Structured Products and Options Acknowledgement

This form must be completed in full and signed/dated by the account holder and financial professional. The account/household must be approved before the initial purchase of a structured product and Suitability information must be current (within past 24 months).

Important: Intellicents is **not** acting as a broker-dealer. Client transactions are executed, cleared, and custody-held through a **third-party qualified custodian** selected by Client (the "Custodian"). This document is intended to **supplement** (not replace) the Custodian's customer agreements, disclosures, and trade confirmations.

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1. Parties and Accounts

Adviser (RIA): intellicents investment solutions, inc. ("Adviser")

Client/Account Holder(s): ____ ("Client")

Custodian: ____ ("Custodian")

Accounts Covered (the "Account"):

- Advisory account(s) held at Custodian: ____
- Other related accounts included in Household review: ____

Household (for concentration limits): All accounts owned by, controlled by, or managed for Client and related household members (as documented by Adviser) (the "Household").

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2. Purpose and Relationship

1. Adviser provides investment advisory services under the investment advisory agreement between Adviser and Client.
2. Adviser may recommend, and Client may purchase, **Structured Products** and/or engage in **Options** transactions, subject to Client eligibility, product availability, Custodian requirements, and Adviser's internal limits.
3. Client understands the Custodian may require additional forms, approvals, disclosures, margin features, or trading permissions before allowing Structured Product purchases and/or Options trading.

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3. Definitions

- **Structured Products** may include structured notes, market-linked notes, principal protected notes, structured CDs, and similar instruments whose return is linked to one or more reference assets, indices, rates, or other measures.
- **Options** include standardized listed options (puts and calls) issued/cleared through the Options Clearing Corporation ("OCC") and traded on options exchanges, as well as any options the Custodian/Broker makes available.
- **Liquid Net Worth ("LNW")** means assets that can be liquidated within 30 days (exclusive of real estate), as used by Adviser for concentration and suitability review.

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4. Required Disclosures and Offering Materials

4.1 Structured Products—Prospectus and Offering Materials

Client will receive and review (as applicable) the prospectus, pricing supplement, offering circular, term sheet, or other issuer materials for each Structured Product, including the payoff formula and key risks.

4.2 Options—OCC Risk Disclosure Booklet

Client acknowledges receipt and review of the OCC disclosure booklet titled **"Characteristics and Risks of Standardized Options"** (and any current supplements) prior to engaging in Options transactions.

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5. Structured Products—Key Risks and Characteristics

Client understands that Structured Products are complex instruments and may involve a high degree of risk including but not limited to:

1. **Issuer credit risk:** Payment at maturity and any interim payments depend on the issuer's ability to meet its obligations.
2. **Principal risk:** Client can lose part or all of the amount invested; "buffers," "barriers," "caps," "participation rates," and "call features" can materially change outcomes.
3. **Liquidity/secondary market risk:** Many Structured Products are not exchange-listed and may have limited or no secondary market. Early sale may result in a price below the purchase amount.
4. **Complex payoff and valuation:** Pricing may reflect issuer hedging costs, underwriting/structuring fees, internal spreads, and volatility assumptions.
5. **Early redemption/call risk:** Callable products may be redeemed early by the issuer, potentially limiting upside and altering reinvestment outcomes.

6. **Tax treatment:** Tax characterization can be complex and may differ from traditional bonds/equities; neither Adviser nor Custodian/Broker provides tax advice.

5.1 Structured CDs and FDIC Considerations (if applicable)

If a Structured Product is a bank deposit product with FDIC coverage (e.g., certain structured CDs), Client understands FDIC insurance generally has limits (commonly **$250,000 per depositor, per insured bank, per ownership category**) and that coverage depends on Client's total deposits at the issuing bank in the same insurable capacity. Client remains responsible for monitoring FDIC coverage across accounts.

5.2 Account Holder(s) is/are capable of evaluating and bearing the financial risks of purchasing and holding structured products – which are based on Account Holder(s) income, net worth, experience, knowledge of securities investing, and investment objectives. Account Holder(s) understands that although structured products may be considered fixed income securities, they often exhibit very different characteristics including profit and loss potential. That profit and loss potential may be more akin to an option contract, particularly those where principal invested is at risk from market movements in a reference security(ies).

