



CUSTOMER ACCOUNT AGREEMENT

This Light Horse Market Solutions Inc. Customer Agreement (“Agreement”) sets forth the terms and conditions pursuant to which Light Horse Market Solutions Inc. (“Light Horse” or the “Firm”) will open and maintain one or more accounts, including, without limitation, cash, margin, or other accounts (each, and “Account” and collectively, the “Accounts”) for you (“Customer” or “Account Owner”), either individually or jointly with others. The clearing firm and custodian for the accounts will be Apex Clearing Corporation (the “Clearing Firm”) You, the customer, hereby represent, warrant and agree as follows:

1. General Terms and Conditions.

- a. These Terms and Conditions are made between Light Horse Market Solutions, Inc. ("Light Horse," "we" or "us") and you. The terms set forth below describe your relationship to Light Horse. You hereby accept those terms without restrictions or objections.
- b. This document applies to your use of Light Horses' websites, mobile apps, other electronic channels as described below, and electronic content, services, tools and other mobile products (the “Services”). The Services may be offered on the www.lighthouse.io domain as well as on other Internet domains operated by our agents or alliance partners.
- c. Before becoming a customer of Light Horse and using our services, you must fully understand and agree to all the terms and conditions in this document. Notwithstanding anything to the contrary, by continuing to use our services, you agree that you have read the terms in this Agreement and have unconditionally accepted such without reservation.
- d. Customers of Light Horse are granted additional levels of access to the Services, which include additional functionality not available to non-account holders. This access may include additional access to the website, mobile application and other functionality. This additional access is governed by additional agreements such as the Customer Agreement which must be accepted before the access is granted.
- e. Light Horse may revise the terms and conditions of using its services at any time, and you agree to be bound by future revisions. If you have an account with Light Horse, your customer relationship with Light Horse is also governed by other agreements, including but not limited to your customer agreement with the Clearing Firm, your margin agreements, and any other agreements governing your use of Light Horse’s services as set forth in section 46 of this Agreement. Light Horse may also offer other services from time to time that are governed by different agreements or additional terms and conditions.
- f. Customer acknowledges that all decisions relating to its investment or trading activity shall be made by Customer or its duly authorized representative. Light Horse does not provide investment advice or offer recommendations for the purchase or sale of securities, futures, options, or other financial instruments. Customer acknowledges that any information they receive from the Clearing Firm comes solely from Clearing Firm and is not information given by Light Horse nor does it apply to Light Horse.
- g. Customer acknowledges that Light Horse and the Clearing Firm are under no duty to inquire as to the authority or propriety of any instructions given to them, and that they



- a. Republish material from the Digital Platforms except for content specifically and expressly identified as available for redistribution (such as our newsletter),
 - b. Sell, rent or sub-license material from the Digital Platforms;
 - c. Display any content from the Digital Platforms in public;
 - d. Reproduce, duplicate, copy or otherwise exploit material on the Digital Platforms for commercial purposes;
 - e. Edit or otherwise modify any material on the Digital Platforms;
6. **Use of Digital Platforms.**
- a. You agree that you will not use the Digital Platforms in any way that causes or may cause damage to the website or impairment of the availability or accessibility of the website or in any way which is unlawful, illegal, fraudulent or harmful, or in connection with any unlawful, illegal, fraudulent or harmful purpose, or activity;
 - b. You agree that you will not use the Digital Platforms to copy, store, host, transmit, send, use, publish, or distribute any material which consists of (or is linked to) any spyware, computer virus, Trojan horse, worm, keystroke logger, root kit, or other malicious computer software;
 - c. You agree that you will not use the Digital Platforms to post or link to copyrighted material or illegally obtained software or any scans, reproductions, or copies thereof, including but not limited to abandonware, warez, movie, literature, and music files.
 - d. You agree that you will not post the same message multiple times, or link to:
 - i. spam or advertising content, including a website with no qualifying text;
 - ii. a thread on another website;
 - iii. sales posts; or
 - iv. any link that rewards you for getting other users to click (affiliate links, referral games, etc.)
 - e. You agree not to conduct any systematic or automated data collection activities (including, without limitation, scraping, data mining, data extraction, and data harvesting) on or in relation to the Digital Platforms.
 - f. You acknowledge and accept that violation of these rules are grounds for an immediate and permanent ban from use of the Digital Platforms.
7. **Restricted Access.** When you are asked to create a password during your use of website or when opening or creating a brokerage account, you must keep this password confidential and must not disclose it or share it with anyone. You will be responsible for all activities that occur under your password. If you know or suspect that someone else knows your password, you should contact us immediately. If Light Horse has reason to believe that there is likely to be a breach of security or misuse of the Site we may require you to change your password or we may suspend your use of the site. If we provide you with a user ID and password to enable you to access restricted areas of our website, mobile app or other content or services, you must ensure that that user ID and password is kept confidential



