

# BROKERAGE NEW ACCOUNT FORM PERSHING



**Account Registration Name** \_\_\_\_\_

Examples: Jane Smith Trust, Jane Smith IRA, Jane and John Smith TOD-JTWROS

**Primary SSN/TIN\*** \_\_\_\_\_ **Secondary SSN/TIN** \_\_\_\_\_

\*For Entity Registration, please only provide SSN/TIN for the entity.

**Account Number** \_\_\_\_\_ **Rep Number** \_\_\_\_\_

A Client/Entity Profile Form is attached.

A Client/Entity Profile Form is on file and is current.

## 1. ACCOUNT REGISTRATION

ADDITIONAL DOCUMENTATION MAY BE REQUIRED TO OPEN THESE ACCOUNT TYPES. CONTACT YOUR INVESTMENT PROFESSIONAL FOR MORE INFORMATION.

**RETIREMENT (The Clearing Firm Adoption Agreement is Also Required)**

- INDIVIDUAL ACCOUNT**
- SOLE PROPRIETORSHIP**
- ESTATE**

Person or Entity Appointed to Act on Behalf of the Account:

- Administrator
- Personal Representative
- Special Administrator
- Temporary Administrator
- Executor
- Executrix

Number Appointed to Account: \_\_\_\_\_

**TRUST**

Establishment Date: \_\_\_\_\_

Trust Type:

- Charitable
- Living
- Irrevocable Living
- Family
- Revocable
- Irrevocable
- Testamentary

Trustees: \_\_\_\_\_

\_\_\_\_\_

Beneficiaries: \_\_\_\_\_

\_\_\_\_\_

Can the trustees act independently?

- Yes  No

**POWER OF ATTORNEY**

Power of Attorney Agent's Name: \_\_\_\_\_

**CORPORATION**

- C Corporation
- S Corporation

**CUSTODIAN FOR MINOR**

State in Which Gift Was Given: \_\_\_\_\_

Date Gift Was Given: \_\_\_\_\_

Minor's Date of Birth: \_\_\_\_\_

Age Designated to Terminate: \_\_\_\_\_

Manner in Which Gift Was Given:

- Trust
  - TWill
  - Created by Gift
  - Exercise by Appointment
  - Transfer by Fiduciary or Obligor
- Select One:
- Uniform Gift to Minors Act
  - Uniform Transfer to Minors Act

**JOINT TENANT ACCOUNT**

Are the account holders married to each other?  Yes  No

Tenancy State: \_\_\_\_\_

Number of Tenants: \_\_\_\_\_

Tenancy Clause:

- Community Property
- Community Property with Right of Survivorship
- Joint Tenants with Right of Survivorship
- Tenants by Entirety
- Tenants in Common
- Usufruct

**CORPORATE PENSION/PROFIT SHARING PLAN**

Plan Name: \_\_\_\_\_

Trustees: \_\_\_\_\_

Beneficiaries: \_\_\_\_\_

\_\_\_\_\_

**TRANSFER ON DEATH — INDIVIDUAL**  
Agreement Execution Date: \_\_\_\_\_

**TRANSFER ON DEATH — JOINT**  
Agreement Execution Date: \_\_\_\_\_

Are the account holders married to each other?  Yes  No

Tenancy State: \_\_\_\_\_

Number of Tenants: \_\_\_\_\_

Tenancy Clause:

- Community Property
- Community Property with Right of Survivorship
- Joint Tenants with Right of Survivorship
- Tenants by Entirety
- Tenants in Common
- Usufruct

**LIMITED LIABILITY COMPANY**

- S Corporation
- C Corporation
- Partnership
- Disregarded Entity:  
Name of Beneficial Owner (If foreign individual or entity, complete W-8) \_\_\_\_\_

**529 PLAN ACCOUNT**

**ADDITIONAL RETAIL TYPES**

- Bank Collateral
- Conservatorship
- Coverdell Education Savings Account
- Exempt Organization
- Financial Organization
- Government Entity/Agency
- Guardianship
- Investment Club
- IRA Third Party
- Noncorporate
- Nonprofit Organization
- Nonpurpose Loan
- Partnership

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## 2. INSTITUTIONAL/NON-INSTITUTIONAL ACCOUNT

### Institutional Account, as Defined in the FINRA Rule

- A bank, savings and loan association, insurance company or registered investment company.
- An investment adviser registered either with the Securities and Exchange Commission under Section 203 of the Investment Advisers Act of 1940 or with a state securities commission (or any agency or office performing like functions).
- Other Entity (whether a natural person, corporation, partnership, trust, or otherwise) with total assets of at least \$50 million.
- None of the Above.

### Institutional Account Suitability Obligation

If None of the Above was selected in the previous section, this section is not required.

