

TD AMERITRADE, Inc. ("TD AMERITRADE") is furnishing this document to you to provide some basic facts about purchasing securities on margin and to alert you to the risks involved with trading securities in a margin account. Please contact a Client Services representative regarding any questions or concerns you may have with your margin account.

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

It is important that you fully understand the risks involved in trading securities on margin. The risks include, but are not limited to, the following:

You can lose more funds than you deposit in the margin account. A decline in the value of securities that are purchased on margin may require you to provide additional funds to TD AMERITRADE to avoid the forced sale of those securities or other securities in your account.

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

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

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

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

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