



## **IRA Account Application**

**In order to open an account, we require the following documents:**

- Completed Account Application (**pages 1-12**)
- Complete the IRA Form
- Copies of government-issued photo IDs of the account holder.  
(driver's license, passport, etc.)
- A copy of a third party mailing document (utility bill, credit card bill or other document identifying the customer and address)

**Send all original forms to:**

39 Exchange Place  
Salt Lake City, UT 84111

Please write your representative's name on the front of the envelope.

**Personal**

Account Name (First, Middle, Last)			
Social Security or Tax ID Number	Date of Birth (MM/DD/YYYY)	Marital Status	Number of Dependents
Driver's License/Passport Number	Issuing State/Country	Expiration Date	Citizenship

**Personal (Joint Tenant)**

Joint Tenant Name (First, Middle, Last) (if applicable)			
Social Security or Tax ID Number	Date of Birth (MM/DD/YYYY)	Marital Status	Number of Dependents
Driver's License/Passport Number	Issuing State/Country	Expiration Date	Citizenship

**Primary Contact Information**

Home Address		City	State	Zip Code
Mailing Address (if different from above):		City	State	Zip Code
Daytime Phone	Mobile Phone	Fax		
Email Address				
<b>By providing your email address, you agree that Alpine may send all official communication to the above email address.</b>				

**Employment**

Employer Name	Position/Title			
Address	City	State	Zip Code	

**Affiliate Disclosure**

**Please use the space below to provide a complete and accurate list of every public company for which you are:**

- (1)** An officer or director;
- (2)** A holder, directly or indirectly, of 5% or more equity interest; OR
- (3)** A corporate "insider," "controlling person," member of a controlling group or representative of a corporate insider, controlling person or group.

**Please DO NOT LEAVE BLANK; if none, write "NONE."**

Company Name	CUSIP Number	Title	# Of Shares Owned
1.			
2.			
3.			

**Affiliations and Acknowledgements**

**Primary Bank or Credit Union**

Please list below any bank, credit union, or other financial institution where you hold a primary checking or savings account.

Firm Name(s)

Location(s) (City, State)

**Other Accounts**

Please list below any other brokerage or investment firm(s) where you hold an account. **If none, write "NONE."**

Firm Name(s)

Location(s) (City, State)

**Securities Industry Affiliation**

Are you employed by or associated with the securities industry or a financial services regulator?

Yes [list associated firm(s) or organization(s) below]:

No

Firm Name(s)

Location(s) (City, State)

**Government Entity**

Is this an account for a government entity?

Yes (list entity name and country below):

No

Entity

Country

**Military or Government Affiliation**

Are you a senior military or government official in a non-United States country?

Yes (list title and country below):

No

Title

Country

**Institutional Account**

Is this account an institutional account, defined under FINRA R. 4512(c) as either:

- a. A bank, savings and loan association, insurance company or registered investment company;
- b. An investment adviser registered either with the SEC under Section 203 of the Investment Advisers Act or with a state securities commission (or any agency or office performing like functions); or
- c. Any other person (whether a natural person, corporation, partnership, trust or otherwise) with total assets of at least \$50 million?

Yes

No

**Information Release**

May we release your account information to issuers? (SEC regulations require that we obtain your permission to do so)

Yes

No

**Large Trader ID No. (If applicable)**

**Suitability: Financial Information**

Annual Income	Estimated Net Worth	Liquid Net Worth
In what range is your annual income? (includes employment, alimony, social security, investment, and all other income)	What is your total net worth? (Calculated as assets minus liabilities, excluding your residence)	What is your liquid net worth? (Includes liquid investments)
<input type="checkbox"/> \$0-\$25,000	<input type="checkbox"/> \$0-\$25,000	<input type="checkbox"/> \$0-\$25,000
<input type="checkbox"/> \$25,001-\$50,000	<input type="checkbox"/> \$25,001-\$100,000	<input type="checkbox"/> \$25,001-\$100,000
<input type="checkbox"/> \$50,001-\$100,000	<input type="checkbox"/> \$100,001-\$500,000	<input type="checkbox"/> \$100,001-\$500,000
<input type="checkbox"/> \$100,001-\$200,000	<input type="checkbox"/> \$500,001-\$1,000,000	<input type="checkbox"/> \$500,001-\$1,000,000
<input type="checkbox"/> Over \$200,000	<input type="checkbox"/> Over \$1,000,000	<input type="checkbox"/> Over \$1,000,000

**Source of Account Funds**

<input type="checkbox"/> Income	<input type="checkbox"/> Pension or retirement savings	<input type="checkbox"/> Funds from another account
<input type="checkbox"/> Gift	<input type="checkbox"/> Sale of business or property	<input type="checkbox"/> Insurance payout
<input type="checkbox"/> Inheritance	<input type="checkbox"/> Social Security Benefits	<input type="checkbox"/> Other:

Assets Held Away	Tax Status																								
In the table below, please list in the columns the amount and the percentage of your assets held away in each of the asset categories listed on the left.	For which tax bracket did you qualify on your most recent U.S. tax return?																								
<table border="1"> <thead> <tr> <th>Type of Asset</th> <th>Amount (in U.S. dollars)</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>Stocks</td><td></td><td></td></tr> <tr><td>Bonds</td><td></td><td></td></tr> <tr><td>Options</td><td></td><td></td></tr> <tr><td>Commodities</td><td></td><td></td></tr> <tr><td>Fixed Insurance</td><td></td><td></td></tr> <tr><td>Variable Insurance</td><td></td><td></td></tr> <tr><td>Mutual Funds</td><td></td><td></td></tr> </tbody> </table>	Type of Asset	Amount (in U.S. dollars)	Percentage	Stocks			Bonds			Options			Commodities			Fixed Insurance			Variable Insurance			Mutual Funds			<input type="checkbox"/> 15% <input type="checkbox"/> 28% <input type="checkbox"/> 20% <input type="checkbox"/> 33% <input type="checkbox"/> 25% <input type="checkbox"/> 35 % or higher <input type="checkbox"/> Did not file (explain):
Type of Asset	Amount (in U.S. dollars)	Percentage																							
Stocks																									
Bonds																									
Options																									
Commodities																									
Fixed Insurance																									
Variable Insurance																									
Mutual Funds																									

**Liquidity Needs**

Liquidity is the ability to quickly and easily convert to cash all or a portion of the investments in this account without experiencing significant loss in value from, for example, the lack of a ready market, or incurring significant costs or penalties.

**Please check only one box that best describes how important liquidity is for you:**

<input type="checkbox"/> Very Important	<input type="checkbox"/> Important	<input type="checkbox"/> Somewhat important
<input type="checkbox"/> Does not matter	<input type="checkbox"/> Special liquidity need (describe):	

**Suitability, Continued**

<b>Expenses</b>		
What are your annual expenses? (recurring expenses; could include mortgage payments, rent, long-term debts, utilities, alimony, and child support payments)	What are your special expenses? (future, non-recurring; could include a home purchase, home remodeling, a car purchase, education, and medical expenses)	Timeframe for your special expenses: (in how many years do you expect to finish paying for your special expenses?)
<input type="checkbox"/> \$50,000 and under	<input type="checkbox"/> \$50,000 and under	<input type="checkbox"/> Within 2 years
<input type="checkbox"/> \$50,001–\$100,000	<input type="checkbox"/> \$50,001–\$100,000	<input type="checkbox"/> 3–5 years
<input type="checkbox"/> \$100,001–\$250,000	<input type="checkbox"/> \$100,001–\$250,000	<input type="checkbox"/> 6–10 years
<input type="checkbox"/> \$250,001–\$500,000	<input type="checkbox"/> \$250,001–\$500,000	<input type="checkbox"/> 10–20 years
<input type="checkbox"/> Over \$500,000	<input type="checkbox"/> Over \$500,000	<input type="checkbox"/> Over 20 years

## Investment Objectives

### Investment Objectives

Please read the below investment objectives and check all that apply:

- Speculation:** I am willing to accept maximum risk to my initial principal to aggressively seek maximum returns, and understand I could lose most, or all, of the money invested.
- Growth:** I am willing to accept high risk to my initial principal, including high volatility, to seek higher returns over time, and understand I could lose a substantial amount of the money invested.
- Income:** I am willing to accept some risk to my initial principal and tolerate some volatility to seek higher returns, and understand I could lose a portion of the money invested.
- Tax Advantage:** I am willing to accept low risk to my initial principal, including low volatility, to seek a modest level of portfolio returns.
- Safety of Principal:** I want to preserve my initial principal, with minimal risk, even if that means this account does not generate significant income or returns and may not keep pace with inflation.
- Other:** please use this space to describe.

