



Overview of
Polar Hedge Funds

Kurankye Sekyi-Otu, CFA
Head, Sales & Marketing
Polar Securities Inc.

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Presentation to:

WAISCVANCOUVER2013



Polar

Disclaimer Statement

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Performance data from certain market indices (S&P 500 Total Return Index ("S&P 500"), S&P/TSX Composite Total Return Index ("S&P/TSX"), Russell 2000 Total Return Index ("Russell 2000"), S&P/TSX Small Cap Total Return Index ("TSX Small Cap") and S&P/TSX Venture Composite Total Return Index ("TSX Venture")) is provided in this presentation for information purposes only. A comparison of the Fund's performance to such market indices is of limited use because the composition of the Fund's portfolio may contain, among other things, options and other securities, concentrated levels of securities and may employ leverage, not found in the market index. As a result, no market indices are directly comparable to the results of the Fund.

Polar Securities Inc.

401 Bay Street
Suite 1900, P.O. Box 19
Toronto, ON
M5H 2Y4
www.polarsecurities.com

Polar Contacts:

Kurankye Sekyi-Otu, CFA
416.369.4469
Email: kso@polarsec.com

Les Young
416.369.8591
Email: lyoung@polarsec.com



Overview: Polar Securities Inc.

Canada's most experienced hedge fund manager



Polar's hedge funds may offer enhanced returns and moderate risk

Experienced

- Established in 1991
- 21 year performance record

Focused

- Dedicated to managing hedge funds

Disciplined

- Proprietary risk management and portfolio systems

Employee owned

- Senior management also have significant stakes in the funds

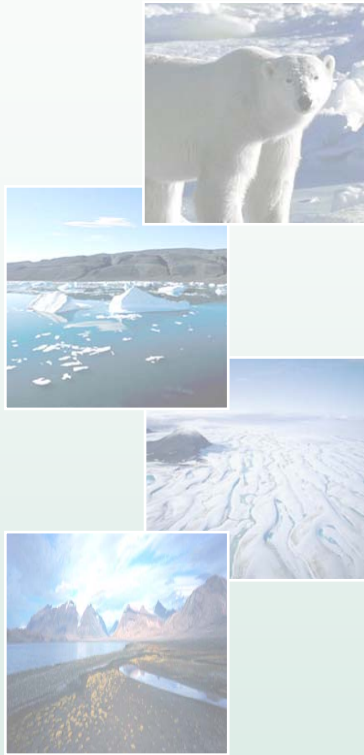
Regulation and Affiliation

- Investment Industry Regulatory Organization of Canada
- Ontario Securities Commission
- Member of AIMA

Assets Under Management

- USD\$1,714 million (as at September 30, 2013)





North Pole

Canadian Multi-Strategy



Overview: North Pole

Strategy Description

North Pole is a broadly diversified Canadian-focused portfolio, that employs a variety of strategies including convertible bond arbitrage, event driven opportunities, structured products arbitrage, long/short equities and special situations. North Pole seeks to deliver positive absolute returns, while providing capital preservation and low volatility in all market environments.

Strategy	Diversified multi-strategy	
Portfolio Manager	Paul Sabourin	
Inception Date	Strategy: November 1991	
Geo Exposure	North America: Canada focused	
Style	Employs strategy diversification and dynamic capital allocation with a goal to enhance returns and moderate risk	
Diversified & Dynamic Capital Allocation	Portfolio Groups	Capital Allocation
	• Convertible bond arbitrage strategies	20-50%
	• Event driven strategies	15-40%
	• Special situations including long/short equity	15-40%
	• Structured product strategies	10-20%
Portfolio	Top 100 trading positions account for 95% of gross notional leverage ⁽¹⁾	
Assets	Strategy: USD\$757 million (as at September 30, 2013)	

⁽¹⁾ See Appendix: Definition of Key Terms



Philosophy



Paul Sabourin
Chairman &
Chief Investment Officer

North Pole Team

Paul Sabourin
Lead Portfolio Manager

Tim Trapp
Portfolio Manager

Kat Berington
Trader

Bob Poile
Analyst

Conor Bowes
Analyst

John Paul Cahill
Analyst

Ravi Bhat
Analyst

Carlo Perri
Analyst

Patrick Hyland
Analyst

Nick Neary
Analyst

David Ellen
Trader

“North Pole employs a multi-strategy, arbitrage oriented approach to the Canadian capital markets. Our primary goal is to provide strong risk-adjusted returns on an absolute basis over a long investment horizon. We seek to extract returns from a diversified set of opportunities while maintaining a well-defined and rigorous risk management framework.”

Paul Sabourin

Please refer to Appendix for detailed biographies

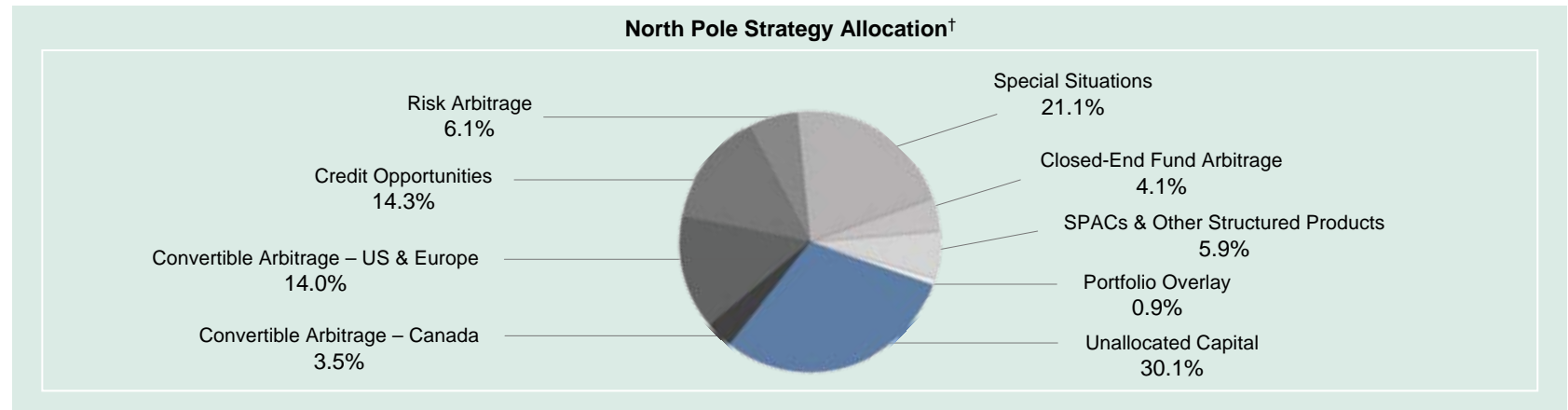


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Extracting returns from diversified set of opportunities

As at September 30, 2013



Strategy	Description	Total [†]
Convertible Arbitrage – Canada	Long convertible bond or preferred, short stock	3.5%
Convertible Arbitrage – US & Europe	Long convertible bond or preferred, short stock	14.0%
Credit Opportunities	Commodity oriented credit opportunities, Canadian structured credit	14.3%
Risk Arbitrage	Small, mid-capitalization focus	6.1%
Quantitative Trading	Opportunistic, short-term tenor trades	0.0%
Special Situations	Equity vs. commodity, new issues, long/short, capital structure arbitrage	21.1%
Closed-End Fund Arbitrage	Long Canadian closed-end funds, short relevant index or proxy for underlying	4.1%
SPACs & Other Structured Products	SPACs, split share arbitrage	5.9%
Portfolio Overlay	Broad equity, credit, interest rate and commodity portfolio hedges	0.9%
Unallocated Capital		30.1%
		100.0%

[†] Strategy Allocation is the allocated capital for each strategy at the beginning of the month. The capital is based on prime broker capital charges for each asset type; in each case, we take the most conservative charge among our prime brokers. Average Beginning Allocated Capital is the simple average of the monthly beginning capital for the calendar year to date.

