



**Southwest Securities, Inc. and/or Broker/Dealers for which it clears**  
 Southwest Securities, Inc. Member NYSE/FINRA/SIPC

New Account  
 Update

## New Account Application

### 1. Account Registration. (Check ONE.)

- |  |  |   |  |
|--|--|---|--|
| <input type="checkbox"/> 1. Individual                   | <input type="checkbox"/> 4. Joint Tenants with Rights of Survivorship (Except LA Residents)        | <input type="checkbox"/> 8. Corporate <sup>1</sup>            | <input type="checkbox"/> 12. Non-Profit <sup>1</sup> |
| <input type="checkbox"/> 2. Custodial (UTMA/UGMA)        | <input type="checkbox"/> 5. Joint Tenants in Common (50%/50%, unless otherwise noted, ____%/____%) | <input type="checkbox"/> 8a. Shell Corporation                | <input type="checkbox"/> 13. Trust <sup>1</sup>      |
| <input type="checkbox"/> 3. Investment Club <sup>1</sup> | <input type="checkbox"/> 6. Community Property (Residents of AZ, CA, ID, LA, NV, NM, TX & WA ONLY) | <input type="checkbox"/> 9. Partnership <sup>1</sup>          | <input type="checkbox"/> 14. Estate <sup>1</sup>     |
| <input type="checkbox"/> 7. Non-Corporate <sup>1</sup>   |  | <input type="checkbox"/> 10. Sole Proprietorship <sup>1</sup> | <input type="checkbox"/> 15. Bank <sup>1</sup>       |
|  |  | <input type="checkbox"/> 11. Pension/PSP <sup>1</sup>         | <input type="checkbox"/> 15a. Foreign Bank           |

<sup>1</sup> Please ATTACH a copy of the proper documentation that specifically states who may enter orders.

### 2. Account Title.

Full Name of Applicant/Custodian (First, Middle, Last) /Business/Entity/Trust	Social Security #/Tax ID #	Date of Birth			
Full Name of Co-Applicant/Minor, if applicable (First, Middle, Last)	Social Security #/Tax ID #	Date of Birth			
Home Address (P.O. Box unacceptable) _____	City _____	State/Province _____	Country _____	Zip _____	Length of Residence _____
Mailing Address (P.O. Box acceptable if physical address provided above) _____	City _____	State/Province _____	Country _____	Zip _____	
Home Phone Number _____	Fax Number _____	Email Address _____			

### 3. Verification Information.

#### IMPORTANT INFORMATION ABOUT OPENING A NEW ACCOUNT

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: When you open an account, we will require your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

#### Identification Provided:

##### For Individuals:

Driver's License    Passport/Visa    Other \_\_\_\_\_

Issuer: \_\_\_\_\_ ID Number: \_\_\_\_\_

Date of Issuance (If applicable): \_\_\_\_\_ Date of Expiration: \_\_\_\_\_

##### For Co-Applicant (If Applicable):

Driver's License    Passport/Visa    Other \_\_\_\_\_

Issuer: \_\_\_\_\_ ID Number: \_\_\_\_\_

Date of Issuance (If applicable): \_\_\_\_\_ Date of Expiration: \_\_\_\_\_

##### For Entities:

Trust Agreement    Articles of Incorporation    Partnership Agreement    Other \_\_\_\_\_

### 4. Client Profile.

Marital Status:  Single    Married    Divorced    Widowed    N/A      Number of Dependents: \_\_\_\_\_

Citizenship Status:  U.S. Citizen    Resident Alien    Non-Resident Alien (If a Non-Resident Alien, you must provide a valid government-issued picture ID, presented prior to the opening of the account.)

#### Employment Information: (Please specify if unemployed, retired, homemaker, or student. If self-employed, please specify industry.)

Employer (If self-employed, please specify name of business.)	Occupation	Business Telephone		
Employer's Address	City	State/Province	Country	Zip

#### Co-Applicant's Employment Information: (Please specify if unemployed, retired, homemaker, or student. If self-employed, please specify industry.)

