

Dear Valued Customer:

As an introduced account, you should understand in general, the different functions performed by our firm (PFG) and those of our clearing agent Jefferies & Company, Inc.

In general, PFG provides front-office services and the clearing firm Jefferies & Company, Inc. performs back-office or operation type functions.

Front-office services include such matters as the opening, approval and monitoring of accounts, the acceptance and transmittal of orders for execution and the provision of investment advice and recommendations based on your investment objectives which you have outlined to us. Our firm also has the exclusive function to supervise our personnel directly or indirectly involved with securities transactions and all your business handled by our personnel in light of applicable rules and regulations that govern the securities industry.

Jefferies & Company, Inc.'s activities, as clearing firm, include the general regulation of credit extension, clearance of trades, receipts, delivery and safeguarding of funds and securities and the preparation, based on information provided to Jefferies & Company, Inc. of confirmations and monthly statements and the mailing of such monthly statements and confirmations. By arrangement our clearing firm may also execute orders for our clients.

Each firm maintains the appropriate records necessary to carry out their respective roles in the clearance relationship. From time to time, you may have inquiries or questions concerning your account. Please address such correspondence to PFG who will forward the information to the proper party for a prompt reply.

If you have any further questions concerning the clearing firm relationship, please feel free to inquire directly with us at 732-249-6400.