

MASTER SECURITIES LENDING AGREEMENT

This Master Securities Lending Agreement (“MSLA” or “Agreement”) for the Axos Clearing LLC Fully-Paid Securities Lending Program, is entered into by and between Axos Clearing LLC (“Axos Clearing” or “Borrower”) and the undersigned party or parties (“Lender” or “You”), and shall be effective as of the date of execution by You set forth below (the “Effective Date”).

THIS AGREEMENT SHOULD NOT BE SIGNED BY YOU UNTIL AFTER: (1) YOU HAVE READ AND FULLY UNDERSTAND THE SEPARATE DOCUMENT ENTITLED IMPORTANT DISCLOSURES REGARDING RISKS AND CHARACTERISTICS OF PARTICIPATING IN AXOS CLEARING’S FULLY-PAID SECURITIES LENDING PROGRAM (THE “PROGRAM”), WHICH DESCRIBES MANY OTHER RISKS AND CHARACTERISTICS OF THE PROGRAM; AND (2) YOU AND YOUR INTRODUCING FIRM HAVE DETERMINED THAT PARTICIPATION IN AXOS CLEARING’S PROGRAM IS APPROPRIATE FOR YOU AFTER CONSIDERING YOUR FINANCIAL SITUATION AND NEEDS, TAX STATUS, INVESTMENT OBJECTIVES, INVESTMENT TIME HORIZON, LIQUIDITY NEEDS, RISK TOLERANCE, AND ANY OTHER RELEVANT INFORMATION. IN EXECUTING THIS AGREEMENT, YOU ACKNOWLEDGE THAT BOTH OF THESE CONDITIONS HAVE BEEN SATISFIED.

- 1. Applicability.** From time to time the parties hereto may enter into transactions in which Lender will lend to Borrower certain Securities (as defined herein) against Collateral (as defined herein). Each such transaction shall be referred to herein as a “Loan” and shall be governed by this Agreement, including any supplemental terms or conditions contained in an Annex or Schedule hereto and in any other annexes identified herein or therein as applicable hereunder; provided however that Securities borrowed by Lender from Axos Clearing, and Securities borrowed by Axos Clearing from Lender in Lender’s margin account, pursuant to a margin account agreement between Axos Clearing and Lender shall not be subject to this Agreement. Capitalized terms not otherwise defined herein shall have the meanings provided in Section 25.
- 2. Loans of Securities.**
 - 2.1.** Subject to the terms and conditions of this Agreement, Borrower may, from time to time, in its sole discretion, initiate a transaction in which Lender will lend Securities to Borrower. Borrower shall determine the issuer of the Securities, the amount of Securities to be lent, the length of time of the Loan, and the type of Collateral to be transferred by Borrower. Such transaction shall be documented by Borrower in accordance with Section 3.2. Such records, together with the Agreement, shall constitute conclusive evidence of the terms agreed between Borrower and Lender with respect to such Loans.
 - 2.2.** Notwithstanding any other provision in this Agreement regarding when a Loan commences, unless otherwise agreed, a Loan hereunder shall not occur until the Loaned Securities and the Collateral therefore have been transferred in accordance with this Agreement.
- 3. Transfer of Loaned Securities.**
 - 3.1.** Loaned Securities shall be transferred to an account of Axos Clearing by Axos Clearing hereunder on or before the Cutoff Time on the date chosen by Axos Clearing for the commencement of a Loan.
 - 3.2.** Borrower shall make available or cause to be made available to Lender a record of the Loaned Securities. Such record may consist of an account statement or other data made available to Lender by Borrower or its designee.
 - 3.3.** Notwithstanding any other provision in this Agreement, the parties hereto agree that they intend the Loans hereunder to be loans of Securities. If, however, any Loan is deemed to be a loan of money by Borrower to Lender, then Borrower shall have, and Lender shall be deemed to have granted, a security interest in the Loaned Securities and the proceeds thereof.
- 4. Collateral.**
 - 4.1.** Unless otherwise mutually agreed, Borrower shall, prior to or concurrently with the transfer of the Loaned Securities to Borrower, but in no case later than the Close of Business on the day of such transfer, deposit in a collateral custody account (a “Custody Account”) established at a bank (as that term is defined in Section 3(a)(6) of the Securities Exchange Act of 1934 (the “Exchange Act”)), or at another custodian selected by Borrower (the “Custodian”), in each case at the sole discretion of Borrower, Collateral with a Market Value at least equal to the Margin Percentage of the Market Value of the Loaned Securities.

The Custody Account may be an omnibus account established at the Custodian that holds Collateral in an aggregate amount at least equal to the amount required under this Section 4.1 for all Lenders who have loaned Securities to Borrower as part of the Program. If the Collateral Account is an omnibus account, the Custodian must maintain subledgers showing the amount of Collateral allocable to each Lender with respect to the Securities that each such Lender has loaned to Borrower as part of the Program. By executing this MSLA, Lender hereby agrees that Borrower will deposit Collateral in a Custody Account in the name of Lender or for the benefit of all Lenders at the Custodian. At Borrower’s sole discretion, such Custody Account and/or Custodian may be changed from time to time and notice of such changes will be provided to Lender.
 - Lender further understands that the Account Control Agreement attached as Annex I (the “ACA”) describes the obligations and rights of Borrower and Custodian with respect to the maintenance of Collateral in the Custody Account and rights of Lender with respect to such Collateral. Lender acknowledges receipt of a copy of the ACA and understands that it contains legal terms directly applicable as to whether, and to what extent, Lender will be protected upon the occurrence of an Event of Insolvency by the Borrower, as set out in this Agreement. Lender hereby consents to the terms of and agrees to be bound by the ACA and hereby fully adopts the ACA for all purposes.
 - 4.2.** The Collateral deposited in the Custody Account, as adjusted pursuant to Section 9, shall be security for Borrower’s obligations with respect to the Loaned Securities and for any other obligations of Borrower to Lender under the MSLA. Collateral deposited into the Custody Account must be collateral that fully secures the loan consisting of cash, U.S. Treasury bills or notes, an irrevocable letter of credit issued by a bank, or such other collateral as the SEC designates as permissible. Lender will be deemed to have transferred Loaned Securities to Borrower on the date Borrower treats such securities as having been borrowed pursuant to Rule 15c3-3(b)(3) under the Exchange Act and therefore not subject to the general possession or control requirements of Exchange Act Rule 15c3-3(b). Borrower will be deemed to have transferred Loaned Securities to Lender on the date Borrower treats such securities as customer securities subject to the general possession or control requirements of Exchange Act Rule 15c3-3(b), without giving effect to Exchange Act Rule 15c3-3(b)(3), without regard to whether such securities are thereby returned to Lender or continue to be borrowed by Borrower pursuant to any hypothecation agreement between Lender and Borrower.

- 4.3. Except as otherwise provided herein, upon transfer to Lender of the Loaned Securities on the day a Loan is terminated pursuant to Section 6, Borrower shall no longer be obligated to maintain Collateral in the Custody Account for Lender's Securities that are no longer Loaned Securities.
- 4.4. If Borrower has deposited Collateral in the Custody Account for the benefit of Lender, as provided in Section 4.1, and Lender does not transfer the Loaned Securities to Borrower, Borrower shall have the absolute right to the return of the Collateral; and if Lender transfers Loaned Securities to Borrower and Borrower does not deposit Collateral in the Custody Account for the benefit of Lender as provided in Section 4.1, Lender shall have the absolute right to the return of the Loaned Securities.
- 4.5. Borrower may, upon reasonable written notice to Lender (taking into account all relevant factors, including industry practice, the type of Collateral to be substituted, the applicable method of transfer and applicable regulations and regulatory guidance), substitute Collateral for Collateral securing any Loan or Loans; provided, however, that such substituted Collateral shall have a Market Value such that the aggregate Market Value of such substituted Collateral, together with all other Collateral for Loans in which the party substituting such Collateral is acting as Borrower, shall equal the Margin Percentage of the Market Value of the Loaned Securities.

5. Fees for Loan.

- 5.1. Borrower and Lender agree to a loan fee (a "Loan Fee"), computed daily on each Loan, which such fee may change from time to time in the sole discretion of Borrower. For more information, see the attached Schedule of Basis of Compensation for Loan, which is fully incorporated herein.
- 5.2. Unless otherwise agreed, any Loan Fee payable hereunder shall be payable within fifteen (15) Business Days following the last Business Day of the calendar month in which such fee was incurred.

6. Termination of the Loan.

- 6.1. (a) Unless otherwise agreed, either party may terminate a Loan on a termination date established by notice given to the other party prior to the Close of Business on a Business Day. Unless Borrower and Lender agree to the contrary, the termination date established by a termination notice shall be a date no earlier than the standard settlement date that would apply to a purchase or sale of the Loaned Securities in the principal market of such Loaned Securities (in the case of a notice given by Lender) or the non-cash Collateral securing the Loan in the principal market of such non-cash Collateral (in the case of a notice given by Borrower) entered into at the time of such notice.

(b) Notwithstanding paragraph (a) and unless otherwise agreed, Borrower may terminate a Loan on any Business Day, effective as of such Business Day, by transferring the Loaned Securities to Lender on such Business Day. Borrower will be deemed to have transferred Loaned Securities by the end of a Business Day if it treats such securities as customer securities subject to the general possession or control requirements of Exchange Act Rule 15c3-3(b), without giving effect to Exchange Act Rule 15c3-3(b)(3), without regard to whether such securities are thereby returned to Lender or may continue to be borrowed by Borrower pursuant to any hypothecation agreement between Lender and Borrower.

(c) The execution or processing by Borrower of an order to sell the Loaned Securities by Lender shall constitute notice of termination by Lender to Borrower. The termination date established by such a sale of the Loaned Securities shall be the settlement date of such sale of the Loaned Securities or any earlier date on which Borrower is deemed to have transferred Loaned Securities to Lender under paragraph (b) of this Section.