## Risk Tolerance and Investment Experience

### Risk Tolerance

Investing involves risk. Different investment products and strategies involve different degrees of risk. The higher the expected returns of a product or strategy, the greater the risk that you could lose most of your investment. Investments should be chosen based on your objectives, timeframe, and tolerance for market fluctuations. **Based on this, select the degree of risk you are willing to take with the assets in this account:**

- Conservative                       Moderately Conservative                       Moderate
- Moderately Aggressive                       Significant Risk

### Time Horizon

In how many years do you expect to achieve your objectives?

- Under 1 year                       6–10 years
- 1–2 years                       11–20 years
- 3–5 years                       Over 20 years

### Investment Experience

Please fill in your amount (in years) of experience with each of the following:

\_\_\_ Stocks                      \_\_\_ Options

\_\_\_ Bonds                      \_\_\_ Mutual Funds

\_\_\_ Commodities

### General Investment Knowledge

- Limited
- Good
- Extensive

### Investment Purpose

\_\_\_ Save for Education

\_\_\_ Save for Retirement

\_\_\_ Save for Short-term goal(s)

\_\_\_ Other: \_\_\_\_\_

## **Customer Agreement**

**By holding yourself out above as the applicant for an account with Alpine Securities Corporation (Alpine), and by signing and submitting an Alpine account application, you (the Customer) agree to all of the following terms:**

### **1. Authority**

You represent you are of legal age and authorized to enter into this Agreement, and further agree that, unless otherwise disclosed to Alpine in writing, you are not an employee of any member firm of the Financial Industry Regulatory Authority (FINRA) or any exchange.

### **2. Appointment and Tradability**

You appoint Alpine as your agent for the purpose of carrying out directions for the purchase or sale of securities and warrant that any securities which you may order Alpine to sell are fully and freely marketable and free from any infirmity of any kind, unless you advise Alpine to the contrary in writing before or at the time any order is placed. Alpine may debit from my account any and all reasonable charges as it may deem necessary to cover its services and facilities, including, but not limited to, custody, transaction and termination fees.

### **3. Settlement and Delivery**

You agree to settle all purchases by the end of the day on the third (3rd) business day following the purchase. Alpine shall charge one and one half percent (1.5%) interest to all accounts not settled within that time period and continues to charge one and one half percent interest monthly until the purchase is settled. If you fail to deliver the necessary funds for the securities purchased for your account, which shall be appropriately endorsed and in proper negotiable form, within three (3) business days following the purchase or sale, Alpine may, without demand or notice, close your account and close out any open trade or transaction in your account on any exchange or market, at public or private sale, in a single sale or a series of sales, without advertising the sale.

### **4. Orders**

You authorize Alpine to accept orders from you orally or via telephone, email, or other electronic method for the purchase or sale of securities. You agree to waive any claim or available defense to any claim based on the premise that the order was not in writing or evidenced by a memorandum in writing (as possibly required by any statute).

### **5. Hypothecation**

Until payment has been received, Alpine may hypothecate any of your securities under Alpine control and may commingle your securities with securities carried for the

accounts of other customers.

### **6. Ownership Interest**

You agree that all property which you own or in which you have an ownership interest, whether owned individually, jointly or in the name of another person or entity, which at any time may be in Alpine's possession or control for any purpose, including safekeeping (the Property), shall be subject to a continuing security interest, lien and right of set-off for the discharge and satisfaction of any debts or obligations however arising that you may owe to Alpine at any time and for any reason. Alpine may hold the Property until your debts or obligations to Alpine are fully satisfied. Alpine may liquidate the Property and apply the proceeds of the liquidation of the Property toward the satisfaction of your debts and obligations. To the extent Alpine sells or liquidates any property, you agree that Alpine may choose which property to sell and the timing of any such sale. You agree to be liable to Alpine for any remaining deficiency. Alpine may, in enforcing its security interest, determine which Property to sell and the order of its sale and shall have all the rights and remedies available to a secured party under the Utah Uniform Commercial Code. Unless you obtain prior written consent from Alpine, you represent and warrant that, at all times, the collateral held in your account(s) is not subject to any liens, security interests, mortgages or encumbrances of any nature other than Alpine's security interest.

### **7. Tax Law Indemnification**

In the event that you are required to pay tax upon any securities, commodities or contracts held by Alpine and carried in your account pursuant to the provision of any applicable tax law, you shall indemnify and hold Alpine harmless from any liability incurred by Alpine relating to either those taxes or applicable tax laws, including, but not limited to, attorneys' fees, costs, penalties, interest, or fines. You acknowledge that Alpine reports to the Internal Revenue Service both the proceeds of all sales transactions and all dividends paid.

### **8. Payment**

You agree to pay Alpine, upon demand by Alpine, any balance due on your account. You further agree to pay any and all costs, expenses, and attorneys' fees incurred by Alpine in collecting on your account. You also agree to pay interest at the rate of ten percent per annum on any amount due and owing to Alpine.

### **9. Indemnification**

You agree, on behalf of yourself and any person or entity that you represent, to indemnify and hold Alpine harmless from any claim, liability, or allegation, including, but not limited to, any costs, expenses, losses, damages, fines, penalties, regulatory costs or attorneys' fees, that Alpine may incur as a result of carrying out or executing your orders. You further agree on behalf of yourself and any

person or entity that you represent, to indemnify Alpine (and any of Alpine's successors and assigns) and to hold Alpine harmless from any and all costs, expenses, losses, damages, fines, penalties, regulatory costs, and/or attorneys' fees that result directly or indirectly from your use of your Alpine account and/or any and all failures by you to satisfy your responsibilities as specified in this agreement.

**10. Prevailing Party Clause**

In the event that a dispute arises that is related to this agreement in any way and that results in arbitration, litigation, and/or legal action, you agree to pay Alpine for any and all costs, expenses, and/or attorneys' fees incurred by Alpine should Alpine prevail.

**11. Communications**

Alpine is authorized to send any and all communications, referring in any way to your account, to you at any address, including any email address, given in an Alpine account application, or any other address you may give Alpine in writing. All communications sent to you at any such address is deemed to be given to you personally.

**12. Accurate and Updated Information**

You represent and warrant to Alpine that the information contained in this Agreement and related documents including, but not limited to, the Account Application Form, the W9 Signature Card and the Suitability Questionnaire is complete, true, and accurate. If at any time while you hold an account at Alpine, any event occurs that causes the information provided to no longer be complete, true, and accurate, you agree to immediately notify Alpine in writing and provide Alpine with updated, complete, true and accurate information. You agree that you shall not use your account with Alpine for any illegal purpose or for any type of money laundering or other activity in violation of any state or federal law, rule, regulation, code, or statute.

**13. Transactions Subject to Applicable Rules**

All transactions entered into under this Agreement shall be subject to any applicable constitution, rules, regulations, customs and usages of the exchange or market and its clearinghouse, if any, where such transactions are executed by Alpine or its agents and to all applicable laws, rules and regulations of governmental authorities and self-regulatory agencies. If any provision is enacted that would be inconsistent with any of the provisions of this Agreement, the provision so affected shall be deemed modified or superseded by the enactment, but the remaining provisions of this Agreement shall remain in effect. Except as herein provided, no provision of this Agreement may be waived, altered, modified or amended unless the same is in writing and signed by an authorized official of Alpine.

**14. Credit Reports**

Alpine may obtain reports and provide information to others concerning your credit standing, background and business conduct. Alpine may ask credit reporting agencies for consumer reports of your credit history. Upon your request, Alpine shall inform you whether Alpine has obtained any consumer reports of your credit history and the name and address of the consumer reporting agency that furnished the reports to Alpine.

**15. IRA Accounts**

If you open an IRA Account with Alpine and later decide to transfer all of the assets to another trustee outside of Alpine, Alpine will automatically close your Alpine IRA Account.

