

## Woodstock Financial Group Customer Information Brochure

In consideration of acting as broker dealer for you, the account holder, it is agreed in respect to all accounts, options or securities, and whether upon margin or cash as follows:

1. **VERIFICATION/RECORDING:** The account holder acknowledges that all information supplied by the account holder will be subject to verification. The account holder understands that the broker/broker dealer may tape record telephone conversations with customers in order to verify data concerning securities transactions and hereby consents to such recording.
2. **DISCLOSURE OF FINANCIAL INFORMATION:** The account holder understands in connection with this agreement an investigation may be made whereby information is obtained relative to the account holder's character, general reputation, and credit worthiness, and that the account holder has the right to make a written request within a reasonable period of time for a complete and accurate disclosure of additional information concerning the nature and scope of this investigation.
3. **AUTHORITY & OWNERSHIP:** Client has the requisite legal capacity, is authorized to enter into this agreement and has obtained all necessary authorizations from third parties, where necessary, to open accounts and effect securities transactions.
4. **APPLICABLE REGULATIONS:** All transactions under this agreement shall be subject to the rules, regulations customs and usages of the exchange or market (and its clearinghouse, if any) where executed and to all applicable Federal & State laws & regulations as currently existing and which, if modified shall supersede inconsistent provisions in the agreement. The broker dealer and broker are hereby constituted agents of the account holder for the purposes of consummating all such transactions, in the state of residence or elsewhere, using the broker's discretion as to marketplace, and the broker/broker dealer is authorized for the account of the account holder to expend such monies, and whenever necessary, to borrow and deliver such monies and/or property as may be required in respect to such transactions.
5. **NOTIFICATION OF CHANGES:** In the event, information concerning the client changes, the client agrees to provide notification to the firm of such changes in a manner and method as prescribed by the firm at the time of such change. Such changes include any and all information contained on the Customer Account Application and Agreement, including, but not limited to, personal identifying information, address information, investment objective information, etc.
6. **SECURITIES INVESTOR PROTECTION CORPORATION ("SIPC")**  
**DISCLOSURE:** SIPC is a corporation created to assist investors in the event the broker/dealer in which they choose to do business with goes bankrupt or has financial difficulties, among other things. In the event you wish to obtain information about SIPC, including the SIPC brochure, you may do so by visiting [www.sipc.org](http://www.sipc.org) or by contacting SIPC by telephone at 1-202-371-8300.
7. **EXECUTION OF ORDERS:** All orders given by the account holder for the purchase or sale of securities or other property, which may be traded on more than one exchange or market, may be executed on any exchange or market selected by the broker/broker dealer. It is understood that the broker/broker dealer routinely executes orders for the purchase or sale of equity securities with other broker dealers even though said securities may be listed on an exchange. It is further understood that in

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- connection with such executions the broker/broker dealer may receive a remuneration directly from such other broker dealers which remuneration is in addition to the commissions charged by the broker/broker dealer to the account holder.
8. **LIEN:** All securities and other property whatsoever which the broker/broker dealer may at any time be carrying for the account holder (either individually or jointly with others) or which may at any time be in your possession for any purpose, including safekeeping, shall be subject to a general lien for the discharge of all obligations of the account holder to the broker dealer. The broker/broker dealer shall have the right to transfer money or securities from any of account holder's accounts to another when in your judgment such transfer may be necessary.
  9. **ACTIVE TRADING:** The account holder is aware that a high level of trading activity can result in paying considerably more commissions, fees and margin interest as opposed to a buy and hold approach. In turn, these costs could affect the overall performance of your account. The risks associated with this type of trading are typically higher than the more conventional buy and hold strategy and could result in the complete erosion of your principal. We encourage you to keep abreast of the commissions, fees and margin interest that you are paying.
  10. **LIQUIDATION:** Whenever the broker/broker dealer deems it necessary for their protection the broker/broker dealer are authorized in their sole discretion, to close out the account in whole or in part and in connection therewith the broker/broker dealer may sell, assign and deliver all or part of the securities, option contracts, or other property, pledged hereunder, upon any exchange or market or at any public or private sale at their option, and make any necessary purchase to cover short sales or open option contract positions, all without demand for margin, advertisement, or notice of purchase or sale to the account holder, or to his personal representatives (which are hereby expressly waived), and no specific demand or notice shall invalidate this waiver. After deducting all costs and expenses of the purchase and/or sale and deliveries, including commissions and reasonable legal fees the broker/broker dealer shall apply the residue of the proceeds to the payment of any and all liabilities of the account holder to the broker/broker dealer, and the account holder shall remain liable for any deficiency. Upon any such sale, other than private sale, the broker/broker dealer may purchase the whole or part thereof free from any right of redemption. In the event of the death of the account holder, the authorizations given by this paragraph shall continue to be effective and shall be effective upon the personal representatives of the account holder.
  11. **MAINTENANCE MARGIN REQUIREMENTS:** The account holder is aware that the broker/broker dealer may impose margin requirements more stringent than those required by law or regulatory bodies. The account holder further acknowledges that such house requirements may be changed or modified by the broker dealer from time to time without prior notice to the account holder. The account holder hereby agrees to comply with said house requirements in addition to all legal and regulatory requirements governing account holder's account. The account holder further agrees that any waiver by the broker dealer or failure to promptly enforce, as to the account holder's account or that of others, such house requirements shall not stop or otherwise prevent the broker dealer from subsequently enforcing said requirements with regard to the account holder's account.