8. **Third Party Links.** The Digital Platforms allow you to access other websites and content (the “External Content”) through links provided on the Digital Platforms. You agree to the following provisions regarding the External Content:
 - a. The External Content has been produced by independent providers unaffiliated with Light Horse;
 - b. Any opinions or recommendations expressed in the External Content are solely those of the independent providers and are not the opinions or recommendations of Light Horse or its subsidiaries;
 - c. Light Horse does not provide any legal, tax or accounting advice, or advice regarding the suitability or profitability of a security or investment;
 - d. Light Horse does not endorse, support, sanction, encourage, verify, or agree with the comments, opinions, or statements of third parties displayed on the External Content or transmitted via the Digital Platform;
 - e. Any information or material placed on the website by third parties reflect the views, and are the responsibility of, those who post such information or material, and do not necessarily represent the views of Light Horse;
 - f. Any opinions expressed on the Digital Platforms as to the future direction of prices of specific investments are purely opinions, do not necessarily represent the opinion of Light Horse, and are not guaranteed in any way.
 - g. You accept all liability for any losses incurred in connection with any decision made, action or inaction taken by any party in reliance upon any information provided by or through any provider of External Content through any medium, and for any delays, inaccuracies, errors in, or omissions of information.
9. **Warranties.** Light Horse tries to ensure that the information contained on the Digital Platforms and in this agreement is as accurate as possible. However, Light Horse gives no warranty of any kind regarding the Digital Platforms and/or any materials provided thereon, nor do we commit to ensuring that the website and or mobile app remains available or that the material on the website or mobile app is kept up-to-date. To the maximum extent permitted by applicable law we exclude all representations, warranties, and conditions relating to this website, mobile app and the use of this website and mobile app (including, without limitation, any warranties implied by law of satisfactory quality, fitness for purpose, and/or the use of reasonable care and skill). You acknowledge that Light Horse is not responsible and you agree to not hold Light Horse liable for the losses caused, directly or indirectly, by conditions beyond the Firm’s control, including, but not limited to, government restrictions, amendments to exchange or market rules, interruptions of communications or data processing services, market volatility, unusual activity, trading halts, trading restrictions, or disruptions in orderly trading on any exchange or market.
10. **No Advice.** The Digital Platforms are not intended to provide, nor should they be construed as providing, any investment, tax or other financial related advice of any kind. You should not consider any content on the website to be a substitute for professional financial advice. If you choose to engage in transactions based on content on the website or mobile app, then such decision and transactions and any consequences flowing therefrom are your sole responsibility. Light Horse does not provide investment advice directly, indirectly, implicitly, or in any manner



whatsoever. You should use any information gathered from the website only as a starting point for your own independent research.

11. **No Investment Advisors.** You agree that the Digital Platforms are to be used for informational purposes only. Light Horse and its employees and agents are not investment advisers. If you make investment decisions in reliance on information you receive in connection with the website or mobile app, you do so at your own risk and Light Horse, its employees, and its agents will not be liable for any losses that you may sustain. You should not make any investment decision without first conducting your own research. You are solely and exclusively responsible for determining whether any investment, or strategy, or any other product or service, is appropriate or suitable for you based on your investment objectives and personal and financial situation. Any past performance indicated on this website and mobile app is not indicative of future results. Anyone investing should be able and prepared to bear a loss of his or her entire investment.
12. **Acknowledgment of Risk.** You acknowledge that you bear all risk associated with your orders, regardless if they are placed through the Digital Platforms, a Light Horse representative, or any other platform used or provided by Light Horse for order processing. You acknowledge that you are solely responsible for all orders (whether successfully entered or attempted to be entered) that are associated with your unique customer identifiers, including, but not limited to, your account number, customer identification number, or your unique user login credentials. You understand that Light Horses' acceptance of an order for placement, which includes, but is not limited to, Firm representatives, the Light Horse platform(s), third party platforms offered by Light Horse, email, chat, or phone, does not constitute a guarantee of any kind that your order will be placed as all orders are subject to your account maintaining sufficient margin to support the resulting position. You acknowledge that Light Horse and the Clearing Firm(s) reserve the right to set and/or change, without prior notice to you, minimum equity amounts for your account. You hereby acknowledge that you are responsible for the following:
 - a. To be aware of current margin and trading requirements with respect to all trading activity;
 - b. To meet all initial maintenance margin requirements;
 - c. To be liable for the losses incurred on all of your trades, regardless of whether sufficient margin was posted at the time the trade was ordered;
13. **Force Majeure; Access.** You acknowledge that under no circumstances, including, but not limited to, electronic or mechanical failure, internet system failure or delay, exchange limitations or halts, acts of God, terrorism, or any other reason, shall Light Horse be liable or have direct responsibility to you if:
 - a. You are unable to access or use the Light Horse website, trading software, applications (web, desktop, mobile) to place an order, view account information, or otherwise engage in stock, options and/or futures related activities;
 - b. Any Exchange, aggregator, the Clearing Firm, or clearing corporation endures any mechanical, electrical or other failure, delay, interruption, or congestion regardless of whether or not any of the aforementioned results in a failure to maintain an orderly market, execute a transaction, preform clearance, report on cancels or confirm executed and transactions for your account, or otherwise;



