BNY | PERSHING

COMPREHENSIVE WEALTH MANAGEMENT

WITH MARGIN LENDING

LEVERAGE SMART AND ACCESSIBLE BORROWING OPTIONS

MARGIN[1] BENEFITS

- No upfront fees, points or closing costs
- No preset monthly payments
- No prepayment penalty
- Comprehensive financial statement
- Quick and easy approval process

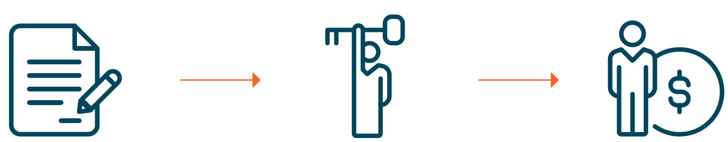
You work hard to generate wealth. You also understand that prudent risk plays an important role in your financial success. Margin[1], a multipurpose, secured, revolving line-of-credit, is a valuable lending tool to manage the growth of your portfolio and help solve your liquidity needs.

Margin enables you to borrow up to 50% of the total market value of the fully paid eligible securities in your account. This source of leverage may enable you to take advantage of market opportunities and attain a higher level of investment than might otherwise be possible.

Add Value with Margin[1]

- Increase portfolio growth potential by taking advantage of market opportunities to purchase additional securities.
- Realize potential capital appreciation and income by retaining investments that are performing well.
- Conveniently access credit—funds are available instantly and you pay nothing until you decide to tap into the credit line.
- Sell when you are ready. Keep capital gains unrealized by not having to sell one investment to buy another.

Simple Enrollment Process



Fill out a Margin Agreement → **Receive approval** → **Margin loan is ready to use the day after approval**

[1] Margin may not be appropriate for all investors and the risks should be carefully evaluated. Purchasing securities on margin can expose accounts to the potential for higher losses and accounts can lose more funds than deposited in Margin accounts. If the market value of a portfolio depreciates, additional funds or marginable securities may be required. Failure to satisfy account maintenance requirements will result in restrictions on accounts and liquidation of sufficient securities to bring accounts to an acceptable equity level. Before trading on margin, FINRA requires clients to deposit a minimum balance of $2,000 or 100% of the purchase price, whichever is less.

HOW MARGIN LOAN WORKS

Margin loans can increase your profits as well as your losses. The following is a hypothetical example of buying investments on cash and margin. Using $3,000 as an initial investment, an investor may use margin to purchase $6,000 worth of marginable securities.

A Gain Without Margin

Action	Account	Market Value
You buy 100 shares of a $30 stock	-$3,000	$3,000
Your stock rises to $50	$0	$5,000
You sell 100 shares for $5,000	$5,000	$0
Your gain	**$2,000**	

A Gain With Margin

Action	Account	Market Value
You buy 100 shares of a $30 stock	-$3,000	$3,000
You buy an additional 100 shares of stock at $30 on margin	$0	$6,000
Your stock rises to $50 and you sell for $10,000	$0	$10,000
You repay your margin loan	-$3,000	$0
You pay margin interest*	-$263	$0
Your gain	**$3,737**	

A Loss Without Margin

Action	Account	Market Value
You buy 100 shares of a $30 stock	-$3,000	$3,000
Your stock falls to $10	$0	$1,000
You sell 100 shares for $1,000	$1,000	$0
Your loss	**-$2,000**	

A Loss With Margin

Action	Account	Market Value
You buy 100 shares of a $30 stock	-$3,000	$3,000
You buy an additional 100 shares of stock at $30 on margin	$0	$6,000
Your stock drops to $10 and you sell for $2,000	$0	$2,000
You repay your margin loan	-$3,000	$0
You pay margin interest*	-$263	$0
Your total loss	**-$4,263**	

* Example uses a hypothetical interest rate of 8.625% on a loan outstanding for 12 months. Actual interest rate may vary. Commission charges or taxes are not included in these examples but affect the final outcome and should be considered.

HOW MARGIN CALL WORKS

Looking to understand how an account with a margin maintenance call works?
Here is a hypothetical example:

Account is long 1,000 shares with a price of $25	$25,000 Long Market Value
Security has a maintenance requirement of 30%: $25,000 x 30%	$7,500 Total Requirements
Account has a Margin Debit Balance (Debit Balance) for -$13,000	
Account's calculated equity: $25,000 Long Market Value - $13,000 Debit Balance	$12,000 Equity
Account's surplus is equity minus Requirements: $12,000 - $7,500	$4,500 Maintenance Surplus
Security Price Drops to $17	
Account is long 1,000 shares with a price of $17	$17,000 Long Market Value
Security has a maintenance requirement of 30%: $17,000 x 30%	$5,100 Total Requirements
Account has a Margin Debit Balance (Debit Balance) for -$13,000	
Account's calculated equity: $17,000 Long Market Value - $13,000 Debit Balance	$4,000 Equity
Account's maintenance call is equity minus requirements: $4,000 - $5,100	**$1,100 Maintenance Call**

Margin maintenance calls can be met via:

Deposit of funds to reduce the debit

Deposit marginable securities with sufficient loan value to meet the call

Selling sufficient securities to restore the 30% equity ratio

RISK ASSOCIATED WITH MARGIN LENDING

Margin may not be appropriate for all investors and it is important that you fully understand the risks involved in trading securities on margin. You may lose more funds or securities than you deposited in your margin account.

Interest

- Accrued daily, charged monthly.
- Added to the debit balance and can be paid at any time.

Margin Calls

- If the equity value of your account drops below the minimum maintenance requirement, BNY Pershing will issue a “maintenance call” requiring you to deposit additional cash or securities.
- Your financial organization or BNY Pershing may force the sale of securities or other assets in your account(s) without contacting you.
- You are not entitled to choose which securities or other assets in your account(s) will be liquidated or sold to meet a margin call.
- Your financial organization or BNY Pershing can increase “house” maintenance margin requirements at any time and neither is required to provide you with advance written notice.
- You are not entitled to an extension of time on a margin call.
- Your written Margin Agreement with BNY Pershing, your financial organization's clearing firm, outlines certain important obligations you have. The Margin Agreement is a legally binding agreement that cannot be modified by conduct, and no failure on the part of your financial organization or BNY Pershing at any time to enforce its rights under the Margin Agreement to the greatest extent permitted shall in any way be deemed to waive, modify or relax any of the rights granted to your financial organization or BNY Pershing. This includes those rights vested in your financial organization or BNY Pershing to deal with the collateral on all loans advanced to you.

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