



Online Security Guarantee

We understand how important information security and privacy are to you.

To provide you with greater peace of mind, we have developed the Scottrade Online Security Guarantee. If an unauthorized transaction is conducted online in your Scottrade account ("eligible online fraudulent transaction"), we will reverse eligible online fraudulent transactions in your account at no cost to you. Our Online Security Guarantee offer is subject to the explanations below.

Your Responsibility – Follow the Online Security Guarantee Checklist

To minimize the risk of fraudulent activity in your account and to remain eligible for this guarantee, please take these necessary precautions:

- ✓ **Use safe online habits.** Take the time to familiarize yourself with current threats and learn how to reduce your online risks by visiting www.scottrade.com/security.
- ✓ **Install security software.** Ensure that any computer you use to access your Scottrade account has the most current anti-virus, firewall and anti-spyware software installed.
- ✓ **Create a safe and hard-to-guess password.** Learn more about password security at www.scottrade.com/security.
- ✓ **Keep your operating system and browser updated.** Regularly download security updates and patches for your operating system. Keep your Internet browser up-to-date in order to utilize the most current security technologies.
- ✓ **Review your financial history regularly.** Review statement and transaction history for all financial accounts regularly. Notify Scottrade immediately of any unauthorized account activity.
- ✓ **Protect your account number and password.** Do not share your account number or password with anyone. Take precautions to safeguard your account number and password.

Our Guarantee and Reimbursement - How It Works

In addition to the above obligations, you agree to cooperate with us in any investigation and to take additional steps and corrective measures to protect against further fraudulent activity. We may ask you to give us access to your computer, sign an affidavit, assign certain rights to Scottrade or sign a release form as a condition of reimbursement.

Scottrade will determine the type and amount of reimbursement you will receive under this guarantee in its sole and absolute discretion without disclosing the details of that decision.



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Online Security Guarantee Terms and Conditions

We will accept and process transactions initiated using your account number and password pursuant to the terms and conditions of the Scottrade Brokerage Account Agreement. The guarantee does not cover situations in which you choose to give your account number and/or password to another person or a third-party entity, such as an investment advisor. It also does not cover unauthorized activities resulting from breach of security in third-party systems, such as your employer's system or a Web site with which you have shared, or authorized sharing of, your account number and/or password. Likewise, this guarantee does not cover situations in which we determine, in our sole and absolute discretion, that you failed to take reasonable precautions to protect your private information.

As a condition of Scottrade reimbursing you for eligible online fraudulent transactions in your account, we may in our sole and absolute discretion require that you take additional steps including, but not limited to, filing a police report, completing a notarized affidavit regarding the unauthorized transactions, cooperating and answering questions from Scottrade personnel and law enforcement authorities, allowing us or our designee to access the computer or other access device that is suspected of being compromised, and signing a release form. As part of our investigation, we may require that you take additional steps including, but not limited to changing your account number and password, installing or updating anti-spyware, antivirus or firewall software, and/or updating your computer's browser and/or operating system. We also may ask you to assign us any rights you have to be reimbursed by third parties for all or any part of eligible online fraudulent transactions in your account. You may not otherwise assign your rights under this Security Guarantee to any other individual or party.

Any reimbursement under this Security Guarantee is limited to actual out-of-pocket losses incurred by you as a result of eligible online fraudulent transactions in your account. Such reimbursements do not include any tax consequences, legal fees and expenses, or any consequential, lost opportunity, special, indirect, incidental, punitive, exemplary or nonmonetary damages.

As a general rule, we will put the account back to its position prior to the fraudulent activity by reversing eligible online fraudulent transactions in your account. However, we reserve the right, in our sole and absolute discretion, to determine the type and amount of reimbursement, including whether to replace the securities in your account that were taken, and may seek restitution for reimbursements made under this Security Guarantee from the person(s) or entity that committed the unauthorized activity. We may not provide reimbursement if you are reimbursed, or eligible for reimbursement, by others for the unauthorized transactions, for example, by your insurance company.

This Security Guarantee can be amended or terminated at any time without further notice.

If we delay or fail to enforce any term or condition in connection with this Online Security Guarantee, that delay or failure will not affect or impair our rights to subsequently enforce and/or require that our customer comply with terms and conditions for reimbursement set forth in the Online Security Guarantee.

All disputes relation to the Guarantee must be resolved in the manner set forth in section VI-A of the Scottrade Brokerage Account Agreement. This Online Security Guarantee is governed by the laws of the State of Missouri excluding that body of law applicable to choice of law.