

# NORTHERN RIVERS CAPITAL MANAGEMENT INC.

## KNOW YOUR CLIENT FORM

Securities Legislation requires us to obtain the following information every year.  
This information is kept strictly confidential.

### PERSONAL INFORMATION

#### Individual

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

Address: \_\_\_\_\_  
\_\_\_\_\_

Country of Residence: \_\_\_\_\_

Citizenship: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Personal Telephone Number: \_\_\_\_\_

Business Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

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

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

Employer's Address: \_\_\_\_\_

# Dependents: \_\_\_\_\_

#### Joint Subscriber (if applicable)

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

Address: \_\_\_\_\_  
\_\_\_\_\_

Country of Residence: \_\_\_\_\_

Citizenship: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Personal Telephone Number: \_\_\_\_\_

Business Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

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

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

Employer's Address: \_\_\_\_\_

# Dependents: \_\_\_\_\_

### FINANCIAL INFORMATION, OBJECTIVES AND RISK TOLERANCE FOR INDIVIDUAL OR JOINT SUBSCRIBER (Based on total portfolio. If joint a/c, answer jointly)

<p><b>Approximate Gross Income</b></p> <input type="checkbox"/> Under \$25,000 <input type="checkbox"/> \$25,000 - \$49,999 <input type="checkbox"/> \$50,000 - \$74,999 <input type="checkbox"/> \$75,000 - \$99,999 <input type="checkbox"/> \$100,000 - \$124,999 <input type="checkbox"/> \$125,000 - \$200,000 <input type="checkbox"/> Over \$200,000	<p><b>Approximate Net Worth</b></p> <input type="checkbox"/> Under \$25,000 <input type="checkbox"/> \$25,000 - \$49,999 <input type="checkbox"/> \$50,000 - \$74,999 <input type="checkbox"/> \$75,000 - \$99,999 <input type="checkbox"/> \$100,000 - \$124,999 <input type="checkbox"/> \$125,000 - \$200,000 <input type="checkbox"/> Over \$200,000	<p><b>Approximate Value of Financial Assets (excludes real estate)</b></p> <input type="checkbox"/> Under \$100,000 <input type="checkbox"/> \$100,000 - \$249,999 <input type="checkbox"/> \$250,000 - \$499,999 <input type="checkbox"/> \$500,000 - \$749,999 <input type="checkbox"/> \$750,000 - \$999,999 <input type="checkbox"/> Over \$1,000,000	<p><b>Liquidity Needs</b></p> <input type="checkbox"/> 1-3 yrs _____% <input type="checkbox"/> 3-5 yrs _____% <input type="checkbox"/> 5-10 yrs _____% <input type="checkbox"/> 11-20 yrs _____% <input type="checkbox"/> 20+ yrs. _____%  Total 100%	<p style="text-align: center;"><b>Current Assets/ Liabilities Breakdown</b> (Optional)</p> <table style="width: 100%; border: none;"> <tr> <td>\$ _____ Investments</td> <td>\$ _____ Mortg.</td> </tr> <tr> <td>\$ _____ RRSP</td> <td>\$ _____ Loans</td> </tr> <tr> <td>\$ _____ Princ. Res.</td> <td>\$ _____ Other</td> </tr> <tr> <td>\$ _____ Total Asset</td> <td>\$ _____ Total Liab.</td> </tr> </table> <p style="text-align: center;">\$ _____ <b>Total Net Worth</b></p>	\$ _____ Investments	\$ _____ Mortg.	\$ _____ RRSP	\$ _____ Loans	\$ _____ Princ. Res.	\$ _____ Other	\$ _____ Total Asset	\$ _____ Total Liab.