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12. **INTEREST CHARGES:** Interest on debit balances shall be charged in accordance with the broker dealer's interest computation schedule under Rule 10b-16 of the Securities Exchange Act of 1934. The broker dealer may charge the account holder's account with such usual and customary charges as the broker dealer may deem necessary to cover broker dealer's services and facilities, including those for any check received by you for the account of the account holder which check is returned by the drawer's financial institution for insufficient funds. It is understood that such interest charges may exceed the permissible rate under the usury laws of the state in which the account holder resides. The account holder expressly waives any rights which the account holder might otherwise have under such statutes and specifically agrees that the permissible rate of interest which may be charged to margin customers under the laws of the State of Texas shall govern. It is understood and acknowledged that the interest charge made to the account holder's account at the close of one charge period will be compounded, that is, added to the opening balance for the next charge period unless paid, thereby becoming part of the principal amount and bearing like interest. Interest charged on margin accounts is calculated as disclosed per the Southwest Securities margin and short account agreement and marked up by Woodstock Financial Group, Inc. not exceeding three percent (3%) annual percentage rate (APR).
13. **PAYMENT OF INDEBTEDNESS UPON DEMAND:** The account holder undertakes upon demand, to discharge the account holder's obligations to the broker dealer, or, in the event of a closing of any account of the account holder in whole or in part by the broker dealer or the account holder, to pay the deficiency, if any, and the account holder agrees to reimburse the broker dealer for any costs or expenses incurred in collecting such amounts, including reasonable attorney's fees.
14. **PRESUMPTION OF RECEIPT OF COMMUNICATIONS:** Communications are sent to the account holder at their current address of record from time to time, and all communications so sent, whether by mail, telegraph, messenger or otherwise shall be deemed given to the account holder personally, whether actually received or not. Reports of the execution of orders and statements from the accounts of the account holder shall be conclusive if not objected to in writing immediately.
15. **EXTRAORDINARY EVENTS:** The broker dealer shall not be liable for loss caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading, war, strikes or other conditions beyond the broker dealer's control
16. **ARBITRATION AGREEMENT AND DISCLOSURES:** This agreement contains a pre-dispute arbitration agreement clause. By signing an arbitration agreement, the parties agree as follows:
- **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.**
  - **ARBITRATION AWARDS ARE GENERALLY FINAL AND BINDING; A PARTY'S ABILITY TO HAVE A COURT REVERSE OR MODIFY AN ARBITRATION AWARD IS VERY LIMITED.**

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- **THE ABILITY OF THE PARTIES TO OBTAIN DOCUMENTS, WITNESS STATEMENTS AND OTHER DISCOVERY IS GENERALLY MORE LIMITED IN ARBITRATION THAN IN COURT PROCEEDINGS.**
- **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.**
- **THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.**
- **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.**

**THE CUSTOMER AGREES, AND BY CARRYING AN ACCOUNT FOR THE CUSTOMER, BROKER AGREES THAT ALL CONTROVERSIES THAT MAY ARISE BETWEEN US CONCERNING ANY TRANSACTION OR THE CONSTRUCTION, PERFORMANCE, OR BREACH OF THIS OR ANY OTHER AGREEMENT BETWEEN US PERTAINING TO SECURITIES AND OTHER PROPERTY, WHETHER ENTERED INTO PRIOR, ON OR SUBSEQUENT TO THE DATE HEREOF, SHALL BE DETERMINED BY ARBITRATION. ANY ARBITRATION UNDER THIS AGREEMENT SHALL BE CONDUCTED PURSUANT TO THE FEDERAL ARBITRATION ACT BEFORE THE FINANCIAL INDUSTRY REGULATORY AUTHORITY AND IN ACCORDANCE WITH THE RULES THEN PREVAILING AT THE TIME. THE AWARD OF THE ARBITRATORS, OR OF THE MAJORITY OF THEM, SHALL BE FINAL, AND JUDGEMENT UPON THE AWARD RENDERED MAY BE ENTERED IN ANY COURT, STATE OR FEDERAL, HAVING JURISDICTION. FURTHER, 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 A 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 (ii) THE CLASS IS DECERTIFIED; OR (iii) THE CUSTOMER IS EXCLUDED FROM THE CLASS BY THE COURT. SUCH FOREBEARANCE TO ENFORCE AN AGREEMENT TO ARBITRATE SHALL NOT CONSTITUTE A WAIVER OF**