CONTINUE TO NEXT PAGE



**16. Pre-Dispute Arbitration Clause**

**(a) This agreement contains a pre-dispute arbitration clause set forth in (b) below. By signing an arbitration agreement the parties acknowledge and agree as follows:**

**(i) 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;**

**(ii) arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited;**

**(iii) the ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings;**

**(iv) 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.**

**(v) the panel of arbitrators may include a minority of arbitrators who were or are affiliated with the securities industry;**

**(vi) the rules of some arbitration forums may impose time limits for bringing a claim in arbitration; and**

**(vii) in some cases, a claim that is ineligible for arbitration may be brought in court.**

**(viii) The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.**

**(b) Based on the foregoing, you agree that any and all claims, causes of action, disputes, or controversies that may arise concerning any transaction between you and Alpine,, any clearing, introducing, or custodial broker, or the officers, directors, representatives, agents, or control persons of any of the foregoing in connection with (i) any provision of or the validity or enforceability of this Agreement, any other agreements, or any arrangement, duty, practice, course of dealing, act or failure to act; (ii) your relationship with any of the foregoing persons; (iii) or any controversy arising out of or in connection with any of the foregoing, shall be submitted to binding arbitration before the Financial Industry Regulatory Authority (FINRA). Arbitration must be commenced by service of a written demand for arbitration or a written notice of intention to arbitrate. The decision and award of the arbitrator(s) shall be conclusive and binding upon all parties. Any judgment upon any award rendered may**

**be entered in a court having jurisdiction thereof, and neither party shall oppose such entry.**

**(c) No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action, or who is a member of a putative class action 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 of any rights under this agreement except to the extent stated above.**

CONTINUE TO NEXT PAGE

#### **17. Integration and Severability**

The provisions of this Agreement shall be continuous, shall cover individually and collectively all accounts which you may open or reopen with Alpine, shall inure to the benefit of Alpine's present organization, and any successor organization or assigns; and shall be binding upon your heirs, executors, administrators, assigns or successors in interest. Should any term or provision of this Agreement be deemed or held to be invalid or unenforceable, the remaining terms and provisions shall continue in full force and effect.

#### **18. Choice of Law**

Except for statutes of limitation applicable to claims, this Agreement and all the terms herein shall be governed and construed in accordance with the laws of the State of Utah without giving effect to principles of conflict of laws. The statute of limitations applicable to any claim shall be that which would be applied by the courts of the state in which you reside or, if you do not reside in the United States, the statute of limitations shall be that which would be applied by the courts in the state where the office of the broker servicing my account is located.

#### **19. Termination**

You acknowledge that Alpine may, in its sole discretion and for any reason, prohibit, halt, or restrict trading of securities or substitution of securities in any of your accounts on either a temporary or permanent basis. You agree to waive any and all claims and/or damages in relation to any such prohibition, halt, or restriction. Alpine may terminate any of your accounts (including multiple owner accounts) at any time. The provisions of this agreement shall survive the termination of any account.

#### **20. Strict Compliance**

Alpine's failure to insist at any time upon strict compliance with any term of this Agreement, or any delay or failure on Alpine's part to exercise any power or right given to Alpine in this Agreement, shall at no time operate as a waiver of such power or right, nor shall any single or partial exercise preclude any other further exercise. All rights and remedies given to Alpine herein are cumulative and not exclusive of any other rights or remedies which Alpine otherwise has.

#### **21. Acts of God**

You acknowledge that Alpine shall not be liable for any loss caused directly or indirectly by condition beyond Alpine's reasonable control, including but not limited to government restrictions, exchange or market rulings, court orders, suspension of trading, war, terrorist acts, strikes or other conditions, commonly known as "acts of God."

#### **22. Customer Instructions**

You agree to indemnify Alpine and hold it harmless from any liability, including attorneys' fees, arising out of or related to any actual or alleged improper or unsuitable actions resulting from instructions you give to Alpine.

#### **23. Wiring Instructions**

You agree that if you request Alpine to send or issue funds by wire, you are responsible for providing Alpine with accurate and complete instructions in relation to the wire transfers. You agree to indemnify and hold Alpine harmless from any and all claims and liabilities relating to your failure to fulfill this responsibility or related to the wire instructions. You further agree that if Alpine should incur a loss in connection with a wire transfer as a result of sole negligence or action on Alpine's part, Alpine's liability will be limited to the actual amount of the misdirected or misapplied funds and no other damages of any other nature including consequential damages will be recoverable.

#### **24. Electronic Services Provisions**

##### **24a. Electronic Services**

For the purpose of this agreement, Alpine's Electronic Services will be defined as any interactive product or service offered by Alpine which allows you to communicate with Alpine or to obtain account or other information from Alpine. This includes, but is not limited to, electronic data communications transmitted to or from your broker through the use of personal, home or business computers connected to the Internet or by a modem or other device to an authorized telecommunications network designated by Alpine. You acknowledge that Alpine may modify, add to, rename or discontinue the Electronic Services offered pursuant to this agreement without prior notice. You further acknowledge that this agreement applies to the Electronic Services as they may be modified, added to or renamed in addition to those Electronic Services currently offered.

##### **24b. Passwords and Security**

You acknowledge that you will be the only authorized user of Alpine's Electronic Services for your account(s). You will be fully responsible for the confidentiality and use of your user names and passwords and you agree that you will be fully and solely responsible for all activities which arise from the use of your user names or passwords. You agree that as a condition of being approved to use Alpine's Electronic Services you will immediately notify Alpine if you become aware of any unauthorized use of your user name(s), password(s) or any product or service related to your brokerage accounts with Alpine.

##### **24c. Use of Electronic Services at Own Risk**

You acknowledge that you are using Alpine's Electronic Services for your convenience and at your own risk and

that Alpine shall have no responsibility for and shall in no event be liable for unauthorized access to your account, as it is your responsibility to protect the confidentiality of your user name and password and take whatever steps you believe are necessary to protect your electronic communications from electronic eavesdropping, hackers and similar activities. You agree that Alpine and/or any of its officers, directors, employees, agents or affiliates will not have any liability to you or any other person whose claims may arise through you for any consequential, incidental, special or indirect damages arising from your use of Alpine's Electronic Services, even if Alpine has been advised of the possibility of such damages. Alpine shall not be responsible for or deemed to be in default under this agreement due to any delay or failure in performance resulting directly or indirectly from any cause beyond Alpine's reasonable control.

**24d. Suspension or Termination of Electronic Services**

You agree that Alpine reserves the right in its sole discretion to suspend or terminate your access to any or all of Alpine's Electronic Services for any reason and without prior notice. You agree not to hold Alpine, its licensors or any third party involved in the provision of Alpine's Electronic Services to you responsible or liable for any disruptions in service due to telephone network, computer network or other system problems beyond the control of Alpine, its licensors or any third party involved in the provision of Alpine's Electronic Services, system maintenance or system upgrades; or any other event or circumstance beyond the control of Alpine, its licensors or any third party involved in the provision of Alpine's Electronic Services.

**24e. Amendments**

You agree that Alpine may change the terms and conditions of your use of Alpine's Electronic Services upon notice to you. You agree to use Alpine's Electronic Services only in accordance with the terms and conditions specified in this agreement as amended from time to time by Alpine, and that any amendments to the terms and conditions will be deemed effective upon dissemination by Alpine. Use of Alpine's Electronic Services after receipt of such amendments will be deemed to be acceptance of such amendments.

**24f. No Warranties; Limitation on Liability**

You agree that there are no warranties, express or implied, with respect to Alpine's Electronic Services, including, but not limited to, any implied warranties of merchantability, reasonable care, fitness for a particular purpose or against intellectual property infringement, made by Alpine, its licensors or any third party involved in the provision of electronic services. You further agree that the sole liability of Alpine or its licensors or any third party involved in the provision of Alpine's Electronic Services for any claims, notwithstanding the form of such claims (e.g., contact,

negligence or otherwise), arising out of errors or omissions in Alpine's Electronic Services provided or to be provided hereunder shall be to furnish the correct report or data. You further agree that you shall not hold Alpine, its information providers or any third party involved in the provision of Alpine's Electronic Services liable in any way for any loss or damage arising from or occasioned by any force majeure (e.g., flood, extraordinary weather conditions, earthquake or other act of God, fire, war, insurrection, riot, labor dispute, accident, action of government, communications or power failure, equipment or software malfunction) or by any other cause beyond such party's reasonable control. In no event will Alpine, its licensors or any third party involved in the provision of Alpine's Electronic Services (or any of their respective officers, directors, employees, agents or affiliates) be responsible for special, indirect, incidental or consequential damages, whether or not reasonably foreseeable, and even if advised of the possibility of such damages, which you may incur or experience on account of entering into or relying on this agreement or as a result of your use of or reliance on Alpine's Electronic Services. You acknowledge that such licensors and any third party involved in the provision of Alpine's Electronic Services (or any of their respective officers, directors, employees, agents or affiliates) are third party beneficiaries of, and are relying upon the provisions in this agreement that may be applicable to them.

