

# ACCOUNT TERMS AND CONDITIONS

## BUSINESS CONTINUITY PLAN

Northland Securities, Inc. has developed a Business Continuity Plan on how we will respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions are unpredictable, we will have to be flexible in responding to actual events as they occur.

**Contacting Us** – In the event of a significant business disruption you may continue to contact us as you usually do at (612) 851-5900 or 1-800-851-2920 or go to our website at [www.northlandsecurities.com](http://www.northlandsecurities.com). If you cannot access us through either of those means, you should contact our clearing firm, Pershing LLC, at (201) 413-3635 or via Pershing's email address at [www.pershing.com](http://www.pershing.com) for instructions on how it may provide prompt access to funds and securities, enter orders and process other trade-related, cash, and security transfer transactions for you.

**Our Business Continuity Plan** – We plan to quickly recover and resume business operations after a significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm's books and records, and allowing our customers to transact business. In short, our business continuity plan is designed to permit our firm to resume operations as quickly as possible, given the scope and severity of the significant business disruption.

Our business continuity plan addresses: data back-up 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 counterparty 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 backs up our important records in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, we have been advised by our clearing firm that its objective is to restore its own operations and be able to complete existing transactions and accept new transactions and payments within a 4-hour time period. Your 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 only our firm, a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building housing our firm, we will transfer our operations to a local site when needed and expect to recover and resume business within a reasonable period. In a disruption affecting our business district, city, or region, we will transfer our operations to a site outside of the affected area, and expect to recover and resume business within a reasonable time period. In either situation, we plan to continue in business, transfer operations to our clearing firm if necessary, and notify you through our website at [www.northlandsecurities.com](http://www.northlandsecurities.com) or our customer number at (612) 851-5900 or 1-800-851-2920. If the significant business disruption is so severe that it prevents us from remaining in business, we will direct you to our clearing firm for access to your funds and securities and provide detailed information and guidance through our website and telephone numbers listed above.

**For more information** – If you have questions you can contact us at 800-851-2920 or visit our website at [www.northlandsecurities.com](http://www.northlandsecurities.com).

## ACCOUNT AGREEMENT

This agreement (the "Agreement") sets forth the terms and conditions under which Northland Securities, Inc. (Northland) and its subsidiaries, affiliates, agents and its and their successors and assigns will transact business with you including, but not limited to, the execution of transactions and the maintenance of your account. As used herein, "you" and "your" refer to all owners and others who are legally obligated on this account including, but not limited to your estate, executors, administrators, and your assigns. Your signature on the Signature Page will constitute your acceptance of and agreement to these terms and conditions.

### 1. SERVICES AND FEES

Northland will act as broker for the purpose of buying and selling securities that you have authorized. All orders for the purchase or sale of securities that you authorize shall be processed and/or executed with the understanding that an actual purchase or sale is intended and it is your intention and obligation in every case to pay for any purchase or deliver certificates to cover all sales on or before settlement date, whether or not you are in receipt of a trade confirmation. You agree that any security sold will be in good deliverable form. You agree to pay the applicable commissions, fees and charges that may apply at the time services are rendered to your account.

### 2. ACCOUNT APPROVAL AND MAINTENANCE

This Agreement will be effective only upon our approval of your Account Application. It is the policy of Northland to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities as outlined in the USA PATRIOT Act. Federal Law requires financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account. To help the government fight this type of activity, we will ask for your name, address, date of birth, state or government issued identification number and any other information that will allow us to identify you. Your Account Application authorizes Northland to verify your credit worthiness. Northland may obtain credit reports, contact financial institutions and make any other inquiries we feel necessary. Northland may also provide negative account information and unsecured debit balances to consumer/credit reporting agencies. Northland may reject an application or close an account for any reason.

In maintaining and/or executing instructions for any account, we may require additional documentation and reserve the right to restrict trading, disbursements, transfers or to take no action in an account. This shall apply to any disputes or conflicting instructions between account holders. Northland reserves the right at any time to amend, change, revise, add, or modify the terms and conditions set forth in the Agreement. By maintaining the account, you agree to be bound by such amendments, changes, modifications, revisions, or additions to these terms and conditions regardless of whether or not you have actually read them. Northland shall not be bound by any oral statements or written amendments/modifications by the customer that seek to amend the terms and conditions set forth in this Agreement.

