



RELATIONSHIP  
DISCLOSURE

SHARED PREMISES  
DISCLOSURE

PERSONAL  
INFORMATION  
POLICY

## RELATIONSHIP DISCLOSURE (“RD”)

Acumen Capital Finance Partners Limited (“Acumen”, “we” or “us”) believes the best way to help you meet your financial goals, and for us to keep serving you as a valued client, is to provide you with the account type(s) and access to investments in a way that best suits your needs. We want to help you save and invest in the way you are most comfortable with in the changing environment in which we live. We think we can do this most successfully if we both know what to expect from each other. For this reason, we would like you to have a good understanding of the products and services we offer; the features of your account(s) and how it/they operate(s); and our responsibilities to you.

We also want you to understand how your input through the “Know Your Client” (KYC) form you complete is critical to our meeting your expectations. Securities regulators have recommended that we promote active client participation for a mutually successful relationship. Regulatory guidance (National Instrument 31-103: Registration Requirements, Exemptions and Ongoing Registrant Obligations) encourages us to ask you to:

- **Keep us up to date.** *“Clients should provide full and accurate information to the firm and the registered individuals acting for the firm. Clients should promptly inform the firm of any change to information that could reasonably result in a change to the types of investments appropriate for them, such as a change to their income, investment objectives, risk tolerance, time horizon or net worth.”*
- **Remain informed.** *“Clients should understand the potential risks and returns on investments. They should carefully review sales literature provided by the firm. Where appropriate, clients should consult professionals, such as a lawyer or an accountant, for legal or tax advice.”*
- **Ask us questions.** *“Clients should ask questions and request information from the firm to resolve questions about their account, transactions or investments, or their relationship with the firm or a registered individual acting for the firm.”*
- **Stay on top of your investments.** *“Clients should pay for securities purchases by the settlement date. They should review all account documentation provided by the firm and regularly review portfolio holdings and performance.”*

We will update the RD when there are material changes to it by referring you to our website or in hardcopy if you request. If you later have any questions related to the contents of this document, or need to change your KYC information, please contact your advisor. You will be provided with a copy of the KYC information that we get from you at the time of account-opening and when there are material changes to the information.

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## A. The services and products we offer

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Here is a brief summary of the services and products we offer you:

### **Services:**

Acumen provides advisory accounts and managed accounts.

### **Products:**

We offer the following investment products:

- Cash and cash equivalents
- Fixed income or debt securities
- Equities including warrants
- Investment funds
- Alternative investments such as options, income trusts, etc.

We also offer a fully paid securities lending program.

Your advisor can explain these investment products to you, as well as how they work, their risks and possible returns, and whether they are appropriate for you.

### **New services and products:**

We will offer additional services and products as they are developed. You can find out about new offerings and whether they are appropriate for you by visiting our website, speaking with your advisor or reading information included with your statements or in other communications.

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## B. Account(s) and how they operate

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**Advisory accounts:** Your advisor is responsible for providing suitable and unbiased investment recommendations to you that meet the standard of care expected of a trained investment professional based on the KYC information that you provide to us. You (or your authorized representative) direct(s) all trading and is(are) responsible for all investment decisions in your account.

**Managed accounts:** These are also referred to as “discretionary accounts” where a portfolio manager independently exercises his or her authority (uses his or her discretion) to make investment decisions within the framework of your overall directions. He or she makes no recommendations to you and you make no decisions, as he or she invests on your behalf.

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## C. The fees you will be paying and how they are calculated

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All fees are disclosed as required by regulation and vary depending on the accounts and services you use. Some charges are fixed – a list of these was provided when you opened your account.

### **Advisory accounts:**

We offer you a choice of commission-based and fee-based accounts. We will recommend the one that is appropriate for you based on how you expect to use the account (for example, if you expect to buy and hold securities for a long time or intend to be buying and selling more frequently), as well as your personal preferences.

Other charges are negotiable and depend on the business you have built up over time with or bring to us. In the case of negotiable charges, we need your consent and charges are included on the transaction confirmation slips we send you.

The fees you will pay for services we provide – and these will vary depending on whether you have chosen a commission-based or a fee-based model – encompass:

#### ☐ **For a commission-based account:**

- For cash and equivalents, fixed income or debt securities and equity securities including warrants: We charge a commission for every trade we make for you based on a flat dollar amount, percentage of the value of the securities purchased or sold, a mark-up, or other method as agreed with your advisor.
- For investment funds: Investment fund managers usually charge percentage fees called a management fee or additional service fee which is included in the management expense ratio (MER) of the fund. The MER is deducted from fund performance. A portion of the management fee and additional service fees may be paid by the fund to us for ongoing services we provide to you. These payments are often referred to as trailer fees. Mutual funds are a type of investment fund and can be purchased generally by two basic ways. The first is a front-end load basis. With a front-end load fund, the advisor charges a fee on the initial purchase price of the initial investment. If a fee is charged, it is deducted from the purchase price. With this type of purchase, there would be no cost to sell the fund in the future. The second is a redemption sales charge (also called deferred sales charge)

basis, which means the fund company pays us a fee based on the initial purchase and the full initial purchase is invested with nothing deducted. However, if the investor transfers out of the mutual fund family, there is a declining charge based on how long the fund was owned. You will need to examine the prospectus for each fund for the specific details.

- For other investment funds such as exchange traded funds, we charge a commission for every trade we make for you based on a flat dollar amount, percentage of the value of the securities purchased or sold, a mark-up, or other method as agreed with your advisor.
- For alternative investments such as options, income trusts, etc.: We charge a commission for every trade we make for you based on a flat dollar amount, percentage of the value of the securities purchased or sold, a mark-up, or other method as agreed with your advisor
- We also charge other account operation fees, which can include account transfer fees, registered plan administration fees, wire transfer fees, “finder’s fees,” etc.
- We also charge interest on debit balances in your accounts with us which will fluctuate with the prime lending rate in Canada.

☐ **For a fee-based account:**

- We charge a fee that will be applied monthly and charged against your account. It is calculated as a percentage of the value of assets. Commissions will be charged if the number of trades per year exceeds the amount specified in your Fee-Based Account Agreement.
- We also charge other account operation fees, which can include account transfer fees, registered plan administration fees, wire transfer fees, “finder’s fees,” etc.
- We also charge interest on debit balances in your accounts with us which will fluctuate with the prime lending rate in Canada.

**Managed accounts:**

☐ **Managed account fees:**

- We charge a fee that will be applied monthly and charged against your account. It is calculated as a percentage of assets. Commissions or per trade charges may be charged if specified in your managed account agreement.
- We also charge other account operation fees, which can include account transfer fees, registered plan administration fees, wire transfer fees, etc.
- We also charge interest on debit balances in your accounts with us which will fluctuate with the prime lending rate in Canada.

**Other fees and charges:**

You may be subject to other costs relating to services that you use that are not our service offerings. For example, there may be charges levied by third parties for services that help you save more quickly and securely such as for pre-authorized transfers. Knowing about and planning for these costs are your responsibility.

**Notice of price changes:** We will provide you with at least 60 days’ written notice of any new or changed fee or service charge.

**Reminder:** For a full list of products and services, and the relevant commissions and fees, please ask your advisor.

Fees, especially ongoing fees, reduce the value of your investment portfolio. This is particularly true over time because not only is your investment balance reduced by the fee, but you will also lose any return you would earn on that fee.

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**D. How we will assess the suitability of an investment when making recommendations to you**

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**Advisory accounts:**

Before we provide you with recommendations as to which investments to purchase, or if you ask us to buy or sell a security, we will first see if we believe that investment is suitable for you according to our understanding of the information you have given us when you completed the KYC form. That is why keeping this up to date and accurate is very important. We know many people are concerned about sharing some of this information, however, without all the necessary information, we may determine that the order you provided to us is not suitable for you in the context of your overall portfolio. In that case, we must advise against proceeding with the order.

The suitability factors that guide us in our decision as to an investment’s suitability include what we understand to be your current:

1. **Financial situation:** What financial assets (deposits, investments) and liabilities (debt, mortgage) you have and the sources and amount of your income – we will consider the size of any transaction compared to the overall value of your net financial assets (assets minus liabilities).
2. **Investment knowledge:** Whether you consider yourself, or we understand you, to be a novice at investing, have some knowledge or feel you understand some of the new more complex financial products.
3. **Investment objectives:** What you tell us are your specific financial goals; this will help us determine how to balance the desire to keep your money safe (not lose principal), earn income, and increase your capital through growth in the market value of your holdings/account.
4. **Time horizon:** When you expect to need your financial assets, for example, to buy a house, pay for education or enter retirement

– in retirement, this may also include consideration of tax requirements to withdraw minimum amounts.

5. **Risk profile:** Your risk profile considers risk tolerance and risk capacity. Risk tolerance is level of risk you are willing to assume in order to achieve your investment objectives and risk capacity is how much risk can you comfortably take on given your financial circumstances.
6. **Investment portfolio composition and risk level:** How the purchase or sale of particular securities affects holdings in your overall account(s) in terms of allocation of holdings between debt, equity and other classes, and the riskiness of the assets held.

Our understanding of your profile is critical. Some of the above factors are relatively easily answered with a “yes” or “no” or a number, however, some are more complex, particularly your risk profile.

The combination of these factors that make up your profile will help us suggest the allocation of your holdings between, for example:

- registered (tax-advantaged) and non-registered accounts;
- debt, equity, mutual fund and other instruments;
- Canadian and foreign investments;
- whether to borrow to invest rather than paying in cash only;
- terms of specific instruments; and
- the riskiness of both individual securities and the combination of securities in your portfolio.

Below we provide a summary of the procedures we use to help you understand how we bring all the information you provide to us into decisions as to what investments to recommend to you.

#### ***Suitability process:***

We use a three-step approach to determine if an investment is suitable for you.

1. Based on discussion with you and your answers on the KYC form, we determine whether you are a risk-averse client, somewhat risk-tolerant or can accept higher losses in the search for higher gains.
2. We rate investments as low, medium or high risk. For example, a GIC is low risk whereas borrowing to invest in stock from companies in developing countries is very high risk.
3. We consider other relevant factors, for example:
  - If you are risk-averse, but have a reasonable amount of financial assets and you want to invest a small amount of your overall account in a new issue of a start-up company run by someone you know and whose business acumen you respect, we would tell you that while the specific investment is not suitable for you, it might be acceptable if you can “afford” to lose some money, even that entire investment. An investment that is small in proportion to the total portfolio is not unsuitable.

***If, when you place an order, what you would like to invest in is not consistent with what your profile suggests to us, we will advise against proceeding with the order. Depending on the circumstances we may require additional information or representation from you regarding the order.***

#### ***Suitability review timing***

***When (1) accepting each of your orders or (2) recommending a security or strategy to you, we will review each order or strategy in the context of the six KYC suitability factors described above.***

#### ***We will also conduct a suitability determination when:***

1. Securities are deposited/withdrawn or transferred to/from your account/(s); and/or
2. The advisor responsible for the account changes; and/or
3. Acumen or your investment advisor becomes aware of a material change in a security in your account that could result in the account not satisfying retail client suitability determination requirements; and/or
4. Acumen or your investment advisor becomes aware that there has been a material change in your personal or financial circumstances or objectives.

***If during the suitability determination we identify any concerns, we will discuss them with you and may be required by our regulators or good business practice to document our discussions and, if we are strongly concerned, may have to refuse to execute a transaction or to terminate an account relationship.***

***To ensure that the position(s) held in your account or accounts is/are suitable for you as time passes, your investment advisor will review the suitability of the investments in your account(s) and your holdings altogether when required due to one of the reasons described above.***

***Given the long-term nature of investing for most clients, we do not automatically review the suitability of the investments in your account(s) when there are market fluctuations, even large fluctuations.*** However, when Acumen or your investment advisor becomes aware of a material change in a client’s financial situation resulting from a major market fluctuation or other material KYC changes a suitability assessment would trigger. Your advisor is ready to discuss the effect of market fluctuations on your portfolio with you when you request. We encourage you to speak with your advisor, especially if you expect to need to convert your assets to cash in the near future (for example, for a major purchase such as a house), if you want to change when you retire and in the case of

other major changes to your KYC profile.

#### **Managed accounts:**

Discussion with you about the suitability for you of individual investments is not required as your account will be managed according to your KYC. Ongoing suitability is provided as part of the managed account services according generally to the process discussed below.

The suitability factors that guide us in our decision as to an investment's suitability include what we understand to be your current:

1. **Financial situation:** What financial assets (deposits, investments) and liabilities (debt, mortgage) you have and the sources and amount of your income – we will consider the size of any transaction compared to the overall value of your net financial assets (assets minus liabilities).
2. **Investment knowledge:** Whether you consider yourself, or we understand you, to be a novice at investing, have some knowledge or feel you understand some of the new more complex financial products.
3. **Investment objectives:** What you tell us are your specific financial goals; this will help us determine how to balance the desire to keep your money safe (not lose principal), earn income, and increase your capital through growth in the market value of your holdings/account.
4. **Time horizon:** When you expect to need your financial assets, for example, to buy a house, pay for education or enter retirement – in retirement, this may also include consideration of tax requirements to withdraw minimum amounts.
5. **Risk profile:** Your risk profile considers risk tolerance and risk capacity. Risk tolerance is level of risk you are willing to assume in order to achieve your investment objectives and risk capacity is how much risk can you comfortably take on given your financial circumstances.
6. **Investment portfolio composition and risk level:** How the purchase or sale of particular securities affects holdings in your overall account(s) in terms of allocation of holdings between debt, equity and other classes, and the riskiness of the assets held.

Our understanding of your profile is critical. Some of the above factors are relatively easily answered with a “yes” or “no” or a number, however, some are more complex, particularly your risk profile.

The combination of these factors that make up your profile will help us suggest the allocation of your holdings between, for example:

- *registered (tax-advantaged) and non-registered accounts;*
- *debt, equity, mutual fund and other instruments;*
- *Canadian and foreign investments;*
- *whether to borrow to invest rather than paying in cash only;*
- *terms of specific instruments; and*
- *the riskiness of both individual securities and the combination of securities in your portfolio.*

Below we provide a summary of the procedures we use to help you understand how we bring all the information you provide to us into decisions as to what investments to recommend to you.

#### **Suitability process:**

We use a three-step approach to determine if an investment is suitable for you.

1. Based on discussion with you and your answers on the KYC form, we determine whether you are a risk-averse client, somewhat risk-tolerance or can accept higher losses in the search for higher gains.
2. We rate investments as low, medium or high risk. For example, a GIC is low risk whereas investing in stock from companies in developing countries is very high risk.
3. We consider other relevant factors, for example:
  - If you want predominantly socially responsible investments or at least to avoid investment in firms whose products are alcohol, tobacco, pornography, gambling, guns, and chemical, biological or nuclear weapons.

#### **Suitability review timing**

Ongoing suitability is provided as part of the managed account services. We will review each recommendation, order or strategy in the context of the six KYC suitability factors described above.

#### **We will also conduct a suitability determination when:**

1. Securities are deposited/withdrawn or transferred to/from your account/(s); and/or
2. The advisor responsible for the account changes; and/or
3. Acumen or your investment advisor becomes aware of a material change in a security in your account that could result in the account not satisfying retail client suitability determination requirements; and/or
4. Acumen or your investment advisor becomes aware that there has been a material change in your personal or financial circumstances or objectives.

***If during the suitability determination we identify any concerns, we will discuss them with you and may be required by our regulators or good business practice to document our discussions and, if we are strongly concerned, may have to refuse to execute a transaction or to terminate an account relationship.***

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**E. The ways we will avoid, manage or disclose conflicts of interest that may arise as we serve your and others' interests**

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Actual, potential, and perceived conflicts of interest exist in almost all human interactions. Our relationship with you is no different. We have a legal responsibility to maximize economic benefit for our shareholders and other stakeholders, as well as an obligation to adhere to the highest ethical standards in our dealings with our clients. We believe the best way to achieve our goal is to provide you with trusted advice and personalized financial solutions that help you achieve your financial goals in order to retain your continued patronage.

A conflict of interest may arise where:

- the interests of different parties, such as the interest of a client and those of a registrant, are inconsistent or divergent;
- a registrant may be influenced to put their interests ahead of their client's interests; or
- monetary or non-monetary benefits available to a registrant or potential detriments to which a registrant may be subject, may compromise the trust that a reasonable client has in their registrant.

A conflict of interest is considered material in the circumstances when it may be reasonably expected to affect either or both of i) the decisions of the client and ii) the recommendations or decisions of the registered individual.

**Identifying, Addressing and Disclosing Material Conflicts of Interest**

Our goal is to identify, address and disclose material conflicts of interest in a fair, equitable and transparent manner, and consistent with the best interest of our clients. We will address material conflicts of interest by either avoiding those conflicts or by using internal controls and review processes to mitigate those conflicts sufficiently so that the conflict has been addressed in our clients' best interest. Conflicts deemed too significant to be addressed through controls or disclosures must be avoided. Disclosures about conflicts of interest, will be made in a timely, meaningful and prominent manner.

The following information will provide more detail about how we manage existing and reasonably foreseeable material conflicts of interest to assist you in assessing them and understanding how we address them in your best interests. The following information is intended to assist you in understanding and assessing material potential and actual conflicts of interest, including how we address them. If you ever have any questions or concerns, whether they involve conflicts of interest or anything else, you should never hesitate to say so and ask your advisor for an explanation and more information.

**Additional Information**

The securities laws of the Canadian Provinces require securities dealers and advisers, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers, and advisers, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuer of the securities. Clients and customers should refer to the applicable provisions of these securities laws for the particulars of these rules and their rights or consult with a legal adviser. Currently, Acumen Capital Finance Partners Limited is not related or connected to any such issuer of securities.



Existing or Reasonably Foreseeable Material Conflicts of Interest and the Potential Impact	Address By	How Conflicts Will Be Addressed
<b>Ongoing Conflict of Interest</b>		
<p>We earn compensation by selling products and services to you for which you pay us.</p> <p>Our investment advisors may be perceived to be motivated to make recommendations that provide them with better compensation.</p>	Disclose/Control	<ul style="list-style-type: none"> <li>We will inform you of fees, commissions and other compensation in advance so that you know what you will be paying.</li> <li>We earn brokerage commissions on trades executed for you, and such commissions are negotiated between you and your investment advisor, subject to certain minimums. All commissions are disclosed on each trade confirmation.</li> <li>We review the suitability of the securities held in your account when we make a recommendation or process a transaction on your behalf taking into consideration your stated investment needs and objectives. All trades are reviewed by our compliance team for suitability, fairness, reasonability and account appropriateness, considering your stated investment needs and objectives.</li> <li>We have daily trading reviews reasonably designed to detect, among other things, conflicts of interest between your investment advisor and your trading activity, and unsuitable trading.</li> <li>We have policies and procedures prohibiting recommendations solely for the purpose of generating revenues for us without any benefit to you.</li> <li>Trade instructions are only taken from individuals specifically authorized to provide them for each account.</li> <li>The pricing for other services is documented in a fee schedule provided to you at the time of account opening, as well as any time there is a change in the fees related to any service.</li> <li>We have a duty to act fairly and honestly in all dealings with you and in the marketplace in general, and to correct any errors that we may make.</li> <li>Fee-based or managed accounts: Acumen advisors may recommend fee-based or managed accounts to clients. When making this recommendation the advisor must ensure that this type of account is appropriate for the client based on the client's needs, objectives, and anticipated level of trading activity.</li> </ul>
<p>We may receive compensation from securities issuers and other third parties based on their products we sell to you, such as "trailer fees" on mutual funds and commissions on securities offerings.</p> <p>The trailer fees are not charged to you directly, but these fees affect you as they reduce the amount of the fund's return to you.</p>	Disclose/Control	<ul style="list-style-type: none"> <li>The products and services we provide are evaluated through a "know-your-product" process that does not consider potential compensation.</li> <li>We disclose to you the situations and type of third-party compensation we may receive prior to placing any order on your behalf. In addition, securities regulations require issuers to provide specific disclosure of such arrangements and the compensation we will receive. These disclosures are generally found in the prospectus or other offering documents provided such as the Fund Facts of Mutual Funds offered.</li> <li>Recommendations of such investments are based on the quality of the security without influence from any third-party compensation associated with these securities.</li> <li>All transactions are reviewed by our compliance team for suitability, pre-trade disclosure of fees to you, and to ensure fees are reasonable.</li> <li>Managed accounts: On occasion a managed account may hold a security that pays Acumen a trailing commission. We have addressed this conflict by removing the value of such investments from the fee calculation.</li> <li>Fee-based accounts: We have policies in place to review for overuse of new issue products and ensure all such investments are appropriate for you and will disclose to you in all instances where your advisor may receive additional compensation. On occasion a fee-based account may hold a security that pays Acumen a trailing commission. We have addressed this conflict by removing the value of such investments from the fee-based calculation.</li> </ul>
<p>We are compensated in other ways as a result of the business you may do with us, including interest spreads on uninvested cash deposits with us and foreign exchange spreads when you convert currencies.</p> <p>These reduce the returns to you or increase your costs.</p>	Disclose/Control	<ul style="list-style-type: none"> <li>Various forms of other compensation we may receive are disclosed to you at account opening or at the time of the related transaction.</li> <li>Spreads are monitored to ensure they are reasonable, fair and competitive.</li> </ul>
<p>We may sell to you securities which we own or buy securities from you (called principal trades) and profit by doing so.</p> <p>It may be perceived that we would buy or sell at a price better than the current market price.</p>	Disclose/Control	<ul style="list-style-type: none"> <li>We will tell you whether we acted as principal or agent for each transaction on the trade confirmation.</li> <li>Principal trades are reviewed to ensure you receive a price that is justified by the market and in your best interest.</li> <li>In the case of fixed-income securities, (which we usually transact as principal) we provide you with a stated yield to maturity so you can assess the competitiveness of our pricing. Comparable prices/yields are obtained from two different sources to ensure your price is fair and reasonable.</li> <li>Where a recommendation is being made by an investment advisor on a security in which they have an investment, this fact will be disclosed at the time of the recommendation.</li> </ul>
<p>We may need to select which clients will be offered certain securities if availability is limited.</p> <p>When we are involved in the issuance of new securities, there may be a higher expression of interest from our clients than the amount of securities we were allocated for the offering.</p>	Control	<ul style="list-style-type: none"> <li>We allocate investment opportunities among our clients fairly so as not to intentionally favour one client over another.</li> <li>Such allocations may not be influenced by guarantees of future business.</li> <li>Securities may be made available to clients based on certain conditions set by issuers, as well as regulatory requirements. Not all securities are available to all clients.</li> <li>Suitability of the investment to any particular client, as well as client priority are fundamental considerations.</li> <li>We execute trades in accordance with best execution requirements under applicable law. Any competing interests among clients are addressed fairly and transparently between clients by allocating on a pro rata basis, if required.</li> <li>We endeavor to treat all clients on a basis that is fair and reasonable in the context of the nature of the particular transaction and the transaction costs.</li> </ul>



