

# Polar Investment Counsel, Inc.

Brokers and Investment Advisors; Member NASD, NFA, MSRB, SIPC  
Website: www.polarinvest1.com

Used for broker trading  
authority in any  
client account.

## Customer Agreement – Limited Power of Attorney

Customer Name: \_\_\_\_\_ Date: \_\_\_\_\_

Account Number: \_\_\_\_\_ Investment Broker: \_\_\_\_\_

The information and authorization contained in this agreement is for the purpose of establishing a Discretionary Account with Polar Investment Counsel, Inc. (herein after PICI) in which INVESTMENT DISCRETION for all transactions will be at the discretion of the Investment Broker designated in the Trading Authorization. This account will be separate and distinct from any other accounts maintained for you and will have a single investment objective chosen by you from the categories listed. The authorization by you will remain in effect until revoked by you in writing. You may also from time to time request withdrawals of cash or securities from the account.

Polar Investment Counsel, Inc.

By: \_\_\_\_\_

### GENERAL INFORMATION

It is essential that the following information be accurate as possible to aid us in both establishing and maintaining your account. PICI will rely on this information in accepting both the investment objective and the initial account value.

You must complete each item:

Date of Birth: \_\_\_\_\_ Marital Status:  Married  Single  Widowed  Separated  Divorced

Number of Dependents: \_\_\_\_\_ Age: \_\_\_\_\_ Age: \_\_\_\_\_ Age: \_\_\_\_\_ Age: \_\_\_\_\_ Age: \_\_\_\_\_

Years of Securities Transactions Experience: \_\_\_\_\_

Occupation: \_\_\_\_\_ Employer: \_\_\_\_\_

Annual Salary: \_\_\_\_\_ Other Income: \_\_\_\_\_

Source of Other Income:  Dividends: \$ \_\_\_\_\_  Interest: \$ \_\_\_\_\_  Rent: \$ \_\_\_\_\_  
 Trusts: \$ \_\_\_\_\_  Other: \$ \_\_\_\_\_

Total Net Worth (value of all assets) of not less than:	Liquid Net Worth (market value of readily saleable assets of not less than:	Initial Account Value (minimum initial account value \$25,000)
\$ _____	\$ _____	\$ _____

If client refuses to provide financial data, the customer will be required to write a separate letter; the contents of which will depend upon the type of business contemplated.

COMMENTS: (this space may be used to indicate any special consideration, purpose or reason for the decision to open a Discretionary Account or comments as to the extent or nature of your previous investment knowledge)

\_\_\_\_\_  
\_\_\_\_\_

I understand that the information contained above is essential to PICI and I represent that it is correct.

Signature \_\_\_\_\_ Date \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Complete spousal information if applicable:

Name (spouse): \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Years of Securities Transactions Experience: \_\_\_\_\_

Occupation: \_\_\_\_\_ Employer: \_\_\_\_\_

Annual Salary: \_\_\_\_\_ Other Income: \_\_\_\_\_

Source of Other Income:  Dividends: \$ \_\_\_\_\_  Interest: \$ \_\_\_\_\_  Rent: \$ \_\_\_\_\_  
 Trusts: \$ \_\_\_\_\_  Other: \$ \_\_\_\_\_

Total Net Worth (value of all assets) of not less than: \$ \_\_\_\_\_ Liquid Net Worth (market value of readily saleable assets of not less than: \$ \_\_\_\_\_ Initial Account Value (minimum initial account value \$25,000) \$ \_\_\_\_\_

**SPECIAL CIRCUMSTANCES CONCERNING SPOUSAL ARRANGEMENT (i.e.: pre-marital agreement)**

Any special instructions or restrictions with respect to your spousal arrangement relating to this account must be in writing in the space provided below or in a separate document acknowledged by an authorized officer of PICI:

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

**Investment Objectives:** Please list the investment objectives in order of importance by selecting the appropriate number (i.e.; 1, 2, 3 etc.)