You acknowledge that Light Horse Market Solutions Inc is not responsible for providing nor guarantees full and complete access to all electronic markets, and under no circumstances is liable for losses that may result from the inability to access markets due to any aforementioned restrictions or otherwise.

14. **Cancellation.** You acknowledge that it is your sole responsibility to cancel any and all unexecuted day orders that could otherwise normally be executed during regular market hours when access cannot be provided by Light Horse.
15. **Breach of Regulation.** If Light Horse believes that execution or attempted execution of any of your orders may breach any Applicable Rules and Regulations including but not limited to SEC, FINRA or any other US Exchange Rules or Firm policies, Light Horse may, in its sole discretion, delay or refuse to execute any purchase or sale order for your account at any time. Light Horse will notify customer within 30 days of such delay or refusal within 30 days unless prevented by law.
16. **Pending Orders.** When you change any instruction on a limit order, you are responsible for any open order, and any actions by you that modify or impact an open order. If you fail to do so, you understand that you will be responsible for any loss, including applicable commission charges. You are responsible for knowing the status of your pending orders and any duplication by you of a pending order will be considered authorized by you. You understand and acknowledge that all Good Till Canceled (GTC) orders entered will expire in 90 days.
17. **Electronic Order Execution Requests and Communication.** You agree to the following terms and conditions with respect to all electronic communications in which you communicate a request to an agent of Light Horse and any related information pertaining to such requests:
 - a. Requests will be processed through the trading software and web, desktop, and mobile applications only.
 - b. You acknowledge that electronic requests communicated to the Firm will be handled on a “best efforts” basis and these options may not always be available.
 - c. You acknowledge your responsibility to protect your sensitive account information as well as your responsibility to routinely monitor your account information and activity.
 - d. You understand and agree that system outages may occur that prevent order processing, and that Light Horse is under no duty to investigate such outages or inform you of the reason for such outage or the estimated duration of such outage.
 - e. Any orders communicated to Light Horses’ Digital Platforms with your user login information will be considered to have been sent and authorized by you.
 - f. You agree you will not transmit securities trade orders to Light Horse using electronic communications other than those designated by Light Horse for the express purpose of placing securities orders.
 - g. You agree that it is your responsibility to promptly notify Light Horse if you receive a trade confirmation for an order that you did not place.
 - h. Light Horse in its sole discretion, may decline to execute any of your orders for a variety of reasons, including, but not limited to, size of the order, market conditions, violations of your Agreement(s) with the Firm, inadequate account equity, insufficient margin, risk



considerations, suitability thresholds, Exchange (NYSE, NASDAQ etc.) restrictions or trading halts, and other matters or market conditions that affect trading.

- i. You agree that you are responsible for the monitoring of all of your orders entered into Light Horses' platform offerings or via Light Horses' electronic communication system until such order is accompanied by an official confirmation or cancellation given by Light Horse.
 - j. You agree to be bound by the actual order execution transacted on the listed U.S. Exchange that resulted from the entry of your order for your account.
 - k. If Light Horse confirms an account trade or other activity in error and you delay reporting such error, Light Horse reserves the right to remove the trade or activity from your account or require you to accept the trade or activity at Light Horses' and/or the Clearing Firm's discretion.
 - l. You agree to provide Light Horse with your primary email address and physical address to promptly update your account profile with any changes to your email address or any other relevant information that is pertinent to your account status and/or our ability to communicate with you.
 - m. You agree to protect your sensitive account information, including, but not limited to, your password, username, and other login credentials.
 - n. You agree to not give your account login credentials or make them easily accessible to a minor.
18. **Customer Communication** You acknowledge that by accepting this Agreement you are consenting to electronic delivery of documents and communications, and you authorize Light Horse and the Clearing Firm(s) to deliver documents and communications by the following means:
- a. emailing to the email address specified by you and on record with the Firm and the Clearing Firm(s);
 - b. posting a communication on the website or making available, either on the Firm's website, mobile app or sent via email, links to other websites (such as the Clearing Firm) on the Internet where the communication can be read and printed;
 - c. sending you an email or other notice that directs you to an address on the Internet or a place within the website where the communication is posted and from which it can be read and printed. You acknowledge and agree that as a broker-dealer, Light Horse is authorized to contact your trusted contact person and disclose information about your account to address possible financial exploitation, to confirm the specifics of your current contact information, health status, or the identity of any legal guardian, executor, trustee, or holder of a power of attorney, or as otherwise permitted by FINRA Rule 2165.
19. **Telephone Recordings.** You understand and agree that any telephone conversation will or may be recorded for accuracy and you consent to such recording. You acknowledge and understand that not all telephone lines or calls may be recorded by Light Horse and Light Horse does not guarantee that recordings of any particular telephone calls will be retained or capable of being retrieved. You understand that the Firm may, in its sole and absolute discretion, tape record conversations without further notice or disclosure, without the use of an automatic tone-warning