Existing or Reasonably Foreseeable Material Conflicts of Interest and the Potential Impact	Address By	How Conflicts Will Be Addressed
<p>We are paid by issuers of securities when we advise on or underwrite a new issue which we may recommend to you. In these instances, we are acting for the issuer that wants to obtain the highest price while recommending the investment to purchasers who are interested in obtaining the lowest price.</p> <p>We may be perceived to be motivated to offer, buy or advise on securities for which we are receiving other fees from the issuer.</p>	Control/Disclose	<ul style="list-style-type: none"> <li>We have structurally segregated our corporate finance and retail advisory businesses, which prevents the sharing of non-public information by our corporate finance business (having the relationship with the issuer) with our retail advisory business (having the relationship with clients like you).</li> <li>Pricing must consider current market conditions, market value and the specific securities being offered.</li> <li>In all instances, the investments must be suitable for you, in line with your stated investment objectives and risk profile.</li> <li>The offering documents provide full disclosure of all relationships we may have with the issuer, including the compensation arrangements related to the transaction.</li> </ul>
<p>If you hold an applicable security, we may be paid by issuers, offerors or others to solicit your proxy or vote in their favour with respect to takeover bids, corporate reorganizations, solicitation of proxies and other corporate actions.</p> <p>We may be perceived to be motivated to advise on securities or transactions for which we are receiving other fees from the issuer.</p>	Disclose	<ul style="list-style-type: none"> <li>We disclose all compensation to you. Securities regulations require specific disclosure of such arrangements and the compensation we will receive in documents such as information circulars, takeover bid circulars and issuer bid circulars.</li> </ul>
<p>As a result of business relationships with issuers of securities, we may know confidential information that we cannot disclose to you when we recommend the securities to you, even if that information might lead us not to recommend buying the securities.</p> <p>We may be unable to make recommendations to you in these situations.</p>	Control	<ul style="list-style-type: none"> <li>We operate our corporate finance and retail advisory and other businesses separately so that such information is tightly controlled and not shared by corporate finance with our retail advisory and other businesses.</li> <li>Our internal information barriers are designed to ensure regulatory requirements are complied with and retail advisory and other employees do not have access to any non-public information that may be available to our corporate finance businesses.</li> <li>Our corporate finance business is obligated to maintain confidential any such non-public information obtained from issuers.</li> </ul>
<p>We may have access to commercially sensitive or inside information.</p> <p>We may be unable to make recommendations to you in these situations.</p>	Avoid/Control	<ul style="list-style-type: none"> <li>We may decline to provide a service to avoid insider trading provisions in securities legislation.</li> <li>We have specific procedures for responding to conflicts of interests that involve inside information and for complying with insider trading provisions.</li> <li>Confidential information that cannot be publicly disclosed is protected through internal information barriers so that it is not shared and does not influence any retail advisory activities.</li> </ul>
<p>We provide investment research on securities of companies that may have other business relationships with us.</p> <p>Research reports and recommendations are issued in an effort to ensure you are well informed to make knowledgeable investment decisions and not to promote any issuer we may cover in our research recommendations and/or reports.</p>	Control/Disclose	<ul style="list-style-type: none"> <li>Our research and recommendations are subject to extensive and detailed regulatory requirements and internal standards. These include controls over communications between our corporate finance and the research departments, issuers and the research department, detailed reviews and approvals of trading activity, particularly around the issuance of research reports, etc.</li> <li>Extensive disclosures are made in our research reports to enable you to assess the risk of conflict on your own. These include compensation received related to both investment banking and non-investment banking services, ownership by the firm or the analyst, compensation of analysts, rating systems and distributions, including where corporate finance services have been provided, among other things.</li> </ul>
<p>We engage in trading of securities for our own account (called proprietary trading).</p> <p>We may be perceived to be putting our interests ahead of yours by transacting in our own accounts.</p>	Control	<ul style="list-style-type: none"> <li>We maintain information barriers between our corporate trading activities and retail advisory and other business.</li> <li>Firm and employee trades are identified as such and client trades are given priority to firm and employee trades in accordance with industry "client priority" regulations (taking into consideration the time and price of each order, etc.). The trade confirmation for each transaction will indicate whether we acted as principal.</li> <li>Proprietary trading is subject to detailed reviews, controls, concentration limits, etc.</li> </ul>
<p>We may receive compensation by trading destinations, including electronic communication networks, market makers and exchanges in connection with trades on markets we direct to such destinations.</p> <p>This may create a potential or perceived conflict of interest if we direct trades to a marketplace who provides us with benefits or rebates.</p>	Control/Avoid	<ul style="list-style-type: none"> <li>Industry regulations dictate our best price and best execution obligations to you.</li> <li>We are not owners in any marketplaces, nor do we act as market maker in any securities.</li> <li>Neither the fees we pay nor the rebates we receive are passed on to you. Our order routing strategies are not based on fees or rebates.</li> </ul>
<p>Individuals registered with us may also be registered with another registered firm related to Acumen and provide services to clients of that firm.</p> <p>Our investment advisors may be perceived to be focusing on clients of one entity over the clients of the other entity or sharing information between the two entities.</p> <p>This is not relevant to our private clients since our private client investment advisors are not dually registered.</p>	Control/Avoid	<ul style="list-style-type: none"> <li>These relationships are subject to legislative and industry regulatory requirements that impose restrictions on dealings between related registered firms and/or individuals that are dually registered with a related registered firm. Such restrictions are intended to minimize the potential for conflicts of interest resulting from these relationships.</li> <li>We have adopted internal policies and procedures that supplement the regulatory requirements, including policies on privacy and confidentiality of information.</li> <li>For sake of clarity, the only registered affiliate of Acumen is its subsidiary, Acumen Estate and Insurance Advisory Ltd.</li> </ul>

Existing or Reasonably Foreseeable Material Conflicts of Interest and the Potential Impact	Address By	How Conflicts Will Be Addressed
<p>We may permit certain individuals who are registered with us (including, potentially, your investment advisor or account representative) to be employed by, participate in, or accept compensation from other persons or firms, outside the scope of his/her relationship with us.</p> <p>Conflicts may arise when an investment advisor is involved in outside business activities either because of the compensation they receive for these activities or because of the nature of the relationship between the investment advisor and the outside entity.</p>	Disclose/Control/Avoid	<ul style="list-style-type: none"> <li>No business activities outside of the scope of our business are permitted for any investment advisors where conflict or perceived conflicts may exist, where there is any risk of disruption to client services or any confusion as to who is providing a client service, or any such business viewed as disreputable or inappropriate.</li> <li>All employees must disclose to us and obtain our approval of all outside business activities prior to the activities commencing. Approval may be granted after a review of these activities confirms they would not impair the employee's ability to provide adequate client service. Any existing and reasonably foreseeable material conflicts of interest would be identified, and appropriate steps taken to address such conflicts in the best interest of our clients.</li> <li>Approval will be granted only if these activities do not involve activities that are inconsistent with securities legislation or CRO requirements, and do not interfere with the investment advisor's ability to remain current on securities law and product knowledge.</li> </ul>
<p>Outside business activities could cause the investment advisor to put such interests ahead of yours.</p>		<ul style="list-style-type: none"> <li>All outside activities must be consistent with the investment advisor's duty to deal fairly, honestly and in good faith with their clients.</li> <li>All outside business activities of our registered employees are disclosed to our regulator and the regulator must be satisfied they do not create a material conflict of interest.</li> </ul>
<p>Conflicts of interest can arise where an investment advisor has personal financial dealings with you, including where they are appointed as a trustee or granted a power of attorney and have control or authority over your financial affairs, or where the investment advisor acquires assets from you outside of our investing relationship.</p> <p>These dealings could cause the investment advisor to put their interest ahead of yours in taking any investment action.</p>	Avoid/Control	<ul style="list-style-type: none"> <li>We have policies and procedures in place, in compliance with securities regulations, which prohibit employees and investment advisors from directly or indirectly engaging in any personal financial dealings with clients who are not family members.</li> <li>To do so is considered inappropriate conduct, a material conflict of interest and a violation of the general business conduct standards.</li> <li>We obtain certifications from each employee at the time of their hiring and annually thereafter to control this potential conflict.</li> </ul>
<p>Individuals may serve on a board of directors or take on other activities that could take time or attention away from your account.</p> <p>This may result in conflicting duties owed to the company and to our firm or to you, possible receipt of inside information, and conflicting demands on the employee's time, as well as inherent conflicts where the company is an issuer of securities that we may recommend to you.</p>	Avoid/Control/Disclose	<ul style="list-style-type: none"> <li>Securities legislation prohibits a registered individual from serving as a director of another registered firm that is not an affiliate of our firm.</li> <li>Our employees are prohibited from engaging in activities that would interfere or create conflict with their duties. We have policies in place to detect and, where applicable, supervise, disclose or prohibit any conflicts of interest.</li> <li>Employees wishing to act as directors or officers of a public or private company must receive prior approval from us and, if approved, will be reported as an outside business activity to our regulator.</li> <li>When an employee sits on a board of directors in any substantive way, they are subject to regulatory guidance on the disclosure and approval of outside business activities.</li> <li>We have adopted internal policies and procedures that supplement the regulatory requirements. As a general rule, we prohibit employees from acting as directors of any company we cover.</li> </ul>
<p>We obtain and possess personal non-public information about you and the securities you hold in your account.</p> <p>It may be perceived that our employees, including your investment advisor, could use non-public information about you and the securities you hold in your account for their own personal trading and benefit.</p>	Avoid/Control	<ul style="list-style-type: none"> <li>Our personal trading policies, in addition to other firm policies, are designed to ensure that our investment advisors act in accordance with applicable laws and that they do not engage in personal securities transactions that are prohibited, such as insider trading, or inappropriate use of personal non-public information and insider trading.</li> <li>All trading activity, including our employee trading, is reviewed on a daily basis by our compliance team.</li> </ul>
<p>Individuals may receive or give gifts, gratuities or entertainment opportunities as a result of their relationships with clients.</p> <p>Such actions may be perceived as compromising our independence and/or putting our own interests ahead of yours.</p>	Avoid/Control	<ul style="list-style-type: none"> <li>Our policies prohibit employees from accepting or giving any gift or entertainment opportunity which is intended to improperly influence a business decision. We have guidelines on what are appropriate gift and entertainment practices, including approval processes relative to these.</li> </ul>
<p>On occasion, clients may be referred by third parties to Acumen for the purpose of obtaining the products and services offered by Acumen. Acumen may also refer clients to third parties.</p>	Control/Disclose	<ul style="list-style-type: none"> <li>Acumen advisors must ensure that the referral is being made in the client's best interest.</li> <li>When these referrals involve a commission, the commission must comply with existing regulations, and we notify the referred client about the commission and other relevant information. This allows the client to make an informed decision about the referral and to consider any potential conflict of interest. Any agreement must be made in the best interests of clients and not for the purpose of receiving a commission.</li> </ul>
<p>A margin account or an investment loan generates debit interest and additional fees or commissions when we invest the amount borrowed.</p>	Avoid/Control	<ul style="list-style-type: none"> <li>Any investment recommendation made by the investment advisor must be suitable for the client and put his interests first. Our employees cannot recommend a product solely on the basis of the amount it will bring us.</li> </ul>

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**F. The reports we will provide to help you monitor your financial assets and their performance, as well as the fees and charges you pay us or to third parties through us**

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**Advisory accounts:**

**Confirmations:** We provide you with written confirmation by post or electronically of the details of every purchase, sale, transfer or other relevant transaction details. Please look for and review your confirmation as soon as you receive it or it is available online.

**Note:** We do our utmost to avoid errors, however, misunderstandings and mistakes can happen. Please let us know within 10 days if you see any transactions that you do not recall or identify any errors.

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**Account statements:** You will receive account statements on a monthly or quarterly basis. Your account statement confirms all account activity, including purchases and sales of securities, contributions and withdrawals, dividends, interest earned and paid, transfers, and any other transactions that occurred in your account over the previous period.

**Note:** These statements also list your current holdings and the net value of your portfolio as if you had closed all positions as of the date on the statement. Market values for the securities held in your various accounts are provided in your account statement. For publicly traded stocks, these values are obtained from sources we consider to be reliable, but we cannot guarantee their accuracy. Whenever possible, market values for fixed income securities include accrued interest. In the case of securities not listed on an exchange or traded infrequently, the value given is an estimate which does not necessarily reflect the actual market value. Whenever possible, an asterisk is printed beside each price which is questionable. For certain securities where we are unable to provide a market value, none is given.

We provide an annual Investment Performance Report, including account percentage return information, and an Annual Fees and Compensation Report. For updated information at any time, please contact your advisor.

**Managed accounts:**

**Account statements:** You will receive account statements on a monthly or quarterly basis. Your account statement confirms all account activity, including purchases and sales of securities, contributions and withdrawals, dividends, interest earned and paid, transfers, and any other transactions that occurred in your account over the previous period. These statements also include account percentage return information and fees that you pay.

These statements also list your current holdings and the net value of your portfolio as if you had closed all positions as of the date on the statement. Market values for the securities held in your various accounts are provided in your account statement. For publicly traded stocks, these values are obtained from sources we consider to be reliable, but we cannot guarantee their accuracy. Whenever possible, market values for fixed income securities include accrued interest. In the case of securities not listed on an exchange or traded infrequently, the value given is an estimate which does not necessarily reflect the actual market value. Whenever possible, an asterisk is printed beside each price which is questionable. For certain securities where we are unable to provide a market value, none is given. **Note:** We do our utmost to avoid errors, however, misunderstandings and mistakes can happen. Please let us know within 45 days if you identify any errors.

**Confirmations:** To the fullest extent permitted by law, you waive your right to receive trade confirmations on any purchases or sales of securities in the managed account(s).

We provide an annual Investment Performance Report, including account percentage return information, and an Annual Fees and Compensation Report. For updated information at any time, please contact your advisor.

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**G. Investment Performance Benchmarks**

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Comparing your portfolio's performance to that of an appropriate benchmark can be a useful exercise for monitoring purposes. Benchmark comparisons can help you determine if your investment approach is delivering the desired results, or whether changes might be called for. Investment benchmarks are also helpful for developing realistic expectations about returns your portfolio can generate over the long term.

Investment benchmarks usually provide a broad measure of the return generated by specific assets classes over a given period. They are often referred to as reference indices since the most common form of investment benchmark is an index – such as a stock or bond index. A benchmark must replicate the security or portfolio as closely as possible for the comparison to be meaningful. Examples of benchmarks would include the S&P/TSX for Canadian stocks, the DEX Universe for Canadian bonds and the S&P 500 for U.S. stocks. For a portfolio composed of securities from several different asset classes, the appropriate benchmark would be a blend of indices weighted to the portfolio's asset mix. We do not provide benchmarks in our account reporting. Please contact your advisor for more information about comparing your portfolio's return to an investment benchmark.

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## H. Other helpful information

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We think that open communication is the best way to achieve this, however, misunderstandings can arise and mistakes can occur. If you have complaints (or compliments), please let us know.

### ***Complaint-handling procedures:***

If you have a complaint about the handling of your account by an Acumen employee, we request that you submit the details of your complaint, preferably in writing, to the Chief Compliance Officer, Suite 800 500 4th Ave SW Calgary, AB T2P 2V6 Phone 403-571-0300. The Chief Compliance Officer is the designated complaints officer for Acumen.

Generally, a complaint is defined as: allegations of breach of confidentiality, theft, fraud, misappropriation or misuse of funds or securities, forgery, unsuitable investments, misrepresentation, unauthorized trading relating to the client's account(s), other inappropriate financial dealings with clients and engaging in securities related activities outside of Acumen.

Within five business days of receiving your complaint, Acumen will acknowledge in writing that we have received and have begun to investigate your complaint. We will also enclose a brochure outlining the options available to you should the resolution of your complaint be unsatisfactory. You would also have received this brochure at the time you opened your account with Acumen.

When Acumen begins investigating your complaint, we may need to contact you to clarify the nature of the complaint and obtain as much information as we can to help us make an informed decision on the merits of your complaint. As a member of the Canadian Investment Regulatory Organization (CIRO), Acumen is obliged to conduct a thorough investigation and provide you with a final response within 90 days of the receipt of your complaint. On rare occasion, this may take longer. For example, if you are away on vacation and we are unable to contact you to get more information from you, the complaint investigation process may be delayed. If we are unable to complete our investigation within the required 90 day time frame, we will advise you of that fact in writing and will provide an explanation for the delay.

When we have completed our investigation, we will send you a detailed response letter summarizing our understanding of your complaint and the conclusion we have reached. We will also provide a thorough explanation of why we have come to that conclusion. We will outline any compensation we will offer you as a result of the complaint and will also provide you with a list of your options should you find our conclusion unsatisfactory.

### ***Checklist of documents to be provided to you at account-opening:***

New Client Application Form which includes:

- ☐ Leverage Risk Disclosure Statement detailing the risks associated with borrowing money to finance the purchase of securities
- ☐ Acumen's introducing broker relationship with a carrying broker
- ☐ In addition, you will receive the following documents:
- ☐ CIRO's "An Investor's Guide to Making a Complaint" brochure
- ☐ Strip Bond Information Statement detailing the risks associated with trading in strip bonds
- ☐ Service charges & fees schedule
- ☐ If your investment advisor engages in certain activities, you may also receive additional documents that disclose:
- ☐ Whether there are any referral fees
- ☐ The risks associated with trading futures or options

We hope to enjoy a long successful relationship with you and look forward to serving you, your family and any people you may refer to us.

If your investment advisor is an agent of Acumen Capital Partners, Acumen Capital Partners is irrevocably liable to you for any acts and omissions of your investment advisor with regard to Acumen Capital Partners business as if the investment advisor were an employee of Acumen Capital Partners. By continuing to deal with our firm, you accept our offer of indemnity. Acumen Capital Partners is not responsible for non-securities related business conducted by the agent. Acumen Capital Partners is responsible for the securities related business of managed and advisory investment accounts conducted by the agent.

## SHARED PREMISES DISCLOSURE

As a member of the CIO, Acumen Capital Finance Partners Limited is required under securities regulation to disclose our relationship with our affiliated and related firms with which your advisor shares its premises. Your Acumen Capital Finance Partners Limited advisor may share their office premises with Acumen Estate and Insurance Advisory Ltd., an associate general agency providing insurance services. Acumen Estate and Insurance Advisory Ltd. is a subsidiary of Acumen Capital Finance Partners Limited. As a client of Acumen Capital Finance Partners Limited, your advisor can provide you with investment advice regarding, stocks, bonds, exchange-traded funds, mutual funds, and other securities. Any advice concerning insurance products is provided through Acumen Estate and Insurance Advisory Ltd. Your advisor, in addition to being registered with Acumen Capital Finance Partners Limited, may also be licensed as an Agent to sell insurance products through Acumen Estate and Insurance Advisory Ltd. It is important to note that while you advisor may provide services under Acumen Capital Finance Partners Limited and Acumen Estate and Insurance Advisory Ltd., these companies operate as separate entities.

