

IBN FINANCIAL SERVICES, INC. CLIENT INFORMATION & DISCLOSURES

This "Client Information and Disclosures" section is an agreement between IBN Financial Services, Inc. and the Client and governs the account opened at IBN.

The following information and disclosures are provided for the Client's benefit, protection, and understanding so that the Client can make an informed investment decision.

Meaning of words in this section: The words "I", "me" or "my", "we", "us" and "you" refer to the person(s) or entity that has signed the IBN New Account Information Form and appropriate IBN Disclose Form that corresponds with the product that you purchase., The word "IBN" refers to IBN Financial Services, Inc.

I. IBN Financial Services, Inc.

- A. My Financial Representative Is engaged in the sale of securities as a Registered Representative of IBN.
- B. Acting through my Financial Representative who is named in this document, I have appointed IBN as my agent for the purpose of carrying out my directions with respect to the purchase or sale of securities and, as such, IBN is authorized to open or close accounts, place and withdraw orders and take such other steps as are reasonable to carry out my directions.
- C. An account will be deemed opened by IBN on my behalf upon the acceptance of this IBN New Account Information Form by a IBN General Securities Principal. IBN also reserves the right to decline to serve as my broker-dealer of record.
- D. IBN will recognize only those securities transactions that are executed with its knowledge, control and consent and that are duly reflected on its books and records as broker-dealer related transactions.
- E. IBN shall have the sole discretion to accept my securities orders. IBN reserves the right to require a deposit before accepting or executing such orders. IBN may at any time refuse or limit any transaction that I may wish to effect and will automatically reject any investment that is not deemed a security or is labeled or designated as a non-security.
- F. if upon the purchase/sale of securities by IBN at my direction, I fail to pay for or deliver monies or securities, I authorize IBN to take those steps necessary to pay for/deliver such monies or securities. I further agree to reimburse IBN for any loss it may sustain on my behalf.
- G. I will pay on demand any balance, including accrued interest charges, commissions and cost of collection (including attorneys' fees), owing with respect to my account, IBN may apply any payments of interest, dividends, premiums and principal received on any securities and other property from my other IBN accounts to reduce any outstanding debit in this account. IBN may use or transfer excess funds interchangeably between and among my IBN Securities Accounts subject to applicable law.
- H. My accounts at IBN guarantee one another. All credit balances, securities or other property in which I may have an interest and that IBN, through its clearing firm (Ridgeway & Conger, Inc. as well as Cor Clearing, LLC), holds, carries or maintains for my Securities Account(s) are subject to a general lien for the discharge of all my obligations (including unmatured or contingent obligations) to IBN, regardless of whether IBN has made advances with respect to such property. Whenever IBN deems it necessary for its protection, IBN, in its sole discretion, may sell, purchase, assign or transfer any or all of the above-mentioned property in accordance with applicable law, without prior demand, tender or notice to me, to satisfy such general lien. Such sale or purchase may be made at IBN's discretion on any exchange or other market where such business is then transacted. All costs and expenses in connection with any such sale or purchase shall be borne by my account. In enforcing its lien and making any such sales, IBN shall have the discretion to determine which securities and property are to be sold and which contracts are to be closed. I will remain liable to IBN for any remaining deficit.
- I. I understand that to help the government fight the funding of terrorism and money-laundering activities and to verify my identity, federal law requires that IBN obtain my name, date of birth, legal and mailing address (if different), and a government-issued identification number before opening my IBN New Account. In certain circumstances, IBN may obtain and verify this information with respect to any person(s) authorized to effect transactions in my account. For certain entities, such as trusts, estate, corporations, partnerships or other organizations, identifying documentation also is required. Modifications to the required information on an existing account may also be verified. I also will provide to IBN financial and investment information for suitability purposes. I authorize IBN to obtain a credit report on me to open an account, to add or modify features that I may later request or when a legitimate business need exists. Upon written request, I will be provided with the name and address of the credit reporting agency used. My account may be restricted or closed if IBN cannot verify my information. IBN will not be responsible for any losses or damages (including but not limited to lost opportunities) resulting from any failure to provide this information or from any restriction placed upon, or closing of my account. Any Information I provide to IBN or that is on the credit report may be shared in accordance with IBN New Account Information Form (IBN' ultimate parent) Privacy Policy, of which I hereby acknowledge receipt.
- J. IBN may tape-record conversations with me in order to verify data concerning any transactions I may request, and I consent to such recording.
- K. The rights and obligations contained within this Agreement shall be in addition to those contained in any other agreement I may enter into or have with IBN.
- L. Filing a Grievance. Please be advised that should you wish to file a grievance regarding the handling of your account, you may address your correspondence to IBN Financial Services, Inc. Compliance Department, 8035 Oswego Road, PO Box 2365, Liverpool, NY 13089, Attention Customer Complaint Unit or you may call us at (877) 492-9464.