Source: Polar Securities Inc.



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Strategy Performance

As at September 30, 2013

Monthly Returns (since inception November 1991 to September 2013)⁽¹⁾

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2013	0.42%	(0.51%)	(0.03%)	(0.14%)	0.64%	0.02%	0.43%	0.95%	0.48%				2.27%
2012	2.34%	1.60%	0.23%	(2.08%)	(0.42%)	0.87%	2.02%	0.61%	0.45%	(0.09%)	1.05%	2.65%	9.55%
2011	2.35%	(0.52%)	(0.29%)	(0.98%)	(0.21%)	(2.01%)	(0.56%)	(2.63%)	(1.33%)	(1.42%)	(0.87%)	1.06%	(7.26%)
2010	3.44%	0.24%	2.44%	2.03%	(0.87%)	(0.18%)	0.90%	0.88%	1.25%	3.39%	1.85%	3.11%	20.00%
2009	9.86%	2.20%	3.27%	6.03%	8.55%	1.45%	2.54%	3.60%	5.43%	3.06%	1.02%	1.55%	60.38%
2008	1.10%	1.41%	(1.05%)	1.02%	0.98%	0.96%	(2.41%)	(2.51%)	(1.89%)	(5.30%)	(5.71%)	0.56%	(12.39%)
2007	2.01%	1.09%	0.97%	1.70%	0.53%	1.69%	2.83%	(3.34%)	(0.37%)	2.45%	(0.49%)	0.40%	9.74%
2006	4.58%	2.46%	6.23%	3.00%	0.04%	(1.07%)	1.53%	2.14%	0.05%	1.46%	1.90%	2.17%	27.15%
2005	0.85%	0.31%	(1.48%)	(1.00%)	(2.02%)	0.50%	1.17%	(0.06%)	(1.25%)	(1.62%)	0.94%	2.97%	(0.80%)
2004	1.71%	(0.66%)	(0.52%)	1.22%	(1.17%)	(0.36%)	0.93%	0.24%	1.34%	(0.05%)	3.44%	3.12%	9.52%
2003	1.51%	1.50%	0.06%	(0.47%)	0.09%	(0.94%)	0.03%	(0.40%)	0.57%	0.02%	1.68%	0.21%	3.88%
2002	1.35%	2.88%	1.19%	2.55%	0.97%	2.06%	2.05%	(0.13%)	1.59%	2.07%	1.48%	0.63%	20.33%
2001	2.71%	0.56%	4.08%	0.10%	(0.29%)	0.87%	0.72%	1.76%	2.69%	(0.60%)	(0.18%)	0.14%	13.18%
2000	2.24%	5.25%	3.53%	3.75%	2.17%	1.61%	0.62%	0.55%	2.07%	(0.55%)	0.22%	0.78%	24.45%
1999	4.96%	0.88%	0.37%	1.34%	3.12%	0.43%	0.68%	0.90%	1.35%	0.91%	1.75%	(2.33%)	15.16%
1998	2.20%	1.52%	0.81%	2.30%	1.73%	0.46%	1.54%	(8.22%)	(25.04%)	(17.56%)	1.56%	1.11%	(35.33%)
1997	1.50%	2.30%	1.98%	1.91%	1.88%	3.46%	2.22%	2.67%	4.21%	2.38%	(0.09%)	(1.09%)	25.86%
1996	1.76%	1.55%	1.17%	1.04%	2.00%	0.17%	2.33%	1.19%	0.40%	3.49%	2.98%	10.01%	31.55%
1995	(1.47%)	1.25%	0.48%	0.43%	0.62%	1.55%	(0.08%)	1.36%	(0.68%)	(1.01%)	3.62%	0.83%	7.02%
1994	3.30%	0.22%	1.11%	0.37%	(1.53%)	(1.11%)	2.28%	0.97%	2.11%	1.44%	0.25%	0.16%	9.90%
1993	1.65%	1.91%	8.36%	5.77%	6.38%	8.01%	9.09%	6.28%	2.64%	4.22%	7.78%	2.64%	87.19%
1992	4.74%	3.48%	1.23%	2.98%	1.70%	3.99%	2.64%	1.36%	1.94%	5.25%	(6.45%)	4.21%	30.02%
1991												5.84%	5.84%

(1) The returns presented in this information sheet are net of all fees for the US dollar base share class series of North Pole Select, Class B1 Series S1 (B1S1), having an annual management fee of 1.5% and a 20% performance fee, unless otherwise specified. Returns in other classes and series of the fund may vary from the base share class and series. Returns from January 2002 to May 2007 are those from North Pole Master Fund (the master fund for North Pole Select), adjusted by removing the allocation to Altairis Offshore Levered or Altairis Offshore, equity long/short funds managed by Polar. Returns from January 2001 to December 2001 are those from North Pole Capital Investments Limited (NPCIL) in Canadian dollars, adjusted by removing the allocation to Altairis Offshore. Returns from April 1995 to December 2000 are those from NPCIL in Canadian dollars, prior to inclusion of Altairis Offshore in the NPCIL portfolio. Returns from December 1991 to March 1995 are those from Polar Partners One, NPCIL's predecessor fund, in Canadian dollars. Prior to June 2007, returns are pro forma adjusted to reflect an annual management fee of 1.5% and a 20% performance fee.

Source: Polar Securities Inc. See page 1 for important information.



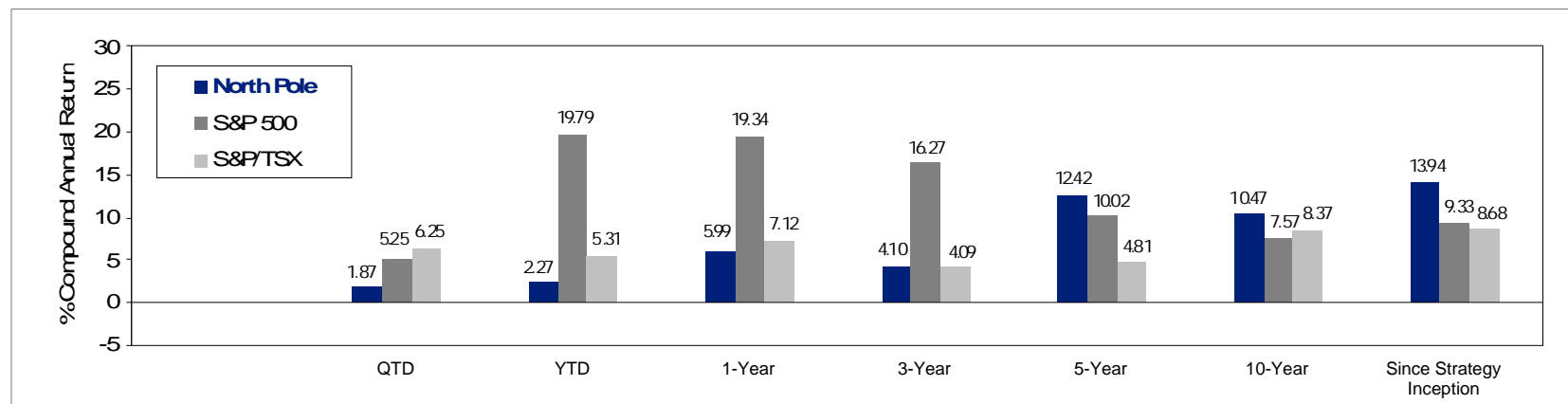
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Comparative Performance

As at September 30, 2013

Annualized Returns (%):