## PERSONAL INFORMATION POLICY

At Acumen Capital Finance Partners Limited (“Acumen”), we respect your privacy and the confidentiality of your personal information. We are committed to keeping the personal information you share with confidential. The use of such information will only be for the purpose for which it was collected. This Personal Information Policy explains how Acumen and its affiliated companies collect, use, disclose and protect the personal information we obtain. References to “Acumen” are to the corporate entity Acumen Capital Finance Partners Limited and include its subsidiary Acumen Estate and Insurance Advisory Ltd., depending upon the context.

We may amend our Personal Information Policy from time to time to accommodate changes in our services, technology or as a result of a legal development. We encourage you to check back and review our Personal Information Policy periodically. Each time you submit personal information or use our services, you agree to be bound by the current terms of our Personal Information Policy.

### IMPORTANT PRINCIPLES FOR YOUR PROTECTION

Our Personal Information Policy applies to individuals and consists of the following key principles:

- **Collecting and Using Personal Information** – Either before or when we collect personal information about you, we will explain how we intend to use it. We will limit the personal information we collect to what we need for those purposes, and we will use it only for those purposes. We will obtain your consent if we wish to use your personal information for any other purpose or before collecting personal information from, or providing personal information to, parties not affiliated with Acumen.
- **Disclosing Personal Information** – We may provide your personal information to other persons, but only as disclosed herein, where we have your consent, or where we are required or permitted to do so by law.
- **Protecting Personal Information** – We will protect the personal information we obtain about you with appropriate safeguards and security measures. We will retain your personal information only for the time it is required for the purposes we explain or as otherwise required by law.
- **Access to and Accuracy of Your Personal Information** – We will give you access to the personal information we retain about you. We will make every reasonable effort to keep your personal information accurate and up-to-date.
- **Accountability and Openness to Your Privacy Concerns** – We will explain your options of refusing or withdrawing consent to the collection, use and release of your personal information, and we will record and respect your choices. We will investigate and respond to your concerns about any aspect of our handling of your personal information.

### WHY WE ASK FOR YOUR PERSONAL INFORMATION

We ask you for information to establish and serve you as our client. Personal information obtained from you will be used by Acumen to protect and administer your accounts, records and funds; to comply with certain laws, regulations and regulatory policies; to help Acumen improve products and services offered to you; and to understand your financial needs. The information we ask for depends on the products or services you request and in most cases are required by law or the policies of the regulatory organizations to which we are subject. Your social insurance number, for example, is required for products that earn investment income, in order to comply with the Canada Revenue Agency’s income reporting requirements. Health information may, for example, be required for some insurance products to ensure you are eligible for coverage.

With your consent, we may share your personal information, where not prohibited by law, within the Acumen group of companies for the purposes of referring life insurance, disability insurance, annuities and other specific insurance products or estate planning and services to you. Sharing such information will help us serve you better and determine whether any products or services we provide through our affiliated companies are suitable for you. Sharing your personal information also helps us determine your financial needs because it allows us to review what products of Acumen you have and how you use them. Please note, however, that we will not share health information that may have been provided in connection with any insurance product for other purposes. With your consent, we may use certain information to provide you with information about Acumen and its products and services. This consent is optional, and you can decide to withdraw it at any time. Please refer to the Understanding Your Options section.

We only collect the information we need and only use it for the purposes explained to you. When you apply for a new product or service, we will indicate in the application or agreement how we intend to use your personal information. If we wish in the future to use it for another purpose, we will ask you for your consent at that time. We will only ask for the information we need for that particular product or service. We will indicate clearly which information would help us to serve you but is optional for you to provide.

## HOW WE COLLECT PERSONAL INFORMATION ABOUT YOU

We obtain most of our information about you directly from you. With your consent, we may obtain personal information about you from third parties. Obtaining additional personal information about you from parties outside of Acumen helps us assess your eligibility for our products and services. For credit or margin purposes, for example, we may need to know your creditworthiness. We may contact references you have provided or credit reporting agencies to verify information that you have given us or to give us information on your credit history. We will not do this without your consent, but please remember that if you do not give your consent we may not be able to provide the particular product or service you have requested.

## WHEN WE RELEASE YOUR PERSONAL INFORMATION

Under no circumstances do we sell client lists or personal information to others. We release your personal information to parties outside Acumen only under the following circumstances:

- ***With Your Consent*** – We will disclose your personal information with your prior consent.
- ***Trusted Contact Person (TCP)*** – If you have designated a person as your TCP, we will disclose such personal information as we deem necessary using our best subjective judgment.
- ***To Facilitate Trading in Securities*** – We give a limited amount of information, only as necessary, to our service providers and agents such as our data processing agent or securities clearing agent, for the purposes of facilitating transactions in your account.
- ***When Required or Permitted by Law*** – In certain circumstances, the law may require or permit Acumen to disclose your personal information without your knowledge or specific consent. For example, such information may be disclosed if required to comply with a subpoena, warrant, or court order, or if requested by a government institution which has the lawful authority to obtain the information.
- ***For Regulatory Purposes*** – From time to time we may disclose your personal information to securities regulatory and oversight organizations to which Acumen is subject, such as the Investment Industry Regulatory Organization of Canada for the purposes of an audit or investigation relating to your relationship with Acumen or Acumen's business generally.
- ***Protection of Public Interest*** – We may disclose information to the authorities to serve a clear public interest and fulfill our public duty – such as to protect against fraud, money laundering or other criminal activity.

In exceptional circumstances it may be necessary that we disclose your personally identifiable information if we believe, in good faith, that disclosure is otherwise necessary or advisable to protect Acumen's interests. We will seek to ensure that any proposed disclosure is required in the circumstances and then ensure that we disclose only the information that is required.

## UNDERSTANDING YOUR OPTIONS

We will explain your options of refusing or withdrawing consent to the collection, use or release of your personal information, and we will record and respect your choices. In many cases, you are free to refuse or withdraw your consent at any time. You may do so by contacting your advisor or by contacting the Acumen Privacy Officer at Suite 800, 500 4th Ave SW Calgary, AB T2P 2V6. Our staff will be pleased to explain your options and any consequences of refusing or withdrawing your consent and record your options. With few exceptions, you can change your options at any time.



## HOW WE PROTECT YOUR INFORMATION

Acumen uses third party providers of information technology and data processing services that may store and/or process your personal information inside or outside of Canada. Your personal information may be disclosed in response to valid demands or requests from government agencies under applicable law in those jurisdictions.

We will protect your personal information with appropriate safeguards and security measures. We have security standards to protect our systems and your personal information against unauthorized access and use. We use our best efforts to ensure our suppliers and agents, as part of their contracts with Acumen, are bound to maintain your confidentiality and may not use the information they obtain for any unauthorized purpose. When we provide information in response to a legal inquiry or order, we ensure that the order is valid, and we disclose only the information that is legally required.

All employees of Acumen are familiar with the procedures that must be taken to safeguard client information. And to us, protecting the confidentiality of your personal information is part of our jobs. We review our procedures and security measures regularly to ensure that they are being properly administered and that they remain effective and appropriate.

We retain your personal information only as long as it is required for the reasons it was collected or as required by law. The length of time we retain information varies depending on the product or service and the nature of the information. This period may extend beyond the end of your relationship with us but only for so long as it is legally necessary for us to have sufficient information to respond to any issue that may arise at a later date. When your personal information is no longer needed or required, we have procedures to destroy, delete, erase or convert it to an anonymous form.

## YOUR RIGHT TO ACCESS YOUR INFORMATION

We will give you access to the information we have about you. Most of this information is in the form of your transaction records which can be obtained by contacting an Acumen Privacy Officer in writing at our head office address: Suite 800, 500 4th Ave SW Calgary, AB T2P 2V6. If you require other information, simply contact your advisor that handles your account. We will advise you in advance if a charge will be required for conducting the search, and we will respond to your request promptly but in any case, within 30 days.

Please note that we may not be able to provide information about you from our records if it contains references to other persons, is subject to legal privilege, contains information proprietary to Acumen or cannot be disclosed for other legal reasons. If you have any questions regarding decisions made, we will tell you the reasons for those decisions. Also, we do not ordinarily maintain disclosure records for regular or routine actions, updating of credit information, if required, or account balance deficiencies.

## KEEPING YOUR INFORMATION ACCURATE

We will make reasonable efforts to keep your personal information accurate and up-to-date. Having accurate information about you enables us to give you the best possible service. You can help by keeping us informed of any changes such as if you move or change telephone numbers. If you find any errors in our information about you, let us know and we will make the corrections as soon as reasonably possible.





Acumen Capital Finance  
Partners Limited  
Suite 800, 500 4th Ave SW  
Calgary, AB T2P 2V6

# Accounts and Services Agreement and Disclosures

## For Clients of Introducing Brokers

September 2024

Account Type	Applicable Agreement
Cash	Cash Account Agreement
Margin	Cash Account Agreement and Margin Account Agreement
Margin and Short	Cash Account Agreement and Margin Account Agreement
Margin and Options	Cash Account Agreement, Margin Account Agreement, Options Trading Agreement and Derivatives Risk Disclosure Statement
If Joint Account	Cash Account Agreement, Joint Account Agreement and Other Applicable Agreements



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# Cash Account Agreement

In consideration of National Bank Financial Inc. ("NBF"), through its NBIN division ("NBIN" or the "Carrying Broker") and the Introducing Broker as defined in the Client Account Application Form (collectively, the "Brokers") agreeing to operate, open or maintain any account or accounts (individually or collectively, the "Account") for yourself (the "Client" or "You") for the purchase or sale of, or otherwise dealing in (collectively, "Transactions") securities (including without limitation shares, bonds, debentures, notes, warrants, rights, options, commodities, commodity futures contracts and commodity futures options) (collectively, "Securities"), whether or not on margin and whether or not as a short sale, the Client agrees with, represents and acknowledges to the Brokers as follows:

This Agreement is applicable to registered and non-registered accounts. Non-registered accounts include cash accounts, margin accounts (accounts with borrowing privileges), margin short accounts and accounts with options trading. Registered accounts include Registered Retirement Savings Plans (RRSP), Registered Retirement Income Funds (RRIF), Registered Education Savings Plans (RESP), Registered Disability Savings Plans (RDSP), Tax-Free Savings Accounts (TFSA) and First Home Savings Account (FHSA).

## 1. Relationship with Carrying Broker

Where the Client requests that a Margin Account be opened, the Client acknowledges that the responsibility for granting margin privileges and the determination of the suitability of the use of margin rests entirely with the Introducing Broker. The Carrying Broker (NBIN) will provide margin to the Client upon request by the Introducing Broker subject to the terms and conditions outlined in the Margin Account Agreement.

## 2. Applicable Rules and Regulations

All Transactions in Securities for the Account shall be subject to applicable legislations and regulations, including to the rulings, rules, orders, policies and guidelines of applicable authority, including exchanges, marketplaces clearing corporations, securities regulatory authorities and the self-regulatory organizations, as amended, superseded or replaced from time to time (all collectively referred to as "Applicable Rules and Regulations").

## 3. Settlement and Transaction Charges

Full and timely settlement will be made for each Transaction in Securities for the Account. The Client will pay to the Brokers all commissions and other Transaction charges in respect of each Transaction (including any

Transaction pursuant to section 7) and interest, calculated daily and compounded monthly, on outstanding indebtedness. Such commissions and other charges shall be at the Brokers' customary rates in the circumstances or as negotiated from time to time. The interest rate shall be the interest rate designated from time to time by the Brokers to its branches as being its effective rate for determining interest on debt balances in accounts with the Brokers, and the Client waives notice of all changes in such rates.

## 4. Operation of the Account

The Brokers have the right, solely for their own protection, to determine at their discretion whether or not any order for Transactions in Securities for the Account is acceptable and whether to execute said order. The Introducing Broker will be solely responsible for determining the investment profile of the Client and for supervising the suitability of all Transactions in accordance with its investment profile (including the nature of Securities purchased, the portfolio structure of the accounts and the opening and initial approval of accounts). The Brokers will credit to the Account any interest, dividends or other monies received in respect of Securities held in the Account and any monies (net of all charges) received as proceeds from Transactions for the Account, and will debit to the Account any amounts owing, including interest, by the Client to the Brokers pursuant to this Agreement. The Brokers will maintain a record of receipts and deliveries of Securities and the Client's resulting positions in the Account. The Client agrees to pay any service fees or service charges relating to services provided by the Brokers for the administration of the Account. The Client agrees that the Brokers will not be liable and agrees to indemnify and hold harmless the Brokers in connection with the execution or handling of orders or the purchasing, exercising and/or writing of put and/or call options for the Client's account, except for negligence on the part of the Brokers. The Brokers reserve the right to close the Account and to limit the Transactions, at any time and without notice.

## 5. Payment of Indebtedness

The Client will promptly pay all indebtedness when due except to the extent covered by a margin facility. For the purposes of this agreement, the term "Indebtedness" at any time means all indebtedness of the Client to the Brokers as set out in any statement of account or other communication sent by the Brokers to the Client and includes interest on any credit extended to the Client and the reasonable costs of collection of payment owed to the Brokers, together with legal fees associated

therewith. The Client will promptly pay all Indebtedness due to the Brokers as a result of any reduction or cancellation of any margin facility. The Client agrees to pay for all Securities purchased on the day of settlement.

## **6. Pledge and Use of Collateral (Hypothec in Quebec)**

As continuing collateral security for the payment of any Indebtedness which is now or which may in the future be owing by the client to the Brokers, the Client hereby pledges to the Brokers and hypothecates in favour of the Brokers all of its Securities and cash, including any free credit balances, which may now or hereafter be in any of his accounts with the Brokers (collectively, the "Collateral"), whether held in the Account or in any other account in which the Client has an interest and whether or not any amount owing relates to the Collateral pledged. So long as any Indebtedness remains unpaid, the Client authorizes the Brokers, without notice, to use at any time and from time to time the Collateral in the conduct of the Brokers business, including the right to: (a) combine any of the Collateral with property of the Brokers or other clients or both; (b) pledge any of the Collateral which is held in the Brokers' possession as security for their own indebtedness; (c) lend any of the Collateral to the Brokers for their own purposes; or (d) use any of the Collateral for making delivery against a sale, whether a short sale or otherwise and whether such sale is for the Account or for the account of any other client of the Brokers or for the Brokers' accounts or for the sale to any account in which the Brokers may have a direct or indirect interest.

## **7. Elimination or Reduction of Indebtedness**

If: (a) the Client fails to pay any Indebtedness when due; (b) the Brokers deem the margin held by it to be insufficient for their protection; (c) on or before any settlement date the Client fails to comply with any other requirement contained in the Agreement; then, in addition to any other right or remedy to which the Brokers are entitled, the Brokers may at any time and from time to time without notice or demand to the Client: (i) exercise a right of set-off by withdrawing, selling or redeeming all or part of the Collateral; (ii) apply monies held to the credit of the Client in any other account with the Brokers to eliminate or reduce Indebtedness; (iii) sell, contract to sell or otherwise dispose of any or all of the Securities held by the Brokers for the Client and apply the net proceeds therefrom to eliminate or reduce indebtedness; (iv) purchase or borrow any Securities necessary to cover short sales or any other sale made on the Client's behalf in respect of which delivery of certificates in an acceptable delivery form has not been made; or (v) cancel any outstanding orders. Such rights may be exercised separately, successively or concurrently. The Brokers shall not be required by this Agreement to exercise any such rights nor shall it be

required to exercise any right prior to exercising any other right. The failure to exercise any or all of such rights or the granting of any indulgence shall not in any way limit, restrict or prevent the Brokers from exercising such rights at any subsequent time and shall not limit, reduce or discharge an Indebtedness or part thereof. Any such sales or purchases for the Account may be made upon any exchange or market or at a public or private sale upon such terms and in such manner as the Brokers deem advisable. If demand is made or notice given to the client by the Brokers, it shall not constitute a waiver of any of the Brokers' rights to act hereunder without demand or notice. Any and all expenses (including any legal expenses) reasonably incurred by the Brokers in connection with exercising any right pursuant to this section 7 may be charged to the Account. The Client shall remain liable to the Brokers for any deficiency remaining following the exercise by the Brokers of any or all of the foregoing rights and agrees that the rights which the Brokers are entitled to exercise pursuant to this section are reasonable and necessary for its protection having regard to the nature of securities markets, including in particular, their volatility.

## **8. Alternative Course of Action**

Whenever this Agreement entitles the Brokers to alternative courses of action, the Brokers shall be entitled to choose any, one or all of such alternative courses of action at its sole unfettered discretion.

## **9. Client's Securities**

The Carrying Broker may hold the Client's Securities at their head office or any of their branches or at any other location where it is customary for the Carrying Broker to keep their Securities, and the Carrying Broker's responsibilities to the Client for so holding the Client's Securities shall be limited to the same degree of care exercised by the Carrying Broker in the custody of their own Securities. Certificates for Securities of the same issue and for the same aggregate amounts may be delivered to the Client in lieu of those originally deposited by the Client.

## **10. Free Credit Balances**

Any monies held by the Brokers from time to time to the Client's credit are payable on demand, need not be segregated and may be used by the Brokers in the ordinary conduct of its business. The Client acknowledges that the relationship of the Client and the Brokers with respect to such monies is one of debtor and creditor only.

## **11. Transfers to Other Accounts**

The Brokers may at any time and from time to time take any monies or Securities in the Account and any proceeds from the Sale or other disposition of such

Securities to pay or cover any obligations of the client to the Brokers including obligations of the Client in respect of any other Account with the Brokers, whether such account is a joint account or is an account guaranteed by the Client.

## 12. Where the Brokers Act As "Principal"

In certain situations the Brokers may act as "principal" in a Transaction with the Client. In these situations the Client is either buying or selling directly with the Brokers as the other party to the Transaction. For example, where the Client completes a purchase or sale of a financial instrument or a Security which is denominated in a currency different from that in which the Account is maintained, the Brokers will sell to the Client the required currency to complete the Transaction. The Brokers will use their then prevailing rates for the buying or selling (as applicable) of the necessary foreign currency. Conversion of currency, if required, will take place on the trade date unless otherwise agreed. Similarly, where the Client is purchasing or selling a debt security which is not traded on an exchange, the Brokers may complete that Transaction by selling to or buying from the Client that debt security. These are examples only and there may be other Transactions that the Client participates in with the Brokers where the Brokers act as principal. In these situations the Brokers may earn profits, in addition to any other commission which is earned on the Transaction, from acting as principal, based upon the difference between the price at which the Brokers complete the Transaction with the Client and any prior or subsequent Transaction that the Brokers undertake to acquire or dispose of the currency, financial instrument or other Security. Foreign exchange rates and costs are subject to market fluctuations which could increase the Client's risk of holding Securities denominated in foreign currencies.

## 13. Short Sales

Except in a Margin Account specifically opened for such purpose, the Client will not order any sale or other disposition of any Securities not owned by the Client or of which the Client will be unable to make delivery in acceptable and negotiable form on or before the settlement date. Whenever the Client orders a short sale, the Client will declare it as a short sale.

The Client warrants that any Securities delivered by him or for his account may be sold freely and may be transferred to the books of the issuer without any need to obtain any authorization whatsoever or any order to file a declaration or to give notice.

## 14. Account Statements and Confirmation

**14.1 Trade confirmation:** Every confirmation sent by the Brokers to the Client shall be deemed to have been acknowledged as correct, approved and consented to by the Client unless the Client has notified the Brokers of any error or omission in the content within

three (3) days of the receipt thereof, at the end of which the trade confirmation shall no longer be subject to any dispute.

**14.2 Statement of Accounts:** Every statement of accounts sent by the Brokers to the Client shall be deemed to have been acknowledged as correct, approved and consented to by the Client unless the Client has notified the Brokers of any error or omission in the contents within thirty (30) days of the receipt thereof, at the end of which the statement of accounts shall no longer be subject to any dispute.

**14.3 Expiry of Time Periods:** At the expiry of the time periods provided in Sections 14.1 and 14.2, the Client acknowledges that he may no longer exercise against the Brokers or any other custodian of the Securities any recourse directly or indirectly in connection with the subject matter of the Transaction confirmation and the statement of accounts.