\$ _____ Investments	\$ _____ Mortg.											
\$ _____ RRSP	\$ _____ Loans											
\$ _____ Princ. Res.	\$ _____ Other											
\$ _____ Total Asset	\$ _____ Total Liab.											
<p><b>Approximate Gross Household Income</b></p> <input type="checkbox"/> Under \$25,000 <input type="checkbox"/> \$25,000 - \$49,999 <input type="checkbox"/> \$50,000 - \$74,999 <input type="checkbox"/> \$75,000 - \$99,999 <input type="checkbox"/> \$100,000 - \$199,999 <input type="checkbox"/> \$200,000 - \$299,999 <input type="checkbox"/> Over \$300,000	<p><b>Approximate Household Net Worth</b></p> <input type="checkbox"/> Under \$25,000 <input type="checkbox"/> \$25,000 - \$49,999 <input type="checkbox"/> \$50,000 - \$74,999 <input type="checkbox"/> \$75,000 - \$99,999 <input type="checkbox"/> \$100,000 - \$124,999 <input type="checkbox"/> \$125,000 - \$200,000 <input type="checkbox"/> Over \$200,000											
<p><b>Investment Objectives</b> (Please choose only one)</p> <input type="checkbox"/> Safety <input type="checkbox"/> Income <input type="checkbox"/> Balanced <input type="checkbox"/> Growth <input type="checkbox"/> Growth & Income <input type="checkbox"/> Aggressive Growth <input type="checkbox"/> Speculation	<p><b>Time Horizon</b> (To Meet Inv. Objectives)</p> <input type="checkbox"/> 1 - 2 years <input type="checkbox"/> 3 - 5 years <input type="checkbox"/> 6 - 10 years <input type="checkbox"/> 11 - 20 Years	<p><b>Risk Tolerance</b></p> <input type="checkbox"/> None (0) <input type="checkbox"/> Very Low (1) <input type="checkbox"/> Low (2) <input type="checkbox"/> Low - Medium (3) <input type="checkbox"/> Medium (4) <input type="checkbox"/> Medium - High (5) <input type="checkbox"/> High (6) <input type="checkbox"/> Aggressive (7) <input type="checkbox"/> Speculative (8)	<p><b>Investment Knowledge</b></p> <input type="checkbox"/> Sophisticated <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Novice	<p><b>Account's Intended Use</b> (e.g. investments for eventual payment of children's education; investments for retirement)</p> <p>_____</p> <p>_____</p> <p>_____</p>								
<p><b>Other Objectives</b></p> <input type="checkbox"/> Tax Savings <input type="checkbox"/> Retirement Planning <input type="checkbox"/> Child Education <input type="checkbox"/> Estate Planning				<p><b>Other Investments</b></p> <input type="checkbox"/> Bonds <input type="checkbox"/> Mutual Funds <input type="checkbox"/> Mortgages <input type="checkbox"/> Term Deposit <input type="checkbox"/> Stocks <input type="checkbox"/> Real Estate								