Calendar Returns (%):	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
North Pole USD ⁽¹⁾	3.88	9.52	(0.80)	27.15	9.74	(12.39)	60.38	20.00	(7.26)	9.55
S&P 500 USD	28.70	10.87	4.91	15.80	5.49	(37.00)	26.46	15.06	2.11	16.00
S&P/TSX CAD	26.72	14.48	24.13	17.26	9.83	(33.00)	35.05	17.61	(8.71)	7.19

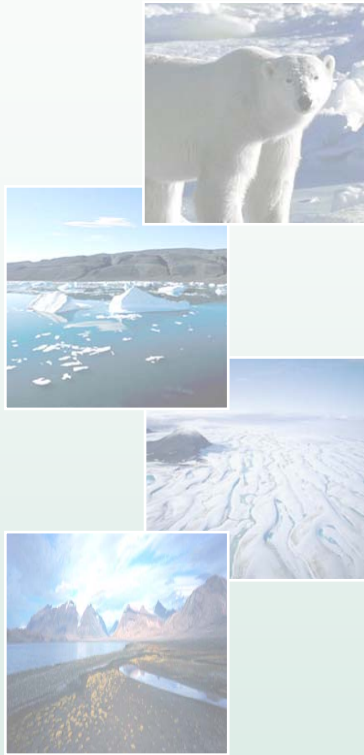
(1) The returns presented in this information sheet are net of all fees for the US dollar base share class series of North Pole Select, Class B1 Series S1 (B1S1), having an annual management fee of 1.5% and a 20% performance fee, unless otherwise specified. Returns in other classes and series of the fund may vary from the base share class and series. Returns from January 2002 to May 2007 are those from North Pole Master Fund (the master fund for North Pole Select), adjusted by removing the allocation to Altairis Offshore Levered or Altairis Offshore, equity long/short funds managed by Polar. Returns from January 2001 to December 2001 are those from North Pole Capital Investments Limited (NPCIL) in Canadian dollars, adjusted by removing the allocation to Altairis Offshore. Returns from April 1995 to December 2000 are those from NPCIL in Canadian dollars, prior to inclusion of Altairis Offshore in the NPCIL portfolio. Returns from December 1991 to March 1995 are those from Polar Partners One, NPCIL's predecessor fund, in Canadian dollars. Prior to June 2007, returns are pro forma adjusted to reflect an annual management fee of 1.5% and a 20% performance fee. Returns greater than 1-year are annualized. Strategy inception: November 1991.

Source: Polar Securities Inc. See page 1 for important information.



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Altairis

U.S. Long/Short Equity



Overview: Altairis

Strategy Description

Altairis is a long/short equity portfolio focusing on small to mid-cap North American equities. Altairis seeks to produce positive absolute returns with low volatility and low correlation to equity markets through superior stock selection, both long and short.

Strategy	Long/short equity
Portfolio Manager	Bill Peckford, CFA
Inception Date	Strategy: September 1997
Geo Exposure	U.S. focused
Market Capitalization	Small to mid-capitalization companies (\$100 million – \$10 billion)
Sector Focus	Four broad self defined sectors: <ul style="list-style-type: none"> • Defensive • Industrial • Consumer • Aggressive Growth
Style, Approach & Process	Fundamental bottom-up valuation driven approach
	Net portfolio exposure driven by: <ul style="list-style-type: none"> • Macro view • Absolute risk/reward • Absolute stock valuations
	Net exposure by sectors driven by: <ul style="list-style-type: none"> • Macro view • Relative risk/return • Relative sector valuations
Portfolio	Targeting 80-100 stocks
Assets	Strategy: USD\$1,032 million (as at September 30, 2013)



Philosophy



Bill Peckford,
CFA

Altairis Team

Bill Peckford, CFA
Lead Portfolio Manager

Peter von Schilling
Portfolio Manager

Michael Lam
Analyst

Michael Shunock, CFA
Analyst

Mike Easson
Analyst

Brian Law, CA, CFA
Analyst

“We believe superior risk-adjusted returns stem from the marriage of fundamental bottom-up analysis, active trading and thoughtful long and short portfolio construction. Our eclectic approach across value, growth and momentum opportunities leads to a uniquely uncorrelated portfolio with a focus on low volatility and capital preservation.”

Bill Peckford



Altairis Portfolio Composition*

As at September 30, 2013

Defensive Growth		Economically Sensitive						Aggressive Growth	Special Situations & Other	Total
		Financial	Consumer		Industrial					
Longs	Business Service <ul style="list-style-type: none">• Corporate Executive Board Company• Global Payments Inc.• Heartland Payment Systems Inc.• Intuit Inc.• Kar Auction Services, Inc. Healthcare/Life Science <ul style="list-style-type: none">• Bio-Rad Laboratories, Inc.• Bruker Corporation• Cambrex Corporation• Dentsply International Inc.• Globus Medical, Inc. CL.A• Techne Corporation	Staples <ul style="list-style-type: none">• Cascades Inc.• KP Tissue Inc.• Sensient Technologies Corp.• Tyson Foods, Inc. CL. A Other <ul style="list-style-type: none">• Carmike Cinemas, Inc.• GoldCorp 3.7% 15-Mar-23• Kinross Gold Corporation• Newmont Mining Corporation• Randgold Resources Limited	<ul style="list-style-type: none">• Metlife, Inc.• Regional Management Corp.• SPDR KWB Regional Banking (ETF)	Big Ticket/Leisure <ul style="list-style-type: none">• Ethan Allen Global, Inc.• Medifast, Inc.• Select Comfort Corporation• United Continental Holdings, Inc.• Whirlpool Corporation Housing & Related <ul style="list-style-type: none">• American Woodmark Corporation• Move Inc.• Owens Corning	Restaurants <ul style="list-style-type: none">• DineEquity, Inc. Retail <ul style="list-style-type: none">• Deckers Outdoor Corporation• Foot Locker, Inc.• Kirkland's Inc.• Tuesday Morning Corporation• Tumi Holdings Inc.	<ul style="list-style-type: none">• Apogee Enterprises, Inc.• Commercial Vehicle Group Inc.• Electronics For Imaging Inc.• Emcor Group Inc.• Exco Technologies Limited• GSI Group Inc. (USA)• Hudson Global, Inc.• Marathon Petroleum Corporation• Newport Corporation• Regal Beloit Corporation• Rexnord Corporation• Stanley Black & Decker Inc.• Synalloy Corporation	Energy Services <ul style="list-style-type: none">• Superior Energy Services Inc. Energy: Exploration & Production <ul style="list-style-type: none">• Apache Corporation• Bellatrix Exploration Ltd.• Cimarex Energy Co.• Energy XXI (Bermuda) Limited Transportation <ul style="list-style-type: none">• Roadrunner Transportation Services• Ryder System, Inc.	Hardware/Telecom Equipment <ul style="list-style-type: none">• EXFO Inc.• Finisar Corporation• Infinera Corporation Internet <ul style="list-style-type: none">• eBay Inc. Semiconductors <ul style="list-style-type: none">• Entegris, Inc.• Lattice Semiconductor Corp.• NXP Semiconductors NV Software <ul style="list-style-type: none">• ICG Group, Inc.• inContact Inc.• Synopsys, Inc. Other <ul style="list-style-type: none">• Las Vegas Sands Corporation		
	23.9%	4.4%	15.8%	27.9%	12.1%	0.0%	84.1%			
	Shorts	Business Service <ul style="list-style-type: none">• Healthcare Services Group, Inc.• Mantech International Corporation CL. A• Morningstar Inc. Healthcare/Life Science <ul style="list-style-type: none">• Cepheid• Intuitive Surgical, Inc.• ResMed Corp.	Staples <ul style="list-style-type: none">• Burger King Worldwide Inc.• Monster Beverage Corporation• Snyders-Lance, Inc.• Wal-Mart Stores Inc. Other <ul style="list-style-type: none">• Autozone, Inc.• Barrick Gold Corp. 3.85% 01-Apr-22• Seabridge Gold Inc.• Yamana Gold Inc.		Big Ticket/Leisure <ul style="list-style-type: none">• La-Z-Boy Inc.• Life Time Fitness Inc.• Sturm, Ruger & Co., Inc. Restaurants <ul style="list-style-type: none">• Chuy's Holdings, Inc.• Cracker Barrel Old Country Store, Inc. Retail <ul style="list-style-type: none">• Family Dollar Stores, Inc.• GNC Holdings Inc. CL. A• The Buckle, Inc.• Ulta Salon Cosmetics & Fragrance, Inc.	<ul style="list-style-type: none">• Acuity Brands, Inc.• Allegheny Technologies Inc.• AMCOL International Corp.• American Railcar Industries, Inc.• CARBO Ceramics Inc.• Colfax Corporation• DuPont (E.I.) deNemours• FLIR Systems, Inc.• Genuine Parts Company• Johnson Controls, Inc.• McGrath Rentcorp• Newmarket Corporation• PACCAR Inc.	<ul style="list-style-type: none">• PolyOne Corporation• Raven Industries Inc.• Stella-Jones Inc. Energy Services <ul style="list-style-type: none">• FMC Technologies, Inc.• Trican Well Service Ltd. Energy: Exploration & Production <ul style="list-style-type: none">• Kodiak Oil & Gas Corp.• Northern Oil And Gas, Inc.• United States Oil Fund LP (ETF)	Semiconductors <ul style="list-style-type: none">• Applied Micro Circuits Corp.• Cavium Networks, Inc.• EZchip Semiconductor Ltd.• Market Vectors Semiconductor ETF Software <ul style="list-style-type: none">• Guidewire Software• Jive Software Inc. Other <ul style="list-style-type: none">• Bottomline Technologies, Inc.• Dolby Laboratories Inc. CL. A• Sodastream International Ltd.• Solarcity Corp.	<ul style="list-style-type: none">• iShares S&P Smallcap 600 Index (ETF)• SPDR S&P 500 ETF Trust	
-14.0%		0.0%	-6.8%	-24.9%	-7.5%	-9.2%	-62.4%			
Index Options (delta adjusted)										-5.7%
Net Exposure:	9.9%	4.4%	9.0%	3.0%	4.6%	-9.2%	16.0%			