### 3. ACCURACY AND NOTIFICATION

The information you supply on the application form is warranted to be accurate and you agree to notify us in writing of any substantial changes in that information. You also agree to notify us in writing if you are or become: a) employed or affiliated with a financial services firm, a stock exchange or FINRA; b) an officer, director, or 10% shareholder of a publicly-traded company. You warrant that only the account holders have an interest in the account and that they have all reached the age of majority.

For entity accounts, Northland may require additional documents that show the existence of the entity prior to account approval, such as a trust instrument, certified articles of incorporation, limited partnership agreement, limited liability company operating agreement, etc. Northland does require all authorized individuals authorized to act on behalf of the entity to provide personal identifying information and sign the New Account Application.

### 4. REVIEW OF CONFIRMS AND STATEMENTS

**You agree to review each trade confirmation and account statement upon receipt. If any trade confirmation is found to be in error, you agree to notify Northland's compliance department in writing within five (5) days of receipt of the erroneous confirm. If any account statement is found to be in error, you agree to notify Northland's compliance department in writing within ten (10) days of receipt of the erroneous statement. Unless you provide such written notification in a timely manner, you agree that all transactions and positions reflected in your confirms and statements are authorized and correct. You also agree to notify Northland's compliance department in writing of any activities in your account that you believe to be improper.**

### 5. FAILURE TO PAY OR DELIVER

In the event you do not, on or before the settlement date, pay in full for any security purchased for the account, or deliver any security sold for such account, Northland is authorized (subject to the provisions of any applicable statute, rule, or regulation):

(A) Until payment or delivery is made in full, to pledge, repledge, hypothecate, or rehypothecate, without notice, any or all securities which our clearing agent may hold for you (either individually or jointly with others), separately or in common with other securities or commodities or any other property, for the sum then due or for a greater or lesser sum without retaining in our possession and control for delivery a like amount of similar securities.

(B) To sell any or all securities which our clearing agent may hold for you (either individually or jointly with others), to buy in any or all securities required to make delivery for your account, or to cancel any or all outstanding orders or commitments for your account. You are responsible for commissions on all costs, including reasonable attorney fees and losses arising from these actions. Any profits realized from covering short positions and/or liquidations will be retained by Northland.

## 6. RIGHT TO OFFSET

Northland reserves the right to subject all assets held in any account, now or in the future, in which you have a financial interest to a general lien for discharge of any indebtedness you have to us. These securities or monies may be held, sold or confiscated for payment of any liability you have with us. If Northland chooses to secure your indebtedness in one of your accounts, you agree that Northland may refuse to liquidate, transfer or conduct transactions in all accounts until the indebtedness to Northland is paid. Northland will not be responsible for losses or diminished value as a result of freezing any of your accounts.

## 7. CANCELLATION PROVISIONS

Northland is authorized, in its discretion, for any reason whatever it deems necessary for our protection, without notice, to cancel any outstanding orders in order to close the account, in whole or in part, or to close out any commitment made on behalf of the account.

## 8. ADDRESS

Communications will be sent to the mailing address you specify on your Account Application, or at such other address you may hereafter give Northland in writing. All communications sent, whether by mail, email, telegraph, messenger, or otherwise, are considered delivered to you personally, whether actually received or not. You agree to inform us in writing promptly of any changes in your address, or if you fail to receive a trade confirmation or account statement that you expected to receive.