- 6.2. Unless otherwise agreed, Borrower shall, on or before the Cutoff Time on the termination date of a Loan, transfer the Loaned Securities to Lender; provided, however, that upon such transfer by Borrower, Borrower shall no longer be obligated to maintain Collateral in a Custody Account for the benefit of Lender (as adjusted pursuant to Section 9) to Borrower in accordance with Section 4.3.

- 7. Rights in Respect of Loaned Securities and Collateral.** Except as set forth in Sections 8.1 and 8.2 or as otherwise agreed by Borrower and Lender, until Loaned Securities are required to be redelivered to Lender upon termination of a Loan hereunder, Borrower shall have all of the incidents of ownership of the Loaned Securities, including the right to transfer the Loaned Securities to others. LENDER HEREBY WAIVES THE RIGHT TO VOTE, OR TO PROVIDE ANY CONSENT OR TO TAKE ANY SIMILAR ACTION WITH RESPECT TO, THE LOANED SECURITIES IN THE EVENT THAT THE RECORD DATE OR DEADLINE FOR SUCH VOTE, CONSENT OR OTHER ACTION FALLS DURING THE TERM OF THE LOAN.

8. Distributions.

- 8.1. Lender shall be entitled to receive all Distributions made on or in respect of the Loaned Securities which are not otherwise received by Lender, to the full extent it would be so entitled if the Loaned Securities had not been lent to Borrower.
- 8.2. Any cash Distributions made on or in respect of the Loaned Securities, which Lender is entitled to receive pursuant to Section 8.1, shall be paid by the transfer of cash to Lender by Borrower, on the date any such Distribution is paid to Axos Clearing, in an amount equal to such cash Distribution, provided that if Lender is in Default at the time of such payment, Axos Clearing shall retain such Distribution until such Default is cured, Axos Clearing has agreed to waive such Default or Lender's obligations to Axos Clearing have been satisfied. Non-cash Distributions that Lender is entitled to receive pursuant to Section 8.1 shall be added to the Loaned Securities on the date of Distribution and shall be considered such for all purposes, except that if the Loan has terminated, Borrower shall forthwith transfer the same to Lender.
- 8.3. Borrower shall be entitled to receive all Distributions made on or in respect of non-cash Collateral which are not otherwise received by Borrower, to the full extent it would be so entitled if the Collateral had not been transferred to Lender.
- 8.4. Any cash Distributions made on or in respect of such Collateral, which Borrower is entitled to receive pursuant to Section 8.3, shall be paid by the transfer of cash to Borrower by Lender, on the date any such Distribution is paid, in an amount equal to such cash Distribution, so long as Borrower is not in Default at the time of such payment. Non-cash Distributions that Borrower is entitled to receive pursuant to Section 8.3 shall be added to the Collateral on the date of Distribution and shall be considered such for all purposes, except that if each Loan secured by such Collateral has terminated, Lender shall forthwith transfer the same to Borrower.
- 8.5. Unless otherwise agreed by the parties:
- (a) If (i) Borrower is required to make a payment (a "Borrower Payment") with respect to cash Distributions on Loaned Securities under Sections 8.1 and 8.2 ("Securities Distributions"), or (ii) Lender is required to make a payment (a "Lender Payment") with respect to cash Distributions on Collateral under Sections 8.3 and 8.4 ("Collateral Distributions"), and (iii) Borrower or Lender, as the case may be ("Payor"), shall be required by law to collect any withholding or other tax, duty, fee, levy or charge required to be deducted or withheld from such Borrower Payment or Lender Payment ("Tax"),

then Payor shall (subject to subsections (b) and (c) below or any other applicable section of this Agreement), pay such additional amounts as may be necessary in order that the net amount of the Borrower Payment or Lender Payment received by the Lender or Borrower, as the case may be ("Payee"), after payment of such Tax equals the net amount of the Securities Distribution or Collateral Distribution that would have been received if such Securities Distribution or Collateral Distribution had been paid directly to the Payee.

(b) No additional amounts shall be payable to a Payee under subsection (a) above to the extent that Tax would have been imposed on a Securities Distribution or Collateral Distribution paid directly to the Payee.

(c) No additional amounts shall be payable to a Payee under subsection (a) above to the extent that such Payee is entitled to an exemption from, or reduction in the rate of, Tax on a Borrower Payment or Lender Payment subject to the provision of a certificate or other documentation but has failed timely to provide such certificate or other documentation.

(d) Each party hereto shall be deemed to represent that, as of the commencement of any Loan hereunder, no Tax would be imposed on any cash Distribution paid to it with respect to (i) Loaned Securities subject to a Loan in which it is acting as Lender or (ii) Collateral for any Loan in which it is acting as Borrower, unless such party has given notice to the contrary to the other party hereto (which notice shall specify the rate at which such Tax would be imposed). Each party agrees to notify the other of any change that occurs during the term of a Loan in the rate of any Tax that would be imposed on any such cash Distributions payable to it.

8.6. To the extent that, under the provisions of Sections 8.1 through 8.5, (a) a transfer of cash or other property by Borrower would give rise to a Margin Excess or (b) a transfer of cash or other property by Lender would give rise to a Margin Deficit, Borrower or Lender (as the case may be) shall not be obligated to make such transfer of cash or other property in accordance with such Sections, but shall in lieu of such transfer immediately credit the amounts that would have been transferable under such Sections to the account of Lender or Borrower (as the case may be).

9. Mark to Market.

9.1. Borrower shall daily mark to market any Loan hereunder and in the event that at the Close of Trading on any Business Day the Market Value of the Collateral for any Loan to Borrower shall be less than 100% of the Market Value of all the outstanding Loaned Securities subject to such Loan, Borrower shall deposit additional Collateral into the Custody Account no later than the Close of Business on the next Business Day so that the Market Value of such additional Collateral, when added to the Market Value of the other Collateral for such Loan, shall equal at least 100% of the Market Value of the Loaned Securities. If Borrower determines in its discretion that applicable laws so require, Borrower will hold additional collateral greater than 100% of the market value of the Loaned Securities.

9.2. In addition to any rights of Lender under Section 9.1, if at any time the aggregate Market Value of all Collateral for Loans by Lender shall be less than the Margin Percentage of the Market Value of all the outstanding Loaned Securities subject to such Loans (a "Margin Deficit"), Borrower shall deposit additional Collateral in the Custody Account no later than the Close of Business on the next Business Day so that the Market Value of such additional Collateral, when added to the Market Value of the other Collateral for such Loan, shall at least equal the Margin Percentage of the Market Value of the Loaned Securities.

9.3. Subject to Borrower's obligations under Section 9.1, if at any time the Market Value of all Collateral for Loans to Borrower shall be greater than the Margin Percentage of the Market Value of all the outstanding Loaned Securities subject to such Loans (a "Margin Excess"), Lender hereby authorizes the Custodian to reduce the amount of Collateral deposited in the Custody Account for the benefit of Lender and to pay the Margin Excess to Borrower so that the Market Value of the Collateral for such Loans, after deduction of such amounts, shall thereupon not exceed the Margin Percentage of the Market Value of the Loaned Securities.

9.4. Borrower and Lender may agree, with respect to one or more Loans hereunder, to mark the values to market pursuant to Sections 9.2 and 9.3 by separately valuing the Loaned Securities lent and the Collateral deposited in respect thereof on a Loan-by-Loan basis.

10. **Representations.** The parties to this Agreement hereby make the following representations and warranties, which shall continue during the term of any Loan hereunder.

10.1. Each party hereto represents and warrants that (a) it has the power to execute and deliver this Agreement, to enter into the Loans contemplated hereby and to perform its obligations hereunder, (b) it has taken all necessary action to authorize such execution, delivery and performance, and (c) this Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with its terms.

10.2. Each party hereto represents and warrants that it has not relied on the other for any tax, legal, or accounting advice concerning this Agreement and that it has made its own determination as to the tax and accounting treatment of any Loan and any dividends, remuneration or other funds received hereunder.

10.3. Each party hereto represents and warrants that it is acting for its own account unless it expressly specifies otherwise in writing and complies with Section 11.

10.4. Lender represents and warrants that it has, or will have at the time of transfer of any Loaned Securities, the right to transfer the Loaned Securities subject to the terms and conditions hereof.

10.5. Lender acknowledges and warrants that the Loan Fee that it negotiates, has negotiated with Axos Clearing, or otherwise receives shall be reasonable.

11. **Covenants.** Each party agrees to be liable as principal with respect to its obligations hereunder.

12. **Events of Default.** All Loans hereunder may, at the option of the non-defaulting party (which option shall be deemed to have been exercised immediately upon the occurrence of an Act of Insolvency), be terminated immediately upon the occurrence of any one or more of the following events (individually, a "Default"):

12.1. if any Loaned Securities shall not be transferred to Lender upon termination of the Loan as required by Section 6;

12.2. if Borrower shall fail to deposit Collateral into the Custody Account as required by Section 9;

12.3. if either party (a) shall fail to transfer to the other party amounts in respect of Distributions required to be transferred by Section 8, (b) shall have been notified of such failure by the other party prior to the Close of Business on any day, and (c) shall not have cured such failure by the Cutoff Time on the next day after such Close of Business on which a transfer of cash may be effected in accordance with Section 15;

12.4. if an Act of Insolvency occurs with respect to either party;

12.5. if any representation made by either party in respect of this Agreement or any Loan or Loans hereunder shall be incorrect or untrue in any material respect during the term of any Loan hereunder;

12.6. if either party notifies the other of its inability to or its intention not to perform its obligations hereunder or otherwise disaffirms, rejects or repudiates any of its obligations hereunder; or

12.7. if either party (a) shall fail to perform any material obligation under this Agreement not specifically set forth in sections 12.1 through 12.6, above, including but not limited to the payment of fees as required by Section 5, and the payment of transfer taxes as required by Section 14, (b) shall have been notified of such failure by the other party prior to the Close of Business on any day, and (c) shall not have cured such failure by the Cutoff Time on the next day after such Close of Business on which a transfer of cash may be effected.

