

THE FOLLOWING INFORMATION AND DISCLOSURES ARE NOT A PART OF THE NEW ACCOUNT AGREEMENT AND ARE PROVIDED TO YOU FOR YOUR CONVENIENCE TO ASSIST YOU IN MAKING AN INFORMED INVESTMENT DECISION. THE DISCLOSURES PROVIDED ARE NOT EXHAUSTIVE AND EACH INVESTOR SHOULD CONSIDER THEIR OWN UNIQUE CIRCUMSTANCES AND NEEDS BEFORE INVESTING IN ANY SECURITY.

I. YOUR RELATIONSHIP WITH POINTE CAPITAL, INC.:

- A. Your registered representative (Representative) is engaged in the sale of securities products as a registered representative of (POINTE CAPITAL, INC.)
- B. Acting through your Representative, who is shown on the facing page of this document, you have appointed POINTE CAPITAL, INC. as your agent for the purpose of carrying out your directions with respect to the purchase or sale of securities and, as such, POINTE CAPITAL, INC. is authorized to open or close accounts, place and withdraw orders and take such steps as are reasonable to carryout your directions.
- C. An account will be deemed opened by POINTE CAPITAL, INC. on your behalf upon the completion of this New Account Form.
- D. POINTE CAPITAL, INC. will recognize only those securities transactions that are executed with its knowledge, control and consent and which are duly reflected on its books and records as broker/dealer related transactions.
- E. POINTE CAPITAL, INC. shall have the sole discretion to accept your securities orders. POINTE CAPITAL, INC. reserves the right to require a deposit before accepting such security. POINTE CAPITAL, INC. will automatically reject any investment that is not deemed a security or is labeled a non-security.
- F. In consideration of our carrying a joint cash or margin account in the form and names listed on the facing page, you jointly and severally agree that each one of you shall have the authority buy and sell on behalf of the joint account and generally deal with POINTE CAPITAL, INC. on behalf of the joint account as fully and completely as if each one of you were interested in said account.
- G. If, upon the purchase/sale of securities by POINTE CAPITAL, INC. at your direction, you fail to pay for or deliver monies or securities, you authorize POINTE CAPITAL, INC. to take steps necessary to pay for/deliver such monies or securities. You further agree to reimburse POINTE CAPITAL, INC. for any loss it may sustain on your behalf.
- H. If in the normal course of business your securities account becomes overdrawn, you authorize POINTE CAPITAL, INC. to take what it deems necessary action in order to restore the account to a whole position.

II. SERVICES OFFERED BY YOUR REGISTERED REPRESENTATIVE

- A. Your Representative has engaged POINTE CAPITAL, INC. solely to make offers to buy or sell securities and Representative has no express, implied or apparent authority to contract otherwise on behalf of POINTE CAPITAL, INC.
- B. Your Representative will only be empowered to place an order for your account, upon your prior direction and review or that of your authorized delegate-based upon a review of your financial condition and objectives as shown on the New Account Form. Should an order be placed for a security in a greater relative risk category than you marked for pre-approval, such order will be deemed to be an automatic amendment of your objectives.
- C. Your Representative may offer non-securities products and services outside the scope of his registration and control by POINTE CAPITAL, INC., such as: insurance, real-estate brokerage, law, accounting, tax, estate or financial planning. In such situations, POINTE CAPITAL, INC. remains disinterested and neither approves nor disapproves of such activities. If you chose to engage your Representative as your agent for the provision of such products and services, you shall hold POINTE CAPITAL, INC. harmless from any losses, which you may incur in the provision of such non-securities products and services.
- D. Your Representative is licensed to sell securities and/or insurance products on a commission basis. However, in order to effect proper due diligence and suitability in determining whether or not such product sales are warranted, he may provide such "Financial Planning" related services incidental to his role as your financial services professional. Such services typically involve advising you and your family regarding the management of your financial resources based upon an analysis of your needs. He may review your present and anticipated assets and liabilities, including insurance, savings, investments as well as your anticipated retirement or other employee benefits. All recommendations, which are implemented in the form of securities or insurance purchases, will cause him to be compensated on a commission basis.
- E. Separate, fee based financial planning and investment advisory services may be offered by your Representative pursuant to the registration and disclosure requirements of the Investment Advisors Act of 1940.

III. INVESTMENT RISK DISCLOSURE

- A. You understand that your investments may be subject to one or a combination of the following risks:
 - a. **MARKET RISK**—Your investments principal value may fluctuate from day to day, as influenced by US or global economic, political and/or social events - or just a change in market psychology. Such reaction may be short term and therefore not indicative of your investment's long-term value.
 - b. **COMPANY RISK**—The value of each company's stock is affected by current expectations for that company or its industry sector, as well as general market risk.
 - c. **INTEREST RATE RISK**—Stock and Bond values tend to move opposite to interest rates. Short-term bond investments are generally less impacted by interest rate movements than long-term bond investments.
 - d. **CREDIT RISK**—Common to bonds, the lower the credit worthiness of your investment, the higher its yield/risk in comparison to investments with a higher credit rating.