**Disclosures and Additional Information**

**In addition to agreeing to all of the above provisions, by signing below and submitting this Alpine Account Application, you also acknowledge that you have read and understand all of the following:**

**25. Important Information about Procedures for Opening This Account**

To help the 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. Client is required to provide the following information, among other items, on new account forms; name, address, date of birth and other information that will allow Alpine to confirm Client's identity.

In addition, your broker may ask to see a valid driver's license or other identifying documents.

## **26. Business Continuity Plan**

Information on Alpine's Business Continuity Plan is available on the company's website, <http://www.alpine-securities.com/Legal/businessContinuityPlan.aspx> or by calling 801-355-5588.

## **27. Privacy Policy**

Alpine Securities Corporation (Alpine), understands that privacy is an important issue for our customers, Alpine places a high priority on the protection of personal information that you provide to us. Alpine is committed to protecting your privacy and the confidentiality of your personal financial information. Please be aware that this policy applies to former customers as well as current customers and to customers of correspondent broker dealers for which we clear transactions.

### **27a. Sharing Information**

Alpine does not disclose personal information to nonaffiliated third parties, unless one of the following applies:

- Alpine discloses information to service providers that assist us in processing your transactions or servicing your account. An example would be the company that prints and mails your account statements.
- Alpine discloses personal information if required by law.
- Alpine shares information with our affiliates in order to serve you more efficiently and make it more convenient for you to do business with us. We are permitted by law to share information with our affiliates about your account history. Our affiliates have similar privacy policies.

### **27b. How Information is Obtained**

"Information collected by us may come from the following sources:

- Account Applications – information received from you such as your name, address, telephone number, social security number, occupation, income, etc. Alpine strives to provide the best service to you, so it is important to keep this information complete and accurate. Please contact your account representative if you need to update or correct this personal information.
- Transactions – information relating to trading, account balances, positions, etc.

- Other sources – information which may be received from other sources with your consent.

## **27c. How You Are Protected**

Alpine uses physical, electronic and procedural system safeguards to store and secure information about you in compliance with federal standards. Our system protects your information from unauthorized access and use. Access is permitted only to those individuals within our organization who need the information to perform their job responsibilities. Alpine provides you with a copy of this policy when you open an account, and we send you notifications annually thereafter. If we change this policy or find it necessary to disclose your personal information in a way that is inconsistent with this policy, we will notify you in advance and give you the opportunity to "opt out" of such disclosure.

## **28. Remuneration and Compensation Disclosure**

Please be advised that Alpine will receive remuneration, compensation, or other consideration for directing customer orders to particular Broker/Dealers or market centers for execution. Unpriced orders can be executed at prices superior to the displayed national best bid or offer and the time the order is received. The source and nature of any compensation received in connection with your particular transaction will be furnished upon request. A detailed explanation of order routing will be provided to you on an annual basis.

## **29. Dreyfus Funds**

Alpine may invest the free credit balance in your account in a money market fund managed by The Dreyfus Corporation which is not under Alpine's control. Dreyfus money market funds are not FDIC or SIPC insured. Information regarding the Dreyfus money market funds may be obtained at [dreyfus.com](http://dreyfus.com). Alpine may receive a fee for services it performs with respect to the Dreyfus money market accounts.

## **30. Questions and Complaints**

If you have any concerns or complaints regarding your account, you may contact Alpine's Compliance Department directly at (801) 355-5588. Any correspondence should be directed to Alpine Securities, Inc. Attn: Compliance Department, 440 East 400 South, Salt Lake City, UT 84111.



**"By signing below, you, the Customer:**

- (a) represent and warrant that the information you provided in this Alpine Securities Account Application is true and accurate;**
- (b) agree to all of the above terms of the Customer Agreement;**
- (c) acknowledge that you have read and understand the entire agreement, disclosures, and additional information above;**
- (c) certify that you have been provided with a copy of this Agreement; and**
- (d) acknowledge that the Agreement contains a PRE-DISPUTE ARBITRATION CLAUSE, located in paragraph 16 on page 6, that applies to ALL CLAIMS arising in connection with the Agreement and your account at Alpine.**
- (e) acknowledge receipt, on or prior to the date below, of the risk disclosure document titled "Important Information on Penny Stocks". I have had the opportunity to read this document and discuss any questions regarding the suitability of this type of investment with an agent of Alpine Securities.**

**The Customer:**

_____	_____	_____
Signature	Print Name	Date

**Joint Tenant Customer (if applicable):**

_____	_____	_____
Signature	Print Name	Date

**Registered Representative:**

_____	_____	_____
Signature	Print Name	Date

**Principal Approval**

_____	_____	_____
Signature	Print Name	Date

**Principal Trust Company**

A member of



Mailing Address:  
 P.O. Box 8963  
 Wilmington, DE 19899-8963  
 800-209-9010 Fax: 302-999-9554

**Application for Traditional,  
 Roth, Rollover, & SEP IRA**

**Check One:**

New Contribution Year 20 \_\_\_\_\_  Transfer

**Check One:**

Traditional  Roth  Rollover  SEP  Beneficiary IRA

**For Roth Accounts Only Check All Boxes That Apply**

New  Partial  Total Conversion Amount \$ \_\_\_\_\_

Conversion from my existing Delaware Charter Guarantee Trust Company d/b/a Principal Trust Company (Principal Trust Company) IRA # \_\_\_\_\_ to a Roth IRA.

Conversion from my existing account at \_\_\_\_\_ to a Roth IRA.

**Please Complete the Following Information**

Name			
Street Address (Required)		City	State ZIP Code
Mailing Address (if different may use P.O. Box)		City	State ZIP Code
Phone No.	Date of Birth	Social Security No.	

**Beneficiary(ies):**

**(If more than one Primary beneficiary is listed, make sure percentage is noted and totals 100%.)**

Primary Beneficiary(ies)	Percentage	Relationship	Date of Birth	Social Security No.
_____	_____%	_____	_____	_____
_____	_____%	_____	_____	_____
_____	_____%	_____	_____	_____
_____	_____%	_____	_____	_____
<b>Contingent Beneficiary(ies):</b> (Replaces Primary noted above if Primary predeceases the Contingent)				
_____	_____%	_____	_____	_____
_____	_____%	_____	_____	_____
_____	_____%	_____	_____	_____
_____	_____%	_____	_____	_____

**Note:** Please consult with your tax and/or legal advisor on the enforceability of your beneficiary designation under your particular state laws.

**I appoint Principal Trust Company to serve as Trustee. By making this appointment, I agree to and acknowledge the following:**

- I have read and understand the Trust Agreement, Disclosure Statement, and Schedule of Trustee Fees and agree to abide by the terms of the plan documents listed above.
- I have read and understand the information provided in the Instructions regarding float.
- I agree to pay all applicable fees described in the Schedule of Trustee Fees, which may be changed from time to time. If I do not pay such Trustee fees directly, I authorize my investment representative as "custodian" to debit such Trustee fees from my retirement plan account.
- I understand Principal Trust Company is not an investment advisor and does not supervise or control my investment representative. Principal Trust Company does not endorse any particular investment. I agree to use independent judgment in making my investment decisions.
- I agree to resolve disputes with Principal Trust Company through binding arbitration. See Article 5.8G of the Trust Agreement.
- I certify that the above Social Security numbers are true and correct.

