

Account # \_\_\_\_\_  
Name: \_\_\_\_\_  
Client Initials: \_\_\_\_\_ Joint: \_\_\_\_\_  
Date: \_\_\_\_\_ Date: \_\_\_\_\_

### Item 1. Introduction

1<sup>st</sup> Discount Brokerage, Inc., (“1DB”) is registered with the Securities and Exchange Commission as a broker-dealer, member of [FINRA](#) and [Securities Investor Protection Corporation](#).

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 [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### Item 2. Relationships and Services: What investment services and advice can you provide me?

Our firm offers brokerage services to retail investors including buying and selling securities. We do not limit our services to proprietary products or specific asset classes. Our firm does not monitor your accounts.

Our firm provides limited discretionary authority for the following services – buying and selling securities. Our firm does not monitor your accounts. A discretionary commission based account is available with an approved registered representative only. If you invest on a discretionary basis, our firm will buy and sell investments in your accounts without requiring your pre-approval on an ongoing basis until you notify us in writing to switch.

Our firm offers non-discretionary services for retirement planning, estate planning, investment recommendations, personal investment strategies, and other consulting services ([MyCFO](#)). You make the ultimate decision regarding the purchase or sale of investments.

**For additional information including minimum investment amounts, please see [www.1db.com/CRS](http://www.1db.com/CRS) for our Fee Schedule and our Regulation Best Interest Disclosure.**

***Ask your financial professional –***

*1. Given my financial situation, Should I choose a brokerage service? Why or why not? 2. How will you choose investments to recommend to me? 3. What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

### Item 3. Fees, Costs, Conflicts, and Standard of Conduct.

#### **a . What Fees will I pay?**

If you open a brokerage account, you will pay us a *transaction-based fee*, generally referred to as a commission, every time you buy or sell an investment. Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investment over time. Products such as mutual funds and variable annuities charge up-front commissions, as well as fees that are charged on an on-going basis for as long as you hold the investment (“trails”). Also, with certain investments such as variable annuities, you may have to pay fees such as “*surrender charges*” to sell the investment. We pass along regulatory trading activities fees. If we buy a security from you, or sell a security to you for our own account (as “principal”), we may “*mark-up*” or “*mark down*”, which is a benefit to us. With mutual funds, this fee (typically called a “*load*”) reduces the value of your investment.

Our fees vary and are negotiable. The amount you pay will depend, for example, on how much you buy or sell, what type of investment you buy or sell, and what kind of account you have with us. The more transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions more frequently and in greater amounts.

In addition to the foregoing investment fees, you will typically pay, and we will receive a portion of, certain fees associated with your brokerage account, including fees paid to the clearing firm or account custodian, as well as fees for certain services that you select, such as wire transfers or margin interest, account maintenance fees, paper document fees, account inactivity fees, termination fees, and transfer fees when your brokerage account is terminated or transferred to another broker-dealer.

**Additional Information: You will pay 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. For more detailed information about our fees and costs please review our Regulation Best Interest Disclosure and Fee Schedule found at [www.1db.com/CRS](http://www.1db.com/CRS).**

***Ask your financial professional –***

*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?*

**b. What are your legal obligations to me when providing a recommendation as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, 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 recommendations and investment advice we provide to you. We must eliminate these conflicts or tell you about them and in some cases reduce them. We have policies and procedures in place to mitigate the influence of these conflicts. Here are some examples to help you understand what this means.

- **Proprietary Products:** Our firm earns greater fees, compensation, and other benefits if you invest in the investment advisory services that we advise, manage, sponsor or otherwise provide service to, such as the Freedom Program and 1DB Digital Advisory program. We have an incentive to offer these products because of the compensation we receive.
- **Third-Party Payments:** We receive payments from third party product sponsors and managers (or their affiliates), such as mutual fund or insurance companies, when we recommend or sell certain products, and we may also receive ongoing payments, such as 12B-1 fees or trails, from them in your brokerage account. As such, we have an incentive to recommend (or to invest your assets in) products that pay us more compensation or products of third-parties that pay us over products of third parties that do not pay us, or pay us less.
- **Revenue Sharing:** We have an incentive to advise you to invest in certain investments, such as the Apex FDIC-Insured Sweep Program, because Apex Clearing, the manager or sponsor of the investment, shares with us revenue it earns on those investments, as well as cash balances.
- **Principal Trading:** Our firm engages in principal trading (buying or selling investments from your account for our own accounts) which can lead to price manipulation or the sale of unwanted securities to you. We may buy or sell securities to you for its own account (with your consent in advisory accounts). Because we earn compensation (such as commission equivalents, mark-ups, mark-downs, and spreads) and can receive other benefits in principal transactions, we have an incentive to trade with you on a principal basis and to recommend securities that we hold in inventory.

**Ask your financial professional –**

*How might your conflicts of interest affect me, and how will you address them?*

**c. How do your financial professionals make money?**

We pay our financial professionals and their supervisors a portion of the commissions that we receive. As noted above, the commissions we receive generally vary based on the investments purchased and sold and the volume of trading. This creates an incentive for our financial professionals to sell more investments to generate commissions. In the case of certain investment funds and products, the issuer or the sponsor provides our financial professionals other forms of compensation, such as expense reimbursement for travel associated with educational or similar business meetings, financial assistance in covering the cost of marketing and sales events, and small gifts. The receipt of these payments presents a conflict because it creates an incentive for the financial professional to recommend those investments or funds whose issuers or sponsors offer these forms of compensation.