## 9. JOINT TENANTS / TENANTS IN COMMON

If this account is held as Joint Tenants With Rights of Survivorship ("JTWROS"), then each account owner is deemed to own 100% of the account. If this account is held as Tenants in Common ("TIC"), then each account owner is deemed to own an equal share of the account, unless the account owners specify a different sharing arrangement in writing. Under either a JTWROS or TIC account, each account owner, acting individually and without notice to the other owner(s), shall have authority to take all actions on behalf of the account. Northland is entitled to rely upon the instructions received from any individual owner, and is not required to make further inquiry into that owner's authority. If Northland receives conflict-ing instructions from two or more account owners, Northland may, in its sole discretion (i) follow either set of instructions; (ii) require specific oral or written authorization from some or all of the owners; (iii) send all account assets to the address listed on the account; (iv) commence legal proceedings to determine the proper course; or (v) take such other action deemed appropriate. Under either a JTWROS or TIC account, all account owners are jointly and severally liable for all debts and obligations incurred in the account or through this Agreement. Northland may therefore seek connection of all debts from just one owner, or from all the owners at Northland's sole discretion. If an account owner dies, the surviving owner(s) agree to provide a certified copy of the death certificate at the earliest practical opportunity, and provide any other documentation Northland may reasonably require.

## 10. REGULATIONS AND GOVERNING LAW

All transactions are subject to the rules, regulations, and customs of the exchange or market (and its clearing house) where the transactions are executed. This Agreement is deemed to have been made in the State of Minnesota, and shall be construed and governed by the laws of the State of Minnesota.

## 11. EXTRAORDINARY EVENTS

Northland shall not be liable for losses incurred directly or indirectly by: war, terrorism, natural disasters, acts of God, government restrictions, exchange or market rulings, strikes, communications/power failure, equipment/software malfunction, or other conditions beyond our control.

## 12. RECORDING CONVERSATIONS

You understand and agree that for our mutual protection, Northland may electronically record any of our telephone conversations.

## 13. MISCELLANEOUS PROVISIONS

This Agreement is the complete statement of your agreement with Northland. If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions will remain in full force. If Northland does not insist on strict compliance with certain terms of the Account Agreement it is not considered a waiver of our rights under this Agreement.

## 14. RELEASE OF NAME

In accordance with the provisions of Rule 14(b)-1(c) of the Securities and Exchange Act of 1934, Northland and/or its clearing firm may release your name, address, and securities positions on request to companies whose securities you hold, unless we receive your written objection.

## 15. ARBITRATION DISCLOSURES

**This agreement contains a predispute arbitration clause on page 7, paragraph 16. By signing an arbitration agreement the parties 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 may 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.**

## 16. ARBITRATION AGREEMENT

**You understand and agree that all past, present, or future controversies that may arise between you and Northland, relating in any manner to this Agreement, your Northland account(s), transactions through Northland, or that otherwise relate to your business relationship with Northland, including but not limited to claims of fraud in the inducement of this contract, shall be submitted to binding arbitration pursuant to the Federal Arbitration Act. Dependent on the jurisdiction of the regulatory agency overseeing Northland's respective business functions, such arbitration will be conducted before the Financial Industry Regulatory Authority ("FINRA") in accordance with the FINRA Code of Arbitration Procedure, or before the American Arbitration Association ("AAA") under the AAA's Securities Arbitration Rules. The award of the arbitrator(s), or a majority of them, shall be final and binding, and judgment upon such award may be entered in any court of competent jurisdiction. 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 a putative class action in court; 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; (ii) the class action 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.**

## 17. PAYMENT FOR ORDER FLOW

In return for routing orders to a specific market center, Northland may receive what is known as "payment for order flow[1]." Currently, Northland receives liquidity rebates or credits for directing orders to specific venues for execution. These rebates reduce certain fees charged by those venues. Northland does not send orders to a specific venue in order to obtain a reduction of or credit against those fees. All customer orders subject to payment for order flow are sent to market centers that execute market and marketable limit orders at prices not inferior to the displayed National Best Bid or Offer ("NBBO"). Each market center provides the opportunity for execution of orders at prices better than the NBBO. Each order is exposed to exchanges and market centers for potential price improvement. A small percentage of NASDAQ orders are routed internally to our market maker. Northland executes these internal orders in a principal capacity, which may produce profit for Northland. The source and amount of such remuneration, if any, will be furnished to you upon written request.

