



NATIONAL BANK
FINANCIAL

WEALTH MANAGEMENT

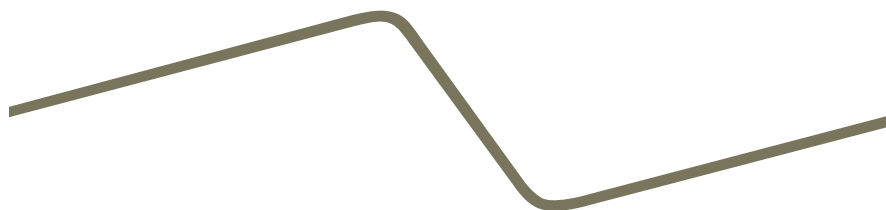
Your Relationship With National Bank Financial

General Terms and Conditions



This booklet contains important information about your relationship with National Bank Financial. We have made it easy to understand, so please take the time to read it carefully, and keep it for future reference.

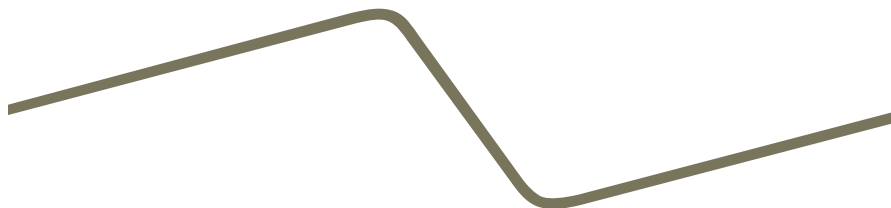
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National Bank Financial



As a financial partner to Canadian families since 1902, our wealth and portfolio management professionals accompany our clients from Halifax to Victoria to provide sound advice and services.

In this booklet:

- › "You" and "your" mean the account holder and any joint holder of an account held with us, as well as anyone you authorize to give instructions on the account.
- › "We," "us," "our," "NBF" and "National Bank Financial" mean National Bank Financial Inc.
- › National Bank Financial Wealth Management and National Bank Private Banking 1859 are trademarks used by National Bank Financial Inc.
- › National Bank means National Bank of Canada, the parent company of National Bank Financial.

This document describes the products and services that are available and explains our responsibilities as a securities dealer, how we are compensated for our services, and your responsibilities as a client. Sections 1 to 4 detail the foundations of our relationship with our clients.

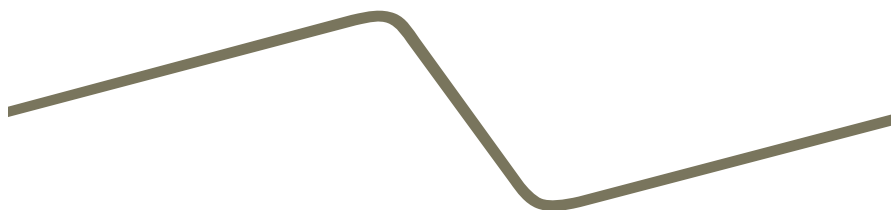
Later in this booklet, you will find a section entitled General Account Agreement and Specific Agreements, which provides the general terms and conditions under which your NBF investment account or accounts will be operated. Following that section, we have included agreements specific to margin and joint accounts, as well as declarations of trust, additional terms and conditions specific to certain registered accounts, and various useful information for you.

If you have any questions, do not hesitate to ask your Wealth Advisor. We look forward to a long and fruitful relationship serving you.

We thank you for choosing National Bank Financial and wish to ensure you understand how we will work together to achieve your financial goals throughout your life.

Information about our relationship with our clients

SECTION 1 – Our relationship



1.1 The role of your Wealth Advisor

Your Wealth Advisor is a key component of your relationship with NBF, and your principal point of contact with us. They are there to advise you, make investment recommendations, and accompany you at every step of the investment process, always available to answer questions or deal with any concerns you may have.

You are unique, which is why it is important to have a personalized investment strategy that reflects your investment objectives, time horizon, your risk profile: either your willingness to accept risk, sometimes called risk tolerance and your ability to suffer a financial loss, sometimes called your risk capacity, investment knowledge, your personal and financial situation and adapted to the events that occur throughout your life. Your Wealth Advisor will work with you to define these key inputs, and to create an investment strategy that puts your interest first and that is suitable for your situation. The central element of this strategy will be a specific target mix of asset classes designed to help you achieve your goals, in accordance with your chosen investor profile.

1.2 Getting acquainted and opening your account

You will find that the process of opening your first investment account with NBF will involve answering many questions. Before making investments, making recommendations and executing transactions for you, we need to gather information about you. This information-gathering process serves two basic purposes:

- › **Knowing your client:** Finding out enough about you so that we can make suitable recommendations;
- › **Satisfying legal requirements:** Gathering the information required to meet a number of legal requirements of the different regulatory authorities.

We take care to ensure that this information is stored appropriately in a manner that preserves its confidentiality. More details on our commitment to this matter can be found in this document.

1.2.1 Knowing your client

Know-Your-Client is a basic principle and one of the cornerstones of how our industry works. The premise is simple: the better a Wealth Advisor knows their clients and understands their wants and needs, the better they can advise them.

Therefore, when you open an account with us, your Wealth Advisor will gather information about you to ensure the account appropriateness, give advice and make recommendations that are suitable for your personal and financial situations. The information we obtain to get to know you better will also be used for suitability purposes. Ensuring that you make suitable investments is one of your Wealth Advisor's most important tasks, and the information relating to the Know-Your-Client principle is essential to accomplishing this and better supporting you.

The information we need to get to know you enough to make suitable investment recommendations includes:

- › your age;
- › your marital status;
- › your occupation;
- › your income and net worth;
- › your financial institution;
- › how many dependents you have;
- › your risk profile;
- › your investments objectives;
- › your time horizon;
- › your investment knowledge and experience;
- › the source of the funds you are investing.

Appointing a trusted contact person

When opening a new account or updating your client information, your Wealth Advisor will ask you if you wish to appoint a trusted contact person with whom we can communicate in specific circumstances. Your Wealth Advisor may contact this person to confirm information or make inquiries, particularly if your Advisor:

- › has concerns about your capacity to make financial decisions in your best interest or to understand information or measure the foreseeable consequences of a financial decision that you are about to make or not make;
- › suspects possible financial exploitation;
- › is unable to reach you successfully after several attempts;
- › needs to obtain the name and contact information of a legal representative, if necessary.

After opening your account and each time we are informed of a material change, you will receive a copy of your Client File containing the information collected about you and, if applicable, other documents. It is important that you review this document carefully and let your Wealth Advisor know immediately if there are any inaccuracies, if anything important is missing, or if you have any questions.

Over the course of your relationship with NBF, your Wealth Advisor will check in with you from time to time to see if there has been any change in your personal or financial situations, or with respect to your investment objectives, any of which could require altering the types of investments you have in your accounts or their relative weightings. Should there be a material change to your situation, your Wealth Advisor

will review your Know-Your-Client information, as well as the investments held in your accounts to ensure they are still suitable for you, making recommendations for any modification that might be appropriate, where applicable.

Vulnerable person or victim of financial abuse

If we have reasonable grounds to believe that you are a vulnerable person and are or have been the victim of financial exploitation (or even of attempted financial exploitation) or financial abuse, or that you do not have the mental capacity to make decisions involving financial matters, we may:

- › not carry out your instruction in connection with certain or all securities, funds or other products in your account;
- › place a temporary suspension on the securities, funds or other products held in your account, for example during a subscription transaction, purchase, sale, withdrawal or transfer.

If such a temporary suspension occurs, we will advise you of the reasons for this temporary suspension as soon as possible. If the temporary suspension must be maintained beyond a period of 30 days, you will be informed of the reasons justifying it at each subsequent period of 30 days.

It is also important that you keep us informed of any material changes in your personal circumstances. In this regard, we would like to draw your attention to the "Your role in our relationship" section to find out more about your obligations.

1.2.2 Meeting regulatory requirements

There are specific requirements related to the securities industry, tax regulations, anti-money laundering and anti-tax evasion, among others.

One of the first things your Wealth Advisor will do is determine the nature of the relationship you wish to have with NBF. You can choose between two types of relationship: advisory or discretionary.

› **Advisory:** With an advisory relationship, just as the name suggests, your Wealth Advisor advises, and you decide whether or not to implement their recommendations. With a discretionary relationship, you authorize us to make investment decisions that we feel are in your best interests. With an advisory account, your Wealth Advisor will make recommendations and help you make investment decisions, but the ultimate responsibility for deciding to proceed with the purchase or disposition of an investment is yours. Our responsibility is to ensure that the recommendations we make are suitable based on the Know-Your-Client information we have gathered while putting your interest first. In assessing the suitability of your profile, we could use automation (algorithms).