**Item 4. Disciplinary History: Do you or your financial professionals have legal or disciplinary history?**

Yes. Our firm has disciplinary history addressed in our Form ADV or Form BD, and some of our financial professionals may also have a legal or disciplinary history. Please visit [Investor.gov/CRS](https://www.investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

**Ask your financial professional –**

*As a financial professional, do you have any disciplinary history? For what type of conduct?*

**Item 5. Additional Information.**

For additional information about our broker-dealer and investment advisory services, please visit [www.1db.com](http://www.1db.com). You can request a copy of this Form CRS Customer Relationship Summary by contacting us in writing at 8927 Hypoluxo Rd, Ste A-5, Lake Worth, FL 33467. You can also call us at 1-561-515-3200 or email [support@1db.com](mailto:support@1db.com) to request up-to-date information and request a copy of this Form CRS Customer Relationship Summary.

**Ask your financial professional –**

*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?*



BRANCH-ACCOUNT NO.

REGISTERED REP CODE

NEW ACCOUNT APPLICATION & AGREEMENT - ENTITY

I (We) would like to open a brokerage account with Apex Clearing Corporation

ACCOUNT INFORMATION

ALL INFORMATION MUST BE COMPLETED. PLEASE TYPE OR PRINT.

Form with sections: ACCOUNT TYPE (CASH, OPTIONS, MARGIN), CUSTOMER TYPE (Partnership, C-Corporation, S-Corporation, Statutory/Business Trust, Investment Club, Foreign Financial Institution, Foreign Bank, Limited Liability Company), ACCOUNT INFORMATION (ENTITY NAME, TAX ID, BUSINESS ADDRESS, MAIL TO, MAILING ADDRESS, AUTHORIZED SIGNER NAME, U.S. CITIZEN, SOCIAL SECURITY NUMBER/ITIN, etc.)

	Is the Authorized Signer an employee of, or affiliated with, the Introducing Broker firm?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
	If NO: Is the Authorized Signer affiliated with, work with, or work for another member firm of a Stock Exchange or FINRA?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
	If YES: Provide the name of Firm: _____			
	<p>TO BE ANSWERED IF THE ACCOUNT HOLDER IS A BROKER DEALER (WHICH INCLUDES A FOREIGN BROKER DEALER, OR A FOREIGN BANK ACTING AS A BROKER OR DEALER)</p> <p>Is this account a PAB account? Meaning, a proprietary securities account of a broker or dealer as defined by SEC 15c3-3(a)(16).</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES: Complete a "New Account Form for Proprietary Account Broker (PAB)" form, along with a "New Account Application Entity" form.</p> <p><i>NOTE: The New Account Form is not sufficient to have a proprietary account of a Broker Dealer opened.</i></p>			
<b>TRADING AUTHORIZATION TO ANOTHER PARTY</b>				
Request the Trading Authorization Form from your introducing broker-dealer to grant trading authority to a third party.				
<b>GOVERNMENT IDENTIFICATION</b>	TYPE OF IDENTIFICATION			
	Attach a color copy of the photo identification			
	<input type="checkbox"/> Driver's License		<input type="checkbox"/> INS Permanent Resident Alien Card	
<input type="checkbox"/> Passport		<input type="checkbox"/> Foreign National Identification Document		
<input type="checkbox"/> Other: _____				
	IDENTIFICATION NUMBER	STATE/COUNTRY OF ISSUANCE	ISSUE DATE	EXPIRATION DATE
<b>TRUSTED CONTACT</b> <i>For additional information, see Section 19 of the Customer Agreement</i>	NAME		HOME TELEPHONE	E-MAIL ADDRESS
	MAILING ADDRESS			
	CITY		STATE/COUNTRY	ZIP CODE
<b>INITIAL SOURCE OF FUNDS</b> <i>Check all that apply</i>	Salary/Wages/Savings		Sale of Property or Business	
	Employer-Sponsored Plan Rollover		Gifts	
	Pension or Other Retirement Savings		Family/Relatives/Inheritance	
	Social Security Benefits		Other:	
<b>INVESTMENT PROFILE</b>	<b>TIME HORIZON</b> <i>Number of years to achieve a particular financial goal</i>		<b>LIQUIDITY NEEDS</b> <i>The ability to quickly and easily convert all or a portion of the account assets into cash without experiencing significant loss</i>	
	Short ( <i>Less than 3 years</i> ) (01)		Very Important (01)	
	Average ( <i>4 to 7 years</i> ) (02)		Somewhat Important (02)	
	Longest ( <i>8+ years</i> ) (03)		Not Important (03)	

INVESTMENT PROFILE	INVESTMENT OBJECTIVE		INVESTMENT EXPERIENCE		RISK TOLERANCE	
		Capital Preservation (05)		None (00)		Low (01)
		Income (04)		Limited (01)		Medium (02)
		Growth & Income (02)		Good (02)		High (03)
		Growth (03)		Extensive (03)	Tax Bracket: _____ %	
		Speculation (06)				
		<b>LIQUID NET WORTH</b> <i>Cash and Liquid Investments Only</i>		<b>TOTAL NET WORTH</b> <i>Excluding residence</i>		<b>ANNUAL INCOME</b> <i>From all sources</i>
		Under \$50,000 (01)		Under \$50,000 (01)		Under \$25,000 (01)
		\$50,001 to \$100,000 (02)		\$50,001 to \$100,000 (02)		\$25,001 to \$50,000 (02)
		\$100,001 to \$200,000 (22)		\$100,001 to \$200,000 (22)		\$50,001 to \$100,000 (03)
	\$200,001 to \$500,000 (23)		\$200,001 to \$500,000 (23)		\$100,001 to \$200,000 (23)	
	\$500,001 to \$1,000,000 (24)		\$500,001 to \$1,000,000 (24)		\$200,001 to \$300,000 (24)	
	\$1,000,001 to \$5,000,000 (25)		\$1,000,001 to \$5,000,000 (25)		\$300,001 to \$500,000 (25)	
	Over \$5,000,001 (26)		Over \$5,000,001 (26)		\$500,001 to \$1,200,000 (26)	
						Over \$1,200,001 (27)
LARGE TRADER ID*	LARGE TRADER ID ("LTID") <i>If you have an SEC assigned LTID for any of your accounts, provide the ID(s)</i>				EFFECTIVE DATE	
	END DATE	END REASON <input type="checkbox"/> Correction <input type="checkbox"/> Ended <input type="checkbox"/> Replaced <input type="checkbox"/> Other: _____				
* Additional LTIDs may be added in the section "FOR OFFICE USE ONLY" below						
LEGAL ENTITY IDENTIFIER	LEI NUMBER (If applicable)					
DIVIDEND REINVESTMENT	<p align="center"><b>FREE DIVIDEND REINVESTMENT</b></p> <p>Select whether or not you would like to have your dividends reinvested on all eligible securities. You can always change your selection by calling your investment representative.</p> <p>Select ONE:     <input type="checkbox"/> YES, Reinvest dividends on ALL eligible securities  <input type="checkbox"/> NO, Do not reinvest any dividends</p>					
E-DELIVERY ELECTION	<p align="center"><b>E-DOCUMENTS ENROLLMENT</b></p> <p>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. Please speak with your investment representative for enrollment information.</p>					
SERVICE INSTRUCTIONS <i>Voluntary Sweep Program</i>	<p>By opening your account and/or selecting yes below, you agree to enroll in the Apex Clearing Corporation Sweep Program (the "Sweep Program") and agree that you have read and understand the terms and conditions of the Sweep Program. The Sweep Program terms and conditions and the list of banks participating and/or products available in the Sweep Program can be located at ApexClearing.com/disclosures. Free credit balances in the account, including dividends and proceeds from the sale of securities that are credited to the account while enrolled in the Sweep Program, may automatically be swept in accordance with the terms of the Sweep Program. Further, you agree Apex Clearing Corporation may make changes to the Sweep Program terms and conditions or any products or banks in the Sweep Program at any time in Apex's sole discretion. Your enrollment in the Sweep Program does not guarantee free credit balances in your account will be swept. If you wish to opt out of the Sweep Program you may select "No" in this Section or you may notify your introducing firm at any time.</p> <p><input type="checkbox"/> Yes   <input type="checkbox"/> No</p>					

<b>DIRECT COMMUNICATION RULE</b> <i>Rule 14b-1(c)</i>	<p>Rule 14b-1(c) of the Securities Exchange Act, unless you object, requires us to disclose to an issuer, upon its request, the names, addresses, and securities positions of our customers who are beneficial owners of the issuer's securities, held by us in nominee name. The issuer would be permitted to use your name and other related information for corporation communication only.</p> <p>If you object to this disclosure, check the box below.</p> <p><input type="checkbox"/> YES, I object to the disclosure of such information.</p>	
<b>ADDITIONAL ACCOUNT INFORMATION</b>	<p>IS THE ACCOUNT MAINTAINED FOR A CURRENT OR FORMER POLITICALLY EXPOSED PERSON OR PUBLIC OFFICIAL? <i>(Includes U.S. &amp; Foreign Individuals)</i></p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
	<p>If YES: Provide the name(s) of the Official and the Official's immediate family members <i>(including former spouses)</i> and the name of the related political organization.</p>	<p>NAME OF OFFICAL AND IMMEDIATE FAMILY MEMBER(S)</p>
		<p>NAME(S) OF OFFICIAL'S IMMEDIATE FAMILY MEMBER(S)</p>
		<p>RELATED POLITICAL ORGANIZATION</p>
<p>Is the account maintained for a Foreign Financial Institution as defined by Title 31 of the Code of Federal Regulations?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><i>If Yes, complete the form "Foreign Financial Institution Due Diligence Questionnaire"</i></p>		
<p>Is the Account a Foreign Bank organized under Foreign Law and located outside of the United States as defined by Title 31 of the Code of Federal Regulations?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, provide U.S. Agent for Service of Process: _____</p> <p>Complete the forms "Certification Regarding Correspondent Accounts" AND "Foreign Financial Institution Due Diligence Questionnaire"</p> <p><b>NOTE: Broker-Dealers are prohibited from establishing, maintaining, administering, or managing correspondent accounts in the United States for Foreign Shell Banks. The prohibition does not include Foreign Shell Banks that are regulated affiliates.</b></p>		
<b>TAX CERTIFICATION</b>	<p>FORM W-9</p> <p>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 <b>(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,</b> 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.</p> <p><input type="checkbox"/> I am subject to withholding. Item 2 (above) is not applicable to me.</p> <p>Definition of a U.S. person. For federal tax return 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). The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to avoid backup withholding.</p> <p>See instructions for a list of Exceptions</p>	
	<p>EXEMPT PAYEE CODE <i>(if any)</i></p>	<p>EXEMPTION FROM FATCA REPORTING CODE <i>(if any)</i></p>
	<p>FORM W-8</p> <p>Complete Form W-8 if you are a foreign person or business entity.</p>	