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6. Options—Key Risks and Operational Terms

Client understands:

1. Options may involve a high degree of risk; purchased options can expire worthless (loss of premium).
2. Certain strategies (including uncovered option writing, complex spreads, or leveraged positions) can result in substantial losses (including losses that may exceed premium received), subject to the strategy and account type.
3. Options are subject to OCC and exchange rules, including **position and exercise limits**.
4. The Custodian may apply **options approval levels**, margin requirements, and strategy restrictions. Client agrees to trade only within approved permissions.

6.1 Exercise/Assignment and Expiration

Client understands expiring options may be automatically exercised under OCC/exchange rules depending on in-the-money thresholds, and that Client must provide timely instructions to the Custodian/Broker if Client seeks to deviate from default processing.

6.2 Margin (if applicable)

If Client is approved for margin, Client acknowledges margin can magnify gains and losses and may require additional deposits if account equity declines. Margin terms are governed by the Custodian/Broker's margin agreement.

6.3 Account Holder(s) is/are capable of evaluating and bearing the financial risks of purchasing or writing (selling) options and are willing, and able, to assume the financial and market risks of option trading. Account Holder(s) capabilities are based upon income, net worth, investment experience and objectives, and knowledge of securities investing.

6.4 Account Holder(s) bears full responsibility for taking action to exercise an option contract; Account Holder(s) should contact the Custodian for assistance with Options Exercise.

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7. Household Concentration and Purchase Limitations

intellicents applies the following internal limits across the Household unless a documented exception is approved in writing by Intellicents' Chief Compliance Officer ("CCO"). These limits are Adviser policies and **do not guarantee** that the Custodian will accept any trade.

7.1 Structured Products—Household Limits

1. **Aggregate Structured Products (principal at risk): ≤ 35% of Household Liquid Net Worth**.
2. **Single issuer exposure (all Structured Products): ≤ 10% of Household Liquid Net Worth**.
3. **Single position limit (per CUSIP/issuance): ≤ 5% of Household Liquid Net Worth**.
4. **Structured CDs / deposit products:** Adviser will review FDIC considerations with Client; Client remains responsible for monitoring total deposits at any issuing bank.

7.2 Options—Risk Limits (Account/Household)

1. Options strategies must be consistent with Client objectives, risk tolerance, and the permissions granted by the Custodian.
2. **Uncovered option writing:**
    - Permitted only with documented CCO approval, appropriate Custodian permissions, and demonstrated financial capacity.

I/We acknowledge the Adviser's Household concentration and purchase limitations and anything beyond these limitations would be subject to intellicents CCO approval as well as any Custodian approval that may be required.

Client Initials (acknowledging intellicents household limits): ________________

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8. Client Representations and Acknowledgments

Client represents and acknowledges that:

1. Client has received and reviewed applicable Structured Product offering materials and/or the OCC options risk disclosure booklet.
2. Client understands Structured Products may be illiquid and may need to be held to maturity.
3. Client understands principal loss is possible in Structured Products and Options.
4. Client understands the Custodian's approvals, guidelines, and operational rules may govern or restrict trading.
5. Client will promptly inform Adviser of material changes in Client's financial situation, investment objectives, or risk tolerance.
6. Neither Adviser nor Custodian provides tax advice; Client will consult a tax professional as needed.

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9. Conflicts, Fees, and Trade Handling

1. **Adviser compensation:** Adviser's fees and material conflicts are disclosed in Adviser's Form ADV and related disclosures.
2. **Product costs:** Structured Products and Options may involve issuer pricing components, embedded fees, commissions/markups/spreads, hedging costs, and other charges as described in the applicable offering materials and/or trade confirmations.

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10. Custodian Agreements and Dispute Resolution

Client acknowledges that the Custodian's customer agreements and disclosures (including any arbitration provisions, margin agreements, and options agreements) govern the Account and the processing of transactions. This intellicents document does not amend or supersede the Custodian's agreements.

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11. Signatures

Client/Account Holder

Signature: ____ Date: ____________________

Name (print): ____

Joint Client/Account Holder (if applicable)

Signature: ____ Date: ____________________

Name (print): ____

intellicents Representative

Signature: ____ Date: ____________________

Name/Title (print): ____

intellicents CCO (if applicable – for any exceptions)

Signature: ____ Date: ____________________

Name/Title (print): ____