## 15. Client Information

In addition to the new Client Application Form, the Client will from time to time advise the Brokers if the Client acquires a controlling interest in or otherwise becomes an insider of any reporting issuer. The Client hereby authorizes the Brokers to obtain any credit reports concerning the Client required by the Brokers for the establishment or operation of the Account. Unless otherwise disclosed, the Client, if an individual and not an employee of the Brokers, hereby represents that the Client is not a partner, director or employee of a member, member firm or member corporation of any stock exchange or a non-member broker or investment dealer. If a Client becomes a partner, director or employee of a member, member firm or member corporation of any stock exchange or non-member broker or investment dealer, the Client will advise the Brokers in writing and complete all documents required in order that the Client may continue to be a customer of the Brokers. The Client acknowledges that the Brokers may record all telephone calls by which the Client's orders are placed or confirmed, both between the Client and the Brokers and between the Brokers and any broker or dealer to whom an order is directed.

## 16. Notices to Client

Any notice or communication to the Client may be given by prepaid mail, fax, email address to any address of record of the Client with the Brokers or may be delivered personally to any such address of record and shall be deemed to have been received, if mailed, on the second business day after mailing or, if sent by fax, email address, or Internet address, on the day sent or, if delivered, when delivered. Nothing in this Section 16 shall be interpreted as requiring the Brokers to give any notice to the Client which is not otherwise required to be given by the Brokers.

## 17. Capacity

The Client represents that it has the power and capacity to enter into this Agreement and to effect the Transactions contemplated herein and, if a corporation, that the execution and delivery of the Agreement have been duly authorized.

## 18. Headings and Plural

The headings used in this Agreement are for convenience of reference only and shall not in any way affect its interpretation. In this Agreement, where the singular is used it shall include the plural and vice versa. Where the masculine is used it shall include the feminine.

## 19. Other Agreements

This Agreement shall be construed in conjunction with any other agreements between the Brokers and the Client in connection with the Account, provided that, to the extent necessary, the terms and provisions of the Agreement shall supersede the terms and provisions of all other agreements with the Brokers, whether or not referred to herein, except that this Agreement in no way limits or restricts any other rights which the Brokers may have under any other agreement or agreements with the Client. None of the terms and conditions of this Agreement may be waived or changed without agreement in writing signed by the Client and a director of the Brokers.

## 20. Further Assurances

The Client shall do all acts or things and execute and deliver all documents or instruments as are necessary or desirable to give effect to all Transactions in Securities for the Account executed by the Brokers pursuant to the Agreement.

## 21. Severability

In the event any term or provision of the Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part by any court of competent jurisdiction, the remaining terms and provisions of the Agreement shall remain in full force and effect. If any Applicable Rules and Regulations are enacted, amended or otherwise charged with the result that any term or condition of this Agreement is, in whole or in part invalid, then such term or condition will be deemed to be varied or superseded to the extent necessary to give effect to such Applicable Rules and Regulations. Any term or condition of this Agreement which notwithstanding any such variation is invalid shall not invalidate the remaining terms.

## 22. Amendment

The Brokers may amend the provisions of the Agreement by way of a written notice of thirty (30) days given to the Client. The amendments shall take effect at the end of the period of thirty (30) days following the receipt of the said notice by the Client. The Client may not make any amendment to the Agreement, unless the same is evidenced in a document expressly modifying the terms of the Agreement, and such document is signed by the Client and authorized representatives of the Brokers.

## 23. Termination

The Brokers may terminate the Agreement at any time simply by way of a written notice to the Client. The Client may also terminate the Agreement by way of a written notice to the Introducing Broker. Unless otherwise agreed, termination of the Agreement shall take place within three (3) business days following receipt of the notice sent therefore by either of the parties.

## 24. Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding upon the Brokers and the Client, and their respective heirs, executors, administrators, successors and assigns, as the case may be. The Client agrees that it will not assign this agreement or the account without the Brokers' written approval. The Brokers reserves the right to demand that the Client give seven days' notice of intended cash withdrawal.

## 25. Governing Law

If the Client is a resident of a province or territory of Canada, the applicable law shall be the laws of that province or territory and the federal laws of Canada applicable therein.

## 26. Notice to Clients Residing in the United States

As Canadian securities dealers, the Brokers must advise all of their clients residing in the United States that their accounts held at the Brokers are not regulated under the United States securities laws and that the Brokers are not subject to the United States broker-dealer regulations.

## 27. Canadian Investor Protection Fund

The Brokers are members of the Canadian Investor Protection Fund (CIPF). CIPF protects the Client's Account within certain limits. These limits are described in the CIPF brochure, which will be provided by the Brokers at the time of opening a first account with the Brokers.

# Margin Account Agreement

If the Brokers permit the Client to trade Securities on margin, the Client agrees to be bound by the following provisions, which apply specifically to each Margin Account the Client opens with the Brokers.

A Margin Account allows the Client to borrow funds. It is what we call "margin investments" or "using financial leverage". With a Margin Account, the Client can borrow funds from the Securities that the Client already holds in his Account or from part of the value of the Securities that the Client wishes to purchase. This can increase gains, but it can also increase losses. That is why the use of borrowed funds to finance the purchase of Securities bears greater risks than paying for the Securities the Client wishes to acquire with funds they already have.

1. **References:** The terms and conditions of the Cash Account Agreement shall form an integral part of this Margin Account Agreement, including the necessary adjustments in view of the context of a Margin Account. If there's a conflict between the terms and conditions in the Cash Account Agreement and this Margin Account Agreement, the Margin Account Agreement will rule.
2. **Margin:** Regulations dictate the maximum borrowing value of each Security. Some Securities have no borrowing value. The Brokers can also establish a lower borrowing value than the maximum borrowing value established by regulations. The Client undertakes to maintain at all times the required amount of cash and/or Securities that can be used for margin borrowing in the Margin Account, as established from time to time by the Brokers, at their discretion. The Brokers may cancel access to margin at their sole discretion and without notice to the Client.
3. **Additional Margin:** The Brokers may require additional margin at any time for any reason and the Client undertakes to furnish additional margin whenever requested by the Brokers. For example, if there is a change in the market value of Securities in the Client Margin Account, the Brokers may require additional margin. Any written or verbal call for additional margin may be satisfied by delivery of additional marginable Securities or cash immediately following the demand. Any Securities in any of the Client Accounts are collateral for any debit balances in the Client Margin Account. The Brokers reserve the right to consider any Security to be ineligible from time to time.
4. **Margin Call:** The Brokers may issue a margin call by any means of communication, namely in writing, by telephone, by fax, by messenger or by email. The Client acknowledges that any call for margin

will be made by the Carrying Broker to the sole attention of the Introducing Broker, who shall then be entirely responsible for notifying the Client of the details of the call for margin and for ensuring that the call for margin is satisfied by the Client. The Client also acknowledges that the Carrying Broker will not transmit calls for margin directly to the Client. The Client undertakes to meet forthwith any margin calls. Under certain circumstances, the Brokers have the right, without the need to issue a margin call, to sell part or all of the Securities in the Account of the Client, or to purchase Securities for which the Account is overdrawn in order to meet the obligations of the Client.

5. **Obligation to Maintain Margin:** The Client will maintain such margin and pay any debit balance owing in any of the Client accounts, as the Brokers may at their absolute discretion require from time to time. If the Client does not meet margin calls promptly, the Brokers can at their sole discretion, and without notice to the Client:
  - a. take any step necessary to protect the Brokers' interest in connection with put and/or call option Transactions made for the Client account, including the right to buy or sell for the Client account and risk any part or all of the shares represented by options made by the Brokers for the Client account, or
  - b. buy for the Client account and risk any put and/or call options as the Brokers may deem necessary to fully protect the Brokers.

The Client also agrees that all expenses incurred by the Brokers in this connection will be paid by the Client. The Brokers may at any time at their discretion if considered advisable for the Brokers' protection (without the necessity of a margin call) and, without prior demand, tender and without any notice of the time or place of sale, all of which are expressly waived by the Client:

- i. sell any or all Securities or contracts relating thereto which may be in the Brokers' possession, or which the Brokers may be carrying for the Client, or
- ii. buy any Securities or contracts relating thereto of which the Client account may be short, in order to close out in full or in part any commitment on behalf of the Client, or
- iii. the Brokers may place stop orders with respect to such Securities.

If the Client is short of any Security or holds a Security that creates a short position, the Client is liable to the Brokers for all consequences and expenses resulting



from that position, including, but not limited to, the expenses incurred by the Brokers and by third parties for which the Brokers are responsible to buy in the Security or to exercise any corporate action election.

6. **Payments:** Except as provided above, the required margin for the Transactions shall be available in the account at the time of the trade. Any demand by the Brokers for payment will be paid by the Client immediately following the demand.
7. **Interest on Credit Extended:** The Client agrees to pay the Brokers' interest on any credit extended to or maintained for the Client by the Brokers for the purpose of purchasing, carrying or trading any Security. The initial rate of interest will be disclosed to the Client by the Brokers when the Brokers open the account. Thereafter, the rate is subject to change from time to time.
8. **Use of Securities:** Any Security or commodity held by the Broker for the Client's account when indebted to the Brokers may be used by the Brokers for making delivery against a sale, whether short or otherwise. The Brokers may use the Security whether such sale is for the Client account or for the account of another of our clients.
9. **Holding and Pledging of Securities:** All Collateral for the Client indebtedness to the Brokers will be held by the Brokers at a location of the Brokers' choice. Any Securities of the Client which the Brokers hold at any time when the Client is indebted to the Brokers may, without notice to the Client, be pledged by the Brokers as security for any of the Brokers' indebtedness for more or less than the amount due by the Client to the Brokers. Any such pledge may be made either separately or together with the other Securities the Brokers hold. The Brokers may lend the Client Securities or any part of them either separately

or together with other Securities the Brokers are holding. The Brokers may cancel access to margin in their sole discretion at any time without prior notice to the Client.

10. **Transfers Between Accounts:** The Brokers can transfer to the Client Margin Account, at any time, following a Transaction, any credit balance in any of the Client accounts, including any free balances in the Client Margin Account. Any such transfer may be sufficient to cover such Transaction. The Client agrees that any debit occurring in any account can be transferred by the Brokers at their discretion to the Client Margin Account.
11. **Limitation of Liability and Indemnification:** The Client acknowledges and agrees that use of the margin permitted under this Agreement is solely within the Client's discretion. The Client agrees that the Brokers have no responsibility or liability with respect to the use of such margin or the success or otherwise of any use to which the Client puts such margin. The Client agrees to be solely and wholly responsible for the consequences of the use of any margin under this Agreement. The Client agrees to hold the Brokers harmless and to indemnify the Brokers on demand from and against any losses, damages, expenses and fees that the Brokers may incur as a result of or in connection with any transactions made in accordance with this Agreement and the Client agrees to pay the Brokers on demand for any amount due on their accounts.
12. **Waivers:** No waiver of any provision of this Agreement will be considered a waiver of any other provision, or the continuing waiver of the provision(s), so waived.
13. **Joint Account:** If the Client account is a joint account, the obligations of each of the Clients are joint and several (that means collective and individual).

# Joint Account Agreement

If the Brokers are directed to open a Joint Account for the Applicant and Co-Applicant, in return of our opening the Account the Applicant(s) and Co-Applicant(s) (herein collectively referred to as the Clients), jointly and severally agree with the Brokers as follows:

- 1. Other Agreements Apply:** All Transactions for the Account of the Clients shall be subject to the terms and conditions of all other existing Agreements (if any) between the Brokers and each of the Clients. Each of the Agreements is incorporated by reference.
- 2. Authority of Each Client:** Each of the Clients, acting alone, is authorized and empowered for, and on behalf of all of the Clients,
  - a. to buy and sell (including short sale) and otherwise deal in stocks, bonds and other Securities on margin or otherwise through the Brokers;
  - b. to receive every communication with respect to each Account and Transaction;
  - c. to receive and withdraw money, Securities or other property without limitation in amount, in the Client's individual name, and to dispose of the same without recourse to the Brokers by any one or more of the Clients;
  - d. to execute agreements relating to any of the foregoing matters and to terminate, modify or waive any of the applicable provisions; and
  - e. generally to act and deal with the Brokers in respect of an Account as fully and with the same authority as though the Client alone were interested in the Account, all without notice to any other Clients.

Each Applicant and Co-Applicant specifically acknowledges that the Brokers may make deliveries of Securities or payments to any one of the Clients or any other person upon, or pursuant to, Instructions received from any one of the Clients and in such event the Brokers will be under no duty or obligation to inquire into the purpose or propriety of any such Instructions. The Brokers will not be bound to see to the application or disposition of the Securities delivered or payments made.

The Clients jointly and severally agree to indemnify and hold the Brokers harmless from any loss, liability or expense resulting from the Brokers acting in

accordance with the above authority. Without in any way limiting the authority granted, the Brokers are authorized, at their absolute discretion, to require joint action by all of the Clients with respect to any matter concerning an Account, including, but not limited to, the giving or cancellation of orders and the withdrawal of monies, Securities or other property.

- 3. Liability of Clients:** The Clients are jointly and severally liable to the Brokers for any debts, obligations or liabilities arising in connection with the Account. For the purpose of securing the payment of such debts, obligations or liabilities, the Brokers will have a general lien upon all property belonging to the Clients, collectively or individually, which may at any time be in the Brokers possession or under our control for any purpose, including safekeeping. This lien is in addition to, and not in substitution of, the rights and remedies the Brokers otherwise would have.
- 4. Rights and Obligations of Survivors:** (not applicable to residents of Quebec) In the event of the death of any of the Clients:
  - a. the surviving Client or Clients will immediately give the Brokers written notice thereof;
  - b. the Brokers are authorized, prior to the receipt of the written notice of the decedent's death to execute orders and deal with and for the Account as though the death had not occurred;
  - c. the Brokers are authorized prior to or after the receipt of the written notice of the decedent's death, to take such proceedings, require such papers, retain such property or restrict Transactions in the Account as the Brokers may consider advisable to protect the Brokers against any tax, liability, penalty or loss under any present or future laws or otherwise; and
  - d. the estate of the decedent and each survivor shall continue to be liable to the Brokers, jointly and severally, for any debts, obligations, liabilities or losses in respect of the Account, including, without limitation, those resulting from the completion of Transactions initiated prior to the receipt by the Brokers of the written notice of the decedent's death or incurred in the liquidation of the Account or the adjustment of the interests of the Clients.

**5. Right of Survivorship:** (not applicable to residents of Quebec) The Clients declare that their interests in the Joint Account are as joint tenants with full rights of survivorship and not as tenants-in-common. In the event of the death of any of the Clients the entire beneficial interest in the Joint Account shall be vested in the surviving Client or Clients on the same terms and conditions as held, without in any way releasing the decedent's estate from the joint and several liability of the decedent Client provided for in this Agreement. Your direction to open this Joint Account shall constitute your irrevocable direction to the Brokers to pay the balance of the Account to the surviving Joint Account holder(s) on your death on request without making any further inquiries as to any claims by any other party, including your heirs, executors, estate trustees, administrators, assigns of the decedent Client or any other third party and without any recognition of such claims.

**6. Rights and Obligations of Survivors:** (for residents of Quebec only) In the event of the death of any of the Clients:

- a. the surviving Client or Clients will immediately give the Brokers written notice thereof;
- b. the Brokers are authorized prior to or after the receipt of the written notice of the decedent's death, to take such proceedings, require such papers, retain such property or restrict Transactions in the Account as the Brokers may consider advisable to protect the Brokers against any tax, liability, penalty or loss under any present or future laws or otherwise; and
- c. the estate of the decedent, which estate will be bound to the terms hereof, and each survivor, the heirs and assigns of each Client will continue to be liable to the Brokers, jointly and severally, for any debts, obligations, liabilities or losses in respect of the Account, including, without limitation, those resulting from the completion of Transactions initiated prior to the receipt by the Brokers of the written notice of the decedent's death or incurred in the liquidations of the Account.

# Options Trading Agreement

In consideration of the Brokers agreeing to act as an investment dealer for any Options Trading in the Client's name, the Client agrees to be bound by the following terms and conditions:

## 1. References

The terms and conditions of the Client Account Agreement and the Margin Account Agreement shall form an integral part of this Options Trading Agreement, including the necessary adjustments in view of the context of allowing Options Trading. If there's a conflict between the terms and conditions in the Client Account Agreement and the Margin Account Agreement with the terms and conditions in this Options Trading Agreement, this Options Trading Agreement will rule.

## 2. Options

The Brokers shall act, from time to time, as a dealer for the purchase, sale or execution of put and call options that can be traded on an exchange, marketplace or clearing corporation (hereinafter called the "Options").

## 3. Financial Resources

The Client understands the risks pertaining to trading in Options and declares having the required knowledge, necessary experience and required financial resources to carry out and support any Options trade in which he may participate.

## 4. Regulations Governing Options

Every Options Transaction is governed by:

- › the exchange on which the option is traded or issued;
- › the clearing corporation issuing the option;
- › any other applicable regulatory body or self-regulatory organization; and
- › any additional rule, policies or requirements imposed by the Brokers, from time to time.

If required by applicable laws or upon request, the Brokers may be required to provide regulatory authorities with information and/or reports related to position and exercise limits, as well as reporting of derivative position and transactions. The Client further acknowledges having read and understood the Derivatives Risk Disclosure Statement.

## 5. Limits

The Client undertakes to comply with any limits, conditions or restrictions, including reporting requirements position limits, maximum limits on short

positions, exercise limits, margin requirements, and all other requirements determined by the Brokers and applicable exchanges, clearing corporations, regulatory body or self-regulatory organizations, as amended from time to time. The Brokers reserve the right to modify transaction and trading limits or any other restrictions at their own discretion.

The Client acknowledges that limits may be set on short positions, and that in the last ten (10) days preceding the expiry of an Option, a cash-only basis may apply for Transactions, which may vary at the option of the Brokers and applicable exchanges, clearing corporations regulatory body or self-regulatory organization.

The Client understands that it cannot exercise a long position involving traded Options if, within five (5) consecutive days before or after, the Client, acting alone or in concert with others, has any direct or indirect interest in an aggregate long position that exceed the applicable limits. This restriction does not apply to over-the-counter Options.

## 6. Other Transaction

The Client shall inform the Brokers of any Option Transaction entered into with any other broker, dealer, individual or other entity, prior to or at the same time with any Option Transaction executed through the Brokers. The Client shall indemnify the Brokers for any loss or liability suffered as the result of the Client's failure to notify the Brokers of such Transaction.

## 7. Assignment

The Brokers will allocate exercise notice and assignment of exercise notices for Options on random selection basis or otherwise, as it may deem appropriate and consistent with the regulations, rules and policies of the exchange on which the Option is traded if applicable.

## 8. Business Hours and Timing of Instructions

The Client shall provide Instructions to the Brokers in a timely manner concerning the sale, close-out or exercise of any Option or any other action to be taken regarding his Options. The Client acknowledges that the Brokers shall have no duty or obligation to take any measures with regard to the Options or exercise the Client's Options before their expiry without specific instructions from the Client. The Client may give Instructions during local business hours. The Brokers may execute the Instructions at any time when the applicable exchange is opened for trading. With respect to expiring Options, Instructions must be received by the Brokers by no later

than 4:00 p.m., Eastern Time, on the business day preceding the expiry date of the Option. The Brokers may take any action with respect to an Option that at its sole discretion determines should be taken if the Client fails to give timely instructions.

## **9. Discretion of the Brokers**

Any Instruction to trade an Option may be refused by the Brokers at its entire discretion. The Client acknowledges that the Brokers have no duty or obligation to exercise an Option without specific instructions to that effect. The Brokers may execute Transactions acting as principal on the other side of a Transaction or as part of larger Transactions for the Client and others. The Brokers may also act for other clients on the other side of a Transaction as it may consider advisable, subject, however, to the rules of the applicable exchange. The Client consents and agrees to confirm any Transactions in the Account in which the Brokers act as a market maker or principal in the purchase or sale of Options. The Client agrees that any charge to the Client expressed as a commission for any purchase or sale of Options where the Brokers act as a market maker or principal will be considered to be a sum payable increasing the cost to the Client of such Transactions.

Should the Brokers deem it necessary or desirable, particularly in the case of insolvency, death, bankruptcy or any other event that could change the Client's financial condition, the Brokers may, without having to first notify the Client, take all the measures required to protect its interests against any losses. Without limiting the generality of the foregoing, the Brokers may, in particular, sell any Securities held for the Client's account, purchase any Securities for which the Client's Account is short, or buy or sell any uncovered Options for the Client's account and at his risk. The Client agrees to pay interests on credit held or maintained by the Brokers.

## **10. Delays**

The Client acknowledges that an exercise notice in respect of an expired Option position may reach him several days after trading has ceased on the said Option since listed expiring Options cease to be traded some time before the scheduled hour in order to allow the last exercise notice to be allocated, and that administrative delays and delays in transmission due to failures or the slowness of the information transmission or communication system may occur. The Client further acknowledges that such a delay may cause him to suffer an unexpected loss, for which the Brokers are not liable, and that for such purpose, the Brokers have specific margin rules for Clients who contract expiring Options.