device, and without assuming responsibility to make or retain such tape recordings. Furthermore, you acknowledge and agree that such recordings of telephone conversations may be used by the Firm as evidence in any dispute between you and the Firm. You agree that you will not record any telephone conversations with Light Horses' employees, representatives, officers, directors, partners, or agents without the express written consent of Light Horse and the consent from any aforementioned Light Horse employee engaged in the conversation.

20. **Electronic Signature** You understand that your electronic signature to sign documents is legally binding in the same manner as if you manually signed such documents. Additionally, you understand that the use of an electronic version of these documents fully satisfies any requirement that they be provided to you in writing. You understand that when you electronically sign a document, you are representing that you have read, understand, have the ability to access and retain a record of the document, and agree to be bound to the terms and conditions contained thereon. It is your responsibility to review the website at least periodically at www.LightHorse.com for changes or modifications.
21. **Commissions and Fees.** You agree to pay Light Horses' brokerage commissions, transaction, processing, clearing fees, market data fees, other fees, and taxes as they exist from time to time and apply to your Account. You acknowledge that Light Horse reserves the right to change its commissions and fees in its sole discretion separate from any changes that the Clearing Firm(s) makes to its fees. You also acknowledge Light Horse commissions and fees may vary depending on the country of origin of the customer. Light Horse will make relevant information about such commissions and fees, including any update that the Clearing Firm(s) provides, that is applicable to Light Horses' customer accounts, available on the Firm's website at www.lighthorse.io. Such fees include, without limitation:
 - a. fees imposed by FINRA;
 - b. fees imposed by exchanges and clearing houses;
 - c. processing charges;
 - d. Servicing charges;
 - e. If your account is transferred to another broker, a reasonable transfer fee;
22. **Inactive Accounts.** If your Account falls below a market value of \$5,000 and has no trading activity for the prior six months, Light Horse may charge an inactive account fee of \$15 per quarter. Dividend reinvestment does not constitute "trading activity" for the purpose of this section.
23. **Foreign Exchanges/Conversion.** If, in order to trade on a foreign exchange, your funds are converted from U.S. dollars to a foreign currency or from a foreign currency to U.S. dollars, Light Horse may charge a reasonable conversion fee. Light Horse may adjust its fees from time to time without prior notice to you. You authorize Light Horse to deduct such fees from assets in your Account and, if necessary, by selling other assets in the Account and your execution of this Agreement serves as your authorization for the Firm to do so. Light Horse reserves the right to change its fees or charges, or to implement additional fees or charges at any time, except as limited by applicable law. Fees are non-refundable.
24. **Physical Stock Certificates.** Light Horse does not accept physical stock certificates.