II. MY FINANCIAL REPRESENTATIVE

- A. My Financial Representative, who is named in this document, has engaged IBN solely to make offers to buy or sell securities for my account and has no express, implied or apparent authority to contract on behalf of IBN.
- B. My Financial Representative will only be empowered to place an order for my account upon my direction or that of my authorized delegate. Before any securities order is placed, I or my authorized delegate will review my financial condition and objectives shown on the Direct Subscription Account Application. Should an order be placed for a security in a greater relative risk category than I marked for pre-approval, such order will be deemed to be an automatic amendment of my objectives.
- C. My Financial Representative Is licensed to sell securities, including variable insurance products, on a commission basis. However, he may provide certain "Financial Planning" related services outside the scope of his role as my Financial Representative. Such services typically involve advising me in regard to the management of my financial resources based upon an analysis of my needs. All recommendations that are implemented in the form of securities or insurance purchases will cause him to be compensated on a commission basis, separate from any financial planning fees.

- D. My Financial Representative may offer non-securities products and services outside the scope of this relationship and the control of IBN such as insurance, advisory services, real estate brokerage, law, accounting, tax, estate, business or financial planning, tax preparation, or any other non-securities products and/or services. I shall hold IBN harmless for any losses that I may incur in the provision of such products and services outside the scope of my relationship with IBN with respect to my account.
- E. The Financial Industry Regulatory Authority ("FINRA") requires that we notify you in writing of the availability of an investor brochure that includes information describing FINRA Regulation's BrokerCheck Program ("Program"). To obtain a brochure or more information about the Program or FINRA Regulation, contact the FINRA Regulation BrokerCheck Program Hotline at (800) 289-9999 or access the FINRA's web site at www.finra.org.

III. IMPORTANT DISCLOSURES CONCERNING MUTUAL FUND BREAKPOINT DISCOUNTS

The following elements of mutual fund investing have been explained to me. I will/have consider(ed) these factors in arriving at my investment decision and understand their applicability to my Account.

- A. Value of Shares- I understand the value of my investment in any mutual funds purchased may increase/decrease depending on market variables beyond my control or the control of my Registered Representative. Depending on the net asset value of the fund(s) at the time of redemption, I may receive more or less than the amount paid for my shares.
- B. Cost to Purchase- I understand that many factors may enter into the decision to elect a particular class of shares including: the purchase amount, the anticipated holding period and other relevant circumstances.

Class "A" Shares (front-end loaded): Purchases are subject to a sales charge of a percentage of the offering price and may be subject to 12b-1 fees. Large dollar investors generally should consider "A" shares because of the availability of volume discounts (breakpoints) typically offered on this class of shares. Typically, purchases involving dollar amounts in excess of \$100,000 should use Class "A" shares in view of the breakpoint benefit.

Class "B" Shares (back-end loaded): Purchases incur no up-front sales charge but are instead subject to a charge upon surrender that declines over a period of years as described in the prospectus. "B" shares may include higher 12b-1 expenses prior to conversion to Class "A". This class of shares is most appropriate for investors who do not qualify for volume discounts (breakpoints) typically available on Class "A" shares and who have a long-term investment horizon. "B" shares should not be marketed as no-load funds due to the potential for a deferred sales charge on early withdrawals.