* The exposures in the above portfolio segmentation are from Altairis Offshore Levered. Positions with less than 0.40% of NAV are generally not included in the portfolio composition

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Strategy Performance

As at September 30, 2013

Monthly Returns (since inception September 1997 to September 2013)⁽¹⁾

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2013	3.14%	(0.05%)	1.25%	(1.59%)	0.84%	0.86%	0.88%	0.75%	1.97%				8.27%
2012	3.80%	1.64%	1.96%	(0.11%)	(1.74%)	(1.88%)	(0.82%)	1.70%	1.45%	(0.96%)	2.73%	1.82%	9.81%
2011	1.70%	0.37%	(0.75%)	1.08%	0.69%	0.31%	1.47%	(2.25%)	(3.03%)	4.40%	(0.23%)	1.71%	5.40%
2010	(0.54%)	1.46%	1.03%	1.22%	(2.55%)	(2.95%)	1.60%	(1.68%)	3.54%	0.46%	(0.79%)	2.30%	2.93%
2009	1.25%	0.81%	4.10%	5.45%	2.88%	1.28%	2.88%	1.12%	3.44%	0.37%	(0.07%)	2.53%	29.20%
2008	1.22%	2.09%	(2.59%)	1.40%	5.65%	(2.95%)	0.24%	0.07%	(2.01%)	(0.06%)	0.26%	6.37%	9.63%
2007	2.41%	2.19%	1.99%	1.60%	2.77%	0.32%	0.64%	0.16%	2.18%	1.07%	(1.02%)	1.17%	16.55%
2006	1.35%	3.50%	2.01%	0.33%	0.40%	(2.52%)	2.41%	3.77%	1.35%	4.09%	2.03%	0.71%	21.04%
2005	(0.13%)	0.05%	3.37%	(0.60%)	3.14%	2.01%	0.69%	1.92%	0.15%	1.64%	1.72%	1.79%	16.83%
2004	6.32%	0.99%	(0.78%)	(1.90%)	1.99%	0.47%	(3.86%)	(1.68%)	2.01%	3.82%	1.46%	2.42%	11.41%
2003	1.38%	(2.41%)	0.37%	2.59%	4.14%	2.22%	2.45%	2.34%	(0.29%)	3.43%	1.83%	1.64%	21.36%
2002	2.55%	0.09%	4.23%	0.64%	2.43%	(3.14%)	(1.18%)	(0.58%)	(3.34%)	4.03%	4.74%	1.46%	12.13%
2001	5.95%	4.97%	(1.12%)	0.12%	4.43%	4.26%	(2.04%)	1.70%	(2.38%)	6.75%	5.87%	2.81%	35.48%
2000	18.75%	18.56%	3.27%	7.14%	6.84%	2.98%	1.40%	4.36%	0.92%	1.12%	7.15%	4.76%	107.74%
1999	8.63%	0.76%	(2.17%)	6.13%	10.09%	3.85%	(1.45%)	0.80%	1.13%	0.27%	18.13%	(3.10%)	49.79%
1998	6.78%	2.50%	6.84%	(3.11%)	3.31%	1.03%	5.08%	(1.82%)	6.97%	6.29%	3.65%	3.87%	49.34%
1997									6.33%	3.63%	(3.46%)	2.26%	8.78%

(1) The returns presented in this information sheet are net of all fees for the US dollar base share class series of Altairis Offshore Levered, Class B1 Series S1 (B1S1), having an annual management fee of 2% and a 20% performance fee, unless otherwise specified. Returns in other classes and series of the fund may vary from the base share class and series. Returns from March 2006 to January 2007 are those from a non-fee paying share class of AOL adjusted for 2% management fees and 20% performance fees. Returns from January 2001 to February 2006 are those from Altairis Offshore (AO). Returns from February 1999 to December 2000, are those from Altairis Investments (AI) in Canadian dollars. Returns from September 30, 1997 to January 1999 are those from Altairis sub-strategy (Alt ss), managed within North Pole Capital Investments Limited, a multi-strategy fund managed by Polar, in Canadian dollars. Prior to March 2006, returns are pro forma adjusted to reflect (a) an annual management fee of 2% and a 20% performance fee (b) an average leverage ratio of 1.75:1, (c) pro forma funding using the 3-month US Treasury Bill rate. Pro forma adjustments assume AOL runs exactly pari-passu with AO, AI, and Alt ss where applicable.

Source: Polar Securities Inc. See page 1 for important information.