- Waived for all recommendations.
- Accepted for all recommendations.
- Waived exclusively for the recommendations involving the following asset classes:  
*Please select those which are applicable:*
  - Equities
  - Unit Investment Trusts
  - Options
  - Exchanged Traded Funds
  - Fixed Income
  - Other
  - Mutual Funds
- Determined at the time of each recommendation.

### For Broker-Dealer Use Only

If the selection above represents a full or partial waiver of the servicing broker/dealer's suitability obligation, the servicing broker/dealer represents that the institutional client account is capable of exercising independent judgment with respect to security and investment strategy decisions made in connection with the waiver.

## 3. USA PATRIOT ACT INFORMATION

What is the initial source of funds for this account? If you are transferring assets from another financial institution, please indicate the origin of those investments.

- Accounts Receivable
- Income From Earnings
- Legal Settlement
- Rental Income
- Other: \_\_\_\_\_
- Accumulated Savings
- Inheritance
- Lottery/Gaming
- Sale of Business
- Alimony
- Insurance Proceeds
- Pension/IRA/Retirement
- Sales of Real Estate
- Gift
- Investment Proceeds
- Savings
- Spouse/Parent

### Disclosures Required Under the USA PATRIOT ACT

Is this account for a Foreign Financial Institution (e.g. non-U.S. bank; non-U.S. branch of a U.S. bank; broker-dealer; futures merchant; commodities introducing broker; mutual fund; money transmitter or currency exchanger)?  Yes  No

Is this account a private banking account as defined under the USA PATRIOT Act?  Yes  No

Is this an account for a Foreign Bank as defined under the USA PATRIOT Act?  Yes  No

- If yes, is the bank a Central Bank?  Yes  No
- If yes, is this a Foreign Bank operating under an Offshore Banking License?  Yes  No
- If yes, is this a Foreign Bank operating under a banking license issued by a Non-Cooperative Country or Territory?  Yes  No
- If yes, is this a Foreign Bank operating under a banking license issued by a jurisdiction subject to Section 311 measures?  Yes  No

If the answer to any of the three questions above is yes, how many people or entities own 10% or more of the Bank

(if its shares are not publicly traded?) \_\_\_\_\_

**Special Note for Non-U.S. Accounts:** With respect to assets custodied by pershing on your behalf, you acknowledge that income and capital gains or distributions to you from this account may be taxable in your home jurisdiction. You acknowledge to your financial organization and to pershing that you have taken your own tax advice in this regard. If number is greater than zero, a foreign bank beneficial ownership form must accompany this request.

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## 4. INVESTMENT PROFILE

Are you maintaining any other brokerage accounts?  Yes  No

With what firm(s) are you maintaining other brokerage accounts? \_\_\_\_\_ Years of Investment Experience: \_\_\_\_\_

Are you a senior officer, director, or 10% or more shareholder of a public company?  Yes  No

Company Name(s) \_\_\_\_\_

## 5. INTERESTED PARTY

### FIRST INTERESTED PARTY

Name (First) \_\_\_\_\_ (Last) \_\_\_\_\_

Email \_\_\_\_\_

Home Phone \_\_\_\_\_ Business Phone \_\_\_\_\_ Mobile Phone \_\_\_\_\_

Legal Address (No P.O. Box) \_\_\_\_\_ Apt/Suite No. \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Country \_\_\_\_\_

Province/County/Subdivision \_\_\_\_\_ Country \_\_\_\_\_

Type of Notification:  Statement  Confirmation  Proxy

### SECOND INTERESTED PARTY

Name (First) \_\_\_\_\_ (Last) \_\_\_\_\_

Email \_\_\_\_\_

Home Phone \_\_\_\_\_ Business Phone \_\_\_\_\_ Mobile Phone \_\_\_\_\_

Legal Address (No P.O. Box) \_\_\_\_\_ Apt/Suite No. \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Country \_\_\_\_\_

Province/County/Subdivision \_\_\_\_\_ Country \_\_\_\_\_

Type of Notification:  Statement  Confirmation  Proxy

*Please add a separate sheet for additional interested parties.*

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## 6. OBJECTIVE AND INVESTMENT DETAILS

Risk Exposure:  Low  Moderate  Speculation  High Risk  
 Primary Account Investment Objectives:  Income  Long-Term Growth  Short-Term Growth

### OTHER INVESTMENTS

Investment	Investment Value	Percentage	Investment	Investment Value	Percentage
Equities	Value \$ _____	_____ %	Fixed Annuities	Value \$ _____	_____ %
Options	Value \$ _____	_____ %	Precious Metals	Value \$ _____	_____ %
Fixed Income	Value \$ _____	_____ %	Commodities and Futures	Value \$ _____	_____ %
Mutual Funds	Value \$ _____	_____ %	Other: _____	Value \$ _____	_____ %
Unit Investment Trusts	Value \$ _____	_____ %	Other: _____	Value \$ _____	_____ %
Exchange-Traded Funds	Value \$ _____	_____ %	Other: _____	Value \$ _____	_____ %
Real Estate	Value \$ _____	_____ %	Other: _____	Value \$ _____	_____ %
Insurance	Value \$ _____	_____ %	Other: _____	Value \$ _____	_____ %
Variable Annuities	Value \$ _____	_____ %	Other: _____	Value \$ _____	_____ %

