

**NEW ACCOUNT APPLICATION**

DATE OPENED \_\_\_\_\_ HP# \_\_\_\_\_ ACCOUNT NO. \_\_\_\_\_

Account Name (First, Middle and Last) <input type="checkbox"/> Dr <input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> INSTITUTIONAL			Type of Account		Social Security or Tax I.D. Number
Joint Account Name or Name of Minor if Custodial Account <input type="checkbox"/> Dr <input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Joint Account <input type="checkbox"/> Minor			Joint holder's / Minor's Relationship to Primary Account Holder?		Joint Holder or Minor's Social Security No.
Primary's DOB	Primary's Citizenship	Non-Resident Alien For Primary? <input type="checkbox"/> Yes (W-8 required)	Joint/Minor's DOB	Joint/Minor's Citizenship	Non-Resident Alien For Joint/Minor? <input type="checkbox"/> Yes (W-8 required)
Legal Address (P.O. Box not acceptable)		E-Mail Address		Home Telephone Number	Business/Cell Telephone Number
City	State	Zip Code	INSTITUTIONAL ACCOUNTS Name(s) and Title(s) of Person(s) Authorized to Open Account:		
Mailing Address (If different from legal address City/State/Zip Code)			INSTITUTIONAL ACCOUNTS Name(s) and Title(s) of Person(s) Authorized to Enter Orders		

**DUPLICATE STATEMENT/CONFIRMATIONS TO:** (Include name and address with zip code)

**State Issued ID Information**

**Type of Government Picture ID Enclosed**

- Driver's License D/L Number \_\_\_\_\_  
 Passport  
 Military ID  
 Other \_\_\_\_\_ State of Issue \_\_\_\_\_

**Institutional Verification**

**Type of Document Provided**

- Registered Articles of Incorporation  Trust Instrument  
 Valid Business License  
 Certified Copy of Corporate Resolution  
 Partnership Agreement

**For Personal Account (If self-employed, state nature of business)**

Employed By	Occupation (or Retired, Student)	Joint Account Holder Employed By	Occupation (or Retired, Student)
Business Address		Business Address	

**Investment Profile** (This information is mandatory. Please use combined figures if joint account)

**Investment Objectives (Check One)**

(see page 5 for definition of Investment Objectives and Risk Tolerance)

- Preservation of Capital  
 Income  
 Capital Appreciation/Growth  
 Speculation

**Risk Tolerance (Check One)**

- Conservative  
 Moderate  
 Aggressive

**Do you have any accounts at other Brokerage Firms?**  No  Yes  
(If yes, indicate firm(s)):

Do you have any prior Investment Experience?  No  Yes \_\_\_\_\_ Years

**Tax Bracket:** \_\_\_\_\_ % **Marital Status:**  Single  Divorced  Widow  Married **(Number) of dependents and ages:** ( ) \_\_\_\_\_

<b>Check Appropriate Boxes</b>	(A) \$0-\$49,999	(B) \$50,000 - \$99,999	(C) \$100,000 - \$199,999	(D) \$200,000 - \$499,999	(E) \$500,000 - \$999,999	(F) \$1,000,000 - \$2,499,999	(G) \$2,500,000 - or more
<b>Annual Income (all sources)</b>							
<b>Liquid Net Worth</b>							
<b>Net Worth (excluding residence)</b>							

**Banking Reference**

Bank/Branch	City	State	Account Number
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**Account Type**

Type of Account to be Opened:  Cash  Margin  Option (Option Agreement Required)

**Type of Account Ownership:**

- |   |   |   |  |
|---|---|---|--|
| <input type="checkbox"/> Individual     | <input type="checkbox"/> Roth Contributory IRA          | <input type="checkbox"/> Partnership (Include partnership agreement)  | <input type="checkbox"/> Trust (Include copy of trust)               |
| <input type="checkbox"/> Joint TWROS    | <input type="checkbox"/> Roth Conversion IRA            | <input type="checkbox"/> Investment Club (Include inv club agreement) | <input type="checkbox"/> Advisor or Outside Managed (Include letter) |
| <input type="checkbox"/> Joint TIC      | <input type="checkbox"/> Educational IRA                | <input type="checkbox"/> Association or Non-Corporate Organization    | <input type="checkbox"/> Pension/Profit Sharing                      |
| <input type="checkbox"/> Individual IRA | <input type="checkbox"/> Keogh                          | <input type="checkbox"/> Corporation (Include Corporate Resolution)   | <input type="checkbox"/> Other _____                                 |
| <input type="checkbox"/> SEP IRA        | <input type="checkbox"/> Custodian                      | <input type="checkbox"/> ERISA  |  |
| <input type="checkbox"/> Simple IRA     | <input type="checkbox"/> Estate (Include estate papers) |   |  |

