Reset Form

TD AMERITRADE Institutional

MARGIN AGREEMENT LOAN CONSENT

Account # ____________________

Advisor # ____________________

Account Title: ____

In consideration of TD AMERITRADE Clearing, Inc. accepting a Margin Account of the undersigned, I understand and agree that, in addition to the provisions of the Client Agreement with TD AMERITRADE, Inc., the introducing broker, the following provisions apply:

DEFINITIONS

The words “I,” “me,” and “my” mean each applicant subject to this Margin Agreement, both individually and jointly. The words “you” and “your” mean TD AMERITRADE Clearing, Inc. which handles margin lending and carries the account.

MARGIN REQUIREMENTS

I shall at all times maintain such securities and other property in the accounts of the undersigned for margin purposes as you shall require from time to time.

INTEREST CHARGES ON DEBIT BALANCES

I agree to pay interest on all debit balances on any of my accounts with you. Interest shall be computed and charged in accordance with your standard methods and procedures as in effect at that time, and may be changed without prior notice. In no event shall such interest rate exceed the maximum rate permitted by applicable law.

PLEDGE OF SECURITIES AND OTHER PROPERTY

All securities and other property now or hereafter held, carried, or maintained by you in or for any of my accounts individually or jointly with others, may be pledged, repledged, hypothecated, or re-hypothecated by you from time to time without notice to me either separately or in common with other securities and other property for any amount due in my accounts or for any greater amount, and you may do so without retaining in your possession or under your control for delivery a like amount of similar securities or other property.

SHORT SALES

I agree that any “short” sale by me shall be so designated to you at the time such order is placed and I hereby authorize you to mark any such order as being “short.” I understand that acceptance of orders to sell securities short is subject to the ability to borrow an equivalent number of shares of the security that I wish to sell short. I agree that if market conditions change or if you are no longer able to borrow the shares, you may repurchase for my account, at any time, the security that I sold short and I agree to pay any costs relating in any way to the repurchase of that security.

Loan of Securities: You are authorized to lend to yourself or others any securities held by you in my margin account and to carry all securities lent as general loans and you shall have no obligation to retain under your possession and control a like amount of such securities.

In connection with such loans, you may receive and retain certain benefits to which I will not be entitled. In certain circumstances, such loans may limit, in whole or in part, my ability to exercise voting rights of the securities lent.

By signing below, I acknowledge that I have read, understand and agree to be bound by the terms of this Margin Agreement/Loan Consent and the “Client Agreement” that will govern my account and are incorporated by reference. I will not enter an order in my Margin Account until I have read and understood the Margin Requirements.

Signature of Owner: ________________________________ Date: ______________

Signature of Joint Owner: ________________________________ Date: ______________

NOTE: For rates please see advisorclient.com or call 800-431-3500.

Margin interest is reflected on your monthly statement. (Your margin interest is posted on the last business day of the month.)

(continued)

TD AMERITRADE 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 TD AMERITRADE. Please contact your advisor 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 TD AMERITRADE. If you choose to borrow funds from TD AMERITRADE, you will open a margin account with the firm. The securities purchased are TD AMERITRADE'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, TD AMERITRADE can take action, such as issue a margin call and/or sell securities or other assets in any of your accounts held with TD AMERITRADE, in order to maintain the required equity in the account.

Please note that trading on margin may not be appropriate for all clients. It is important that you fully understand the risks associated with margin trading. The 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 TD AMERITRADE to avoid the forced sale of those securities or other securities or assets in your account(s).
- **TD AMERITRADE 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 of TD AMERITRADE's higher "house" requirements, TD AMERITRADE can sell the securities or other assets in any of your accounts held at TD AMERITRADE to cover the margin deficiency. You also will be responsible for any short fall in the account after such a sale.
- **TD AMERITRADE can sell your securities or other assets without contacting you.** Some investors mistakenly believe that TD AMERITRADE must contact them for a margin call to be valid, and that TD AMERITRADE cannot liquidate securities or other assets in their accounts to meet the call unless TD AMERITRADE has contacted them first. This is not the case. Most firms will attempt to notify their clients of margin calls, but they are not required to do so. However, even if TD AMERITRADE has contacted a client and provided a specific date by which the client can meet a margin call, TD AMERITRADE can still take necessary steps to protect its financial interests, including immediately selling the securities without notice to the client.
- **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, TD AMERITRADE has the right to decide which security to sell in order to protect its interests.
- **TD AMERITRADE 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 TD AMERITRADE 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 clients under certain conditions, a client does not have a right to the extension.