Applicant's Signature	Date
-----------------------	------

**To be Completed by Representative**

Representative's Name	Firm
Address	Individual's Account No
Phone No.	Email Address

**Approval of Trustee**

The foregoing Application is hereby approved by the Trustee this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

Attest \_\_\_\_\_ by \_\_\_\_\_

**Please retain a copy for your records.**

**Additional Information for Beneficiary IRA (Required)**

**I am the Beneficiary of the following IRA** (Complete Decedent Information)

Name	Date of Birth	
Date of Death	Social Security No.	Account No.

If the decedent's IRA is held at another firm, a Beneficiary IRA must be established at the other firm before transferring to Principal Trust Company. If the decedent's IRA is currently with Principal Trust Company, please send a certified copy of the death certificate.

**I am a**

Spouse Beneficiary

Non-Spouse Beneficiary \_\_\_\_\_ (example: brother/sister/niece)

Entity Beneficiary \_\_\_\_\_ (example: charitable institution)

Trust Beneficiary (Please supply a copy of trust document)

**Simplified Employee Pension—Individual  
Retirement Accounts Contribution Agreement**

(Under section 408(k) of the Internal Revenue Code)

**Do not file  
with the Internal  
Revenue Service**

\_\_\_\_\_ makes the following agreement under section 408(k) of the Internal Revenue Code and the instructions to this form.  
(Name of employer)

**Article I—Eligibility Requirements** (check applicable boxes—see instructions)

The employer agrees to provide discretionary contributions in each calendar year to the individual retirement account or individual retirement annuity (IRA) of all employees who are at least \_\_\_\_\_ years old (not to exceed 21 years old) and have performed services for the employer in at least \_\_\_\_\_ years (not to exceed 3 years) of the immediately preceding 5 years. This simplified employee pension (SEP)  includes  **does not** include employees covered under a collective bargaining agreement,  includes  **does not** include certain nonresident aliens, and  includes  **does not** include employees whose total compensation during the year is less than \$450\*.

**Article II—SEP Requirements** (see instructions)

The employer agrees that contributions made on behalf of each eligible employee will be:

- A.** Based only on the first \$205,000\* of compensation.
- B.** The same percentage of compensation for every employee.
- C.** Limited annually to the smaller of \$41,000\* or 25% of compensation.
- D.** Paid to the employee's IRA trustee, custodian, or insurance company (for an annuity contract).

\_\_\_\_\_  
Employer's signature and date

\_\_\_\_\_  
Name and title

**Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Purpose of Form**

Form 5305-SEP (Model SEP) is used by an employer to make an agreement to provide benefits to all eligible employees under a simplified employee pension (SEP) described in section 408(k).

Do not file Form 5305-SEP with the IRS. Instead, keep it with your records.

For more information on SEPs and IRAs, see Pub. 560, Retirement Plans for Small Business (SEP, SIMPLE, and Qualified Plans), and Pub. 590, Individual Retirement Arrangements (IRAs).

**Instructions to the Employer**

**Simplified employee pension.** A SEP is a written arrangement (a plan) that provides you with an easy way to make contributions toward your employees' retirement income. Under a SEP, you can contribute to an employee's traditional individual retirement account or annuity (traditional IRA). You make contributions directly to an IRA set up by or for each employee with a bank, insurance company, or other qualified financial institution. When using Form 5305-SEP to establish a SEP, the IRA must be a Model traditional IRA established on an IRS form or a master or prototype traditional IRA for which the IRS has issued a favorable opinion letter. You may not make SEP contributions to a Roth IRA or a SIMPLE IRA. Making the agreement on Form 5305-SEP does not establish an employer IRA described in section 408(c).

**When not to use Form 5305-SEP.** Do not use this form if you:

1. Currently maintain any other qualified retirement plan. This does not prevent you from maintaining another SEP.
2. Have any eligible employees for whom IRAs have not been established.
3. Use the services of leased employees (described in section 414(n)).
4. Are a member of an affiliated service group (described in section 414(m)), a controlled group of corporations (described in section 414(b)), or trades or businesses under common control (described in sections 414(c) and 414(o)), unless all eligible employees of all the members of such groups, trades, or businesses participate in the SEP.
5. Will not pay the cost of the SEP contributions. Do not use Form 5305-SEP for a SEP that provides for elective employee contributions even if the contributions are made under a salary reduction agreement. Use Form 5305A-SEP, or a nonmodel SEP.

**Note.** SEPs permitting elective deferrals cannot be established after 1996.

**Eligible employees.** All eligible employees must be allowed to participate in the SEP. An eligible employee is any employee who: (1) is at least 21 years old, and (2) has performed "service" for you in at least 3 of the immediately preceding 5 years. You can establish less restrictive eligibility requirements, but not more restrictive ones.

Service is any work performed for you for any period of time, however short. If you are a member of an affiliated service group, a controlled group of corporations, or trades or businesses under common control, service includes any work performed for any period of time for any other member of such group, trades, or businesses.

**Excludable employees.** The following employees do not have to be covered by the

SEP: (1) employees covered by a collective bargaining agreement whose retirement benefits were bargained for in good faith by you and their union, (2) nonresident alien employees who did not earn U.S. source income from you, and (3) employees who received less than \$450\* in compensation during the year.

**Contribution limits.** You may make an annual contribution of up to 25% of the employee's compensation or \$41,000\*, whichever is less. Compensation, for this purpose, does not include employer contributions to the SEP or the employee's compensation in excess of \$205,000\*. If you also maintain a salary reduction SEP, contributions to the two SEPs together may not exceed the smaller of \$41,000\* or 25% of compensation for any employee.

You are not required to make contributions every year, but when you do, you must contribute to the SEP-IRAs of all eligible employees who actually performed services during the year of the contribution. This includes eligible employees who die or quit working before the contribution is made.

Contributions cannot discriminate in favor of highly compensated employees. Also, you may not integrate your SEP contributions with, or offset them by, contributions made under the Federal Insurance Contributions Act (FICA).

If this SEP is intended to meet the top-heavy minimum contribution rules of section 416, but it does not cover all your employees who participate in your salary reduction SEP, then you must make minimum contributions to IRAs established on behalf of those employees.

**Deducting contributions.** You may deduct contributions to a SEP subject to the limits of section 404(h). This SEP is maintained on a calendar year basis and contributions to the

\* For 2005 and later years, this amount is subject to annual cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS website at www.irs.gov.



SEP are deductible for your tax year with or within which the calendar year ends. Contributions made for a particular tax year must be made by the due date of your income tax return (including extensions) for that tax year.

**Completing the agreement.** This agreement is considered adopted when:

- IRAs have been established for all your eligible employees;
- You have completed all blanks on the agreement form without modification; and
- You have given all your eligible employees the following information:

1. A copy of Form 5305-SEP.
2. A statement that traditional IRAs other than the traditional IRAs into which employer SEP contributions will be made may provide different rates of return and different terms concerning, among other things, transfers and withdrawals of funds from the IRAs.
3. A statement that, in addition to the information provided to an employee at the time the employee becomes eligible to participate, the administrator of the SEP must furnish each participant within 30 days of the effective date of any amendment to the SEP, a copy of the amendment and a written explanation of its effects.
4. A statement that the administrator will give written notification to each participant of any employer contributions made under the SEP to that participant's IRA by the later of January 31 of the year following the year for which a contribution is made or 30 days after the contribution is made.

Employers who have established a SEP using Form 5305-SEP and have furnished each eligible employee with a copy of the completed Form 5305-SEP and provided the other documents and disclosures described in *Instructions to the Employer and Information for the Employee*, are not required to file the annual information returns, Forms 5500 or 5500-EZ for the SEP. However, under Title I of the Employee Retirement Income Security Act of 1974 (ERISA), this relief from the annual reporting requirements may not be available to an employer who selects, recommends, or influences its employees to choose IRAs into which contributions will be made under the SEP, if those IRAs are subject to provisions that impose any limits on a participant's ability to withdraw funds (other than restrictions imposed by the Code that apply to all IRAs). For additional information on Title I requirements, see the Department of Labor regulation at 29 CFR 2520.104-48.

**Information for the Employee**

The information below explains what a SEP is, how contributions are made, and how to treat your employer's contributions for tax purposes. For more information, see Pub. 590.

**Simplified employee pension.** A SEP is a written arrangement (a plan) that allows an employer to make contributions toward your retirement. Contributions are made to a traditional individual retirement account/annuity (traditional IRA). Contributions must be made to either a Model traditional IRA executed on an IRS form or a master or prototype traditional IRA for which the IRS has issued a favorable opinion letter.

