

New Account Application

Introducing Broker-Dealer

Account # _____
Rep ID # _____

Registration Type

INDIVIDUAL/JOINT

- Individual
 Joint
 Guardian/Custodian
 Subscription

IRA/ERISA

- IRA:
 Traditional
 Rollover
 SEP
 Simple
 Beneficiary
 Educational

- ROTH:
 Regular
 Rollover
 Conversion
 Beneficiary

- OTHER:
 401(k)
 403(b)
 UNI-K
 External Custodian IRA
 Profit Sharing Plan
 Pension Plan

OTHER

- Trust
 Estate

BUSINESS

- C-Corp
 S-Corp
 LLC
 Partnership
 Sole Proprietorship
 Non-Profit
 Foreign Institution

Account Type

- Cash
 Margin (must be initialed by client(s)) _____
 Option (Option Agreement Required)
 Transfer on Death (TOD Agreement Required)

Account Information

Account Title _____

Legal Address (No P.O. Boxes) _____

City _____ State _____ Zip/Postal Code _____

Mailing Address (If different from above) _____

City _____ State _____ Zip/Postal Code _____

Primary Account Holder Information

Type: Individual or Primary Holder Minor Business Trust Estate

Primary's Legal Name _____

Social Security Number or Taxpayer ID Number _____ Date of Birth _____

Legal Address (No P.O. Boxes) _____

City _____ State _____ Zip/Postal Code _____

Home Telephone Number _____ Business Number _____

Email Address _____ Cell Number _____

Citizenship: U.S. Other (W-8 Required) _____

Governmental ID: Persons (choose one): Drivers License Passport Military ID Other Government ID

Institutions (Attach any of the documents below):

- Business Formation Document Business License Corporate Resolution Partnership Agreement Trust Document

Document Number _____ County/State of Issuance _____

Issuance Date _____ Expiration Date _____

Gender: Male Female **Marital Status:** Married Single Widowed Divorced **(Number) of Dependants and Ages:** () _____

Employment Status: Employed Not Employed Retired Student Occupation _____

Employer Name _____ Address _____

City _____ State _____ Zip/Postal Code _____

Are you or your spouse employed by or otherwise associated with a stock exchange, a member firm of a stock exchange or FINRA, or a municipal securities dealer?

Yes No Employed by / Associated with _____

If yes, the entity with which you or your spouse are employed or associated must provide written consent to the opening of your account and provide an address to which duplicate confirmations and statements will be sent.

Are you or any of your relatives sharing your home, a policy-making officer, director, a 10% shareholder, or otherwise considered an affiliate of a publicly traded company for purpose of SEC Rule 144? Yes No Company Name _____ Ticker _____

Are you (or are you related to someone who is) an employee or agent of Sterne Agee or a Sterne Agee affiliated company?

Yes No Name _____ Position _____ Relationship _____

Secondary Account Holder Information (Attach additional pages if more than one)

Type: Joint Holder Custodian/Guardian Partner Trustee Executor Authorized Person

Secondary's Legal Name

Social Security Number or Taxpayer ID Number Date of Birth

Legal Address (No P.O. Boxes)

City State Zip/Postal Code

Home Telephone Number Business Number

Email Address Cell Number

Citizenship: U.S. Other (W-8 Required)

Governmental ID: Persons (choose one): Drivers License Passport Military ID Other Government ID

Document Number County/State of Issuance

Issuance Date Expiration Date

Gender: Male Female **Marital Status:** Married Single Widowed Divorced **(Number) of Dependents and Ages:** ()

Employment Status: Employed Not Employed Retired Student Occupation

Employer Name Address

City State Zip/Postal Code

Are you or your spouse employed by or otherwise associated with a stock exchange, a member firm of a stock exchange or FINRA, or a municipal securities dealer?

Yes No Employed by / Associated with

If yes, the entity with which you or your spouse are employed or associated must provide written consent to the opening of your account and provide an address to which duplicate confirmations and statements will be sent.

Are you or any of your relatives sharing your home, a policy-making officer, director, a 10% shareholder, or otherwise considered an affiliate of a publicly traded company for purpose of SEC Rule 144? Yes No Company Name Ticker

Are you (or are you related to someone who is) an employee or agent of Sterne Agee or a Sterne Agee affiliated company?

