applicable federal or state securities laws or otherwise, and are not "restricted," "legend" or affiliate's "control" stock. Any securities subject to such restrictions are referred to as "Restricted Securities." If you deposit Restricted Securities in violation of this Agreement and do not upon demand immediately replace such securities with transferable securities satisfactory to us, or pay in full the margin loan secured by such Restricted Securities, you agree that you will be in default under this Agreement and we may take any and all of the following actions:

- 1.** Liquidate Collateral. Liquidate any transferable securities, or to the extent permitted by law, any Restricted Securities held in your Margin Account, or any other Account in which you have an interest, to satisfy the debit balance secured by the Restricted Securities.
- 2.** Set Off. Set off or apply against the debit balance secured by such margin loan, any amount or assets held in any other Accounts you maintain.
- 3.** Default Rate of Interest. Until such time as the default is cured and in substitution for any other rate of interest specified in this Agreement, charge interest at the default rate of 18% per annum on the debit balance of all Margin Accounts which you maintain and debit such accounts from time to time for such interest (provided, however, that in no event do we intend to charge a rate of interest in excess of the maximum rate permitted by applicable law).
- 4.** Demand immediate payment. Demand immediate payment in full of the margin loan secured by such Restricted Securities; or
- 5.** Other remedies. Assert any other remedies available to us under applicable law to collect all amounts owed by you.

k) We are authorized to obtain reports concerning your credit standing and business conduct at our discretion and other such reports or information, as disclosed in our Privacy Policy.

l) We may from time to time declare certain securities as ineligible for margin credit. We reserve the right, at our sole discretion not to extend margin on any security for any reason, or to change margin requirements at any time without notice to you.

m) You agree that for each order you place you will deliver securities to us to cover all sale orders, and pay for all purchases on demand. Should you fail to deliver securities sold, we will borrow the securities to make delivery. In the event we are not able to borrow the securities, you will be responsible for any loss sustained by us. In the case of a short sale, where borrowed shares are delivered, at any time and without permission we may purchase back the shares if the borrowed shares are recalled by the lender or otherwise become unavailable. You alone assume all risk of losses sustained as a result of short sale strategies terminated due to unavailable shares.

n) You agree to advise us promptly of any errors or omissions in any transaction or in the handling of your account. Failure to provide prompt notice of any errors will be deemed to constitute acceptance of the accuracy of all information sent to you.

Day-Trading Risk Disclosure Statement

You should consider the following points before engaging in a day-trading strategy. For purposes of this notice, a “day-trading strategy” means an overall trading strategy characterized by the regular transmission by a customer of intra-day orders to effect both purchase and sale transactions in the same security or securities.

Day trading can be extremely risky. Day trading generally is not appropriate for someone of limited resources and limited investment or trading experience and low risk tolerance. You should be prepared to lose all of the funds that you use for day trading. In particular, you should not fund day-trading activities with retirement savings, student loans, second mortgages, emergency funds, funds set aside for purposes such as education or home ownership, or funds required to meet your living expenses. Further, certain evidence indicates that an investment of less than \$50,000 will significantly impair the ability of a day trader to make a profit. Of course, an investment of \$50,000 or more will in no way guarantee success.

Be cautious of claims of large profits from day trading. You should be wary of advertisements or other statements that emphasize the potential for large profits in day trading. Day trading can also lead to large and immediate financial losses.

Day trading requires knowledge of securities markets. Day trading requires in-depth knowledge of the securities markets and trading techniques and strategies. In attempting to profit through day trading, you must compete with professional, licensed traders employed by securities firms. You should have appropriate experience before engaging in day trading.

Day trading requires knowledge of a firm's operations. You should be familiar with a securities firm's business practices, including the operation of the firm's order execution systems and procedures. Under certain market conditions, you may find it difficult or impossible to liquidate a position quickly at a reasonable price. This can occur, for example, when the market for a stock suddenly drops, or if trading is halted due to recent news events or unusual trading activity. The more volatile a stock is, the greater the likelihood that problems may be encountered in executing a transaction. In addition to normal market risks, you may experience losses due to system failures.