An employer is not required to make SEP contributions. If a contribution is made, however, it must be allocated to all eligible employees according to the SEP agreement. The Model SEP (Form 5305-SEP) specifies that the contribution for each eligible employee will be the same percentage of compensation (excluding compensation greater than \$205,000\*) for all employees.

Your employer will provide you with a copy of the agreement containing participation rules and a description of how employer contributions may be made to your IRA. Your employer must also provide you with a copy of the completed Form 5305-SEP and a yearly statement showing any contributions to your IRA.

All amounts contributed to your IRA by your employer belong to you even after you stop working for that employer.

**Contribution limits.** Your employer will determine the amount to be contributed to your IRA each year. However, the amount for any year is limited to the smaller of \$41,000\* or 25% of your compensation for that year. Compensation does not include any amount that is contributed by your employer to your IRA under the SEP. Your employer is not required to make contributions every year or to maintain a particular level of contributions.

**Tax treatment of contributions.** Employer contributions to your SEP-IRA are excluded from your income unless there are contributions in excess of the applicable limit. Employer contributions within these limits will not be included on your Form W-2.

**Employee contributions.** You may make regular IRA contributions to an IRA. However, the amount you can deduct may be reduced or eliminated because, as a participant in a SEP, you are covered by an employer retirement plan.

**SEP participation.** If your employer does not require you to participate in a SEP as a condition of employment, and you elect not to participate, all other employees of your employer may be prohibited from participating. If one or more eligible employees do not participate and the employer tries to establish a SEP for the remaining employees, it could cause adverse tax consequences for the participating employees.

An employer may not adopt this IRS Model SEP if the employer maintains another qualified retirement plan. This does not prevent your employer from adopting this IRS Model SEP and also maintaining an IRS Model Salary Reduction SEP or other SEP. However, if you work for several employers, you may be covered by a SEP of one employer and a different SEP or pension or profit-sharing plan of another employer.

**SEP-IRA amounts—rollover or transfer to another IRA.** You can withdraw or receive funds from your SEP-IRA if, within 60 days of receipt, you place those funds in the same or another IRA. This is called a "rollover" and can be done without penalty only once in any 1-year period. However, there are no restrictions on the number of times you may make "transfers" if you arrange to have these funds transferred between the trustees or the custodians so that you never have possession of the funds.

**Withdrawals.** You may withdraw your employer's contribution at any time, but any amount withdrawn is includible in your income unless rolled over. Also, if withdrawals

occur before you reach age 59½, you may be subject to a tax on early withdrawal.

**Excess SEP contributions.** Contributions exceeding the yearly limitations may be withdrawn without penalty by the due date (plus extensions) for filing your tax return (normally April 15), but are includible in your gross income. Excess contributions left in your SEP-IRA after that time may have adverse tax consequences. Withdrawals of those contributions may be taxed as premature withdrawals.

**Financial institution requirements.** The financial institution where your IRA is maintained must provide you with a disclosure statement that contains the following information in plain, nontechnical language:

1. The law that relates to your IRA.
2. The tax consequences of various options concerning your IRA.
3. Participation eligibility rules, and rules on the deductibility of retirement savings.
4. Situations and procedures for revoking your IRA, including the name, address, and telephone number of the person designated to receive notice of revocation. This information must be clearly displayed at the beginning of the disclosure statement.
5. A discussion of the penalties that may be assessed because of prohibited activities concerning your IRA.
6. Financial disclosure that provides the following information:
  - a. Projects value growth rates of your IRA under various contribution and retirement schedules, or describes the method of determining annual earnings and charges that may be assessed.
  - b. Describes whether, and for when, the growth projections are guaranteed, or a statement of the earnings rate and the terms on which the projections are based.
  - c. States the sales commission for each year expressed as a percentage of \$1,000.

In addition, the financial institution must provide you with a financial statement each year. You may want to keep these statements to evaluate your IRA's investment performance.

**Paperwork Reduction Act Notice.** You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is:

<b>Recordkeeping</b> . . . . .	1 hr., 40 min.
<b>Learning about the law or the form</b> . . . . .	1 hr., 35 min.
<b>Preparing the form</b> . . . . .	1 hr., 41 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224. Do not send this form to this address. Instead, keep it with your records.

## YOUR RIGHTS

**Disclosures.** Under penalty of federal law, [effective January 1, 1993] your brokerage firm must tell you the following information at two different times—**before** you agree to buy or sell a penny stock, and after the trade, by **written confirmation**:

- **The bid and offer price quotes for penny stock, and the number of shares to which the quoted prices apply.**

The **bid** and **offer** quotes are the wholesale prices at which dealers trade among themselves. These prices give you an idea of the market value of the stock. The dealer must tell you these price quotes if they appear on an automated quotation system approved by the SEC. If not, the dealer must use its own quotes or trade prices. You should calculate the **spread**, the difference between the bid and offer quotes, to help decide if buying the stock is a good investment.

A lack of quotes may mean that the market among dealers is not active. It thus may be difficult to resell the stock. You also should be aware that the actual price charged to you for the stock may differ from the price quoted to you for 100 shares. You should therefore determine, before you agree to a purchase, what the actual sales price (before the **markup**) will be for the exact number of share you want to buy.

- **The brokerage firm's compensation for the trade.** A **markup** is the amount a dealer adds to the wholesale offer price of the stock and a **markdown** is the amount it subtracts from the wholesale bid price of the stock as **compensation**. A markup/markdown usually serves the same role as a broker's commission on a trade. Most of the firms in the penny stock market will be dealers, not brokers.

- **The compensation received by the brokerage firm's salesperson for the trade.** The brokerage firm must disclose to you, as a total sum, the cash compensation of your salesperson for the trade that is known at the time of the trade. The firm must describe in the written confirmation the nature of any other compensation of your salesperson that is unknown at the time of the trade.

In addition to the items listed above, your brokerage firm must send to you:

- **Monthly account statements.** **In general, [effective January 1, 1993] your brokerage firm must send you a monthly statement** that gives an estimate of the value of each penny stock in your account, if there is enough information to make an estimate. If the firm has not bought or sold any penny stocks for your account for six months, it can provide these statements every three months.

- **A Written Statement of Your Financial Situation and Investment Goals.** In general, unless you have had an account with your brokerage firm for more than one year, or you have previously bought three different penny stocks from that firm, your brokerage firm must send you a written statement for you to sign that accurately describes your financial situation, your investment experience, and your investment goals, and that contains a statement of why your firm decided that penny stocks are a suitable investment for you. The firm also must get your written consent to buy the penny stock.

**Legal remedies.** If penny stocks are sold to you in violation of your rights listed above, or other federal or state securities laws, you may be able to cancel your purchase and get your money back. If the stocks are sold in a fraudulent manner, you may be able to sue the persons and firms that caused the fraud or damages. If you have signed an arbitration agreement, however, you may have to pursue your claim through arbitration. You may wish to contact an attorney. The SEC is not authorized to represent individuals in private litigation.

However, to protect yourself and other investors, you should report any violations of your brokerage firm's duties listed above and other securities laws to the SEC, FINRA, or your state securities administrator at the telephone numbers on the first page of this document. These bodies have the power to stop fraudulent and abusive activity of salespersons and firms engaged in the securities business. You can contact FINRA by calling 301 590-6500 or visit their website at <http://www.finra.org/investors/contacts/> to find a location near you.

## FURTHER INFORMATION

THE SECURITIES BEING SOLD TO YOU HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION. MOREOVER, THE SECURITIES AND EXCHANGE COMMISSION HAS NOT PASSED UPON THE FAIRNESS OR THE MERITS OF THIS TRANSACTION NOR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN ANY PROSPECTUS OR ANY OTHER INFORMATION PROVIDED BY AN ISSUER OR A BROKER OR DEALER.

Generally, penny stock is a security that:

- Is priced under five dollars;
- Is **not** traded on a national stock exchange or on NASDAQ;
- May be listed in the “pink sheets” or the NASD OTC Bulletin Board;
- Is issued by a company that has less than \$5 million in net tangible assets and has been in business less than three years, by a company that has under \$2 million in net tangible assets and has been in business for at least three years, or by a company that has revenues of \$6 for 3 years.