12.8. except upon the occurrence of an Act of Insolvency for which no notice shall be required, the non-defaulting party shall give notice as promptly as practicable

to the defaulting party of the exercise of its option to terminate all Loans hereunder pursuant to this Section 12, provided that the failure to provide such notice shall not be a condition precedent to the exercise of such option to terminate.

13. Remedies.

13.1. Upon the occurrence of a Default under Section 12 entitling Lender to terminate this Agreement and all Loans hereunder or a termination by Lender pursuant to Section 6 (provided that Axos Clearing does not return the Loaned Securities in accordance with Section 6), Lender shall have the right, in addition to any other remedies provided herein, to purchase a like amount of Loaned Securities ("**Replacement Securities**") in the principal market for such Loaned Securities in a commercially reasonable manner. In the event that Lender shall exercise such rights, Axos Clearing's obligation to return a like amount of the Loaned Securities shall terminate. Subject to Section 18, upon the satisfaction of all obligations hereunder, any remaining Collateral shall be returned to Axos Clearing. Notwithstanding the foregoing, to the extent that Axos Clearing becomes subject to a proceeding under a U.S. special resolution regime, the default rights that Lender may exercise against Axos Clearing shall not be greater than the default rights that could be exercised under such special resolution regime.

13.2. Upon the occurrence of a Default under Section 12 entitling Axos Clearing to terminate this Agreement and all Loans hereunder, Axos Clearing shall have the right, in addition to any other remedies provided herein, (a) to purchase a like amount of Collateral ("**Replacement Collateral**") in the principal market for such Collateral in a commercially reasonable manner, (b) to sell a like amount of the Loaned Securities in the principal market for such Loaned Securities in a commercially reasonable manner and (c) to apply and set off the Loaned Securities and any proceeds thereof against (i) the payment of the purchase price for such Replacement Collateral, (ii) Lender's obligation to return any cash or other Collateral, and (iii) any amounts due to Axos Clearing under Sections 5, 8 and 16. In such event, Axos Clearing may treat the Loaned Securities as its own and Lender's obligation to return a like amount of the Collateral shall terminate. Axos Clearing may similarly apply the Loaned Securities and any proceeds thereof to any other obligation of Lender under this Agreement, including Lender's obligations with respect to Distributions paid to Lender (and not forwarded to Axos Clearing) in respect of Collateral. In the event that (i) the sales price received from such Loaned Securities is less than (ii) the purchase price of Replacement Collateral (plus the amount of any cash or other Collateral not replaced by Axos Clearing and all other amounts, if any, due to Axos Clearing hereunder), Lender shall be liable to Axos Clearing for the amount of any such deficiency, together with interest on such amounts at a rate equal to the Overnight Bank Funding Rate, in each case as such rate fluctuates from day to day, from the date of such sale until the date of payment of such deficiency. As security for Lender's obligation to pay such deficiency, Axos Clearing shall have, and Lender hereby grants, a security interest in any property of Lender then held by or for Axos Clearing and a right of setoff with respect to such property and any other amount payable by Axos Clearing to Lender. The purchase price of any Replacement Collateral purchased under this Section 13.2 shall include, and the proceeds of any sale of Loaned Securities shall be determined after deduction of, broker's fees and commissions and all other reasonable costs, fees and expenses related to such purchase or sale (as the case may be). In the event Axos Clearing exercises its rights under this Section 13.2, Axos Clearing may elect in its sole discretion, in lieu of purchasing all or a portion of the Replacement Collateral or selling all or a portion of the Loaned Securities, to be deemed to have made, respectively, such purchase of Replacement Collateral or sale of Loaned Securities for an amount equal to the price therefore on the date of such exercise obtained from a generally recognized source or the last bid quotation from such a source at the most recent Close of Trading. Subject to Section 18, upon the satisfaction of all Lenders obligations hereunder, any remaining Loaned Securities (or remaining cash proceeds thereof) shall be returned to Lender.

13.3. Notwithstanding the foregoing, Axos Clearing may, in the event Axos Clearing fails to return the Loaned Securities as described above, replace Collateral, other than U.S. currency, with an amount of U.S. currency that is not less than the then current Market Value of the Collateral, provided, in the case of a Plan that such replacement is approved by the fiduciary of the Plan.

13.4. In addition to its rights hereunder, the non-defaulting party shall have any rights otherwise available to it under any other agreement or applicable law.

14. Transfer Taxes. All transfer taxes with respect to the transfer of the Loaned Securities by Lender to Borrower and by Borrower to Lender upon termination of the Loan or with respect to Collateral pursuant to Section 4.5 or Section 9 shall be paid by Borrower.

15. Reserved.

16. Contractual Currency.

16.1. Borrower and Lender agree that (a) any payment in respect of a Distribution under Section 8 shall be made in the currency in which the underlying Distribution of cash was made, (b) any return of cash shall be made in the currency in which the underlying transfer of cash was made, and (c) any other payment of cash in connection with a Loan under this Agreement shall be in the currency agreed upon by Borrower and Lender in connection with such Loan (the currency established under clause (a), (b) or (c) hereinafter referred to as the "**Contractual Currency**"). Notwithstanding the foregoing, the payee of any such payment may, at its option, accept tender thereof in any other currency; provided, however, that, to the extent permitted by applicable law, the obligation of the payor to make such payment will be discharged only to the extent of the amount of Contractual Currency that such payee may, consistent with normal banking procedures, purchase with such other currency (after deduction of any premium and costs of exchange) on the banking day next succeeding its receipt of such currency.

16.2. If for any reason the amount in the Contractual Currency received under Section 16.1, including amounts received after conversion of any recovery under any judgment or order expressed in a currency other than the Contractual Currency, falls short of the amount in the Contractual Currency due in respect of this Agreement, the party required to make the payment will (unless a Default has occurred and such party is the non-defaulting party) as a separate and independent obligation and to the extent permitted by applicable law, immediately pay such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall.

16.3. If for any reason the amount in the Contractual Currency received under Section 16.1 exceeds the amount in the Contractual Currency due in respect of this Agreement, then the party receiving the payment will (unless a Default has occurred, and such party is the non-defaulting party) refund promptly the amount of such excess.

17. ERISA. Lender shall, if any of the Securities transferred to the Borrower hereunder for any Loan have been or shall be obtained, directly or indirectly, from or using the assets of any Plan, so notify Borrower in writing upon the execution of this Agreement or upon initiation of such Loan under Section 2.1. If Lender so notifies Borrower, then Borrower and Lender shall conduct the Loan in accordance with the terms and conditions of Department of Labor Prohibited Transaction Exemption 2006-16 (71 Fed. Reg. 63786, Oct 31, 2006), or any successor thereto (unless such Loan will be conducted in reliance on another exemption, or without relying on any exemption, from the prohibited transaction provisions of Section 406 of the Employee Retirement Income Security Act of 1974, as amended, and Section 4975 of the Internal Revenue Code of 1986, as amended). Without limiting the foregoing and notwithstanding any other provision of this Agreement, if the Loan will be conducted in accordance with Prohibited Transaction Exemption 2006-16, then:

17.1. Borrower represents and warrants to Lender that it is a broker-dealer registered under the Exchange Act.

17.2. Borrower represents and warrants that, during the term of any Loan hereunder, neither Borrower nor any affiliate of Borrower has any discretionary authority or control with respect to the investment of the assets of the Plan involved in the Loan or renders investment advice (within the meaning of 29

C.F.R. Section 2510.3-21(c)) with respect to the assets of the Plan involved in the Loan. Lender agrees that, prior to or at the commencement of any Loan hereunder, it will communicate to Borrower information regarding the Plan sufficient to identify to Borrower any person or persons that have discretionary authority or control with respect to the investment of the assets of the Plan involved in the Loan or that render investment advice (as defined in the preceding sentence) with respect to the assets of the Plan involved in the Loan. In the event Lender fails to communicate and keep current during the term of any Loan such information, Lender rather than Borrower shall be deemed to have made the representation and warranty in the first sentence of this Section 17.2.

17.3. Borrower shall mark to market daily each Loan hereunder pursuant to Section 9.1 as is required if Lender is a Customer.

17.4. Borrower and Lender agree that:

- (a) the term "Collateral" shall mean cash, securities issued or guaranteed by the United States government or its agencies or instrumentalities;
- (b) prior to the making of any Loans hereunder, Borrower shall provide Lender with (i) the most recent available audited statement of Borrower's financial condition and (ii) the most recent available unaudited statement of Borrower's financial condition (if more recent than the most recent audited statement), and each Loan made hereunder shall be deemed a representation by Borrower that there has been no material adverse change in Borrower's financial condition subsequent to the date of the latest financial statements or information furnished in accordance herewith;
- (c) the Loan may be terminated by Lender at any time, whereupon Borrower shall deliver the Loaned Securities to Lender within the lesser of (i) the customary delivery period for such Loaned Securities, (ii) five Business Days, and (iii) the time negotiated for such delivery between Borrower and Lender; provided, however, that Borrower and Lender may agree to a longer period only if permitted by Prohibited Transaction Exemption 2006-16; and
- (d) the Collateral deposited for the benefit of Lender shall be security only for obligations of Borrower to the Plan with respect to Loans, and shall not be security for any obligation of Borrower to any agent or affiliate of the Plan.