TOTAL ALL OTHER INVESTMENTS \$ \_\_\_\_\_

Investment Time Horizon: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ mm/dd/yyyy

## 7. U.S. TAXPAYER NUMBER CERTIFICATION

*This section is not to be used by nonresident aliens and foreign entities.*

### Taxpayer Certification

Under penalties of perjury, I certify that:

- The number shown on this form on page 1 is my correct Social Security Number or Taxpayer Identification Number (or I am waiting for a number to be issued to me);
- I am not subject to backup withholding because (a) I am exempt from backup withholding or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below).

### Certification Instructions

You must cross out Item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN.

If you are an exempt payee (if you are unsure, ask us for a complete set of IRS instructions), write the words "Exempt Payee" here: \_\_\_\_\_

### Definition of a U.S. Person

For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7)

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## SIGNATURES

I hereby certify that the above information is correct. I represent that I have read the terms and conditions concerning this New Account Form and agree to be bound by such terms and conditions as currently in effect or as may be amended from time-to-time as stated on Page Seven (7) of this New Account Form. This Account is governed by a pre-dispute arbitration clause which is found on Page Seven (7) of this Form.

I acknowledge receipt and agree to the pre-dispute arbitration clause and have received the Business Continuity Plan and Privacy Policy.

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Primary Account Holder Signature      Print Name      Date

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Secondary Account Holder Signature      Print Name      Date

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Additional Signature      Print Name      Date

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Additional Signature      Print Name      Date

### INTERNAL USE ONLY

#### Registered Representative / Principal Signature

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Representative/Advisor Signature      Print Name      Date

Rep # \_\_\_\_\_ Split \_\_\_\_\_ %  
(Split # and % if applicable)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Representative/Advisor Signature      Print Name      Date

Rep # \_\_\_\_\_ Split \_\_\_\_\_ %  
(Split # and % if applicable)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
KSI Principal Signature      Print Name      Date

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## FINRA REQUIRED PRE-DISPUTE ARBITRATION AGREEMENT

This Agreement contains a pre-dispute arbitration clause. By signing and agreeing to this arbitration agreement, the parties hereby agree as follows:

- (A) All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- (B) Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- (C) The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- (D) The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
- (E) The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- (F) The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- (G) The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

All controversies that may arise between us (including, but not limited to controversies concerning any account, order or transaction, or the continuation, performance, interpretation or breach of this or any other agreement between us, whether entered into or arising before, on or after the date this account is opened) shall be determined by arbitration in accordance with the rules then prevailing of the Financial Industry Regulatory Authority (FINRA). I understand that judgment upon any arbitration award may be entered in any court of competent jurisdiction.

No person shall bring a punitive or certified class action to arbitration, nor seek to enforce any Pre-Dispute Arbitration Agreement against any person who has initiated in court a punitive class action; or who is a member of a punitive class action who has not opted out of the class with respect to any claims encompassed by the punitive 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 of any rights under this agreement except to the extent stated herein.

## USA PATRIOT ACT NOTICE—CUSTOMER IDENTIFICATION PROGRAM

To help the U.S. Government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. *What This Means To You*—When you open an account with our Firm, we will ask for your name, address, date of birth and other information which will allow us to establish your identity. We may also ask to see your driver's license or other identifying documents. All personal information that you provide to us is confidential as outlined within our Privacy Policy.

## PRIVACY NOTICE

Kovack Securities, Inc. (KSI) and Kovack Advisors, Inc. (KAI) are committed to safeguarding the confidential information of our clients. Our policy with respect to your personal information is as follows:

**Information We Collect, and How We Gather Information:** The information we collect is used in conjunction with the regular processing of business. We collect information about you from several sources. For example:

- Information you provide to us on applications and other forms, such as your name, address, social security number, employment, assets and income.
- Information provided by your transactions, such as when you trade in your account, or wire funds.
- Information provided to us by our clearing firms, third-party service providers, mutual fund and insurance companies, our Registered Representatives, your former Broker/Dealer, and consumer reporting agencies about you, your account, and transactions in your account.