› **Discretionary:** By choosing a discretionary relationship, you don't have to validate or approve each transaction before it is made in your account. Once this choice has been made, the day-to-day management of your investments will be taken care of by your Wealth Advisor, NBF or one or more external portfolio managers. Of course, you will be kept regularly informed of all transactions made to your

discretionary account via your portfolio statement. This relationship is therefore discretionary because you leave us the discretion to make investment decisions and execute transactions on your behalf, without having to obtain your prior authorization.

Of course, it is possible to combine these two approaches, retaining control over part of your portfolio and delegating the management of the rest.

The next step is to select the investments that, when grouped together in your portfolio, will meet your target asset allocation. If you opt for a relationship with advice, your advisor will help you choose the right products from the wide range of vehicles available. If you choose a discretionary relationship, we will build and manage your portfolio for you, based on the discretionary mandate you have given us.

Suitability: Before acting on a security or making a recommendation, your advisor will ensure that it is suitable for you by taking into account the information obtained in order to get to know you better, and will also rely on certain factors such as the characteristics and risks associated with the security, the concentration and liquidity of the securities in your accounts, and the fee schedule, while putting your interests first.

The suitability assessment can occur at different times, such as:

- › when securities are transferred (in or out) or traded to your account;
- › when changing Wealth Advisors;
- › when there is a material change in your personal or financial situation;
- › when your Advisor updates information about your personal or financial situation, investment needs and objectives, investment knowledge, risk profile and time horizon;

- › when your Advisor becomes aware of a change in a security held on your account that may affect the suitability of your account.

Suitability and advisory account

In this type of relationship, your Wealth Advisor will assess the suitability of the investments in relation to the profile you have established together and will make sure that your interests are put first. Your Wealth Advisor will assess suitability before making a recommendation and when you ask to make a transaction (e.g., buying, selling, depositing, withdrawing). If you hold more than one account at NBF, we will assess whether the recommendations or decisions made for one account could have a material impact on the concentration and liquidity of the securities you hold across your accounts.

Since most of our clients invest for the long term, the suitability of investments held in an advisory account will not necessarily be reviewed in the event of market fluctuations, even when those fluctuations are significant. You should make sure to let your Wealth Advisor know if you have any questions or concerns about events or circumstances you believe could affect the suitability of the investments in your account.

You will be able to communicate your orders or instructions to your Wealth Advisor in person, by phone or by email. Please note that the use of email is strongly discouraged as a method of communicating orders and instructions; see the warning on sending orders and instructions by email in the General Account Agreement, available in this document.

Suitability and discretionary account

Ongoing suitability verification is provided as part of the discretionary account service. In addition, the suitability assessment will be conducted upon the selection of your profile and will give precedence to your interests. To that effect, we could use automation (algorithms). Each transaction is analyzed before being executed in order to ensure that it is appropriate in light of the prevailing market conditions and the investment mandate you have chosen, and that it is done in your best interest. If you have multiple accounts with NBF, we will take into consideration whether recommendations and decisions made for one account would materially affect the concentration and liquidity of the securities you hold across your accounts.

The final step in the process is constant monitoring of your portfolio. With an advisory relationship, your Wealth Advisor will, from time to time, make buy-and-sell recommendations to capitalize on market opportunities, to rebalance your portfolio when the returns from different asset classes have been asymmetrical, or to adapt the portfolio so that it better fits your evolving personal and financial situations. With a discretionary relationship, we will simply execute the appropriate transactions.

Comparing your portfolio's performance to that of an appropriate benchmark is 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 asset classes over a given period. They are often referred to as reference indexes 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 you are monitoring as closely as possible for the comparison to be meaningful.

Examples of benchmarks include the S&P/TSX for Canadian equities, the DEX Universe for Canadian bonds, and the S&P 500 for U.S. equities. For a portfolio composed of securities from several different asset classes, the appropriate comparison would be a combination of indexes weighted according to the asset mix of the portfolio.

1.3 Your role in our relationship

In order to build a successful relationship between us, it is important that you know the role you will be playing. We recommend that you pay attention to the following:

- › **Be sure to keep us informed of any material changes in your personal and financial situation**, such as a change in marital status, employment, civic address or email address, agent or insider or significant shareholder status.
- › Provide us with complete and accurate information about your financial situation, risk tolerance and investment objectives.
- › Stay informed by making sure you understand the risks and potential returns of your investments.
- › Do not hesitate to consult an independent specialist such as a tax specialist, accountant or legal advisor.
- › Don't forget to tell your Wealth Advisor if you have borrowed funds from third parties for investment purposes or if you intend to do so.

- › Take the time to talk to your Wealth Advisor. Ask questions about managing your portfolio. Make sure you get answers to any concerns or uncertainties you may have about your investment portfolio.
- › Upon receipt of the various documents, please review them and inform us of any problems or errors within the deadlines specific to each document. Please refer to the "Important documents you will receive regularly" section hereunder for these deadlines. If you do not contact us within these time limits, we will consider that the document given to you is error-free.
- › Finally, closely monitor the evolution of your investment portfolio by consulting, as soon as available, the various reports that are regularly sent to you.

1.4 How we communicate with you

Our relationship with you is built on regular communications. Your primary contact is your Wealth Advisor and their team, but you will also receive communications from us.

We may communicate with you by any available means, including letter, email, a secure document exchange service, fax, telephone or videoconference. To communicate with you for any type of information, we will use the latest contact information we have for you in our records.

Here are the delivery standards we apply:

- › When we file documents on our Online Services (e.g., trade confirmations, portfolio statements or tax slips) or if we send you a communication by email, fax or other electronic means, we assume that you have received it on the same business day. Please note that you can request to receive

an email notification when we file a document through our Online Services.

- › If we send you something by courier or other personal delivery service, we will also assume that you have received it on the same business day.
- › If we send you something by mail or registered mail, we will assume that you have received it on the third business day following the day the communication was put in the mail.

Important documents you will receive regularly

Unless otherwise specified, your trade confirmations, portfolio statements, annual reports on investment performance and the performance of fees and compensation, as well as prospectuses and other documents, will be delivered to you online through our secure site. This feature allows you to view, download and print these documents securely. In addition, your trade confirmations and portfolio statements will remain available for a period of seven years.

You may revoke your consent to receive your documents electronically at any time by notifying us in writing or through your Wealth Advisor.

Trade confirmations

We will send you a written confirmation of each transaction made for one of your accounts, unless you or a regulatory authority has granted us a waiver. For example, if you have a discretionary account, you may choose not to receive trade confirmations unless you have made an express request. Please verify all trade confirmations, and let us know of any error or problem within 10 days from the date you receive them.

Portfolio statements

These statements provide a summary of the value of your portfolio and describe the allocation and details of your assets as well as the activities of each of your accounts. Other important information is also presented. These statements are sent to you every month in which a transaction was made, or if there is no transaction, on a quarterly basis (March, June, September and December).

Make sure you examine all statements carefully, and let us know of any error or objection within 30 days from the date of receipt.

The Investment Performance Report and the Annual Fees and Compensation Report

NBF provides two annual reports that include information pertaining to your account or accounts.

The Investment Performance Report indicates your return on investments within your account or accounts. It clearly identifies the changes in the market value of your assets, along with the rate or rates of return over the preceding year, and since account inception.

The Annual Fees and Compensation Report summarizes the amounts we received either directly or indirectly over the preceding year for providing you with advice and services related to your investment account or accounts. A portion of this sum is paid as remuneration to your Advisor, and the remainder is retained by our firm to maintain and support your account or accounts.

Additional reports

As part of their service offering, your Wealth Advisor can provide you, automatically or upon request, with additional, more detailed reports describing your account performance, cash flow, and realized gains and losses.

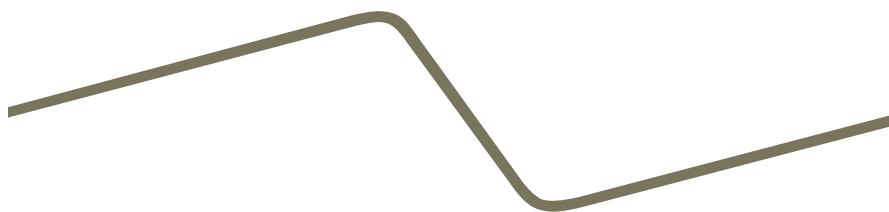
Our communications with you if you have a jointly held account

We will send all communications to the person listed in your Client File as Account Holder No. 1 at the last address we have on file. When we contact that account holder, we are deemed to have communicated with all joint account holders.

