DISCLOSURE
FULLY-PAID SECURITIES LENDING PROGRAM

Please read these important disclosures carefully before deciding whether to participate in the Firm's Fully-Paid Securities Lending Program and before signing a Master Securities Lending Agreement for the Firm's Fully-Paid Securities Lending Program. These disclosures describe important characteristics of, and risks associated with engaging in, securities lending transactions.

I. INTRODUCTION

The Firm offers eligible customers the ability to lend out certain of their fully paid and excess margin securities to the Firm, which the Firm may then lend to other customers of the Firm or to other market participants who wish to use these shares for short selling or other purposes. "Fully- paid securities" are securities in a customer's account that have been completely paid for. "Excess-margin securities" are securities that have not been completely paid for, but whose market value exceeds 140% of the customer's margin debit balance. In this disclosure and in the relevant agreements, the Firm collectively refers to fully-paid and excess margin securities as "Fully-Paid Securities" or "Fully-Paid Shares." Lending out your Fully-Paid Shares may be a way to increase the yield on your portfolio, because some shares are in high demand in the securities lending market and borrowers are willing to pay a loan fee for the use of your shares.

In the Fully-Paid Securities Lending Program (the "Program"), you permit the Firm to borrow from you any Fully-Paid Securities in your portfolio and loan these securities out in the securities lending market. The Firm will have the discretion to initiate loans of your securities. You will not be asked to approve each loan before it is initiated, but you can sell your shares at any time or terminate your participation in the program. The Firm will pay you a loan fee for the shares that it borrows from you. Ordinarily the Firm will pay you a percentage of the net loan fee received by the Firm for lending your securities. The Firm's net loan fee used to calculate your loan fees may be less than the gross fees received by the Firm for relending your securities because of certain deductions and charges.

II. BASIC MECHANICS OF A FULLY-PAID LENDING TRANSACTION

When the lending transaction takes place, your securities will be designated as on loan. In return, the Firm will hold collateral for you to secure the amount of the loan. The current industry convention for the collateral calculation with respect to U.S. stocks is to multiply the security price by 102%, then round up to the nearest dollar, times the number of shares. The Firm marks-to-market all positions daily to reflect changes in security prices. The Firm reserves the right to adjust to US industry convention should that change or to raise or lower the collateral amount based on local laws or market custom outside the US; however, the Firm will never collateralize the stock loan for less than 100% of the value. For example, Customer A has enrolled in the Program and the Firm has borrowed 5000 shares of XYZ from Customer. XYZ's closing price is $22.15. The mark-to-market is calculated by rounding $22.15 * 1.02 = $22.59 rounded up nearest dollar which is $23, making the collateral calculation $23 * 5000 = $115,000.

The Firm will be the counterparty borrower to all of the loans you make. That is, as a customer, you are transacting with the Firm, which may, in turn, then transact on any relevant market. For all transactions in which you are lending your Fully-Paid Shares, the Firm will be the borrower and the Firm will be the party providing the collateral for you on the securities loan and paying your loan fees to you.

III. SECURITIES LOANED OUT BY YOU MAY NOT BE PROTECTED BY SIPC

The provisions of the Securities Investor Protection Act of 1970 may not protect you with respect to your securities loan transactions in the Program. Therefore, the collateral held for you may constitute the only source of satisfaction of the Firm's obligation in the event the Firm fails to return the securities.

IV. LOSS OF VOTING RIGHTS

The borrower of securities (and not you, as lender) has the right to vote, or to provide any consent or to take any similar action with respect to the loaned securities if the record date or deadline for such vote, consent, or other action falls during the term of the loan.

V. YOU CAN SELL YOUR LOANED SHARES AT ANY TIME

Even though you have loaned your shares out, you can sell those shares at any time, just like any other shares in your account with the Firm. You do not have to wait for the shares to be returned to sell them. Even if the shares are not returned on time to settle your sale of the shares, the Firm will be responsible for settling the sale, not you, and you will receive the proceeds from the sale of the shares on the normal settlement date for the sale.

VI. YOU CONTINUE TO OWN LOANED SHARES AND HAVE MARKET RISK ON THOSE SHARES

When you lend your shares, you continue to own the shares and you continue to have the market exposure inherent in ownership of the shares (i.e., if the share price decreases while you own the shares but are lending them out, the value of your position will decrease).