**Use caution when investing in penny stocks:**

1. **Do not make a hurried investment decision.** High-pressure sales techniques can be a warning sign of fraud. The salesperson is not an impartial advisor, but is paid for selling stock to you. The salesperson also does not have to watch your investment for you. Thus, you should think over the offer and seek outside advice. Check to see if the information given by the salesperson differs from other information you may have. Also, it is illegal for salespersons to promise that a stock will increase in value or is risk-free, or to guarantee against loss. If you think there is a problem, ask to speak with a compliance official at the firm, and, if necessary, any of the regulators referred to in this statement.

2. Study the company issuing the stock. Be wary of companies that have no operating history, few assets, or no defined business purpose. These may be sham or “shell” corporations. Read the prospectus for the company carefully before you invest. Some dealers fraudulently solicit investors’ money to buy stock in sham companies, artificially inflate the stock prices, then cash in their profits before public investors can sell their stock.

3. **Understand the risky nature of these stocks.** You should be aware that you may lose part or all of your investment. Because of large dealers spreads, you will not be able to sell the stock immediately back to the dealer at the same price it sold the stock to you. In some cases, the stock may fall quickly in value. New companies, whose stock is sold in an “initial public offering,” often are riskier investments. Try to find out if the shares the salesperson wants to sell you are part of such an offering. Your salesperson must give you a “prospectus” in an initial public offering, but the financial condition shown in the prospectus of new companies can change very quickly.

4. **Know the brokerage firm and the salespeople with whom you are dealing.** Because of the nature of the market for penny stock, you may have to rely solely on the original brokerage firm that sold you the stock for prices and to buy the stock back from you. Ask the National Association of Securities Dealers, Inc. (NASD) or your state securities regulator, which is a member of the North American Securities Administrator Association, Inc. (NASAA), about the licensing and disciplinary record of the brokerage firm and the salesperson contacting you. The telephone numbers of the NASD and NASAA are listed on the first page of this document.

5. **Be cautious if your salesperson leaves the firm.** If the salesperson who sold you the stock leaves his or her firm, the firm may reassign your account to a new salesperson. If you have problems, ask to speak to the firm’s branch office manager or a compliance officer. Although the departing salesperson may ask you to transfer your stock to his or her new firm, you do not have to do so. Get information on the new firm. Be wary of requests to sell your securities when the salesperson transfers to a new firm. Also, you have the right to get your stock certificate from your selling firm. You do not have to leave the certificate with that firm or any other firm.

## MARKET INFORMATION

**The market for penny stocks.** Penny stocks usually are not listed on an exchange or quoted on the NASDAQ system. Instead, they are traded between dealers on the telephone in the “over-the-counter” market. The NASD’s OTC Bulletin Board also will contain information on some penny stocks. At times, however, price information for these stocks is not publicly available.

**Market domination.** In some cases, only one or two dealers, acting as “market makers,” may be buying and selling a given stock. You should first ask if a firm is acting as a **broker** (your agent) or as a dealer. A **dealer** buys stock itself to fill your order or already owns the stock. A **market maker** is a dealer who holds itself out as ready to buy and sell stock on a regular basis. If the firm is a market maker, ask how many other market makers are dealing in the stock to see if the firm (or group of firms) dominates the market. When there are only one or two market makers, there is a risk that the dealer or group of dealers may control the market in that stock and set prices that are not based on competitive forces. In recent years, some market makers have created fraudulent markets in certain penny stocks, so that stock prices rose suddenly, but collapsed just as quickly, at a loss to investors.

**Mark-ups and mark-downs.** The actual price that the customer pays usually includes the mark-up or mark-down. Markups and markdowns are direct profits for the firm and its salespeople, so you should be aware of such amounts to assess the overall value of the trade.

**The “spread.”** The difference between the bid and offer price is the spread. Like a mark-up or markdown, the spread is another source of profit for the brokerage firm and compensates the firm for the risk of owning the stock. A large spread can make a trade very expensive to an investor. For some penny stocks, the spread between the bid and offer may be a large part of the purchase price of the stock. Where the bid price is much lower than the offer price, the market value of the stock must rise substantially before the stock can be sold at a profit. Moreover, an investor may experience substantial losses if the stock must be sold immediately.

**Example:** If the bid is \$0.04 per share and the offer is \$0.10 per share, the spread (difference) is \$0.06, which appears to be a small amount. But you would lose \$0.06 on every share that you bought for \$0.10 if you had to sell that stock immediately to the same firm. If you had invested \$5,000 at the \$0.10 offer price, the market maker’s repurchase price, at \$0.04 bid, would be only \$2,000; thus you would lose \$3,000, or more than half of your investment, if you decided to sell the stock. In addition, you would have to pay compensation (a “mark-up,” “mark-down,” or commission) to buy and sell the stock.

**In addition to the amount of the spread,** the price of your stock must rise enough to make up for the compensation that the dealer charged you when it first sold you the stock. Then, when you want to resell the stock, a dealer again will charge compensation, in the form of a markdown. The dealer subtracts the markdown from the price of the stock when it buys the stock from you. Thus, to make a profit, the bid price of your stock must rise above the amount of the original spread, the markup, and the markdown.

**Primary offering.** Most penny stocks are sold to the public on an ongoing basis. However, dealers sometimes sell these stocks in initial public offerings. You should pay special attention to stocks of companies that have never been offered to the public before, because the market for these stocks is untested. Because the offering is on a first-time basis, there is generally no market information about the stock to help determine its value. The federal securities laws generally require broker-dealers to give investors a “prospectus,” which contains information about the objectives, management, and financial condition of the issuer. In the absence of market information, investors should read the company’s prospectus with special care to find out if the stocks are a good investment. However, the prospectus is only a description of the current condition of the company. The outlook of the start-up companies described in a prospectus often is very uncertain.

**For more information about penny stocks**, contact the Office of Files, Information, and Consumer Services of the U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, (202) 272-7440.

### **IMPORTANT INFORMATION ON PENNY STOCKS**

**This statement is required by the U.S. Securities and Exchange Commission (SEC) and contains important information on penny stocks. You are urged to read it before making a purchase or sale.**

**Penny stocks can be very risky.**

- Penny stocks are low-priced shares of small companies not traded on an exchange or quoted on NASDAQ. Prices often are not available. Investors in penny stocks often are unable to sell stock back to the dealer that sold them the stock. Thus, you may lose your investment. Be cautious of newly issued penny stock.
- Your salesperson is not an impartial advisor but is paid to sell you the stock. Do not rely only on the salesperson, but seek outside advice before you buy any stock. If you have problems with a salesperson, contact the firm's compliance officer or the regulators listed below.

#### **Information you should get.**

- **Before you buy the penny stock**, [effective January 1, 1993] federal law requires your salesperson to tell you the "**offer**" and the "**bid**" on the stock, and the "**compensation**" the salesperson and the firm receive for the trade. The firm also must mail a confirmation of these prices to you after the trade.
- You will need this price information to determine what profit, if any, you will have when you sell your stock. The offer price is the wholesale price at which the dealer is willing to sell stock to other dealers. The bid price is the wholesale price at which the dealer is willing to buy the stock from other dealers. In its trade with you, the dealer may add a retail charge to these wholesale prices as compensation (called a "markup" or "markdown").
- The difference between the bid and the offer price is the dealer's "**spread**." A spread that is large compared with the purchase price can make a resale of stock very costly. To be profitable when you sell, the bid price of your stock must rise above the amount of this spread **and** the compensation charged by both your selling and purchasing dealers. If the dealer has no bid price, you may not be able to sell the stock after you buy it, and may lose your whole investment.

#### **Brokers' duties and customer's rights and remedies.**

If you are a victim of fraud, you may have rights and remedies under state and federal law. You can get the disciplinary history of a salesperson or firm from FINRA's BrokerCheck Hotline at (800) 289-9999, and additional information from your state securities official, at FINRA's central number: (301) 590-6500. You also may contact the SEC with complaints at (202) 272-7440.



## **What You Need to Know About Non-DTC Eligible Securities:**

Non-DTC eligible securities are securities which, due to restrictions imposed by the Depository Trust Company, cannot be deposited electronically. As a result, Alpine is required to make physical delivery each time a sale is completed in such a security. In order to deliver shares to a buyer, Alpine must send physical certificates on file to transfer before sending the appropriate denomination of shares in physical certificate form to the clearing firm of the buyer.