1.5 Ways you can contact us

The success of our relationship also depends on the two-way communication you will have with your Wealth Advisor. It is therefore important to us that you have the opportunity to reach us in any circumstance. You will find the phone number and email address of your Wealth Advisor and team members, and the main phone number of your branch, on your portfolio statement as well as on our website.

SECTION 2 – Our services, products and account types offered



Our mission is to help our clients manage their wealth and meet their financial goals. The most important and valuable component of our offering is therefore advice. But financial advice translates into recommendations with regard to the specific actions your Wealth Advisor believes will increase your chances of reaching your goals. We provide the accounts and all the products and services needed to act on our advice and to implement these recommendations.

2.1 Our services, our approach

We are present at all stages of your life. With your Wealth Advisor, you can build your future through decades of wealth management that will be tailored to your needs.

For a rich and active life

Invest in the projects that are important to you and be accompanied by a dedicated team that will help you make them happen. By building your wealth, you have a toolbox for life. Wealth is the foundation you need to achieve your life goals. Your Wealth Advisor, with the help of their team members, has all the tools in hand to support you in your ambitions.

For an enjoyable retirement

Save for your retirement plans: travel, buy a cottage, pursue your passions...

No matter your age, you have to prepare for retirement. And it's never too early, or too late! Plan for your retirement and invest today to enjoy it tomorrow. Your advisor is your ally in seeing ahead so that you know where you are going; they guide and enlighten you on all aspects of your financial life and evolve with you throughout your financial plan, whether you are in the accumulation phase, before or during your retirement.

For your family

You work hard for the well-being of your family. No matter what, you want your loved ones to be able to maintain a comfortable lifestyle. Your Wealth Advisor and their team are there to help you put everything in place to achieve your financial goals, to better protect your family wealth and to plan your estate to ensure the quality of life of the people you love.

For a lasting legacy

By sharing the fruits of your labour and bequeathing your family wealth according to your wishes, you will prevent your loved ones from making difficult decisions at a time when they may be vulnerable. Plan your estate and manage your inheritance with peace of mind. Your Advisor and their team will be able to perform a personalized analysis that takes into account your assets and your unique family context. They will then be able to put in place strategies to reduce the consequences of the tax on your heirs. Finally, they will actively monitor your plan according to your personal and financial development.

The Philantra Foundation™: much more than just a donation

A not-for-profit corporation and charitable organization, the Philantra Foundation was created so that you can support the causes you care about for the long term. It offers you the opportunity to create your personalized charitable fund within a public foundation without having to worry about the time, cost and administrative complexity of creating and managing a private foundation. All you have to do is choose the cause that is important to you and we will accompany you every step of the way.

2.2 Our products

Complementing our different kinds of accounts is a comprehensive line-up of products and services. Your Wealth Advisor's licence from the Canadian Investment Regulatory Organization (CIRO) means that they can recommend and execute transactions in almost any investment product, including common and preferred shares, bonds, debentures, guaranteed investment certificates (GICs), high-interest savings accounts, strip bonds and residuals, mutual funds, exchange-traded funds (ETFs), options, structured products and trust units.

We also offer a suite of innovative managed solutions, such as baskets, private pools and separately managed accounts.

Some products and services may not be available in registered accounts. In addition, liquidity restrictions (e.g., a holding period) may apply to certain private placements while resale restrictions may apply to certain products such as bonds, structured products and preferred shares.

Our investment recommendations are based on our research on the economy, various sectors and companies, as well as research from several other industry-recognized external sources.

2.3 Types of accounts

We offer two broad categories of investment accounts: non-registered and registered.

In the non-registered group, there are cash account, margin account, short margin account, fully paid securities lending, escrow account, hedge account and futures account.

In the registered group, there are the Registered Retirement Savings Plan (RRSP), Locked-In Retirement Account (LIRA), Registered Retirement Income Fund (RRIF), Life Income Fund (LIF), Registered Education Savings Plan (RESP), Registered Disability Savings Plan (RDSP), Tax-Free Savings Account (TFSA) and First Home Savings Account (FHSA).

Regardless of the type of account you choose, all of them offer notable benefits:

- › All your investments will appear on a single regular statement.¹
- › We will automatically and immediately credit to your account all interest and dividends your investments earn.
- › We will consolidate all of your year-end tax receipts, subject to exceptions. Instead of receiving a separate slip from each issuer, you will receive only one set of slips from us, which makes it easier for you to prepare your income tax return.
- › Last, but certainly not least, where applicable, your accounts are protected by the Canadian Investor Protection Fund (CIPF) subject to certain CIPF conditions and limits, details of which can be found in the appendix of this document.

In the following paragraphs, you will find the main features of different account types. In the case of the opening of a registered account, a declaration of trust, specific to the type of account chosen, will accompany the documents given to you.

2.3.1 Cash account

A cash account is an account into which you deposit money to be used to make investment transactions. When you buy or sell a security, we either debit or credit the appropriate amount on the applicable settlement date, which may vary depending on the product traded.

Applicable document:

- › General Account Agreement

2.3.2 Margin account

A margin account is similar to a cash account, except that it includes a line of credit, which is determined by the value of your investments. In other words, you can borrow money – to finance additional investments or for any other purpose – based on marginable securities you already own and hold in your margin account.

Applicable documents:

- › General Account Agreement
- › Margin Account Agreement

2.3.3 Short margin account

This type of account is for experienced investors who engage in short selling. Short selling is a sophisticated investment strategy that can result in huge financial losses if the value of the security goes up instead of down. You should only consider a short margin account if you are a very experienced investor with a high-risk profile. Be sure to obtain good financial advice before attempting short selling.

Applicable documents:

- › General Account Agreement
- › Margin Account Agreement

¹ Except for multi-currency accounts which will be grouped on a separate statement (up to 5 multi-currencies per statement).

2.3.4 Hedge account

In this type of account, you short-sell one category of an issuer's securities (e.g., common shares) and buy another class of the same issuer's securities (e.g., convertible bonds). This practice is an arbitrage strategy; that is, it aims to capitalize on the mispricing of one category of security compared to another (in this case, the issuer's convertible bond and its underlying stock). Through a combination of long and short positions in the different types of securities, hedging can make it possible to generate consistent returns with minimal volatility, regardless of market direction. It is a complex investment strategy that benefits from being delegated to experienced professionals in this field.

Applicable documents:

- › General Account Agreement
- › Margin Account Agreement
- › Agreement Concerning Convertible Securities Hedge Transactions

2.3.5 Futures account

This is an account in which you trade futures. A future is an agreement to buy or sell a commodity sometime in the future. The basis for futures contracts are products, such as agricultural products and natural resources (e.g., timber, oil and metals). Futures trading involves a high level of risk and can result in losses that are difficult to contain.

Applicable documents:

- › General Account Agreement
- › Margin Account Agreement
- › Futures and Options on Futures Trading Agreement

2.3.6 Registered Retirement Savings Plan (RRSP)

A registered savings plan is an account registered with the government, and it allows your investment returns (interest, dividends and capital gains) to accumulate on a tax-deferred basis until withdrawn from the RRSP. Another big advantage of an RRSP is that up to a set limit, your contributions are tax-deductible, although they will also be taxable when eventually withdrawn from the account. An RRSP is essential for almost anyone looking to ensure themselves a comfortable retirement.

Applicable documents:

- › General Account Agreement
- › Retirement Savings Plans (RSP) or Retirement Income Fund (RIF) – Application
- › Retirement Savings Plan (RSP) Declaration of Trust
- › Additional Terms and Conditions for USD Registered Accounts, where applicable

2.3.7 Spousal Registered Retirement Savings Plan (RRSP)

A jointly registered retirement savings plan is similar to a regular registered retirement savings plan with the exception that the contributions are made by the spouse of the account holder. The contributing spouse will be entitled to the tax deduction; however, the amounts withdrawn will be added to the income of the annuitant (plan holder) and taxed at the annuitant's rate.

Applicable documents:

- › General Account Agreement
- › Joint Account Agreement, if joint holder
- › Retirement Savings Plans (RSP) or Retirement Income Fund (RIF) – Application

- › Retirement Savings Plan (RSP) Declaration of Trust
- › Additional Terms and Conditions for USD Registered Accounts, where applicable

2.3.8 Registered Retirement Income Fund (RRIF)

Like an RRSP, an RRIF is registered with the government and allows your investment returns to continue accumulating on a tax-deferred basis. It is designed to give you a steady stream of income when you retire, while continuing to accumulate value on the amount that is still invested. And like RRSPs, you only pay tax on your investment earnings when you withdraw money from the account.