- e. INFLATION—Investments, which guarantee the return of principal, cannot guarantee that their yield will be greater than the prevailing rate of inflation. Inflation, in turn, represents the increasing cost of living as measured on a year-to-year basis.
- B. You understand that you are free to choose from various types of investments including:
 - a. CD's, Bank Deposits and Treasury Bills—Guarantee the return of your principal, but not against inflation risk.
 - b. Money Market Funds—While not guaranteed as to return of principal, generally offer a higher rate of return than most short-term bank deposits. They are generally subject to a higher inflation risk than stock and bond investments.
 - c. Bond Funds—Contain portfolios of corporate or government/municipal bonds. While individual government municipal bonds are generally guaranteed against default – bond funds owning these investments are not guaranteed or insured against loss of principal, and do not attempt to maintain a stable net asset value.
 - d. Stock Funds—Own shares of individual stocks in underlying companies and are subject to the aforementioned investment risks.
- C. You understand the following general investment objectives.
 - a. Money markets; Maximize current income with the preservation of capital while attempting share stability.
 - b. Growth; Primary goal is capital appreciation, income generation is secondary.
 - c. Income; Generates high level of taxable corporate or lower, tax-free government/municipal bond income.
 - d. Balanced; A combination of growth and income objectives.
 - e. Aggressive; Seeks either highest capital gains from equities and/or higher yields from longer term and/or lower quality bonds.
- D. You further understand that time and diversification help to manage the aforementioned investment risks by allowing a well-diversified portfolio the time frame needed to realize non-guaranteed, but historical norms.
- E. Determining risk tolerance, you accept the fact that risk tolerance is a subjective measure, specific to each client situation, investment and investment objectives, therefore you have chosen to work with your representative, using products whose price fluctuation is matched to your investment time frame. (I.E. The longer your investment time frame, the greater volatility you will have chosen to assume.)
- F. Therefore, you represent to POINTE CAPITAL, INC. that you are willing to assume these risks, as evidenced by your decision to open a securities account, and that you are in fact financially able to bear these risks. You also understand that you have an affirmative obligation to notify POINTE CAPITAL, INC. in writing should your financial condition adversely change, or should your objectives become more conservative from what is shown on this New Account Form.
- G. You must demand and obtain from your Representative the current Offering Document, which fully describes the investment including potential risks and costs, prior to purchasing an interest in a partnership, mutual fund, variable annuity, unit investment trust or any new issue.
- H. When purchasing an interest in a partnership or mutual fund, it is normally advisable to take advantage of any quantity discount privileges (breakpoints) as discussed in the applicable Offering Document, although doing so may limit your diversification.
- I. It is rarely advisable for you to switch from one variable product or mutual fund to another especially where it will incur an additional up-front or contingent sales charge for such transfer of assets, unless there exists a reasonable basis for such switch.

IV. BROKERAGE COMPENSATION

- A. All individual stock/bond transactions are effected on a markup/markdown or agency commission compensation basis.
- B. The compensation method for mutual fund products is usually indicated by the following share classifications:
 1. "A" Share; Upfront sales charge. May offer volume discounts. Tendency for lower annual expenses.
 2. "B" Share; No up front sales charge. Sales charge is amortized over time. Subject to withdrawal (Back end) charge if contingency (Minimum Investment Period) is not met. Designed for investor who wants to put entire principal to work while investing for a period of time, which exceeds contingency. Expenses may be equal to those of "A" shares over time.
 3. "C" Share; No sales charge, available for institutional or high initial investment clients.
 4. "D" Share; No initial sales charge. May have one-year contingency with a low, level ongoing "Amortized" sales charge. Appropriate for investors with former no loads, short investment horizons or those desiring "Pay as they Go".

V. UNAUTHORIZED PROHIBITED ACTS

You must take responsibility in preventing unauthorized acts within your control by adhering to all of the following:

- A. NEVER MAKE PAYMENT PAYABLE TO REPRESENTATIVE (always to the Clearing Firm).
- B. PLEASE PAY FOR ALL SECURITY PURCHASES BY UTILIZING A TRACEABLE INSTRUMENT. (I.E. PERSONAL CHECK OR FED FUNDS WIRE).
- C. DO NOT LOAN TO REPRESENTATIVE OR BORROW FROM REPRESENTATIVE MONIES OR SECURITIES AND SPECIFICALLY DO NOT AUTHORIZE OR PERMIT REPRESENTATIVE TO ACT AS A PERSONAL CUSTODIAN OF YOUR SECURITIES, STOCKPOWERS, MONIES OR ANY OTHER PERSONAL OR REAL PROPERTY OF WHICH YOU MAY HAVE AN INTEREST.
- D. DO NOT ACCEPT A COMMISSION REBATE OR ANY OTHER INDUCEMENT WITH RESPECT TO YOUR PURCHASE OR SALE OF SECURITIES.
- E. DO NOT ENTER INTO AN UNDERSTANDING WHEREBY YOU AGREE TO BUY OR SELL SECURITIES TO REPRESENTATIVE.
- F. DO NOT AGREE TO ENTER INTO ANY OTHER BUSINESS RELATIONSHIP WITH REPRESENTATIVE INCLUDING, BUT NOT LIMITED TO HELPING TO CAPITALIZE OR FINANCE ANY BUSINESS OF REPRESENTATIVE.