TD AMERITRADE Institutional
4075 Sorrento Valley Blvd., Suite A
San Diego, CA 92121

TDAI 3072 REV. 05/07

TD AMERITRADE Institutional

MARGIN REQUIREMENTS

Margin requirements will change depending on Federal Reserve requirements, NYSE requirements, market conditions or if there is an undue concentration in one account. Margin accounts require a minimum of $2,000 in initial equity. If the equity in a margin account falls below $2,000 due to market depreciation, that is acceptable as long as the account is at or above the maintenance requirement.

	INITIAL REQUIREMENT	MAINTENANCE REQUIREMENTS
Long Stocks		
Below $2 per share	50%	100%
$2 – $4 per share	50%	$2.00 per share
Greater than $4 per share	50%	30%
Concentrated accounts		
70 – 89%	50%	50%
90 – 100%	50%	60%
High-Risk securities	50%	35% or higher
Short Stocks		
Below $2.50 per share	50%	$2.50 per share
$2.50 – $5.00 per share	50%	100%
$5.01 – $16.67 per share	50%	$5.00 per share
Greater than $16.67 per share	50%	30%
Concentrated accounts		
70 – 89%	50%	50%*
90 – 100%	50%	60%*
High-Risk securities	50%	35% or more
All short sales are subject to our ability to borrow the stock. Stock which can no longer be borrowed must be bought-in immediately		
Bonds	(Bonds under $500 are not marginable.) MV = Market Value	
Non-Convertible Bonds		
Corporate Bonds	Greater of 30% of MV or 7% Face	Greater of 25% of MV or 7% Face
Convertible Bonds	50%	30%
Municipal Bonds	Greater of 15% of MV or 7% Face	Greater of 15% of MV or 7% Face
Zero Coupon – Munis	Greater of 15% of MV or 7% Face	Greater of 15% of MV or 7% Face
US Gov't Issues	(Bonds under $500 are not marginable.) MV = Market Value	
Government Bills, Notes and Bonds		
1 – 20 yrs to maturity	5% of MV	5% of MV
>20 yrs to maturity	10% of MV	10% of MV
Government Bills, Notes and Bonds (Zero Coupon)		
<5 yrs to maturity	5% of MV	5% of MV
5 – 20 yrs to maturity	Greater of 5% of MV or 3% Face	Greater of 5% of MV or 3% Face
>20 yrs to maturity	Greater of 10% of MV or 3% Face	Greater of 10% of MV or 3% Face
Government Agency Issues	20%	15%

Options

Uncovered Equity Options

The greater of a, b or c:
- (a) 25% of the underlying stock less the out-of-the-money amount plus the premium.
- (b) For calls, 10% of the market value of the underlying stock plus the premium value. For puts, 10% of the exercise value of the options plus the premium value.
- (c) $1.00 per share plus the premium.

Uncovered Index Option (Narrow)

The greater of a or b:
- (a) 20% of the underlying stock less the out-of-the-money amount plus the premium.
- (b) 10% of the current index value, times the index multiplier plus the premium.

Uncovered Index Option (Broad)

The greater of a or b:
- (a) 15% of the underlying stock less the out-of-the-money amount plus the premium.
- (b) 10% of the current index value, times the index multiplier plus the premium.

A minimum $10,000 equity is required to maintain an index option spread position.

A minimum $10,000 equity required (or max loss for puts) to maintain uncovered equity options.

A minimum $25,000 equity required (or max loss for puts) to maintain uncovered index options.

***In general, if a stock is S&P 500 or NASDAQ 100, maintenance requirement is 30%.**

(continued)

The total margin requirement for options (based upon prevailing market conditions) must be in the account prior to entering the order. Additional requirements resulting from market fluctuations must be satisfied on a timely basis. All premiums received from option writing may be applied against the above requirements. We suggest the use of one of our sweep vehicles so that funds will be earning interest and on deposit for timely decisions.