"any monetary payment, service, property, or other benefit that results in remuneration, compensation or consideration to a broker or dealer from any broker or dealer, national securities exchange, registered securities association or exchange member in return for the routing of customer orders by such broker or dealer to any broker or dealer, national securities exchange, registered securities association or exchange member for execution, including but not limited to: research, clearance, custody, products or services; reciprocal agreements for the provision of order flow; adjustment of a broker or dealer's unfavorable trading errors; offers to participate as an underwriter in public offerings; stock loans or shared interest accrued thereon; discounts, rebates, or any other reductions of or credits against any fee to, or expense or other financial obligation of, the broker or dealer routing a customer order that exceeds that fee, expense or financial obligation."

## 18. ORDER EXECUTION

**PROHIBITION AGAINST TRADING AHEAD OF CUSTOMER ORDERS:** FINRA Rule 5320 is a customer order protection rule, which generally prohibits a member firm that accepts and holds a customer order from trading that security on the same side of the market for its own account at a price that would satisfy the customer order, unless it immediately executes the customer order up to the size and at the same or better price at which it traded for its own account.

**FRONT RUNNING OF BLOCK TRANSACTIONS:** FINRA Rule 5270 prohibits a broker-dealer from trading for its own account while in possession of material, non-public market information concerning an imminent block transaction in that security, a related security or a security underlying the related security prior to the time the information concerning the block transaction has been made publicly available or become stale or obsolete. Rule 5270 recognizes certain exceptions to this general prohibition.

Northland may rely on the Rule's exceptions while effecting block orders for its clients. These exceptions include risk-mitigating transactions such as hedging, liquidating, facilitating, among others. Northland will refrain from any conduct that could disadvantage or harm the execution of your orders or that would place Northland's financial interests ahead of yours. Unless you inform Northland in writing and "opt out," we will conclude that you understand that Northland may engage in risk-mitigating transactions in connection with your orders and we will conclude that you have given your consent to handle your block transactions as described above. If you opt out, please be advised that Northland may be limited in the range of execution alternatives.

#### **19. SECURITIES INVESTOR PROTECTION CORPORATION (SIPC®) INFORMATION**

Information regarding SIPC, including a SIPC brochure, may be obtained by contacting SIPC via its website at [www.sipc.org](http://www.sipc.org) or by telephone at (202) 371-8300.

#### **20. FINANCIAL INDUSTRY REGULATORY AUTHORITY™ (FINRA™) PUBLIC DISCLOSURE**

An investor brochure that includes information describing the public disclosure program may be obtained from FINRA via its website at [www.finra.org](http://www.finra.org) or by telephone at (800) 289-9999.

#### **21. CASH MANAGEMENT SWEEP PRODUCTS**

An investment in a money market mutual fund is not insured or guaranteed by the Federal Deposit Insured Corporation (FDIC) or any other government agency. Although the funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market mutual fund. Short-term corporate, asset-backed and municipal securities holdings involve credit and liquidity risks and risk of principal loss. Yields fluctuate. Past performance is no guarantee of future results. Please refer to the applicable fund prospectus for risks and other important information prior to investing.

An investment in a FDIC-insured deposits program is not protected by Securities Investor Protection Corporation (SIPC). Please contact your Investment Executive for a current list of banks that participate in the FDIC sweep program. The list of banks may change from time to time and you may exclude any bank from holding your funds at any time by contacting your Investment Executive.

You understand: (i) the current sweep options may be affiliated with Northland's clearing firm; (ii) a sweep option is not intended for use as a long-term investment option and is best suited for short periods of time; (iii) the rate of return may vary over time, and at times may be zero; (iv) Northland and its clearing firm may receive benefits from having money invested in the sweep program. You understand you will receive a copy of the applicable prospectus or customer disclosure document in connection with the first investment in the sweep program, and you may request a copy of such document now or at any time. You understand that your sweep option may be changed, including changes between money market funds and bank deposit products, with prior notification to you.

#### **22. MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB)**

Information regarding the Municipal Securities Rulemaking Board (MSRB) rules protecting investors and how to file a complaint with an appropriate regulatory authority are available in a MSRB investor brochure. The investor brochure is available at website address <http://msrb.org/msrb1/pdfs/MSRB-Investor-Brochure.pdf> or by telephone at (202)838-1500.