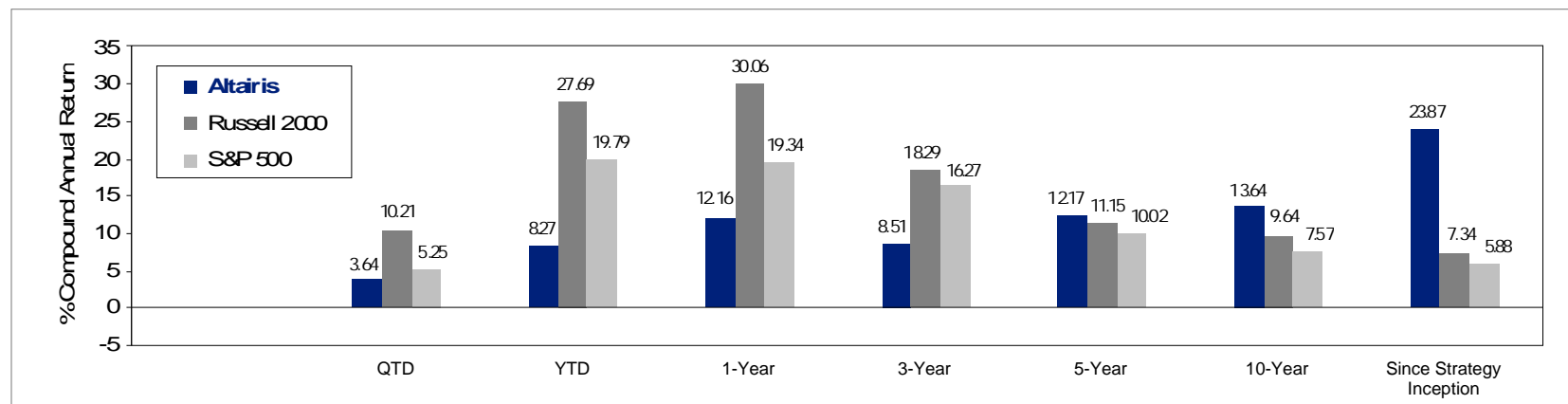
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Comparative Performance

As at September 30, 2013

Annualized Returns (%):



Calendar Returns (%):	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Altairis USD ⁽¹⁾	21.36	11.41	16.83	21.04	16.55	9.63	29.20	2.93	5.40	9.81
Russell 2000 USD	47.25	18.33	4.55	18.37	(1.57)	(33.79)	27.17	26.85	(4.18)	16.35
S&P 500 USD	28.70	10.87	4.91	15.80	5.49	(37.00)	26.46	15.06	2.11	16.00

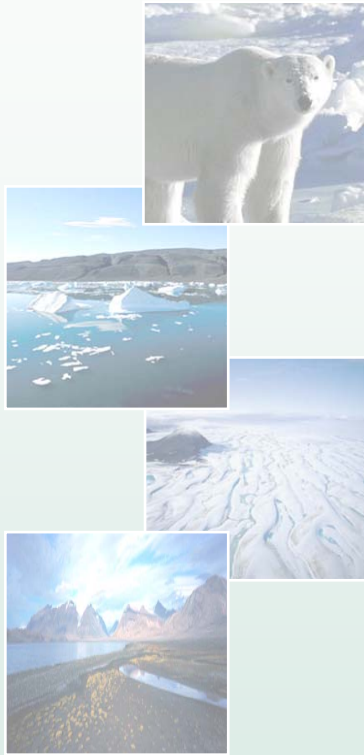
(1) The returns presented in this information sheet are net of all fees for the US dollar base share class series of Altairis Offshore Levered, Class B1 Series S1 (B1S1), having an annual management fee of 2% and a 20% performance fee, unless otherwise specified. Returns in other classes and series of the fund may vary from the base share class and series. Returns from March 2006 to January 2007 are those from a non-fee paying share class of AOL adjusted for 2% management fees and 20% performance fees. Returns from January 2001 to February 2006 are those from Altairis Offshore (AO). Returns from February 1999 to December 2000, are those from Altairis Investments (AI) in Canadian dollars. Returns from September 30, 1997 to January 1999 are those from Altairis sub-strategy (Alt ss), managed within North Pole Capital Investments Limited, a multi-strategy fund managed by Polar, in Canadian dollars. Prior to March 2006, returns are pro forma adjusted to reflect (a) an annual management fee of 2% and a 20% performance fee (b) an average leverage ratio of 1.75:1, (c) pro forma funding using the 3-month US Treasury Bill rate. Pro forma adjustments assume AOL runs exactly pari-passu with AO, AI, and Alt ss where applicable. Returns greater than 1-year are annualized. Strategy inception: September 1997.

Source: Polar Securities Inc. See page 1 for important information.



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CAMBay

Canadian Microcap



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Fund Description

CAMBay is an equity fund focused primarily in the Canadian microcap segment. The fund seeks to exploit market inefficiencies among small sized Canadian corporations. To achieve its objectives, the fund employs a rigorous bottom-up, fundamentals driven research process resulting in a portfolio that will generally be concentrated across 20 to 25 companies.

Strategy	Canada focused microcap
Portfolio Manager*	Christopher Fernyc, CFA
Inception Date	June 29, 2012
Market Capitalization	Focused on microcap companies (target range \$25 – \$250 million)
Approach Style Focus	<p>Fundamental, bottom-up valuation driven approach</p> <ul style="list-style-type: none"> • Buy & Hold Strategy – focused on buying secular growth companies versus sector rotating cycles • Full cycle focused – fully invested during all markets, looking for growth through cycles. Avoid deep cyclicals (commodity producers) • Companies are generally less economically sensitive • Strong balance sheets • Long established company focused with proven, straight forward products / services • Quality management / high insider ownership • Concentrated portfolio – avoid diluting research quality and investment returns by excess diversification • Conservative approach, disciplined process, Polar culture
Portfolio	Targeting 20-25 stocks (Top 10 holdings account for 64% of NAV)
Assets	\$22.3 million (as at September 30, 2013)

* Effective January 1, 2013



Philosophy

Portfolio Manager



**Christopher
Fernyc**
CFA

“We believe that exploitable valuation dislocations routinely exist within the Canadian small and micro-cap market; a patient focus on companies with a sustainable competitive advantage and strong cash flow generation can provide outsized returns over the long-term. A detailed research process based on company specific fundamentals combined with a balanced mix of growth and value attributes could provide downside protection, relative to the equity market, during short-term periods of stress.”

Christopher Fernyc

Please refer to Appendix for a detailed biography of Christopher Fernyc



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Why Invest in Microcaps?

Potential for higher returns from “undiscovered” microcap opportunities

Deep, underexploited opportunity set

- Approximately 3,700 listed issuers in Canada. Nearly 95% are not included in the S&P/TSX Composite
- Brokerage industry offers limited research on financially sound microcap companies
- Investment industry consolidation has reduced number of funds in the microcap market segment

→ Lack of research and focus equates to significant unexploited opportunities



Small Companies: “Not all created equal”

Select microcaps can be long established, well managed, quality companies

“Stamping out profits for 62 years”

Exco Technologies Ltd.

Automotive parts and equipment supplier

Founded: 1951

“Hitting a gusher of profits”

Akita Drilling Ltd.

Energy drilling services

Founded: 1964

“Fill’er up with a tank full of profits”

ZCL Composites Inc.

Composite bulk liquid storage tank manufacturer

Founded: 1987

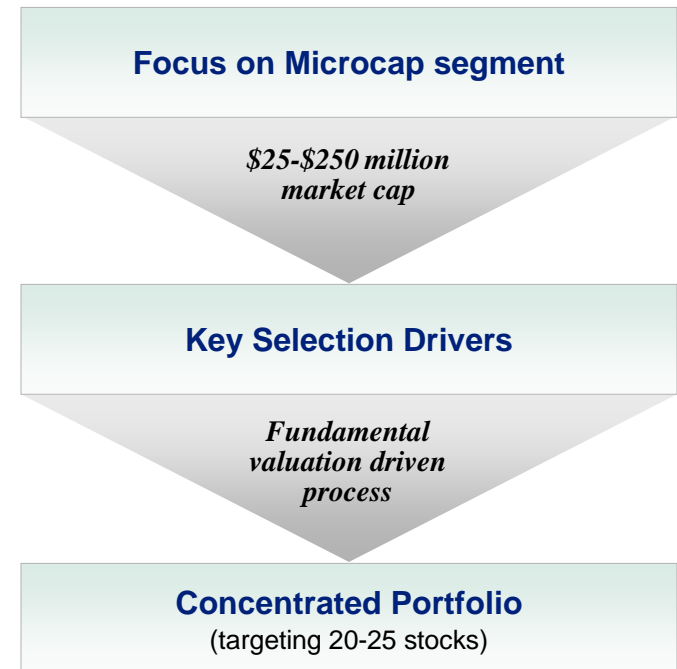
→ Perception of entire segment being speculative masks selective, high quality investment opportunities