<b>EXEMPT LEGAL ENTITY CUSTOMER</b>	<p>Is the account maintained for Legal Entity Customers who are EXEMPT from identifying and verifying Beneficial Owners as defined under 31 CFR 1010.230(e)(2-3)? (See list below of Apex acceptable exemptions)</p> <p><input type="checkbox"/> Yes   <input type="checkbox"/> No</p> <p>If YES, select the exemption below. If NO, complete the attached Exhibit, "Entity Certification Regarding Beneficial Owners of Legal Entity Customers" and the "Entity Account Due Diligence Questionnaire"</p>	
	<b>EXEMPTIONS</b>	
		A Financial Institution regulated by a Federal Functional Regulator or a Bank regulated by a State Bank Regulator
		A Department or Agency of the United States, of any State, or of any political subdivision of any State
		Any Entity (other than a bank) whose common stock or analogous equity interests are listed on the New York, American, or NASDAQ Stock Exchange (each, a listed entity)
		An issuer of a class of security registered under Section 12 of the Securities Exchange Act of 1934 or that is required to file reports under Section 15(D) of that Act.
		An Investment Company, as defined in Section 3 of the Investment Company Act of 1940, that is registered with the Securities and Exchange Commission ("SEC") under that Act.
		An Investment Advisor, as defined in Section 202(a)(11) of the Investment Advisors Act of 1940, that is registered with the SEC under that Act
		An Exchange or Clearing Agency, as defined in Section 3 of the Securities Exchange Act of 1934, that is registered under Section 6 or 17A of that Act
		Any other entity registered with the SEC under the Securities Exchange Act of 1934
		A Registered Entity, Commodity Pool Operator, Commodity Trading Advisor, Retail Foreign Exchange Dealer, Swap Dealer, or Major Swap Participant, each as defined in Section 1A of the Commodity Exchange Act, that is registered with the Commodity Futures Trading Commission
		A Public Accounting Firm registered under Section 102 of the Sarbanes-Oxley Act
		An insurance company that is regulated by a state
<b>SIGNATURES</b>	<p>I authorize Apex Clearing Corporation ("Apex") to obtain a consumer report at the time of application to verify my creditworthiness and to obtain a consumer report from time to time for updates, renewals, extensions, and collection activity on any approved account. Upon my written request, Apex will disclose to me whether it obtained a report, and if so, the name and address of the consumer-reporting agency that provided it. In the event that my account is denied, as a result of the consumer report verification, I authorize Apex to provide to my introducing broker the reason(s) for such denial.</p> <p><b>BY SIGNING THIS APPLICATION, I (WE) ACKNOWLEDGE THE FOLLOWING: (1) THAT PARAGRAPH 8 OF THE CUSTOMER 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 CUSTOMER ACCOUNT AGREEMENT FOLLOWING THIS APPLICATION AND MY (OUR) AGREEMENT WITH THE TERMS THEREIN AND (3) THE INFORMATION PROVIDED ABOVE IS ACCURATE AND CORRECT.</b></p>	
	SIGNATURE	DATE
	SIGNATURE	DATE

FOR OFFICE USE ONLY			
<b>CUSTOMER ID VERIFICATION</b>	Customer Identification Verified <i>Must be completed</i>		<input type="checkbox"/> YES Date verified: _____
	BRANCH MANAGER APPROVAL SIGNATURE		BRANCH MANAGER NAME DATE
<b>SIGNATURES</b>	REPRESENTATIVE SIGNATURE		REPRESENTATIVE NAME DATE
	CAT FDID <i>By default, the FDID will be assigned at account opening. Any updates to this field post account opening will be reported as FDID replacement values</i>		CAT FDID
<b>LTID</b>	LTID		EFFECTIVE DATE
	END DATE	END REASON <input type="checkbox"/> Correction <input type="checkbox"/> Ended <input type="checkbox"/> Replaced <input type="checkbox"/> Other: _____	
	LTID		EFFECTIVE DATE
	END DATE	END REASON <input type="checkbox"/> Correction <input type="checkbox"/> Ended <input type="checkbox"/> Replaced <input type="checkbox"/> Other: _____	
	LTID		EFFECTIVE DATE
	END DATE	END REASON <input type="checkbox"/> Correction <input type="checkbox"/> Ended <input type="checkbox"/> Replaced <input type="checkbox"/> Other: _____	
	LTID		EFFECTIVE DATE
	END DATE	END REASON <input type="checkbox"/> Correction <input type="checkbox"/> Ended <input type="checkbox"/> Replaced <input type="checkbox"/> Other: _____	
	LTID		EFFECTIVE DATE
	END DATE	END REASON <input type="checkbox"/> Correction <input type="checkbox"/> Ended <input type="checkbox"/> Replaced <input type="checkbox"/> Other: _____	
<b>CAT AND OATS ACCOUNT TYPES</b>	CAT ACCOUNT TYPE <i>(Selection Required)</i>		OATS ACCOUNT TYPE
	<b>CAT ACCOUNT TYPES:</b> A - Institutional Customer - An institutional account as defined in FINRA Rule 4512(c) E - Employee Account - An employee or associated person of your Broker-Dealer F - Foreign - A non-broker-dealer foreign affiliate or non-reporting Foreign Broker-Dealer I - Individual Customer - An account that does not meet the definition of FINRA Rule 4512(c) and is also not a proprietary account. O - Market Making - See CAT FAQ C5 V - Firm Agency Average Price Account P - Other Proprietary X - Error Account - Error account of the firm		<b>OATS ACCOUNT TYPES:</b> A - Institutional Customer - An institutional account as defined in FINRA Rule 4512(c) C - Combined - An order representing more than one type of account E - Employee Account - An employee or associated person of your Broker-Dealer. I - Individual Customer - An account that does not meet the definition of FINRA Rule 4512(c) and is also not a proprietary account. O - Market Making P - Other Proprietary X - Error Account - Error account of the firm