25. **Losses. Debits.** You understand that profit and loss calculations on the trading platform or your account statements may not include commissions, fees, or other transaction costs, and do not reflect the impact such costs will have on actual results. You further understand that Debit balances in your account may be charged interest in accordance with Light Horses' current interest rate schedule for debit balances. You agree to pay Light Horse all reasonable costs and expenses of enforcement or collection of any debit balance or other liabilities, including legal fees.
26. **Payment of Indebtedness.** In the event you become indebted to Light Horse in the course of operation of your brokerage account, you agree that you will repay such indebtedness upon demand. You agree that if you fail to pay the indebtedness within forty-five (45) days of our demand, Light Horse may close your account and liquidate any assets in your account at Light Horses' discretion in an amount sufficient to pay your indebtedness. As security for any and all liabilities arising in favor of you, you pledge to Light Horse a first priority perfected security interest in all property held by you in any account maintained by you individually, jointly, or in the name of another person or entity. You are hereby authorized to make whatever disposition of pledged property you may deem appropriate to realize the security afforded by this provision, and you will remain liable for any deficiency. You further agree that Light Horse shall be entitled to exercise the rights and remedies, with respect to the pledged property, generally afforded a secured party under the Uniform Commercial Code. The reasonable costs of collection of any debit balance and any unpaid deficiency in your accounts, including attorney's fees incurred by us as a result of your failure to pay your debt, shall be reimbursed by you to Light Horse Market Solutions Inc
27. **Risk Regarding Certain Securities.** Certain securities may grant a holder valuable rights that may expire unless a holder takes some action. Such securities include, without limitation, options, warrants, convertible securities, bonds, and securities subject to a rights plan or tender or exchange offer. You acknowledge that you are responsible for knowing the rights and terms of all securities in your account. Light Horse is not obligated to notify you of any expiration date or corporate action or take any action on your behalf without specific instructions from you. Voluntary corporate actions include, without limitation, tenders, exchange offers, mergers with an election, odd-lot offers, Dutch auctions, and any rights or warrants subscriptions. You acknowledge that in order to participate in a voluntary corporation action, you must contact Light Horse and provide participation instructions for the action. Participation instructions will be processed within a minimum of three (3) business days. You agree to hold Light Horse harmless if participation instructions are not processed before the Clearing Firm cutoff time and you acknowledge that in such instances the firm may not be able to facilitate your participation in the corporate action. You acknowledge that Light Horse reserves the right to reject, at its own discretion, participation instructions in a voluntary corporate action. You acknowledge that Light Horse may, upon receipt of participation instructions, restrict trading in your Account or remove applicable securities from your account until the corporate action is completed. You acknowledge that you are responsible for maintaining any assets in your account necessary to facilitate completion of any voluntary corporate action for which you provided participation instructions and you are responsible for any positions resulting from participation and trading. Furthermore, you acknowledge that Light Horse or the Clearing Firm(s) may modify your participation instructions to reflect any change in your position in the participating security before the corporate action is completed.



28. **Market Data Risk; Waiver of Liability; Limitation of Liability.** You acknowledge that each participating national securities exchange or securities association asserts a proprietary interest in all of the market data it furnishes to parties that disseminate said data. You understand that neither Light Horse nor any participating national securities exchange or association nor any supplier of market data guarantees the timeliness, sequence, accuracy, completeness, reliability, or content of market information, or messages disseminated to or by any party. You understand that neither Light Horse nor any participating national securities exchange or association nor any supplier of market data warrants that the service will be uninterrupted or error-free. You agree that your use of Light Horses' website or any Light Horse service is at your sole risk. The Light Horse service is provided on an "as is", "as available" basis without warranties of any kind, either express or implied, including, without limitation, those of merchantability and fitness for a particular purpose. Neither you nor any other person shall hold any Disseminating Party liable in any way for any inaccuracy, error or delay, or omission of any such data, information or message, or the transmission or delivery of any such data information or message any loss or damage arising from or occasioned by (1) any such inaccuracy, error, delay, or omission, (2) non-performance, or (3) interruption in any such data, information or message, whether due to any negligent act or omission by any Disseminating Party, or to any "force majeure" (e.g., flood, extraordinary weather conditions, earthquake, or other act of God, fire, war, insurrection, riot, labor dispute, accident, action of government, communications or power failure, or equipment or software malfunction) or other cause beyond the reasonable control of any Disseminating Party. The market data is believed to be reliable, but neither Light Horse nor Market Data Providers can guarantee the accuracy, completeness, timeliness, or correct sequencing of the market data. Therefore, you agree that Light Horse may correct any execution reported to you that was based on inaccurate market data, unbeknownst to Light Horse, provided to the Firm by Market Data Providers. You understand that you are responsible for any corrected price or size of the execution of your order that reflects the actual execution of your order pursuant to the Exchange's rules where your order was routed for execution. Furthermore, you agree to not hold Light Horse or Market Data Providers liable for interruptions in the availability of market data or your access to market data. You agree to hold harmless and indemnify Light Horse, its officers, directors, employees, agents, and affiliates and those officers, directors, employees, agents, and affiliates of the Market Data Providers from any liability with respect to interruptions in the availability of market data, your access to market data, lost profits, trading losses, or any other damages resulting from inaccurate, defective, or unavailable market data. Neither you nor any disseminating party shall be liable, and you agree to indemnify and hold harmless Light Horse and such Disseminating Party, for any inaccuracy, error or delay in, or omission of: (1) any such data, information or message, or (2) the transmission or delivery of any such data, information or message; or any loss or damage arising from or occasioned by i) any such inaccuracy, error, delay or omission, ii) non-performance, or iii) interruption in any such data, information or message, due either to any act or omission by Light Horse or any Disseminating Party or to any "force majeure" (as defined above) or any other cause beyond the reasonable control of Light Horse or any Disseminating Party.
29. **Margin Trading Risks.** You acknowledge that when you purchase securities on margin, you are borrowing money from the Clearing Firm(s) and pledging all securities and other property in your account as collateral for the loans. You acknowledge that trading securities on margin involves a variety of risks, and you agree to take full responsibility to advise Light Horse of any changes in your investment objectives, financial situations, or other circumstances that are, or may be deemed, to materially affect the suitability of executing margin transactions in your account. You



hereby acknowledge and agree to the following terms, conditions, and representations if you elect to engage in margin transactions in your Account:

- a. You agree to be bound by the terms of Apex Clearing's Customer Margin and Short Account Agreement in addition to the terms contained herein;
- b. You acknowledge there are applicable rules and regulations regarding margin loans, which include the initial margin and maintenance requirements for margin Accounts as well as regulatory rules such as including but not limited to "Regulation T" that you must abide by;
- c. You acknowledge that Light Horse reserves the right to impose more stringent margin requirements based on the Exchange or regulatory margin required or higher, which may change from time to time without prior notice to you;
- d. You agree to maintain at least \$2,000 in minimum equity in order to trade on margin;
- e. You agree to promptly satisfy all margin and maintenance calls;
- f. You acknowledge that neither Light Horse nor Apex Clearing are obligated to request additional securities or other property for margin purposes in the event your margin account falls below minimum margin requirements, notify you of any such deficiency, or allow you time to deposit additional securities or other property;
- g. You agree to pay interest on all debit balances on a non-aggregated basis in your margin Account.
- h. You acknowledge that interest shall be computed and changed in accordance with Light Horses' and Apex Clearing's standard methods and procedures. A more detailed description is available upon request.
- i. You acknowledge and agree to pay any fees associated with short stock borrowing on securities where applicable. Included in these fees are any applicable fees from the Clearing Firm for unexecuted short shares that have been allocated to you.
- j. You agree that all securities and other property held, carried or maintained by the Clearing Firm may, at any time and without notice to you, be loaned, pledged, re-pledged, hypothecated, or re-hypothecated by the Clearing Firm, either separately or in common with other securities and other property, for any amount due in any Margin Account.
- k. You acknowledge this may be done without Light Horse or the Clearing Firm retaining in its possession or under its control for a delivery a like amount of similar securities or other property.
- l. You acknowledge that if your securities are loaned, pledged or hypothecated, you will receive substitute payments in lieu of the dividends you would have received had your securities not been loaned, pledged, or hypothecated. The substitute payments do not qualify as dividends and are taxed as ordinary income.
- m. You acknowledge that you have received, read, and understand the statement(s) explaining the conditions under which interest will be charged to the Margin Account, how rates of interest are determined, how debit balances are determined, and the methods of computing interest.
- n. You acknowledge you may contact Light Horse for documents, statements, and more



detailed explanations. You acknowledge that there are required disclosures for margin applicable to day trading, which can be found on the Digital Platforms. You agree that you will read and understand all applicable disclosures before you engage in day trading.

30. Low Priced Securities Disclosure.

- a. **Risks.** The term “penny stock” generally refers to low-priced (below \$5), speculative securities of very small companies. While penny stocks generally are quoted over the counter, such as on the OTC Bulletin Board or in the Pink Sheets, they may also trade on securities exchanges, including foreign securities exchanges. In addition, penny stocks include the securities of certain private companies with no active trading market. Risks. Investing in low-priced securities is speculative and involves considerable risk. Low-priced securities often exhibit high price volatility and erratic market movements. Often, when investors buy or sell these securities, they significantly affect the quoted price. In some cases, the liquidation of a position in a low-priced security may not be possible within a reasonable period of time and is subject to additional fees. It may be difficult to properly value an investment in a low-priced security. Reliable information regarding issuers of low-priced securities, their prospects, or the risks associated with investing in such securities may not be available. Certain issuers of low-priced securities have no obligation to provide information to investors. Some issuers register securities with the Securities and Exchange Commission (SEC) and may provide regular reports to investors. Others however may not be required to maintain such registration or provide such reports. Securities may continue to be traded if issuers are delinquent in their reporting obligation to the SEC or other federal or state regulatory agencies. Penny stocks have not been approved or disapproved by the Securities and Exchange Commission (SEC). The SEC has not passed upon the fairness, the merits, the accuracy or adequacy of the information contained in any prospectus or any other information provided by an issuer or a broker or a dealer of penny stocks. Trading low-priced securities is subject to significant risks, increased regulatory requirements and oversight, and additional fees.
- b. **Settlement Fees for Non-DTC Eligible Securities.** For various reasons, certain low-priced securities are not DTC eligible or have had their eligibility revoked. As a result, the settlement of these physical positions can carry significant pass-through charges for the Clearing Firm, including execution fees, DTC fees, deposit fees, New York window fees, and transfer agent fees. These fees, which can vary and may be substantial, increase the cost that the Clearing Firm passes through for clearing and execution. Customers who trade non-DTC eligible securities are responsible for these charges, which may exceed 10 times the value of the trade. Orders that require executions with multiple contra-parties will result in settlement fees for each separate transaction. Neither Light Horse nor the Clearing Firm mark up any of these fees before they are passed through to customers. These pass-through charges may not be immediately charged to a customer account following a trade in non-DTC eligible securities, as Clearing Firm may not receive notice of such fees until several weeks following the trade. Light Horse reserves the right to withhold funds in a customer account pending potential assessment of fees associated with trading in low-priced securities. It is your responsibility to investigate the eligibility status of a low-priced security before trading it. It is strongly recommended that you contact the specific company whose equity you intend to trade to confirm eligibility.
- c. You acknowledge that any order you place for penny stocks was not solicited by Light