Disciplined Investment Process

CAMBay investment process

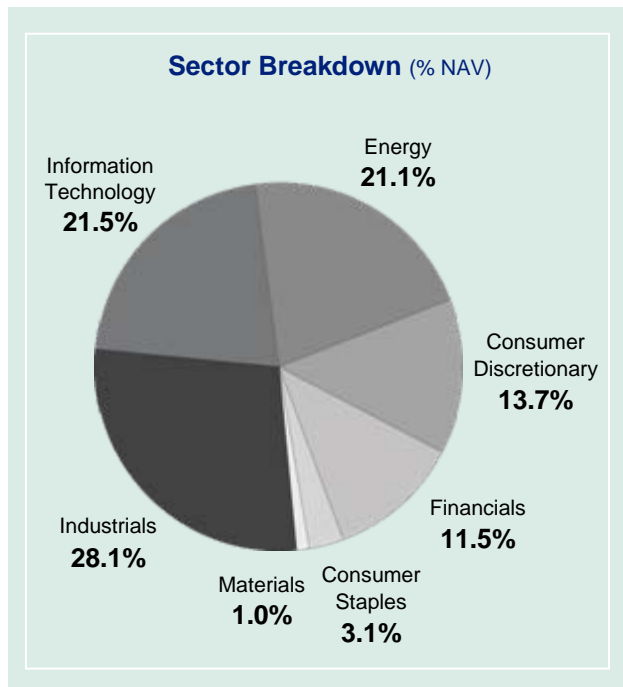
- Targeting \$25-\$250 million market capitalization, TSX-listed companies
- Companies are generally less economically sensitive
- Long-established companies with proven products
- Strong balance sheets
- Quality of management/ high insider ownership
- Avoid diluting research quality and investment returns by excess diversification



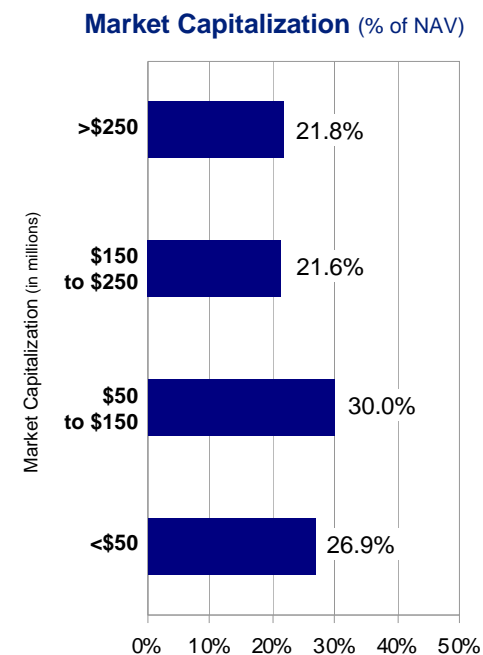
CAMBay Portfolio

As at September 30, 2013

Exposure & positions



Top 10 Holdings	% of NAV
ZCL Composites Inc.	7.5%
McCoy Corporation	7.4%
Exco Technologies Limited	6.7%
BENEV Capital Inc.	6.6%
Gendis Inc.	6.4%
Imvescor Restaurant Group Inc.	6.3%
Akita Drilling Ltd. CL. A	6.2%
RDM Corporation	6.0%
Vecima Networks Inc.	5.5%
Contrans Group Inc. CL. A	5.3%
Total	63.9%



Source: Polar Securities Inc.



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Performance

As at September 30, 2013

CAMBay

Monthly Returns⁽¹⁾

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2013	2.77%	0.92%	4.03%	(0.97%)	0.70%	0.10%	4.31%	1.10%	3.52%				17.60%
2012							2.01%	1.30%	2.05%	2.43%	4.11%	4.58%	17.61%

Monthly Returns (July 2012 to September 2013):

	Best	Worst	Average
CAMBay⁽¹⁾	+4.58%	-0.97%	+2.20%
TSX Small Cap	+3.97%	-4.59%	+0.49%
TSX Venture	+7.56%	-12.12%	-1.42%
S&P/TSX	+3.43%	-3.76%	+0.93%

(1) CAMBay Select Class performance is represented by the return on Series A-01 shares, having an annual management fee of 2% and a 20% performance fee (on gains above hurdle rate of 5% annualized) from September 2012 to present, and Series F-01 shares from July 2012 to August 2012, adjusted for a 2% management fee. July 2012 is for the period June 29, 2012 (inception) to July 31, 2012. Returns are net of fees.

Sources: Polar Securities Inc.



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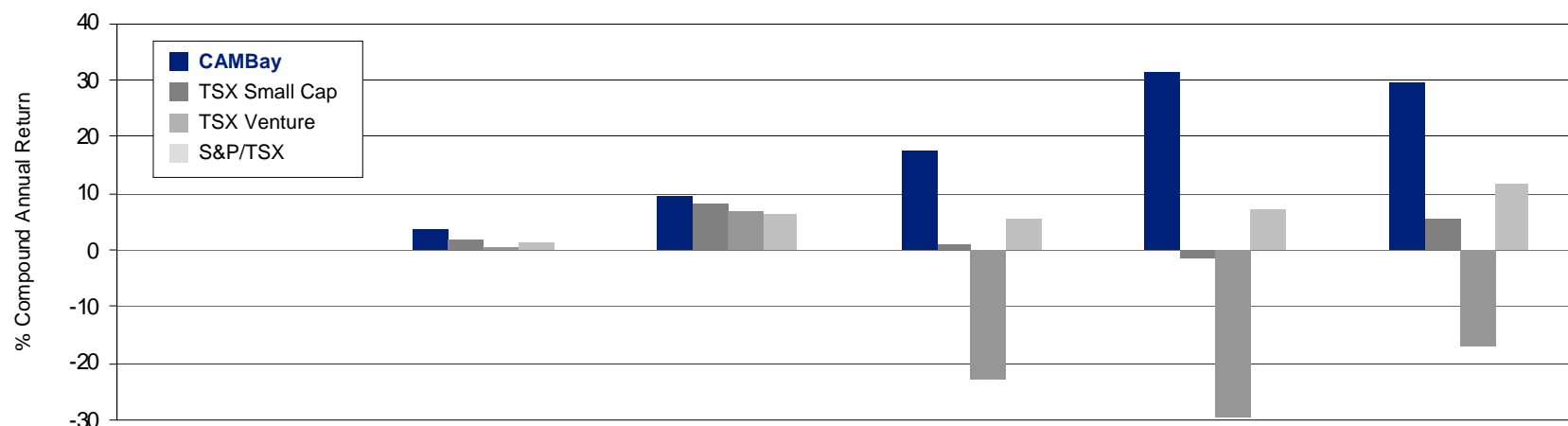
Polar

Performance

As at September 30, 2013

CAMBay

Compound Returns (%) ⁽¹⁾



Compound Returns %:	Month	3-Month	YTD	1-Year	Since Fund Inception
CAMBay ⁽¹⁾	3.5	9.2	17.6	31.2	29.6
TSX Small Cap	1.7	8.0	0.7	-1.3	5.5
TSX Venture	0.2	6.8	-22.9	-29.5	-17.2
S&P/TSX	1.4	6.2	5.3	7.1	11.6

(1) CAMBay Select Class performance is represented by the return on Series A-01 shares, having an annual management fee of 2% and a 20% performance fee (on gains above hurdle rate of 5% annualized) from September 2012 to present, and Series F-01 shares from July 2012 to August 2012, adjusted for a 2% management fee. July 2012 is for the period June 29, 2012 (inception) to July 31, 2012. Returns are net of fees.

