



Polar Investment Counsel Inc.

Member: FINRA, NFA, MSRB, SIPC
Securities Cleared: Hilltop Securities Inc.
Member NYSE, FINRA, SIPC

PICI Annual Compliance Program Reviewed: Jan 2019

FINRA requires that all Broker Dealers are to insure that their representatives and associates receive continuing education and AML training annually, attest to and verify various regulatory issues and receive an annual compliance meeting. The firm is charged with having to keep track of and record those events. To facilitate all these components, the firm has created a comprehensive Compliance & CE program which consists of the following:

- WSP and HO P&P Manuals
- Quarterly Review
- Annual Compliance Certification
- Annual Compliance Meeting
- Form U4 Review with OBA

All firm Associates are required to participate and respond to the various elements of the firm's program via electronic distribution and acknowledgement. All associates are aware that electronic submission constitutes their acceptance of all items presents as the same as a signature would.

Failure to complete all components of the Compliance & CE program by deadline presented may be subject to a \$1000 fine.

Compliance & CE Program - Program Component Specifics:

- **WSP and HO P&P Manuals:** The firm revises its policy and procedures manuals annually. Upon revision, each of the firm's associates are required to read the updated sections of the manual. Each associate attests to reading the manual via the Annual Compliance Certification. Updates scheduled for 2^{Qtr} annually. The Firm, on the advice of FINRA, obtained a new provider and manual to reduce the number of pages as the manual was too large.
- **PICI Quarterly Review:** The main portion of the CE element consists of a quarterly publication produced by the firm which is sent via email to all associates and then posted on the firm's password protected web site. Each quarter an email notification is sent that the publication is ready for viewing. Each and every associate is required to read the entire content of this publication and any outside items, links, webinars, etc., referenced. This publication includes items such as (but not limited to) regulatory notices from other industry web sites such as (not limited to) FINRA, NYSE, CBOE, NASAA, SIPC and so forth, firm procedure & policy changes, and required readings on various industry related subjects. Those individuals who are supervisors may receive additional training that pertains to the supervision of associates. All associates are required to acknowledge reading of this publication by replying to the notification electronically.
- **Annual Compliance Certification:** Annually, all firm associates must attest to and certify that they understand various regulatory and firm policy rules and issues. The firm compiled all those items and put them in an online questionnaire. Among the items covered in this certification are; review of ones U4 information, outside business activity, and disclosure of any financial or legal activity. All associates are to complete the online questionnaire and any applicable reporting pages that are needed and submit a hard copy certification page for completion.
- **Annual Compliance Meeting:** The firm will conduct a required annual compliance meeting. To facilitate this, the firm produces a Power Point presentation that touches base on various issues; AML, customer accounts, ethics, regulatory requirements, etc. It is presented in narrative form and all associates are given the opportunity to contact the Home Office with any questions or concerns. Upon completion of viewing of the meeting, associates are required to attest to participating in the meeting. All associates of the firm are required to participate in the compliance meeting. Notice of compliance meeting is generally sent out in the first quarter annually and coincides with our Annual Compliance Certification.
- **U4 Review – Outside Business Activity Review:** Registered personnel are required annually to review the information that is contained in the U4 filing in CRD. The firm provides a snapshot of the pertinent information that needs to be reviewed and verified. This snapshot is sent via email with the compliance package. Only changes need to be reported to the Home Office for updating. One of the areas to review is outside business activity. Any additions or deletions should be addressed with the Home Office.