

Please keep in mind that there are many different exemptions from registration available. The information below outlines the most common exemption of SEC Rule 144. Questions? Call a Safekeeping representative at 888-723-8504, Option 7.

General Guidelines:

- If the Issuing Company is a fully Reporting Company under the Securities Exchange Act of 1934, and has been for the previous 90 days, you must hold your restricted certificate for six months from the time that it is fully paid.
- If the Issuing Company is not a fully Reporting Company under the Securities Exchange Act of 1934, or if the Issuing Company does not have adequate public information available, you must hold your restricted certificate for 12 months from the time that it is fully paid.
- TD Ameritrade requires you to deposit restricted stock into an account with margin privileges. Please complete a Margin/Options Upgrade Form if you do not currently hold a margin account.
- TD Ameritrade requires you to hold at least \$2,000 in equity in your account, in addition to your restricted stock.
- For listed and NASDAQ securities, you may only sell a limited number of shares during the preceding 90 days. Whichever following calculation results in a higher amount will be the formula used:
 - 1% of the outstanding shares as shown by the most recent report or statement published by the Issuer.
 - The average weekly volume based on the preceding four calendar weeks.¹
- For a Pink Sheet or Bulletin Board security, you may only sell a limited number of shares during the preceding 90 days. This is calculated as 1% of the outstanding shares as shown by the most recent report or statement published by the Issuer, less any reported sales of the security disclosed on SEC Form 144.
- TD Ameritrade must receive your stock certificate, 144 Affiliate Client Pledge, and completed SEC Form 144 before we can begin processing to open a selling window on your behalf.
- Total processing time normally ranges from four to six weeks.
- TD Ameritrade will file SEC Form 144 on your behalf.
- Sell transactions of restricted securities must be placed by one of our licensed brokers who specialize in restricted stock. A licensed restricted-stock broker may be reached Monday through Friday, 8 a.m.–4:30 p.m. CT at 888-723-8504, Option 7.
- If you are selling less than 5,000 shares or \$50,000 in market value of the securities, no SEC Form 144 is required.
- If filing an SEC Form 144, you will have approximately 90 days from the date stated on the SEC Form 144 to liquidate your shares. After settlement of the first trade placed, the certificate will be subject to delivery of any shares sold, which can include a breakdown of your certificate. New sales of the restricted security may be prohibited during the process of clearing, breaking down, and delivering of shares. Additional restricted-security processing fees may be assessed at this time. If you wish to extend your trading time frame for an additional 90 days, a new SEC Form 144 and a Stock Power is required prior to the expiration of the initial 90-day window.
- Proceeds from sale transactions are not available for withdrawal or trading purposes until processing has been completed, funds are cleared, and shares are delivered.
- 130% of the value of any sales of restricted securities will be withheld until this process is complete.
- Your account may be subject to repurchase of shares at any stage of this process, until the shares have been successfully delivered to the buying party.

Fees:

- For Affiliate restricted-stock processing, TD Ameritrade charges a \$250 processing fee.
- Depending on your restricted-stock position, it is possible that our \$250 fee may be charged more than once during processing.
- When placing orders to sell the security, you will be charged the normal broker-assisted commission of \$44.99 per trade.
- FINRA trade extension fees of \$25 per executed order may apply if only a portion of your restricted shares are sold. These charges can occur every 10 business days until the shares are cleared and delivered to the buying party.
- Fees charged to TD Ameritrade may also be assessed to your account. These could be charged by the Transfer Agent of the Issuing Company, or by the attorney who has issued your legal opinion.

Step-by-Step Process:

1. Submit originals of your:
 - a. Stock certificate, properly endorsed
 - b. Restricted-Stock Questionnaire
 - c. Affiliate 144 packet, including SEC Form 144 (if required)
2. We will review the documentation provided to verify if you are currently eligible for an exemption from registration under Rule 144 and will contact you via email if we require any additional documentation.
3. We will issue a "Rule 144 Broker Pledge" document when provided with the appropriate documents from Step 1 above.
4. We will send a copy of the restricted certificate, 144 Client Pledge, 144 Broker Pledge, SEC Form 144 (if required), and any other pertinent documentation to the Issuing Company's Corporate Counsel, requesting that they issue a Legal Opinion.
5. Once we have received the Legal Opinion from the Corporate Counsel of the Issuer, we will send the original certificate, Rule 144 Client Pledge, 144 Broker Pledge, Legal Opinion, and any other pertinent documentation to the Issuing Company's Transfer Agent, with a request that they issue a free trading certificate pursuant to Rule 144.
6. Once we receive the certificate back from the Transfer Agent, you will be able to access the proceeds from sales of the security. If additional, unsold shares remain, you may resume selling your shares with a restricted stock broker after completing a new Rule 144 Client Pledge and Irrevocable Stock or Bond Power. If required to use SEC Form 144, keep in mind that the SEC Form 144 is only good for 90 days, so by the time we reach this step, you may only have one to two months left to sell.
7. If required to use SEC Form 144, you may extend your time frame by an additional 90 days by providing an updated SEC Form 144, indicating a new approximate date of sale. When completing a new SEC Form 144, you must disclose all sales on the indicated security within the past 90 days, along with any other changes in the SEC Form 144 information.

1. Volume calculated as the average weekly volume of trading in such securities on all national securities exchanges and/or reported through the automated quotation system of a registered securities association during the four calendar weeks preceding the SEC Form 144 filing.

Investment Products: Not FDIC Insured * No Bank Guarantee * May Lose Value

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