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### **ANY RIGHTS UNDER THIS AGREEMENT EXCEPT TO THE EXTENT STATED HEREIN.**

17. **OBLIGATIONS CONTINUOUS:** The provisions of this agreement shall be continuous and cover individually and collectively all accounts which the account holder may open or reopen with the broker/broker dealer and shall inure to the benefits of the broker/broker dealer, their successors and assigns and shall be binding upon the account holder and/or the estate, executors, administrators and assigns of the account holder.
18. **JOINT AND SEVERAL LIABILITY:** If the account holder consists of more than one individual, the obligations under this Agreement shall be joint and several. Each such individual shall have authority acting alone to take action with respect to the account.
19. **MODIFICATIONS AND AMENDMENTS TO AGREEMENT:** Except as herein otherwise provided, no provision of this Agreement may be amended, modified or waived unless in writing, signed by a duly authorized officer of Woodstock Financial Group, Inc.
20. **HEADINGS:** The heading of each provision hereof is for descriptive purposes only and shall not be deemed to modify or qualify any of the rights or obligations set forth in each such provision.
21. **INDEMNIFICATION CLAUSE:** It is agreed that certification of account information by the account holder under the representation of the account holders' signature is binding confirmation of all relevant information's accuracy. Account holder agrees to defend, indemnify and hold harmless Woodstock Financial Group against and in respect of any damages, losses, liabilities, obligations, costs, expenses, and claims of any kind, that could result from our inability to supervise under FINRA, SRO or any other applicable rules, regulations or guidelines as a result of the inaccuracy of information provided and confirmed by the account holder(s)'s signature. Woodstock Financial Group is relying on the account information being provided by the account holder in making decisions about the account. By signing below account holder represents that it agrees with and understands all the statements made in this Customer Information Brochure and any other documents and information provided by the account holder, and that such statements are true and correct.
22. Woodstock Financial Group, Inc. reserves the right to charge an annual account maintenance fee, currently \$50.00.
23. Woodstock Financial Group, Inc. currently charges \$125.00 ACAT delivery fee for the delivery of accounts to other Broker-Dealers.
24. By signing the WFG Account Application you acknowledge that you have received, read, understand and agree with the Woodstock Financial Group, Inc. Customer Information Brochure.
25. Account holder's signature represents affirmation of your agreement to comply with any special instructions handed down by WFG upon designated approval and acceptance of this account.

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26. Your broker will set the commission amount to be charged to you on securities transactions reflected on your trade confirmations. You should consult your broker for details of his/her commission charges which will also have added to them a miscellaneous fee of \$42.50 and a postage and handling fee of \$5.00. WFG reserves the right to change the postage and handling fee and/or miscellaneous fee at its discretion. In the event the fees are changed it will be reflected on your trade confirmation.
27. Please be advised upon account opening you received certain required disclosures. These disclosures may have included our privacy policy, order routing, margin disclosure, business continuity plan, day trading risk disclosure and customer information brochure depending on the type of account you opened. You can contact the compliance department of Woodstock Financial Group, Inc. at 800-478-2602 or visit [www.woodstockfg.com](http://www.woodstockfg.com) if you would like more information regarding these disclosures or the latest versions.

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I (we) have received, understand, agree with and reviewed the Customer Information Brochure and sign it of my (our) own free will. I (we) understand that if I (we) am (are) not comfortable with the trading activity in my (our) account or if I (we) cannot attest to any of the above statements I (we) will contact the compliance department of the home office at 800-478-2602 immediately. If my (our) investment objectives or financial needs change I (we) will inform my (our) broker or the compliance department.

It is agreed that certification of account information by the account holder under the representation of the account holders' signature is binding confirmation of all relevant information's accuracy. Account holder agrees to defend, indemnify and hold harmless Woodstock Financial Group against and in respect of any damages, losses, liabilities, obligations, costs, expenses, and claims of any kind, that could result from our inability to supervise under FINRA, SRO or any other applicable rules, regulations or guidelines as a result of the inaccuracy of information provided and confirmed by the account holder(s)'s signature. Woodstock Financial Group is relying on the account information being provided by the account holder in making decisions about the account.

**x** \_\_\_\_\_  
Applicant's Signature Date

\_\_\_\_\_  
Applicant's Printed Name

**x** \_\_\_\_\_  
Co-Applicant's Signature Date

\_\_\_\_\_  
Co-Applicant's Printed Name

\_\_\_\_\_  
Account Number (if applicable)