Applicable documents:

- › General Account Agreement
- › Retirement Savings Plans (RSP) or Retirement Income Fund (RIF) – Application
- › Retirement Income Fund (RIF) Declaration of Trust
- › Additional Terms and Conditions for USD Registered Accounts, where applicable

2.3.9 Locked-In Retirement Account (LIRA), Life Income Fund (LIF) and other locked-in plans

LIRAs and LIFs are similar to RRSPs and RRIFs, but are for individuals who have accumulated assets in an employer-sponsored pension fund. Certain employee-sponsored pension plans allow you to take your accumulated pension contributions and the investment returns they have earned with you when you leave the employer, and to transfer them to an LIRA on a tax-free basis. Unlike an RRSP, you generally cannot withdraw the funds from an LIRA before you reach a certain age, unless you meet other conditions.

This can still be an advantageous solution because you retain control over your investments, and you do not have to be tied to a previous employer; however, keep in mind that each province and territory has its own regulations regarding the amounts you may withdraw from locked-in plans. When you retire, all assets in an LIRA must be transferred to an LIF, which, like an RRIF, is an account for paying out retirement income.

Applicable documents:

- › General Account Agreement
- › For an LIRA: Retirement Savings Plan (RSP) Declaration of Trust
- › For an LIF: Retirement Income Fund (RIF) Declaration of Trust
- › Addendum according to legislation

2.3.10 Registered Disability Savings Plan (RDSP)

An RDSP is a registered savings plan that is intended to help parents and others save for the long-term financial security of a person who is eligible for the disability tax credit. Contributions to an RDSP are not tax-deductible and can be made until the end of the year in which the beneficiary turns 59.

Applicable documents:

- › General Account Agreement
- › Self-Directed Disability Savings Plan (RDSP) – Plan Application
- › Self-Directed Disability Savings Plan (RDSP) – Declaration of Trust
- › Joint Account Agreement, if joint holder

2.3.11 Registered Education Savings Plan (RESP)

An RESP helps you finance the post-secondary education of those you name as beneficiaries, usually your children or grandchildren. It shelters your investment returns from taxes until they are withdrawn. When money is withdrawn and used to pay for the child's postsecondary education, the capital contributed to the plan is withdrawn tax-free, while the investment earnings and government subsidies are taxed in the child's hands, typically at a much lower marginal rate than yours.

Applicable documents:

- › General Account Agreement
- › RESP application and Education Savings Plan Terms and Conditions (for individual plan or family plan)
- › Joint Account Agreement, if joint subscriber

2.3.12 Tax-Free Savings Account (TFSA)

A TFSA is a tax-free account: your investments are sheltered from tax while they appreciate, but you can withdraw your money, including any earned income and capital gain, without paying tax on it. The TFSA is not tied to a specific use, which means that you can make withdrawals whenever you want or need to. As part of an integrated strategy, a TFSA is an ideal complement to tax-deferred accounts.

Applicable documents:

- › General Account Agreement
- › Tax-Free Savings Account (TFSA) application and Tax-Free Savings Account (TFSA) Declaration of Trust
- › Additional Terms and Conditions for USD Registered Accounts, where applicable

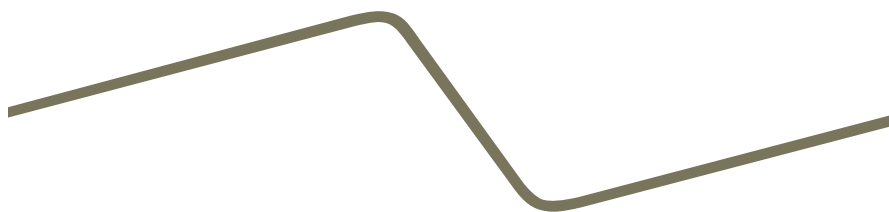
2.3.13 Tax-Free First Home Savings Account (FHSA)

The FHSA allows you, as a prospective first-time home buyer, to save tax-free (up to certain limits) in anticipation of the purchase of a first home.

Applicable documents:

- › General Account Agreement
- › First Home Savings Account (FHSA) – Application Form
- › First Home Savings Account (FHSA) – Declaration of Trust

SECTION 3 – Fees, charges, interest rates and currency conversion



Fees and charges you can expect to pay

We believe that people who know how they are being charged for services and how much they are paying tend to feel they are getting better value for their money. The fees we charge will vary depending on the type of account you choose, the services you want, and the level of activity you require to accomplish your investment goals.

3.1 Fees – Two basic pricing options

NBF's "core product" is dispensing investment advice and executing the securities transactions to implement the recommendations we make. As a client, you can pay for this in one of two ways:

- › **By the transaction** (each time an investment is bought or sold, a commission or spread is charged to cover the cost of the transaction, as well as the advice and service); or
- › **By fee for service** (a fee levied as a percentage of the assets you hold with us is charged to cover the advice, service and execution of the transaction).

Each of these pricing options has its advantages and disadvantages – one is certainly not better than the other – and regardless of the option you choose, you will get the same level of service. You should discuss each option with your Wealth Advisor in order to choose the one that is best for you. Regardless of the pricing option you choose, the fees you pay affect the performance of your investments. This is why your portfolio's return is calculated net

of fees. The returns shown on the annual investment performance report that is sent to you annually are calculated net of fees.

Note that our "default" way of pricing is by the transaction. If you wish to pay for our services with an asset-based fee, specific documentation must be signed. Costs and fees applicable to this service are described in supplementary related documentation.

3.1.1 Pricing per transaction

The most important thing to understand about this pricing option is that while it is associated with a transaction, the commission or spread charged covers the advice and ongoing service you receive from NBF and your Wealth Advisor, as well as the actual execution of your transaction.

Generally speaking, commissions are charged on transactions of listed securities, such as common and preferred shares, options, and exchange-traded funds (ETFs), where we typically act as an agent, whereas spreads apply to fixed-income trades (e.g., bonds,

stripped coupons, treasury bills and GICs), where we usually act as principal. As explained in greater detail below, commissions may also apply to certain mutual fund transactions.

Commissions

Commissions will be charged when a stock or other listed security is purchased or disposed of. The commission will be added to the cost of the security on a purchase and deducted from the proceeds for a disposition. These amounts will be clearly identified on the trade confirmations you receive and will be charged in the currency of the account.

Spreads

A spread is a charge built into fixed-income securities reflecting the difference between the actual cost of a product to the distributor and the price at which it is offered to you. Virtually all financial institutions charge spreads on their fixed-income products.

Investment dealers build spreads into their fixed-income transaction rates by purchasing securities, such as bonds, debentures or treasury bills, in extremely large quantities directly from the issuers at a certain interest income level or "yield." They then resell them to individual investors in much smaller quantities at a slightly lower yield. The difference between these two rates is the spread. It covers the cost of doing business and the financial risk of holding large quantities of securities in inventory.

Note that when your Wealth Advisor quotes you a yield-to-maturity on a fixed-income investment, the spread has already been taken into account; in other words, the yield you are quoted is exactly the rate of return you will earn on the bond, stripped coupon or Treasury bill, provided you hold it to maturity. Generally speaking, the spread will vary directly with the maturity of the security, i.e., the shorter the term, the smaller the spread, and vice versa.

Finally, one other situation where we may earn revenue in the form of a spread is when a transaction involves converting currencies. For instance, if you purchased a stock listed in euros on the Frankfurt stock exchange in your Canadian dollar-denominated account, we would convert your Canadian cash into euros using our exchange rate for the day in order to settle the transaction. NBF could earn a spread on that currency conversion due to the difference between our wholesale and retail foreign exchange rates.

Mutual funds

We are including a section devoted to mutual funds since they are a little more complex than a simple stock or bond, from a “what you pay” perspective. There are two components to what you pay when investing in mutual funds: management fees and commissions. Management fees are charged by all mutual funds. Depending on the fund you purchase, you may also pay a transaction fee in the form of a commission.

Management and operating expenses

All mutual funds charge management fees or operating expenses, or both, which are deducted directly from the fund’s assets and go toward both paying the fund’s expenses (portfolio

management, record keeping, custody, reporting, etc.) and generating a profit margin for the fund company. Management fees and operating expenses are generally charged as a percentage of the fund’s assets under administration, and this percentage is disclosed in the fund’s fund facts document, as well as in its prospectus.

Management fees and operating expenses vary depending on the category of underlying assets, with fees for equity funds typically being higher than fees for bonds or money market funds. For certain funds, a portion of the management fee is remitted to the distributor (in this case, NBF and its Wealth Advisor) continually for as long as the investor owns the fund. The portion of the management fee remitted to the distributor is called a trailing commission.