VII. LACK OF INTEREST ON COLLATERAL

You generally will not receive a separate interest payment from the Firm on the collateral that is held for your benefit when you lend Fully-Paid Shares to the Firm. You will only receive the loan fee rate that is recorded for lending your shares. This is because when you lend shares against collateral, you are effectively borrowing the collateral (just as the Firm is borrowing your shares). Ordinarily you would pay an interest rate on the collateral to the stock loan counterparty (the Firm) and then you would receive interest if you then deposited that collateral with a third party. In this case, these two potential interest payments cancel each other out and the net rate for the lending transaction is the net payment you will receive from lending your shares (reduced by any commissions, management fees or other applicable charges). The interest treatment on collateral may change from the above depending on the securities lending market and the collateral method.

VIII. THE SECURITIES LOANED OUT BY YOU MAY BE "HARD-TO-BORROW" BECAUSE OF SHORT SELLING OR MAY BE USED TO SATISFY DELIVERY REQUIREMENTS RESULTING FROM SHORT SALES

The type of securities that are generally attractive to borrowers in the securities lending market, and which generate the highest loan fees, are "hard to borrow" securities. When you lend your Fully-Paid Securities, it is likely that such securities will be used to facilitate one or more short sales where the borrower is selling shares in hopes that the stock will decline in value (the short seller later re- purchases the stock to pay back the stock loan). Since you are holding the shares "long" in your account, the activity of short sellers potentially could affect the long-term value of your holdings.

IX. POTENTIAL TAX IMPLICATIONS, INCLUDING PAYMENTS DEEMED CASH-IN-LIEU OF DIVIDEND PAID ON SECURITIES WHILE ON LOAN

When you lend your Fully-Paid Securities, you are entitled to receive the amount of all dividends and distributions made on or in respect of the loaned securities. However, you may receive cash payments "in lieu of" dividends. If you are a U.S. taxpayer, cash payments in lieu of dividends are not the same as qualified dividends for tax purposes and are taxed as normal ordinary income (up to 39.6%) instead of the preferential qualified dividend rate of 20% (U.S. federal income tax rates quoted here are for 2013 and are subject to change). If you are not a U.S. taxpayer, the Firm may be required to withhold tax on payments in lieu of dividends and loan fees to you at 30% unless an exception applies.

It is solely within the Firm's discretion whether to recall loaned shares from a borrower prior to a dividend, and the Firm makes no guarantee to recall a loan prior to a dividend. With respect to other corporate actions affecting loaned shares, non-cash distributions that you are entitled to receive in connection with ownership of loaned securities will be added to the loaned securities on the date of distribution and will be transferred to you at termination of the loan.

Other special tax considerations could arise, and you are encouraged to consult a tax advisor for further information.

X. THE FIRM HAS A RIGHT TO TERMINATE ANY BORROW TRANSACTION IN THE EVENT OF A CONDITION OF THE KIND SPECIFIED IN FINRA RULE 4314(B)

The Firm has a right to terminate any borrow transaction if you:

(1) Apply for or consent to, or are the subject of an application for, the appointment of or the taking of possession by a receiver, custodian, trustee, or liquidator of you or of all or a substantial part of your property

(2) Admit in writing your inability, or become generally unable, to pay your debts as such debts become due

(3) Make a general assignment for the benefit of its creditors; or

(4) File, or have filed against you, a petition under Title 11 of the United States Code, or have filed against you an application for a protective decree under Section 5 of the Securities Investor Protection Act of 1970 ("SIPA"), unless the right to liquidate such transaction is stayed, avoided, or otherwise limited by an order authorized under the provisions of SIPA or any statute administered by the SEC

XI. FACTORS THAT DETERMINE THE AMOUNT OF COMPENSATION RECEIVED BY THE FIRM AND AMOUNT OF COMPENSATION (E.G., INTEREST RATE) TO BE PAID TO YOU, AND THE ABILITY OF THOSE TO CHANGE

1. Loan Rates (and therefore the Fees You Will Receive) are subject to frequent change and can go down (or up) by 50% or more

Rates for "hard to borrow" and other shares change frequently, even daily, in the securities lending market and this can reduce (or increase) the loan fee that you receive for lending your shares out. Likewise, the Firm may change the rate it pays you compared to the fees that the Firm receives when it lends your securities to third parties. You will not have direct control over when to initiate or terminate loans of specific shares (including based on rate changes). However, you can always terminate your participation in the program (which will terminate all of your lending transactions) if you are unhappy with the rates you are receiving or the nature or frequency of rate changes. Please note, though, that if you terminate your participation in the Program, you may not be permitted to re-join the program, or you may have to wait a certain length of time to re-join.