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_



**EXHIBIT**  
**ENTITY CERTIFICATION REGARDING BENEFICIAL OWNERS OF LEGAL ENTITY CUSTOMERS**

**GENERAL INSTRUCTIONS**

**What is this form?**

To help the government fight financial crime, Federal regulation requires certain financial institutions to obtain, verify, and record information about the beneficial owners of legal entity customers. Legal entities can be abused to disguise involvement in terrorist financing, money laundering, tax evasion, corruption, fraud, and other financial crimes. Requiring the disclosure of key individuals who own or control a legal entity (i.e., the beneficial owners) helps law enforcement investigate and prosecute these crimes.

**Who has to complete this form?**

This form must be completed by the person opening a new account on behalf of a legal entity with any of the following U.S. financial institutions: (i) a bank or credit union; (ii) a broker or dealer in securities; (iii) a mutual fund; (iv) a futures commission merchant; or (v) an introducing broker in commodities. For the purposes of this form, a legal entity includes a corporation, limited liability company, or other entity that is created by a filing of a public document with a Secretary of State or similar office, a general partnership, and any similar business entity formed in the United States or a foreign country. Legal entity does not include sole proprietorships, unincorporated associations, or natural persons opening accounts on their own behalf.

**What information do I have to provide?**

This form requires you to provide the name, address, date of birth and Social Security number (or passport number or other similar information, in the case of non- U.S persons) for the following individuals (i.e., the beneficial owners):

- (i) Each individual, if any, who owns, directly or indirectly, 10 percent or more of the equity interests of the legal entity customer (e.g., each natural person that owns 10 percent or more of the shares of a corporation); and
- (ii) An individual with significant responsibility for managing the legal entity customer (e.g., a Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, or Treasurer). The number of individuals that satisfy this definition of “beneficial owner” may vary. Under section (i), depending on the factual circumstances, up to four individuals (but as few as zero) may need to be identified. Regardless of the number of individuals identified under section (i), you must provide the identifying information of one individual under section (ii). It is possible that in some circumstances the same individual might be identified under both sections (e.g., the President of Acme, Inc. who also holds a 30 percent equity interest). Thus, a completed form will contain the identifying information of at least one individual (under section (ii)), and up to ten individuals (i.e., one individual under section (ii) and ten 10 percent equity holders under section (i)). The financial institution may also ask to see a copy of a driver’s license or other identifying document for each beneficial owner listed on this form.

**CERTIFICATION OF BENEFICIAL OWNER(S) &  
ENTITY OFFICER(S)**

**CERTIFICATION OF BENEFICIAL OWNER(S)**

Persons opening an account on behalf of a legal entity must provide the following information:

NAME NATURAL PERSON OPENING ACCOUNT	TITLE OF NATURAL PERSON OPENING ACCOUNT
NAME OF LEGAL ENTITY FOR WHICH THE ACCOUNT IS BEING OPENED	TYPE OF LEGAL ENTITY
ADDRESS OF LEGAL ENTITY	

The following information for each individual, if any, who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, owns 10 percent or more of the equity interests of the legal entity listed above.

NAME	DATE OF BIRTH	ADDRESS <i>(Residential Address)</i>	FOR U.S. PERSONS: SOCIAL SECURITY NUMBER	FOR NON-U.S. PERSONS SOCIAL SECURITY NUMBER: PASSPORT NUMBER AND COUNTRY OF ISSUANCE, OR OTHER SIMILAR IDENTIFICATION NUMBER <sup>1</sup>

**CERTIFICATION OF ENTITY OFFICER(S)**

The following information for each individual with significant responsibility for managing the legal entity listed above including entity officers, such as:

- An executive officer or senior manager (e.g., Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, Treasurer); or
- Any other individual who regularly performs similar functions.