Are you or your spouse a director or officer of a publicly traded entity or a director or officer of any other type of entity that either owns, directly or indirectly, or exercises control over 10% or more of the voting rights of any publicly traded entity or that is a subsidiary of a publicly traded entity?

Yes  No

If Yes, please provide the names and trading symbols of the publicly traded entity or entities:

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Do you or your spouse own, directly or indirectly, 10% or more of the voting rights of any publicly traded entity?

Yes  No

If Yes, please provide the names and trading symbols of the publicly traded entity or entities:

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Are you or your spouse, either individually or as part of a group, in a control position with respect to any publicly traded entity?

Yes  No

If Yes, please provide the names and trading symbols of the publicly traded entity or entities:

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Comments/Additional Restraints: \_\_\_\_\_

**Need Help Completing the Personal Financial Information Section?**

1. **Approximate Gross Income:** Income before taxes from all sources including salary, pension and investment income
2. **Approximate Net Worth:** For individual or joint subscriber, please answer accordingly. (Net Worth = Assets – Liabilities).
3. **Approximate Value of Financial Assets:** The approximate value of all cash, securities, or the cash surrender value of any contract of insurance. Excludes real estate and other hard assets.
4. **Liquidity Needs:** Please indicate the percentage of your investments you want to withdraw during the following time frames: **1-3 yrs/3-5 yrs/5-10 yrs/11-20 yrs/20+ yrs.**
5. **Current Assets/Liabilities Breakdown:** This section is optional and does not have to be completed unless you would like to include this extra information. Additional information provided will be used to assess the suitability of investments chosen.
6. **Investment Objectives:** Ensure that you select the one box that best suits your overall investment objectives for your total portfolio.  
**Safety** = Capital preservation  
**Income** = You currently require regular income from most of your investments  
**Balanced** = A diversified portfolio of stocks, bonds and cash or equivalents, providing a mixture of growth, income and some capital preservation.  
**Growth and Income** = A growth portfolio with regular income.  
**Growth** = A portfolio that has the goal of medium to long term growth, but may have short and long term fluctuations  
**Aggressive Growth** = A long-term growth portfolio that might have dramatic fluctuations (ex. Specialty or Sector Funds)  
**Speculation** = Investing in potentially very risky long-term investments (ex. Stocks, Futures, Venture Capital)
6. **Other Objectives:** Please select any or all that apply to you.
7. **Time Horizon:** This is the time available for your portfolio to meet your investment objectives. A longer time horizon may indicate a higher capability to take on risk.
8. **Risk Tolerance:** All investments chosen will be carefully compared to the risk tolerance you select to assess suitability. A higher risk tolerance indicates a greater tolerance for short term volatility in the value of your portfolio in the pursuit of higher potential long term investment returns. Below are some examples of investments associated with different types of risk.  

<b>0 = None</b> (GICs, CSBs, T-Bills)	<b>5 = Medium-High</b> (Growth Portfolio)
<b>1 = Very Low</b> (Short Term Bonds)	<b>6 = High</b> (Maximum Growth Portfolio)
<b>2 = Low</b> (Bonds)	<b>7 = Aggressive</b> (May have larger weightings in sectors and specialized funds)
<b>3 = Low-Medium</b> (Income/Balanced Portfolio)	<b>8 = Speculative</b> (May have larger weightings in stocks, futures, highly speculative funds)
<b>4 = Medium</b> (Diversified Portfolio)	
9. **Investment Knowledge:** Please choose the box that best describes your investment knowledge.
10. **Other Investments:** Please indicate all products that you have investments in. This helps us determine your experience with investments.
11. It is **important for you to sign and date this document** after reading the Disclosure Statement on the next page of this form. For joint accounts, both parties must sign. Keep one copy and return the original to Northern Rivers Capital Management Inc.

## TRADING AUTHORIZATION / OTHER INTEREST

Will any other person or persons:

If Yes, please provide particulars:

a) Have Trading Authority on this account?  Yes  No

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

If Yes, please provide particulars:

b) Have a financial interest in this account?  Yes  No  
(i.e. "In Trust" beneficiary, guarantor, etc.)

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

c) Are you acting on someone else's instructions?  Yes  No

If Yes, please provide particulars:

Name of other person: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Principal business/occupation: \_\_\_\_\_

Date of Birth (if individual) \_\_\_\_\_

Incorporation #/place of incorporation (if corporation): \_\_\_\_\_  
\_\_\_\_\_

Nature of relationship \_\_\_\_\_

## VERIFICATION OF IDENTITY

We are required to verify your identity pursuant to The Proceeds of Crime and Terrorist Financing Act. **Note: we cannot proceed with a transaction until you have been identified.**

The method of identification is dependent on whether you are physically present:

**If the individual is present**, we are required to view one of the following **original** pieces of ID and obtain a photocopy.

Driver's License \_\_\_\_\_ Birth Certificate \_\_\_\_\_ Passport \_\_\_\_\_ Canadian Citizenship \_\_\_\_\_

Document Number (mandatory) \_\_\_\_\_ Issuing Jurisdiction \_\_\_\_\_

**If the individual is not present**, we are required to identify you via **both** of the following methods

### Attestation method

Provide us with a legible photocopy of an original identification document for the individual has been seen by a commissioner of oaths or a guarantor. The attestation must be on the photocopy of the document and include the following information:

- the name, profession and address of the commissioner of oaths or the guarantor;
- the signature of the commissioner of oaths or the guarantor; and
- the type and number of the identifying document provided by the individual being identified.