Please note: TD AMERITRADE Institutional imposes higher maintenance requirements for specific securities based on volatility, liquidity, or overall market conditions. Additionally, not all securities trading are margin eligible.

TO: OUR CLIENTS
We are writing to you at this time so that you may be fully informed concerning our charges in connection with any credit that we may extend to you.

Margin and Other Accounts:
If you have accounts other than a cash account only, you will be charged interest on any credit extended to or maintained for you by us for the purpose of purchasing, carrying or trading in any security.

The annual rate of interest will be determined by the size of the net debit balance during the interest period. TD AMERITRADE follows prevalent industry practices and utilizes a base rate, set at our discretion,** to determine the rates charged for margin borrowing. For your reference, the chart below displays margin interest rates at TD AMERITRADE. Please note that margin interest rates will be subject to change, without notice, in accordance with any changes in the base rate. If the margin interest rate changes for any reason other than a change in the base rate, you will be provided with written notice at least 30 days prior to that change.

MARGIN INTEREST RATES

Debit Balance	Rate***
$1,000,000 and above	Base Rate – 1.50%
$250,000 – $999,999	Base Rate – 0.75%
$100,000 – $249,999	Base Rate – 0.50%
$50,000 – $99,999	Base Rate – 0.25%
$25,000 – $49,999	Base Rate + 0.75%
$10,000 – $24,999	Base Rate + 1.00%
Under $10,000	Base Rate + 1.25%

** When setting the base rate, TD AMERITRADE considers indicators including, but not limited to, commercially recognized interest rates, industry conditions relating to the extension of credit, the availability of liquidity in the marketplace, the competitive marketplace and general market conditions.

*** As of July 1, 2006 the current base rate is 9.75%

The method of computing interest will be as follows: Interest is computed on a daily basis on the net debit balance during the interest period. In general, our interest period runs from the last business day of the prior month to the next to last business day of the current month. To compute your interest for such period it will be necessary to use the prior month's and the current month's statement, as follows: take the debit balance on the last business day of the prior month; each day add to it any debits appearing on your statement and subtract any credits to determine the day's debit balance. Multiply each day's debit balance by the interest rate and by the fraction $^1/_{360}$. The interest charged during the interest period is the total of the daily charges so computed. Your monthly statements will show the opening and closing debit balances.

If there is a debit balance in the cash account and there is a margin account, interest will be calculated on the debit balance in the cash account and charged to the margin account.

Free credit balances in all accounts (except short accounts) which you may have with us will be set off against debit balances.

In addition to interest on debit balances, interest at the foregoing rates will be charged on proceeds of sales paid to you prior to the settlement date and on late payments, including those in cash accounts.

All securities in any of your accounts are collateral for any debit balances – i.e., for any balances owed by you to us. A lien is by those debits to secure the amount of money owed to us. This means securities in your accounts can be sold to reduce or liquidate entirely any debit balance in any of your accounts, as is authorized in our Margin/Loan Consent and Client Agreement covering margin accounts.

You understand that we may take such action without prior notification and that our failure to take any of the above actions will not be considered a waiver of our rights to take such action in later instances. You further agree to reimburse us for all expenses, fees, commissions or losses which may be incurred as a result of such action.

In connection with margin accounts, if there is a decline in the market value of your securities which are collateral for your debits, it may be necessary for us to request additional margin. Ordinarily, a request for additional margin will be made when the equity in the account falls below our margin maintenance requirements, which may change from time to time without notice – the "equity" being the excess market value of the securities in the account over the debit balances. We retain the right to require additional margin any time we deem it desirable, and these margin calls can be met by delivery of cash or additional marginable securities.

If you desire any further information concerning the foregoing, please contact your advisor.

PLEASE RETAIN FOR YOUR FUTURE REFERENCE
THANK YOU – TD AMERITRADE INSTITUTIONAL

(continued)

SPECIAL STATEMENT FOR WRITING UNCOVERED OPTIONS

There are special risks associated with writing uncovered options which expose the investor to a potentially serious risk of loss. Therefore, this type of strategy may not be suitable for all investors who have option privileges in their account.