Day trading will generate substantial commissions, even if the per trade cost is low. Day trading involves aggressive trading, and generally you will pay commissions on each trade. The total daily commissions that you pay on your trades will add to your losses or significantly reduce your earnings. For instance, assuming that a trade costs \$16 and an average of 29 transactions are conducted per day, an investor would need to generate an annual profit of \$111,360 just to cover commission expenses.

Day trading on margin or short selling may result in losses beyond your initial investment. When you day trade with funds borrowed from a firm or someone else, you can lose more than the funds you originally placed at risk. A decline in the value of the securities that are purchased may require you to provide additional funds to the firm to avoid the forced sale of those securities or other securities in your account. Short selling as part of your day trading strategy also may lead to extraordinary losses, because you may have to purchase a stock at a very high price in order to cover a short position.

Potential Registration Requirements. Persons providing investment advice for others or managing securities accounts for others may need to register as either an “Investment Advisor” under the Investment Advisors Act of 1940 or as a “Broker” or “Dealer” under the Securities Exchange Act of 1934. Such activities may also trigger state registration requirements.

Truth in Lending Statement

Interest Period

The daily margin interest rate is based on a 365-day year. It is calculated for each day by dividing the applicable margin interest rate shown in the table below by 365.

Debit Balances

Interest is computed based on the settled debit balance in your Margin Account each day during the period. The daily interest amounts will be accumulated each day and posted on a monthly basis. Interest will be charged on any credit extended to or maintained for you for the purpose of purchasing, carrying or trading in securities or otherwise. Where applicable, settlement date credit balances in your account are subtracted from debit balances in determining the daily debit balance, but only to the extent that such credit balances do not exceed such debit balances.

Interest Rate on Debit Returns

The applicable interest rate is a fixed percentage above the base rate as set forth below. The base rate is established by Capital One Investing with consideration given to commercially recognized interest rates, industry conditions relating to the extension of credit, and the competitive marketplace. The base rate is subject to change without notice.

[See our margin rates.](#)

Average Debit Balance	Margin Interest Rate
Less than \$10,000	Base Rate Plus 3.45%
\$10,000 to \$25,000	Base Rate Plus 3.25%
\$25,001 to \$50,000	Base Rate Plus 3.00%
\$50,001 to \$100,000	Base Rate Plus 2.45%
\$100,001 to \$250,000	Base Rate Plus 2.25%
\$250,001 to \$500,000	Base Rate Plus 1.25%
\$500,001 to \$1,000,000	Base Rate Plus 0.90%
More than \$1,000,000	Base Rate Plus 0.70%

You have agreed in your Margin Account Agreement to maintain at all times margin for your accounts as required by us from time to time. A margin account with a sweep preference of Money Market Fund will be subject to our general policy, which requires the deposit in cash or collateral on initial transactions of 50% of the value of the marginable security as prescribed under Regulation T of the Board of Governors of the Federal Reserve System. It should be noted that initial transactions effected in a margin account with FDIC Insured as the sweep preference may be subject to an initial deposit in excess of 50%, in fact a deposit of 100% may be required. Different requirements apply to non-equity securities such as bonds and options. If the market value of stock held as collateral increases after you have met the initial margin requirement, your available credit may increase. Conversely, if the market value decreases, your available credit may decrease.

In addition to the initial margin requirements, we require you to maintain a minimum amount of equity in your account to collateralize your current loans and obligations. These are margin maintenance requirements and are set by the rules of regulatory agencies we are subject to and according to our judgment and discretion and may change without prior notice. The deposit of cash or additional eligible collateral at such times as may be necessary to prevent the equity in your Margin Account from dropping below these maintenance levels.

Equity securities that at any time have a market value of less than \$5 per share will be deemed to have no value for purposes of computing the marginable equity in your Account. We may from time to time declare certain securities, whether \$5 per share or greater, as ineligible for margin credit. We reserve the right, at its sole discretion not to extend margin on any security for any reason, or to change margin requirements at any time without notice to you.

We may at any time without prior notice, impose exceptions to its general policy by requiring more or less cash or collateral on positions that in our sole discretion appear necessary or appropriate to us. Our determination of the eligibility of collateral and the valuation thereof shall be conclusive.