Sources: Polar Securities Inc.; Index results – Morningstar Research Inc.



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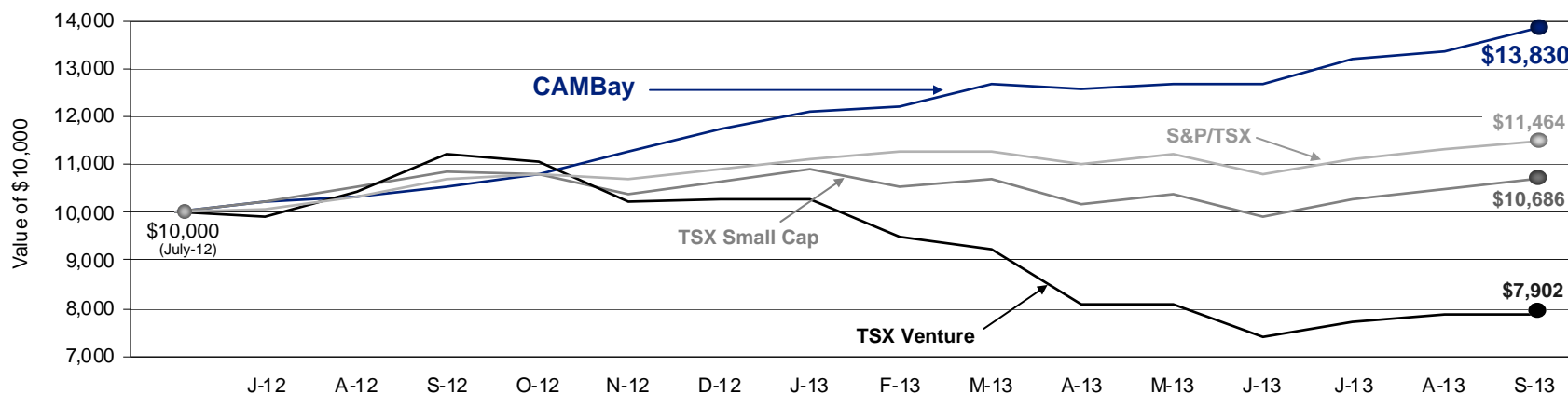
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Performance

As at September 30, 2013

CAMBay

Growth of \$10,000 invested (July-12 – September-13) ⁽¹⁾



	Month	3-Month	YTD	1-Year	Since Fund Incept.	Std Deviation (1-year)	Sharpe Ratio (1-year)	Correlation (1-year)
CAMBay ⁽¹⁾	3.5	9.2	17.6	31.2	29.6	6.5	4.10	1.00
TSX Small Cap	1.7	8.0	0.7	-1.3	5.5	10.7	-0.17	0.55
TSX Venture	0.2	6.8	-22.9	-29.5	-17.2	17.0	-2.01	0.55
S&P/TSX	1.4	6.2	5.3	7.1	11.6	7.0	0.88	0.47

(1) CAMBay Select Class performance is represented by the return on Series A-01 shares, having an annual management fee of 2% and a 20% performance fee (on gains above hurdle rate of 5% annualized) from September 2012 to present, and Series F-01 shares from July 2012 to August 2012, adjusted for a 2% management fee. July 2012 is for the period June 29, 2012 (inception) to July 31, 2012. Returns are net of fees.

Sources: Polar Securities Inc.; Index results – Morningstar Research Inc.



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Investment Professionals

Shared risk appetite, vision and alignment of interests



Please refer to Appendix for detailed biographies



North Pole Team Biographies



Paul Sabourin

Lead Portfolio Manager

Paul graduated from the University of Toronto in 1975 with a B.A., and the University of Western Ontario in 1980 with an MBA. He joined Burns Fry Ltd. in 1982 as a research analyst focusing on small cap stocks. In 1983, he moved to the institutional trading area and worked in a number of areas including preferred shares, convertible bonds, risk arbitrage and liability trading. In 1987, Paul became a director of Burns Fry, and later became a member of the Executive Committee, responsible for managing the institutional trading area. In 1991, Paul was a founding partner of Polar Securities Inc. Since that time he has variously managed the convertible arbitrage, merger arbitrage, and equity special situations portfolios. Paul has been the Chief Investment Officer since 1991.



Tim Trapp

Portfolio Manager – Convertible Arbitrage & Risk Arbitrage

Tim graduated from Simon Fraser University in 1996 with a double major in Business Administration and Economics and Harvard University in 2002 with an MBA. Prior to joining Polar in 2009, he was a portfolio manager for four years at Stark Investments trading various arbitrage strategies in North America, including convertible arbitrage, volatility, risk arbitrage, event driven equity long/short and private placements. Prior to Stark, Tim spent three years with Merrill Lynch as an Associate in investment banking. Prior to Harvard, he spent five years as a partner and co-founder of Mondiale Asset Management, a Vancouver based hedge fund manager that deploys quantitative models on various derivative markets. Tim joined Polar Securities Inc. in April 2009.



Bob Poile

Credit Opportunities & Special Situations

Bob graduated from Harvard University in 1981 with a B.A. He joined Chase Manhattan Bank in 1981 as a credit analyst before moving to corporate lending and investment banking. In 1986, he joined Burns Fry Ltd. in the institutional trading area focusing on preferred shares and convertible bonds. In 1991, Bob joined Paloma Partners as Portfolio Manager – Canadian Investments, remaining with Paloma until 1998. In 1998, Bob returned to Canada and established, with Bill Anderson, Trident Advisors, a distressed asset and private equity investor. In that role, Bob has acted as Chairman, Director or officer of various entities including Dylex Limited, Repap Enterprises Inc., Spar Aerospace, Call-Net Enterprises Inc., and Clublink Corporation. In 2004, he became President and CEO of Clublink, resigning upon sale of the investment in 2007.



John Paul Cahill

Closed-End Fund & Structured Product Arbitrage

John Paul graduated from McMaster University in 1994 with a degree in Political Theory. Upon graduation, he became a registered independent futures trader on the Toronto Futures Exchange. In 1996, he became a competitive options trader, making markets in Canadian equity options, and served as an Exchange Floor Governor. Upon the closing of the Toronto Stock Exchange option floor in 2000, John Paul joined Polar Securities Inc. as a trader, focusing on derivative arbitrage strategies. He now concentrates his efforts to source returns for the structured products portfolio within the North Pole multi-strategy fund.

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North Pole Team Biographies



Ravi Bhat

Closed-End Fund Arbitrage & Quantitative Trading

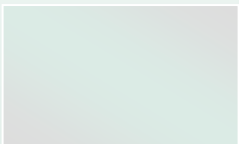
Ravi holds a B.Sc. in Chemistry and Physics from Queens University (1996) and a Ph.D. in Theoretical Physics from the University of Toronto (2005). Prior to joining Polar Securities Inc., he worked at Columbia University as a Postdoctoral Research Scientist with the Department of Applied Physics and Applied Mathematics. He started at Polar Securities Inc. in 2009 as a Risk Manager, and in 2010 he joined the portfolio team working on quantitative strategies.



Carlo Perri

Credit Opportunities

Carlo earned a Juris Doctor (J.D.) from Osgoode Hall Law School, a MBA and a B.B.A. from the Schulich School of Business and is a member of the Law Society of Upper Canada. He has over 12 years of experience focused on structured credit, ABS and MBS strategies. During his tenures at Coventree and Brookfield Asset Management, he successfully funded over \$6 billion of assets and developed some of Canada's most innovative financial structures involving multi-seller conduits, extendible note programs, synthetic liquidity, collateralized debt structures and derivatives technology. Most recently Carlo was a Portfolio Manager at Northwater Capital where he was responsible for over \$1 billion of credit hedge fund investments. In December 2010, Carlo joined Polar Securities Inc., as an analyst to pursue high yield structured credit opportunities.