Yes No Name Position Relationship

Retirement Accounts Subject to ERISA

Employer or other Responsible Plan Fiduciary:

Contact Name Contact Phone Number

Contact Address Contact Email

Joint Account Ownership

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 %

Community Property (Opened in the name of 2 legally married people, age 18 or over, and who are residents of Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Philippine Islands, Puerto Rico, Texas, Wisconsin, or Washington.)

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

FINRA requires Sterne Agee to classify banks, savings and loan associations, insurance companies, registered investment companies, investment advisors or any individual or entity with \$50 million or more in assets as an Institutional Investor. Check here if you presently qualify under this definition:

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

Investment Experience	None N	Limited A	Average B	Extensive C	# of Years
Stocks/Bonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Mutual Funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Annuities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Alternative Investments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Client Profile continued

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

Investment Profile	<input type="checkbox"/> Capital Preservation A	<input type="checkbox"/> Conservative B	<input type="checkbox"/> Moderately Conservative C	<input type="checkbox"/> Moderate D	<input type="checkbox"/> Moderately Aggressive E	<input type="checkbox"/> Aggressive F	<input type="checkbox"/> Speculation G
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*See Investment Profile descriptions included in this account document package.

Time Horizon: When do you expect to begin withdrawing significant funds from this account?	<input type="checkbox"/> < 1 yr A	<input type="checkbox"/> 1-3 yrs B	<input type="checkbox"/> 4-6 yrs C	<input type="checkbox"/> 7-9 yrs D	<input type="checkbox"/> 10-12 yrs E	<input type="checkbox"/> 13-15 yrs F	<input type="checkbox"/> >15 yrs G
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Federal Tax Bracket	<input type="checkbox"/> ≤10%	<input type="checkbox"/> 11-20%	<input type="checkbox"/> 21-30%	<input type="checkbox"/> 31-34%	<input type="checkbox"/> ≥ 35%
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Liquidity Needs: In the event you have unexpected changes in your life or financial situation, what is the likelihood you will need to access funds from this account to satisfy short term requirements?	<input type="checkbox"/> Low 1	<input type="checkbox"/> Medium 2	<input type="checkbox"/> High 3
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What is the primary source of funds for this account?	<input type="checkbox"/> Income A	<input type="checkbox"/> Sale of business or property B	<input type="checkbox"/> Inheritance/gift C	<input type="checkbox"/> Insurance or legal settlement D	<input type="checkbox"/> Pension/retirement savings E	<input type="checkbox"/> Funds from another brokerage account F	<input type="checkbox"/> Other/Please specify: G
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Service Instructions

When Buying Securities:

- Hold in Account
- Deliver in Client Name

Cash Dividends/Interest:

- Cash Sweep Option
- Mail Check
 - Monthly
 - Semi-Monthly

Choose Cash Sweep Options:

- SAI-Insured Deposit Account (FDIC Insured)
- PCS-Federated Prime Cash Series
- MCS-Federated Municipal Cash Series
- TCS-Federated Treasury Cash Series
- GCS-Federated Government Cash Series

When Selling Securities:

- Cash Sweep Option
- Settle by Check

Online Account Access and Electronic Delivery

Is this account to be set up with Online Access? No Yes, please provide Email:

Please Note: An email will be sent to the address of the primary account holder with a temporary password.

Is this account to be set up with electronic delivery of statements? No Yes, please complete the Go Green Application supplied with the Client Agreement. *If you are interested in electronic delivery of your statements, a separate application is required.*

Householding of Statements

Do you wish for statements to be combined with other accounts of this Household for delivery purposes? Yes No

If Yes: Primary Account number:

Interested Party Information:

Name Address
 City State Zip/Postal Code
 Telephone Email

Professional Capacity (Accountant, Attorney, etc.):

- To the above Interested Party, please provide duplicate Statements Trade Confirmations 1099s
- I authorize you to communicate with the above Interested Party about my account.

Name Address
 City State Zip/Postal Code
 Telephone Email

Professional Capacity (Accountant, Attorney, etc.):

- To the above Interested Party, please provide duplicate Statements Trade Confirmations 1099s
- I authorize you to communicate with the above Interested Party about my account.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents. A corporation, partnership, trust or other legal entity may need to provide other information, such as its principal place of business, local office, employer identification number, certified articles of incorporation, government-issued business license, a partnership agreement, or a trust agreement.