Class "C" Shares (level loads): Purchases may or may not be subject to an initial sales charge, but on an ongoing basis generally have higher 12b-1 expenses. Class "C" shares may be assessed a charge upon surrender if redeemed within a specific period of time, usually one to two years following purchase. This class of shares is most appropriate for investors who do not qualify for volume discounts (breakpoints) typically available on Class "A" shares and who have a shorter-term investment horizon. The cumulative effects of the higher 12b-1 charges can make this category of shares a more expensive pricing option for longer term investors.

Additional variations of share classes may exist utilizing one or more of the characteristics referenced above. For more information concerning your specific fund(s), please consult the prospectus.

- C. Breakpoint Discounts - Purchasers of mutual fund shares within a single mutual fund or fund family may be entitled to volume discount on the front-end sales charge for Class A share purchases. These discounts are known as

"breakpoint" discounts. At certain purchase levels, some fund families may waive the front-end load entirely.

- D. Consult the Prospectus or Statement of Additional Information- The circumstances under which a breakpoint discount is available are described in the prospectus or the Statement of Additional Information ("SAI") for the mutual fund you are purchasing. Breakpoint rules are subject to change and differ among fund families. If I have questions concerning eligibility for a breakpoint discount, I will consult with my registered representative or the mutual fund company.
- E. Breakpoint discounts generally apply only to purchases within a single mutual fund family. These discounts generally do not apply to purchases involving different mutual fund families. Thus, if I seek to diversify my portfolio by allocating purchases among several fund families, I will be less likely to obtain a breakpoint discount in any single fund family.
- F. Related Accounts - Breakpoint discounts may apply to Class A share mutual fund purchases I make within the account I am opening, and, depending on the rules set forth in the prospectus or SAI of the particular fund family, to purchases made in accounts that are related.
- G. Rights of Accumulation - I understand that a breakpoint discount may also be obtained by combining the value of all shares (such as Class A, B, C, M or T shares or Section 529 plan holdings) that I hold in a particular fund family. This ability to combine such holdings is generally known as a "right of accumulation." The circumstances under which rights of accumulation are available are described in the fund's prospectus and/or SAI.
- H. Any discount based on an aggregation would apply to this purchase or to a future purchase, but will not result in a retroactive reduction of an amount previously paid for a Class A purchase within a fund family.
- I. Letters of Intent - I understand that I may obtain a breakpoint discount by signing a Letter of Intent in which I agree to purchase, and, in fact, do purchase, a specified dollar amount of Class A mutual fund shares within the same fund family within a certain period of time (generally 13 months). I further understand that if I fail to invest the stated amount within the prescribed time period, the mutual fund company will retroactively assess the higher sales charge against all of my purchases. Certain fund families permit investors to establish Letters of Intent that include amounts that were purchased within the fund family within a specified prior time period, such as the past 90 days. The details concerning Letters of intent are contained in the prospectus or SAI of the mutual fund being purchased.
- J. Reinstatement or "Buy Back" Privileges - Certain fund families permit investors who redeem shares to repurchase, within a specified period of time, an amount of that fund family's shares equal to the amount previously redeemed without having a front-end sales charge assessed. The circumstances under which reinstatement or "buy back" privileges are available are set forth in the mutual fund's prospectus or SAI.
- K. Money Market Funds - The aggregation of funds for sales reduction charges may not apply to certain funds, such as money market funds, within a particular fund family. Consult the fund prospectus and/or SAI for additional details.
- L. NAV Transfers - Certain mutual fund companies allow the purchase of their funds at net asset value (i.e. with no sales charge) when the proceeds are from the sale of mutual funds held at other fund companies. Such transactions are referred to as NAV Transfers. The use of the NAV transfer feature is not universal to all mutual fund companies and may or may not be offered. Information regarding whether a specific mutual fund company offers such a program and the specifics of such program, if applicable, can be found in the mutual fund prospectus and/or SAP.
- M. Clarification of Distributions - I am aware that there is no benefit to purchasing shares in anticipation of a dividend or capital gains distribution. Any subsequent dividend is

actually part of the offering price and thus becomes a refund of part of my investment.