Client Initial Client Initial

**\*CONSERVATIVE:** Securities with secure dividend or interest and with appreciation potential as a secondary concern. This category includes only A+ rated debt securities excepting mortgage backed instruments. \_\_\_\_\_

I (we) desire the use of options limited to the selling of covered calls and/or purchase of protective puts. \*\* \_\_\_\_\_

**\*CONSERVATIVE GROWTH:** Securities with established growth records and sound finances with the primary consideration being capital appreciation. \_\_\_\_\_

I (we) desire the use of options limited to the selling of covered calls and/or the purchase of protective puts. \*\* \_\_\_\_\_

I (we) desire the use of margin (borrowing using your account assets as collateral), limited to a small percentage of your account value for either withdrawal of funds or purchase of additional securities. Interest charges will adversely impact your account's performance. \*\* \_\_\_\_\_

**\*AGGRESSIVE INCOME:** Purchase of fixed income securities rated below A+, but at least BBB. \_\_\_\_\_

I (we) desire the use of options contracts, which may be useful in hedging various fixed income positions. \*\* \_\_\_\_\_

I (we) desire the use of margin (borrowing using your account assets as collateral), limited to a small percentage of your account value for either withdrawal of funds or purchase of additional securities. Interest charges will adversely impact your account's performance. \*\* \_\_\_\_\_

**\*SPECULATIVE INCOME:** Purchase of securities rated below BBB, or mortgage backed securities, any of which may be at risk of large market fluctuation or default. \_\_\_\_\_

I (we) desire the aggressive use of margin borrowing, affirming that I (we) am able to bear the risk of loss of my (our) entire investment. \*\* \_\_\_\_\_

I (we) desire the aggressive use of options contracts in both the potential hedging of fixed income positions and in speculation concerning fixed income indexes. \*\* \_\_\_\_\_

**\*SPECULATION AND/OR TRADING PROFITS:** Securities with a high degree of risk, where the loss of the entire investment is possible. This category includes (but is not limited to) the purchase of call or put options where the underlying security is not owned, all naked options transactions, all options spreads; the purchase of penny stocks, or any other equity security with no documented earnings; any fixed income purchase in which the underlying security is rated below BBB. This objective category automatically consents to the aggressive use of options (including uncovered) or margin borrowing. \_\_\_\_\_

\*\*Additional instructions concerning operation of this account (attach additional sheets if necessary):

I (we) understand that I (we) have had an opportunity to speak with, and ask questions of, a Home Office principal of Polar Investment Counsel, Inc. \_\_\_\_\_

## TRADING AUTHORIZATION LIMITED POWER OF ATTORNEY

The undersigned hereby authorizes \_\_\_\_\_, the "Investment Broker" with Polar Investment Counsel, Inc. (PICI) severally to act as agent for the undersigned to exercise complete INVESTMENT DISCRETION with respect to this account. Any profit or loss on transactions shall be for the benefit or detriment of the undersigned and the undersigned agrees to be responsible for and to pay PICI when necessary the amount of any losses, commissions, fees and expenses incurred in this account.

THE UNDERSIGNED ACKNOWLEDGES THAT NEITHER PICI NOR THE INVESTMENT BROKER HAS REPRESENTED, GUARANTEED OR WARRANTED THAT TRANSACTIONS WILL BE PROFITABLE, AND THE UNDERSIGNED FULLY UNDERSTANDS THAT NEITHER PICI NOR THE INVESTMENT BROKER CAN ASSURE THAT A LOSS WILL NOT OCCUR.

PICI and its officers, directors, agents and employees shall not be liable for any action taken or omitted, including without limitation the failure of any reason to exercise discretion in the account or action taken or omitted subsequent to the death (death of all in the event of multiple ownership) of the undersigned but prior to the written notice thereof, except in case of gross negligence, willful misconduct or lack of good faith.

No fees in addition to the usual commissions will be charged by PICI or Investment Broker for the exercise of powers under this Agreement, except as may be authorized by a separate Investment Advisory Agreement.