Certification

By signing below, I hereby certify as follows:

A. Under the penalties of perjury, I certify that (check all that apply):

- 1. I am a U.S. Person (including a U.S. Resident Alien) AND
 - a. 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 because (a) I am exempt from backup withholding, (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.
 - OR
 - b. 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.

OR

- 2. I am not a U.S. Person (including a U.S. Resident Alien) and am submitting an appropriate Form W-8 together herewith.
- 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. I have reviewed the information contained in this Application, affirm that it is accurate, and agree to notify Introducing Broker of any changes in the information.
- D. I understand that, unless specifically noted to the contrary in writing, investments (1) are not FDIC insured, (2) are not obligations of a bank, and (3) are subject to investment risks, including the possible loss of the principal amount invested.
- E. I have received a copy of, read and understand the Client Account Agreement and agree to the terms and conditions thereof.
- F. 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.
- G. I have received, read and agree to the Credit Terms and Conditions. I understand that the Credit Terms and Conditions may change from time to time and I agree to be bound by such changed Credit Terms and Conditions.
- H. I/we acknowledge receipt of the Cash Sweep Program Disclosure Statement accompanying this Agreement. If I/we have instructed my/our Introducing Firm or its representative to sweep free credit balances in my/our account into an investment option available in the Cash Sweep Program, I/we hereby consent to the inclusion of the free credit balances in my/our account in the Cash Sweep Program.
- I. I will carefully review my trade confirmations and account statements and will promptly notify my introducing broker-dealer of any inaccuracies. If I fail to notify my introducing broker-dealer of any errors or omissions within 30 days of the date of a confirmation or account statement, I agree that I will not later assert that I did not authorize any transaction reported in it, that it omitted any transaction, or that it was otherwise inaccurate.

The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

I UNDERSTAND THAT THE CLIENT ACCOUNT AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE, LOCATED ON THE LAST PAGE IN NUMBERED PARAGRAPH 19, REQUIRING ALL DISPUTES UNDER THIS AGREEMENT TO BE SETTLED BY BINDING ARBITRATION.

Signature of Primary Account Holder	Date	Signature of Secondary Account Holder	Date

For Introducing Broker-Dealer Use only			
	Signature of Registered Representative	Date	Rep Code
	Signature of Supervisory Principal	Date	



CASH SWEEP PROGRAM DISCLOSURE STATEMENT

Introduction. Sterne, Agee & Leach, Inc.'s (Sterne Agee's) Cash Sweep Program (Cash Sweep Program) offers you the ability to automatically "sweep" uninvested cash balances in your account into (i) Federal Deposit Insurance Corporation (FDIC) insured bank deposit accounts (IDP Accounts) at multiple FDIC-insured banks (Participating Banks), or (ii) certain money market mutual funds available in the Cash Sweep Program (Participating Funds). Participating in the Cash Sweep Program provides you the opportunity to earn interest or dividends on your funds while they are awaiting investment, or as needed to satisfy obligations arising in connection with your account. Both Cash Sweep options are intended as a short use of cash and should not be viewed as long-term investment options.

If you are purchasing an investment, the automatic sweep feature allows the exact amount of the transaction to be swept from your Cash Sweep option in order to fund such purchase on settlement date. If you are selling an investment, the proceeds are automatically swept to your account's Cash Sweep option by the day following settlement. If you make a deposit to your account (by check, ACH, wire, etc.), it may take up to two business days before your deposit sweeps into your Cash Sweep option, and such deposits will constitute Free Credit Balances until they are swept.

Upon opening your account, you will have the opportunity to elect to participate in the Cash Sweep Program and, if so, designate into which Cash Sweep option you want your uninvested funds swept. You may also direct that we leave your uninvested cash balances as a free credit balance awaiting investment in your account (Free Credit Balance). Sterne Agee may use and earn income on Free Credit Balances, as permitted by law, and may or may not pay interest on such balances.

We may, upon prior notice to you, change, add or delete products available through, or the terms and conditions of, our Cash Sweep Program. Further, we may, upon prior notice to you, change the Cash Sweep option in which you participate from one option to the other. If you do not object to any such notice within 30 days, you agree we may treat your non-response as your approval.

