

*Everyone needs more time to enjoy the good things in life. . .*

*Start auto trading sit back and relax.*

### How to Setup an Auto Trading Account

- 1. Open an Regal Securities account.**  
Complete the required account forms including margin and/or option applications if applicable.
- 2. Complete, sign and date the auto trading forms where indicated.** Indicate which services/programs you subscribe to and if applicable, your account executive's name, the maximum amount per trade, as well as the date your subscription expires.
- 3. Keep this form for your records.**

**No other party, including your newsletter publisher, can start, stop or change your auto trading status. If you and your newsletter publisher agree to a change it will not take effect until you notify Regal Securities.**

## What You Should Know About Auto Trading

- You, the client, control your account. We, Regal Securities, will follow your instructions accurately.
- You authorize Regal Securities to follow the Newsletter Publisher of your choice using the forms provided in your new account package.
- Auto trading begins when your completed account application and auto trading forms have been received, your account number has been assigned, and funds are available in your account.
- Auto trading will continue in your account indefinitely or until your subscription expires unless one or more the following changes are made:
  - A. A change of the dollar amount, number of contracts or percentage of account value assigned for each trade.
  - B. A change of the specific services (by proper name) to be auto traded.
  - C. A change in your auto trading status from active to inactive, or back to active from inactive.
  - D. All programs listed as "sell only," will be terminated upon sale of the last position for that program, unless requested otherwise.
- You can change the services/programs and maximum amount per trade at any time.

**Call:** 1-800-92-REGAL

**Fax:** 1-800-349-9552

**Mail:** Regal Securities  
P.O. Box 9503  
Fort Myers, FL 33906-9503

- You can combine your own trading with auto trading. You can use your Regal Securities account to buy and sell options and stocks on your own. If you want to sell a position before your advisor does, call 1-800-92-REGAL and say: "I want to sell a position, take me off the auto trading ticket for this trade only." Written correspondence is not necessary for this temporary condition. Customers will be held responsible for duplicate trades.

**IMPORTANT:** If an existing position in your account matches an auto trade closeout trade alert, Regal Securities will close the entire position (including your existing position) when your Newsletter Publisher recommends doing so. When closing a position, Regal Securities will not differentiate between positions acquired through auto trading and those positions acquired by the account holder.

- Sufficient funds must be available in your account. No trading will occur, regardless of the instructions from your Newsletter Publisher, unless there are sufficient funds available in your account. Regal Securities will only place an auto trade in an account having available cash or buying power to place the recommended auto trade. Regal Securities will not place option auto trades that will result in additional margin debt. If your auto trading program requires or recommends the use of margin, Regal Securities requires pre-authorization.



P.O. Box 9503  
 Fort Myers, FL 33906-9503  
 Tel: (800) 786-9000  
 Fax: (800) 349-9552

| Account Title | Account Number |
|---------------|----------------|
|               |                |

## Stock and Option Trading Newsletter Publisher Authorization

I am a subscriber to a Newsletter Publisher that offers suggestions on buying, selling, and entering transactions involving stocks, options and related strategies. The specific service(s) to which I have subscribed is (are) as follows:

| Newsletter Publisher Name (required) |                              | -- Choose One -- Maximum Amount Per Trade -- Choose One -- |             |     | Margin** |  |
|--------------------------------------|------------------------------|--|-------------|-----|----------|--|
| Program / Service Name               | Quantity of Shares/Contracts | Dollar Amount (\$)   | Percentage* | Yes | No       |  |
| 1.                                   |                              |  |             |     |          |  |
| 2.                                   |                              |  |             |     |          |  |
| 3.                                   |                              |  |             |     |          |  |
| 4.                                   |                              |  |             |     |          |  |

\* Auto trade orders using a percentage basis will be calculated based on total account value up to the cash available in the account. If you choose to use margin, auto trade orders using a percentage basis will be calculated based on available buying power.

