

GUARANTY OF ACCOUNT

I. ACCOUNT INFORMATION

GUARANTOR'S NAME: _____

GUARANTOR'S ACCOUNT NUMBER(S): _____

GUARANTEED ACCOUNT TITLE (CLIENT): _____

GUARANTEED ACCOUNT NUMBER(S): _____

II. AUTHORIZATION

To: _____ [insert name of introducing broker-dealer] (“you or “your”)

1. The term “Guarantor” shall mean the Guarantor identified above. The term “Client” shall mean the person or entity identified on the “GUARANTEED ACCOUNT TITLE (CLIENT)” line above. The term “Guaranteed Account” shall mean the account(s) identified above as the Guaranteed Account(s) separately or jointly, with any and all renewals thereof. In consideration of your opening, and/or continuing the Guaranteed Account with, or otherwise giving credit in the Guaranteed Account to, the Client on such terms and conditions as may, from time to time, be agreed to between you and the Client (notice of which is hereby waived), the Guarantor hereby unconditionally agrees to pay you, on demand, any indebtedness which may now or hereafter be owing you by the Client on the Guaranteed Account.
2. The Guarantor agrees that this guaranty shall be effective not only with respect to the Guaranteed Account but also with respect to any and all renewals thereof, that the Guaranteed Account may be changed from time to time by the purchase or sale or exchange of securities or other property, or by payments or by deliveries of securities or other property by or to or sale or exchange of securities or other property, or by payments or by deliveries of securities or other property by or to or upon the order of the Client, and that the Guaranteed Account may be closed out by you at any time; that in general, you may deal with and accept the orders of the Client with respect to transactions in the Guaranteed Account, without notice to the Guarantor, the same as if this guaranty had not been given; and that the death of the Guarantor shall not affect the liability of the Guarantor of his estate with respect to transactions in the Guaranteed Account, subsequent to the death of the Guarantor and prior to the receipt by you of written notice thereof.
3. The Guarantor agrees that you may, at any time, in your uncontrolled discretion use, without restriction, the moneys, or securities or other property in any account or accounts (including, without limitation, the Guarantor's Account identified above), including any safekeeping account, which the Guarantor may have with you, to secure the Guaranteed Account or to pay any indebtedness due therein, and that, to that end, you shall have a lien on such money, securities, or other property you may at any time hold or have in any account or accounts of the Guarantor, that you may pledge and re-pledge any of such securities or other property, either separately or with any other securities or property, for such sum or a greater sum that may be due you in the Guaranteed Account, and without retaining the possession or control for delivery of a like amount of similar securities or property, that you may proceed at any time, in your uncontrolled discretion, and without prior demands or notice, to enforce said lien by the sale of any such securities or property of the Guarantor, in any manner upon such terms as you may determine, that the enforcement by you of said lien in any manner, in whole or in part, shall not in any way affect the continuing liability of the Guarantor for any indebtedness in the Guaranteed Account; that any demand on the Guarantor to perform the obligation of this guaranty, or any action or proceedings brought to enforce the liability of the Guarantor hereunder, shall not release

or otherwise affect said lien, and that you shall at all times have both the personal liability of the Guarantor and said lien to secure to you payment of any indebtedness in the Guaranteed Account, enforcement of both of which may be pursued concurrently.

4. The Guarantor hereby waives (a) any notices whatsoever as to the current condition of the Guaranteed Account or any changes therein from time to time and the manner of conducting or closing the same or otherwise, and (b) in the event of default by the Client, any demand or notice in respect thereof, and any requirement of legal or equitable proceedings or otherwise on your part against the Client as a condition precedent to enforcing the obligations of the Guarantor hereunder.
5. This guaranty shall be binding upon the Guarantor and the Guarantor's estate, executors, administrators, and assigns or, as the case may be, Guarantor's successors and assigns, and shall inure to the benefit of your present firm and of any successor firm or firms, irrespective of any change or changes at any time in the personnel thereof, for any cause whatsoever, and of the assigns of your present firm or any successor firm.
6. By written notice to you at your principal office and to Penson Financial Services, Inc., Attention: Risk Management Department, One Penn Plaza, 51st Fl NY, NY 10019 in the form annexed hereto, which notice shall be effective only upon receipt, the Guarantor may at any time terminate Guarantor's obligations and your rights hereunder in respect to future transactions in the Guaranteed Account, and such termination, in respect to future transactions, shall also take place upon receipt by you of written notice of the Guarantor's death, or, as the case may be, insolvency or dissolution; but notwithstanding such termination as to future transactions the obligations of the Guarantor hereunder with respect to any indebtedness in the Guaranteed Account, including any losses incurred in liquidating the Guaranteed Account during a reasonable time subsequent to the receipt of such notice, shall continue in full force and effect until such indebtedness with the interest to date of payment thereon has been paid to you. A future transaction does not include a transaction that you or Penson is processing when such notice is received or which you or Penson commences to process before both of you have had a reasonable amount of time to implement the revocation.
7. This agreement contains a pre-dispute 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.
 - e. The panel of arbitrators will typically 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.

It is agreed that any controversy between or among the guarantor, you, and your clearing firm arising out of the guarantor's or your business or this agreement, including but not limited to those involving the construction, performance, or breach of this or any other agreement between us, whether entered into prior, on, or subsequent to the date hereof, shall be submitted to arbitration before the Financial Industry Regulatory Authority, Inc. ("FINRA") and in accordance with its rules then in force. Judgment upon the award of arbitrators may be entered in any court, state or federal, having jurisdiction.

Class-action matters are excluded from arbitration proceedings conducted by FINRA. Therefore, it is further agreed that the parties to this agreement shall not 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 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 decertified; 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.

8. Guarantor understands that you have entered into a fully disclosed clearing agreement with Penson Financial Services, Inc. ("Clearing Firm") pursuant to which Clearing Firm may perform certain transaction processing, clearing, custodial, and financing functions for you with respect to the Guaranteed Account. Guarantor understands that Clearing Firm does not control, audit, or otherwise supervise Client's activities, does not verify information Client provides to you regarding the Guaranteed Account or transactions processed for the Guaranteed Account, and does not undertake responsibility for reviewing the appropriateness of transactions entered by you on Client's behalf. Guarantor agrees that you are not an agent of Clearing Firm, that Clearing Firm is not your agent, and that Guarantor will in no way hold Clearing Firm, or its officers, directors, employees and agents liable for any trading losses that Client may incur. Guarantor agrees that Clearing Firm is a beneficiary of all of the terms and conditions of this Agreement, including, but not limited to, Guarantor's representations, warranties, acknowledgments, covenants, understandings, agreements, authorizations, indemnifications, waivers, and releases to the same extent as if they were made directly by Guarantor to Clearing Firm. And Guarantor agrees that Clearing Firm, in its own name and for its own benefit, shall be entitled to exercise and enforce directly against Guarantor such provisions and all other rights granted to you.

III. SIGNATURE

This Agreement contains a Pre-dispute Arbitration Clause in paragraph 7 on page 2 hereof. The Guarantor acknowledges receiving a copy of this Agreement.

Individual Guarantor: _____

Name:

Date:

Corporate or Other Guarantor:

[insert name of guarantor]

By: _____

Name:

Title:

Date: