

**KAYAN SECURITIES INC.
CUSTOMER OPTION AGREEMENT**

To open an Options Account we must obtain the following supplemental information in addition to that on the New Account form. If account is a joint account, give information as to all owners. Information concerning the customer obtained from sources other than the customer, including estimates, should be noted as such on this form. Also, the customer's refusal to provide information called for on this form should be noted on the form.

Account Name: _____ Account Number: _____
 Address: _____ Home Phone #: _____
 (No P.O. Boxes) _____
 No. of Dependents: _____ Marital Status: S M D W N/A
 Birth date: _____ Spouse's Name: _____
 Work Phone #: _____ Spouse's Birth date: _____
 Employer / Spouse's Employer
 Position: _____ / Position: _____

PREVIOUS OPTIONS EXPERIENCE: **PREVIOUS INVESTMENT EXPERIENCE:** **INVESTMENT OBJECTIVES & ANTICIPATED TYPE(S) OF OPTION TRANSACTIONS:**
 Choose one or more

	Stock Options	Index Options		Years of Experience	Usual Size of Trades Per Year	Usual No. Of Trades Per Year	Income: _____
Buying (Includes Debit, Spreads & Straddles):			Options:				Safety or Leverage: _____
Covered Writing:			Stocks:				Speculation: _____
Spreads:			Bonds:				Covered Call Writing: _____
Uncovered Writing:			Commodities:				Purchasing Options: _____ *Puts for Safety or Leverage/Calls for Leverage
None:			Other: (Specify)				Other Option Transactions: _____ *(Uncovered) Spreads, Straddles, Combinations

APPROXIMATE ANNUAL INCOME AND NET WORTH:

Salary	Bonus	Other	Total	Approximate net worth: (Exclusive of residence, etc.)	Approximate liquid net worth: (Cash, cash equivalents, marketable securities)
_____	_____	_____	_____	_____	_____

BY SIGNING BELOW, THE UNDERSIGNED CERTIFIES THAT THE INFORMATION CONTAINED HEREIN IS COMPLETE AND ACCURATE. THE UNDERSIGNED AGREES TO ADVISE ITS BROKER OF ANY MATERIAL CHANGE IN THE UNDERSIGNED'S FINANCIAL STATUS AND/OR INVESTMENT OBJECTIVES. BY SIGNING BELOW, THE UNDERSIGNED AGREES TO ALL TERMS OF THE CUSTOMER OPTIONS AGREEMENT PRINTED ON THE BOTH SIDES OF THIS DOCUMENT. THE REVERSE SIDE OF THIS DOCUMENT, PARAGRAPH 9, CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE. THE UNDERSIGNED ACKNOWLEDGES THAT HE/SHE HAS RECEIVED THE DISCLOSURE DOCUMENT, "CHARACTERISTICS AND RISKS OF STANDARDIZED OPTIONS" AND IS AWARE OF THE SPECIAL RISKS INHERENT IN OPTIONS TRADING.

For use by individual, including accounts:

For use by entity customers only (i.e., corporations, partnerships, trusts)

Signature

Print Name

Signature (Second Party, if Joint Account)

Print Name

Date:

Customer Name

By:

Title:

Date:

<p>BROKERS USE ONLY: (Must be filled in before Person can accept) Please note Date of Delivery:</p> <p>1. Characteristics and Risks of Standard Options: _____</p> <p>2. Special Statement for Uncovered Option Writers: _____</p> <p>AE Signature: _____ Date: _____</p> <p>ROP Signature: _____ Date: _____</p>	<p>TO BE COMPLETED BY MANAGER PRIOR TO OPTION TRADING: Approved for option trading as follows:</p> <p>Covered Call Writing: _____</p> <p>Purchasing Options: _____</p> <p>Other Option Transactions: _____</p> <p>Approved Subject to the Following Limits: _____</p> <p>Manager Signature: _____ Date: _____</p>
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In connection with any transactions in options which have been or may be purchased, sold, exercised or endorsed for the undersigned's account with an introducing broker(s) which clears through KAYAN SECURITIES, INC., the undersigned agrees as follows:

1. Definitions. Introducing broker means any brokerage firm which introduces security transactions on behalf of the undersigned, which transactions are cleared through you, whether one or more. "**Obligations**" means all indebtedness, debit balances, liabilities or other obligations of any kind of the undersigned to you, whether now existing or hereafter arising. "**Options**" means all types of options, including puts, calls, equity, debt, index or otherwise. "**Securities and other property**" shall include, but shall not be limited to money, securities, commodities or other property of every kind and nature and all contracts and options relating thereto, whether for present or future delivery. "**You**" or "**your**" refers to KAYAN SECURITIES, INC.

2. Limits. The Undersigned shall not, acting alone or in concert with others, exceed the position/exercise limits set forth by any exchange or market or by any other regulatory authority having jurisdiction.

3. Authority, Execution of Orders, Security Interest. The undersigned hereby authorizes you in your discretion, should you deem it necessary for your protection for any reason, or if the undersigned dies, to buy, sell, or sell short for the undersigned's account and risk, puts, calls or other forms of option and/or to buy, sell or sell short any part or all of the underlying shares represented by options endorsed by you for the undersigned's account. Any and all expenses incurred by you in connection with such transactions shall be reimbursed by the undersigned to you. The undersigned understands and acknowledges that when transactions on the undersigned's behalf are to be executed and the options are traded in more than one marketplace you may use your discretion in selecting the market in which to enter the undersigned's order unless the undersigned specifically instructs otherwise. All monies, securities, or other property which you may hold in any account of the undersigned shall be held subject to a general lien for the discharge of the undersigned's obligations to you under this Agreement or otherwise.

4. Notice, Exercise, Random Allocation. The undersigned is aware of your requirements and time limitations for accepting an exercise notice and expiration date. The undersigned understands that the undersigned may not receive actual notice of exercise until the week following exercise. The undersigned bears full responsibility for taking action to exercise or sell valuable options; however, in the absence of the undersigned notifying the introducing broker to exercise a valuable options contract by 3 p.m. Central Standard Time on the last business day prior to the expiration date of the options contract, and the introducing broker instructing you to sell valuable options on the undersigned's behalf within such time, the undersigned agrees that you may exercise the options contract on the undersigned's behalf. In the event of such exercise, the profit in excess of commission costs created thereby will be credited to the undersigned's account. In the event that the commissions to be charged for such an expiration transaction exceeds the proceeds to be realized, the undersigned agrees and hereby relinquishes the undersigned's ownership in said option to you, and you may exercise such option for your own account. If the undersigned does not instruct the introducing broker to exercise the valuable option by the time stated above, and you for whatever reason, do not exercise such option on the undersigned's behalf, the undersigned hereby waives any and all claims for damage or loss which the undersigned might at the time or any time thereafter have against you arising out of the fact that the option was not exercised. The undersigned is aware that you utilize a random method of allocation for all option(s) assignments received from the Option Clearing Corporation. Exercise assignment notices for options contracts are allocated among all customers' short positions within that series. This is accomplished by a manual procedure, which randomly selects from among all customer short positions, including positions established on the day of assignment, those contracts which are subject to exercise. All American short positions are liable for assignment at any time. The undersigned understands that a more detailed description of this procedure is available upon request by the undersigned.

5. Uncovered Options. The undersigned agrees that in connection with any uncovered option(s) for the undersigned's account, the undersigned will not sell, during the life of such options, the underlying securities collateralizing such options, including any cash or securities which may accrue on the underlying covered securities until such options are closed, exercised or expired or the undersigned has met the collateral requirements established by you and/or the introducing broker for carrying uncovered options. The undersigned also agrees that the introducing broker and/or you, in your respective sole discretion, may refuse any order to sell such underlying securities received from the undersigned or by means of a "give up" basis through another firm unless, prior to such sale, the undersigned has met the collateral requirements established by you and/or the introducing broker for carrying uncovered options. You have the right, in your sole discretion, to permit the undersigned to apply the proceeds of such sale to such collateral requirements.

6. Risks. The undersigned is aware of the high degree of risk involved in options transactions and has given the introducing broker, in strict confidence, information to demonstrate that this account and the trading anticipated in connection therewith is not unsuitable for the undersigned in light of the undersigned's investment objectives, financial situation and needs, experience and knowledge. The undersigned agrees to advise the introducing broker of any changes in the undersigned's investment objectives, financial situation or other circumstances that may be deemed to materially affect the suitability of executing options transactions for the undersigned's account.

7. Options Account Form, Disclosure Documents. The undersigned has reviewed the contents of the options account form and represents that they are accurate. Although certain types of transactions are indicated as anticipated you and the introducing broker may execute any other types of transactions for the undersigned's account upon the undersigned's instructions. The undersigned has received an Options Disclosure Document relating to options on the categories of underlying securities which the undersigned has been approved for trading.

8. Accounts Carried as Clearing Broker. The undersigned understands that you are carrying the accounts of the undersigned as clearing broker by arrangement with the undersigned's introducing broker through whose courtesy the account of the undersigned has been introduced to you. Until receipt from the undersigned of written notice to the contrary, you may accept and rely upon the introducing broker for (a) orders for the purchase or sale in said account of securities and other property, and (b) any other instructions concerning the undersigned's accounts. The undersigned represents that the undersigned understands that you act only to clear trades introduced by the undersigned's introducing broker and to effect other back office functions for the undersigned's introducing broker. The undersigned confirms to you that the undersigned is relying for any advice concerning the undersigned's accounts solely on the undersigned's introducing broker. The undersigned understands that all representatives, employees and other agents with whom the undersigned communicates concerning the undersigned's account are agents of the introducing broker, and not your representatives, employees or other agents. The undersigned understands that you will not review the undersigned's accounts and will have no responsibility for trades made in the undersigned's accounts. You shall not be responsible or liable for any acts or omissions of the introducing broker or its representatives, employees or other agents.