If appropriate, an individual listed under above may also be listed in this section

NAME	DATE OF BIRTH	ADDRESS <i>(Residential Address)</i>	FOR U.S. PERSONS: SOCIAL SECURITY NUMBER	FOR NON-U.S. PERSONS SOCIAL SECURITY NUMBER: PASSPORT NUMBER AND COUNTRY OF ISSUANCE, OR OTHER SIMILAR IDENTIFICATION NUMBER <sup>2</sup>

<sup>1</sup> In lieu of a passport number, Non-U.S. Persons may also provide a Social Security Number, an alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

<sup>2</sup> In lieu of a passport number, Non-U.S. Persons may also provide a Social Security Number, an alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

**NATURE OF ACCOUNT**

Indicate the Industrial Classification your business is classified under	
	Agriculture, Forestry, and Fishing
	Mining
	Construction
	Manufacturing
	Transportation, Communications, Electric, Gas, and Sanitary Services
	Wholesale Trade
	Retail Trade
	Finance, Insurance, and Real Estate
	Services
	Public Administration

**SIGNATURES**

I hereby certify, to the best of my knowledge, that the information provided above is complete and correct.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

**FOR OFFICE USE ONLY**

I am not aware of facts that could reasonably call into question the reliability of the above information provided by the applicant.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## CUSTOMER ACCOUNT AGREEMENT

This Customer Account Agreement (the "Agreement") sets forth the respective rights and obligations of Apex Clearing Corporation ("you" or "your" or "Apex") and the Customer's (as defined below) brokerage firm (the "Introducing Broker"), and the customer(s) identified on the New Account Application (the "Customer") in connection with the Customer's brokerage account with the Introducing Broker ("the Account"). The Customer hereby agrees as follows with respect to the Account, which the Customer has established with the Introducing Broker for the purchase, sale or carrying of securities or contracts relating thereto and/or the borrowing of funds, which transactions are cleared through you. To help the government fight the funding of terrorism and money laundering, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. In order to open an account, the Customer will provide information that will allow you to identify the Customer including, but not limited to, the Customer's name, address, date of birth, and the Customer's driver's license or other identifying documents.

**1. Applicable Rules and Regulations.**

All transactions for the Account shall be subject to the constitution, rules, regulations, customs and usages of the exchange or market and its clearing house, if any, upon which such transactions are executed, except as otherwise specifically provided in this Agreement.

**2. Definitions.**

"Obligations" means all indebtedness, debit balances, liabilities or other obligations of any kind of the Customer to you, whether now existing or hereafter arising. "Securities and other property" shall include, but shall not be limited to, money, securities, commodities or other property of every kind and nature and all contracts and options relating thereto, whether for present or future delivery.

**a. 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.

**3. Breach; Security Interest.**

Whenever in your discretion you consider it necessary for your protection, or for the protection of the Customer's Introducing Broker or in the event of, but not limited to; (i) any breach by the Customer of this or any other agreement with you or (ii) the Customer's failure to pay for securities and other property purchased or to deliver securities and other property sold, you may sell any or all securities and other property held in any of the Customer's accounts (either individually or jointly with others), cancel or complete any open orders for the purchase or sale of any securities and other property, and/or borrow or buy-in any securities and other property required to make delivery against any sale, including a short sale, effected for the Customer, all without notice or demand for deposit of collateral, other notice of sale or purchase, or other notice or advertisement, each of which is expressly waived by the Customer, and/or you may require the Customer to deposit cash or adequate collateral to the Customer's account prior to any settlement date in order to assure the performance or payment of any open contractual commitments and/or unsettled transactions. You have the right to refuse to execute securities transactions for the Customer at any time and for any reason. Any and all securities and other property belonging to the Customer or in which the Customer may have an interest held by you or carried in any of the Customer's accounts with you (either individually or jointly with others) shall be subject to a first and prior security interest and lien for the discharge of the Customer's obligations to you, wherever or however arising and without regard to whether or not you have made advances with respect to such securities and other property, and you are hereby authorized to sell and/or purchase any and all securities and other property in any of the Customer's accounts, and/or to transfer any such securities and other property among any of the Customer's accounts to the fullest extent of the law and without notice where allowed. The losses, costs and expenses, including but not limited to reasonable attorneys' fees and expenses, incurred and payable or paid by you in the (i) collection of a debit balance and/or any unpaid deficiency in the accounts of the Customer with you or (ii) defense of any matter arising out of the Customer's securities transactions, shall be payable to you by the Customer. The Customer understands that because of circumstances beyond broker-dealers control, its customers' voting rights may be impaired. For example, if the stock of a company that another customer has purchased has not yet been received from the seller(s), then

other customers' abilities to vote that company's stock could be impaired until those shares are received. In addition, if the stock of a company that the Customer has purchased has not yet been received from the seller(s), then payments received by the Customer from the Introducing Broker, in lieu of the dividends on that stock not yet received, may receive tax treatment less favorable than that accorded to dividends.

**4. Cancellation.**

You are authorized, in your discretion, should you for any reason whatsoever deem it necessary for your protection, without notice, to cancel any outstanding order, to close out the accounts of the Customer, in whole or in part, or to close out any commitment made on behalf of the Customer.

**5. Payment of Indebtedness Upon Demand.**

The Customer shall at all times be liable for the payment upon demand of any obligations owing from the Customer to you, and the Customer shall be liable to you for any deficiency remaining in any such accounts in the event of the liquidation thereof (as contemplated in Paragraph 3 of this Agreement or otherwise), in whole or in part, by you or by the Customer; and the Customer shall make payment of such obligations upon demand.