CASH SWEEP OPTIONS

FDIC Insured Deposit Account. If your account is eligible and you select the IDP Accounts as your Cash Sweep option, your available cash balances will be automatically swept from your brokerage account into an interest-bearing account at the Participating Banks. The Cash Sweep Program has a network of FDIC-insured Participating Banks to which funds can be spread in order to maximize total protection. A list of current Participating Banks is available at <http://www.sterneagee.com/sweep-program.php>. Participating Banks may be added to or removed from our Cash Sweep Program without prior notice to you.

Sterne Agee acts as exclusive custodian and agent with respect to all transactions relating to the IDP Accounts, and has established a separate account for the benefit of customers at each Participating Bank and evidenced by a book entry on the account records on each such Participating Bank. Each such deposit account maintained at the Participating Banks is insured by the FDIC within certain applicable limits, as described below. Sterne Agee maintains records of your interest in each deposit account at each Participating Bank. No evidence of ownership, such as passbook or certificate, will be issued to you, thus all transactions in the IDP Accounts must be made through us.

All questions regarding IDP Accounts should be directed to your financial advisor and not the Participating Banks. The Participating Banks will not accept any instructions concerning your deposits in a Participating Bank through this Cash Sweep Program unless such instructions are sent by us.

Funds swept into IDP Accounts will begin earning interest from the day they are received by the Participating Bank up to, but not including, the date of withdrawal. Interest will accrue daily and be credited to your account monthly and appear on your periodic brokerage account statement. The daily rate of interest described below is 1/365 of the applicable interest rate. You will receive a Form 1099-INT from Sterne Agee indicating the amount of interest paid to you by the Participating Banks.

The interest rate paid to you is determined by Sterne Agee. It is based on the aggregate amount of deposits by all participants in the IDP accounts and a rate based on an index of either London Interbank Offered Rate (LIBOR) or the average Federal Funds effective rate, plus a spread negotiated with our intermediary bank, Deutsche Bank Trust Company Americas (DBTCA). The rate at which interest will be earned will be established periodically by us and will vary based on prevailing market and other business conditions. Generally, the interest rate you receive will not vary depending on the particular Participating Bank in which your funds are deposited. Current rates of return for each available Cash Sweep option can be found at <http://www.sterneagee.com/sweep-program.php>.

The rate payable to you is based on the amounts paid by the Participating Banks, less a fee paid to DBTCA for services DBTCA provides as the intermediary bank to the Participating Banks (not to exceed 25 basis points (0.25%)) and less a fee retained by Sterne Agee (not to exceed 50 basis points (0.50%)). You will receive notification of any increase in fees above these amounts.

Sterne Agee may waive all or a portion of the fees payable to us. The fees that Sterne Agee receives in connection with the IDP Accounts may be higher than the compensation that Sterne Agee receives in connection with the Participating Funds used as a Cash Sweep option. A portion of any fees received by us from Participating Banks may be paid to your financial advisor.

The rate you receive is subject to reduction to the extent a Participating Bank's premium costs to FDIC are increased. The rates paid with respect to the IDP Accounts may be higher or lower than rates of return available for money market mutual funds, or as a depositor directly with a bank, including any of the Participating Banks. You should compare the terms, rates of return, charges and other features with other available Cash Sweep options, as well as other comparable accounts and investment options.

Cash swept into an IDP Account at a Participating Bank is federally insured up to applicable FDIC limits in the event of a bank failure. FDIC coverage limits are \$250,000 for all deposits (checking, money market, savings, CDs, etc.) per depositor, per insured bank, for each account ownership category. For example, if you had both a checking and a savings account in your individual name at the same Participating Bank, the combined balance of both accounts would be insured for \$250,000. See www.fdic.gov for **additional account category and coverage information**.

FDIC insurance begins once funds are swept into the IDP Account at the Participating Bank. While in transit from us to the Participating Banks and from the Participating Banks to us, the funds pass through our intermediary bank, DBTCA. While at DBTCA such funds are also eligible for FDIC Insurance, to the FDIC maximum per account type, when aggregated with any other deposits held by you in the same capacity at DBTCA. It is possible that your funds in transit at DBTCA will exceed the maximum amount of FDIC coverage available through DBTCA as an individual bank; therefore the amount that exceeds that amount may not be covered by FDIC insurance until such funds are remitted to Participating Banks.

