

MICHIGAN SECURITIES, INC.

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IMPORTANT INFORMATION ON 'PENNY STOCKS'

Dear Valued Client:

You have recently purchased or expressed interest in purchasing a "penny stock", as defined by the NASD. A "penny stock" is defined as a non-NASDAQ-listed security traded in the OTC market for less than \$5 per share. These stocks are quoted on the NASD's OTC Bulletin Board Service and the "Pink Sheets". Historically, markets for these securities are thin and highly volatile. These securities carry a high probability of becoming worthless. Michigan Securities Inc. cannot be responsible for any investments in these securities. You have the obligation to investigate the viability and suitability of this investment in light of your investment objectives and financial condition. You must have "speculation" as an investment objective, substantial experience as an investor, and the financial wherewithal to assume the total loss of your investment without impacting your financial condition. If you have any questions regarding this matter please contact Bill Rice or Sandra Rayba. If you agree to the above conditions please sign below.

IF THIS IS YOUR INITIAL INVESTMENT YOU MUST FILL OUT AND SIGN THIS STATEMENT BEFORE EFFECTING A PURCHASE. THE NASD REQUIRES THAT YOU RECEIVE THIS STATEMENT ALONG WITH A CONFIRM AND ACCOUNT STATEMENTS REFLECTING THIS POSITION. PLEASE REVIEW THE INFORMATION BELOW FOR CORRECTNESS AND SIGN IF AGREED UPON.

Name of Security _____
Number of shares to be purchased _____
The current quote as of _____ is _____
Commission on trade _____

BY SIGNING BELOW I ACKNOWLEDGE THAT MY INVESTMENT OBJECTIVE IS SPECULATION, I AM AN EXPERIENCED INVESTOR, AND THAT I HAVE THE FINANCIAL WHEREWITHAL TO ASSUME THE RISKS OF THIS TRANSACTION.

Date _____

NAME

JOINT NAME