Risk Sell Out Policy
SpeedTrader may take some, none or all of the following actions if any of your positions pose a threat to the Firm's internal risk thresholds. Here are some reasons, but not all, a sellout may occur.

SpeedTrader can force the sale or buy to cover of equities and/or option positions in a customer's account(s) without prior notice. If the equity in a customer's account:

- Falls between 15-20%*, SpeedTrader may, at its discretion, liquidate the customer's position in order to raise account equity up to 25% or more;
- Falls to 15%* or below, SpeedTrader may, at its discretion, buy-in or liquidate the customer's entire account.

Likewise, SpeedTrader can force the sale or cover of equities position(s) if an account is concentrated in one security during afterhours trading and the account is using 3X* or more margin.

*These percentages can be raised without notice due to increase in market volatility or increase in individual stock and option volatility.

A buy-in can occur during pre-market trading, regular market hours and post market trading.

After a buy-in or liquidation, it is the customer's responsibility to maintain or increase account equity by wiring in funds to meet margin requirements.

Short Position Closing Policy
If the clearing firm cannot continue to borrow the securities in which a customer has a short position, SpeedTrader or the clearing firm may close a customer's short position. Two examples, but not conclusive, where this may occur are:

- SEC Rule 204 of Regulation SHO
- Broker Recall
- Fail to Deliver/Receive

In these examples, SpeedTrader will try to notify customers that their short position(s) may be covered and if the customer covers their position prior to a Reg Sho Rule 204 or any buy-in, the customer may end up long the position. A Reg Sho Rule 204 cover normally happens on the opening of trading on T+2 or after but may occur any time. A Broker Recall and/or Fail to Deliver/Receive can occur any time.

Margin Call Liquidation
If the customer receives a margin call and fails to fund his/her account or fails to cover the call by liquidation, SpeedTrader or the clearing firm may liquidate any position(s) in the account to satisfy the margin call. Furthermore, the margin requirement for day trading is calculated differently than the margin requirement for holding position(s) overnight. As a result, if a customer is holding a position(s) in the afterhours trading session that will incur a large margin call or the portfolio is deemed too consolidated in one position by the SpeedTrader risk department, SpeedTrader may reduce the position(s) to prevent an excessive margin call or undue risk. This may bring the equity % for the portfolio to 50% or even 100% depending on the marginability of the position(s) and or the volatility of the securities held in the account.

(REV 1.26.23)