## **11. Liability of the Brokers**

The Brokers may not be held liable for errors and omissions affecting an order or the execution thereof regarding the purchase, sale, execution or expiry of Options or any other Options Transaction unless such error or omission is caused by the Brokers' negligence. If there is an error in filling an order to buy or sell an option, the Brokers are entitled to correct the error by filling the order at the market price that was in effect when the order should have been filled.

## **12. Accuracy and Change of Information**

The Client confirms that any information provided concerning the opening of an Options Trading Account is complete and accurate. The Client further undertakes to inform the Brokers of any changes affecting his financial condition and investor profile, including, without limiting the scope thereof, any Options trading restriction to which he may be subject.

# Derivatives Risk Disclosure Statement

This risk disclosure statement does not disclose all of the risks and other significant considerations associated with trading in derivatives. In light of the variety of risks involved, you should undertake such transactions only if you understand the nature of the contracts, the contractual relationships into which you are entering and the extent of your exposure to risk. Trading in derivatives is not suitable for everyone and often entails a high level of risk. Trading in derivatives should be made with caution and you should carefully consider whether such transactions are appropriate for you in light of your personal and financial circumstances, investment needs and objectives, investment knowledge, risk profile, investment time horizon, and other relevant circumstances. You should consult with your own business, legal, tax and account advisers before engaging into such transactions.

## You may lose more than the amount of funds deposited

A characteristic of many derivatives is that you are only required to deposit funds that correspond to a portion of your total potential obligations and yet your profits or losses are based on changes in the total value of the derivative. This inherent leverage characteristic means that losses incurred can greatly exceed the amount of funds deposited. A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit. Your dealer may require you to deposit additional funds on short notice to maintain your position as the value of the derivative changes. If you fail to deposit these funds, your dealer may close out your position at a loss without warning and you will be liable for any resulting deficit in your account.

## Using borrowed funds carries greater risk

Using borrowed funds to finance a derivatives transaction involves greater risk than using cash resources only. If you borrow money, your responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the derivative declines.

## Deposited cash and property

You should familiarize yourself with the protections accorded to money or other property you deposit for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules.

## Commission and other charges

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

## Fluctuations in price or value

The price and value of derivatives can be adversely affected by volatile market conditions and such occurrences may significantly increase your risk exposure. There are a variety of market factors and conditions which can directly or indirectly affect derivatives such as market demand and supply, interest rate, foreign currency exchange rate, indices, commodity prices, equity prices, investor perception and other political or economic factors. Since derivatives are linked to one or multiple underlying interests, the price or value of the derivatives may also be subject to considerable fluctuations due to the risks associated with the underlying interest. The level of sensitivity of an underlying interest with specific market conditions can have wide implications on the value of derivatives linked to that underlying interest. For example, when two or more factors are affecting one or more underlying interests of a derivative, its value may become unpredictable. A small movement in the price of one underlying interest can cause a sudden and large fluctuation in a derivative's value.

## Hedging and risk management strategies

Hedging transactions may require constant monitoring. A failure to adjust your hedging transaction in light of changing market conditions may result in the position becoming either under-hedged or over-hedged and losses can ensue.

The placing of certain orders (e.g. "stop-loss" or "stop-limit" orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Strategies using combinations of positions, such as "spread" and "straddle" positions may be as risky as taking simple "long" or "short" positions.

## Listed derivatives

Under certain market conditions, you may find it difficult or impossible to liquidate or offset an existing position on a marketplace (e.g. buy-to-close or sell-to-close order). This can occur, for example, when the market reaches a daily price fluctuation limit ("daily price limit" or "circuit breakers").

You should ask your dealer about the terms and conditions of the specific derivatives which you are trading and associated obligations. Under certain circumstances the specifications of outstanding contracts may be modified by the marketplace or clearing house to reflect changes in the underlying interest.

## Over-the-counter derivatives

Over-the-counter derivatives (OTC derivatives) trading is not done on a marketplace. Your dealer is your trading counterparty. When you sell, your dealer is the buyer and when you buy, your dealer is the seller. As a result, when you lose money trading, your dealer may be making money on such trades, in addition to any fees, commissions, or spreads it may charge.

An electronic trading platform for trading OTC derivatives such as contracts for difference and foreign exchange contracts is not a marketplace. It is an electronic connection for accessing your dealer. You are accessing that trading platform only to transact with your dealer. You are not trading with any other entities or clients of the dealer by accessing such platform. The availability and operation of any such platform, including the consequences of the unavailability of the trading platform for any reason, is governed only by the terms of your account agreement with the dealer.

You are limited to your dealer to offset or liquidate any trading positions since the transactions are not made on a marketplace. As such, it may be difficult or impossible to liquidate an existing position. The customized nature of certain OTC derivatives may also add to illiquidity.

The terms of OTC derivative contracts are generally not standardized, and the prices and characteristics are often individually negotiated with your dealer. A central source to obtain or compare prices may not exist. It may be difficult to assess the value, to determine a fair price or to assess the exposure to risk. You should ask your dealer about the terms and conditions of the OTC derivative contracts you are trading and understand the related rights and obligations.



# Conditions Governing the Collection, Use and Disclosure of Personal Information

For the purposes of this section, the term "Carrying Broker" means NBIN, a division of National Bank Financial Inc., its successors and assigns. The term "SROs" (self-regulatory organizations) means the Canadian Investment Regulatory Organization, the Mutual Fund Dealers Association of Canada, the exchanges and other regulated marketplaces and the Canadian Investor Protection Fund. These SROs, as well as security regulatory agencies, can require or request access to personal information collected or used by the Carrying Broker and provided by its current and former clients, employees, agents, directors, officers, partners and other persons.

The Carrying Broker directly or through the Introducing Broker, collect, use and disclose your personal information to, among other things:

- a) verify your identity and solvency;
- b) determine your eligibility for any products and services you request, including margin accounts and credit approval and provide you in an ongoing manner with the products and services you have adhered to, and check the veracity of the information provided;
- c) establish and administer your account. For these purposes, certain personal information will be communicated to the tax authorities if your account is registered and may have to be communicated to other authorities, persons or entities, such as issuers or intermediaries (Canadian or foreign nationals), or to an estate representative or beneficiary in the event of death;
- d) prevent fraud, manage risk and comply with laws and regulations;
- e) enable the Carrying Broker to manage its activities (such as statistics, record-keeping and audit) and improve and develop its products and services and get to know its clients better;
- f) measure customer service quality or for training or compliance purposes. To these ends, the Carrying Broker may record telephone conversations with you;

- g) if you have requested a margin or other credit product, convey your credit file to credit reporting and assessment agencies, credit product insurers or other lenders in order to preserve the integrity of the credit granting process;
- h) enable the Carrying Broker to comply with European and other foreign legislation, particularly with regard to the disclosure of information about you such as your name, address(es) and details of the securities you hold to a foreign issuer or a company with registered office(s) in the European Union which is admitted to trading on a European stock exchange, at its request;
- i) enable disclosure of such information for purposes of a transactional due diligence review by prospective parties in the event of the sale, transfer or assignment of the Carrying Broker's operations.

The full National Bank of Canada Privacy Policy (available at [nbin.ca](http://nbin.ca)) describes in particular what information is collected, with whom it is shared, and how this information is used and stored. Your information will be kept for a reasonable period following the end of the business relationship in order to allow the Carrying Broker to comply with its legal obligations.

The Carrying Broker is authorized to act on the basis of the information it has on you until such time as you have notified it of a change to said information. You indemnify and hold the Carrying Broker harmless against any recourse and liability if it is not notified of such change.

You understand and have reviewed the policy and using your account means that you have accepted the terms of the policy. If you have provided information about another person, you confirm you are authorized to do so. If you have a joint account, you consent to the sharing of your personal information with the joint holder.

# Declaration of Trust Retirement Savings Plan (RSP)

**1. Definitions.** For the purposes hereof, the words and expressions set out below shall have the following meanings:

- a) Agent: National Bank Financial Inc. (NBF), through its NBIN division, as designated in Subsection 14 a) hereof.
- b) Annuitant: The person whose name is indicated as such in the Application and, after his death, the surviving Spouse as provided in the definition of the term "annuitant" under subsection 146 (1) of the *Income Tax Act* (Canada).
- c) Application: The application for membership in the Plan, completed and signed by the Annuitant.
- d) Assets in the Plan: All property of any nature whatsoever which makes up the Plan, including the contributions made to the Plan from time to time, as well as any income, capital gains or other gains of any type whatsoever, generated or realized during the administration of the Plan by the Trustee.
- e) Beneficiary: The person who is or would be legally entitled to receive any Assets in the Plan or proceeds from the disposition of the Assets in the Plan in the case of the death of the Annuitant, pursuant to the applicable legislation, such as the Annuitant's surviving Spouse, estate, designated beneficiary, or legal representative within the meaning of the *Income Tax Act* (Canada).
- f) Contributing Spouse: The Spouse of the Annuitant whom the Annuitant declares in the Application is the Spouse who can make contributions to the Plan (applicable only for spousal RSPs).
- g) Maturity Date: Has the meaning ascribed to it in Section 4 hereof.
- h) Plan: The Natcan Trust Company Retirement Savings Plan established by the Trustee for the benefit of the Annuitant in accordance with the terms and conditions contained in the Application and herein, as such Plan may be amended from time to time.
- i) Spouse: A spouse or a common-law partner as defined in the *Income Tax Act* (Canada) respecting an RSP.
- j) Tax Legislation: The *Income Tax Act* (Canada) and corresponding legislation of the province in which the Annuitant resides specified in the Application, and the regulations adopted thereunder.
- k) Trustee: Natcan Trust Company, a trust company duly incorporated under the *Trust and Loan Companies Act* (Canada).

**2. Establishment of the Plan.** By means of the transfer by the Annuitant or the Contributing Spouse, if applicable, of a sum of money or any other property specified in the Application, the Annuitant establishes with the Trustee a retirement savings plan for his benefit in order to obtain a retirement income at the Maturity Date. All contributions paid to the Plan, as well as any income, capital gains or other gains of any nature whatsoever, generated or realized by the Plan, and held in the Plan by the Trustee, and invested pursuant to the terms and conditions provided herein, shall be applied to the establishment of a retirement income for the Annuitant.

The Plan shall constitute a trust for the purposes of Tax Legislation only, excluding any other purpose whatsoever.

The Trustee, by accepting the Application, agrees to administer the Plan in the manner stipulated herein. Subject to registration of the Plan under the Tax Legislation, this Declaration of Trust shall take effect on the date of acceptance by the Trustee of the Application.

- 3. Registration.** The Trustee shall apply for registration of the Plan pursuant to the Tax Legislation. In the course of such registration, the Trustee is hereby authorized to rely exclusively on the information provided by the Annuitant or his Spouse, as applicable, in the Application.
- 4. Maturity Date.** The Plan shall mature on the date determined by the Annuitant, which date may be no later than December 31 of the calendar year during which the Annuitant shall reach the maximum age prescribed under the *Income Tax Act* (Canada).
- 5. Contributions.** Until the Maturity Date, the Annuitant or the Contributing Spouse, if applicable, may at any time make additional contributions to the Plan. The Annuitant and the Contributing Spouse, if applicable, shall be solely responsible for ensuring that such contributions are within the limits prescribed by the Tax Legislation as well as for determining the taxation years for which such contributions may be deducted for income tax purposes.
- 6. Excess contributions.** Within 90 days of receipt by the Trustee of a written request from the Annuitant or the Contributing Spouse, if applicable, the Trustee shall pay the person who made the contribution the amount set out in such request, constituting all of any excess cumulative contributions paid into the Plan, over and above the limits prescribed by

Tax Legislation, in order to make it possible to reduce the amount of tax applicable to such cumulative excess contributions under Part X.1 of the *Income Tax Act* (Canada). The Trustee is not responsible for calculating the excess contributions made to the Plan by the Annuitant or his Spouse.

Unless otherwise instructed by the person making the request within 75 days of the receipt of the written request, the Trustee may dispose of the investments which it may select, at its entire discretion, for the purposes of such payment. The Trustee shall not be liable for any losses incurred by the Plan as a result of such disposition.

- 7. Investments.** Until the Maturity Date, the Assets in the Plan shall be invested in investments that qualify for registered retirement savings plans within the meaning of Tax Legislation ("qualified investments"), in accordance with instructions given by the Annuitant to the Trustee from time to time in a form deemed satisfactory by the Trustee. The Annuitant is responsible for ensuring that investments made in or transferred to the Plan are and remain qualified investments.

The Trustee shall exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that a trust governed by the Plan holds a non-qualified investment. The Annuitant will not hold the Trustee liable with regard to the investment of the Assets in the Plan, whether or not made pursuant to instructions given by the Annuitant. The investments shall not be limited to ones authorized by law for trustees.

Notwithstanding any provision herein, the Trustee may, at its sole discretion, refuse to accept a property transfer or to make any investment whatsoever, especially if the Trustee believes that the investment does not comply with its internal standards or policies. The Trustee may also require the Annuitant to provide specific supporting documents before making certain investments under the Plan.

The Annuitant may exercise the voting rights attached to units, shares or any other Securities held in the Plan, as applicable. For this purpose, the Annuitant is hereby appointed the Trustee's agent and attorney to execute and deliver proxies and other instruments in accordance with applicable laws.

#### **Restrictions.**

- a) Assignment. The Annuitant acknowledges that this Plan, as well as the rights and benefits arising therefrom, may not be assigned or otherwise transferred.
- b) Security. The Annuitant acknowledges that the Plan or the Assets in the Plan may not be given as security by way of a mortgage or otherwise.
- c) Effects. Any agreement which purports or attempts to contravene the restrictions contained in this Section 8 shall be null and void.
- d) Withdrawals. The Plan does not provide for any payment before the Maturity Date except a refund of premiums in a lump sum or a payment to the Annuitant.

Subject to such reasonable requirements as the Trustee may impose, the Annuitant may at any time prior to the Maturity Date withdraw an amount from the Plan by making a request in a form deemed satisfactory by the Trustee. The Trustee shall then dispose of all or certain of the assets as indicated by the Annuitant and pay the Annuitant an amount equal to the proceeds of the disposition of such assets (net of applicable disposition costs), less any (i) charges and taxes (including interest and penalties) that are or may become payable by the Trustee or the Plan itself, and (ii) any amount required to be withheld therefrom on account of the Annuitant's own liability for taxes resulting from a withdrawal of funds from the Plan. Withdrawals from a Plan with assets held in a locked-in arrangement may only be made as may be permitted by applicable laws as described in the applicable supplemental agreement.

Upon such payment, the Trustee and Agent shall be subject to no further liability or duty to the Annuitant with respect to the Assets in the Plan, or the portion thereof that has been disposed of and paid. The Trustee will issue to the Annuitant such information returns in respect of any withdrawal, as required by applicable laws.

If only a portion of the Assets in the Plan is disposed of in accordance with the foregoing paragraph, the Annuitant may specify in his notice which assets he wishes the Trustee to dispose of. Failing this, the Trustee shall dispose of such assets as the Trustee, at its sole discretion, may deem appropriate for this purpose. The Trustee shall not be liable for any losses incurred as a result of such disposition.

e) Transfers to Other Plans. Subject to any legal conditions and such reasonable requirements as the Trustee may impose, the Annuitant may at any time request, in a form deemed satisfactory by the Trustee, that the Trustee:

- i) transfer all or certain Assets in the Plan, or
- ii) dispose of all or certain of the Assets in the Plan and transfer an amount equal to the proceeds of disposition of such assets (net of applicable disposition costs), less (i) any charges and taxes (including interest and penalties) that are or may become payable by the Trustee or the Plan itself, and (ii) any amount required to be withheld therefrom on account of the Annuitant's own liability for taxes arising on a transfer from the Plan to another registered plan as permitted by applicable laws. Such transfers shall take effect within a reasonable time after all forms required to be completed in respect of such transfer have been completed and forwarded to the Trustee. Upon such transfer, the Trustee and Agent shall be subject to no further liability or duty to the Annuitant with respect to the Assets in the Plan, or the portion thereof, so transferred, as the case may be. If only a portion of the Assets in the Plan is transferred in accordance with the foregoing paragraph, the Annuitant may specify in his notice which assets he wishes to so transfer or which assets he wishes to dispose of in order to effect such transfer. Failing this, the Trustee shall transfer or dispose of such properties as it, in its sole discretion, may deem appropriate for this purpose. The Trustee shall not be liable for any losses incurred as a result of such disposition or transfer.

**8. Retirement Income.** On the Maturity Date, the Trustee shall dispose of all Assets in the Plan, and using the proceeds from such disposition, after having paid any applicable cost of disposition thereof and the charges, taxes and fees payable hereunder, the Trustee covenants to pay the Annuitant a retirement income, in compliance with the Tax Legislation. The Trustee shall not be liable for any losses incurred as a result of such disposition.

- a) Annuity. The Annuitant may choose to create his retirement income from among the various types of annuities offered by the Trustee and so inform the Trustee in writing no later than 90 days prior to the Maturity Date (hereinafter the "Annuity"). Any retirement income payable shall not be assigned in whole or in part. The Annuitant is fully responsible for choosing a type of Annuity

that complies with the provisions of the Tax Legislation, in particular:

- i) payments to the Annuitant under an Annuity must be made in equal annual or more frequent periodic amounts until such time as there is a payment in full or partial commutation of the retirement income and, where such Annuity is partial, equal annual or more frequent periodic payments thereafter;
  - ii) the aggregate of the periodic payments in a year under an Annuity after the Annuitant's death shall not exceed the aggregate of the payments under the Annuity in a year before that death;
  - iii) each Annuity must be commuted if it becomes payable to someone other than the Annuitant under this Plan.
- b) Election to Transfer to a Retirement Income Fund. Notwithstanding the foregoing, the Annuitant, at the Annuitant's sole discretion, may, by way of a written request to the Trustee not less than 90 days prior to the Maturity Date, request that the Assets in the Plan be transferred to a Registered Retirement Income Fund (RRIF) in compliance with the Tax Legislation.
- c) Default Transfer to RRIF. Notwithstanding any provision to the contrary, if, on the first day of November of the year in which the Annuitant reaches the prescribed age applicable to the most distant Maturity Date set out in Section 4 hereof, the Annuitant fails to notify the Trustee in writing in accordance with subsections 9 a) or 9 b) above, the Maturity Date shall then be deemed to be the first day of December of the same year. In such a case, the Trustee shall be deemed to have received instructions from the Annuitant to transfer the Assets in the Plan to a RRIF issued by the Trustee in the Annuitant's name in accordance with the Tax Legislation. In such case, the designated beneficiary of such fund shall be the person named as the designated beneficiary hereunder, if any.

**9. No Advantage.** The Annuitant, or a person with whom the Annuitant does not deal at arm's length, within the meaning of Tax Legislation, may not receive any benefit, payment or advantage, other than the benefits authorized under this Plan and the Tax Legislation.

**10. Designation of Beneficiary** (not available for retirement savings plans in the Province of Québec). If permitted by applicable legislation, the Annuitant may designate one or more Beneficiaries to receive

the proceeds payable under the provisions of the Plan; such designation may be made in the Application or another document, and it may be amended or revoked thereafter. The Trustee makes no representation and shall not be held liable in the case of total or partial invalidity or unenforceability of a designation of beneficiary signed by the Annuitant.

Any designation of beneficiary may only be made, amended or revoked in compliance with the applicable legislation by way of a written document or instrument, dated and signed by the Annuitant, the form and content of which shall be acceptable to the Trustee, and in particular shall specifically identify the Plan. Any designation, amendment or revocation of beneficiary shall come into force on the date it is received by the Trustee.

- 11. Death of Annuitant.** Should the Annuitant die prior to the Maturity Date and before the Assets in the Plan are commuted into an Annuity or rolled into a Registered Retirement Income Fund, upon receipt of evidence satisfactory to the Trustee thereof and subject to Tax Legislation, the Trustee shall dispose of the Assets in the Plan, and after deducting any applicable tax, costs of such disposition, fees or any other amounts payable hereunder, the Trustee shall pay in a lump sum the net proceeds of such disposition to the Plan's Beneficiaries or the Annuitant's estate.

Notwithstanding the foregoing, in cases permitted by Tax Legislation, the Trustee may transfer the Assets in the Plan to one or more persons entitled thereto.

No such payment or transfer shall be made unless and until the Trustee receives releases and/or other documents as it may reasonably require.

- 12. Separate Account and Tax Information.** The Trustee shall maintain a separate account for the Plan and shall furnish to the Annuitant annually or more frequently, a statement showing, for each period, the contributions paid to the Plan, the assets and, if applicable, the income realized by the Plan, the fees, taxes, penalties or any other amounts debited from the account since the last statement, the balance of the account as well as any other information deemed relevant by the Trustee at its sole discretion.

The Trustee shall annually provide the Annuitant or the Contributing Spouse, as applicable, with information returns regarding the contributions paid to the Plan in accordance with the Tax Legislation.