2. The Firm is the counterparty to all Fully-Paid Lending Transactions with You

The Firm may earn a spread in rates and may profit or lose in connection with the transaction or other transactions in the same securities

The Firm may pay part of the loan fees to third parties, which will reduce the rate You receive

The Firm will be the counterparty (borrower) when you lend your shares. Any transactions that the Firm may or may not do on any securities lending markets are completely independent of your loan transaction to the Firm. Thus, after the Firm borrows shares from you at a given rate, the Firm may or may not then lend those shares to another party or to or through an affiliate or third party. Likewise, the Firm may terminate a loan with you and return shares to you while at the same time the Firm continues to lend shares of the same stock out to the marketplace. In short: the Firm's obligation to you is to pay you the specified rate on ongoing loan transactions until such transactions are terminated by you or by the Firm. Nothing in the Program restricts the Firm's ability to conduct stock lending and borrowing transactions with third parties, who may profit or lose in connection with the transactions.

The Firm may borrow shares from you and then lend those shares to one of its affiliates or other customers.

The Firm may earn a "spread" on securities lending transactions with your stock. This means that the rate you receive from the Firm for your loaned securities may be worse than the rate the Firm receives from a third party on those same shares.

The Firm may pay part of the net loan fees (for shares you lend) to third parties such as introducing broker(s) who may introduce your account to the Firm. These payments may reduce the loan fees (rate) you receive.

3. There is no guarantee that You will receive the best loan rates for your shares

The securities lending market is not a standardized and transparent market. Securities lending transactions generally take place "over the counter" rather than on organized exchanges where prices and transactions are transparent. There are no rules or mechanisms that guarantee or require that any given participant in the marketplace will receive the best rate for lending shares, and the Firm cannot and does not guarantee that you will receive the most favorable rate for lending your shares. The Firm may not have access to the markets or counterparties that are offering the most favorable rates or may be unaware of the most favorable rates. As noted previously, the Firm may earn a "spread" on the rate, such that the rate you receive is worse than the rate the Firm receives.

4. Commissions and Other Charges

You will receive a loan fee, which will be credited daily, and generally represents a certain percentage of the net loan fee received by the Firm for relending your shares. The percentage may be changed by Apex in its sole discretion. Likewise, the loan fee may be varied by agreement between certain customers and Apex, depending on the size of the customers' loan portfolios, the types of Fully-Paid Securities available in the customers' accounts, and other factors.

As noted above, the Firm or its affiliates or third parties may also earn a "spread" on the rate, such that the rate you receive will be based on a net fee after deduction for charges by the Firm. Likewise, as noted, the Firm may pay part of the net loan fees (for shares you lend) to third parties such as introducing broker(s) who may introduce your account to the Firm. These payments may reduce the loan fees (rate) you receive. You may always terminate your participation in the program if you are unhappy with the rates you are receiving.

XII. LOANS MAY BE TERMINATED AT ANY TIME BY THE FIRM

When you lend your Fully-Paid Shares, the loan may be terminated and the shares returned to your account at any time. The loan may be terminated because a party that borrowed the shares from the Firm (after the Firm borrowed them from you) chose to return the shares, or because the Firm received a rerate request and rejected the rerate request, or for other reasons. The Firm also has the right to terminate its borrowing of shares from you even if the Firm continues to lend the same stock through another market. When the loan is terminated, shares will no longer be designated as on loan, you will stop receiving the loan fees, and the collateral will no longer be held for your benefit. You will not have direct control over when to initiate or terminate loans of specific shares. Please note, however, that you can always terminate your participation in the program (which will terminate all of your lending transactions).

XIII. SELLING YOUR SHARES OR BORROWING AGAINST THEM WILL TERMINATE THE LOAN TRANSACTION

If you sell the Fully-Paid Shares you have lent out, or if you borrow against the shares (such that the securities become margin securities and are no longer fully-paid or excess margin securities), the loan will terminate and you will stop receiving the loan fee.

XIV. THERE IS NO GUARANTEE THAT YOUR FULLY-PAID SHARES WILL BE LOANED OUT

There is no guarantee that you will be able to lend (or that the Firm will want to or be able to borrow) your Fully-Paid Shares. There may not be a market to lend your Fully-Paid Shares in a particular security at a rate that is advantageous, or the Firm may not have access to a market with willing borrowers. The Firm, or other customers of the Firm or the Firm's affiliates, might have shares that may be loaned out that will satisfy available borrowing interest and, therefore, the Firm may not borrow shares from you. There is no rule or requirement, nor is there anything in the applicable agreements between you and the Firm, that requires the Firm to borrow shares from you or requires the Firm to place your interest in lending shares of a particular security ahead of the Firm's own interests, or those of other customers of the Firm or those of the Firm's affiliates. The Firm cannot and does not guarantee that all of your Fully-Paid Shares that possibly could be loaned out to generate loan fees will be loaned out.