It may take up to two business days for funds deposited in your brokerage account to sweep to DBTCA for allocation to Participating Banks. Until the sweep occurs, the funds will remain uninvested Free Credit Balances in your account. Because Sterne Agee is a member of the Securities Investor Protection Corporation ("SIPC"), our customers are protected up to applicable SIPC limits if Sterne Agee were to go out of business and there were customer securities or funds unaccounted for. Current SIPC limits are \$500,000 for securities and cash per customer, of which up to \$250,000 may be in cash (i.e., Free Credit Balances). Sterne Agee carries excess SIPC coverage through Lloyd's of London that, if applicable, is designed to pick-up where SIPC protection ends by covering customers for up to an additional \$24.5 million per customer, which covers up to an additional \$900,000 in Free Credit Balances per customer. This policy has an aggregate policy limit of \$100 million in total protection. Neither SIPC protection nor excess SIPC coverage provides protection against market losses. Once funds are swept into an IDP Account they are held at an FDIC member bank and, accordingly, they are protected by FDIC insurance. They are not covered by SIPC or by Lloyds. **For additional information about SIPC coverage, visit www.sipc.org.**

Your uninvested cash will be swept into one or more Participating Banks in accordance with a nondiscretionary mathematical formula (algorithm). Generally, no more than \$250,000 (\$500,000 for joint accounts) will be swept into any one Participating Bank. It is, however, possible that your Cash Sweep deposit combined with other deposits you make at a Participating Bank (directly or through an intermediary) could exceed the maximum amount of FDIC insurance available at an individual Participating Bank. We will inform you on each periodic statement, which Participating Bank(s) maintain deposits with respect to your account, all deposits and withdrawal activity, opening and closing balances, interest earned, and the detail of balances held at each Participating Bank. **You are responsible for monitoring the total amount and insurable capacity of deposits you have at each Participating Bank (both as a part of and outside of the Cash Sweep Program).** You may instruct us not to deposit your funds in a particular Participating Bank. Any such instruction will result in any current deposit in that Participating Bank being withdrawn and deposited in another Participating Bank, and no new deposits will be made in the Participating Bank in which you instructed us not to sweep your funds. If the amount of your deposits exceeds the capacity of Participating Banks to provide deposit insurance, any excess funds will be swept into an IDP Account at DBTCA with such excess not covered by FDIC Insurance.

In the event that any Participating Bank rejects any additional deposits, withdraws entirely or is terminated from the Cash Sweep Program, such balances will be reallocated to another Participating Bank. You also may, outside of the Cash Sweep Program, establish a direct depository relationship with the Participating Bank, subject to the Participating Bank's rules with respect to maintaining accounts. If you establish such direct relationship, these applicable deposits will no longer be part of your brokerage account.

In the event that federal deposit insurance payments become necessary, payments of principal plus unpaid and accrued interest will be made to you. There is no specific time period in which the FDIC must make insurance payments available, and Sterne Agee is under no obligation to credit your account with funds in advance of payments received from the FDIC. Furthermore, you may be required to provide certain documentation to the FDIC and to us before insurance payments are made. For example, if you hold deposits as trustee for the benefit of trust participants, you may be required to furnish affidavits and provide indemnities regarding an insurance payment.

Money Market Mutual Funds. A money market mutual fund (money market fund) is a type of mutual fund that is required by law to invest in low-risk securities. These funds have relatively low risks compared to other mutual funds and pay dividends that generally reflect short-term interest rates. Unlike a "money market deposit account" at a bank, money market funds are not federally insured. Money market funds typically invest in government securities, certificates of deposit, commercial paper of companies, or other highly

liquid and low-risk securities. Money Market Funds seek to achieve the highest rate of return (less fees and expenses) consistent with prudence and their investment objectives. Before investing in a money market fund, you should carefully read all of the fund's available information, including its prospectus, or profile if the fund has one, and its most recent shareholder report. **For more information about money market funds, see: <http://www.sec.gov/answers/mfmmkt.htm>.**

A list of Participating Funds is available at <http://www.sterneagee.com/sweep-program.php>. You may also contact us to obtain a free prospectus for any Participating Fund. Some Participating Funds may require minimum investment amounts. You should review the prospectus carefully before selecting a Participating Fund as your Cash Sweep option or sending money to invest in such Participating Fund. Although money market funds typically seek to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in money market funds.