Are you affiliated with or work for a member firm of a stock exchange or the NASD, Inc., or are you a senior officer of a bank, S&L, insurance company, registered investment company, registered advisory firm or other like account or a person in the securities department of any of the above or an immediate family member of any such person?

No  Yes Position \_\_\_\_\_

Are you a director, a 10% shareholder, or a policy-making executive officer of any publicly traded company?  No  Yes Company \_\_\_\_\_

**Service Instructions**

**WHEN BUYING SERVICES:**

- Delivery Customer Name
- Hold Certificates

**SETTLEMENT INSTRUCTIONS:**

- Settle by Check
- Purchase/Redeem Money Market Fund. Fund (✓ one) \_\_\_ PCS \_\_\_ MCS \_\_\_ GCS \_\_\_ TCS

**CASH DIVIDENDS/INTEREST:**

- Mail Check  Monthly  Semi-Monthly
- Sweep to Money Market Fund

**Joint Accounts**

**It is the express intention of the undersigned that ownership of this account be vested in them as (check one):**

- Joint tenants with rights of survivorship and not as tenants in common or as tenants by the entirety. In the event of the death of either or any of the undersigned, the entire interest in the Joint Account shall be vested in the survivor or survivors on the same terms and conditions as theretofore held, without in any manner releasing the undersigned or their estates from the liability provided for in this Agreement.
- Tenants in common. In the event of the death of either or any of the undersigned, the interests in the tenancy shall be equal unless otherwise specified immediately below. If tenants in common, if interests are not to be equal, designate the percentage interest of each tenant.

Name \_\_\_\_\_ % \_\_\_\_\_ Name \_\_\_\_\_ % \_\_\_\_\_

**Certification**

**A. Under the penalties of perjury, I certify that: (choose two)**

- I am a U.S. Person (including a U.S. Resident Alien).
- 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 I am not subject to backup withholding either because 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 the IRS has notified me that I am no longer subject to backup withholding.
- 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 I am subject to backup withholding.
- B. No,  I do not want my name, address and securities positions disclosed to all the companies in which I own securities that are being held for me in this account.
- C. If this account is being operated by a person other than the owner, a POWER of ATTORNEY giving authorization must be attached.
- D. I have reviewed the information contained on this application an attest to the accuracy thereof.
- E. THE PRODUCTS OFFERED (1) ARE NOT FDIC INSURED; (2) ARE NOT OBLIGATIONS OF A BANK; (3) ARE NOT GUARANTEED BY A BANK: AND (4) INVOLVE INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF PRINCIPAL.
- F. I have read and selected the terms for cash settlement as indicated under Service Instructions on the front of the application.
- G. I have received a copy of the CLIENT ACCOUNT AGREEMENT and agree to the terms and conditions thereof. By signing below, the customer acknowledges receiving a copy of this agreement.
- H. I have received a copy of the Schedule of Fees. I understand that the fee schedule may change from time to time and I agree to be bound by such changed fee schedule.
- I. If applicable, I have read, understand and agree to the terms of the Limited Power of Attorney and Authorization to pay fees to Agent/Advisor and that Trade-PMR does not give investment, legal or tax advice, and will not advise me concerning the nature, potential value, or suitability for me on any particular security transaction or investment strategy.
- J. All decisions relating to my investment or trading activity shall be made solely by me or my authorized Agent/Advisor identified below on this New Account Application or subsequently to Trade-PMR in writing.
- K. Trade-PMR is authorized to accept and act upon the instructions of my Agent/Advisor with respect to my account in accordance with this Agreement until you receive written notice revoking such authority.
- L. My Advisor is not affiliated with or an agent of Trade-PMR and is not authorized to act or make representations on Trade-PMR's behalf.
- M. Trade-PMR has no responsibility and will not review, monitor or supervise the suitability or frequency of the investment or trading activity in my account.
- N. I shall indemnify and hold harmless Trade-PMR and its officers, directors, employees, agents and affiliates from and against any and all losses, claims or financial obligations that may arise from any act or omission of my Agent/Advisor with respect to my account.
- O. If my Brokerage Account has a Margin Account feature, my Agent/Advisor has my authorization to trade on margin and to sell short.
- P. If my Brokerage Account is approved for option trading, my Agent/Advisor has my authorization to trade option contracts, relating to the same on margin, or otherwise in accordance with your terms and conditions for my account and at my risk, in my name, or number on your books. I agree to indemnify and hold Trade-PMR harmless of options transactions made by my Agent/Advisor and agree to pay promptly on demand any and all losses arising there from or debit balance due thereon.