Nick Neary

Canadian Fixed Income

Nick graduated from Queen's University in 2001 with a Master of Science. From 2003 to 2007, Nick was a fixed income trader at Susquehanna International Group focusing on interest rate and credit arbitrage. From 2007 until March 2013, Nick was Managing Director, fixed income at BMO Capital Markets with a focus on asset management and interest rate strategies. Nick joined Polar Securities Inc. in August 2013 where, as a member of the North Pole team, he will concentrate on fixed income arbitrage strategies.



Conor Bowes

Special Situations & Risk Arbitrage

Conor graduated from the Schulich School of Engineering (University of Calgary) in 2008 with a gold medal in Oil and Gas Engineering. Prior to graduating, Conor worked at ConocoPhillips and Encana in various engineering roles from 2005 to 2007. Upon graduating in 2008, Conor joined Merrill Lynch's Global Energy and Power Investment Banking Group where he participated in over \$80 billion of M&A transactions and debt/equity financings. In 2011, Conor joined Polar Securities Inc. as an analyst.

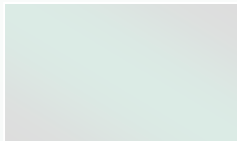
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North Pole Team Biographies



Patrick Hyland

Quantitative Trading

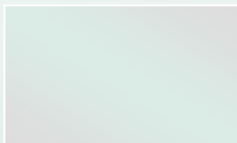
Patrick graduated from Queen's University in 1992 with a major in Mathematics and from the London School of Economics in 1993 with a Masters in Mathematical Economics and Econometrics. From 1995 until 2012, Patrick worked at CIBC with a focus on automated trading strategies in equities including Inter-listed Arbitrage, ETF Arbitrage, and Market-Making. In 1998, Patrick developed CIBC's client automated trading system for equities. Patrick's final position at CIBC was Managing Director, Quantitative Trading Canada. Patrick was chair of the TSX Trading Advisory Committee for 2006-2007. Patrick joined Polar Securities Inc. in September 2013 where he will concentrate on quantitative trading strategies for North Pole.



Kat Berington

Convertible Arbitrage

Kat attended Lawrence University in Wisconsin and graduated magna cum laude with a BA in Economics in 2001. Prior to joining Polar in 2012, she was an execution trader for nearly eight years at Stark Investments. While there, she focused on global convertible arbitrage while also trading various other arbitrage strategies, including volatility (options and warrants), credit arbitrage, and equity long/short. Prior to Stark, Kat spent three years specializing in complex investor relations at Strong Investments, a Wisconsin based mutual fund company. Kat joined Polar Securities Inc. in November 2012.



David Ellen

Canadian Fixed Income

David graduated from Carleton University with BA in 1992. David began his career in 1998 as a Derivatives Trader with the Bank of Montreal in the "open outcry" markets of the Montreal Exchange. From 2002 until 2010, David was a Director of Fixed Income Products with a focus on Government of Canada Bonds and Canadian fixed income derivatives at HSBC Bank Canada. David continued to concentrate on fixed income trading as Managing Director at Canaccord Genuity until 2012. David joined Polar Securities Inc. in October 2013 where, as a member of the North Pole team, he will concentrate on fixed income trading.



Altairis Team Biographies



Bill Peckford, CFA

Lead Portfolio Manager

Bill graduated from Saint Mary's University in Halifax in 1990 with a Bachelor of Commerce degree. Shortly after moving to Toronto in 1991, he joined SEI Financial Services as a performance measurement analyst. In 1993, Bill joined Marquest Investment Counsel as an equity research analyst and trader. He joined Polar Securities Inc. in 1995 as an equity analyst, and in 1997 developed the long/short equity strategy for Altairis. Bill earned his CFA designation in 1995. In past years Bill has been part of the Toronto CFA Society's small-cap companies presentation committee.



Peter von Schilling

Portfolio Manager

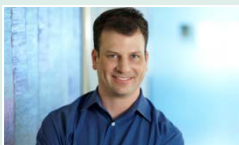
Peter graduated from the University of Waterloo with a Bachelor of Math in 1991 and from INSEAD with an MBA in 1995. Prior to joining Polar Securities Inc. in 2002, he was a senior research analyst at Merrill Lynch Canada, covering Canadian and U.S. based technology enterprise software and IT service companies. Prior to Merrill Lynch, Peter spent five years with Royal Bank Capital Partners as Managing Director of the Information Technology Fund where he was responsible for a wide variety of private and public market investments. At Polar Securities Inc., Peter focuses on research, analysis and strategy formulation for the Altairis long/short equity strategies.



Michael Lam

Analyst

Michael graduated from The University of Waterloo with a Bachelor of Arts degree in 1992. During university Michael garnered his initial investment experience as a Mining Research Associate at McNeil Mantha and Loewen, Ondaatje, McCutcheon. Upon graduation, Michael joined Research Capital as a Special Situations Analyst and in 1996 joined RBC Capital Markets as an Industrial Products Analyst. In 2001, Michael became an institutional equity salesperson at Research Capital and subsequently became Head of Sales. In 2004, he moved to MGI Securities in a similar role. After two years away from the investment business, in 2008, Michael returned as an institutional equity salesperson at Blackmont Capital (which subsequently was renamed Stonecap Securities) until December, 2010 when he joined Polar Securities Inc.



Michael Shunock, CFA

Analyst

Michael graduated from McGill University in 1992 with a Bachelor of Science degree. He then completed graduate studies at the University of Detroit where he received his Doctor of Dental Surgery and Masters of Science in Orthodontics degrees. He then became a CFA charterholder in 2012. Michael joined Polar Securities Inc. in 2007 and works as a research equity analyst as part of the Altairis team.

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Altairis Team Biographies



Mike Easson

Analyst

Mike graduated from the University of Waterloo with a Bachelor of Computer Engineering in 1992 and soon afterwards moved to Silicon Valley to work for a number of technology startup companies. During his engineering career Mike specialized in hardware and semiconductor design before transitioning to volume manufacturing and the deployment of wireless communications systems internationally. In 2006, Mike left the electronics industry and joined Merriman Curhan Ford in San Francisco where he published research on semiconductor and communications equipment companies. In late 2008 he relocated to Toronto and spent 3 years with Peregrine Investment Management, a small cap technology-focused hedge fund, until January 2012 when he joined Polar Securities Inc.



Brian Law, CA, CFA

Analyst

Brian graduated from the University of Waterloo with a Bachelor of Mathematics degree in 2007 and a Masters of Accountancy degree in 2008. Upon graduation, he spent several years in the audit and advisory group at Deloitte & Touche where he focused on the financial institutions space. In 2011, Brian joined an independent mid-market investment bank and gained experience in a wide variety of industries, advising clients on M&A transactions and financings. Brian earned his Chartered Accountancy designation in 2010 and his Chartered Financial Analyst designation in 2011. Brian joined Polar Securities Inc. as an Analyst in 2012.



CAMBay Biography



Christopher Fernyc, CFA

Portfolio Manager

Christopher graduated from Lakehead University in 1997 with an Honours Bachelor of Commerce degree and earned his CFA designation in 2001. In 1998, he joined Bissett Investment Management as an equity research analyst, focusing on Canadian smaller capitalization equities. From 2000 until his departure in 2007, Christopher assumed portfolio management responsibilities for the Bissett Small Cap Fund and Bissett Microcap Fund. He managed his personal portfolio of investments from 2008 until June 2012. Christopher joined Polar Securities Inc. in June 2012, focusing on research analysis and stock selection for CAMBay and became Portfolio Manager in January 2013.





Overview of
Polar Hedge Funds

Kurankye Sekyi-Otu, CFA
Head, Sales & Marketing
Polar Securities Inc.

November 12, 2013

Presentation to:

WAISCVANCOUVER2013



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