The Annuitant and the Contributing Spouse, as applicable, are responsible for ensuring that any deduction claimed for income tax purposes does not exceed the permitted deductions under the Tax Legislation.

Assets in the Plan held through a locked-in retirement account or other locked-in arrangements will be accounted for separately.

### 13. Provisions Regarding the Trustee.

- a) **Delegation of Powers.** The Trustee may delegate to its agents, including NBF, through its NBIN division (the "Agent"), any of its administrative duties or its powers to do specific things, and the delegate may receive all or part of the fees to which the Trustee is entitled hereunder, it being understood, however, that ultimate responsibility for administering the Plan shall remain vested in the Trustee.
- b) **Withdrawal of Trustee.** The Trustee may withdraw as the administrator of the Plan upon 30 days' prior notice given to the Annuitant in the manner set out in subsection 15 e) hereof and provided a replacement trustee has accepted the appointment and on condition such replacement is a body corporate resident in Canada duly authorized by the applicable laws to act in such capacity.
- c) **Fees and Expenses.** The Trustee shall be paid the fees and other charges it prescribes from time to time, which may be directly charged against and deducted from the Assets in the Plan. The Trustee shall be entitled to charge fees upon the termination of the Plan, the transfer or withdrawal of Assets in the Plan or any other event which it may reasonably determine. These fees are disclosed to the Annuitant in accordance with the applicable legislation. The Trustee shall be reimbursed by the Annuitant for all fees, out-of-pocket expenses and costs incurred by it or its agents in connection with the administration of the Plan or the production of any tax statements or other documents required under the Tax Legislation.
- d) **Reimbursement of taxes.** The reimbursement of any and all taxes, interest or penalty payable may be directly charged against and deducted from the Assets in the Plan but only as far as permitted by the applicable legislation. The Trustee may then, without further notifying the Annuitant, dispose of Assets in the Plan, in whole or in part, on such conditions as it may determine and apply the proceeds of such disposition to the payment. The Trustee shall not be liable for any losses incurred as a result of such disposition.
- The Annuitant shall reimburse the Trustee for any overdraft resulting from the payment of such fees, out-of-pocket expenses and costs within 30 days of the date the Annuitant is notified thereof. Should the Annuitant fail to make such reimbursement on time, the Trustee may, without further notifying the

Annuitant, dispose of Assets in the Plan, in whole or in part, on such conditions as it may determine and apply the proceeds of such disposition to the payment of such fees, out-of-pocket expenses, costs and overdrafts. The Trustee shall not be liable for any losses incurred as a result of such disposition.

- e) Liability and Hold-Harmless. The Annuitant or the Beneficiaries will at all times indemnify the Trustee and its nominees, agents and correspondents in respect of any and all taxes, interest, penalties, assessments, fees (including legal fees), claims and demands made by tax authorities or other third parties, or resulting from the custody or administration of the Plan or the holding of prohibited or non-qualified investments in the Plan, and will hold them harmless from all of the foregoing, except in the case of the gross negligence of the Trustee. Any such payment must be made within 30 days of the date the Annuitant or the Beneficiaries are notified thereof.

Without limiting the scope of any other provision hereof, neither the Trustee nor any of its nominees, agents or correspondents shall be liable for any loss incurred by the Plan, by the Annuitant or by any Beneficiary, as a result of the acquisition, disposition or retention of any investment, whether or not acquired at the direction of the Annuitant, as a result of any payment or transfer out of the Plan as requested by the Annuitant, as a result of the refusal to follow instructions that the Trustee, at its sole discretion, views are contrary to any provision hereof or to any applicable legislation, as a result of force majeure or irresistible force.

- f) Instructions. The Trustee shall be empowered to follow the instructions received from the Annuitant or any other person designated in writing by the Annuitant, whether transmitted in person, by mail, fax or any other electronic means.

#### 14. Various Provisions.

- a) Amendments. The Trustee may, from time to time, at its sole discretion, amend the terms of the Plan (i) to satisfy the requirement of any applicable law, or (ii) by giving 30 days' notice in writing thereof to the Annuitant, provided, however, that any such amendments do not disqualify the Plan as a registered retirement savings plan within the meaning of Tax Legislation.
- b) Evidence. The recording of the date of birth of the Annuitant or of his Spouse on the Application shall constitute sufficient certification of such age, subject to any further evidence which may be required thereof. The Trustee reserves the right to require the Annuitant, the Contributing Spouse

or any person claiming to be a Beneficiary, as the case may be, to provide, at the appropriate time and at their own expense, satisfactory proof of age, of the survival or death of the Annuitant or the Contributing Spouse and of their title or entitlement as a Beneficiary.

- c) Binding. The terms and conditions hereof will be binding upon the Annuitant's heirs and legal personal representatives and upon any successors and assigns of the Trustee. Notwithstanding the foregoing, if the Plan or the Assets in the Plan are transferred to a replacement trustee, then the terms of such replacement trustee's declaration of trust will govern thereafter.
- d) Interpretation. Wherever the context so requires, a word used in the masculine gender shall include the feminine or neuter and vice versa, and the singular number shall include the plural and vice versa.

- e) Notices. Any notice to the Trustee hereunder shall be validly given, if delivered or mailed postage prepaid to the Trustee at the address indicated in the Application, or to any other address that the Trustee may from time to time specify in writing, and it shall be effective only on the day that such notice was actually delivered to or received by the Trustee.

Any notice, statement or receipt given by the Trustee to the Annuitant, the Annuitant's Spouse or any person authorized to receive notice under the Plan, shall be validly given if mailed postage prepaid to the address recorded in the books of the Trustee with respect to the Plan, and any notice, statement or receipt so mailed shall be deemed to have been given on the day of mailing. Any written instruction, notice or information communicated to the Trustee will be considered valid only if it is in a form deemed satisfactory by the Trustee.

- f) Declaration of Non-Residency. The Annuitant must and undertakes to immediately notify the Trustee if he is or becomes a non-resident of Canada.
- g) Applicable Legislation. The Plan shall be governed and construed in accordance with the laws of the province in which the Annuitant resides, as shown in the Application, and with the Tax Legislation.

In Québec, the Plan shall not in any way constitute a trust within the meaning of the *Civil Code of Québec*. Given the particular nature hereof and the administrative rules created hereby, the rules of Title VII of Book IV of the *Civil Code of Québec* relating to the administration of the property of third parties shall not apply to the Trustee.



# Declaration of Trust Retirement Income Fund (RIF)

**1. Definitions.** For the purposes hereof, the words and expressions set out below shall have the following meanings:

- a) Agent: National Bank Financial Inc. (NBF), through its NBIN division, as designated in Subsection 12 a) hereof.
- b) Annuitant: The person whose name is indicated as such in the Application and, after his death, the surviving Spouse as defined in subsection 146.3(1) of the *Income Tax Act* (Canada) (such surviving Spouse being designated the "Successor Annuitant").
- c) Application: The application for membership in the Fund, included in the account opening form, completed and signed by the Annuitant.
- d) Assets in the Fund: All property of any nature whatsoever which makes up the Fund, including assets transferred to the Fund in accordance with the provisions of Section 4 hereof, as well as any income or gains of any type whatsoever, generated or realized during the administration of the Fund by the Trustee.
- e) Beneficiary: The person who is or would be legally entitled to receive any Assets in the Fund or proceeds from the disposition of the Assets in the Fund in the case of the death of the Annuitant, pursuant to the applicable legislation, such as the Annuitant's surviving Spouse, estate, designated beneficiary or legal representative within the meaning of the *Income Tax Act* (Canada).
- f) Fund: The Natcan Trust Company Retirement Income Fund established by the Trustee for the benefit of the Annuitant in accordance with the terms and conditions contained in the Application and herein, which may be amended from time to time.
- g) RRIF: A registered retirement income fund, as defined in the Tax Act.
- h) RRSP: A registered retirement savings plan, as defined in the Tax Act.
- i) Spouse: A spouse or a common-law partner as defined in the *Income Tax Act* (Canada) respecting a RIF.
- j) Tax Act: The *Income Tax Act* (Canada) and the regulations adopted thereunder.
- k) Tax Legislation: The *Income Tax Act* (Canada) and corresponding legislation of the province in which the Annuitant resides specified in the Application, and the regulations adopted thereunder.
- l) Trustee: Natcan Trust Company, a trust company duly incorporated under the *Trust and Loan Companies Act* (Canada).

**2. Establishment of the Fund.** By means of the transfer to the Trustee by the Annuitant of the assets specified in the Application, in accordance with Section 4 hereof, the Annuitant establishes with the Trustee a retirement income fund for his benefit, by which the Trustee covenants to pay each year to the Annuitant sums of money in accordance with this Declaration. All assets paid into the Fund, as well as any income, capital gains or other gains of any nature whatsoever, generated or realized by the Fund and held in the Fund by the Trustee, and invested pursuant to the provisions provided herein, are used to make payments to the Annuitant in accordance with this Declaration.

The Fund shall constitute a trust for the purposes of the Tax Legislation only, excluding any other purpose whatsoever.

The Trustee, by accepting the Application, agrees to administer the Fund in accordance with the Tax Legislation and in the manner stipulated herein. Subject to registration of the Fund under the Tax Legislation, this Declaration of Trust shall take effect on the date of acceptance by the Trustee of the Application.

**3. Registration.** The Trustee shall apply for registration of the Fund pursuant to the Tax Legislation. In the course of such registration, the Trustee is hereby authorized to rely exclusively on the information provided by the Annuitant or his Spouse, as applicable, in the Application. If any of the tax authorities concerned refuses such registration, the Application and this Declaration shall be cancelled, and the sums or property transferred to the Fund by the Annuitant or the contributing spouse, if applicable, shall be reimbursed.

**4. Assets transferred to the Fund.** Subject to the minimal consideration that it can set at its sole discretion, the Trustee may accept that the only assets that can be transferred to the Fund, as consideration, are assets that are transferred:

- i) from an RRSP of which the Annuitant is the beneficiary;
- ii) from another RRIF of which the Annuitant is the beneficiary;
- iii) from the Annuitant, to the extent that the consideration is an amount referred to in subparagraph 60(l)(v) of the Tax Act and, if applicable, any equivalent provisions in the Tax Legislation, and in particular of any amount paid as reimbursement of premiums pursuant to the death of a Spouse, originating with an RRSP



of which the Spouse of the Annuitant was the beneficiary;

- iv) from an RRSP or a RRIF of which the Spouse or former Spouse of the Annuitant is the Beneficiary, in accordance with an order, or judgment of a court having jurisdiction or with a written separation agreement, relating to a division of property between the Annuitant and his Spouse or former Spouse in settlement of rights arising out of, or on the breakdown of, their marriage or common-law partnership;
- v) from a registered pension plan of which the Annuitant is a member (as defined in subsection 147.1(1) of the Tax Act);
- vi) from a registered pension plan in accordance with subsections 147.3(5) or (7) of the Tax Act;
- vii) from a specified pension plan in circumstances to which subsection 146(21) of the Tax Act applies;
- viii) in accordance with the provisions of the Tax Legislation.

- 5. Investments.** The Assets in the Fund shall be invested in investments that qualify for the Fund within the meaning of the Tax Legislation ("qualified investments"), in accordance with instructions given by the Annuitant to the Trustee from time to time in a form deemed satisfactory by the Trustee. The Annuitant is responsible for ensuring that investments made in or transferred to the Fund are and remain qualified investments.

The Trustee shall exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that a trust governed by the Plan holds a non-qualified investment. The Annuitant will not hold the Trustee liable with regard to the investment of the Assets in the Fund, whether or not made pursuant to instructions given by the Annuitant. The investments shall not be limited to ones authorized by law for trustees.

Notwithstanding any provision herein, the Trustee may, at its sole discretion, refuse to accept a property transfer or to make any investment for any reason whatsoever, especially if the Trustee believes that the investment does not comply with its internal standards or policies. The Trustee may also require the Annuitant to provide specific supporting documents before making certain investments under the Fund.

The Annuitant may exercise the voting rights attached to units, shares or any other securities held in the Fund, as applicable. For this purpose, the Annuitant is hereby appointed the Trustee's agent and attorney to execute and deliver proxies and other instruments in accordance with applicable laws.

## **6. Restrictions.**

- a) Assignment. The Annuitant acknowledges that this Fund, as well as the rights and benefits arising therefrom, may not be assigned or otherwise transferred. In particular, no payment made under the Fund may be assigned, in full or in part.
- b) Security. The Fund or the Assets in the Fund may not be given as security, by mortgage or otherwise, and may only be used to ensure the payment of retirement income.
- c) Payments. Notwithstanding any provision to the contrary, the Trustee makes only the payments described in paragraphs 146.3(2)(d) and 146.3(2)(e), 146.3(14) and 146.3(14.1) and in the definition of "retirement income fund" in paragraph 146.3(1) of the Tax Act.
- d) Effects. Any agreement which purports or attempts to contravene the restrictions contained in this Section 6 shall be null and void.

- 7. Payments.** In accordance with the Tax Legislation, the Trustee shall pay the Annuitant or Successor Annuitant according to what is specified in Section 9 hereof. Each year and no later than in the year immediately following the year in which the Application was accepted by the Trustee, the Trustee shall make payments from the Fund for the benefit of the Annuitant. However, subject to any provision contrary to Section 9 hereof and unless the Trustee is otherwise authorized under the Tax Legislation, these payments may only be made in accordance with the following conditions and the Tax Legislation:

- a) Annual Payments. The total payments to the Annuitant out of the Fund for each year shall correspond to the amount selected by the Annuitant on the Application (such amount being no lower than the minimum amount and no higher than the maximum amount). The Annuitant may change the amount of the payment selected, upon written notice to the Custodian in a form deemed satisfactory by the Custodian, no later than January 1 of the year in which the change is to come into effect.

The new payment amount is in effect until another notice of amendment is duly given to the Trustee. If the amount that the Annuitant has chosen is less than the minimum amount, the Trustee shall nevertheless pay the minimum amount required by the Tax Legislation. If the amount that the Annuitant has chosen is greater than the maximum amount, the Trustee shall nevertheless pay the maximum amount authorized by the Tax Legislation. The amount selected by the Annuitant shall then be amended to correspond to the minimum amount or maximum amount, as applicable, with respect to such year.

- b) Minimum Amount. In the year of the establishment of the Fund the “minimum amount” that is required to be withdrawn from the Fund is nil. For any other year, the “minimum amount” shall be calculated in accordance with the Tax Legislation.

The Annuitant may elect to base the minimum amount on his age or his Spouse’s age. The Annuitant may not make or change any such election after the first payment has been made under the Fund.

- c) Maximum Amount. The “maximum amount” that can be paid out of the Fund corresponds to the value of the Fund immediately before the payment date. In the case of a locked-in fund, the maximum amount specifically provided under the applicable laws may be lower.
- d) Frequency. The frequency of the payments shall correspond to the frequency selected by the Annuitant on the Application (which must be at least one payment per calendar year or no more than one payment per calendar month), which the Annuitant may change from time to time upon written notice to the Trustee in a form deemed satisfactory by the Trustee.
- e) Payment. The Annuitant is fully responsible for ensuring that there is sufficient cash in the Fund to make the payments in accordance with this Section 7. Nevertheless, if the Trustee does not consider that the money available in the Fund is sufficient for the payments specified in this Section 7, it can dispose of the investments that it has chosen, at its sole discretion, unless the Annuitant gives it instructions no later than 30 days before the payment date with respect to the specific investment that he wishes to sell to obtain the necessary funds to make the payments. The Trustee shall not be liable for any losses incurred by the Fund as a result of such disposition.
- f) Receipt of Payments. The payments to the Annuitant are deemed to have been made by direct money transfer to the account indicated in the Application or by the mailing of a cheque payable to the Annuitant at the address indicated on the Application or to any other address or account that may be indicated to the Trustee in writing.
- g) Deduction. The Trustee may deduct from payments any amount in respect of tax, interest, penalties, fees and expenses that are payable hereunder, under the Tax Legislation or other applicable laws.
- h) No Advantage. The Annuitant, or a person with whom the Annuitant does not deal at arm’s length, within the meaning of the Tax Legislation, may not receive any benefit, payment or advantage, other

than the benefits authorized under this Fund and the Tax Legislation.

- 8. Designation of Beneficiary** (not available for RIFs in the Province of Québec). If permitted by applicable legislation, the Annuitant may designate one or more Beneficiaries to receive the proceeds payable under the provisions of the Fund; such designation may be made in the Application or another document, and it may be amended or revoked thereafter.

Any designation of beneficiary may only be made, amended or revoked in compliance with the applicable legislation by way of a written document or instrument, dated and signed by the Annuitant, the form and content of which shall be acceptable to the Trustee, and in particular shall specifically identify the Fund. Any designation, amendment or revocation of beneficiary shall come into force on the date it is received by the Trustee.

**9. Death of Annuitant.**

- a) Successor Annuitant. The Annuitant may elect in accordance with the Tax Act that, upon his death, the Successor Annuitant become the new annuitant of the Fund and continue to receive the further payments provided for herein.

Upon the death of the Successor Annuitant, the payments specified herein shall cease as soon as the Trustee receives notice of the Successor Annuitant’s death. When the Trustee receives proof that it deems satisfactory concerning the Beneficiary’s entitlement, the Trustee shall dispose of the assets in the Fund and, subject to the Tax Legislation and after deducting all applicable taxes, disposition costs, fees or any other amounts payable hereunder, the Trustee shall pay in a lump sum the net proceeds of this disposition to the Beneficiary.

Notwithstanding the foregoing, in cases permitted by the Tax Legislation, the Trustee may transfer the Assets in the Fund to one or more persons entitled thereto.

No such payment or transfer shall be made unless and until the Trustee receives releases and/or other documents as it may reasonably require.

- b) Beneficiary of a Lump Sum. If, upon the death of the Annuitant, a Successor Annuitant has not been designated, the payments specified herein shall cease as soon as the Trustee receives notice of the Annuitant’s death. When the Trustee receives proof that it deems satisfactory concerning the Beneficiary’s entitlement, the Trustee shall dispose of the assets in the Fund and, subject to the Tax Legislation and after deducting all applicable taxes, disposition costs, fees or any other amounts payable hereunder, the Trustee shall pay in a lump

sum the net proceeds of this disposition to the Beneficiary. No such payment or transfer shall be made unless and until the Trustee receives releases and/or other documents as it may reasonably require.

**10. Separate Account and Tax Information.** The Trustee shall maintain a separate account for the Fund and shall furnish to the Annuitant annually or more frequently, a statement showing, for each period, the payments made to the Annuitant, the assets in the Fund, the value of the Fund, the income earned by the Fund, the fees debited from the account since the last statement, the balance of the account as well as any other information deemed relevant by the Trustee at its sole discretion.

The Trustee shall annually provide the Annuitant with information returns regarding the payments out of the Fund to the Annuitant in accordance with the Tax Legislation.

The Annuitant is solely responsible for ensuring that any deduction claimed for income tax purposes does not exceed the permitted deductions under the Tax Legislation.

The Assets in the Fund held through a life income fund, a locked-in retirement income fund or other locked-in arrangements shall be accounted for separately.

**11. Transfer of Assets.** Upon receipt of instructions from the Annuitant in a form deemed satisfactory by the Trustee, the Trustee shall transfer, in the manner prescribed by the Tax Legislation, all or part of the Assets in the Fund or an amount equivalent to the value of such assets at that time, as well as all information necessary for the continuance of the Fund, to any person legally authorized to become an issuer under another RRIF of which the Annuitant may be the beneficiary, after deducting all amounts to be retained in application of paragraphs 146.3(2)(e.1) or 146.3(2)(e.2) of the Tax Act, as applicable, as well as any fees and disbursements to which the Trustee is entitled.

Under a written separation agreement or according to an order or a judgment of a court having jurisdiction relating to a division of property, in the event of the breakdown of the Annuitant's marriage or common-law partnership, the Annuitant may request the transfer of assets from the Fund to a RRIF or to an RRSP of which his Spouse or former Spouse is the annuitant.

Such transfers shall take effect in accordance with applicable laws and within a reasonable timeframe after all forms required to be completed in respect of such a transfer have been completed and forwarded

to the Trustee. Upon such transfer, the Trustee shall be subject to no further liability or duty to the Annuitant with respect to the Assets in the Fund, or the portion thereof, so transferred, as the case may be. However, it is understood that the Trustee is never bound to cash in an investment before its expiry date, before being able to complete its transfer.

