

## Fees and Charges for Execution and Clearing Services

Lek Securities charges an all-in rate for execution and clearing. Thus the charge is the same if an order is executed through our firm and cleared elsewhere, or the order is executed elsewhere and cleared through our firm, or LSC is both the executing and clearing broker.

Unless an agreement is specifically made to the contrary, it is our policy to pass through all third party charges (and rebates) which we incur (i) on account of our introducing brokers' and customers' trading activity, (ii) the charges which we incur on account of securities we hold in custody, as well as (iii) charges that are levied based on income attributable to our customers' activity. The charges are not marked-up. However, we pass charges on at a rate per unit based on each individual customer's own activity or volume. On an occasion, Lek Securities might be able to benefit from a lower rates from higher volume based on the ability to aggregate all of the firm's activity across all customers and introducing brokers. These aggregate overall lower rate results in savings to Lek Securities, but the benefit is normally *not* shared with our customers. Charges and rebates which are less than a penny are rounded to the nearest penny. Rebates are rounded down; charges are rounded up. Thus the rounding works to the customer's disadvantage.

### Examples of charges based on trading:

Exchange/ECN/ATS fees and rebates  
Clearing house charges such as NSCC and OCC fees  
Regulatory fees such as the SEC fee and the Finra TAF  
OMGEO fees for transmitting allocation messages

### Examples of charges incurred by holding securities in custody

DTC custody charges  
Charges for collecting dividends  
Reorganization charges  
Charges for processing certificates  
ADR custody charges

### Charges based on income incurred by customer activity

SIPC fee  
FOCUS Fees (Finra charge to firm for the cost of regulation and supervision)

When Lek Securities specifically charges for an item, the related expenses are not passed on to the customer, unless we specifically indicate so to the contrary in our pricing schedule. For example, if Lek Securities has a stated charge of \$35.00 for processing corporate actions, we will not mark this up by DTC's charge to our firm, unless this is specifically noted in our schedule.

If Lek Securities incurs a charge and the charge is not (fully) passed on to the customer, we will not retroactively apply the charge after 30 days have elapsed since the time that the charge was incurred. Likewise, any claim by a customer or introducing broker on account of an over-charge (or a rebate that is too small) may not be asserted after 30 days have elapsed since the charge or rebate was billed or posted to an account or otherwise collected or paid. On a going forward basis however any error will be corrected.

Computing third party charges and rebates is complex. Exchange fee schedules are very complex. Lek Securities makes a commercially reasonable attempt to compute the charges and rebates correctly. However, we cannot guarantee that our computations will always be accurate. It is therefore important that our customers and introducing brokers review our calculations and if an error is discovered, a claim for adjustment must be made promptly and in writing. As noted above, no claim for an adjustment will be considered after 30 days following the date that the transaction that give rise to the fee or rebate. Our clients and introducing brokers should understand this condition, and if it is not acceptable, not do business with Lek Securities.

Lastly, our customers should be aware that there are charges for using market data. Sometimes these costs are billed directly to the customer by the market center. Other times, the market center bills Lek Securities. When these costs are billed to Lek Securities, we pass the charges on to the customer with a 20% mark-up.

Lek Securities reserves the right to adjust these charges when and if there is a significant change in circumstances. If this occurs we will give our customers reasonable advance notice.

Note that significantly higher fees may be charged if clients are provided with research, or specialized services.