- 18. Single Agreement.** Borrower and Lender acknowledge that, and have entered into this Agreement in reliance on the fact that, all Loans hereunder constitute a single business and contractual relationship and have been entered into in consideration of each other. Accordingly, Borrower and Lender hereby agree that payments, deliveries and other transfers made by either of them in respect of any Loan shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Loan hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted. In addition, Borrower and Lender acknowledge that, and have entered into this Agreement in reliance on the fact that, all Loans hereunder have been entered into in consideration of each other. Accordingly, Borrower and Lender hereby agree that (a) each shall perform all of its obligations in respect of each Loan hereunder, and that a default in the performance of any such obligation by Borrower or by Lender (the "Defaulting Party") in any Loan hereunder shall constitute a default by the Defaulting Party under all such Loans hereunder, and (b) the non-defaulting party shall be entitled to set off claims and apply property held by it in respect of any Loan hereunder against obligations owing to it in respect of any other Loan with the Defaulting Party.
- 19. APPLICABLE LAW.** THIS AGREEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES THEREOF.
- 20. Waiver.** The failure of a party to this Agreement to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. All waivers in respect of a Default must be in writing.
- 21. Survival of Remedies.** All remedies hereunder and all obligations with respect to any Loan shall survive the termination of the relevant Loan, return of Loaned Securities or release of Collateral and termination of this Agreement.
- 22. Notices and Other Communications.** Any and all notices, statements, demands or other communications hereunder may be given by Axos Clearing to the undersigned Lender by telephone, mail, e-mail, electronic message, messenger or otherwise at the contact information provided by the undersigned party or its representatives and maintained by Axos Clearing in its books and records for Lender.

Any and all notices, statements, demands or other communications hereunder may be given by the undersigned Lender to Axos Clearing in writing to Axos Clearing, as follows:

Securities Lending
Axos Clearing LLC
485D Route 1 South, Suite 210
Iselin, NJ 08830
Email: stockloansales@axosclearing.com
With a copy to:
Ethan.McComb@axosclearing.com
Apannell@axosbank.com

Any notice, statement, demand or other communication hereunder will be deemed effective on the day and at the time on which it is received or, if not received, on the day and at the time on which its delivery was in good faith attempted; provided, however, that any notice by a party to the other party by telephone shall be deemed effective only if (a) such notice is followed by written confirmation thereof and (b) at least one of the other means of providing notice that are specifically listed above has previously been attempted in good faith by the notifying party.

- 23. MANDATORY ARBITRATION.** THE PARTIES HEREBY AGREE THAT ANY DISPUTE, CONTROVERSY OR CLAIM BETWEEN THE PARTIES ARISING OUT OF THIS AGREEMENT OR ANY LOAN HEREUNDER SHALL BE SUBJECT TO THE MANDATORY ARBITRATION PROVISION CONTAINED IN ANY CUSTOMER AGREEMENT OR SIMILAR AGREEMENT ENTERED INTO BETWEEN SUCH PARTIES.
- 24. Miscellaneous.** Except as specified in Section 1 or as otherwise agreed by the parties, this Agreement supersedes any other agreement between the parties hereto concerning loans of Securities between Borrower and Lender. This Agreement shall not be assigned by Lender without the prior written consent of Axos Clearing and any attempted assignment without such consent shall be null and void. Axos Clearing may assign all its rights and delegate all of its obligations under this Agreement by giving prior notice to Lender. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of Borrower and Lender and their respective heirs, representatives, successors and assigns. This Agreement may be terminated by either party upon notice to the other, subject only to fulfillment of any obligations then outstanding. This Agreement shall not be modified, except by an instrument in writing signed by the party against whom enforcement is sought. The parties hereto acknowledge and agree that, in connection with this Agreement and each Loan hereunder, time is of the essence. Each provision and agreement herein shall be

treated as separate and independent from any other provision herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

25. Definitions.

For the purposes hereof:

“Act of Insolvency” shall mean, with respect to any party, (a) the commencement by such party as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, moratorium, delinquency or similar law, or such party’s seeking the appointment or election of a receiver, conservator, trustee, custodian or similar official for such party or any substantial part of its property, or the convening of any meeting of creditors for purposes of commencing any such case or proceeding or seeking such an appointment or election, (b) the commencement of any such case or proceeding against such party, or another seeking such an appointment or election, or the filing against a party of an application for a protective decree under the provisions of the Securities Investor Protection Act of 1970, which (i) is consented to or not timely contested by such party, (ii) results in the entry of an order for relief, such an appointment or election, the issuance of such a protective decree or the entry of an order having a similar effect, or (iii) is not dismissed within 15 days, (c) the making by such party of a general assignment for the benefit of creditors, or (d) the admission in writing by such party of such party’s inability to pay such party’s debts as they become due.

“Bankruptcy Code” shall have the meaning assigned in Section 26.1.

“Borrower” shall have the meaning assigned in the preamble.

“Borrower Payment” shall have the meaning assigned in Section 8.5(a).

“Broker-Dealer” shall mean any person that is a broker (including a municipal securities broker), dealer, municipal securities dealer, government securities broker or government securities dealer as defined in the Exchange Act, regardless of whether the activities of such person are conducted in the United States or otherwise require such person to register with the U.S. Securities and Exchange Commission or other regulatory body.

“Business Day” shall mean, with respect to any Loan hereunder, a day on which regular trading occurs in the principal market for the Loan subject to such Loan, provided, however, that for purposes of determining the Market Value of any Securities hereunder, such term shall mean a day on which regular trading occurs in the principal market for the Securities whose value is being determined. Notwithstanding the foregoing, (a) for purposes of Section 9, “Business Day” shall mean any day on which regular trading occurs in the principal market for any Loan subject to such Loan or for any Collateral consisting of Securities under any outstanding Loan hereunder and “next Business Day” shall mean the next day on which a transfer of Collateral may be effected in accordance with this Agreement, and (b) in no event shall a Saturday or Sunday be considered a Business Day.

“Cash Collateral Fee” shall mean the amount of cash collateral fee set forth on the confirmation for any securities loan.

“Close of Business” shall mean 4:00 p.m. (New York City time).

“Close of Trading” shall mean, with respect to any Security, the end of the primary trading session established by the principal market for such Security on a Business Day, unless otherwise agreed by the parties.

“Collateral” shall mean, whether now owned or hereafter acquired and to the extent permitted by applicable law, (a) any property which is deposited in a Custody Account for the benefit of Lender pursuant to Sections 4 or 9, (b) any property substituted therefor pursuant to Section 4.5, (c) all accounts in which such property is deposited and all securities and the like in which any cash collateral is invested or reinvested, and (d) any proceeds of any of the foregoing; provided, however, that if Lender is a Customer, “Collateral” shall (subject to Section 17.4(a), if applicable) be limited to cash, U.S. Treasury bills and notes, and any other property permitted to serve as collateral securing a loan of securities under Rule 15c3-3 under the Exchange Act or any comparable regulation of the Secretary of the Treasury under Section 15C of the Exchange Act (to the extent that Borrower is subject to such Rule or comparable regulation) pursuant to exemptive, interpretive or no-action relief or otherwise. If any new or different Security shall be exchanged for any Collateral by recapitalization, merger, consolidation or other corporate action, such new or different Security shall, effective upon such exchange, be deemed to become Collateral in substitution for the former Collateral for which such exchange is made.

“Collateral Distributions” shall have the meaning assigned in Section 8.5(a).

“Contractual Currency” shall have the meaning assigned in Section 16.1.

“Customer” shall mean any person that is a customer of Borrower or introduced to Borrower under Rule 15c3-3 under the Exchange Act or any comparable regulation of the Secretary of the Treasury under Section 15C of the Exchange Act (to the extent that Borrower is subject to such Rule or comparable regulation) or FINRA Rules.

“Cutoff Time” shall mean a time on a Business Day by which a transfer of cash, securities or other property must be made by Borrower or Lender to the other as shall be determined in accordance with market practice.

“Default” shall have the meaning assigned in Section 12.

“Defaulting Party” shall have the meaning assigned in Section 18.

“Distribution” shall mean, with respect to any Security at any time, any distribution made on or in respect of such Security, including, but not limited to: (a) cash and all other property, (b) stock dividends, (c) Securities received as a result of split ups of such Security and distributions in respect thereof, (d) interest payments, (e) all rights to purchase additional Securities, and (f) any cash or other consideration paid or provided by the issuer of such Security in exchange for any vote, consent or the taking of any similar action in respect of such Security (regardless of whether the record date for such vote, consent or other action falls during the term of the Loan). In the event that the holder of a Security is entitled to elect the type of distribution to be received from two or more alternatives, such election shall be made by Lender, in the case of a Distribution in respect of the Loaned Securities, and by Borrower, in the case of a

Distribution in respect of Collateral.

“**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended.

“**FDIA**” shall have the meaning assigned in Section 26.4.

“**FDICIA**” shall have the meaning assigned in Section 26.5.

“**Foreign Securities**” shall mean, unless otherwise agreed, Securities that are principally cleared and settled outside the United States.

“**Government Securities**” shall mean government securities as defined in Section 3(a)(42)(A)-(C) of the Exchange Act.

“**Lender**” shall have the meaning assigned in the preamble.

“**Lender Payment**” shall have the meaning assigned in Section 8.5(a).

“**LIBOR**” shall mean for any date, the offered rate for deposits in U.S. dollars for a period of three months which appears on the Reuters Screen LIBO page as of 11:00 a.m., London time, on such date (or, if at least two such rates appear, the arithmetic mean of such rates).

“**Loan**” shall have the meaning assigned in Section 1.

“**Loan Fee**” shall have the meaning assigned in Section 5.1.

“**Loaned Security**” shall mean any Security transferred in a Loan hereunder until such Security (or an identical Security) is transferred back to Lender hereunder, except that, if any new or different Security shall be exchanged for any Loan Security by recapitalization, merger, consolidation or other corporate action, such new or different Security shall, effective upon such exchange, be deemed to become a Loan Security in substitution for the former Loan Security for which such exchange is made. For purposes of return of Loan Securities by Borrower or purchase or sale of Securities pursuant to Section 13, such term shall include Securities of the same issuer, class and quantity as the Loan Securities, as adjusted pursuant to the preceding sentence.