**ADVISOR:**

Initials: \_\_\_\_\_ Joint Initials: \_\_\_\_\_

		I hereby authorize Trade-PMR, Inc. to send duplicates confirmations and statements to my Advisor.
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Initials: \_\_\_\_\_ Joint Initials: \_\_\_\_\_

		I hereby grant the Advisor listed above discretionary power over this account through a Limited Power-of-Attorney authorizing the Advisor to make investment decisions without prior consent. Such arrangements are clearly outlined in the Limited Power-of-Attorney Agreement between the Advisor and the account representative. (See I-P above.)
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Initials: \_\_\_\_\_ Joint Initials: \_\_\_\_\_

		I hereby authorize Trade-PMR, Inc. to pay my Advisor's fees from my account as directed by my Advisor.
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I / WE UNDERSTAND THAT THE CUSTOMER AGREEMENT ATTACHED TO THIS AGREEMENT CONTAINS IN NUMBERED PARAGRAPH 19, A PRE-DISPUTE ARBITRATION CLAUSE REQUIRING ALL DISPUTES UNDER THIS AGREEMENT TO BE SETTLED BY BINDING ARBITRATION. BY SIGNING BELOW CUSTOMER ACKNOWLEDGES RECEIVING A COPY OF THIS AGREEMENT.

**X** \_\_\_\_\_  
Signature Date

**X** \_\_\_\_\_  
Registered Representative Date

**X** \_\_\_\_\_  
Signature (Joint Account Holder) Date

**X** \_\_\_\_\_  
Supervisory Principal Date

## CLIENT ACCOUNT AGREEMENT

To: TRADE-PMR, INC., SAL Financial Services (SAL), Sterne, Agee & Leach, Inc. ("Sterne Agee") and its authorized agents.

In consideration of TRADE-PMR, INC. (Trade-PMR) opening a securities account ("Securities Account") on my behalf, I agree as follows:

