

MIDDLEFIELD CAPITAL CORPORATION

CASH ACCOUNT AGREEMENT

To: MIDDLEFIELD CAPITAL CORPORATION

In consideration of Middlefield Capital Corporation ("MCC") opening or maintaining one or more cash accounts for the Client executing this Agreement ("the Client"), the Client agrees to the following terms and conditions for the operation of each Account.

1. **APPLICABLE BY-LAWS, CUSTOMS, ETC.** Each transaction for the Account will be subject to and the Client will abide by, the prevailing by-laws, rules, regulations, policies and customs of the Regulatory Authorities.

2. **SETTLEMENT, COMMISSIONS AND INTEREST.** Full and timely settlement will be made of each transaction, in a Regular or DAP cash account on settlement date. The Client will pay MCC commissions and other transaction charges in respect of each transaction (including any transaction pursuant to section 4) and interest calculated daily and compounded monthly, on outstanding indebtedness. Such commissions and other charges shall be at MCC's customary rates in the circumstances or as negotiated from time to time. The interest rate shall be the interest rate designated from time to time by MCC as being its effective rate for determining interest on debit balances. The Client waives notice of all changes in such rates.

3. **OPERATION OF THE ACCOUNT.** MCC will credit to the Account any interest, dividends or other monies received in respect of the Securities held in the Account and any monies (net of all charges) received as proceeds from the sale or other disposition of Securities from the Account and will debit to the Account any amounts owing, including interest by the Client to MCC pursuant to this Agreement. MCC will maintain a record of receipts and deliveries of Securities and the Client's resulting positions in the Account.

4. **MCC's RIGHTS RESPECTING CLIENT INDEBTEDNESS.** Whenever and so often as the Client is indebted to MCC, MCC shall have the following rights, only to an amount reasonably sufficient to secure such indebtedness to:

- use any and all Securities and other assets held for or on account of the Client as collateral security for such indebtedness;
- in its discretion, raise money on such Securities in its general loans, and to pledge and repledge such Securities in such manner and to such reasonable amount and for such purpose as it may deem advisable;
- if MCC deems it necessary for its protection, may in its discretion:
 - BUY any or all Securities of which the Client's Account is short, or
 - SELL any or all Securities held for or on Account of the Client.

Such rights may be exercised separately, successively or concurrently. MCC shall not be required by this Agreement to exercise any such rights nor shall it be required to exercise any right prior to exercising any other right. The failure to exercise any or all of such rights or the granting of any indulgence shall not, in any way limit, restrict or prevent MCC from exercising such rights at any subsequent time and shall not limit, reduce or discharge any indebtedness or part thereof. Any such sales or purchases for the Account may be made upon any exchange or market or at a public or private sale upon such terms and in such manner as MCC deems advisable. If demand is made or notice given to the Client by MCC, it shall not constitute a waiver of any of MCC's rights to act hereunder without demand or notice. Any and all expenses (including any legal expenses) reasonably incurred by MCC in connection with exercising any right pursuant to this section may be charged to the Account. The Client acknowledges that the Client shall remain liable to MCC for any deficiency remaining following the exercising by MCC of any or all of the foregoing rights and that the rights which MCC is entitled to exercise pursuant to the section are reasonable and necessary for its protection having regard to the nature of the securities markets, including in particular their volatility.

5. **HOLDING AND RETURN OF SECURITIES.** MCC may hold the Client's Securities at its head office or at any other location where it is customary for MCC to keep its Securities and MCC's responsibilities to the Client for so holding the Client's Securities shall be limited to the same degree of care exercised by MCC in the custody of its own Securities. Certificates for Securities of the same issue and for the same aggregate amounts may be delivered to the Client in lieu of those originally deposited by the Client.

6. **FREE CREDIT BALANCES.** Any monies held by MCC from time to time to the Client's credit are payable on demand, need not be segregated and may be used by MCC in the ordinary conduct of its business. The Client acknowledges that the relationship of the Client and MCC with respect to such monies is one of debtor and creditor only.

7. **TRANSFERS TO OTHER ACCOUNTS.** MCC may at any time and from time to time take any monies or Securities in the Account and any proceeds from the sale or other disposition of such Securities to pay or cover any obligations of the Client to MCC including obligations of the Client in respect of any other account with MCC whether such account is a joint account or is an account guaranteed by the Client.

8. **SHORT SALES.** Short sales are not permitted in a cash account.

9. **GOOD DELIVERY OF SECURITIES.** The Client will not order any sale or other disposition of any Securities not owned by the Client or of which the Client will be unable to make delivery in acceptable delivery form on or before the settlement date.

10. **CLIENT INFORMATION.** The Client will from time to time advise MCC if the Client acquires a controlling interest in or otherwise becomes an insider of any reporting issuer.