**Information We Share With Others:** KSI does not share your personal information for marketing, or joint marketing purposes. Should this change, we will notify you prior to sharing any information. When available, we will offer you the ability to limit sharing of your personal information. KSI shares your information as is necessary to conduct business for your account, as follows:

- With our employees and Registered Representatives as needed to open, maintain and service your account(s).
- With unaffiliated third parties, such as our clearing firms, product sponsors, and banks in order to carry out your instructions.
- With unaffiliated third party vendors in order to create and maintain records of your account, such as when we provide information about your account to third party vendors to create a statement.
- As required by law. For example, the firm may be required to respond to a subpoena, or a governmental or regulatory request.

**Can I Limit Sharing?** Federal law gives you the right to limit some forms of sharing:

- 1) Sharing for affiliates' everyday business purposes—information about your creditworthiness; and
- 2) Affiliates or non-affiliates from using your information to market to you. State laws and individual companies may give you additional rights to limit sharing. Check your state for more information on your rights under state law.

# BROKERAGE NEW ACCOUNT FORM PERSHING



**Protecting the Confidentiality and Security of Your Information:** We have physical, electronic and procedural safeguards in place to protect the confidentiality of your personal information.

## DEFINITIONS

- **Affiliates:** Companies related by common ownership or control. Our affiliated companies include Kovack Securities, Inc. and Kovack Advisors, Inc.
- **Non-Affiliates:** Companies not related by common ownership or control. KSI and KAI do not share with non-affiliates for those companies to market to you.
- **Joint Marketing:** A formal agreement between non-affiliated financial companies that together market financial products or services to you.

**Other Important Information:** Registered Representatives (RRs) may change brokerage and/or investment advisory firms, and the nonpublic personal information collected by us and your RR may be provided to the new firm so that your RR can continue servicing your account(s). If you do not want your RR to take or receive this information, please contact us at (800) 711-4078 or at [info@kovacksecurities.com](mailto:info@kovacksecurities.com) to opt out of this sharing.

**Questions?** Contact us at (800) 711-4078 or visit [www.kovacksecurities.com](http://www.kovacksecurities.com).

## OTHER IMPORTANT NOTICES FROM KOVACK SECURITIES, INC.

- For more information about the Securities Investor Protection Corporation (SIPC), including how to obtain the SIPC brochure, please contact SIPC at (202) 371-8300 or visit their website at [www.sipc.org](http://www.sipc.org).
- For more information about FINRA BrokerCheck, please contact FINRA at (800) 289-9999 or visit their web site at [www.finra.org](http://www.finra.org).
- To help the government fight the funding of terrorism and money laundering, your name will be verified by searching the Treasury's Office of Foreign Asset Control's "Specially Designated Nationals and Blocked Persons" list.
- Under certain circumstances, KSI receives marketing reimbursements from some companies that we work with. Please visit us at [www.kovacksecurities.com](http://www.kovacksecurities.com), or contact us at (800) 711-4078 for more information.
- If your account becomes inactive for a certain period of time, your account balances may be transferred to a state unclaimed property administrator. The period of time is specified by state law.
- Complaints and concerns about your account or Registered Representative should be addressed to the Chief Compliance Officer at (800) 711-4078.

## BUSINESS CONTINUITY PLAN

KSI's Business Continuity Plan (BCP) was developed to meet the challenges of sudden and significant business disruptions. These challenges will vary, so the firm's responses will remain flexible as events occur.

**Contacting Us:** If, after a significant business disruption, you cannot contact us as you usually do by contacting your Registered Representative or home office at (800) 711-4078, please visit our web site at [www.kovacksecurities.com](http://www.kovacksecurities.com).

**Our Business Continuity Plan:** The firm's plan is designed to permit KSI to resume operations as quickly as possible, given the scope of the disruption. Our plan addresses: data backup and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank and counter-party impact; regulatory reporting; and assuring our customers prompt access to their funds and securities if we are unable to continue our business.

Our clearing firm partners, National Financial Services and Pershing LLC, back up important records in a geographically separate area. There are inherent variables in any emergency situation, yet we have been advised by our clearing firm partners that their objective is to restore their operations, complete existing transactions, and accept new transactions and payments as quickly as possible. Orders and requests for funds and securities could be delayed during this period.

**Varying Disruptions:** Significant business disruptions can vary in their scope, such as affecting only our firm, a single building housing our firm, the city where we are located, or the whole region. The disruption can vary from minimal to severe. In a disruption to our office or building, operations may be transferred to a local site; resumption of operations should occur quickly. In a disruption affecting our city or region, operations will be transferred to a site outside the affected area; resumption of operations should occur within twenty-four hours. In either situation, we plan to take the necessary steps to continue business operations; we will notify you through our web site at [www.kovacksecurities.com](http://www.kovacksecurities.com) on how to contact us. If the business disruption is so severe that we cannot remain in business, we assure your prompt access to your funds and securities.

**For More Information:** If you have questions about our business continuity planning, you can contact us at (800) 711-4078 or [info@kovacksecurities.com](mailto:info@kovacksecurities.com).