Horse and was solely your decision.

31. **Minimum Opening Positions; Worthless Securities.**

- a. Light Horse does not allow opening positions in securities under \$0.50 in value.
- b. You acknowledge and agree that Light Horse may remove a worthless security from my account, including and without limitation to, the following circumstances:
 - i. Our primary custodian has deemed the security eligible for removal and we have determined, to the best of our ability, that the security has no market value;
 - ii. Transfer agent services are no longer available for the security;
 - iii. There are no known markets for the security; or
 - iv. If a certificate is requested and Light Horse is unable to deliver certificates to you representing these positions.
- c. You agree to waive any claim to future distribution from the security and agree to indemnify and hold harmless Light Horse from any claims, liability, or damages resulting from the removal of such security. If you provide Light Horse with evidence that the security is no longer subject to removal from an independent third party within 60 days of receiving your account statement noting the removal, we will review and, if able, reinstate your position.

32. **Payment for Order Flow.** SEC rules require all registered broker-dealers to disclose their policies regarding any "payment for order flow" arrangement in connection with the routing of customer orders. "Payment for order flow" includes, among other things, any monetary payment, service, property, or other benefit that results in remuneration, compensation, or consideration to a broker-dealer from any broker-dealer in return for directing orders. You understand that Light Horse transmits customer orders for execution to various exchanges or market centers based on a number of factors. These include: size of order, trading characteristics of the security, favorable execution prices (including the opportunity for price improvement), access to reliable market data, availability of efficient automated transaction processing and reduced execution costs through price concessions from the market centers. You further understand that certain of the exchanges or market centers may execute orders at prices superior to the publicly quoted market in accordance with their rules or practices and that while a customer may specify that an order be directed to a particular market center for execution, the order-routing policies, taking into consideration all of the factors listed above, are designed to result in favorable transaction processing for customers. The nature and source of any payments or credits received by Light Horse in connection with any specific transactions will be furnished upon written request.

33. **Sweep Program.** You acknowledge and agree that by opening an account with "Light Horse" your available cash will be placed in an interest-bearing FDIC insured deposit account by Apex with a participating "Program Bank". Please reference the APEX FDIC-INSURED SWEEP PROGRAM in the link below. <https://www.apexclearing.com/wp-content/uploads/2020/01/Apex-FDIC-Sweep-Program-Terms-and-Conditions.pdf>. Participation in the Apex sweep program is automatic, and enrollment is initiated upon account opening. If you choose to opt out of the Sweep Program you must request in writing by sending an email to support@lighthorse.io. You represent and warrant that you have reviewed the "APEX FDIC-INSURED SWEEP PROGRAM" Terms and Conditions and agree and consent to the terms set forth therein and herein.



34. **Anti-Money Laundering (“AML”); Customer Identification Program (“CIP”).** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means to you: (1) when you open an account, Light Horse will require your name, address, date of birth, and other information that will allow it to identify you; (2) Light Horse requires government-issued identification or passport; and (3) Light Horse may also ask to see other identifying documents.
35. **Other Customer Information Required.** Light Horse currently does not open accounts for corporations, partnership, trusts, or other legal entities. Rules set forth by the U.S. Department of Treasury, SEC, and FINRA may require Light Horse to collect additional information such as your net worth, annual income, occupation, employment information, investment experience, investment objectives, and risk tolerance. In addition, account holders must certify to the best of their knowledge as to the accuracy of the information. Light Horse reserves the right to reject any account application and/or to reject any transactions for existing account holders if such account holder’s identify cannot be verified at any time. If you have an existing account, Light Horse reserves the right to close the account at any point in time if your identity cannot be verified as part of Light Horse’s ongoing effort to prevent fraud.
36. **Arbitration Clause** This agreement contains a pre-dispute arbitration clause. By signing the Agreement, you 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;
 - g. The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement;
 - h. Any controversy or claim arising out of or relating to this Agreement, any other agreement between you and Light Horse, any Account(s) established hereunder, any transaction therein, shall be settled by arbitration in accordance with the rules of FINRA Dispute Resolution, Inc. ("FINRA DR");
 - i. You agree to arbitrate any controversy or claim before FINRA DR in the State of New



York.