We may receive 12b-1 distribution fees, service fees, sub-transfer agent fees, recordkeeping fees and/or other compensation from money market funds and/or their affiliates. Money market fund prospectuses contain additional information about such compensation. A portion of any fees received by us from Participating Funds may be paid to your financial advisor.

Sterne Agee may, from time to time upon notice to you, add or delete Participating Funds available in the Cash Sweep Program and/or change the Participating Fund to which your funds sweep. If we make such a change, there is no guarantee that the change will provide an equal or greater rate of return to you during any given period, and the rate of return could be lower.

Money market funds are securities and, as such, (i) are not insured by the FDIC, (ii) carry no bank or government guarantee, and (iii) are subject to investment risk, including loss of principal amount invested.

Sterne Agee is a member of SIPC, which insures funds swept into money market funds as follows. Customers are protected up to applicable SIPC limits if Sterne Agee were to go out of business and there were customer securities or funds unaccounted for. Current SIPC limits are \$500,000 for securities and cash per customer, of which up to \$250,000 may be in cash (i.e., Free Credit Balances). Because money market fund balances are considered securities, they do not count against the \$250,000 cash limitation of SIPC protection on Free Credit Balances. Sterne Agee carries excess SIPC coverage through Lloyd's of London that, if applicable, is designed to pick-up where SIPC protection ends by covering customers for up to an additional \$24.5 million per customer, which covers up to an additional \$900,000 in Free Credit Balances per customer. This policy has an aggregate policy limit of \$100 million in total protection. As with SIPC protection, money market fund balances do not count against the \$900,000 cash limitation. Neither SIPC protection nor excess SIPC coverage provides protection against market losses or the failure of a money market fund. **For additional information about SIPC coverage, visit www.sipc.org.**

CHANGING, ADDING FUNDS TO, OR WITHDRAWING FUNDS FROM YOUR CASH SWEEP PROGRAM SELECTION

Subject to satisfaction of such participation criteria as we may from time to time establish, you may change your Cash Sweep Program selection at any time to any other Cash Sweep Program option (or to Free Credit Balances) by contacting your financial advisor. Unless we otherwise agree, if you request a change from one Cash Sweep Program option to another (e.g., from the money market sweep option to the insured bank deposit option) you must transfer all of your funds in your prior option to your newly selected Cash Sweep option. If your cash is currently being swept into money market funds you would need to redeem all shares in your Participating Funds, or if your cash is swept into an insured bank deposit, you would need to withdraw all cash from your IDP Accounts held through the Cash Sweep Program.

Adding Funds. There is no minimum initial deposit in Participating Banks; however, there may be minimum investments required for certain Participating Funds. Please refer to the applicable prospectus or contact your financial advisor for more information.

Withdrawing Funds. You may access your funds in the Cash Sweep Program only through your brokerage account. You cannot access or withdraw Cash Sweep Program funds directly from a Participating Fund or from a Participating Bank.

When funds are needed to cover transactions or satisfy a debit in your brokerage account, we will use the following sources in the order listed: (i) available Free Credit Balances, including money added to your brokerage account not yet swept to a Participating Fund or FDIC-insured IDP Account, (ii) balances available in the Cash Sweep Program, and (iii) if you have a margin account, any margin credit available. For more information about margin accounts, see Margin Disclosure Statement at <http://www.sterneagee.com/documents/margin-disclosure-clearing.pdf>.

Withdrawals from the Cash Sweep Program will normally be made on the business day following transactions in your brokerage account; however, your brokerage account is credited on the day of any debit. This process might result in you having an obligation to make us whole for the sum of the debits in your brokerage account if there is a problem withdrawing funds from an FDIC-insured IDP Account or if you otherwise fail to sufficiently fund your brokerage account for the full amount of your daily debits.

Balances in the Cash Sweep Program can be liquidated on your order and the proceeds returned to your brokerage account or to you. Money market mutual funds may place limitations on timing and/or amount of withdrawals permitted, and you should read the fund's prospectus carefully before making an investment. Federal banking regulations require each Participating Bank in the Cash Sweep Program to reserve the right to require seven (7) calendar days prior notice before permitting a withdrawal of any deposit.

Fees. No direct fees will be assessed to your account or deducted from your specified rate of return on either Cash Sweep option. Instead, we may receive compensation from the Participating Funds, the Participating Banks, and/or their respective affiliates, as described in more detail above.

