Heightened Risk Security Deposits
Client Acknowledgement

To: My introducing broker dealer ("my broker dealer" or "introducing broker") and COR Clearing, LLC, its officers, directors, parents, subsidiaries and affiliates (hereinafter collectively "COR"). COR and my broker dealer and/or introducing broker are hereinafter collectively referred to as "You" or "Your."

I, the undersigned, acknowledge and affirm in connection with my desire to deposit and/or sell the below referenced security, or any other security in the same issuer obtained through a follow on conversion of a convertible promissory note or convertible preferred shares, that I am aware of and agree to the following terms and conditions:

1. I understand that delivery by me of these securities in certificate form does not constitute "good delivery" according to the policies of COR.
2. I acknowledge that these securities are owned by me and were acquired in a bona fide and legal transaction. Furthermore, I acknowledge there is no reason for concern by COR that these security positions will be called back by the issuer or subject to a stop transfer by the transfer agent.
3. I am aware that a sale of these securities may not be permitted by COR until such time that COR is satisfied that they are eligible for sale and transfer, without fear of impairment or violation of law or industry rule. I am also aware that my broker dealer and COR will take reasonable precautions to determine that, at present, there are no pending restrictions or a STOP transfer pertaining to any certificate. Finally, I understand that COR may require confirmation that the shares are fully paid and non assessable.
4. I acknowledge that I may not be able to sell the securities at the time of my choosing and the market price for these securities may change substantially between the time that I initially make the deposit and the time when I am actually able to make a sale. I acknowledge and accept the risk in this regard.
5. I acknowledge that it is the policy of COR to not allow Heightened Risk Securities to be transferred between and/or among accounts.
6. I acknowledge that it is the policy of COR to not facilitate the "free delivery" of securities deposited in certificate form to other DTC members. Should I desire to receive my securities, I acknowledge that COR will request a certificate representing my ownership in the issue to be delivered to me or my broker dealer, whichever is appropriate, through the issuer's transfer agent and I will be responsible for all costs associated with such request..
7. I acknowledge that it is the policy of COR to deny the facilitation of third party wires. Should I desire that funds be wired out of my account I acknowledge that COR will only wire those proceeds to a like name account and accept full responsibility for the information provided to COR instructing it to send the wire.
8. I acknowledge that COR (at the instruction of my broker dealer) may impose reasonable charges for its services in connection with, inter-alia, the receipt, verification, and cost of financing of the referenced securities and agree to be bound by such. I acknowledge that I have been informed of the associated charges included in the attached Heightened Risk Securities Fee Schedule and Exhibit A to this Client Acknowledgement.
9. I acknowledge these securities are not the subject of any unrestricted sales of restricted securities.
10. In consideration of Your acceptance of these securities, I agree to indemnify and hold You harmless against any liability, loss or expense (including any legal fees and expenses reasonably incurred by You) arising out of the sale and/or transfer of these securities including but not limited to failure of these securities to transfer promptly or buy-in resulting from failure to deliver shares to the purchasing broker.

Client Print Name/Title	Date
Client Signature	Corporation Name
Introducing Broker Principal Acknowledgement	**Print Name/Title**
Signature	Date
Certificate Number	Number of Shares/Issuer

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Policy Relating to Heightened Risk Security Deposits
Client Acknowledgement
Exhibit A

Deposit Review Fees:
See attached Heightened Risk Security Fee Schedule
The review fee for the deposit of restricted shares is generally $1,000 per deposit, unless otherwise specified, and $400 per "follow on" conversion for multiple conversions of the same promissory note (or preferred shares) within a six month time frame.   The review fee for the deposit of Independently Registered Shares of Non-NMS Stocks, in which the depositing shareholder is listed by name in a registration statement, is generally $250 per deposit, unless otherwise specified.

Illiquid Transaction Fees:

When COR is assessed an illiquid or market maker domination charge of greater than $25,000 by NSCC, COR passes a charge through to the account(s) which created the charge. The pass-through charge applied to each account is a percentage of the charge for which the account is responsible. **COR's standard charge is the broker call rate plus COR's margin rate (i.e. currently, equal to an annualized interest rate of 6%).**

> For example, if COR received an illiquid charge of $100,000, then COR would multiply $100,000 by 6% for a result of $6,000. This $6,000 would then be divided by 365 to get a daily charge of $16.44. The resulting $16.44 daily charge will be passed through to the account holder for each day the trade remained open during the settlement period.

If multiple accounts create an illiquid or market maker domination charge, then the charge passed through is proportional to each account's share of COR's unsettled share position. Each day NSCC recalculates the capital requirements charged to COR. The accounts causing COR to post funds with NSCC will continue to be charged until COR is no longer being charged or until delivery has been made of the accounts' shares.

Client accounts will be charged a penalty illiquid charge rate (above the customary illiquid charge rate) if positions are traded without COR's legal department and risk desk approval.

I understand that I can contact my broker for further details relating to these fees.

_____   _____

Client Initials   **Date**

_____   _____

Principal Initials   **Date**