Client(s) must initial here if such is the case: \_\_\_\_\_

At any time when PICI is acting as broker or dealer for the undersigned, PICI may, in transactions involving the undersigned's securities transactions, act as principal (charging the undersigned and such other customer its customary commission, if applicable). The undersigned hereby consents to PICI so acting as principal or as agent for both sides of a transaction, at the aforesaid markups and markdowns, or commission if applicable. PICI may also act as principal in distributions wherein it is acting as an underwriter or selling group member and, in such transactions involving the undersigned, receive the management fee, underwriter concession and/or seller's concession established in regard thereto.

NO PROVISION OF THIS AGREEMENT SHALL IN ANY RESPECT BE WAIVED, ALTERED, MODIFIED, AMENDED, RESCINDED, OR CANCELLED, UNLESS AGREED TO BY BOTH THE UNDERSIGNED AND THE DIRECTOR OF COMPLIANCE OF PICI IN WRITING. PICI shall not be bound by any notice from the undersigned unless received in writing addressed as provided below, but such notice shall not affect the liability of the undersigned for any transaction initiated prior to receipt of such notice. This Agreement shall automatically be terminated upon the receipt by PICI of legal notice of the death of the undersigned. It is a condition of this Agreement that upon receipt of notice of the death or legal incapacity of the undersigned, PICI shall cause in its discretion all open positions to be closed promptly as possible considering market conditions. This Agreement shall also terminate upon the death or incapacity of the Investment Broker and PICI shall make a reasonable effort to notify client. If PICI is unable to notify client in a timely fashion PICI shall take action that in its sole discretion deems prudent given market and economic conditions.

Unless otherwise specified by PICI in writing, any notice required by the Agreement to be given by the undersigned to PICI shall be addressed to the Director of Compliance, PICI, 19547 210<sup>th</sup> Ave NE, Thief River Falls MN 56701-8354.

This Agreement and its enforcement shall be governed by the laws of the State of Minnesota.

### **The following contains binding arbitration, fee and reimbursement clauses and an electronic recording notification clause, please read carefully:**

I (we) understand and acknowledge and agree that PICI may from time to time record telephonic conversations by electronic device without audible tone or other notification for the purposes of ensuring accuracy.

I (we) agree to pay all expenses and hourly rates (including legal) of any PICI officer, or principal required to appear at any legal proceeding other than a dispute between PICI and ourselves concerning this or any other account or agreement we have with PICI. Such incidence(s) may be, but are not limited to, divorce proceedings, estate matters, or actions against the undersigned by third parties. Such expenses, if not paid upon receipt of invoice or retainer demand, may be removed from this or any other account.

I (we) agree that PICI may collect and take from my (our) account any miscellaneous debits which I (we) fail to pay or which I (we) instruct verbally or in writing, PICI to remove.

The following disclosure is required by various regulatory bodies but shall not limit the applicability of the following arbitration provision to any controversy or claim or issue in any controversy or claim which may arise between the undersigned and PICI:

- A. ARBITRATION IS FINAL AND BINDING ON THE PARTIES.
- B. THE PARTIES ARE WAVING THEIR RIGHT TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO JURY TRIAL.
- C. PRE-ARBITRATION DISCOVERY IS GENERALLY MORE LIMITED THAN AND DIFFERENT FROM COURT PROCEEDINGS.
- D. THE ARBITRATOR’S AWARD IS NOT REQUIRED TO INCLUDE FACTUAL FINDINGS OR LEGAL REASONING, AND ANY PARTY’S RIGHT TO APPEAL OR TO SEEK MODIFICATION OF RULINGS BY THE ARBITRATORS IS STRICTLY LIMITED.
- E. THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.
- F. NO PERSON SHALL BRING A PUTATIVE OR CERTIFIED CLASS ACTION TO ARBITRATION, NOR SEEK TO ENFORCE ANY PREDISPUTE ARBITRATION AGREEMENT AGAINST ANY PERSON WHO HAS INITIATED IN COURT A PUTATIVE CLASS ACTION; OR WHO IS A MEMBER OF A PUTATIVE CLASS WHO HAS NOT OPTED OUT OF THE CLASS WITH RESPECT TO ANY CLAIMS ENCOMPASSED BY THE PUTATIVE CLASS ACTION UNTIL; (i) THE CLASS CERTIFICATION IS DENIED; OR (ii) THE CLASS IS DECERTIFIED; OR (iii) THE CUSTOMER IS EXCLUDED FROM THE CLASS BY THE COURT. SUCH FORBEARANCE TO ENFORCE AN AGREEMENT TO ARBITRATE SHALL NOT CONSTITUTE A WAIVER OR ANY RIGHTS UNDER THIS AGREEMENT EXCEPT TO THE EXTENT STATE HEREIN.