Trailing commissions

When a trailing commission is paid to the distributor by the fund out of its management fee, the percentage used to calculate this amount is disclosed in the fund’s fund facts document, as well as in its prospectus. The logic behind trailing commissions is that they compensate the distributing firm and its Wealth Advisor for the costs incurred (maintaining the position on its books, issuing statements, etc.) and for the ongoing advice and service provided.

Commissions

Commissions are charged on many mutual funds, but contrary to other investments, they only apply when you either buy or sell the fund, not both.

Commissions charged upon purchase (sometimes referred to as “front load”) are calculated as a percentage of your gross purchase and are simply subtracted from the actual amount invested. For instance,

a 2% commission charged on a \$5,000 fund purchase will result in \$100 being taken off the top by NBF and \$4,900 being invested.

Many funds were available for purchase with a “deferred sales charge” option (sometimes referred to as “back load”). With this option, there was no commission to pay up front, and your full amount was invested in the fund. The fund company will apply a charge when you redeem your investment, in accordance with a declining schedule.

Finally, there are also many funds offered for sale without transaction commissions (often referred to as “no-load” funds).

If you wish to include mutual funds in your portfolio, it would make good sense to take some time to explore the various commission options with your Wealth Advisor to figure out which one is best for you.

3.1.2 Fee-based pricing

Compared to commissions and spreads, the fee-for-service pricing option is fairly simple to understand. A fee is calculated as a percentage of the value of your investments. This amount, which is charged either monthly or quarterly, covers the cost of ongoing advice and service, as well as the execution of all the transactions required to manage your portfolio. In other words, it replaces commissions and spreads. Many clients prefer this pricing option because they never have to factor the cost of a transaction into their investment decisions.

When fees are charged to a non-registered account, they are generally deemed to be tax-deductible, although we recommend that you consult with your accountant or tax expert to determine if this applies to your personal situation.

Advisory fee-based account

The fees to be paid are disclosed in the fee-based account agreement you sign at the time of opening your account, and you will see the amounts that are charged periodically on your portfolio statement.

Discretionary fee-based account

The fees to be paid are shown in the discretionary account agreement you sign when you open your account, and the amounts you are charged periodically will appear on your portfolio statement.

3.2 Fees, interest rates and currency conversion

Administration fees

Like all financial institutions, we also charge fees for specific services that complement our core business. These fees, which we call administration fees, are presented in the leaflet found in the Appendices section of this document. Included in these fees is an annual administration fee, which covers all of the costs associated with opening and maintaining an investment account. This annual administration fee only applies to clients who have opted for the by-the-transaction pricing option. And since this fee is waived whenever the activity in a client's account generates enough revenue to cover the costs of maintaining it, it is rarely actually charged.

Note that administration fees and other charges may change from time to time. We will let you know in advance of any change, as prescribed by the regulations that govern our industry. Please refer to the section on this topic specifically for more details.

Interest charges and borrowing fees

If you borrow against the value of securities held in one of your accounts, you will be charged interest on the outstanding loan. Similarly, if you short-sell securities, you may be charged interest and fees on the cost of borrowing securities to cover your short position.

Also note that some foreign central banks charge negative interest rates on deposits. This could have an impact on the credit balances you hold in foreign currencies in your accounts.

Fees related to transactions executed on foreign exchanges

If you buy or sell securities listed on foreign markets, you should know that certain stock exchanges, securities commissions, prime brokers or foreign governments may, from time to time, impose taxes or apply trading, execution or settlement fees on financial transactions made in their country. These fees are kept by the exchange, securities commission, prime brokers or government, and are not shared with NBF.

When such fees are levied, they are over and above the usual commissions and administration fees that NBF applies to your accounts and your transactions, regardless of the pricing option you have chosen. Where applicable, these supplemental charges will appear on your trade confirmations and will be charged in the currency of the country in which the transaction was executed.

Any unusual transactions may incur additional fees.

Currency conversion

Each time a currency conversion is required, National Bank Financial – Wealth Management acts as principal in converting the currency and earns income on the basis of the difference between the price offered to you for the currency and the price obtained by National Bank Financial – Wealth Management or its affiliates for that same currency (the “Spread”), in addition to any commission and management or advisory fees that may apply.

A currency conversion is required when, for instance, a transaction involves a security denominated in a currency other than that of the account in which the operation is settled, a transfer of funds is made between accounts denominated in different currencies, or an amount (dividends, interest, etc.) in one currency is paid in an account that is denominated in a different currency.

The exchange rate applicable to the operation (the “Applicable Rate”) is established by National Bank Financial – Wealth Management or its affiliates and corresponds to the interbank exchange rate in effect at the time of the settlement of the transaction, plus the Spread applicable to the transaction. The Applicable Rate varies according to several factors, including market fluctuations and the amount, date and nature of the operation. The Spread applicable to the operation also varies according to the amount of the operation. The Applicable Rate and Spread are subject to change without notice. Up-to-date information on the applicable Spread can be obtained by visiting the Regulatory Information section of our website. All currency conversions take place at the time when the operation is settled.

SECTION 4 – Other information and disclosure

4.1 Conflict of interest and related parties

Securities regulations in Canada require all investment dealers to comply with rules about conflicts of interest. It is important for you to know how we identify and respond to conflicts of interest, as well as how we minimize their impact.

What is a conflict of interest?

We consider a potential conflict of interest to be any circumstance in which our interests, or the interests of our Wealth Advisors or employees, could be inconsistent with or divergent from the interests of our clients or others who use our services.

We take reasonable steps to identify all existing material conflicts of interest, as well as those that are reasonably foreseeable. We then assess the level of risk associated with each conflict.

We avoid any situation that would create a serious conflict of interest or represent too high a risk for you or for the integrity of financial markets. In any other situation, we take appropriate measures to address the conflict in your best interest. Where it cannot be avoided, we will notify you of any existing or reasonably foreseeable material conflict-of-interest situation as they arise.

Conflict-of-interest situations

We could potentially be in a conflict of interest in our dealings with:

- › our clients;
- › issuers of securities;
- › related dealers and advisors;
- › other related companies; and
- › our employees.

The following sections describe each of these potential conflicts, the effects they might have on you and how we deal with them.

4.1.1 Issuers of securities

Sometimes we deal in the shares of companies or people that are related or connected to us. Here is how we define those terms.

A company or person is a “related issuer” if:

- › the person or company is an influential holder of NBF;
- › we are an influential holder of the person or company; or
- › both we and the person or company are related issuers of the same third-party securities.

A company or person is a “connected issuer” if the issuer has a relationship with us that may lead a reasonable prospective purchaser to question whether we are independent from the issuer and believe that we will benefit from it. This includes the issuer’s relationship with us, with one of our related issuers, or with our administrators, officers or partners or those of our related issuer.

See our website nbfwf.ca (“Regulatory Information” section) for the list of our related or connected issuers.

When we deal with securities issued by our related or connected issuers, we may:

- › act as an **underwriter** or selling group member in the distribution of the securities;
- › sell the securities to, or on behalf of, our clients;
- › purchase the securities from, or on behalf of, our clients;

- › exercise discretionary authority to buy or sell the securities, with the written consent of the client;
- › act as an advisor regarding the securities;
- › make recommendations to buy or sell the securities;
- › offer for sale securities, goods and services issued or provided by National Bank of Canada or another related issuer;
- › work with National Bank of Canada or another related issuer to jointly offer the sale or purchase of securities, goods or services.

It is our policy to comply fully with all securities legislation and make all required disclosures when acting as advisor, dealer or underwriter of the securities of National Bank of Canada and our other related or connected issuers.

What is an underwriter?

An **underwriter** is a company that administers the distribution of securities on behalf of the company that issued those securities.

The underwriter helps set the price, buys the securities from the issuing company and sells them to investors.

Before advising you on the securities of a related issuer or taking part in the distribution of securities of a related issuer, we would have informed you, verbally or in writing, about the relationship between the advisor and the issuer of the securities.

Before exercising any discretion over the securities of a related or connected issuer, we will have informed you and obtained your consent.

When we buy or sell securities with a subsidiary or affiliate, we ensure that the transaction price, along with any brokerage commission, is as good as or better than the price offered by an unaffiliated third-party broker in an arms-length transaction.

In addition, when we deal in securities of related or connected issuers, we take your investment objectives and your best interests into account.

As part of our business as an investment dealer, we may act as "agent" or "principal" while buying or selling on your behalf. In such instances, we will provide services in accordance with our normal practices and procedures, and follow all relevant legislation or regulations.

4.1.2 Related dealers and advisors

Because of our affiliation with National Bank of Canada and its subsidiaries, we have put policies in place to deal with any potential conflict of interest and to ensure we act in your best interests.