THE FOLLOWING ARBITRATION AGREEMENT SHOULD BE READ IN CONJUNCTION WITH THESE DISCLOSURES:

- 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 FORM 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.
 - 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.
9. ARBITRATION AGREEMENT. ANY AND ALL CONTROVERSIES, DISPUTES OR CLAIMS BETWEEN THE UNDERSIGNED AND YOU, OR THE INTRODUCING BROKER, OR YOUR AGENTS, REPRESENTATIVES, EMPLOYEES, DIRECTORS, OFFICERS OR CONTROL PERSONS, OR OF THE INTRODUCING BROKER, ARISING OUT OF, IN CONNECTION WITH, FROM OR WITH RESPECT TO (a) ANY PROVISIONS OF OR THE VALIDITY OF THIS AGREEMENT OR ANY RELATED AGREEMENTS, (b) THE RELATIONSHIP OF THE PARTIES HERETO, OR (c) ANY CONTROVERSY ARISING OUT OF YOUR BUSINESS, THE INTRODUCING BROKER'S BUSINESS OR THE UNDERSIGNED'S ACCOUNTS SHALL BE CONDUCTED PURSUANT TO THE CODE OF ARBITRATION PROCEDURE OF THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. ARBITRATION MUST BE COMMENCED BY SERVICE OF A WRITTEN DEMAND FOR ARBITRATION OR A WRITTEN NOTICE OF INTENTION TO ARBITRATE. IF

YOU ARE A PARTY TO SUCH ARBITRATION, TO THE EXTENT PERMITTED BY THE RULES OF THE APPLICABLE ARBITRATION TRIBUNAL, THE ARBITRATION SHALL BE CONDUCTED IN DALLAS, TEXAS. THE DECISION AND AWARD OF THE ARBITRATORS(S) SHALL BE CONCLUSIVE AND BINDING UPON ALL PARTIES, AND ANY JUDGMENT UPON ANY AWARD RENDERED MAY BE ENTERED IN A COURT HAVING JURISDICTION THEREOF, AND NEITHER PARTY SHALL OPPOSE SUCH ENTRY.

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: (i) the class certification is denied; or (ii) the class is de-certified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

10. Other Agreements. The undersigned agrees to be bounded by the terms of your **Customer Account Agreement**. If the undersigned trade on margin or short accounts, the undersigned agrees to be bound by the terms of your **Customer Margin and Short Account Agreement**. The undersigned understands that copies of these agreements are available from you and, to the extent applicable, are incorporated by reference herein. The terms of these other agreements are in addition to the provisions of this Agreement and any other written agreements between you and the undersigned.

11. Data Not Guaranteed. The undersigned expressly agrees that any data or online reports is provided to the undersigned without warranties of any kind, express or implied, including but not limited to, the implied warranties of merchantability, fitness of a particular purpose or non-infringement. The undersigned acknowledges that the information contained in any reports provided by you is obtained from sources believed to be reliable but is not guaranteed as to its accuracy or completeness. Such information could include technical or other inaccuracies, errors or omissions. In no event shall you or any of your affiliates be liable to the undersigned or any third party for the accuracy, timeliness, or completeness of any information made available to the undersigned or for any decision made or taken by the undersigned in reliance upon such information. In no event shall you or your affiliated entities be liable for any special incidental, indirect or consequential damages whatsoever, including, without limitation, those resulting from loss of use, data or profits, whether or not advised of the possibility of damages, and on any theory of liability, arising out of or in connection with the use of any reports provided by you or with the delay or inability to use such reports.

12. Credit Check. You are authorized, in your discretion, should you for any reason deem it necessary for your protection to request and obtain a consumer credit report for the undersigned.

13. Miscellaneous. The undersigned agrees that this Agreement and all transactions in the undersigned's accounts shall be governed by the constitution, rules, regulations, customs, usages and bylaws of the Options Clearing Corporation and all exchanges or other facilities upon which options are traded for the account of the undersigned. If any provisions of this Agreement is held to be unenforceable, it shall not affect any other provisions of this Agreement. The headings of each sections of this Agreement are descriptive only and do not modify or qualify any provision of this Agreement. This Agreement and its enforcement shall be governed by the law of the state of Texas and shall cover individually and collectively all accounts which the undersigned has previously opened, now has open or may open or reopen with you, or any introducing broker, and any and all previous, current and future transactions in such accounts. Except as provided in this Agreement, no provision of this Agreement may be altered, modified or amended unless in writing signed by your authorized representative. This Agreement and all provisions shall insure to the benefit of you and your successors, whether by merger, consolidation or otherwise, your assigns, the undersigned's introducing broker, and all other persons specified in Paragraph 9. You shall not be liable for losses caused directly or indirectly by any events beyond your reasonable control, including without limitation, government restrictions, exchange or market rulings, suspension of trading or unusually heavy trading in securities, a general change in economic, political or financial conditions, war or strikes. You may transfer the accounts of the undersigned to your successors and assigns. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the undersigned.