The undersigned agree and, by carrying any account for the undersigned, PICI agrees that all controversies between the undersigned and PICI or any of PICI’s present or former officers, directors, agents or employees or independent contractors which may arise for any cause whatsoever, shall be determined by arbitration. Any arbitration under this agreement shall be before the National Association of Securities Dealers, Inc. (District 4, Kansas City MO), or an arbitration facility provided by the National Futures Association, and in accordance with the rules obtaining of such organization. The undersigned may elect in the first instance whether arbitration shall be before and in accordance with the rules of one of the aforementioned arbitration forums by registered letter or telegram addressed to PICI at PICI’s Home Office in Thief River Falls MN. If the undersigned fails to notify PICI of such election as specified within five (5) business days after receipt from PICI of a request to make such election, then PICI may make such election.

At least one of the arbitrators appointed to hear any controversy to be settled by arbitration shall be currently employed full time by a member organization of the New York Stock Exchange, Inc., unless otherwise agreed in writing prior to the time of the arbitration.

This arbitration provision shall apply to any controversy or claim or issue in any controversy arising from events which occurred prior, on or subsequent to the execution of this arbitration agreement. This arbitration provision shall be interpreted according to federal law and the Federal Arbitration Act. The award of the arbitrators, or of the majority of them, shall be final, and judgment upon the award rendered may be entered into any court, state or federal, having jurisdiction.

In the event any provision or clause of this Agreement shall be deemed invalid or unenforceable for any reason, such provision or clause shall be ineffective to the extent of such invalidity or unenforceability, but without effecting the remainder of this Agreement, which shall continue in full force and effect.

By signing this Agreement, the undersigned acknowledges that the undersigned have received a duplicate of this agreement and that this Agreement contains a binding and enforceable arbitration provision on this page.

I (WE) CONSENT TO ELECTRONIC DELIVERY OF INFORMATION UNLESS INDICATED BY OPTING OUT  Opt Out of electronic delivery  
 I (WE) UNDERSTAND THAT THIS AGREEMENT CONTAINS A BINDING ARBITRATION CLAUSE  
 I (WE) HAVE READ AND CONSENT TO BE BOUND BY THIS AGREEMENT

Accepted by:  
 Polar Investment Counsel, Inc.

I HAVE READ THIS DOCUMENT

\_\_\_\_\_  
 PICI Home Office Senior Principal Signature                      Date

\_\_\_\_\_  
 Client Signature    Date

I HAVE READ THIS DOCUMENT

\_\_\_\_\_  
 Client Signature    Date

Subscribed and sworn before me this:

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

County of: \_\_\_\_\_

State of: \_\_\_\_\_

My commission expires: \_\_\_\_\_

NOTARY STAMP OR SEAL

\_\_\_\_\_  
 Notary Signature

**SPECIAL NOTIFICATION:** Even though you have granted trading authority to your Investment Broker, you should be aware of the activity in your account. You shall receive a confirmation of every trade made for your account, in addition to monthly statements showing the transactions in your account since the date of your last previous statement, and a position and valuation as of the statement date. YOU SHOULD CAREFULLY REVIEW THESE CONFIRMATIONS AND STATEMENTS. THE TRADING AUTHORIZATION OVER YOUR ACCOUNT REMAINS IN EFFECT UNTIL REVOKED IN WRITING BY YOU.