## **12. Provisions Regarding the Trustee.**

- a) **Delegation of Powers.** The Trustee may delegate to its agents, including NBF, through its NBIN division (the "Agent"), any of its administrative duties or its powers to do specific things, and the delegate may receive all or part of the fees to which the Trustee is entitled hereunder, it being understood, however, that ultimate responsibility for administering the Fund shall remain vested in the Trustee.
- b) **Withdrawal of Trustee.** The Trustee may withdraw as the administrator of the Fund upon 30 days' prior notice given to the Annuitant in the manner set out in Subsection 13 e) hereof and provided a replacement trustee has accepted the appointment and on condition such replacement is a body corporate resident in Canada duly authorized by the applicable laws to act in such capacity.
- c) **Fees and Expenses.** The Trustee shall be paid the fees and other charges it prescribes from time to time, which may be directly charged against and deducted from the Assets in the Fund. The Trustee shall be entitled to charge fees upon the termination of the Fund, the transfer or withdrawal of Assets in the Fund or any other event which it may reasonably determine. These fees are disclosed to the Annuitant in accordance with the applicable laws. The Trustee shall be reimbursed by the Annuitant for all fees, out-of-pocket expenses and costs incurred by it or its agents in connection with the administration of the Fund or the production of any tax statements or other documents required under the Tax Legislation.
- d) **Reimbursement of taxes.** The reimbursement of any and all taxes, interest or penalties payable may be directly charged against and deducted from the Assets in the Fund but only as far as permitted by the applicable legislation.

The Trustee may then, without further notifying the Annuitant, dispose of Assets in the Fund, in whole or in part, on such conditions as it may determine and apply the proceeds of such disposition to the payment. The Trustee shall not be liable for any losses incurred as a result of such disposition.

The Annuitant shall reimburse the Trustee for any overdraft resulting from the payment of such fees, out-of-pocket expenses and costs within 30 days

of the date the Annuitant is notified thereof. Should the Annuitant fail to make such reimbursement on time, the Trustee may, without further notifying the Annuitant, dispose of Assets in the Fund, in whole or in part, on such conditions as it may determine and apply the proceeds of such disposition to the payment of such fees, out-of-pocket expenses, costs and overdrafts. The Trustee shall not be liable for any losses incurred as a result of such disposition.

- e) Liability and Hold-Harmless. The Annuitant or the Beneficiaries shall at all times indemnify the Trustee and its nominees, agents and correspondents in respect of any and all taxes, interest, penalties, assessments, fees and out-of-pocket expenses, and all claims and demands made by tax authorities or other third parties, or resulting from the custody or administration of the Fund or the holding of prohibited or non-qualified investments in the Fund, and shall hold them harmless from all of the foregoing, except in the case of the gross negligence of the Trustee. Any such payment must be made within 30 days of the date the Annuitant or the Beneficiaries are notified thereof.

Without limiting the scope of any other provision hereof, neither the Trustee nor any of its nominees, agents or correspondents shall be liable for any loss incurred by the Fund, by the Annuitant or by any Beneficiary, as a result of the acquisition, disposition or retention of any investment, whether or not acquired at the direction of the Annuitant, resulting from any withdrawal or transfer out of the Fund requested by the Annuitant, as a result of the refusal to follow instructions that the Trustee, at its sole discretion, views are contrary to any provision of the applicable legislation, as a result of force majeure or irresistible force.

- f) Instructions. The Trustee shall be empowered to follow the instructions received from the Annuitant or any other person designated in writing by the Annuitant, whether transmitted in person, by telephone, by mail, fax or any other electronic means.

### 13. Various Provisions.

- a) Amendments. The Trustee may, from time to time, at its sole discretion, amend the terms hereof (i) to satisfy the requirement of any applicable law, or (ii) by giving 30 days' notice in writing thereof to the Annuitant, provided, however, that any such amendments do not disqualify the Fund as a RRIF within the meaning of the Tax Legislation.
- b) Evidence. The recording of the date of birth of the Annuitant or of his Spouse on the Application shall constitute sufficient certification of such age, subject to any further evidence which may be

required thereof. The Trustee reserves the right to require the Annuitant, the Successor Annuitant or any person claiming to be a Beneficiary, as the case may be, to provide, at the appropriate time and at their own expense, satisfactory proof of age, of the survival or death of the Annuitant or the Successor Annuitant and of their title or entitlement as a Beneficiary.

- c) Binding. The terms and conditions hereof shall be binding upon the Annuitant's heirs and legal personal representatives and upon any successors and assigns of the Trustee. Notwithstanding the foregoing, if the Fund or the Assets in the Fund are transferred to a replacement trustee, then the terms of such replacement trustee's declaration of trust shall govern thereafter.
- d) Interpretation. Wherever the context so requires, a word used in the masculine gender shall include the feminine or neuter and vice versa, and the singular number shall include the plural and vice versa.

- e) Notices. Any notice to the Trustee hereunder shall be validly given, if delivered or mailed postage prepaid to the Trustee at the Agent's address indicated in the Application, or to any other address that the Trustee may from time to time specify in writing, and it shall be effective only on the day that such notice was actually delivered to or received by the Trustee.

Any notice, statement or receipt given by the Trustee to the Annuitant, the Annuitant's Spouse or any person authorized to receive notice under the Fund, shall be validly given if mailed postage prepaid to the address recorded in the books of the Trustee with respect to the Fund, and any notice, statement or receipt so mailed shall be deemed to have been given on the day of mailing. Any written instruction, notice or information communicated to the Trustee shall be considered valid only if it is in a form deemed satisfactory by the Trustee.

- f) Declaration of Non-Residency. The Annuitant must and undertakes to immediately notify the Trustee if he is or becomes a non-resident of Canada.
- g) Applicable Legislation. The Fund shall be governed and construed in accordance with the laws of the province in which the Annuitant resides, as shown in the Application, and with the Tax Legislation.  
  
In Québec, the Fund shall not in any way constitute a trust within the meaning of the *Civil Code of Québec*. Given the particular nature hereof and the administrative rules created hereby, the rules of Title VII of Book IV of the *Civil Code of Québec* relating to the administration of the property of third parties shall not apply to the Trustee.

# Declaration of Trust National Bank Financial Inc.

## Tax-Free Savings Account (TFSA)

1. **Definitions:** For the purposes hereof, the words or terms set out herein below shall have the following meanings:

- a) **Assets in the Account:** means all property of any nature whatsoever which makes up the Account, including the contributions made to the Account from time to time, as well as any income, capital gains or other gains of any nature whatsoever, generated or realized during the administration of the Account by the Trustee.
- b) **Agent:** means National Bank Financial Inc., which has been designated as such in the Application.
- c) **Beneficiary:** means the person who is or would be legally entitled to receive any Assets in the Account or proceeds from disposition of the Assets in the Account in the case of the death of the Holder, pursuant to the Applicable legislation, such as the Holder's Survivor, his estate, his designated beneficiary, or a legal representative within the meaning of the *Income Tax Act* (Canada).
- d) **Account:** means the National Bank Financial Inc. tax-free savings account established by the Trustee for the benefit of the Holder in accordance with the terms and conditions contained in the Application and herein, as such Account may be amended from time to time.
- e) **Application:** means the application form to open the Account, completed and signed by the Holder attached herein.
- f) **Distribution:** means any payment to the Holder made out of or under the Account in satisfaction of all or part of the Holder's interest in the Account.
- g) **Trustee:** means Natcan Trust Company, a trust company duly incorporated under the *Trust and Loan Companies Act* (Canada).
- h) **Tax Legislation:** means the *Income Tax Act* (Canada) and the corresponding legislation of the province in which the Holder resides, and the regulations adopted thereunder.
- i) **Survivor:** means the individual who is, immediately before the Holder's death, the spouse or common-law partner of the Holder as defined for the purposes of any provision of the *Income Tax Act* (Canada) respecting a tax-free savings account.

- j) **Holder:** means the individual (other than a trust) who is at least 18 years of age and whose name is indicated as such in the Application, and after his or her death, the Survivor, as provided under the definition of the term "holder" under subsection 146.2(1) of the *Income Tax Act* (Canada).
- k) **Applicable legislation:** means the laws and regulations as described in subsection 14 h) herein.

2. **Establishment of Account.** By means of the payment of a contribution or the transfer of a sum of money or any other property specified in the Application, the Holder establishes with the Trustee a tax-free savings account. All contributions made to the Account, as well as any income, capital gains or other gains of any nature whatsoever, generated or realized by the Account, and held in the Account by the Trustee, and used, invested or otherwise applied pursuant to the terms and conditions provided herein, shall be used for the purpose of making distributions to the Holder.

The Account shall constitute a trust for the purposes of the *Income Tax Act* (Canada) only, excluding any other purpose whatsoever.

The Trustee, by inscribing its acceptance upon the Application, agrees to administer the Account in the manner stipulated herein. Subject to registration of the Account under the *Income Tax Act* (Canada), this declaration of trust shall take effect on the date of acceptance by the Trustee of the Application.

3. **Registration.** The Trustee shall file an election to register the qualifying arrangement as a tax-free savings account pursuant to the *Income Tax Act* (Canada). If any of the authorities concerned refuses such registration, the Application and this declaration of trust shall be cancelled, and the sums or property transferred to the Account shall be reimbursed by cheque, transfer or any other method of payment provided by the Trustee for that purpose.
4. **Contributions.** The Holder may make contributions to the Account at any time. The Holder shall be solely responsible for ensuring that such contributions are within the limits prescribed by the *Income Tax Act* (Canada) and the Trustee makes no verification in this respect.

Notwithstanding the foregoing, the Trustee can, without being held to it, refuse a contribution of the Holder for any motive and at any time.



**5. Investments.** The Assets in the Account shall be invested in investments which are available for investment by the Account in accordance with instructions given by the Holder to the Trustee from time to time in a form deemed satisfactory by the Trustee. The investments shall be made in compliance with the *Income Tax Act* (Canada). The Holder is responsible to ensure that each investment made by the Account is a "qualified investment" for the Account within the meaning of the *Income Tax Act* (Canada).

The Trustee shall exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that a trust governed by the Account holds a non-qualified investment.

From time to time, the Trustee may authorize additional investments available for investment by the Account notwithstanding that such investments may not be authorized by law for trustees or may be considered a delegation of the Trustee's investment duties.

The Holder will not hold the Trustee liable with regard to the investment of the Assets of the Account, whether or not made pursuant to instructions given by the Holder.

**6. Conditions and Restrictions:**

- a) The Account shall be maintained for the exclusive benefit of the Holder, and while there is a holder of the Account, no one other than the Holder and the Trustee shall have any rights relating to the amount and timing of distributions and the investing of funds. This provision shall not apply where such application would be inconsistent with the security contemplated in Section 9.
- b) No one other than the Holder may make contributions to the Account.
- c) The trust shall not be permitted to borrow money or other property for the purposes of the Account.
- d) The Holder agrees not to cause the Account to be used for the carrying on of a business within the meaning of the *Income Tax Act* (Canada). The Holder recognizes that frequent or large volume trading of securities (operations sometimes referred to as "day trading"), in particular, may constitute the carrying on of a business. Once it is established that the Account is or possibly has been used to carry on a business, the Holder agrees to hold sufficient assets in the Account to pay any income taxes, penalties and interest. The Holder agrees that the Trustee may then, at its discretion and subject to its other rights and remedies, freeze the Account until a clearance certificate is obtained from the tax authorities.

**7. Distributions.** Subject to such reasonable requirements as the Trustee may impose, the Holder may withdraw an amount from the Account by making a request in a form deemed satisfactory by the Trustee. Without limiting the generality of the foregoing, distributions may be made, among other things, to reduce the amount of tax otherwise payable by the Holder under section 207.02 or 207.03 of the *Income Tax Act* (Canada). The Trustee shall then dispose of all or certain of the Assets as indicated by the Holder and pay to the Holder an amount equal to the proceeds of disposition of such assets (net of applicable disposition costs), less any charges and taxes (including interest and penalties) that are or may become payable by the Trustee or the Account itself, as permitted by the *Income Tax Act* (Canada).

Upon such payment, the Trustee shall be subject to no further liability or duty to the Holder with respect to the Assets in the Account, or the portion thereof that has been distributed and paid. The Trustee will issue to the Holder such information returns in respect of any withdrawal as required by Applicable legislation.

If only a portion of the Assets in the Account is disposed of in accordance with the foregoing paragraph, the Holder may specify in his or her notice which assets he or she wishes the Trustee to dispose of, failing which the Trustee shall dispose of such assets as the Trustee, in its sole discretion, may deem appropriate for this purpose. The Trustee shall not be liable for any losses incurred as a result of such disposition.

**8. Transfers to Other Accounts.** Subject to such reasonable requirements as the Trustee may impose, the Holder may at any time request, in a form deemed satisfactory by the Trustee, that the Trustee transfers to another tax-free savings account of which he or she is the Holder:

- a) all or a portion of the Assets in the Account, or
- b) an amount equal to the proceeds of disposition of all or portion of the Assets in the Account (net of applicable disposition costs),

less any charges and taxes (including interest and penalties) that are or may become payable by the Trustee or the Account itself.

Subject to the *Income Tax Act* (Canada), a transfer may also be made to a tax-free savings account whose holder is the spouse or former spouse or the common-law partner or former common-law partner of the Holder in settlement of rights arising out of, or on the breakdown of, the marriage or common-law partnership.

The Trustee shall carry out all transfer requests, except in the event of inconsistency with the security contemplated in Section 9. Such transfers shall take effect in accordance with Applicable legislation and within a reasonable time after all forms required to be completed in respect of such transfer have been completed and forwarded to the Trustee. Upon such transfer, the Trustee shall be subject to no further liability or duty to the Holder with respect to the Assets in the Account, or the portion thereof, so transferred, as the case may be.

If only a portion of the Assets in the Account is transferred in accordance with the foregoing paragraph, the Holder may specify in his or her notice which assets he or she wishes to so transfer or which assets he or she wishes to dispose of in order to effect such transfer, failing which the Trustee shall transfer or dispose of such properties as it, in its sole discretion, may deem appropriate for this purpose. The Trustee shall not be liable for any losses incurred as a result of such disposition or transfer.

- 9. Security.** The Holder of the Account may use his or her interest or right in the Account as security for a loan or other indebtedness if the following conditions are met:

- a) The terms and conditions of the indebtedness are terms and conditions that persons dealing at arm's length with each other would have entered into; and
- b) It can reasonably be considered that one of the main purposes of that use is not to enable a person (other than the Holder) or partnership to benefit from the exemption from tax available under Part I of the *Income Tax Act* (Canada) of any amount in respect of the Account.

The security can be established, published and revoked only in accordance with the Applicable legislation and by means of a written document or instrument dated and signed by the Holder. The form and content of the security shall be acceptable to the Trustee and shall identify the Account specifically. The Trustee makes no representation and cannot be held responsible in the event of a total or partial invalidity, non-perfection or unenforceability of a security signed by the Holder with respect to the Account.

- 10. Designation of Survivor Holder or of Beneficiary (only in provinces where permitted by law).** If permitted by Applicable legislation, the Holder may designate the Survivor as the new Holder of the Account after his or her death. To be designated as such, the survivor must acquire all of the Holder's rights in the Account, including the unconditional right to revoke any beneficiary designation.

If permitted by Applicable legislation, the Holder may designate one or more beneficiaries to receive the proceeds payable under the provisions of the Account.

Any designation of a Survivor Holder or a beneficiary may be made, amended or revoked only in compliance with the Applicable legislation by way of a written document or instrument, dated and signed by the Holder, the form and content of which shall be acceptable to the Trustee, and in particular shall specifically identify the Account.

Any designation, amendment and/or revocation, shall come into force on the date it is received by the Trustee. If more than one designation is received by the Trustee, the Trustee shall consider only the designation, duly signed by the Holder which has the most recent date.

In certain provinces and territories this designation may not be revoked or changed automatically as a result of a future marriage or a marriage breakdown and a new designation may be required. It is the Holder's sole responsibility to get appropriate information regarding this matter and to make the appropriate amendments, as needed.

The Trustee makes no representation and cannot be held responsible for the invalidity of any designation of a Survivor Holder or designation of beneficiary signed by the Holder with respect to the Account.

- 11. Death of Holder.** Upon the Holder's death, upon receipt of evidence satisfactory to the Trustee of such death and subject to the Tax Legislation, the Trustee shall dispose of the Assets in the Account, and after deducting any applicable tax, costs of such disposition, fees or any other amounts payable hereunder, the Trustee shall pay in a lump sum the net proceeds of such disposition to the Holder's estate.

Notwithstanding the foregoing, in cases permitted by the Tax Legislation, the Trustee may transfer the Assets in the Account to one or more persons entitled thereto.

No such payment or transfer shall be made unless and until the Trustee receives releases and other documents as it may reasonably require.

- 12. Separate Account and Tax Information.** The Trustee shall maintain a separate account for the Account and shall furnish to the Holder annually or more frequently, a statement showing the information deemed relevant by the Trustee in its sole discretion.

The Trustee shall provide the Holder and the competent authorities, as the case may be, with information returns, notices and other documents in accordance with the Tax Legislation.



### 13. Provisions Regarding the Trustee.

- a) **Delegation of Powers.** The Trustee may delegate to its agents any of its administrative duties or its powers to do specific things, and the delegate may receive all or part of the fees to which the Trustee is entitled hereunder, it being understood, however, that ultimate responsibility for administering the Account shall remain vested in the Trustee.
- b) **Withdrawal of Trustee.** The Trustee may withdraw as the administrator of the Account upon 90 days' prior notice given to the Holder in the manner set out in Section 14 g) hereof and provided a replacement trustee has accepted the appointment and on condition such replacement is a body corporate resident in Canada duly authorized by the Applicable legislation to act in such capacity.
- c) **Fees and Expenses.** The Trustee shall be paid the fees and other charges it prescribes from time to time, which may be directly charged against and deducted from the Assets in the Account. The Trustee shall be entitled to charge fees upon the termination of the Account, the transfer or withdrawal of Assets in the Account or any other event which it may reasonably determine. These fees are disclosed to the Holder in accordance with the Applicable legislation. The Trustee shall be reimbursed by the Holder for all fees, out-of-pocket expenses and costs incurred by it or its agents in connection with the administration of the Account or the production of any tax statements or other documents required under the Tax Legislation.

The reimbursement of any and all taxes, interest or penalties payable may be directly charged against and deducted from the Assets in the Account but only as far as permitted by the Tax legislation. The Trustee may then, without further notifying the Holder, dispose of Assets in the Account, in whole or in part, on such conditions as it may determine and apply the proceeds of such disposition to the payment. The Trustee shall not be liable for any losses incurred as a result of such disposition.

The Holder shall reimburse the Trustee for any overdraft resulting from the payment of such fees, out-of-pocket expenses and costs within 30 days of the date the Holder is notified thereof. Should the Holder fail to make such reimbursement on time, the Trustee may, without further notifying the Holder, dispose of Assets in the Account, in whole or in part, on such conditions as it may determine and apply the proceeds of such disposition to the payment of such fees, out-of-pocket expenses,

costs and overdrafts. The Trustee shall not be liable for any losses incurred as a result of such disposition.

- d) **Liability and Hold Harmless.** The Holder will at all times indemnify the Trustee and its nominees, agents and correspondents in respect of all taxes, interest, penalties, assessments, expenses, liability, claims and demands resulting from the custody or administration of the Account and will hold them harmless from all of the foregoing, except in the case of the gross negligence or willful omission or misconduct of the Trustee. All such payments must be made within 30 days from the date the Holder is thereby notified. Without limiting the scope of any other provision hereof, neither the Trustee nor any of its nominees, agents or correspondents shall be liable for any loss incurred by the Account or by the Holder, as a result of the acquisition, disposition or retention of any investment acquired at the direction of the Holder, as a result of the use of the Account for prohibited purposes, in particular for the carrying on of a business within the meaning of the *Income Tax Act* (Canada), as a result of any payment out of the Account as requested by the Holder, as a result of the refusal to follow instructions that the Trustee, in its sole discretion, considers contrary to any provision hereto or to any Applicable legislation, as a result of force majeure or irresistible force.
- e) **Instructions.** The Trustee shall be empowered to follow the written instructions received from the Holder or any other person designated in writing by the Holder, whether transmitted by mail, facsimile machine or other electronic means.

### 14. Miscellaneous Provisions.

- a) **Amendments.** The Trustee may from time to time, in its sole discretion, amend the terms of the Account (i) to satisfy the requirement of any Applicable legislation, or (ii) by giving 30 days' notice in writing thereof to the Holder, provided, however, that any such amendments shall not disqualify the Account as a tax-free savings account within the meaning of the *Income Tax Act* (Canada).
- b) **Evidence.** The recording of the date of birth of the Holder on the Application shall constitute sufficient certification of such age, subject to any further evidence which may be required thereof. The Trustee reserves the right to require the Holder or any person claiming to be a Beneficiary, as the case may be, to provide, at the appropriate time and at their own expense, satisfactory proof of age, of the survival or death of the Holder and of their title or entitlement as a Beneficiary.