## Fees and Charges for Execution and Clearing Services

### A. Execution and/or Clearing Charges

#### 1. Institutional Accounts

US Listed Equities (NYSE, AMEX, NASDAQ, ARCA, Etc.)	
Up to 250,000 shares	\$.01/share
250,000 – 1MM <sup>1</sup>	\$.0075/share
1-5MM	\$.0050/share
5MM-10MM	\$.0025/share
10MM-20MM	\$.0010/share
20MM-100MM	\$.0005/share

*Notes: Monthly share volumes in excess of 100 million shares are negotiated on a case-by-case basis. Trades in OTC/BB & Pink Sheet shares do not count towards volume.*

#### 2. Retail Accounts

For the purpose of this schedule a trade is deemed to be a retail trade when all of the following conditions are met:

- The account is a natural person or a legal entity which exists solely for the benefit of an individual or single family.
- The principal amount of the trade is generally less than \$100,000.
- The customer does not specify the market where the order is to be executed.
- The account is carried in house.
- The security is listed on an exchange (not OTCBB or Pink Sheets)

LSC charges for each order, executed in whole or in part, as entered for the account

First 500 orders	\$15.00/order
500- 1,000 orders	\$10.00/order
1,000 - 2,000 orders	\$5.00/order
2,000 – 20,000 orders	\$2.50/order
More than 20,000 orders	\$2.00/order

*Note: Possible payment for order flow inures to the benefit of the customer/introducing broker.*

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<sup>1</sup> Discounts on execution charges are retroactive on the first million shares executed. Above 1 million shares, discounts are not retroactive.

## B. Other Execution and/or Clearing Charges

Orders called or routed to our Trade support desk	\$.01-\$.06/share
Options	\$1.00/contract
Exercise or Assignments	\$1.00/contract
Bonds (\$25 min. per ticket)	.10% of principal
US Treasuries (\$25 min. per ticket)	.10% of principal
E-Mini and other Futures products	\$5.00/contract
FX transaction (\$10 minimum trade)	\$25.00/million and \$30/delivery
Canadian Listed Equities CAD	\$0.01/share
Mexican Listed Equities	15 basis points

## C. OTC Equities

50 basis points on principal money, with a \$25.00 minimum.

*Note: LSC may limit a customer's ability to sell OTC equities if the sale is anticipated to cause an illiquid charge at NSCC. If an illiquid charge is incurred, LSC charges 7.5% on the first \$5 million and 10% on anything above \$5 million.*

## D. Settlement Charges

DVP/RVP or Trade processed though ID System	\$15.00/movement
Redelivery Charge for DK or Partial Deliveries	\$15.00 per item
Free Deliveries Utilizing DTC	\$30.00 per movement

## E. Financing

Margin Debit Balances	FF plus 400 basis points
Free Credit balances	Higher of FF less 100 basis points or zero
Short Stock	as negotiated with our desk. There is a minimum \$5.00/day charge for each symbol carried short in the account

## F. Securities Processing Charges

Non-CNS Balance order eligible though DTC:	\$25.00 per settlement
Non-CNS Balance order requiring certificated delivery	\$250/certificate
Stock Certificate Request (materialization)	\$250 per item

Dematerialization of certificates (incl. DWAC/DRS) is based on the principal value of the certificate: 4.50% of the principal value with a minimum charge of \$1,000.

Transfer Agent Charges	Passed on
FedEx/Courier charges	Passed on
DTC/Custodial charges	Passed on
Item rejected by depository or transfer agent	\$250.00 per item
Removal of Restricted Legend	\$250.00 per certificate
Transfers of Physical Certificates	\$250.00 per certificate
Vault Services	\$50.00/item upon lock-up

## G. Custody Charges

Service	Explanation	Fee
Booking Fee Cash Dividend	Per credit for cash, principle and interest payment	1% with \$2/\$20 min. and max
Booking Fee for Stock Dividend	Per stock distributions (including stock dividends, stock splits and spinoffs)	\$15
Booking Fee for Redemptions	Per allocation for full call, partial call, maturity	\$20
Booking Fee for Mandatory Corporate Actions	Per mandatory exchanges, including mandatory puts, name changes/swings and sale of rights per participant position	\$80
Booking Fee for Voluntary Corporate Action Base Election	Per instruction, includes all voluntary events, including tenders, rights, warrants, and conversions	\$15
Booking Fee for Removal of Worthless Securities	Per CUSIP	\$100
Custody Fee for Long positions at DTC electronic	Per position per day \$0.02 Per share per month (Average Monthly Volume), as follows: -First 0 to 25 million shares \$0.00004 -Excess over 25 million shares \$0.000008	
Custody Fee per Certificate held at DTC paper	Per certificate per day	\$0.10
Custody Fee for Long Positions at CDS	Per position per day	\$1.00
Custody Fee for Long positions at the Fed	Based on market value	5 bps/year
Custody Fee for Foreign Position	Based on market value	5 bps/year