1. The potential loss of uncovered call writing is unlimited. The writer of an uncovered call is in an extremely risky position, and may incur large losses if the value of the underlying instrument increases above the exercise price.
2. The risk of writing uncovered put options is substantial. The writer of an uncovered put option bears a risk of loss if the value of the underlying instrument declines below the exercise price. Such loss could be substantial if there is a significant decline in the value of the underlying instrument.
3. Uncovered option writing may be suitable for only the most knowledgeable investor who understands the risks, has the financial capacity and willingness to incur potentially substantial losses, and has sufficient liquid assets to meet applicable margin requirements. In this regard, if the value of the underlying instrument moves against the writer's uncovered option position, the investor's brokerage firm may request significant additional margin payments. If the investor does not make such margin payments, the brokerage firm may forcibly liquidate stock or option positions in the investor's account, with or without prior notice, in accordance with the investor's margin agreement.
4. For straddle and strangle writing, where the investor writes both a put and a call on the same underlying instrument, the potential for risk is unlimited.
5. If a secondary market in options were to become unavailable, investors could not engage in closing transactions, and an option writer would remain obligated until expiration or assignment.
6. The writer of American-style options is subject to being assigned an exercise at any time after he has written the option until the option expires. By contrast, the writer of a European-style option is subject to assignment only during the exercise period, normally the expiration date.

It is expected that you will **read** the booklet, ***Characteristics and Risks of Standardized Option***s available from your Credit Risk analyst.† In particular, your attention is directed to the chapter entitled, "Principal Risks of Options Positions." This statement is not intended to enumerate all of the risks entailed in writing uncovered options. You should also read your Client Agreement.

† To obtain a copy of the options disclosure document, call TD AMERITRADE Institutional at 800-431 3500 or request by mail at 4075 Sorrento Valley Blvd., Suite A, San Diego, CA 92121.

TD AMERITRADE Institutional
4075 Sorrento Valley Blvd., Suite A
San Diego, CA 92121

TDAI 9305 REV. 05/07

Margin Disclosure Document

TD AMERITRADE, Inc. ("TD AMERITRADE") 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. Please contact a Client Services representative regarding any questions or concerns you may have with your margin account.

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from TD AMERITRADE. If you choose to borrow funds, it will be done in a margin account. The securities held in your account are TD AMERITRADE'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. As a result, TD AMERITRADE can take action, such as issue a margin call and/or sell securities in your account, in order to maintain the required equity percentage in the account. The sell out will incur a fee rate plus the broker commission.

It is important that you fully understand the risks involved in trading securities on margin. The risks include, but are not limited to, 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 TD AMERITRADE to avoid the forced sale of those securities or other securities in your account.

TD AMERITRADE can force the sale of securities in your account. If the equity in your account falls below the margin maintenance level required by law, or below our higher "house" requirements, TD AMERITRADE can sell the securities in your account to cover the margin deficiency. You will also be responsible for any shortfall in the account after such a sale.

Securities can be sold without contacting you prior to the sale. Some investors mistakenly believe they must be contacted before a margin call becomes valid, and that the securities in their accounts cannot be liquidated to meet the call, unless they have been contacted first. This is not the case. Most firms will attempt to notify you of margin calls, but are not required to do so. However, even if TD AMERITRADE has contacted you and provided a specifi c date by which you can meet a margin call, TD AMERITRADE can still take the necessary steps to protect its fi nancial interests, including immediately selling the securities without notice to you.

You are not entitled to choose which securities in your margin account are liquidated or sold to meet your margin call. Because then securities are collateral for the margin loan, TD AMERITRADE has the right to decide which security to sell in order to protect its interests.

TD AMERITRADE can increase its "house" maintenance requirements at any time and is not required to provide you with written notice in advance. These changes in policy can take effect immediately and may result in the issuance of a margin maintenance call. Your failure to satisfy this call may cause a forced liquidation in your account.

You are not entitled to an extension of time on a margin call. While an extension of time to meet margin requirements may be available to clients under certain conditions, a client does not have a right to the extension.