**6. Accounts Carried as Clearing Broker.**

The Customer understands that you are carrying the accounts of the Customer as clearing broker by arrangement with the Customer's Introducing Broker through whose courtesy the account of the Customer has been introduced to you. Until receipt from the Customer of written notice to the contrary, you may accept from and rely upon the Customer's Introducing Broker for (a) orders for the purchase or sale in said account of securities and other property, and (b) any other instructions concerning the Customer's accounts. The Customer represents that the Customer understands that you act only to clear trades introduced by the Customer's Introducing Broker and to effect other back office functions for the Customer's introducing broker. The Customer confirms to you that the Customer is relying for any advice concerning the Customer's accounts solely on the Customer's Introducing Broker. The Customer understands that all representatives, employees and other agents with whom the Customer communicates concerning the Customer's account are agents of the Introducing Broker, and not your representatives, employees or other agents and the Customer will in no way hold you liable for any trading losses that the Customer may incur. The Customer understands that you are not a principal of or partner with, and do not control in any way, the Introducing Broker or its representatives, employees or other agents. The Customer understands that you will not review the Customer's accounts and will have no responsibility for trades made in the Customer's accounts. You shall not be responsible or liable for any acts or omissions of the Introducing Broker or its representatives, employees or other agents. Notwithstanding the foregoing, in the event that the Customer initiates a claim against you in your capacity as clearing broker and does not prevail, the Customer shall be responsible for the costs and expenses associated with your defense of such claim. The Customer understands you shall be entitled to exercise and enforce directly against the Customer all rights granted to the Introducing Broker.

**a. Accounts Carried as Custodian.**

In some cases the Customer's account is being carried by arrangement with the Customer's Investment Advisor or Investment Manager, who uses you as their Broker-Dealer custodian. The Customer acknowledges that your role as custodian is to hold or custody account assets, distribute or collect funds on behalf of the Customer's account, execute and clear trades under instruction of the Customer's Investment Advisor or Investment Manager, generate account statements and provide other custodial services as may be mandated by various regulatory standards and requirements. The Customer understands that in the capacity as custodian, you will not offer investment advice, review the Customer's accounts, and will have no responsibility for trades made in the Customer's accounts. Additionally, in your capacity as custodian, you will not verify the accuracy of management fees that the Customer pays to Investment Advisors or Investment Managers pursuant to the terms of the Investment Management Agreement executed between the Customer and the Investment Advisor or Investment Manager. Notwithstanding the foregoing, in the event that the Customer initiates a claim against you in your capacity as custodial broker and does not prevail, the Customer shall be responsible for the costs and expenses associated with your defense of such claim.

**7. Communications.**

You may send communications to the Customer at the Customer's address on the New Account Application or at such other address as the Customer may hereafter give you in writing, and all communications so sent, whether by mail, telegraph, or otherwise, shall be deemed given to the Customer personally, whether actually received or not. Reports of execution of orders and statements of accounts of the Customer shall be conclusive if not objected to in writing to you, the former within five (5) days and the latter within ten (10) days, after forwarding by you by mail or otherwise. In consideration of your sending any mail to me in care of a Post Office Box Address or a third party, I hereby agree that "all correspondence of any nature whatsoever" sent to me in such address will have the same force and effect as if it had been delivered to me personally.

**8. ARBITRATION AGREEMENT.**

THIS AGREEMENT CONTAINS A PREDISPUTE 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 FORUM 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 ABILITY 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 MAY 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"). 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.

**9. Representations.**

The Customer represents that the Customer is of majority age. The Customer represents either that the Customer is not an employee of any exchange, or of any corporation of which any exchange owns a majority of the capital stock, or of a member of any exchange, or of a member firm or member corporation registered on any exchange or of a bank, trust company, insurance company or of any corporation, firm or individual engaged in the business dealing either as broker or as principal in securities, bills of exchange, acceptances or other forms of commercial paper, or alternatively, that the Customer has obtained and will provide to you additional documentation which may include information required under FINRA Rule 407

from its employer authorizing the Customer to open and maintain an account with you. If the Customer is a corporation, partnership, trust or other entity, the Customer represents that its governing instruments permit this Agreement, that this Agreement has been authorized by all applicable persons and that the signatory on the New Account Application is authorized to bind the Customer. The Customer represents that the Customer shall comply with all applicable laws, rules and regulations in connection with the Customer's account. The Customer further represents that no one except the Customer has an interest in the account or accounts of the Customer with you.

**10. Joint Accounts.**

If the New Account Application indicates that the Account shall consist of more than one person, the Customer's obligations under this Agreement shall be joint and several. References to the "Customer" shall include each of the customers identified on the New Account Application. You may rely on transfer or other instructions from any one of the Customers in a joint account, and such instructions shall be binding on each of the Customers. You may deliver securities or other property to, and send confirmations; notices, statements and communications of every kind, to any one of the Customers, and such action shall be binding on each of the Customers. Notwithstanding the foregoing, you are authorized in your discretion to require joint action by the joint tenants with respect to any matter concerning the joint account, including but not limited to the giving or cancellation of orders and the withdrawal of money or securities. In the case of Tenants by the Entirety accounts, joint action will be required for all matters concerning the joint account. Tenants by Entirety is not recognized in certain jurisdictions, and, where not expressly allowed, will not be a permitted designation of the account.