FREE CREDIT BALANCES OPTION

Free Credit Balances. If you determine not to sweep your uninvested cash into one of the Cash Sweep Program options, Sterne Agee will hold uninvested cash in your account in the form of a Free Credit Balance. Free Credit Balances generally include the cash in your account held for investment minus certain items such as purchase transactions due to settle within a specified time period, other charges to your account, and credit balances that are designated as collateral for your obligations. Free Credit Balances are payable to you upon demand. Sterne Agee will use your Free Credit Balances to fund certain of our business operations, as permitted by law, and may earn income through such use. Sterne Agee may, but is under no obligation to, pay interest to you with respect to your Free Credit Balances. Rates may change without prior notice to you.

Sterne Agee is required by rules of the Securities and Exchange Commission to perform a weekly computation to determine whether it has a net payable to, or receivable from customers. In the event the computation indicates a net payable, Sterne Agee must place required funds or qualified securities (treasury securities) on deposit in a special reserve bank account for the exclusive benefit of its customers. Sterne Agee keeps standard control letters current with each bank where a special reserve bank account is held. The control letters provide that the funds on deposit are for the exclusive benefit of Sterne Agee's customers and shall at no time secure, directly or indirectly, any loan made to Sterne Agee. The control letters also provide that assets in the special reserve bank account shall not be subject to any right, charge, security interest, lien or claim of any kind in favor of the bank or any person claiming through the bank.

Free Credit Balances are generally guaranteed as to principal and interest by SIPC for up to \$250,000 per account. **For more information on SIPC coverage of Free Credit Balances in your account see www.sipc.com.** Sterne Agee carries excess SIPC coverage through Lloyd's of London that, if applicable, is designed to pick-up where SIPC protection ends by covering customers for up to an additional \$24.5 million per customer, which covers up to an additional \$900,000 in Free Credit Balances per customer. This policy has an aggregate policy limit of \$100 million in total protection

Current interest rates on Free Credit Balances, if any, will be provided with your monthly account statements, can be obtained from your financial advisor, and are available at <http://www.sterneagee.com/sweep-program.php>.

INVESTOR PROFILE DESCRIPTIONS

CAPITAL PRESERVATION: Client seeks preservation of principal over potential income or capital appreciation. The primary goal of this account is to prevent the loss of the investment's value, even if that means the account does not keep pace with inflation. A typical portfolio may include cash and/or cash alternative securities, FDIC insured certificates of deposit, insured high-grade general obligation municipal bonds and certain government securities.

CONSERVATIVE: Client seeks current income. Long term capital growth is not an objective. Client is willing to accept very low levels of volatility and the possible loss of a portion of his or her principal, but preservation of capital is still an important concern. A typical portfolio may be heavily weighted towards fixed income investments and cash and/or cash alternative securities.

MODERATELY CONSERVATIVE: Client seeks current income with long-term growth as a secondary goal. Client is willing to accept low levels of volatility and the possible loss of a portion of his or her principal in order to pursue his or her investment goal. A typical portfolio may have a fixed income investment bias with more modest allocations to equities.

MODERATE: Client seeks both capital growth and current income. Client is willing to accept moderate levels of volatility in order to achieve capital appreciation or higher income returns and the possible loss of a portion of his or her principal in order to pursue his or her investment goal. A typical portfolio may include an approximate balance of fixed income investments and equities.

MODERATELY AGGRESSIVE: Client primarily seeks long-term growth with some current income as a secondary goal. Client is willing to accept high levels of volatility and the possible loss of a substantial portion of his or her principal in order to pursue his or her investment goal. A typical portfolio may have exposure to various asset classes but would generally be biased toward equities.

AGGRESSIVE: Client seeks long-term capital growth. Current income is not an objective. Client is willing to accept very high levels of volatility and the possible loss of a substantial portion of his or her principal in order to pursue his or her investment goal. A typical portfolio may have exposure to various asset classes but would generally have a strong bias towards equities.

SPECULATION: Client seeks realized gains on short-term movements in securities prices. Client is willing to accept the highest levels of volatility and the possible total loss of principal that may occur in attempting to achieve his or her investment goal. A typical portfolio may consist of heavy allocations toward small cap and microcap equities, high-risk options strategies, high-yield bonds and in many instances concentrated positions in securities of a particular industry or issuer.