We are registered as an investment dealer and an indirect wholly owned subsidiary of National Bank of Canada. National Bank of Canada is also an important shareholder of many dealers and advisors, meaning it directly or indirectly holds more than 10% of any class or series of voting securities.

We are therefore related to these dealers and advisors. Although there may be overlaps among the directors and officers of these companies, all of them operate as separate legal entities.

Both we and the related dealers or advisors named on our website may provide services to each other, including management and administrative services, as well as client referrals.

These relationships are subject to certain legislation and industry regulations. We have also adopted internal policies and procedures to supplement these requirements, including our policies on confidentiality of information.

4.1.3 Other related companies

National Bank of Canada, NBF and their affiliated companies may hold an interest or participation in certain companies.

See our website nbfwm.ca ("Regulatory Information" section) for the list of our related companies.

Order routing and receipt of payment for order flow

NBF receives fees or payments from third parties on some of the transactions it executes. Such fees and payments will not accrue in the clients' account and may be considered as part of NBF's routing decision-making process, though this is not the principal determinant.

Fully Paid Securities Lending Program

Within the Fully Paid Securities Lending Program, you lend your securities to NBF, who acts as the sole borrower. NBF uses the loaned securities for its own operations and activities, including short-selling and re-lending the securities, which will generate revenue for NBF. Regardless of our ultimate use of the lent securities, we will ensure that clients receive fair lending fee rates within the context of the market.

4.1.4 Our employees

In the normal course of their activities, our administrators, officers, employees, representatives and agents may find their personal interests are in potential conflict with those of a client.

We have developed a Code of Conduct and Ethics, a Compliance Manual and internal policies. Among other things, these documents state that our employees must never put their own interests ahead of their responsibilities toward clients or NBF and that they should not under any circumstances exert undue pressure on clients to acquire a product or service. These documents also reinforce the fact that any existing or reasonably foreseeable material conflict of interest must be addressed in a manner that is fair, equitable,

transparent, and in the clients' best interests.

Here are some highlights from these documents:

› **Confidential information:** Our employees are prohibited from using confidential information gained in the course of their duties for their personal benefit or for the benefit of a third party. This includes information related to clients, transactions or client accounts. Our employees may not exploit any situation for the purpose of obtaining an advantage of any kind that would compromise confidential client information.

› **Gifts, entertainment and compensation:** Employees are prohibited from accepting gifts, entertainment or compensation that could influence the decisions they make in the course of performing their duties and compromise or give the impression of compromising their independence.

All decisions must remain objective and impartial, in the best interests of clients. Unless they have our prior approval, our employees may not receive any form of compensation other than what we pay them. We ensure that our employee compensation practices do not conflict with employees' obligations toward our clients.

› **Other business activities and personal financial dealings:** Employees are prohibited from engaging in activities that could interfere or be in conflict with their duties. We will not permit any employee to engage in business activities outside the scope of their duties without our prior approval and without ensuring that these activities do not compromise our clients' interests or harm our own reputation or that of the industry. We would also consider an employee to be in a potential conflict of interest if they were designated as a beneficiary of a client's estate or otherwise inherit from a client's estate.

- › **Client best interests:** The interests of clients must always be given priority over those of NBF and its employees. When we receive two orders for the same security at the same or better price, we always execute the client's order before our or our employee's order. This also means that the Wealth Advisor has an obligation to choose the best investment for a given client, even if it is an investment that directly competes with our offerings. No Wealth Advisor is authorized to make recommendations solely for the purpose of generating revenue or promoting in-house investments if there is no benefit to the client and the recommendations do not constitute the best execution and the best investment for the client.

Please visit the Regulatory Information section of our nbfwf.ca website to access our Best Execution Policy.

- › **Referrals:** On occasion, third parties may refer clients to us for our products and services. We or our Wealth Advisor may also refer clients to third parties. In all cases, referrals should prioritize clients' interests. 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.
- › **Corporate financing, advisory and research activities:** We offer corporate financing, research and investment advisory services for a fee. We have established procedures and policies to avoid conflicts of interest and to protect the confidentiality of privileged information. In addition, our departments involved in advisory and research activities are physically isolated from all our trading activities, thus preventing the unauthorized transmission of privileged information.

- › **Underwriting and market-maker activities:** In some cases, we may act as an underwriter, meaning we administer the public issue and distribution of securities. We may also be a market maker, which means we hold an inventory of securities and use it to quickly complete buy and sell orders. In some cases, the interests of the parties we work for can differ from the interests of our clients. Regulations govern the various roles we play. In a case of conflict, we are duty-bound to abide by the applicable legislation and regulations. We will always give the client's best interest priority over our own interest so that any recommendation constitutes the best execution and the best investment for the client.
- › **Tied selling:** It is prohibited to require a client to purchase or invest in any product, service or security as a condition or on terms that would appear to a reasonable person to be a condition, of supplying, continuing to supply or selling a product, service or security.
- › **Policy respecting the allocation of securities:** We have a policy that deals with the allocation of securities among our clients when there are not enough securities to meet the demand. This policy is intended to ensure fair distribution of securities and thus avoid that a client entitled to a quantity of securities does not receive their fair share.
- › **Brokerage commissions:** We charge brokerage fees when a Wealth Advisor exercises discretionary power by trading investments on behalf of a third party. Examples include transactions carried out for an investment fund or for an account under discretionary management. We adhere to requirements intended to ensure that the brokerage fees are proportionate to the services the client receives. Furthermore, we ensure that the client receives fair and reasonable benefit considering both the use of services and the amount of client brokerage commissions paid.

- › **Private placements and personal investments:** Employees who wish to participate in a private placement, as a buyer or promoter, must first go through our authorization and verification procedure to avoid or supervise conflicts of interest. Our employees' personal investments are also subject to our policies and supervision. Employees should not make personal investments based on confidential information held by NBF. We must always put clients' interests first, over those of employees.
- › **Discretionary management:** We offer discretionary management services to our clients. In some instances, the securities making up the portfolios under management may also be held by some of our employees, officers or managers, or may come from our related or connected issuers. We may also offer, as part of the discretionary management programs, public and private investment funds (also called "private pools" or "private portfolios") managed by National Bank Investments Inc. or by National Bank Trust Inc., both affiliated with NBF and for which NBF, or one of our affiliated or related entities, acts as investment fund manager, portfolio manager or trustee, or provides other services to the funds (collectively, the "related funds").

We may also recommend that you invest in related funds even if you do not use our discretionary management services. For more information regarding material conflicts of interest that arise, or may arise, with respect to the private pools managed by National Bank Investments, please see our website nbfwf.ca ("Regulatory Information" section).

- › **Compensation and other benefits:** We are compensated for the business we perform for our clients. The level of compensation varies depending on the product and the type of remuneration. At all times, recommendations to clients are appropriate and are intended to give precedence to clients' interests, regardless of the

compensation associated with the recommended product or service. There is no undue pressure on clients to acquire a product or service. In order to oversee these practices and ensure the absence of conflicts of interest, several controls are in place. Here are some examples of how compensation could lead to a conflict of interest, and how we avoid such conflicts:

- **Compensation and benefits from issuers:** Issuers of securities or other related parties may compensate us based on the sale of their securities to our clients. An example is trailing commissions we receive for selling mutual funds. Securities regulations require issuers to include details in their offering documents about such arrangements and the compensation involved. Issuers can also pay or reimburse us for certain costs (registration for educational events, sales communications, conferences, seminars, etc.), allow us to attend conferences or seminars and provide us with promotional items of minimal value. Regulations surrounding these sales practices are very strict, and only benefits that meet the conditions may be accepted.
- **Currency and interest rates:** On occasion, we may be compensated indirectly. For example, in a foreign currency exchange, we may receive compensation based on the difference between the price our clients pay for the currency and the price we pay for the same currency. We could also be compensated based on the difference between the interest rate we receive on invested funds and the interest rate actually paid to our clients.
- **Marketplaces:** We may receive compensation based on the marketplace we use to carry out our clients' transactions. Regulations control the conditions under which we carry out our client transactions.
- **Over-the-counter securities:** We may receive compensation for the purchase or sale of

some over-the-counter securities. These investments are traded outside of the formal exchanges. We mark up the final price clients pay when they buy these securities, and mark down the final price clients receive when they sell these securities.