- j. This agreement to arbitrate constitutes a waiver of the right to seek a judicial forum unless such a waiver would be void under the federal securities laws;
 - k. If I am a foreign national, non-resident alien, or if I do not reside in the United States, I agree to waive my right to file an action against Light Horse in any foreign venue;
 - l. 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: (1) the class certification is denied; or (2) the class is decertified; or (3) the customer is excluded from the class by the court;
 - m. Face-to-face arbitration proceedings held pursuant to this Agreement shall be conducted in New York City, New York;
 - n. The substantially prevailing party shall be entitled to recover their attorneys' fees and costs;
 - o. The arbitrator(s) shall determine the rights and obligations of the parties according to the substantive law of the State of New York and the express terms of this Agreement;
 - p. Forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated herein.
37. **Severability.** If any court, arbitration panel, other tribunal, regulatory or self-regulatory agency or body, shall deem any provision or condition of this Agreement invalid or unenforceable, such invalidity or unenforceability shall adhere only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected and this Agreement shall be carried out as if any such invalid or unenforceable provision or conditions were not contained herein.
38. **Scope And Transferability.** This Agreement shall cover individually and collectively all accounts which you may open or reopen with Light Horse or accounts opened with Light Horse that you guarantee and shall insure to the benefit of the Firm's successors whether by merger, consolidation or otherwise, and assigns, and Light Horse may transfer your accounts to the Firm's successors and assigns, and this agreement shall be binding upon your heirs, executors, administrators, successors, and assigns.
39. **Amendment.** Light Horse may at any time amend this Agreement without prior notice to you. The current version of the Agreement will be posted on the Digital Platforms and you agree that your continued account activity after such amendment constitutes your agreement to be bound by all then-in-effect amendments to the Agreement, regardless of whether I have actually reviewed them. Continued use of the Digital Platforms or any other Light Horse services after such posting will constitute my acknowledgment and acceptance of such amendment. I agree to regularly consult the Digital Platforms for up-to-date information about Light Horse services and any modifications to this Agreement. Light Horse is not bound by any verbal statements that seek to amend the Agreement.
40. **International Customers.** The products and services described on the Digital Platforms are only offered in jurisdictions where they may be legally offered. Not all securities, products, or services are available in all countries, and nothing on this website constitutes an offer or solicitation of



these securities, products, or services in any jurisdiction where Light Horse is not permitted to do business in. You understand that Light Horse products and services are intended for both U.S. customers and international customers but are not offered or available in all countries. You may find out more by contacting support@lighthorse.io or visiting the Digital Platforms.

41. **Ancillary Agreements and Documents.** You agree and understand that other specific agreements, disclosures, terms and conditions apply to your use of the Light Horse Digital Platforms and your brokerage account. It is your continuing obligation to understand such additional terms and conditions, and you agree to be bound by such terms as are in effect at the time of your use. Such agreements, disclosures, terms and conditions may include, but are not limited to:

- a. Margin Agreement
- b. Margin Disclosure Statement
- c. Penny Stock Statement
- d. Privacy Policy Statement
- e. Real Time Quotes
- f. Business Continuity Plan Summary
- g. Order Routing
- h. Electronic Trading System
- i. Day Trading Agreement
- j. Extended Hours Trading

Entire Agreement. This agreement and all other agreements governing your Light Horse accounts contain the entire understanding between you, Light Horse Market Solutions Inc, and Apex Clearing with respect to the subject matter here of and thereof, and shall not be modified by you except in writing signed by you and an authorized Officer of Light Horse or Apex Clearing. Light Horse may amend this Agreement, which amendment shall be binding on you, and post the updated version on its website. Any material change will be sent to your attention via electronic delivery.

I ACKNOWLEDGE THAT I HAVE RECEIVED, READ, UNDERSTAND AND AGREE TO THE TERMS SET FORTH IN THE FOREGOING AGREEMENT, AND THAT THIS AGREEMENT CONTAINS A PREDISPUTE ARBITRATION CLAUSE.