Disclosure Regarding Interactive Brokers Pre-Borrow Program

Introduction: Interactive Brokers ("IB") offers eligible customers the ability to borrow shares in advance of selling such shares short (a "pre-borrow" transaction). Please read the following disclosure carefully for important information about the pre-borrow program.

Basic Nature of Transaction: When you pre-borrow shares through IB, you will be engaging in a securities borrowing transaction with IB as your counterparty and you will be charged an interest rate each day for the borrowed shares. The interest rate may change as often as daily based on changes in market conditions, changes in demand for the shares in the securities lending market, and other factors.

All Borrow Rates Are Merely Indicative Until Confirmed on Daily Statement; Rates May Change Daily: IB may provide indicative interest rates for pre-borrows, but such rates are indicative only and may be higher or lower by a material amount than the actual rate that you will be charged if you borrow securities, which will be determined at or near the end of the trading day and is subject to change each day thereafter.

By using the IB Trader Workstation or other means to initiate a pre-borrow transaction, you are agreeing to borrow securities for at least one day and you are agreeing to pay whatever interest rate IB charges you in its sole discretion for the loan of the securities (i.e., your request to pre-borrow shares is similar to a "market order"). The rate for your loan will be determined by IB based on a number of factors, including but not limited to demand in the securities lending market, rates charged to IB by its counterparties and borrowing and lending activity by other IB customers. After you have requested a pre-borrow and IB has confirmed the loan to you of the shares during the trading day, IB may provide you with an indicative rate for the loan. Again, this rate is only indicative and the final interest rate is subject to change and will not be determined until at or near the end of the trading day. The interest rate for each day and transaction is not final until it is reported to you on your daily IB statement.

Return of Borrowed Shares: If you wish to return shares after you have borrowed them, you may do so beginning on the next trading day (you cannot return borrowed shares on the same day as the original pre-borrow). In order to return shares on a given day and terminate the borrowing costs, you must initiate a return of the shares by the cut-off time specified on the IB website or by 10:50 a.m. Eastern U.S. time, whichever is earlier.

Pre-Borrow Transactions And Short Sale Transactions Are Separate And Independent: When you pre-borrow shares, the transaction does not automatically involve a short sale of such shares. You must engage in a separate short sale trade to open a short position. Likewise, if you pre-borrow shares and then sell the shares short, and later you cover the short sale by purchasing shares, this will not automatically extinguish the borrow transaction. I.e., you will still be borrowing the shares and in order to return them and stop paying interest for borrowing them, you must separately initiate a return of the borrowed shares using the Trader Workstation or other means specified by IB. If, after pre-borrowing shares, you do not sell them short for settlement within 5 days of the pre-borrow, IB may, but is not required to, terminate the loan and return the shares.

If you have an existing short sale position and you subsequently pre-borrow shares of the same security, IB may, but is not required to, use the pre-borrow to support the existing short position (depending on when and if you engage in other short sales).

No Guaranteed Term for Borrows; Borrowed Shares Subject to Recall at Any Time: Pre-borrowing shares does not give you the right to keep the borrowed shares for any specific period of time. The loan can be terminated by IB at any time and the borrowed shares will be taken from your account and returned. Among other reasons, this may happen if IB's external stock loan counterparties demand the shares back from IB. If you have pre-borrowed shares and then sold the shares short and IB thereafter terminates your borrow, this will not automatically terminate your short position (IB will not necessarily

buy-in the shares you sold short). IB may be able to continue to provide shares to support your short position. If you pre-borrow shares and the loan is later terminated and if IB cannot otherwise find shares to continue to support your short position, you short position will be subject to being bought-in.

Commissions and Interest Rates: In addition to the interest rate you pay for borrowing shares, you will be charged a commission (at the commission rate described on IB's website) for each pro-borrow transaction. While IB will attempt to provide competitive interest rates for your pre-borrow transactions, IB does not guarantee that the rate will be the most favorable rate available. When you pre-borrow shares, IB may lend you shares it has available or may engage in separate transactions with external stock loan counterparties to support the loan to you. In either instance IB and/or its affiliates may earn a profit and/or a spread over market interest rates on the loan of shares to you.

Borrowing charges will be applied to your account on the same day that you initiate a pre-borrow transaction. This is true even though a short sale of those same shares will not settle until three days after the trade date. Thus, pre-borrowing before a short sale will lead you to incur several extra days of interest charges for the borrowed shares compared to an ordinary short sale done without a pre-borrow.

No Voting Or Other Rights: You will not have the right to vote, or to provide any consent or to take any similar action with respect to securities you borrow even if the record date or deadline for such vote, consent or other action falls during the term of the loan.

SIPC May Not Protect Pre-Borrowed Shares Prior to a Short Sale: Prior to using pre-borrowed shares for a short sale, such shares may not be protected under the provisions of the Securities Investor Protection Act of 1970.