“**Margin Deficit**” shall have the meaning assigned in Section 9.2.

“**Margin Excess**” shall have the meaning assigned in Section 9.3.

“**Margin Percentage**” shall mean, with respect to any Loan as of any date, at least 100%.

“**Market Value**” shall have the meaning set forth in Annex II, if applicable, or otherwise agreed to by Borrower and Lender in writing. Notwithstanding the previous sentence, in the event that the meaning of Market Value has not been set forth in Annex II or in any other writing, as described in the previous sentence, Market Value shall be reasonably determined by Axos Clearing in accordance with its standard practices for valuing Securities. The determinations of Market Value provided for in Annex II or in any other writing described herein shall apply for all purposes under this Agreement, except for purposes of Section 13.

“**Payee**” shall have the meaning assigned in Section 8.5(a).

“**Payor**” shall have the meaning assigned in Section 8.5(a).

“**Plan**” shall mean: (a) any “employee benefit plan” as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 which is subject to Part 4 of Subtitle B of Title I of such Act; (b) any “plan” as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986; or (c) any entity the assets of which are deemed to be assets of any such “employee benefit plan” or “plan” by reason of the Department of Labor’s plan asset regulation, 29 C.F.R. Section 2510.3-101.

“**Regulation T**” shall mean Regulation T of the Board of Governors of the Federal Reserve System, as in effect from time to time.

“**Retransfer**” shall mean, with respect to any Collateral, to pledge, repledge, hypothecate, rehypothecate, lend, relend, sell or otherwise transfer such Collateral, or to re-register any such Collateral evidenced by physical certificates in any name other than Borrower’s.

“**Securities**” shall mean securities or, if agreed by the parties in writing, other assets.

“**Securities Distributions**” shall have the meaning assigned in Section 8.5(a).

“**Tax**” shall have the meaning assigned in Section 8.5(a).

“**UCC**” shall mean the New York Uniform Commercial Code.

26. Intent.

26.1. The parties recognize that each Loan hereunder is a “securities contract,” as such term is defined in Section 741 of Title 11 of the United States Code (the “**Bankruptcy Code**”) and Section 78eee of Title 15 of the United States Code (the “**Securities Investors Protection Act**”), as amended (except insofar as the type of assets subject to the Loan would render such definition inapplicable).

26.2. It is understood that each and every transfer of funds, securities and other property under this Agreement and each Loan hereunder is a “settlement payment” or a “margin payment,” as such terms are used in Sections 362(b)(6) and 546(e) of the Bankruptcy Code.

26.3. It is understood that the rights given to Borrower and Lender hereunder upon a Default by the other constitute the right to cause the liquidation of a securities contract and the right to set off mutual debts and claims in connection with a securities contract, as such terms are used in Sections 555 and 362(b)(6) of the Bankruptcy Code and Section 78eee of the Securities Investors Protection Act.

26.4. The parties agree and acknowledge that if a party hereto is an “insured depository institution,” as such term is defined in the Federal Deposit Insurance

Act, as amended (“FDIA”), then each Loan hereunder is a “securities contract” and “qualified financial contract,” as such terms are defined in the FDIA and any rules, orders or policy statements thereunder (except insofar as the type of assets subject to the Loan would render such definitions inapplicable).

- 26.5.** It is understood that this Agreement constitutes a “netting contract” as defined in and subject to Title IV of the Federal Deposit Insurance Corporation Improvement Act of 1991 (“FDICIA”) and each payment obligation under any Loan hereunder shall constitute a “covered contractual payment entitlement” or “covered contractual payment obligation,” respectively, as defined in and subject to FDICIA (except insofar as one or both of the parties is not a “financial institution” as that term is defined in FDICIA).
- 26.6.** Except to the extent required by applicable law or regulation or as otherwise agreed, Borrower and Lender agree that Loans hereunder shall in no event be “exchange contracts” for purposes of the rules of any securities exchange and that Loans hereunder shall not be governed by the buy-in or similar rules of any such exchange, registered national securities association or other self-regulatory organization.

27. DISCLOSURE RELATING TO CERTAIN FEDERAL PROTECTIONS.

- 27.1.** WITHOUT WAIVING ANY RIGHTS GIVEN TO LENDER HEREUNDER, IT IS UNDERSTOOD AND AGREED THAT THE PROVISIONS OF THE SECURITIES INVESTOR PROTECTION ACT OF 1970 MAY NOT PROTECT LENDER WITH RESPECT TO LOANED SECURITIES HEREUNDER AND THAT, THEREFORE, THE COLLATERAL DEPOSITED FOR THE BENEFIT OF LENDER MAY CONSTITUTE THE ONLY SOURCE OF SATISFACTION OF BORROWER’S OBLIGATIONS IN THE EVENT BORROWER FAILS TO RETURN THE LOANED SECURITIES.
- 27.2.** LENDER ACKNOWLEDGES THAT, IN CONNECTION WITH LOANS OF GOVERNMENT SECURITIES AND AS OTHERWISE PERMITTED BY APPLICABLE LAW, SOME SECURITIES DEPOSITED WITH A CUSTODIAN BY BORROWER AS COLLATERAL UNDER THIS AGREEMENT MAY NOT BE GUARANTEED BY THE UNITED STATES.

- 28. OTHER IMPORTANT DISCLOSURES.** BY SIGNING BELOW, LENDER AGREES AND ACKNOWLEDGES THAT HE, SHE, OR IT HAS READ AND FULLY UNDERSTANDS THE SEPARATE DOCUMENT ENTITLED IMPORTANT DISCLOSURES REGARDING RISKS AND CHARACTERISTICS OF PARTICIPATING IN AXOS CLEARING’S FULLY-PAID SECURITIES LENDING PROGRAM, WHICH DESCRIBES MANY OTHER RISKS AND CHARACTERISTICS OF THE PROGRAM, INCLUDING, BUT NOT LIMITED TO POTENTIAL LACK OF SIPC PROTECTION, LOSS OF VOTING RIGHTS, AXOS CLEARING’S ABILITY TO USE THE LOAN SECURITIES FOR ADDITIONAL LOANS AND AXOS CLEARING’S ABILITY TO EARN A SPREAD OR AND/OR OTHER PROFIT, LACK OF GUARANTEE OF RECEIVING BEST RATES, RISKS ASSOCIATED WITH EACH TYPE OF COLLATERAL, THAT THE SECURITIES MAY BE “HARD-TO-BORROW” BECAUSE OF SHORT- SELLING OR MAY BE USED TO SATISFY DELIVERY REQUIREMENTS RESULTING FROM SHORT SALES, POTENTIAL ADVERSE TAX CONSEQUENCES, INCLUDING PAYMENTS DEEMED CASH-IN-LIEU OF DIVIDENDS PAID ON SECURITIES WHILE ON LOAN, AXOS CLEARING’S RIGHT TO LIQUIDATE THE TRANSACTION BECAUSE OF A CONDITION OF THE KIND SPECIFIED IN FINRA RULE 4314(B), AND THE FACTORS THAT DETERMINE THE AMOUNT OF COMPENSATION RECEIVED BY AXOS CLEARING OR PAID TO LENDER IN CONNECTION WITH THE USE OF THE SECURITIES BORROWED FROM THE LENDER, INCLUDING LACK OF INTEREST ON CASH COLLATERAL, AMONG OTHER THINGS.

BY SIGNING BELOW, LENDER AFFIRMS THAT HE, SHE, OR IT HAS DETERMINED THAT PARTICIPATION IN AXOS CLEARING’S FULLY-PAID SECURITIES LENDING PROGRAM IS APPROPRIATE FOR LENDER AND THAT IN MAKING SUCH DETERMINATION LENDER HAS CONSIDERED LENDER’S FINANCIAL SITUATION AND NEEDS, TAX STATUS, INVESTMENT OBJECTIVES, INVESTMENT TIME HORIZON, LIQUIDITY NEEDS, RISK TOLERANCE, AND ANY OTHER RELEVANT INFORMATION. LENDER UNDERSTANDS THAT LENDER SHOULD DISCUSS WITH LENDER’S INTRODUCING FIRM OR ANY OTHER ADVISOR WHETHER PARTICIPATION IN THE FULLY-PAID SECURITIES LENDING PROGRAM IS APPROPRIATE FOR LENDER, AND THAT AXOS CLEARING IS NOT LENDER’S BROKER OR ADVISOR OF ANY SORT. AXOS CLEARING CAN ONLY RELY ON REPRESENTATIONS OF LENDER AND LENDER’S INTRODUCING FIRM AS TO WHETHER THE PROGRAM IS APPROPRIATE FOR LENDER, AND AXOS CLEARING ITSELF HAS MADE NO DETERMINATION AS TO THE SUITABILITY OR APPROPRIATENESS OF THE PROGRAM FOR LENDER.

Schedule of Basis of Compensation for Loan

The compensation to Lender will be in the form of a Loan Fee, which will be credited daily.

The Loan Fee is calculated as 60% of the net proceeds earned and received by Axos Clearing for relending Lender’s shares.

The remaining 40% of the net proceeds earned and received by Axos Clearing for relending the shares will be kept by Axos Clearing, with 30% being kept as its compensation and 10% being remitted to your introducing firm as its compensation for participation in the Program.

The percentages may be changed by Axos Clearing in Axos Clearing’s sole discretion and without prior notice. For the avoidance of doubt, Axos Clearing may also, in its sole discretion, stop crediting the Loan Fee upon Lender taking any action which may result in the termination of the Loan, including, without limitation, placing an order to sell the Loaned Securities. Unless otherwise agreed, any Loan Fee payable hereunder shall be payable within fifteen (15) Business Days following the last Business Day of the calendar month in which such fee was incurred. For more information, Lender should refer to the document entitled Important Disclosures Regarding Risks and Characteristics of Participating in Axos Clearing’s Fully-Paid Securities Lending Program and/or should contact Lender’s introducing firm.