In this context, a guarantor has to be an individual engaged in one of the following professions in Canada:

- a dentist, a medical doctor or a chiropractor;
- a judge, a magistrate or a lawyer;
- a notary (in Quebec) or a notary public;
- an optometrist or a pharmacist;
- an accredited public accountant (APA), a chartered accountant (CA), a certified general accountant (CGA), a certified management accountant (CMA), a public accountant (PA) or a registered public accountant (RPA);
- a professional engineer (P. Eng., in a province other than Quebec) or engineer (Eng. in Quebec); or
- a veterinarian.

and

### Cleared cheque or deposit account method

we are required to confirm one of the following:

that the individual holds an account (in the individual's name) with a financial entity \_\_\_\_\_; or

that a cheque drawn on the individual's account with a financial entity has been cleared \_\_\_\_\_ .

In either instance, all of the following information must be provided:

Bank Name: \_\_\_\_\_ Account Number: \_\_\_\_\_

Branch Address: \_\_\_\_\_ Transit Number: \_\_\_\_\_

\_\_\_\_\_

**Internal Use Only:** Date confirmed account held with a financial entity: \_\_\_\_\_

### **Joint Accounts: Verification of Identity for Second Individual**

We are required to verify your identity pursuant to The Proceeds of Crime and Terrorist Financing Act. **Note: we cannot proceed with a transaction until you have been identified.**

The method of identification is dependent on whether you are physically present:

**If the individual is present**, we are required to view one of the following **original** pieces of ID and obtain a photocopy.

Driver's License \_\_\_\_\_ Birth Certificate \_\_\_\_\_ Passport \_\_\_\_\_ Canadian Citizenship \_\_\_\_\_

Document Number (mandatory) \_\_\_\_\_ Issuing Jurisdiction \_\_\_\_\_

**If the individual is not present**, we are required to identify you via **both** of the following methods

#### **Attestation method**

Provide us with a legible photocopy of an original identification document for the individual has been seen by a commissioner of oaths or a guarantor. The attestation must be on the photocopy of the document and include the following information:

- the name, profession and address of the commissioner of oaths or the guarantor;
- the signature of the commissioner of oaths or the guarantor; and
- the type and number of the identifying document provided by the individual being identified.

In this context, a guarantor has to be an individual engaged in one of the following professions in Canada:

- a dentist, a medical doctor or a chiropractor;
- a judge, a magistrate or a lawyer;
- a notary (in Quebec) or a notary public;
- an optometrist or a pharmacist;
- an accredited public accountant (APA), a chartered accountant (CA), a certified general accountant (CGA), a certified management accountant (CMA), a public accountant (PA) or a registered public accountant (RPA);
- a professional engineer (P. Eng., in a province other than Quebec) or engineer (Eng. in Quebec); or
- a veterinarian.

and

#### **Cleared cheque or deposit account method**

we are required to confirm one of the following:

that the individual holds an account (in the individual's name) with a financial entity \_\_\_\_\_; **or**

that a cheque drawn on the individual's account with a financial entity has been cleared \_\_\_\_\_.

In either instance, all of the following information must be provided:

Bank Name: \_\_\_\_\_ Account Number: \_\_\_\_\_

Branch Address: \_\_\_\_\_ Transit Number: \_\_\_\_\_

\_\_\_\_\_

**Internal Use Only:** Date confirmed account held with a financial entity: \_\_\_\_\_

**LEVERAGING DISCLOSURE**

If I have borrowed funds to purchase any investment, I have borrowed on my own accord and realize the risks associated with borrowing to invest. I hold NRCMI and its duly licensed representatives harmless of any losses whatsoever.

Securities may be purchased using available monies, or a combination of cash and borrowed money. If cash is used to pay for the purchase in full, the percentage gain or loss will equal the percentage increase or decrease in the value of the securities. The purchase of securities using borrowed money magnifies the gain or loss on the amount invested.

This effect is called leveraging. For example, if \$100,000 of securities are purchased and paid for with \$25,000 from available cash and \$75,000 from borrowings, and the value of the securities declines by 10% to \$90,000, your equity interest (the difference between the value of the securities and the amount borrowed) has declined by 40%, i.e. from \$25,000 to \$15,000.