**11. Other Agreements.**

If the Customer trades any options, the Customer agrees to be bound by the terms of your Customer Option Agreement. The Customer understands that copies of these agreements are available from you and, to the extent applicable, are incorporated by reference herein. The terms of these other agreements are in addition to the provisions of this Agreement and any other written agreements between you and the Customer.

**12. Data Not Guaranteed.**

The Customer expressly agrees that any data or online reports is provided to the Customer without warranties of any kind, express or implied, including but not limited to, the implied warranties of merchantability, fitness of a particular purpose or non-infringement. The Customer acknowledges that the information contained in any reports provided by you is obtained from sources believed to be reliable but is not guaranteed as to its accuracy or completeness. Such information could include technical or other inaccuracies, errors or omissions. In no event shall you or any of your affiliates be liable to the Customer or any third party for the accuracy, timeliness, or completeness of any information made available to the Customer or for any decision made or taken by the Customer in reliance upon such information. In no event shall you or your affiliated entities be liable for any special incidental, indirect or consequential damages whatsoever, including, without limitation, those resulting from loss of use, data or profits, whether or not advised of the possibility of damages, and on any theory of liability, arising out of or in connection with the use of any reports provided by you or with the delay or inability to use such reports.

**13. Payment for Order Flow Disclosure.**

Depending on the security traded and absent specific direction from the Customer, equity and option orders are routed to market centers (i.e., broker-dealers, primary exchanges or electronic communication networks) for execution. Routing decisions are based on a number of factors including the size of the order, the opportunity for price improvement and the quality of order executions, and decisions are regularly reviewed to ensure the duty of best execution is met. You or the Introducing Broker may receive compensation or other consideration for the placing of orders with market centers for execution. The amount of the compensation depends on the agreement reached with each venue. The source and nature of compensation relating to the Customer's transactions will be furnished upon written request.

**14. Credit Check.**

You are authorized, in your discretion, should you for any reason deem it necessary for your protection to request and obtain a consumer credit report for the Customer.

**15. Miscellaneous.**

If any provision of this Agreement is held to be invalid or unenforceable, it shall not affect any other provision of this Agreement. The headings of each section of this Agreement are descriptive only and do not modify or qualify any provision of this Agreement. This Agreement and its enforcement shall be governed by the laws of the state of Texas and shall cover individually and collectively all accounts which the Customer has previously opened, now has open or may open or reopen

with you, or any introducing broker, and any and all previous, current and future transactions in such accounts. Except as provided in this Agreement, no provision of this Agreement may be altered, modified or amended unless in writing signed by your authorized representative. This Agreement and all provisions shall inure to the benefit of you and your successors, whether by merger, consolidation or otherwise, your assigns, the Introducing Broker, and all other persons specified in Paragraph 8. You shall not be liable for losses caused directly or indirectly by any events beyond your reasonable control, including without limitation, government restrictions, exchange or market rulings, suspension of trading or unusually heavy trading in securities, a general change in economic, political or financial conditions, war or strikes. You may transfer the accounts of the Customer to your successors and assigns. This Agreement shall be binding upon the Customer and the heirs, executors, administrators, successors and assigns of the Customer. Failure to insist on strict compliance with this Agreement is not considered a waiver of your rights under this Agreement. At your discretion, you may terminate this Agreement at any time on notice to the Customer, the Customer will continue to be responsible for any obligation incurred by the Customer prior to termination. The Customer may not assign the Customer's rights or delegate the Customer's obligations under this Agreement, in whole or in part, without your prior consent.

**16. Sweep Program.**

If the Customer elects to participate in one of your FDIC or money market sweep programs, the Customer acknowledges and agrees that: (a) the Customer has read and understands the sweep program terms and conditions and/or prospectuses available at <http://www.apexclearing.com/disclosures/> and is aware of the products available in such sweep programs; (b) you may make changes to your FDIC and/or money market sweep programs and products at any time, in your sole discretion and with or without notice to Customer; (c) the free credit balances in the Customer's Account may begin being included in the sweep program upon Account opening; and (d) you have no obligation to monitor the applicable sweep program elected for the Customer's Account or to make recommendations about, or changes to, the sweep program that might be beneficial to the Customer.

**17. SIPC Protection.**

As a member of the Securities Investor Protection Corporation (SIPC), funds are available to meet customer claims up to a ceiling of \$500,000, including a maximum of \$250,000 for cash claims. For additional information regarding SIPC coverage, including a brochure, please contact SIPC at (202) 371-8300 or visit [www.sipc.org](http://www.sipc.org). Apex has purchased an additional insurance policy through a group of London Underwriters (with Lloyd's of London Syndicates as the Lead Underwriter) to supplement SIPC protection. This additional insurance policy becomes available to customers in the event that SIPC limits are exhausted and provides protection for securities and cash up to certain limits. Similar to SIPC protection, this additional insurance does not protect against a loss in the market value of securities.

**18. Tax Treaty Eligibility.**

This agreement shall serve as the Customer's certification that you are eligible to receive tax treaty benefits between the country or (of) residence indicated on the new account form and the country (ies) of origin holding jurisdiction over the instruments held within the customer's account.

**19. 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.

**20. 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](http://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  
Attention: Compliance Department  
350 North St. Paul Street, Suite 1300  
Dallas, Texas 75201  
(214) 765-1055