- N. Tax Aspects - I understand that my investment activity may affect the amount of tax I owe. I will consult a qualified tax professional for advice.
- O. Reduced Sales Charge - I understand that based upon the disclosures outlined above, the fund prospectus and discussions with my Registered Representative that by purchasing Class "A" shares, I may be able to obtain a reduced sales charge through volume discounts (breakpoints) or through agreement to purchase larger amounts over a set period of time (letter of intent).

IV. IMPORTANT DISCLOSURES RELATED TO PRODUCT REVENUE/MARKETING/EDUCATION ALLOWANCE

IBN Financial Services, Inc. (IBN) seeks to have some of the companies we do business with provide support for marketing, education/training and other support for our Financial Representatives. It is important to note that IBN Financial Representatives do not receive any portion of these fees which are separate from and in addition to other fees and charges applicable to each product. Since this information may be an important consideration in your decision to purchase a particular product, you should call our office at (877) 492-9464 and ask for that information or any other information that may involve your decision process. You should also read each product's prospectus, offering memorandum, any other form or document that describes their product and the statement of additional information. If you cannot or do not wish to access this information, you may request a written disclosure from your Financial Representative.

Other Expense Reimbursements: IBN and/or your Financial Representative may be reimbursed by these companies or their affiliates or other service providers for the expenses IBN and/or your Financial Representative may incur for various sales meetings, seminars, and conferences held in the normal course of business. Although these companies independently decide what they will spend on these activities, we are aware that some of these companies allocate their promotional budgets based upon prior sales and asset levels and that they work with our branch offices or Financial Representatives to plan promotional and educational activities on the basis of such budgets. We do not control how these companies allocate their promotional budgets or their spending decisions in this regard.

V. INVESTMENT CERTIFICATIONS

- A. I understand that securities investing involves risks and that many variables, including but not limited to market and economic fluctuations, may have a substantial negative effect on the value of my securities positions. Furthermore, I represent to IBN that I am willing to assume these risks and that I am in fact financially able to bear these risks. I also understand that I have an affirmative obligation to promptly notify IBN in writing should my financial condition adversely change or should my investment objectives differ from what is disclosed on the IBN New Account Information Form.
- B. I will obtain from my Financial Representative and review the current Prospectus and/or Memorandum (Offering Document) that fully describes the investment, including potential risks and costs, prior to purchasing an interest in a partnership, mutual fund, variable product, unit investment trust or any other securities issue.
- C. I understand that when purchasing interest in a mutual fund, it is normally advisable to take advantage of any available quantity discount privilege ("breakpoint level") as discussed in the applicable Offering Document, although doing so may limit my portfolio diversification.
- D. I understand that it is generally not advisable to switch from one variable product or mutual fund to another, especially where the exchange will cause the client to incur an additional up-front or contingent sales charge for such transfer of assets, unless there exists a reasonable basis for such switch.

E. I understand that I should not be induced by a pending dividend when purchasing or selling securities.

F. I agree to review and complete the appropriate product disclosure forms pertinent to my investment.

VI. INVESTMENT OBJECTIVE DESCRIPTIONS

The typical investments listed with each objective are only some examples of the kinds of investments that have historically been consistent with the listed objectives. However, IBN can not assure you that any investment will achieve your intended objective. You must make your own investment decisions and determine for yourself if the investments you select are appropriate and consistent with your investment objectives as past performance is not a guarantee of future results.

Income: An investment objective of *Income* indicates you seek to generate income from investments and are interested in investments that have historically demonstrated a low degree of risk of loss of principal value. Some examples of typical investments might include high quality, short and medium-term fixed income products, short term bond funds and covered call options.