- **Compensation for Wealth Advisors:** Wealth Advisors qualify for different types of incentives, such as trips or bonuses, when the revenue they generate crosses a certain threshold. We prohibit Wealth Advisors from making recommendations solely for the purpose of generating revenue without any benefit to the client. We have a comprehensive supervision program in place to monitor Wealth Advisors and ensure that any recommendation they make is suited to the client's investment objectives, time horizon, risk profile, investment knowledge and overall financial situation.
- **Fee-based or commission accounts:** There may be periods when it would be cheaper for clients to pay a commission per trade instead of a fee based on the assets they hold. Wealth Advisors must always ensure that clients are using the billing method most suitable to their needs.
- **Fee-based accounts:** The more assets there are in your fee-based account, the more you will pay in fees, and we may benefit from encouraging you to add assets to your account. You will pay fees and costs whether you make or lose money on your investments. The fees and costs will reduce any amount of money you make on your investments over time. As a portfolio manager, we have a duty to act in your best interest and we will make decisions based on what is right for you. Make sure you understand the fees and costs you pay.
- **Use of borrowed funds:** When you use borrowed funds to fund the purchase of a security, the value of the assets in your account increases. If your account is billed on a fee basis, these fees will also increase since these are based

on the value of your account assets. If billing is per transaction, since additional transactions will have to be made in your account in order to invest the additional amounts from the borrowed amounts, you will be charged additional fees.

- › **Proxy voting:** Your Wealth Advisor may ask whether you intend to vote on a specific matter or question pertaining to the securities you hold. Your Wealth Advisor may even recommend you vote in a specific manner. Our employees are prohibited from accepting payment from the issuer or any other party that relates to any request for your vote or a proxy in their favour. Our policy is that any recommendation the Wealth Advisor makes must be in the best interests of the client.
- › **Transaction between two clients:** In some circumstances, we may have one client who wants to buy a security through us and another client who wants to sell the same security through us. Our policy is to ensure that we make such transactions at fair market value. Neither we nor our Wealth Advisors are authorized to favour one client over another. Regulations and our policies require Wealth Advisors to make only suitable investment recommendations to clients in their best interests.
- › **Margin accounts and investment loans:** A margin account or an investment loan generates debit interest and additional fees or commissions when we invest the amount borrowed. This benefits the Wealth Advisor, as well as us or one of our related companies that makes the loan. Any investment recommendation made by the Wealth Advisor must be suitable for the client and put their interests first. Our employees cannot recommend a product solely based on the amount it will bring us.

4.1.5 Other conflicts of interest

Other existing or reasonably foreseeable conflicts of interest may arise. We will continue to take the necessary steps to identify and respond to such situations fairly and reasonably, and update our policies

as required. Where not avoided, any material conflicts of interest will be disclosed to you as they arise.

Relationship between NBF and National Bank or another entity (including another entity of the National Bank group of companies)

The NBF branch where you have opened your account may share the same premises as those of a National Bank branch or another entity. You must be informed that your account is opened with NBF and not with National Bank or the other entity. You must also be informed that NBF is a separate legal entity from National Bank and from any other separate legal entity with which NBF may share premises. In addition, it is also important to understand that unless otherwise notified by your Wealth Advisor or NBF, the securities purchased from or through NBF are not insured by a government deposit insurer, nor are they guaranteed by National Bank or the other entity, and that they may fluctuate in value.

Referring clients among members of National Bank group of companies

NBF and other members of the National Bank group of companies refer clients to each other according to the needs of the client, provided the client has given us their consent. At all times, referrals made must prioritize clients' interests, regardless of the commission or benefits received. To ensure this, a referral program is in place to oversee these practices.

If one member of the National Bank group of companies does not offer services that a client needs, that member will refer the client to another member of the group that does. An example of a common referral is when National Bank refers a client to us to establish a brokerage account.

Some business units in the National Bank group of companies, including NBF, are registered under securities legislation. If you are referred to a business unit for a product or service that requires securities registration, that business unit is responsible to you for the activities that require registration.

An example would be if you were referred to NBF by National Bank for an investment transaction; NBF would be responsible for everything related to that transaction.

National Bank group of companies and referral arrangements

We enter into referral arrangements with the members of the National Bank group of companies listed below. We and these other members are completely separate from each other, but are all direct or indirect wholly owned subsidiaries of National Bank. Each member holds the appropriate registrations for the services they offer.

› **National Bank** is a federally regulated bank, which offers a full array of banking services, including corporate and investment banking. It is an active player on international markets and, through its subsidiaries, is involved in securities brokerage, insurance and wealth management, as well as mutual fund and retirement plan management.

› **National Bank Financial Inc. ("NBF")** is registered as an investment dealer in all Canadian jurisdictions. NBF is a truly integrated, full-service securities dealer offering retail advisory and brokerage services with institutional brokerage, investment banking, corporate finance and securities clearing services for third parties. Moreover, its discount brokerage services (execution orders only) are provided under its trademark National Bank Direct Brokerage (NBDB), and other administrative and trading services (custody, clearing, account statement production, account opening management) are provided under its National Bank Independent Network (NBIN) trademark.

› **Private Banking 1859** is a trademark that NBF and other members of the National Bank group of companies use. It has been created for individuals and families with substantial financial assets who wish to ease the burden of managing their wealth on a day-to-day basis. These clients understand the benefits of

entrusting this task to professionals. The business model is designed as a complete, integrated offering.

› **National Bank Insurance Firm Inc.** is an indirect wholly owned subsidiary of National Bank. National Bank Insurance Firm Inc. offers a variety of insurance products and services, such as life insurance, disability insurance, critical illness insurance and other insurance products for individuals and businesses.

› **NBF Financial Services Inc. and NBF Financial Services Ltd.** (together, "NBFFS") are wholly owned subsidiaries of NBF. NBFFS offers a variety of insurance products and services, such as life insurance, disability insurance, critical illness insurance and other insurance products for individuals and businesses.

› **National Bank Trust Inc. and Natcan Trust Company** are wholly owned subsidiaries of National Bank of Canada and offer fiduciary, asset management, custody and discretionary portfolio management services.

Referral fees

When we refer a client to another member of the National Bank group of companies or when another member of the group refers a client to us, one company generally pays the other a commission. A portion of the commission may be shared with your Wealth Advisor.

It is important to note that these referral arrangements **will not increase the costs or fees** of services provided to the client. Therefore, the client will not pay more as a result of any referral arrangement between us and other members of the National Bank group of companies.

The commissions give us and other members of the National Bank group of companies incentive to refer clients to each other. Despite these commissions, clients' interests must always come first. The commissions will vary depending on which member of the National Bank group of companies is involved and whether the client is referred to or by us.

See our website ("Regulatory Information" section) for the referral commissions that we could earn or pay through referral arrangements with other members of the National Bank group of companies. These referral commissions may change from time to time.

We and the other members of the National Bank group of companies have adopted policies and procedures to help identify any material conflict of interest that may arise from these referral arrangements.

We will not be involved in nor made aware of your specific dealings with other members of the National Bank group of companies, except with regard to any referral commission generated, unless you have otherwise consented to the sharing of your financial information with other companies of the National Bank group.

The referral commissions we and the members of the National Bank group of companies share may be modified from time to time, in accordance with the referral arrangements we and other members of the National Bank group of companies may enter into with one another. In such cases, the list of referral arrangements and the information pertaining to the referral commissions will be updated and made available for consultation on the website.

4.1.6 Revenue and other benefits we may receive from third parties

There are a number of situations where third parties may pay us a consideration over and above the commission, spread or asset management fees we charge you. For example, we may match your order with an order from another party that pays us a commission. Another example is when we act as the "principal" in the transaction – in other words, when you buy or sell directly from or to us or one of our affiliates, rather than from or to a third party. Sometimes, being the principal gives us the opportunity to earn extra revenue.

When we act as an underwriter (buying securities from the issuer

and reselling them to our clients), we may receive commissions directly from the issuer of the securities. These commissions will be described in the prospectus or other documents related to the securities. Finally, certain issuers may pay us registration fees for educational events and reimburse us for cost incurred for sales communications, conferences or seminars.

The above are examples only. There may be other situations in which we will receive benefits, fees or commissions from third parties on transactions we execute on your behalf. If and when such situations create a material conflict of interest, this will be disclosed to you.

4.2 For your security

4.2.1 Gathering, managing and disclosing your personal information

NBF, its divisions and the other companies and divisions of the National Bank group (individually or collectively in this section, the "Bank") collect, use and disclose your personal information to:

- › verify your identity and solvency;
- › 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;
- › understand your financial needs, determine the products and services that suit you and improve your interactions with the Bank, unless you refuse;
- › prevent fraud, manage risk and comply with laws;
- › enable the Bank to improve and develop its products and services and get to know its clients better;
- › allow the Bank to present offers and other promotional communications or those of its business partners, unless you refuse; and

- › fulfill any other purpose provided for in the Bank's Personal Information Protection Policy available on nbfwm.ca.