11. **ACCOUNT STATEMENTS.** Every confirmation, statement or other communication sent by MCC to the Client shall be deemed to have been acknowledged as correct, approved and consented to by the Client unless MCC shall have received written notice to the contrary within fifteen days after it is sent to the Client.

12. **COMMUNICATIONS TO THE CLIENT.** Any notice or communication to the Client may be given by prepaid mail, telegraph or telex to any address of record of the Client with MCC, or may be delivered personally to the Client or to any such address of record and shall be deemed to have been received, if mailed, on the second business day after mailing, or if sent by telegram or telex, on the day sent or if delivered, when delivered. Nothing in this section shall be interpreted as requiring MCC to give any notice to the Client which is not otherwise required to be given by MCC.

13. **CREDIT REPORT.** The Client hereby authorizes MCC to obtain any credit reports concerning the Client required by MCC for the establishment or operation of the Account.

14. **CAPACITY.** The Client, if a married woman, represents that she is not a "married woman not separate as to property" under the law of the Province of Quebec (if she is, her husband must also sign this Agreement). The Client, if a corporation, represents that it has the power and capacity to enter into this Agreement and to effect the transactions contemplated herein and that the execution and delivery of this Agreement have been duly authorized.

15. **NOT A BROKER, ETC.** The Client, if an individual and not an employee of MCC, hereby represents that the Client is not a partner, director or employee of a member, member firm or member corporation of any stock exchange or a non-member broker or investment dealer.

16. GENERAL

(a) This Agreement expresses the complete understanding between the Client and MCC and none of the terms and conditions of this Agreement may be waived or changed without the approval in writing of the Client and a duly authorized officer of MCC. If any statute or any statutory regulation or any by-law rule, regulation, policy or custom of the Regulatory Authorities is enacted, made, amended or otherwise changed with the result that any term or condition of this Agreement is, in whole or in part, invalid, then such term or condition will be deemed to be varied or superseded to the extent necessary to give effect to such statute, regulation, by-law, rule, policy or custom. Any term or condition of this Agreement which notwithstanding any such variation is invalid shall not invalidate the remaining terms and conditions hereof.

(b) This Agreement shall ensure to the benefit of and shall be binding upon MCC and the Client and their respective personal representatives, heirs, successors and assigns. This Agreement shall survive and remain in effect notwithstanding any incidental, temporary or intermittent closing out, reopening or renumbering of any Account.

(c) In this Agreement where the singular is used, it shall include the plural.

(d) It is the express wish of the parties that this Agreement and all documents, notices and other communications relating to the operation of the Account be in English. Il est de la volonté expresse des parties que ce contrat et tous les documents, avis et autres communications qui concernent l'opération du Compte soient rédigés en langue anglaise.

(e) The headings used in this Agreement are for convenience of reference only and shall not in any way affect the interpretation of this Agreement.

(f) The Agreement shall be construed in accordance with the laws of the jurisdiction in which the Client's Account is maintained or, where the Client has more than one Account, this Agreement shall be construed separately for each Account in accordance with the laws of the jurisdiction in which the Account is maintained.

(g) Whenever this Agreement entitles MCC to alternative courses of action, MCC shall be entitled to choose any, none or all of such alternatives in its sole unfettered discretion.

17. **EFFECTIVE TIME.** This Agreement will be effective and binding upon the Client and MCC from the time at which MCC first acts upon the instructions of the Client.

18. **DEFINED TERMS.** For the purpose of this Agreement

(a) "Securities" includes shares, share certificates, scrip certificates, deposit receipts, warrants, rights, bonds, debentures, notes and any other securities of any kind whatsoever.

(b) "Cash Agreement" means a regular cash account or a DAP account and

(i) "Regular" cash account means a cash account of all Clients in which each transaction shall be settled with MCC on or before settlement date by cash payment in respect of each purchase transaction or "Good Delivery" of the Securities sold.

(ii) "DAP" account means a cash account in which each transaction will be settled in respect of a purchase of Securities by cash payment in full upon delivery of the Securities by MCC to the Client's DAP agent, or in respect of a sale of Securities by the delivery of such Securities to MCC upon payment of the proceeds to the Client's DAP agent.

(c) "Settlement Date" means in respect of a purchase transaction, the date when the cash settlement in respect of each such transaction is due or, in respect of a sale transaction, the date when delivery to MCC of the Securities sold, is due.

(d) "Indebtedness" at any time means the indebtedness of the Client to MCC represented by the debit balance, if any, of the Account at or after the Trade Date.

(e) "Trade Date" means the day on which MCC executes the Client's order.

(f) "Regulatory Authorities" means any relevant Securities commission, exchange, market, clearing corporation or association of brokers or dealers.

(g) "DAP" means delivery against payment.

19. **CERTIFICATION BY CLIENT.** The Client hereby certifies that the Client has read and understood this Agreement and acknowledges receipt of a copy of this Agreement.

DATED THIS _____ day of _____, _____

Name of Account (PRINT)

Client(s) Signature(s)