Growth/Capital Appreciation: An investment objective of *Growth/Capital Appreciation* indicates you seek to grow the principal value of your investments over time and are willing to invest in securities that have historically demonstrated a moderate to above average degree of risk of loss of principal value to pursue this objective. Some examples of typical investments might include common stocks, lower quality medium-term fixed income products, equity mutual funds and index funds.

Aggressive Growth: An investment objective of *Aggressive Growth* indicates that you aggressively seek a higher rate of return from the principal value of your investments and are willing to invest in investments that have historically demonstrated an above average risk of loss of principal to pursue this objective. Some examples of typical investments might include buying stocks of rapidly growing companies, trading on margin, and uncovered options trading.

Speculation: An investment objective of *Speculation* indicates you seek a significant increase in the principal value of your investments and are willing to accept a corresponding greater degree of risk by investing in securities that have historically demonstrated a high degree of risk of loss of principal to pursue this objective. Some examples of typical investments might include lower quality long-term fixed income products, initial public offerings, volatile or low priced common stocks, the purchase or sale of put or call options, spreads, straddles and/or combinations on equities or indexes, and the use of short-term or day trading strategies.

Tax Advantage: An investment objective of *Tax Advantage* indicates that you seek to minimize tax liability and are willing to invest in securities that provide a tax benefit. Some examples of typical investments might include municipal bonds, tax exempt mutual funds or municipal bond mutual funds.

VII. UNAUTHORIZED PROHIBITED ACTS

Clients must take responsibility to prevent unauthorized acts within clients' control by adhering to all of the following:

- A. Clients may not pay cash for a security purchase. IBN does not accept money orders, traveler's checks, foreign checks, third party checks, bank checks below \$10,000 or other cash equivalents or non-traceable methods of payment.
- B. All payments must be made payable to the product sponsor as indicated on the product application that accompanies this Direct Subscription Account Application.
- C. Do not loan to or borrow from the Financial Representative any monies or securities.

- D. Do not authorize or permit the Financial Representative to act as a personal custodian of clients' securities, stock powers, monies or any other personal or real property in which client may have an interest.
- E. Do not accept any commission rebate or any other inducement with respect to the purchase or sale of securities.
- F. Do not enter into an understanding whereby a client agrees to buy securities directly from or sell securities directly to the Financial Representative.
- G. Do not agree to enter into any other business relationship with the Financial Representative including, but not limited to the capitalization or financing of any business of the Financial Representative.
- H. Financial Representatives are not permitted to act as trustees, executors, depositories, etc.

VIII. RESOLVING DISPUTES - ARBITRATION

This agreement contains a pre-dispute arbitration clause. Under this clause, which becomes binding on all parties when you sign your account application, you and IBN 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 unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
- 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. The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement. All controversies that may arise between you and IBN concerning any subject matter, issue or circumstance whatsoever (including, but not limited to controversies concerning any account, order, or transaction, or the continuation, performance, interpretation or breach of this or any other agreement between you and IBN whether entered into or arising before, on, or after the date this account is opened shall be determined by arbitration in accordance with the rules then prevailing of the Financial Industry Regulatory Authority (FINRA) or any United States securities self-regulatory organization or United States securities exchange of which the person, entity of entities against whom the claim is made is a member, as you may designate. If you designate the rules of a United States self-regulatory organization or United States securities exchange and those rules fail to be applied for any reason, then you shall designate the prevailing rules of any other United States self-regulatory organization or United States securities exchange of which the person, entity or entities against whom the claim is made as a member. If you do not notify IBN in writing of your designation within five (5) days after such failure or after you receive from IBN a written demand for arbitration, then you authorize IBN to make such designation on your behalf. The designation of the rules of a self-regulatory organization or securities exchange is not integral to the underlying agreement to arbitrate. You understand that judgment upon any arbitration award may be entered in any court of competent jurisdiction.

No person shall 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 a 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.