Executed and Agreed to by:

AXOS CLEARING LLC:

By providing this Agreement to introducing firm customers who are applying to participate in Axos Clearing’s Fully-Paid Securities Lending Program, Axos Clearing agrees to the terms and conditions specified in this Agreement.

LENDER:

Please enter the number or numbers for the accounts requested to be included in the Fully-Paid Securities Lending Program and the account title. All registered account owners of all accounts listed must sign this Agreement. A separate MSLA must be signed and submitted for accounts under names not matching exactly the name provided herein.

Account Number(s)	Account Registration/Title

SIGNATURES – ALL ACCOUNT HOLDERS MUST SIGN BELOW		
Account Holder Signature *	Print Name	Date
Account Holder Signature *	Print Name	Date
Account Holder Signature *	Print Name	Date
Account Holder Signature *	Print Name	Date

Mail completed form to:
 Trading Direct
 160 Broadway
 East Building, Floor 9
 New York NY 10038

ACCOUNT CONTROL AGREEMENT

Axos Clearing LLC Fully-Paid Lending Program – Account Control Agreement

This Account Control Agreement (as amended or otherwise modified from time to time, this "ACA") by and between Axos Clearing LLC ("Borrower"), "Lender" (as identified in the Master Securities Lending Agreement between Borrower and Lender to which this ACA is attached (the "MSLA")), and Axos Bank ("Custodian") is entered into in connection with the Borrower's Fully-Paid Securities Lending Program (the "FPL Program") as of the date of the MSLA between Borrower and Lender. All references in this ACA to the "UCC" shall mean the Uniform Commercial Code as in effect from time to time in the State of New York.

BACKGROUND

Borrower, a clearing broker-dealer, carries customer accounts introduced to it by the introducing broker-dealers or registered investment advisors of those customers. Borrower makes available the FPL Program, in which eligible introduced customers are offered the ability to lend out certain of their fully-paid and excess-margin securities to Borrower, which Borrower may then lend to other introduced customers or to other market participants who wish to use these shares for short selling or other purposes. Introduced customers wishing to participate in the FPL Program must execute and return a signed MSLA to Borrower.

When the lending transaction takes place as part of the FPL Program, Borrower provides collateral to the introduced customer based on the market value of the securities borrowed in the form of a cash deposit (the "Collateral"). Borrower then deposits with Custodian the Collateral for the benefit of these introduced customers (now Lenders) with the Custodian, which Custodian then maintains in an omnibus account with the Collateral of other Lenders, with a subledger referencing the Collateral amount allocable to each Lender (the "Omnibus Account").

Pursuant to the MSLA, Borrower has granted to Lender a security interest in the Collateral allocable to Lender which is maintained in the Omnibus Account. The parties are entering into this ACA to perfect Lender's security interest in the allocable Collateral maintained in the Omnibus Account and to facilitate the release of the Collateral allocable to Lender in the event of an "Act of Insolvency" concerning Borrower. For purposes here and as repeated in the MSLA, an "Act of Insolvency" concerning Borrower means "(a) the commencement by Borrower as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, moratorium, dissolution, delinquency or similar law, or Borrower seeking the appointment or election of a receiver, conservator, trustee, custodian or similar official for such party or any substantial part of its property, or the convening of any meeting of creditors for purposes of commencing any such case or proceeding or seeking such an appointment or election, (b) the commencement of any such case or proceeding against Borrower, or another seeking such an appointment or election, or the filing against Borrower of an application for a protective decree under the provisions of the Securities Investor Protection Act of 1970, which (i) is consented to or not timely contested by Borrower, (ii) results in the entry of an order for relief, such an appointment or election, the issuance of such a protective decree or the entry of an order having a similar effect, or (iii) is not dismissed within 15 days, (c) the making by Borrower of a general assignment for the benefit of creditors, or (d) the admission in writing by Borrower of Borrower's inability to pay Borrower's debts as they become due."

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant, agree, represent and warrant as follows:

1. The Account. Custodian represents to Lender that: (a) the Omnibus Account has been established and will be maintained by Custodian as recited above; (b) the Omnibus Account and the rights of Borrower in the Omnibus Account are valid and legally binding obligations of Custodian; (c) as of the date of this ACA, Custodian does not know of any claim to or interest in the Omnibus Account or any of the Collateral other than the interests of Borrower and Lender; and (d) any claim to, security interest in, or lien upon, the Collateral shall be junior and subordinate to the security interests of Lender in the Collateral.

2. Control. Custodian is hereby authorized by Borrower to, and Custodian shall, mark its records, by book-entry or otherwise, to indicate Lender's security interest in the Collateral allocable to Lender in the Omnibus Account, and shall comply with all written notifications or instructions communicated by Lender which direct Custodian to dispose, transfer or redeem any of the Collateral in the Omnibus Account or otherwise subject to this ACA allocable to Lender without further action or consent by Borrower or any other person in the event of an Act of Insolvency concerning Borrower, provided the written notification or instruction communicated by Lender (i) contains sufficient detail to convey to Custodian that an Act of Insolvency concerning Borrower has occurred; and (ii) is accompanied by a formal written notice or other official documentation from FINRA, the SEC, or a federal or state court of competent jurisdiction stating or indicating an Act of Insolvency concerning Borrower has in fact occurred (a "Notice of an Act of Insolvency").

a. Custodian shall be entitled to rely on a properly submitted Notice of an Act of Insolvency without further inquiry into the factual assertions concerning Borrower, provided, however, (i) Custodian shall not accept any such Notice of an Act of Insolvency that is not in writing and otherwise fails to meet the requirements stated above; and (2) Custodian may, in its sole discretion, reject a Notice of an Act of Insolvency that it reasonably suspects has been submitted as the result of fraud or willful misconduct on the part of Lender or a representative of Lender.

b. Until Custodian receives a Notice of an Act of Insolvency, Custodian may distribute to Borrower any of the Collateral for any reason, including without limitation so that Borrower may perform its obligations under the MSLA to ensure the value of the Collateral is properly marked to the value of the securities on loan to Borrower or otherwise exercise its rights under the MSLA to remove funds from the Omnibus Account which are no longer required to meet a requirement under the MSLA, for example in the event Borrower terminates a loan of securities from Lender.

3. Other Liens. Borrower represents and warrants to Lender and Custodian it has not assigned or granted a security interest in the Collateral allocable to Lender except to Lender, and Borrower shall not permit the Collateral allocable to Lender to become subject to any other pledge, assignment, lien, charge or encumbrance of any kind, other than Lender's security interest referred to herein.

4. Agreements of Custodian and Borrower. Custodian and Borrower agree that:

a. Custodian shall flag its books, records and systems to reflect Lender's security interest in the Collateral allocable to Lender, and shall provide notice thereof to any party making inquiry as to Borrower's Omnibus Account with Custodian to whom or which Custodian is legally required or permitted to provide information.

b. Custodian shall not enter into any control, custodial or similar agreement with any other party that would create or acknowledge the existence of any claim to, security interest in, or lien upon any of the Collateral.

c. Without Lender's prior written consent, Custodian and Borrower may at any time (1) amend or modify any agreement between

Custodian and Borrower with respect to the Omnibus Account provided such changes do not materially alter Lender's rights to the Collateral hereunder; or (2) terminate any such agreement referenced in (1), provided any such termination is accompanied by a return to Lender of the Collateral allocable to Lender or any other action resulting in the Collateral no longer being required, for example Borrower terminating the loan of securities from Lender.

d. In the event it is determined that this ACA is governed by the law of any jurisdiction that has not enacted all or substantially all of the uniform revisions of Article 8 and 9 of the UCC, all as approved in 1994 by the American Law Institute and the National Conference of Commissioners on Uniform State Laws ("Revised 8 and 9"), this ACA constitutes (i) notice to Custodian for the purpose of perfecting Lender's security interest in the Collateral, pursuant to Section 8-313(h)(i) of the pre-revision UCC and (ii) an instruction to Custodian, to the extent it is the issuer or transfer agent of the issuer of any of the Collateral, to register Lender's security interest in the Collateral on its books and records.

5. **Indemnification.** Borrower agrees to indemnify and hold Custodian and its officers and employees, harmless from and against any and all claims, causes of action, liabilities, lawsuits, demands and/or damages, including, without limitation, any and all reasonable out-of-pocket costs, including court costs and attorneys' fees that may arise or result from Custodian complying with instructions and orders under this ACA except for any claims, causes of action, liabilities, lawsuits, demands and/or damages (i) solely between Custodian and Lender, or (ii) arising from the bad faith, willful misconduct, or gross negligence on the part of Custodian.

6. **Limitation of Liability.**

a. In no event will Custodian be liable for any special, indirect, exemplary or consequential damages, including but not limited to lost profits. In no event will Custodian have any responsibility or liability with respect to the value of the Omnibus Account or the assets therein.

b. Custodian will be excused from failing to act or delay in acting, and no such failure or delay shall constitute a breach of this ACA or otherwise give rise to any liability of Custodian, if (i) such failure or delay is caused by circumstances beyond Custodian's reasonable control, including but not limited to legal constraint, emergency conditions, action or inaction of governmental, civil or military authority, fire, strike, lockout or other labor dispute, war, riot, theft, flood, earthquake or other natural disaster, epidemic, pandemic, breakdown of public or private or common carrier communications or transmission facilities, equipment failure, or act, negligence or default of Borrower or Lender; or (ii) such failure or delay resulted from Custodian's reasonable belief that the action would have violated any guideline, rule or regulation of any governmental or self-regulatory authority. Borrower and Lender agree that Custodian shall have no liability whatsoever to either or both of them by reason of this ACA unless occasioned by the gross negligence or willful misconduct of Custodian.

7. **Successors and Assigns.** The terms of this ACA shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective corporate successors, assignees, or heirs and personal representatives.