It is important that an investor proposing to borrow for the purchase of securities be aware that a purchase with borrowed monies involves greater risk than a purchase using cash resources only. To what extent a purchase using borrowed monies involves undue risk is a determination to be made by each purchaser and will vary depending on the circumstances of the purchaser and the securities purchased. It is also important that the investor be aware of the terms of a loan secured by securities. The lender may require that the amount outstanding on the loan not rise above an agreed percentage of the market value of the securities. Should this occur, the borrower must pay down the loan or sell the securities so as to return the loan to the agreed percentage relationship.

In our example above, the lender may require that the loan not exceed 75% of the market value of the securities. On a decline of value of the units to \$90,000 the borrower must reduce the loan to \$67,500 (75% of \$90,000). If the borrower does not have cash available, the borrower must sell securities at a loss to provide money to reduce the loan. Money is, of course, also required to pay interest on the loan. Under these circumstances, investors who use borrowed funds to purchase their investment are advised to have adequate financial resources available both to pay interest and also to reduce the loan if the borrowing arrangements require such a payment.

**PRIVACY DISCLOSURE STATEMENT**

By signing this form I consent to my personal information being collected, held, used and disclosed by NRCMI\* to any regulatory body or third party financial institution with whom I have an account in the ways and purposes identified by NRCMI's Privacy Policy. I can access NRCMI's privacy policy by contacting NRCMI at 1 866 902 7060 or by accessing the company's website at [www.NorthernRiversFunds.com](http://www.NorthernRiversFunds.com). If I have provided information concerning my spouse, family members and/or my beneficiaries, I confirm that I am authorized to provide such information. I am aware that if I do not provide consent, NRCMI may be required to decline to accept or administer my account or policy.

\*NRCMI includes: any advisors, associates, agents and employees.

Client Signature: \_\_\_\_\_

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

Signature of Joint Subscriber: \_\_\_\_\_  
(if applicable)

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

Salesperson Signature: \_\_\_\_\_

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

Designated Officer Signature: \_\_\_\_\_

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

## POLITICALLY EXPOSED FOREIGN PERSONS

**Instructions: Each beneficial owner or authorized person on an account must complete and sign this form. If the answer to any question is "yes" please provide full details of the position held.**

Do you now, or have you ever held any of the following positions in or on behalf of a **foreign** state? This applies only to positions in a national state, and not provinces or municipalities or the equivalent. It does not apply to positions held in Canada.

- a) Head of State or Head of Government
- b) Member of the Executive Council of Government or Member of a Legislature
- c) Deputy Minister or Equivalent Rank
- d) Ambassador or Attache or Counselor of an Ambassador
- e) Military Officer with a rank of General or above
- f) President of a state-owned company or a state-owned bank
- g) Head of government agency
- h) Judge
- i) Leader or President of a political party represented in a legislature

No  Yes

Does your spouse, common-law partner, child, mother, father, brother, sister, spouse's or common-law partner's mother or father hold, or have they ever held any of the positions listed in (a) through (i) on behalf of a foreign state?

No  Yes

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Person Signing

\_\_\_\_\_  
Name of Account

## Joint Accounts: Politically Exposed Foreign Person for Second Individual

Do you now, or have you ever held any of the following positions in or on behalf of a **foreign** state? This applies only to positions in a national state, and not provinces or municipalities or the equivalent. It does not apply to positions held in Canada.

- a) Head of State or Head of Government
- b) Member of the Executive Council of Government or Member of a Legislature
- c) Deputy Minister or Equivalent Rank
- d) Ambassador or Attache or Counselor of an Ambassador
- e) Military Officer with a rank of General or above
- f) President of a state-owned company or a state-owned bank
- g) Head of government agency
- h) Judge
- i) Leader or President of a political party represented in a legislature

No  Yes

Does your spouse, common-law partner, child, mother, father, brother, sister, spouse's or common-law partner's mother or father hold, or have they ever held any of the positions listed in (a) through (i) on behalf of a foreign state?

No  Yes

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Person Signing

\_\_\_\_\_  
Name of Account