Employer (If self-employed, please specify name of business.)	Occupation	Business Telephone
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**Employment Affiliation:**

- Yes  No Are you or co-applicant or spouse an employee of or affiliated with a securities firm, exchange or any of its affiliated companies?  
*(If yes, please specify the company name and address to which duplicate statements and confirmations should be sent.)*

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- Yes  No Are you or co-applicant or spouse a director, officer, or 10% shareholder of any publicly traded company?  
*(If yes, please specify company name and symbol.)*

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- Yes  No Does any other person have Trading Authorization over this account? If yes, please specify individual's full name.  
*(We must have a copy of the written agreement conferring authority, such person's name, relationship to you and their investment experience.)*

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- Yes  No Are you or anyone with an interest in this account either: (1) a senior military, governmental, or political official in a non-U.S. country, or (2) closely associated with an immediate family member of such an official? *(If Yes, identify the name of the official, office held, and country.)*

**Credit References:**

Reference 1: \_\_\_\_\_ Reference 2: \_\_\_\_\_ Reference 3: \_\_\_\_\_

**Investment Objectives (All accounts, except joint, may rank two objectives. Joint accounts may have only one objective.):**

- Capital Preservation: Preserving the value of your existing assets by investing in securities with a smaller degree of risk of loss of principal. May include investment in government bonds or certificates of deposit.
- Income: Generating current income by investing in securities with a lower degree of risk of loss of principal. May include investing in investment grade corporate bonds, bond funds or unit investment trusts.
- Growth: Generating capital appreciation by investing in securities with a higher degree of volatility and risk of loss of principal. May include investing in stocks or mutual funds.
- Speculation: Trading volatile securities with a higher than average possibility of loss of principal with the hope of achieving commensurate gains. May include investing in low priced securities, options, non-rated bonds or non-investment grade bonds.

What is the source of funds for this account?  Income from Earnings  Investment Proceeds  Gift  Sale of Business  Inheritance  
 Pension/IRA/Retirement Savings  Spouse/Parent  Lottery/Gaming  Insurance Proceeds  Legal Settlement  Other (If other, please explain: \_\_\_\_\_)

**Financial Information – Primary Applicant (For Joint Accounts You May Check Your Combined Income and Net Worth):**

Investment Experience (# of Years)	Estimated Annual Income	Estimated Net Worth (Exclusive of Home)	Estimated Liquid Net Worth (Cash, Securities, etc.)	Tax Bracket
<input type="checkbox"/> Stocks _____	<input type="checkbox"/> Under \$25,000	<input type="checkbox"/> Under \$50,000	<input type="checkbox"/> Under \$50,000	<input type="checkbox"/> 10%
<input type="checkbox"/> Bonds _____	<input type="checkbox"/> \$25,000-\$49,999	<input type="checkbox"/> \$50,000-\$99,999	<input type="checkbox"/> \$50,000-\$99,999	<input type="checkbox"/> 15%
<input type="checkbox"/> Options _____	<input type="checkbox"/> \$50,000-\$99,999	<input type="checkbox"/> \$100,000-\$249,999	<input type="checkbox"/> \$100,000-\$249,999	<input type="checkbox"/> 25%
<input type="checkbox"/> Commodities _____	<input type="checkbox"/> \$100,000-\$249,999	<input type="checkbox"/> \$250,000-\$499,999	<input type="checkbox"/> \$250,000-\$499,999	<input type="checkbox"/> 28%
<input type="checkbox"/> Futures _____	<input type="checkbox"/> \$250,000-\$499,999	<input type="checkbox"/> \$500,000-\$999,999	<input type="checkbox"/> \$500,000-\$999,999	<input type="checkbox"/> 33%
<input type="checkbox"/> Other _____	<input type="checkbox"/> \$500,000-\$999,999	<input type="checkbox"/> Over \$1,000,000	<input type="checkbox"/> Over \$1,000,000	<input type="checkbox"/> 35%
	<input type="checkbox"/> Over \$1,000,000			

**Financial Information – Co-Applicant (If applicable):**

Investment Experience (# of Years)	Estimated Annual Income	Estimated Net Worth (Exclusive of Home)	Estimated Liquid Net Worth (Cash, Securities, etc.)	Tax Bracket
<input type="checkbox"/> Stocks _____	<input type="checkbox"/> Under \$25,000	<input type="checkbox"/> Under \$50,000	<input type="checkbox"/> Under \$50,000	<input type="checkbox"/> 10%
<input type="checkbox"/> Bonds _____	<input type="checkbox"/> \$25,000-\$49,999	<input type="checkbox"/> \$50,000-\$99,999	<input type="checkbox"/> \$50,000-\$99,999	<input type="checkbox"/> 15%
<input type="checkbox"/> Options _____	<input type="checkbox"/> \$50,000-\$99,999	<input type="checkbox"/> \$100,000-\$249,999	<input type="checkbox"/> \$100,000-\$249,999	<input type="checkbox"/> 25%
<input type="checkbox"/> Commodities _____	<input type="checkbox"/> \$100,000-\$249,999	<input type="checkbox"/> \$250,000-\$499,999	<input type="checkbox"/> \$250,000-\$499,999	<input type="checkbox"/> 28%
<input type="checkbox"/> Futures _____	<input type="checkbox"/> \$250,000-\$499,999	<input type="checkbox"/> \$500,000-\$999,999	<input type="checkbox"/> \$500,000-\$999,999	<input type="checkbox"/> 33%
<input type="checkbox"/> Other _____	<input type="checkbox"/> \$500,000-\$999,999	<input type="checkbox"/> Over \$1,000,000	<input type="checkbox"/> Over \$1,000,000	<input type="checkbox"/> 35%
	<input type="checkbox"/> Over-\$1,000,000			

**5. Account Funding.**

- Enclosed is a check in the amount of \$ \_\_\_\_\_ . *(Make check payable to Southwest Securities, Inc.)*
- Enclosed is/are security certificate(s). *(Please endorse certificates exactly as they are registered on the front.)*
- Enclosed is an ACAT Form and a copy of my most recent statement to transfer  ALL or  PART of my account from \_\_\_\_\_ .
- Funded by wire transfer in the amount of \$ \_\_\_\_\_ .

**6. Account Instructions.**

- Dividends *(Check ONE)*:  Sweep to Bank Insured Deposit (FDIC Insured Deposit Account)/Dreyfus Money Market Fund, Class B Shares\*  
 Sweep to Credit Interest  Send ACH (ACH paperwork must be completed)  Send Check
- Money *(Check ONE)*:  Sweep to Bank Insured Deposit (FDIC Insured Deposit Account)/Dreyfus Money Market Fund, Class B Shares\*  
 Sweep to Credit Interest  Send Sales Proceeds via Check

For new accounts, if you are eligible and no selection of a money fund is made, your account will default to sweep cash balances up to \$99,000 (\$248,000 for qualifying retirement accounts) to the Bank Insured Deposit. Any amount over \$99,000 (\$248,000 for qualifying retirement accounts) will sweep to the Dreyfus General Money Market Fund. For existing accounts, please notify your broker if you wish to sweep cash balances to the Bank

Insured Deposit or other selection. Eligible accounts are typically those where the beneficial owner is a person and all required customer identification information is on file. If your account is ineligible it will be set to sweep to Credit Interest (CIP) or to a selected money market fund. I acknowledge that I am aware that if I elect or otherwise have cash swept to the Bank Insured Deposit, the Truth in Savings document will be mailed to me. The Bank Insured Deposit is a FDIC-insured NOW account maintained at Southwest Securities FSB, Dallas, Texas, an affiliate of SWST. Your bank deposits are

generally insured up to \$250,000 per depositor, while your IRA and other qualifying self-directed retirement funds on deposits are separately insured up to \$250,000. Deposits you may have directly placed with Southwest Securities FSB should be taken into account when assessing your FDIC coverage. Information regarding FDIC coverage is available at [www.fdic.gov](http://www.fdic.gov). Cash balances invested in the Bank Insured Deposit is not covered by SIPC or excess-SIPC coverage. Please consult your broker, as certain types of accounts, including corporations, partnerships and employee benefit plans, are not eligible to invest in the Bank Insured Deposit, unless the entire beneficial interest in the account is operated primarily for religious, philanthropic, charitable, educational, or similar purposes, and is not operated for profit or contains public funds. Your broker may receive a fee with respect to the Bank Insured Deposits. For more information concerning your cash account options, please contact your broker. For complete sweep account disclosures please see our Customer Information Brochure.

**7. Margin Account Agreement. (Please read and sign the following if you wish to trade on margin.)**

By signing below, I acknowledge that I have received a copy of the SWST Margin and Short Account Agreement Section of the Customer Information Brochure and that I have read, understand and agree to be bound by the terms. Furthermore, I have been made aware of the risks associated with trading securities on margin. I REPRESENT THAT I AM CAPABLE OF EVALUATING, CARRYING AND BEARING THE FINANCIAL RISKS AND HAZARDS OF MARGIN TRADING AS I HAVE REQUESTED. I further acknowledge that I have read and understand the pre-dispute arbitration clause located on page 7, in paragraph 35 of the Cash Account Agreement Section of the Customer Information Brochure and agree to resolve any disputes arising out of my account by arbitration.

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

**8. Option Account Agreement. (Please read, fill out and sign the following if you wish to trade options.)**

Investment Objectives (See Prior Definitions)	Option Activity Has Been	Trade Frequency	Trading Occurred In
<input type="checkbox"/> Income <input type="checkbox"/> Speculation	<input type="checkbox"/> No Activity <input type="checkbox"/> Buying <input type="checkbox"/> Writing <input type="checkbox"/> Uncovered (sales)	<input type="checkbox"/> No Trading <input type="checkbox"/> Infrequent <input type="checkbox"/> Moderate <input type="checkbox"/> Active	<input type="checkbox"/> Cash <input type="checkbox"/> Margin <input type="checkbox"/> Both <input type="checkbox"/> Neither

**Option Strategy Levels: (Check the strategy level you wish to employ.)**

- Level 1: Covered Call Writing – Writing calls fully covered by underlying stock or security convertible into underlying stock.
- Level 2: Level 1 plus buying calls and/or puts.
- Level 3: Levels 1 and 2 plus put writing, spreads and straddles. Requires the use of margin.
- Level 4: Levels 1, 2 and 3 plus uncovered call writing. Requires the use of margin.