- 1. Meaning of Words in this Agreement.** The words "I," "me," "my," and "us," refer to the person(s) who signed this Agreement. The words "you" and "your" refer to TRADE-PMR or its authorized agents.
- 2. Authority and Ownership.** I have the requisite legal capacity, am authorized to enter into this Agreement and have obtained and will provide you with all necessary authorizations from third parties to open accounts and effect securities transactions under this Agreement. I will be the owner of all securities purchased, held, and sold by me through you, or will otherwise have the authority to purchase, hold or sell such securities.
- 3. Clearing Broker Agreement.** I understand that I entered into an agreement with TRADE-PMR, who entered into an agreement with SAL to execute and clear securities transactions in my Securities Account. I further understand and agree that Sterne Agee will carry and maintain my Securities Account, except as may otherwise be provided in this agreement.
- 4. Appointment of TRADE-PMR as Agent.** I appoint you as my agent for the purpose of carrying out my directions with respect to the purchase, sale or liquidation of securities in accordance with the terms and conditions of this Agreement, and I assume all risks with respect to the purchase, sale or liquidation of securities. All transactions will be executed only on my order or on the order of my authorized delegate except as otherwise provided in paragraph 6 below. To carry out your duties, you are authorized to appoint and use sub-agents. You and your sub-agents are authorized to open and close brokerage accounts, maintain customer records, hold securities in bearer, registered or book entry form, place and withdraw orders, provide information to third parties, including your affiliates, and take such other steps as are reasonable in connection with your duties.
- 5. Settlement.** If I authorize, and TRADE-PMR approves, the use of my bank account designated in the Application on the reverse side of this Agreement as the settlement account ("Settlement Account") in connection with my Securities Account, I understand and agree that on a settlement date Sterne Agee may debit the Settlement Account for TRADE-PMR. I agree to have collected funds available in the Settlement Account, or to deliver to you sufficient collected funds to cover the amounts due on purchases of securities by the settlement date for payment for all securities purchased by my Securities Account (including commissions and fees) and that you may refuse to execute an order, or may cancel an order, if such funds are not available. I agree to deliver all properly endorsed securities which I have in my possession in good form prior to execution of the sell or liquidation order, and such securities must be received by you prior to the execution. If I have established a Settlement Account, you shall deposit proceeds of any sale or liquidation of securities in the Settlement Account; otherwise such proceeds shall be distributed to me by check.
- 6. Indebtedness to TRADE-PMR and Security Interest.** I authorize you to take any steps, which you, in your sole discretion, determine to be necessary to complete or cancel a securities transaction or to minimize your losses, if any. I shall, at all times, be liable for the payment upon demand of any debit balance or other obligations owing in my Securities Account or other account which I have with you. You may debit the Settlement Account for the amount of any such obligation without thereby affecting any of your right or remedies. As security for the repayment of any and all present or future indebtedness owed to you by me under this agreement or otherwise, I grant you a continuing security interest and lien on, and a right of set-off with respect to all securities or other property that are, now or in the future, held, carried, or maintained for any purpose in or through my Securities Account or Settlement Account and, to the extent of my interest, any present or future brokerage account or settlement account with you in which I have an interest. I agree to reimburse you for all cost (including attorneys' fees), losses, or liabilities incurred you in connection with the collection of any debit balance or unpaid deficiency in my Securities Account.
- 7. Force Majeure.** You shall not be liable for loss or delay caused directly or indirectly by war, natural disasters, government restrictions, exchange or market rulings or other conditions beyond the control of TRADE-PMR.
- 8. Recording Conversations.** I understand and agree that, for our mutual protection, you and Sterne Agee may record any of our telephone conversations without further notice.
- 9. Credit Investigation.** You may exchange credit information about me with others. You may request a credit report on me (1) if the purpose is too establish or maintain my margin and/or option account, (2) if I have chosen to settle transactions by check, (3) to comply with government agency or court orders, or (4) if I give my permission. If I ask, you will tell me the name and address of the consumer-reporting agency that furnished the report. You may request a new credit report at any time without telling me.
- 10. Relationship with other Banks and Brokers.** From commissions and/or fees charged to my securities account for services rendered, I understand and agree that you may share, remit or otherwise pay banks or broker-dealers for their services in handling transactions for my account. In addition, I also understand and agree that other banks or broker-dealers, including Sterne Agee, may share, pay or otherwise remit commissions, fees and sales loads, including markups and markdowns on principal trades, to you in connection with transactions for my Securities Account. I understand and agree that brokers or dealers may refuse to accept or process any transactions which I may wish to effect.
- 11. Margins Loans and Options.** I understand and agree that margin loans, if any, provided to me will be made under a separate agreement and that I will comply with all requirements which SAL or its agents may impose with respect to such loans. I will not request that any transactions in options be effected for my account unless such request is in connection with SAL options compliance program.
- 12. Applicable Laws and Regulations.** All transactions shall be subject to rules, regulations, customs and usages of the exchange, market or clearing house where executed, and to all applicable federal and state laws and regulations. I will not buy, sell or liquidate any securities of a corporation of which I am an affiliate, or sell or liquidate any restricted securities, except in compliance with applicable laws and regulations and with notice, to you, that the securities are restricted.
- 13. Fees and Charges.** I agree to the fees and charges indicated on the fee schedule of TRADE-PMR which I have received. I understand and agree that I will be charged an annual safekeeping fee if I hold securities in my Securities Account and no trading activity occurs during any calendar year. You may debit the Settlement Account and/or my Securities Account for any fees or charges which I incur, or any out-of-pocket

expenses you may incur on my behalf, if applicable. I understand that you may change the fee schedule from time to time and I agree to be bound by such changed fee schedule.