- c) **Cash.** All the sums of money payable hereunder shall be payable in money which is legal tender in Canada.
- d) **Binding.** The terms and conditions hereof will be binding upon the Holder's heirs and legal personal representatives and upon any successors and assigns of the Trustee.
- e) **Declaration of Non-Residence.** The Holder is required to and undertakes to notify the Trustee immediately if he or she is or becomes a non-resident of Canada.
- f) **Interpretation.** Wherever the context so requires, a word used in the masculine gender shall include the feminine or neuter and vice versa, and the singular number shall include the plural and vice versa.
- g) **Notices.** Any notice to the Trustee hereunder shall be validly given if delivered or mailed postage prepaid to the address of the Agent appearing on the Application or to any other address which the Trustee may from time to time specify in writing, and it shall be effective only on the day that such notice was actually delivered or received by the Trustee. Any notice, statement or receipt given by the Trustee to the Holder or any person authorized to receive notice under the Account shall be validly given if mailed postage prepaid to the address recorded in the books of the Trustee with respect to the Account, and any notice, statement or receipt so mailed shall be deemed to have been

given five days after the day of mailing. Any written instruction, notice or information communicated to the Trustee will be considered valid only if it is in a form deemed satisfactory by the Trustee.

The Holder expressly authorizes the Trustee or the Agent to notify them of an amendment to this declaration of trust by a prior written notice, including a notice entered on or included with their statement of account, and by the publication of the amended agreement on the Trustee's or Agent's website.

- h) **Applicable legislation.** The Account shall be governed and construed in accordance with the laws and regulations applicable in the province in which the Holder resides, as shown in the Application, and with the Tax Legislation. The Account shall not in any way constitute a trust within the meaning of the *Civil Code of Québec*. Given the special nature hereof and the administrative rules created hereby, the rules of Title VII of Book IV of the *Civil Code of Québec* relating to the administration of the property of others shall not apply to the Trustee.

- 15. **Language Clause.** The parties have requested that this declaration of trust and any notices or other documents related hereto be drawn up in the English language. *Les parties confirment leur volonté que la déclaration de fiducie et tout avis ou autre document qui s'y rapporte soient rédigés en langue anglaise.*

# Declaration of Trust National Bank Financial Inc.

## First Home Savings Account (FHSA)

1. **Definitions.** For the purposes hereof, the terms set out below have the following meanings:

a) **account:** the **qualifying arrangement** within the meaning of section 146.6 of the Tax Act entered into between the trustee and the holder in accordance with the terms set out in the Application and herein and which, when registered, will be a first home savings account ("**FHSA**") within the meaning of the Tax Act.

b) **agent:** National Bank Financial Inc., being designated as agent of the trustee under section 16 a) hereof.

c) **Application:** the account application form completed and signed by the holder.

d) **assets in the account:** all assets of any nature whatsoever which make up the account, including the contributions made to the account as well as the investment earnings generated or realized during the administration of the account by the trustee.

e) **beneficiary:** an individual (including an estate) or a qualified donee that has a right to receive a distribution from the account after the death of the holder.

f) **holder:** the qualifying individual (other than a trust) named on the Application and, on the individual's death, the individual's spouse, if the spouse is then alive and:

- i) is designated as a successor holder of the account;
- ii) is a qualifying individual; and
- iii) the account balance has not been transferred to their registered retirement savings account ("**RRSP**") or their registered retirement income fund ("**RRIF**"), or distributed to them as a beneficiary, by the end of the year following the year of death

(the latter being also referred to as the "**successor holder**" herein).

g) **qualifying individual:** an individual who, at a particular time:

- i) is a resident of Canada;
- ii) is at least 18 years old of age; and
- iii) did not, at any prior time in the calendar year or in the preceding four calendar years, inhabit as a principal place of residence a **qualifying home** within the meaning of subsection 146.6(1)

of the Tax Act (in Canada or elsewhere) that was owned or co-owned by the individual or the individual's spouse at the particular time.

h) **spouse:** a spouse or common-law partner within the meaning of the Tax Act.

i) **survivor:** the individual who is, immediately before the qualifying individual's death, the spouse of the qualifying individual.

j) **Tax Act:** the *Income Tax Act* (Canada) and, where appropriate, the regulations made under that Act.

k) **trustee:** Natcan Trust Company, a trust company duly incorporated under the *Trust and Loan Companies Act* (Canada), also referred to as the issuer under the Tax Act.

2. **Purposes of the account.** All contributions made to the account as well as any investment earnings generated or realized by the account and used and invested pursuant to the terms and conditions provided herein shall be used for the purpose of making distributions to the holder.

The account shall constitute a trust for the purposes of the Tax Act only, and for no other purpose.

The trustee, by accepting the Application, agrees to administer the account in accordance with the Tax Act and as set forth herein. Subject to registration of the account under the Tax Act, this declaration of trust shall take effect on the date of acceptance of the Application by the trustee.

3. **Registration.** The trustee shall file an election to register the qualifying arrangement as a FHSA pursuant to the Tax Act. For this purpose, the trustee is entitled to rely on the information provided by the holder in the Application. If registration of the account is refused, the Application and this declaration of trust shall be cancelled, and the assets in the account shall be returned to the holder.

4. **Maximum participation period.** The maximum participation period for the account begins when the holder first enters into a qualifying arrangement and ends at the end of the year following the year in which the earliest of the following events occurs:

- a) the 14th anniversary of the date the holder first enters into a qualifying arrangement;
- b) the holder reaches the age of 70 years; and
- c) the holder first makes a qualifying withdrawal (as defined below) from a FHSA.

**5. When the account ceases to be a FHSA.** The account ceases to be a FHSA and must be closed at:

- a) subject to paragraph b), the earliest of the following times:
  - i) the end of the maximum participation period of the last holder;
  - ii) the end of the year following the year of the death of the last holder;
  - iii) the time at which the account ceases to be a qualifying arrangement;
  - iv) the time at which the account is not administered in accordance with the conditions in subsection 146.6(2) of the Tax Act.
- b) a later time specified by the Minister in writing.

**6. Contributions.** The holder may make contributions to the account until the account is closed. However, contributions made after a qualifying withdrawal (as defined below) are not tax-deductible and do not give rise to qualifying withdrawals.

The holder is solely responsible for ensuring that such contributions are within the limits prescribed by the Tax Act. The Trustee makes no verification in this regard.

**7. Investments.** Assets in the account shall be invested in investments available under the account, in accordance with instructions given by the holder in a form satisfactory to the trustee. The holder is responsible for ensuring that investments made in or transferred to the account are and remain qualified investments within the meaning of the Tax Act. The trustee shall exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that a trust governed by the account holds a non-qualified investment.

Notwithstanding anything to the contrary herein, the trustee may, in its sole discretion, refuse to accept any transferred asset or make any investment, including if it is of the opinion that the investment does not comply with its standards and policies. The trustee may also require the holder to provide supporting documentation prior to making certain investments.

As applicable, the trustee may reinvest all distributions of net investment income in investments of the same type unless otherwise instructed by the holder. The trustee may also authorize additional investments even if, in doing so, it is considered to have delegated its investment powers.

As applicable, voting rights attached to units, shares or any other securities held in the account may be exercised by the holder. For this purpose, the holder is hereby appointed the trustee's agent and attorney

to execute and deliver proxies and other instruments in accordance with applicable laws.

**8. Conditions and restrictions.**

- a) The account shall be maintained for the exclusive benefit of the holder.
- b) While there is a holder of the account, no one other than the holder and the trustee shall have any rights relating to the amount and timing of distributions and the investing of funds in the account.
- c) No one other than the holder may make contributions to the account.
- d) The trust shall not be permitted to borrow money or other property for the purposes of the account.
- e) The holder agrees not to cause the account to be used for the carrying on of a business within the meaning of the *Income Tax Act* (Canada). The holder recognizes that frequent or large volume trading of securities (operations sometimes referred to as "day trading"), in particular, may constitute the carrying on of a business. Once it is established that the account is or possibly has been used to carry on a business, the holder agrees to hold sufficient assets in the account to pay any income taxes, penalties and interest. The holder agrees that the trustee may then, at its discretion and subject to its other rights and remedies, freeze the account until a clearance certificate is obtained from the tax authorities.
- f) The arrangement meets prescribed conditions.

**9. Distributions.** Subject to such requirements as the trustee may reasonably impose, the holder may withdraw assets from the account. Any withdrawal will be subject to withholding tax unless the withdrawal is a **qualifying withdrawal** within the meaning of the Tax Act.

A withdrawal is a qualifying withdrawal if the holder:

- a) is a resident of Canada on the date of the withdrawal and continues to be a resident of Canada until the earlier of the holder's death and the time at which the holder acquires the qualifying home;
- b) does not have an owner-occupied home within the meaning of paragraph 146.01(2)(a.1) of the Tax Act in the period that begins at the beginning of the fourth preceding calendar year that ended before the withdrawal and that ends on the 31st day before the withdrawal;
- c) entered into an agreement in writing before the date of the withdrawal for the acquisition or construction of the qualifying home before October 1 of the calendar year following the year of the withdrawal;

- d) has made a written request for payment in prescribed form stating the location of the qualifying home that they use as a principal place of residence or intend to use for that purpose not later than one year after its acquisition or construction; and
- e) did not acquire the qualifying home more than 30 days before the date of the withdrawal.

The holder may make one or more qualifying withdrawals of all or part of the assets in the account. Such withdrawals are limited to a single qualifying home for life and must be made no later than the 15th year after the first qualifying arrangement was entered into by the holder.

The holder may also withdraw assets in the account for the purpose of reducing the amount of tax otherwise payable by them under section 207.021 of the Tax Act. The trustee shall then dispose of all or a portion of the assets in the account and pay the holder an amount equal to the proceeds of disposition of such assets (net of any applicable disposition costs), less any payable charges and taxes (including interest and penalties) except as prohibited under the Tax Act.

- 10. Transfers to other accounts or plans.** Subject to the conditions set out in the Tax Act and such requirements as the trustee may reasonably impose, the holder may ask the trustee to transfer to another FHSA of which they are the holder:

- a) all or a portion of the assets in the account; or
- b) an amount equal to the proceeds of disposition of all or a portion of the assets in the account (net of any applicable disposition costs), less any payable charges and taxes (including interest and penalties) except as prohibited under the Tax Act.

A transfer may also be made to an RRSP or RRIF of which the holder is the annuitant, but only up to the amount calculated according to the formula in paragraph 146.6(7)(c) of the Tax Act.

In addition, and subject to the conditions and limitations set out in the Tax Act, a transfer may be made to a FHSA of which the holder's spouse or former spouse is the holder or to an RRSP or RRIF of which that spouse or former spouse is the annuitant, in settlement of rights arising out of, or on a breakdown of, their marriage or common-law partnership.

- 11. Transfers from an RRSP.** The holder may transfer assets from an RRSP of which they are the holder to the account subject to the conditions prescribed by the Tax Act and such requirements as the trustee may reasonably impose.

- 12. Withdrawal or transfer.** If only part of the assets in the account are withdrawn or transferred, the holder may specify in their request which assets they wish to dispose of or transfer. Otherwise, the trustee disposes of the assets or transfers them in its sole discretion. The trustee is not required to cash in or transfer an investment prior to maturity.

- 13. Designation of successor holder and/or beneficiary (only in provinces and territories where permitted by law).** If permitted by the applicable laws, the holder may designate their spouse as the successor holder of the account after their death in accordance with the Tax Act.

If permitted by applicable laws, the holder may also designate one or more beneficiaries to receive the proceeds of the account.

A designation may only be made, changed or revoked in compliance with the applicable laws by way of a written document or instrument, dated and signed by the holder, the form and content of which shall be acceptable to the trustee, and shall specifically identify the account.

Any designation or any change or revocation of a designation, validly made, shall take effect on the date it is received by the trustee. If more than one designation is received, the trustee shall consider only the designation duly signed by the holder with the most recent date.

In some provinces and territories, a designation may not be automatically revoked or changed by a marriage, new union, divorce or relationship breakdown and a new designation may be required. It is the holder's sole responsibility to get appropriate information regarding this and to make any necessary changes, as needed.

The trustee makes no representations and is not liable, including in the event of the invalidity or unenforceability, in whole or in part, of any designation or any change or revocation thereof by the holder.

- 14. Death of holder.** Subject to the following and applicable laws, the trustee shall dispose of the assets in the account upon receipt of satisfactory evidence of the death of the holder. After deducting applicable taxes, costs of disposition, fees and other amounts payable, the trustee shall pay the net proceeds of disposition to the beneficiaries in a lump sum.

Notwithstanding the foregoing, the trustee may instead, in the cases and on the terms set out in the Tax Act, transfer the assets to a person or persons entitled to them, such as a successor holder.

No transfer of assets or payment shall be made until the trustee has received such releases and other documents it may reasonably require.

- 15. Separate account and statements.** The trustee shall maintain a separate account for the account and shall deliver to the holder annually or more frequently a statement containing such information as the trustee considers relevant.

The trustee shall deliver such information returns, notices and other documents as are required by the Tax Act to the holder and, if applicable, to the appropriate authorities.

**16. Provisions relating to the trustee.**

- a) Delegation of powers.** The trustee may delegate any of its powers or duties to agents. In such event, the agents may receive all or part of the fees to which the trustee is entitled hereunder. Notwithstanding any such delegation, the ultimate responsibility for the administration of the account remains with the trustee.

- b) Resignation of trustee.** The trustee may resign upon not less than 30 days' prior notice to the holder in the manner set forth in subsection 17 f) provided a successor issuer has agreed to act in its stead. Such issuer must be a corporation resident in Canada and duly authorized by the applicable laws to act in such capacity.

- c) Fees and expenses.** The trustee is entitled to receive such fees and other charges as it may prescribe from time to time, which may be charged directly to and deducted from the assets in the account. These fees and charges may be charged upon the termination of the account, the transfer or withdrawal of assets from the account or in any other situation as the trustee may reasonably determine. Such fees and expenses shall be disclosed to the holder in accordance with the applicable laws.

Similarly, the trustee is entitled to be reimbursed for all fees, costs and expenses incurred by it or its agents in connection with the administration of the account or the filing of any document required under the Tax Act. The holder shall reimburse the trustee for any overdraft resulting from the payment of such fees, costs and expenses within 30 days of the date the holder is notified thereof. Should the holder fail to make such timely repayment, the trustee may, but shall not be obligated to, dispose of the assets in the account without further notice to the holder and on such terms as the trustee shall determine and apply the proceeds of such disposition to the payment of the amounts owing.

The reimbursement of any taxes, interest or penalties payable in respect of the account may also, but only to the extent not prohibited by the Tax Act, be applied directly to, and deducted from, the assets in the account. The trustee may, but shall not be obligated to, dispose of the assets in the account without further action and on such terms as it may determine and apply the proceeds of disposition to the payment of such taxes, interest or penalties.

The holder shall be accountable to the trustee for any fees, expenses and other amounts due in excess of the assets in the account.

- d) Liability and compensation.** At all times, the holder or their personal representatives or beneficiaries shall indemnify and hold harmless the trustee and the agent from and against all taxes, interest, penalties, assessments, fees (including legal and attorney fees), costs, expenses, claims and demands incurred, charged or made in connection with the account, to the extent not prohibited by the Tax Act.

The indemnity must be paid within 30 days of the claim made by the trustee or agent and may be paid out of the assets in the account.

Except as otherwise provided by applicable laws and herein, and without limiting the scope of other agreements and conditions with the holder, the trustee and the agent shall not be liable for any loss or damage suffered by the account, the holder, any beneficiary or any other person, resulting from, but not limited to:

- i) any loss in value of the assets in the account
- ii) any acquisition, holding, or disposition of an investment
- iii) any payment made from the account, liquidation or closure of the account, withdrawal, transfer or distribution of assets in the account (including any tax consequences of such transactions)
- iv) any excess contributions to the account
- v) any use of the account for any prohibited purpose, including the carrying on of a business within the meaning of the Tax Act, or any action taken by the trustee or agent in the event of such use
- vi) any performance or non-performance of instructions given to the trustee or the agent, unless the loss or damage is caused by bad faith, willful misconduct, gross negligence or, in Québec, the gross or intentional fault of the trustee or the agent.



Notwithstanding the foregoing, in no event shall the trustee or the agent be liable for any special, indirect, punitive, incidental or consequential loss or damages whatsoever.

- e) **Instructions.** The trustee is entitled to rely on any instructions it receives from or believes in good faith to be given by the holder or any other person designated by the holder, whether such instructions are given in person, by mail, by facsimile or by any other electronic means.

#### 17. Miscellaneous provisions.

- a) **Modifications.** The trustee may from time to time, in its sole discretion, vary the terms of the account (i) to comply with any requirement of applicable law, or (ii) by giving 30 days' prior written notice to the holder. However, such a change must not disqualify the account as a FHSA within the meaning of the Tax Act.
- b) **Evidence.** The trustee reserves the right to require the holder or any person claiming to be a beneficiary to furnish, on a timely basis and at their expense, satisfactory evidence of their age or of any fact relevant to their interest or right in or to the account.
- c) **Enforceability.** The terms hereof shall be binding upon the heirs, personal representatives and assigns of the holder and the successors and assigns of the trustee. Notwithstanding the foregoing, if the account or the assets in the account are transferred to a successor issuer, the terms of such issuer's declaration of trust or agreement will govern the account thereafter.
- d) **Declaration of non-residency.** The holder undertakes to notify the trustee immediately if the holder is or becomes a non-resident of Canada.
- e) **Interpretation.** For the purposes hereof, wherever the context requires, words importing the masculine gender shall include the feminine and neuter genders and words importing the singular shall include the plural and vice versa.

- f) **Notices.** Any notice to the trustee hereunder shall be validly given if delivered or mailed to the address of the agent appearing on the Application or to such other address as the trustee may from time to time specify in writing. The notice shall become effective only on the day it is delivered to or received by the trustee. Any instruction, notice or information given in writing to the trustee will be considered valid only if it is in form satisfactory to the trustee.

Any notice, statement or receipt directed to the holder or any person entitled to receive notice under the account may be delivered electronically or by mail to the address as it appears on the registers of the trustee. The notice, statement or receipt is then deemed to have been given on the day of the electronic transmission or on the fifth day following the mailing. The holder expressly authorizes the trustee or the agent to notify them of any modification to this declaration of trust by a prior written notice, including a note on or included with their statement of account, and by posting the modified agreement on the trustee's or agent's website.

- g) **Applicable laws.** The account shall be governed by, and construed in accordance with, the laws applicable in the province or territory of residence of the holder indicated on the Application or otherwise provided by the holder, including the Tax Act.

In Québec, the account does not constitute a trust within the meaning of the *Civil Code of Québec*. In view of the special nature of this account, the rules of Title VII of Book IV of the *Civil Code of Québec* relating to the administration of the property of others do not apply to the trustee.



# Additional Terms and Conditions for U.S. Dollar Registered Accounts

The following terms and conditions are in addition to the terms and conditions included in the Declaration of Trust applicable to your registered account, as well as those that are applicable to your accounts at National Bank Independent Network, a division of National Bank Financial Inc. ("NBIN").

## 1. Currency Conversion

Any amount in a currency other than the U.S. dollar that is transferred or credited to a U.S. dollar registered account is converted into U.S. dollars. This includes, among other things, dividends, interest and proceeds of the sale of securities.

All foreign currencies are converted on the Transaction date, using the rates established or determined by NBIN. In addition, NBIN (or its related parties) may earn income from the conversion of any currency.

## 2. Conversion of Contribution Receipts

For the purposes of issuing contribution receipts, the value of any U.S. dollar or U.S. securities contributions to a registered account in U.S. dollars are converted into Canadian dollars. In the case of U.S. securities, the conversion is based on the market value of the securities. The exchange rate used for the conversion is the rate in effect on the day the contribution is made.

## 3. Transfer to a Canadian Dollar Fund

If your registered U.S. dollar account is either a registered retirement savings plan for your spouse or common law partner or a locked-in account, the assets therein can only be transferred to a fund in Canadian dollars. In the event of such a transfer, amounts in your U.S. dollar account are converted into Canadian dollars, using the applicable rate on the date of the transfer.

## 4. Offset Between Canadian and U.S. Dollar Accounts

If you hold a Canadian dollar registered account and a U.S. dollar registered account of the same nature and one of these accounts has a debit balance, NBIN may, at its discretion, offset the debit balance of that account by transferring, after conversion, funds from the other account.

## 5. Withholding Tax on Withdrawals

When you withdraw amounts from a U.S. dollar registered account, the amount withdrawn is converted and reported to Canada Revenue Agency in Canadian dollars. The applicable amounts withheld, based on the amount withdrawn, will be calculated in Canadian dollars. The applicable tax deductions and penalties, if any, are calculated in Canadian dollars.



**Should you have any questions,  
do not hesitate to contact us.**

National Bank Independent Network  
130 King Street West, Suite 3000, P.O. Box 21  
Toronto, Ontario M5X 1J9



**Less paper, same information.**

Our documents are evolving to make  
your daily life easier and reduce our  
paper consumption.

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