

- (c) Within the limits of applicable law and regulations, you hereby authorize Pershing to lend either to itself or to others any securities held by or for the benefit of Pershing in your account, together with all attendant rights of ownership, and to use all such property as collateral for its general loans. Any such property, together with all attendant rights of ownership, may be pledged, repledged, hypothecated or rehypothecated either separately or in common with other such property for any amounts due to Pershing thereon or for a greater sum, and Pershing shall have no obligation to retain a like amount of similar property in its possession and control.
- (d) You understand that interest will be charged on any debit balances in your account. Any debit balance which is not paid at the close of an interest period will be added to the opening balance for the next interest period.

15. Amendment; Entire Agreement

You agree that the Executing Broker may modify the terms of this Agreement at any time upon prior written notice. If such modifications are unacceptable to you, you must notify the Executing Broker in writing within 30 days of the Executing Broker's transmittal of such notice. Your account may then be terminated by the Executing Broker, after which you agree to remain liable to the Executing Broker for all existing liabilities or obligations. Otherwise, this Agreement may not be waived or modified absent a written instrument signed by an authorized representative of the Executing Broker. Except as set forth above, this Agreement represents the entire agreement and understanding between you and the Executing Broker concerning the subject matter hereof.

16. Telephone Conversations

For the protection of both you and the Executing Broker, and as a tool to correct misunderstandings, you hereby authorize the Executing Broker in its discretion and without prior notice to you, to monitor and/or record any or all telephone conversations between you, the Executing Broker and any of the Executing Broker's employees or agents.

You acknowledge that the Executing Broker may determine not to make or keep such recordings and such determination shall not in any way affect any party's rights.

17. Assignability

This Agreement and the rights and obligations arising out of the Prime Brokerage Transactions cleared pursuant hereto may not be assigned without the prior written consent of the other party, other than by the Executing Broker as part of a general transfer of the Executing Broker's business.

18. Severability

If any provision of this Agreement is or becomes inconsistent with any applicable present or future law, rule or regulation, that provision shall be deemed modified or, if necessary, rescinded in order to comply with the relevant law, rule or regulation. All other provisions of this Agreement shall continue to remain in full force and effect.

19. Capacity to Contract; Customer Affiliation

You represent that you are of legal age and that, unless you have notified the Executing Broker to the contrary, neither you nor any member of your immediate family is an employee of any exchange or member thereof, an employee of the National Association of Securities Dealers, Inc. or a member thereof, an employee of any corporation, firm or individual engaged in the business of dealing, as broker or principal, in securities, options or futures, or an employee of any bank, trust company or insurance company.