14. **Certain Mutual Fund and UIT Transactions.** I understand and agree that Trade-PMR's loads or Trade-PMR's charges may be imposed in connection with purchases of shares or interests in mutual funds and unit investment trusts ("UITs") or other registered investment companies that may be paid to you.
15. **Joint Accounts.** If this is a joint account, we understand and agree that you may follow the instructions of either of us without obtaining the consent of the other. Each of us will be fully liable for any amounts due you under this Agreement. Upon the death of either of us, you will treat the property in the account as belonging to the joint tenant with right of survivorship unless we have expressly elected to own the account as tenants in common, but you may first require the production of necessary legal documents.
16. **Amendments and Termination.** You may amend this Agreement at any time, in any respect, effective upon written notice to me. You may terminate any or all services contemplated hereunder at any time, effective upon written notice to me. I may close my Securities Account at any time by giving written notice to you. Closing my Securities Account or terminating services under this Agreement will not affect any rights and obligations incurred prior to such closure or termination.
17. **Notice of Changed Name, Address, Bank, Employment.** I agree to promptly notify you in writing of any change to my name, address, employment or Settlement Account.
18. **Governing Laws.** This Agreement shall be governed by the laws of the State of Alabama.
19. **ARBITRATION DISCLOSURES**  
**THIS AGREEMENT CONTAINS A PREDISPUTE ARBITRATION CLAUSE. BY SIGNING AN ARBITRATION AGREEMENT THE PARTIES AGREE AS FOLLOWS:**

- ALL PARTIES TO THIS AGREEMENT ARE GIVING UP THE RIGHT TO SUE EACH OTHER IN COURT, INCLUDING THE RIGHT TO A TRIAL BY JURY, EXCEPT AS PROVIDED BY THE RULES OF THE ARBITRATION FORUM IN WHICH A CLAIM IS FILED.
- ARBITRATION AWARDS ARE GENERALLY FINAL AND BINDING; A PARTY'S ABILITY TO HAVE A COURT REVERSE OR MODIFY AN ARBITRATION AWARD IS VERY LIMITED.
- THE ABILITY OF THE PARTIES TO OBTAIN DOCUMENTS, WITNESS STATEMENTS AND OTHER DISCOVERY IS GENERALLY MORE LIMITED IN ARBITRATION THAN IN COURT PROCEEDINGS.
- THE ARBITRATORS DO NOT HAVE TO EXPLAIN THE REASON(S) FOR THEIR AWARD.
- THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.
- THE RULES OF SOME ARBITRATION FORUMS MAY IMPOSE TIME LIMITS FOR BRINGING A CLAIM IN ARBITRATION. IN SOME CASES, A CLAIM THAT IS INELIGIBLE FOR ARBITRATION MAY BE BROUGHT IN COURT.
- THE RULES OF THE ARBITRATION FORUM IN WHICH THE CLAIM IS FILED, AND ANY AMENDMENTS THERETO, SHALL BE INCORPORATED INTO THIS AGREEMENT.

**ARBITRATION: I EXPRESSLY ACKNOWLEDGE AND AGREE THAT ALL CLAIMS, DISPUTES AND OTHER MATTERS ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE SUBMITTED TO THE ARBITRATION BOARD OF THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. (NASD), UNLESS OTHERWISE PROVIDED BY LAW. THIS EXPRESS AGREEMENT TO SUBMIT TO BE BOUND BY ARBITRATION INCLUDES, BUT IS NOT LIMITED TO, DISPUTES ARISING UNDER THE SECURITIES ACT OF 1933, THE EXCHANGE ACT OF 1934, CLAIMS ARISING UNDER THE RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS ACT (RICO), STATE OR COMMON LAW FRAUD AND SECURITIES STATUTES, AS WELL AS OTHERS SPECIFICALLY ENFORCEABLE UNDER THE PREVAILING ARBITRATION LAW AND PROCEDURES. THE AWARD RENDERED BY THE ARBITRATORS SHALL BE FINAL, AND JUDGEMENT MAY BE ENTERED UPON IT IN ANY COURT HAVING JURISDICTION THEREOF. COUNSEL CAN ADVISE ME ON HOW THIS PROVISION MAY AFFECT ME.**

20. **Inactive Accounts.** I understand and agree that if I do not place a securities trade during any eighteen (18) month period, and there are no securities held in my Securities Account, my Securities Account may be automatically removed from your system. I will thereafter be required to re-establish a Securities Account prior to placing any further securities trades.
21. **Effectiveness.** I understand that this Agreement is not effective until approved by TRADE-PMR, INC. and Sterne Agee, each in its sole discretion.

**NOTICE TO STERNE, AGEE & LEACH, INC.**

This is to advise you that I have instructed TRADE-PMR, INC. to establish, on my behalf, and as my agent, a Securities Account with you. I have appointed TRADE-PMR, INC. as my exclusive agent to act for and on my behalf with respect to all matters regarding my Securities Account with you, including the placing of the purchase, sale, and liquidation orders and delivery of margin and option instructions if authorized by my Securities Account. You shall look solely to TRADE-PMR, INC. and not to me with respect to any such orders or instructions; and I understand that you will deliver confirmations and all other written notices, including margin maintenance calls, if applicable, concerning my Securities Account directly to me at the address that I have provided to you through TRADE-PMR, Inc. Any communications delivered to TRADE-PMR, Inc. are considered to have been delivered to me and you are entitled to rely on TRADE-PMR, Inc., to forward the communications to me. I agree to reimburse you for any losses, costs or expenses in connection with the delivery or receipt of any of these communications, if you have acted in accordance with these instructions. These instructions are effective until I send you and TRADE-PMR, Inc. written notice to the contrary. I understand and agree that you may share, pay or otherwise remit commissions, fees or Trade-PMR's, loads, including markups and markdowns on principal trades, to TRADE-PMR, Inc. in connection with transactions for my account.

**Accounts carried by Sterne, Agee & Leach, Inc. (Member of NYSE/SIPC)**  
**TRADE-PMR, INC. (Member of NASD/SIPC)**

## INVESTMENT OBJECTIVES

**Preservation of Capital** – This objective indicates that the customer values being able to receive the return of principal over potential income or capital appreciation. The customer needs to understand that with this investment objective the customer is taking opportunity risks. Over the long term, rates of return are expected to be significantly below market returns in either the equity or fixed income markets. Appropriate investments include money market funds, redeemable CD's, U.S. Treasury Securities, Agency Securities, high quality Notes or Bonds with maturities that match the time the money will be needed.

**Income** – The customer seeks a regular and consistent return on investment in the form of interest and dividend payments, with a secondary need to preserve the amount of principal invested. The customer needs to understand the risk of loss of principal, particularly if the investment must be liquidated upon short notice. The risk is less than the general market risk but greater than the risk of customers whose objective is preservation of capital. The customer also has the opportunity risk in that the customer should expect long term returns lower than those in the equities market. Appropriate investments include money market funds, mortgage backed and asset backed securities, investment grade bonds, preferred stocks, high quality equities with a proven history of dividends, short term and intermediate bond funds, income funds, value and income funds and small positions in growth funds.

**Capital Appreciation/Growth** – This objective is for the client who wants to grow his investment portfolio over a period of five to ten years. The client needs to understand that there is risk of loss of principal due to market fluctuation, as well as market appreciation. This customer should be able to accept, financially and emotionally, short term drops in the value of positions while looking for long-term gains. Appropriate investments include equities in all sectors, covered call writing programs, covered put writing programs, some call purchases, long term growth funds, growth funds and variable annuities.

**Speculation** – This client seeks and wants realized gains on short-term movements in the securities prices. This client has very high tolerance for risk. This type of client will "trade" often, even buying and selling in the same day. These types of investors are often considered to be "day traders" (there are rules which qualify one as a day trader). The speculative investor needs to understand that there is a significant risk of loss of principal over the trading horizon and needs to be able to accept this, both financially and emotionally. The client needs to be willing to spend the time to actively monitor his positions, in regular conversations with their Investment Consultant. Appropriate investments include buying and shorting of equities, buying and selling call and put options and the purchase and sale on margin of long-term bonds.

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## RISK TOLERANCES

**Conservative** – Generally reflects an investor who has low tolerance for risk. Preservation of capital is often a major consideration. Such an investor is willing to limit or forego capital opportunities or higher income returns in order to protect his or her investment capital.

**Moderate** – Generally reflects an investor who has the financial resources and investment experience to accept a modest amount of risk in order to achieve capital appreciation or higher income returns. Such an investor can accept some loss of capital in seeking to meet his or her investment goal.

**Aggressive** – Generally reflects an investor who sees the most capital appreciation or a higher income return and who is financially able and willing to risk losing a substantial portion of investment capital to achieve his or her objectives. The aggressive investor may seek to maximize his or her total return through a broad range of investments and strategies that may include purchasing low-priced, low-rated, or volatile securities, using a high degree of leverage, or engaging in a high level of activity. Knowledge of investment and strategies and investment experience are important considerations.