8. **Notices.** All notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail, or email (if an email address for a party is listed below) as follows:

If to Lender to:

The Lender's information on file with Borrower.

If to Borrower to:

Axos Clearing LLC
485D Route 1 South, Suite 210
Iselin, NJ 08830
Email: stockloansales@axosclearing.com

With a copy to:
Ethan.McComb@axosclearing.com
Apannell@axosbank.com

If to Custodian:

Axos Bank
4350 La Jolla Village Drive, Ste. 140
San Diego, CA 92122
Attn: Andy Micheletti

With a copy to:

Axos Bank
4350 La Jolla Village Drive, Ste. 140
San Diego, CA 92122
Attn: Eshel Bar-Adon

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, or by email (if an email address for a party is listed or referenced above) shall be deemed to have been given when received. Any party may change its address for notices in the manner set forth above.

9. **Termination.** The obligations of Custodian hereunder shall continue in effect until the MSLA between Borrower and Lender is no longer in effect or Custodian and Borrower terminate any agreement between them with respect to the Omnibus Account as set forth in Section 4(c) above.

10. **Governing Law.** This ACA shall be governed by New York law without reference to choice of laws or conflicts of laws doctrine (other than Section 5-1401 of the New York General Obligations Law).

11. Dispute Resolution.

a. AS BETWEEN BORROWER AND LENDER, ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING IN ANY WAY TO THIS ACA SHALL BE SUBJECT TO THE MANDATORY ARBITRATION PROVISION CONTAINED IN ANY CUSTOMER AGREEMENT OR SIMILAR AGREEMENT ENTERED INTO BETWEEN SUCH PARTIES, AS FURTHER REFLECTED IN THE MSLA.

b. AS BETWEEN BORROWER AND CUSTODIAN, ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING IN ANY WAY TO THIS ACA SHALL BE SUBJECT TO DISPUTE RESOLUTION PROVISIONS CONTAINED IN ANY AGREEMENT BETWEEN THEM WITH RESPECT TO THE OMNIBUS ACCOUNT.

c. FOR ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING IN ANY WAY TO THIS ACA AND FOR WHICH ALL THREE PARTIES ARE NECESSARY PARTIES TO ANY SUCH ACTION OR PROCEEDING, SUCH ACTION OR PROCEEDING SHALL BE RESOLVED THROUGH BINDING ARBITRATION BEFORE A SINGLE ARBITRATOR IN ACCORDANCE WITH THE AMERICAN ARBITRATION ASSOCIATION'S COMMERCIAL ARBITRATION RULES.

- i. THE DECISION OF THE ARBITRATOR WILL BE FINAL AND BINDING. JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED IN ANY COURT EXERCISING PROPER JURISDICTION.
- ii. NOTHING CONTAINED HEREIN SHALL LIMIT A PARTY'S RIGHT UNDER THIS SECTION 11(C) TO OBTAIN INJUNCTIVE RELIEF IN A COURT OF LAW IN AID OF ARBITRATION.
- iii. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING UNDER THIS SECTION 11(C).
- iv. EACH PARTY FURTHER AGREES THAT IT WILL NOT BRING ANY CLASS OR COLLECTIVE ACTION AGAINST ANY OTHER PARTY IN ANY FORUM, NOR JOIN ANY CLASS OR COLLECTIVE ACTION BROUGHT AGAINST ANY OTHER PARTY IN ANY FORUM IN CONNECTION WITH ANY PROCEEDING UNDER THIS SECTION 11(C).
- v. LENDER FURTHER UNDERSTANDS THAT THIS SECTION 11(C) DOES NOT PROHIBIT OR RESTRICT LENDER FROM REQUESTING ARBITRATION OF A DISPUTE IN THE FINRA ARBITRATION FORUM BUT ONLY AS LONG AS THE FINRA RULES REQUIRE SUCH DISPUTE TO BE ARBITRATED IN THE FINRA ARBITRATION FORUM.

12. Entire Agreement; Amendments; Waivers. This ACA constitutes the entire contract among the parties hereto relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. No amendment or waiver of any provision of this ACA shall in any event be effective unless the same shall be in writing and signed by the parties hereto, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No single, partial or delayed exercise by any party of any right or remedy shall preclude full and timely exercise at any time of such right or remedy. No course of dealing or other conduct, no oral agreement or representation made by any party hereunder, or usage of trade, shall operate as a waiver of any right or remedy of such party. Except as specifically modified by this ACA, any other agreements among the parties, including but not limited to the Customer Agreement and MSLA between Borrower and Lender and any agreement between Borrower and Custodian with respect to the Omnibus Account, shall remain in full force and effect, and nothing in this ACA shall release, modify, change, or affect any other obligations or liabilities that are owed by the parties under any other agreements by and between the parties.

13. Severability. Whenever possible, each provision of this ACA shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this ACA shall be prohibited by or invalid under applicable law, such provisions shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this ACA.

Executed and Agreed to by:

CUSTODIAN:

Axos Bank

By: 

Name: Andrew J. Michelutti

Title: Executive Vice President & CFO

BORROWER:

Axos Clearing LLC

By: 

Name: Jeffrey N. Sime

Title: President & COO

LENDER (AS IDENTIFIED IN THE MSLA TO WHICH THIS ACA IS ATTACHED)

By agreeing to the terms of the MSLA and, where required, returning a signed copy of the MSLA to Axos Clearing LLC or Lender's authorized representative (such as its broker or advisor), Lender hereby consents to the terms of and agrees to be bound by the ACA and hereby fully adopts the ACA for all purposes.

IMPORTANT DISCLOSURES REGARDING RISKS AND CHARACTERISTICS
OF PARTICIPATING IN AXOS CLEARING LLC'S FULLY-PAID SECURITIES LENDING PROGRAM

Please read these important disclosures carefully before deciding whether to participate in Axos Clearing LLC's ("Axos Clearing") Fully-Paid Securities Lending Program and before signing a Master Securities Lending Agreement ("MSLA" or "Agreement") for Axos Clearing's Fully-Paid Securities Lending Program (the "Program"). These disclosures describe important characteristics of, and risks associated with engaging in, securities lending transactions.

- 1. Introduction.** Axos Clearing offers eligible Customers (of broker-dealers and registered investment advisors using Axos Clearing's services) the ability to lend out certain of their fully-paid and excess-margin securities to Axos Clearing, which Axos Clearing may then lend to other Customers or to other market participants who wish to use these shares for short selling or other purposes. "Fully-paid securities" are securities in a Customer's account that have been completely paid for. "Excess-margin securities" are securities that have not been completely paid for, but whose market value exceeds 140% of the Customer's margin debit balance. In this disclosure and in the relevant agreements, we collectively refer to fully-paid and excess-margin securities as "Fully-Paid Securities" or "Fully-Paid Shares." Lending out your Fully-Paid Shares may be a way to increase the yield on your portfolio, because some shares are in high demand in the securities lending market and borrowers are willing to pay a loan fee for the use of your shares.

In the Program, you permit Axos Clearing to borrow from you any Fully-Paid Securities in your portfolio and loan these securities out in the securities lending market. That is, as a Customer, you are transacting with Axos Clearing, which may, in turn, then transact on any relevant market. Axos Clearing will have the sole discretion to initiate loans of your securities. You will not be asked to approve each loan before it is initiated, but you can always sell your shares at any time or terminate your participation in the Program. Axos Clearing will pay you a loan fee for the shares that it borrows from you. Ordinarily Axos Clearing will pay you a percentage of the net loan fee received by Axos Clearing for lending your securities. Axos Clearing's net loan fee used to calculate your loan fees may be less than the gross fees received by Axos Clearing for relending your securities because of various deductions and charges.

- 2. Collateral Mechanics of a Fully-Paid Lending Transaction.** When the lending transaction takes place, your securities will be designated as on loan. In return, Axos Clearing will deposit collateral for you away from Axos Clearing with a custodian to secure the full value amount of the loan. As part of the MSLA, you will be provided an account control agreement (an "ACA") which further memorializes your perfected security interest in the collateral held at the custodian and explains how you can directly obtain the collateral without the involvement or consent of Axos Clearing in the event of our insolvency (as further defined in the ACA). Axos Clearing marks-to-market all positions daily to reflect changes in security prices. Axos Clearing reserves the right to adjust to U.S. industry convention should that change or to raise or lower the collateral amount based on local laws or market custom outside the U.S.; however, Axos Clearing will never collateralize the stock loan for less than 100% of the value. For example, customer A has enrolled in the Program and Axos Clearing has borrowed 5,000 shares of XYZ from customer. XYZ's closing price is \$22.15. The mark-to-market is calculated by multiplying $\$22.15 * 5000 = \$110,750$.

For all transactions in which you are lending your Fully-Paid Shares, Axos Clearing will be the counterparty borrower and Axos Clearing will be the party providing the collateral for you on the securities loan and paying your loan fees to you.

