

[date]

[customer name]

[address]

[city and state]

**Re: Important Information Regarding Penny Stocks**

Dear [name]:

The U.S. Securities and Exchange Commission (the “SEC”) has adopted rules that require that your broker/dealer take certain steps before your account can be approved for purchase transactions in “Designated Securities” (also known as penny stocks) as defined by the SEC. These rules require that we provide you with a risk disclosure document titled “Important Information on Penny Stocks” which contains precise language which will make you aware of your rights as an investor as well as the risks involved in your transaction. Please review this document carefully.

It is the policy of Fordham Financial Management, Inc. not to solicit “Designated Securities,” however, as an accommodation to our customers we will accept non-solicited orders. In order to effect your transaction, it is necessary that you complete and return the original signature copy of the enclosed Customer Suitability Statement as well as the Acknowledgement of Receipt of Important Information Regarding Penny Stocks. (You may detach and retain for your files the Important Information Regard Penny Stocks risk disclosure document.)

Upon our receipt of your completed, dated and signed documents, we will review your statement and make a suitability determination based upon the information that you have provided us. (Please take extra care that all information is accurate and complete.) We will complete Section V, Suitability Determination, and return a copy of the finalized statement to you. Please be advised that an Affirmation of Non-Solicitation must be completed *prior to each* transaction in a “Designated Security”.

We apologize for any inconvenience that this paperwork may cause you; however, these rules were specifically designed for your protection. If you have any questions regarding the enclosed documents, please do not hesitate to call me at the above-referenced telephone number.

Very truly yours,

Phyllis Henderson  
Director of Compliance

Enclosures:

Important Information on Penny Stocks (Risk Disclosure Document)  
Acknowledgment of Receipt of Important Information on Penny Stocks  
Customer Suitability Statement