## H. Miscellaneous Charges

Mailings of confirmations & account statements	\$2.50 per item plus postage
Non-statement customer mailings	\$5.00 plus cost per item plus postage
Interested third party statements	\$5.00 per statement plus postage
Taxpayer ID Penalties	100.00 per bad TIN
ACAT (No charge incoming)	\$30 per account
Responses to regulatory inquiries	\$250 per hour
Legal Services	Passed through

Check Request Overnight Delivery Domestic/International	\$25/\$55
Returned checks	\$25 per check
Wire Transfer Domestic / International	\$15.00/\$30.00 per item
Stopped Payment	\$25 per item
Fed Reference Request	\$10 per item
Bluesheet Fee	\$25.00 per account
Legal attachment of account	\$5,000.00

### I. Inactivity Fee

For inactive accounts, Lek Securities charges a quarterly inactivity fee computed as follows:

$$\$25 - \text{Commission Charge (excluding pass throughs)} = \text{Quarterly Charge}$$

### J. ROX Fee

There is a monthly fee for each ROX user of \$199.00

### K. Foreign Transaction and Custody Fees

#### (a) Executions

Execution in United Kingdom	10 bps
Pan European Executions	15 bps
German regional Exchanges	30 bps
Latin America/Africa/Asia	Upon Request

#### (b) Away Trades

Per delivery accepted	£50.00
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#### (c) OTC Settlement Charges

Country	Transaction Cost	Country	Transaction Cost
Australia	50 AUD	Netherlands	€25
Belgium (CBL)	€25	Norway	€30
Denmark	€25	Portugal	€35
Finland	€25	Spain	€75
France	€25	Sweden	€30
Germany (DAKV)	€25	Switzerland	€25
Greece	€100	Euroclear	€35
Italy	€35	Crossborder/Bridges	€35
Iceland	€100	United Kingdom.	£10

*Charges apply for each Instruction for an OTC movement. Please note that Lek Securities reserves the right to pass through any settlement charges, such as re-registration charges in Spain or auto-borrowing*

*fees. In addition, the client will be solely responsible for the payment of any taxes/levies/fees or fines that arise from an OTC settlement movement.*

*Cancellation Fees same as OTC Market Settlement Rate. Short Positions not covered by the applicable time frame outside North America may be covered automatically at market coverage rate. Non-STP or manual intervention of any OTC Movement carries a 100 GBP courtesy charge.*

*A Late booking fee of 25 GBP will apply to trades that are instructed post Trade Date.*

*Trades not executed through Lek will attract a €10.00 surcharge per OTC Settlement Movement*

*DK of Delivery billed at 10 GBP per DK item*

**(d) Custody Charges**

<b>Country</b>	<b>bps</b>	<b>Country</b>	<b>bps</b>	<b>Country</b>	<b>bps</b>
Argentina	100	Mexico	100	Denmark	4
Australia	10	New Zealand	10	Euroclear	4
Bulgaria	100	Philippines	30	Finland	4
China	30	Poland	100	France	4
Croatia	100	Romania	100	Germany	4
Czech Republic	100	Russia	100	Greece	5
Estonia	100	Serbia	100	Italy	5
Hong Kong	10	Singapore	20	Netherlands	4
Hungary	100	Slovakia	100	Norway	4
India	30	South Africa	20	Portugal	5
Indonesia	20	Taiwan	30	Spain	5