- 3. SECURITIES LOANED OUT BY YOU MAY NOT BE PROTECTED BY SIPC.** THE PROVISIONS OF THE SECURITIES INVESTOR PROTECTION ACT OF 1970 MAY NOT PROTECT YOU WITH RESPECT TO YOUR SECURITIES LOAN TRANSACTIONS IN THE PROGRAM. THEREFORE, THE COLLATERAL DEPOSITED FOR YOU MAY CONSTITUTE THE ONLY SOURCE OF SATISFACTION OF AXOS CLEARING'S OBLIGATION IN THE EVENT AXOS CLEARING FAILS TO RETURN THE SECURITIES.
- 4. Loss of Voting Rights.** The borrower of securities (and not you, as lender) has the right to vote, or to provide any consent or to take any similar action with respect to the loaned securities if the record date or deadline for such vote, consent or other action falls during the term of the loan.
- 5. You Can Sell Your Loaned Shares at any Time.** Even though you have loaned your shares out, you can sell those shares at any time, just like any other shares in your account(s) carried by Axos Clearing. You do not have to wait for the shares to be returned to sell them. Even if the shares are not returned on time to settle your sale of the shares, Axos Clearing will be responsible for settling the sale, not you, and you will receive the proceeds from the sale of the shares on the normal settlement date for the sale.
- 6. You Continue to Own Loaned Shares and Have Market Risk on Those Shares.** When you lend your shares, you continue to own the shares and you continue to have the market exposure inherent in ownership of the shares (*i.e.*, if the share price decreases while you own the shares but are lending them out, the value of your position will decrease).
- 7. The Securities Loaned out by You may be "Hard-to-Borrow" because of Short Selling or may be used to Satisfy Delivery Requirements Resulting from Short Sales.** The type of securities that are generally attractive to borrowers in the securities lending market, and which generate the highest loan fees, are "hard-to-borrow" securities. When you lend your Fully-Paid Securities, it is likely that such securities will be used to facilitate one or more short sales where the borrower is selling shares in hopes that the stock will decline in value (the short seller later re-purchases the stock to pay back the stock loan). Since you are holding the shares "long" in your account, the activity of short sellers potentially could affect the long-term value of your holdings.
- 8. Lack of Interest in Collateral.** You generally will not receive a separate interest payment from Axos Clearing on the collateral that is deposited for your benefit when you lend Fully-Paid Shares to Axos Clearing. You will only receive the loan fee rate that is recorded for lending your shares.
- 9. Potential tax implications, including payments deemed cash-in-lieu of dividend paid on securities while on loan.** When you lend your Fully-Paid Securities, you are entitled to receive the amount of all dividends and distributions made on or in respect of the loaned securities. However, you may receive cash payments "in lieu of" dividends. If you are a U.S. taxpayer, cash payments in lieu of dividends are not the same as qualified dividends for tax purposes and are taxed as normal ordinary income (up to 37%) instead of the preferential qualified dividend rate of 20% (U.S. federal income tax rates quoted here are for 2018 and are subject to change). Axos Clearing is not required to compensate you for any differential tax treatment between dividends and cash payments in lieu of dividends. If you are not a U.S. taxpayer, Axos Clearing may be required to withhold tax on payments in lieu of dividends and loan fees to you at 30% unless an exception applies.

It is solely within Axos Clearing's discretion whether to recall loaned shares from a borrower prior to a dividend, and Axos Clearing makes no guarantee to recall a loan prior to a dividend. With respect to other corporate actions affecting loaned shares, non-cash distributions that you are entitled to receive in connection with ownership of loaned securities will be added to the loaned securities on the date of distribution and will be transferred to you at termination of the loan.

Other special tax considerations could arise, and you are strongly encouraged to consult a tax advisor for further information.

- 10. Axos Clearing has a right to terminate any borrow transaction in the event of a condition of the kind specified in FINRA Rule 4314(b).** Axos Clearing has a right to terminate any borrow transaction if you:
- (1) apply for or consent to, or are the subject of an application for, the appointment of or the taking of possession by a receiver, custodian, trustee, or liquidator of you or of all or a substantial part of your property;
 - (2) admit in writing your inability, or become generally unable, to pay your debts as such debts become due;
 - (3) make a general assignment for the benefit of its creditors; or
 - (4) file, or have filed against you, a petition under Title 11 of the United States Code, or have filed against you an application for a protective decree under Section 5 of the Securities Investor Protection Act of 1970 (“SIPA”), unless the right to liquidate such transaction is stayed, avoided, or otherwise limited by an order authorized under the provisions of SIPA or any statute administered by the SEC.

11. Factors that Determine the Amount of Compensation Received by Axos Clearing and Amount of Compensation (e.g., Interest Rate) to be Paid to You, and the Ability of Those to Change.

- (1) **Loan Rates (and therefore the Fees You Will Receive) Are Subject to Frequent Change and Can Go Down (or Up) by 50% or More.** Rates for “hard-to-borrow” and other shares change frequently, even daily, in the securities lending market and this can reduce (or increase) the loan fee that you receive for lending your shares out. Likewise, Axos Clearing may change the loan fee rate it pays you compared to the fees that Axos Clearing receives when it lends your securities to third parties. You will not have direct control over when to initiate or terminate loans of specific shares (including based on rate changes). However, you can always terminate your participation in the Program (which will terminate all your lending transactions) if you are unhappy with the loan fee rates you are receiving or the nature or frequency of rate changes. Please note, though, that if you terminate your participation in the Program, you may not be permitted to re-join the Program, or you may have to wait a certain length of time to re-join.
- (2) **Axos Clearing is the Counterparty to All Fully-Paid Lending Transactions with You. Axos Clearing May Earn a Spread in Rates and May Profit or Lose in Connection with the Transaction or Other Transactions in the Same Securities. Axos Clearing May Pay Part of the Loan Fees to Third Parties, Which Will Reduce the Rate You Receive.** Axos Clearing will be the counterparty (borrower) when you lend your shares. Any transactions that Axos Clearing may or may not do on any securities lending markets are completely independent of your loan transaction to Axos Clearing. Thus, after Axos Clearing borrows shares from you at a given rate, Axos Clearing may or may not then lend those shares to another party or to or through an affiliate or third party. Likewise, Axos Clearing may terminate a loan with you and return shares to you while at the same time Axos Clearing continues to lend shares of the same stock out to the marketplace. Nothing in the Program restricts Axos Clearing’s ability to conduct stock lending and borrowing transactions with third parties, who may profit or lose in connection with the transactions.

Axos Clearing may borrow shares from you and then lend those shares to other introducing broker-dealers or Customers that clear through Axos Clearing.

Axos Clearing may earn a “spread” on securities lending transactions with your stock. This means that the rate you receive from Axos Clearing for your loaned securities may be less than the rate Axos Clearing receives from a third party on those same shares.

Axos Clearing may pay part of the net loan fees (for shares you lend) to third parties such as the introducing broker-dealer(s) who may introduce your account(s) to Axos Clearing. These payments may reduce the loan fees (rate) you receive.

- (3) **There Is No Guarantee That You Will Receive the Best Loan Fee Rates for Your Shares.** The securities lending market is not a standardized and transparent market. Securities lending transactions generally take place “over the counter” rather than on organized exchanges where prices and transactions are transparent. There are no rules or mechanisms that guarantee or require that any given participant in the marketplace will receive the best rate for lending shares, and Axos Clearing cannot and does not guarantee that you will receive the most favorable rate for lending your shares. Axos Clearing may not have access to the markets or counterparties that are offering the most favorable rates or may be unaware of the most favorable rates. As noted previously, Axos Clearing may earn a “spread” on the rate, such that the rate you receive is less than the rate Axos Clearing receives.
- (4) **Commissions and Other Charges.** You will receive a loan fee which generally represents a certain percentage of the net loan fee received by Axos Clearing for relending your shares. Loan fees are paid to Customer accounts within 15 business days following the last business day of the calendar month in which such fees were incurred. The percentage may be changed by Axos Clearing in its sole discretion. Likewise, the loan fee may be varied by agreement between certain Customers and Axos Clearing, depending on the size of the Customers’ loan portfolios, the types of Fully-Paid Securities available in the Customers’ accounts, and other factors.

As noted above, Axos Clearing or its affiliates or third parties may also earn a “spread” on the rate, such that the rate you receive will be based on a net fee after deduction for charges by Axos Clearing. Likewise, as noted, Axos Clearing may pay part of the net loan fees (for shares you lend) to third parties such as the introducing broker-dealer(s) who may introduce your account(s) to Axos Clearing. These payments may reduce the loan fees (rate) you receive. You may always terminate your participation in the Program if you are unhappy with the rates you are receiving.

- 12. Loans May Be Terminated at Any Time by Axos Clearing.** When you lend your Fully-Paid Shares, the loan may be terminated and the shares returned to your account(s) carried by Axos Clearing at any time. The loan may be terminated because a party that borrowed the shares from Axos Clearing (after Axos Clearing borrowed them from you) chose to return the shares, or because Axos Clearing received a rerate request and rejected the rerate request, or for other reasons. Axos Clearing also has the right to terminate its borrowing of shares from you even if Axos Clearing continues to lend the same stock through another market. When the loan is terminated, shares will no longer be designated as on loan, you will stop receiving the loan fees, and the collateral will no longer be deposited for your benefit. You will not have direct control over when to initiate or terminate loans of specific shares. Please note, however, that you can always terminate your participation in the Program (which will terminate all your lending transactions).

- 13. Selling Your Shares or Borrowing Against Them Will Terminate the Loan Transaction.** If you sell the Fully-Paid Shares you have lent out, or if you borrow against the shares (such that the securities become margin securities and are no longer fully-paid or excess margin securities), the loan will terminate, and you will stop receiving the loan fee.

- 14. There Is No Guarantee That Your Fully-Paid Shares Will Be Loaned Out.** There is no guarantee that you will be able to lend (or that Axos Clearing will want to or be able to borrow) your Fully-Paid Shares. There may not be a market to lend your Fully-Paid Shares in a particular security at a rate that is advantageous, or Axos Clearing may not have access to a market with willing borrowers. Axos Clearing, or other introducing broker-dealers or Customers that clear through Axos Clearing, might have shares that may be loaned out that will satisfy available borrowing interest and, therefore, Axos Clearing may not borrow shares from you. There is no rule or requirement, nor is there anything in the applicable agreements between you and Axos Clearing, that requires Axos Clearing to borrow shares from you

or requires Axos Clearing to place your interest in lending shares of a particular security ahead of Axos Clearing's own interests or those of others including introducing broker-dealers and Customers who clear through Axos Clearing. Axos Clearing cannot and does not guarantee that all your Fully-Paid Shares that possibly could be loaned out to generate loan fees will be loaned out.