By signing below, I acknowledge that I have received a copy of the SWST Option Account Agreement Section of the Customer Information Brochure and that I have read, understand and agree to be bound by the terms. I feel that I have sufficient knowledge to invest in options and I represent that I will maintain extra awareness due to the short life and price volatility of options. I REPRESENT THAT I AM CAPABLE OF EVALUATING, CARRYING AND BEARING THE FINANCIAL RISKS AND HAZARDS OF THE OPTION STRATEGIES THAT I HAVE REQUESTED. I further acknowledge that I have read and understand the pre-dispute arbitration clause located on page 7, in paragraph 35 of the Cash Account Agreement Section of the Customer Information Brochure and agree to resolve any disputes arising out of my account by arbitration.

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

**9. Account Agreement and Special Instructions. (Please read and sign.)**

You hereby request that Your Broker maintain a Brokerage Account in the name(s) listed on this Application. You acknowledge that you have received, read and understood the SWST Cash Account Agreement Section of the Customer Information Brochure and you agree to be bound by the terms and conditions of the Agreement that apply to your Brokerage Account, as amended and that you will contact Your Broker regarding any questions that may relate to your account.

**Under rule 14b-1(c) of the Securities Exchange Act, a broker is required to disclose to an issuer the name, address, and securities positions of our customers who are beneficial owners of that issuer's securities unless the customer objects. If you object to the disclosure of such information, please check box:**

By signing this Application, you confirm your intention to reinvest cash credit balances held by SWST in your name, and you further confirm that this cash credit balance is being maintained in your account solely for the purpose of reinvestment. You acknowledge your understanding that cash balances of up to \$100,000 are protected by the Securities Investor Protection Corporation (SIPC), but SIPC coverage is not available for funds maintained solely for the purpose of earning interest.

**Certification of Taxpayer ID Number (Substitute W-9): Under penalty of perjury, you certify that (1) the number shown on this form is your correct taxpayer identification number, (or you are waiting for a number to be issued) and (2) you are not subject to backup withholding because (a) you are exempt from backup withholding, or (b) you have not been notified by the Internal Revenue Service (IRS) that you are**

subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified you that you are no longer subject to backup withholding (does not apply to real estate transactions, mortgage interest paid, the acquisition or abandonment of secured property, contributions to an individual retirement arrangement (IRA), and payments other than interest and dividends), and (3) you are a U.S. person (including a U.S. resident alien). You understand that you must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.

**Non-resident alien who becomes a resident alien:** Generally, only a non-resident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a non-resident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

If you are a non-resident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

In consideration of the firm accepting an account for me/us, I/We ("I") acknowledge that I have read, understand and agree to be bound by the SWST Cash Account Terms that I acknowledge receiving at the time the account was opened. **I further acknowledge that I have read and understand the pre-dispute arbitration clause located on page 7, in paragraph 35 of the Cash Account Agreement Section of the Customer Information Brochure and agree to resolve any disputes arising out of my account by arbitration.** I certify that the foregoing client information is accurate and I am aware that the information is relied on by the broker in servicing my account. If I experience a material change in circumstances, I will provide my broker with an updated Application.

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

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

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

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

**FOR BROKER USE ONLY**

Characteristics and Risks of Standardized Options Delivered: \_\_\_\_\_

Customer Information Brochure Delivered: \_\_\_\_\_

Special Statement for Uncovered Option Writers Delivered: \_\_\_\_\_

Privacy Policy Delivered: \_\_\_\_\_

In my capacity as Registered Option Principal, I have reviewed the client's financial conditions, investment objective(s) and investment experience, and on that basis feel the following level of trading is suitable for this client:  Level 1  Level 2  Level 3  Level 4  None

Copies of all Written Agreements Delivered: \_\_\_\_\_

**X** \_\_\_\_\_  
Registered Option Principal Signature Date

**X** \_\_\_\_\_  
Investment Representative's Signature Date

\_\_\_\_\_  
Registered Option Principal Printed Name

\_\_\_\_\_  
Investment Representative's Printed Name

Office #: \_\_\_\_\_ Rep #: \_\_\_\_\_ Account #: \_\_\_\_\_

**X** \_\_\_\_\_  
Principal's Signature Date

\_\_\_\_\_  
Principal's Printed Name