\*\*The Newsletter Publisher occasionally enters into short stock transactions; in order to participate in these trade alerts you will be required to have an approved margin agreement on file with Regal Securities. Regal Securities will not automatically borrow funds to meet your Newsletter Publisher's trade alerts unless you indicate that you would like to use margin for the trade alert by initialing the box marked yes below margin up above. IRA accounts are prohibited from having margin therefore cannot participate in sell short trade alerts. **If you have questions or concerns about the use of margin, please call one of our auto trading specialists at 1-800-92-REGAL.**

The Newsletter Publisher from time to time provides me with written suggestions for stock and option transactions or strategies, and I have instructed the Newsletter Publisher to furnish Regal Securities, a Registered Option Principal, with this same information to allow Regal Securities to better service my account. Regal Securities and its agents and representatives are hereby authorized to follow the trade alerts and strategies of the Newsletter Publisher and the services noted above as it relates to entering stock and option transactions and utilizing related strategies in my account and in conjunction with. I understand that Regal Securities will not effect any transactions, regardless of the instructions from the Newsletter Publisher, in my account if there are not sufficient funds or available margin buying power, if applicable. This Authorization does not grant the above-designated Agent(s) full discretionary authority to trade in my/our account. I understand that the Newsletter Publisher is independent from and in no way affiliated with Regal Securities agents or representatives.

ACCORDINGLY, the undersigned hereby authorizes Regal Securities as the undersigned's agent and attorney-in-fact (the "Agent") with full power and authority on the undersigned's behalf to buy, sell, (including short sales) and trade in stocks and options, and any contracts relating to the same, on margin or otherwise, and to enter into transactions in accordance with your terms and conditions (for the undersigned's accounts) and risk in the undersigned's name or number on the books of Regal Securities which ever is applicable. If more than one Agent is designated, the undersigned authorizes each Agent to act severally, that is, each Agent alone shall be able to exercise the powers conferred hereby.

I understand that there are special risks associated with engaging in options transactions and that options can be volatile and could possibly subject me to a risk of total loss. I understand and acknowledge that options are suitable only for knowledgeable investors who understand the risks inherent in such securities, have the financial capacity and willingness to incur losses, and have sufficient liquid assets to meet applicable margin requirements. I have received and read the booklet entitled Characteristics and Risks of Standardized Options in advance of having any options transactions entered in my account and I have paid particular attention to the chapter entitled "Risks of Buying and Writing Options." This statement is not intended to enumerate all of the risks involved in options. In light of the information provided by you on your account application, it may be interpreted that based on your investment experience, or lack thereof, that options trading may be more risky than investments you have made in the past. However, because you will be using the Newsletter Publisher trade alerts, to make your option trades and that the Newsletter Publisher has years of option trading experience; Regal Securities may authorize the use of spreads within your account depending on the service. The undersigned acknowledges that I have received, read, and understood the Options Risk Disclosure documents, and agree to indemnify and hold harmless Regal Securities and its agents and representatives for the results of trading in my account in regards from, and to pay Regal Securities and its agents and representatives, promptly on demand, for any and all losses, costs or expenses incurred in connection with the use of the services (including any debit balance) as it relates to transactions in the undersigned's account. This Authorization (including this indemnity provision) is in addition to (and in no way limits or restricts) any rights which Regal Securities may have under any other agreement(s) with me.

This Authorization (including the indemnity provision) is a continuing one, which shall remain in full force and effect until revoked by the undersigned by a written notice received at the offices of Regal Securities or if Regal Securities receives actual notice of the death of the undersigned (or if two customers sign, the death of either one) and shall inure to the benefit of Regal Securities and any successor firm or firms, and the assigns of Regal Securities or any successor firm or firms. The laws of the State of Illinois shall govern the terms of the Authorization.

The above designated agents will not be liable for any lost profits, trading losses, or other damages arising from the delay or loss of online service, or any delays in the receipt of trade alerts, by fax or otherwise by your Newsletter Publisher. Regal Securities will only enter the trade alerts made by your Newsletter Publisher, and will execute trades in a timely and efficient manner, but cannot be held responsible for lost trades or profits due to communication delays by your Newsletter Publisher. You are subject to risk from errors of electronic systems, communications and market timing.

|                    |      |                    |      |
|--------------------|------|--------------------|------|
| Customer Signature | Date | Customer Signature | Date |
| Print Name         |      | Print Name         |      |