## **Alpine's Non-DTC Eligible Securities Policy:**

Due to their labor-intensive and high-risk nature, Alpine has a unique policy for non-DTC eligible securities, detailed below.

**Deposit Charge.** Alpine charges \$1,000 per deposit of non-DTC eligible securities.

**Additional Charges.** Alpine charges the customer all transfer, delivery, or other fees that are required to settle trades.

**Extended Waiting Period.** Alpine will not disburse any proceeds from the sale of non-DTC eligible securities until thirty (30) days after the trade settlement day.

**Buy-In Risk.** If, for any reason, Alpine fails to deliver and the buyer's firm initiates a buy-in or close-out procedure, Alpine will pass on any resulting charges to the customer.

If you have any questions, please discuss them with your broker and ensure you thoroughly understand this policy before you send Alpine any certificates or initiate any deposits in non-DTC eligible securities.



# Certification Regarding Beneficial Owners of Legal Entity Customers

## I. General Instructions

### What is this form?

To help the government fight financial crime, federal regulation requires certain financial institutions to obtain, verify, and record information about the beneficial owners of legal entity customers. Legal entities can be abused to disguise involvement in terrorist financing, money laundering, tax evasion, corruption, fraud, and other financial crimes. Requiring the disclosure of key individuals who ultimately own or control a legal entity (i.e., the beneficial owners) helps law enforcement investigate and prosecute these crimes.

### Who must complete this form?

This form must be completed by the person opening a new account on behalf of a legal entity with any of the following U.S. financial institutions: (i) a bank or credit union; (ii) a broker or dealer in securities; (iii) a mutual fund; (iv) a futures commission merchant; or (v) an introducing broker in commodities.

For purposes of this form, a **legal entity** includes a corporation, limited liability company, or other entity that is create by a filing of a public document with a Secretary of State of similar office, a general partnership, and any similar business entity formed in the United States of a foreign country. **Legal Entity** does not include sole proprietorships, unincorporated associations, or natural persons opening accounts on their own behalf.

### What information does Alpine require I provide?

This form requires you to provide the name, address, date of birth and Social Security number (or passport number or other similar information, In the case of Non-U.S. Persons) for the following individuals (i.e., the *beneficial owners*):

- (i) Each individual, if any, who owns, directly or indirectly, 10 percent or more of the equity interests of the legal entity customer (e.g., each natural person that owns 10 percent or more of the shares of a corporation); and
- (ii) An individual with significant responsibility for managing the legal entity customer (e.g., a Chief Executive Officer, Chief Financial Officer, Chief Operation Officer, Managing Member, General partners, Vice President, or Treasurer).

If any beneficial owner identified under (i) or (ii) is also a legal entity, you must provide information regarding beneficial ownership to the extent that a natural person or persons are identified (i.e., If A is owned by B, and B is owned by C, you must provide documentation to evidence ownership of B for Alpine to verify the person(s) who own C).

### What documentation does Alpine require I provide?

1. A complete, signed and dated copy of this form
2. A copy a validly issued Government ID for *each* beneficial owner listed on this form
3. Business formation documents for all entities listed on this form (articles of incorporation, LLC agreement etc.)

## II. Certification of Beneficial Owner(s) *(Additional pages are available for circumstances in which more than four beneficial owners exist. Please contact your broker for the additional documentation)*

Name of Person opening the account	Title of Person opening the account
Name of legal entity opening the account	Type of legal entity opening the account (i.e. LLC, LP, Trust)



Address of legal entity for which the account is being opened

A. The following information for *each* individual, if any, who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, owns **10% or more** of the equity interests of the legal entity listed above. If no individual meets this definition, please write "not applicable".

**Beneficial Owner 1 - Percentage of Ownership: \_\_\_\_\_%**

Name		Date of Birth	
Address (Residential or Business Street Address)		Address Line 2	
City	State	Zip/Postal Code	Country
<i>For U.S. Persons</i> - Social Security Number			
<i>For Non-U.S. Person</i> - Passport Number	Country of Issuance	Other Similar Identification Number	

**Beneficial Owner 2 - Percentage of Ownership \_\_\_\_\_%**

Name		Date of Birth	
Address (Residential or Business Street Address)		Address Line 2	
City	State	Zip/Postal Code	Country
<i>For U.S. Persons</i> - Social Security Number			
<i>For Non-U.S. Persons</i> - Passport Number	Country of Issuance	Other Similar Identification Number	

**Beneficial Owner 3 - Percentage of Ownership \_\_\_\_\_%**

Name		Date of Birth	
Address (Residential or Business Street Address)		Address Line 2	
City	State	Zip/Postal Code	Country
<i>For U.S. Person</i> - Social Security Number			
<i>For Non-U.S. Persons</i> - Passport Number	Country of Issuance	Other Similar Identification Number	

**Beneficial Owner 4 - Percentage of ownership \_\_\_\_\_%**

Name		Date of Birth	
Address (Residential or Business Street Address)		Address Line 2	
City	State	Zip/Postal Code	Country
<i>For U.S. Person</i> - Social Security Number			



<b>For Non-U.S. Persons</b> - Passport Number	Country of Issuance	Other Similar Identification Number
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**B.** Please provide the following information for *one* individual with significant responsibility for managing the legal entity (e.g., Chief Executive officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, Treasurer, or any other individual who regularly performs similar functions. If appropriate, an individual listed under this section (A) above may also be listed in this section (B).

Name		Date of Birth	
Address (Residential or Business Street Address)		Address Line 2	
City	State	Zip/Postal Code	Country
<b>For U.S. Persons</b> - Social Security Number			
<b>For Non-U.S. Person</b> - Passport Number	Passport Number	Country of Issuance	Other Similar Identification Number

### III. Signature

I, \_\_\_\_\_ (*name of natural person opening account*), hereby certify, to the best of my knowledge, that the information provided above is complete and correct.

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



## Additional Beneficial Ownership Disclosure Page

**Beneficial Owner 5 - Percentage of Ownership: \_\_\_\_\_ %**

Name		Date of Birth	
Address (Residential or Business Street Address)		Address Line 2	
City	State	Zip/Postal Code	Country
<i>For U.S. Persons</i> - Social Security Number			
<i>For Non-U.S. Person</i> - Passport Number	Country of Issuance	Other Similar Identification Number	

**Beneficial Owner 6 - Percentage of Ownership \_\_\_\_\_ %**

Name		Date of Birth	
Address (Residential or Business Street Address)		Address Line 2	
City	State	Zip/Postal Code	Country
<i>For U.S. Persons</i> - Social Security Number			
<i>For Non-U.S. Persons</i> - Passport Number	Country of Issuance	Other Similar Identification Number	

**Beneficial Owner 7 - Percentage of Ownership \_\_\_\_\_ %**

Name		Date of Birth	
Address (Residential or Business Street Address)		Address Line 2	
City	State	Zip/Postal Code	Country
<i>For U.S. Person</i> - Social Security Number			
<i>For Non-U.S. Persons</i> - Passport Number	Country of Issuance	Other Similar Identification Number	

**Beneficial Owner 8 - Percentage of ownership \_\_\_\_\_ %**

Name		Date of Birth	
Address (Residential or Business Street Address)		Address Line 2	
City	State	Zip/Postal Code	Country

<b>For U.S. Persons</b> - Social Security Number		
<b>For Non-U.S. Persons</b> - Passport Number	Passport Number Country of Issuance	Other Similar Identification Number

**Beneficial Owner 9 - Percentage of Ownership \_\_\_\_\_ %**

Name		Date of Birth	
Address (Residential or Business Street Address)		Address Line 2	
City	State	Zip/Postal Code	Country

<b>For U.S. Person</b> - Social Security Number		
<b>For Non-U.S. Persons</b> - Passport Number	Country of Issuance	Other Similar Identification Number

**Beneficial Owner 10 - Percentage of Ownership \_\_\_\_\_ %**

Name		Date of Birth	
Address (Residential or Business Street Address)		Address Line 2	
City	State	Zip/Postal Code	Country

<b>For U.S. Person</b> - Social Security Number		
<b>For Non-U.S. Persons</b> - Passport Number	Country of Issuance	Other Similar Identification Number