Your information will be kept for a reasonable period following the end of the business relationship in order to allow the Bank to comply with its legal obligations. The policy describes in particular:

- › what information the Bank collects, with whom it shares it, and how this information is used and stored;
- › what your rights and options are; and
- › how to manage your consents.

If you have any questions, you can contact your Wealth Advisor or the Bank's Chief Personal Information and Privacy Officer at confidentiality@nbc.ca.

4.3 Mandatory disclosure rules

Federal and provincial tax laws require certain transactions to be proactively reported to tax authorities. This includes reportable and notifiable transactions. The reporting requirements apply to individuals, corporations, trusts or partnerships, as well as advisors or promoters. As a result, you may be required to disclose information about your transactions to the tax authorities, and we may also be required to make certain disclosures about your transactions.

Accordingly, and in order for us to comply with these requirements, and notwithstanding anything to the contrary in any other document governing our relationship with you, you acknowledge that we may be required to make certain disclosures to the tax authorities. You agree to notify us if any of your transactions are required to be reported and you also agree to provide us with any information we need to comply with our obligations in a timely manner, including providing us with a copy in advance of any disclosures you will make under the rules or, upon request, providing us with access to your tax advisors, if applicable. For the avoidance of doubt, we will have no liability to you for any actions taken, or not taken, by us

or our agents in good faith and intended to comply with any provision of the mandatory disclosure rules.

In this context, reportable transactions generally refer to a transaction, or series of transactions, where one of the primary purposes is to obtain a tax benefit and for which there is a predetermined marker, such as a right to confidentiality, contractual protection or a contingency fee arrangement. Notorious transactions generally refer to a transaction or series of transactions that is identical or substantially similar to any transaction or series that has been designated by the tax authorities as abusive or identified as noteworthy.

4.4 Treatment of U.S. withholding tax

This section applies only to clients who are qualified for reduced rates of withholding tax on investment income earned on U.S. securities.

It is not intended for:

- › individuals who reside in Canada;
- › the federal, provincial or municipal government; or
- › any agency of these governments.

Our intent is to provide general information only, and this information should not be considered as legal or tax advice. We encourage clients to consult taxation or legal experts for further information, if required.

In order to continue enjoying reduced Treaty rates on withholding tax, qualified clients must certify that they are eligible for Treaty benefits. Failure to certify would result in them paying the non-Treaty rate for withholding tax, generally 30%, on U.S.-source investment income, which is considerably higher than Treaty reduced rates, generally 15% on U.S.-source dividends and 0% on U.S.-source interest.

Treaty Statement

As part of the certification process, qualified clients must sign the Treaty Statement form.

In order to enjoy reduced Treaty rates on withholding tax, the client must be a “qualifying person,” as defined in the Treaty. Clients who are not

qualifying persons may still be able to receive Treaty benefits if they satisfy other requirements, including the Active Trade or Business Test, the Ownership and Base Erosion Test or the Derivative Benefits Test explained in the Treaty.

A partial list of qualifying persons appears below.

Qualifying persons

The following entities could meet the definition of a qualifying person under the Treaty. Please note that each entity must meet various requirements in order to be recognized as a “qualifying person.” This is not intended to be an exhaustive list.

- › Publicly traded companies or trusts
- › Subsidiaries of publicly traded companies or trusts
- › Private companies and unlisted trusts
- › Estates recognized as residents of Canada
- › Not-for-profit organizations
- › Registered Retirement Savings Plans, Registered Retirement Income Funds, Locked-In Retirement Accounts, Pension Funds, etc.

4.5 Making a complaint

As a full-service investment dealer, National Bank Financial offers access to a broad range of investment products and services. It is therefore important to us to ensure that you feel comfortable contacting us whenever you have a question or comment concerning our products or services.

Of course we welcome feedback about all of your experiences concerning your investment relationship with us, but should you have an unfavourable experience, we value the opportunity to improve the products and services that we offer to you. Your business and ongoing relationship with our firm are very important to us, and the satisfaction of our clientele is very high on our list of priorities.

Please feel free to contact us via email, telephone, fax, regular mail or in person at your branch with your questions or comments.

In the event that you are dissatisfied with the services of your Wealth Advisor, the brokerage firm or the products and services offered to you, do not hesitate to contact your Wealth Advisor or the Regional Manager or you may also choose to send your complaint directly to our Legal Affairs Department at the following address:

National Bank Financial

Legal Affairs Department
Client Relationship and Complaints
Advisory Services
1155 Metcalfe, 4th Floor
Montreal, QC H3B 4S9

Telephone:

514-879-2222 (Montreal area)

1-800-361-8868 (elsewhere
in Canada)

Fax: **514-861-2877**

Email:

NBFComplaintWealthManagement@nbc.ca

In order to allow us to analyze your complaint, please include the following details when you contact us:

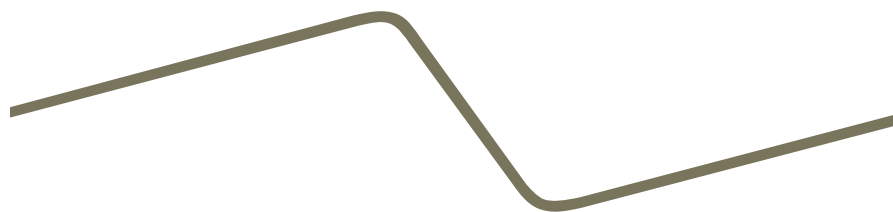
- › Your name, contact information, and account number as well as the particular circumstances and details of your complaint, notably the date on which the event took place
- › All relevant documentation, including details of meetings and discussions following those meetings that might clarify the situation.

We will acknowledge the receipt of your complaint in writing within five business days, giving you the name and the contact information of the person analyzing the complaint. Should you have any questions concerning the advancement of the file, we invite you to contact this person directly.

Rest assured that we will do our utmost to settle your complaint fairly and quickly. We will contact you in writing at the latest 90 days after our investigation begins, detailing the results and conclusions of our inquiry as well as the options available to you if the problem has not been resolved to your satisfaction.

Finally, you will also find information about how to make a complaint in the Canadian Investment Regulatory Organization's Making a Complaint: A Guide for Investors, which is included at the end of this booklet.

SECTION 5 – General Account Agreement and specific agreements



The General Account Agreement applies to all types of accounts you have with us. This section also contains additional agreements to the General Account Agreement as well as additional terms and conditions that apply to various types of accounts. Please read it carefully, and let your Wealth Advisor know if you have any questions.

5.1 General Account Agreement

1. Our account relationship

By opening the account or accounts you selected on your Client File, you appoint us to buy, sell, borrow, and lend securities, and pay out cash on your behalf, according to your instructions and this, depending on the type of account held.

We keep a record of all the securities you buy and sell, along with the cash balance you hold in your account. We credit your account with the net amount of any interest, dividend, sales proceeds or other amount received with respect to the securities in your account. We also debit your account for any amount you owe us under the terms of this agreement.

Your Client File sets out your investment objectives in respect of the investments made on your behalf. These objectives may only be changed by signing a new Client File. You understand that there are risks associated with any investment, and that the level of risk you will be undertaking depends, in part, on your investment objectives.

2. What happens when you deposit securities

When you or your representative deposit securities into your account, you warrant that you own those securities and that they can be sold freely, without giving anyone any notice or obtaining consent from anyone or any regulatory authority.

We hold your securities in a safe place, and we treat them with the same care that we treat our own. We follow strict rules set out by the various organizations governing investment dealers in Canada.

If you ask us to return any of your securities, we might not give you the specific certificate you actually deposited, and may instead deliver another certificate for the same security and for the same total amount. We cannot guarantee the delivery of certificates or securities in any circumstance where the transfer agent or registrar of the securities is unable to provide us with a certificate or the securities.

3. How we handle your orders

Once you have given us your instructions, we alone will decide, in accordance with the applicable rules and regulations, the best way to go about buying or selling securities for your account. We may complete your transaction:

- › on its own, as a separate transaction;
- › as part of a larger transaction involving other customers, our agents and ourselves;
- › by buying from or selling to ourselves or other National Bank Financial customers; or
- › as part of broken lots and by public or private sales.

We alone have the right to refuse any of your orders or instructions if we think they are unreasonable, in breach of regulations, or ill-advised, taking into account factors such as the state of your account, the type of transaction involved, your investment objectives and your financial situation.

Once we act on your order to buy or sell securities, you cannot change or cancel the transaction, and you remain responsible for all consequences and costs of the order.

Your orders are subject to the rules and regulations of the relevant exchanges or markets, the self-regulatory organizations to which we belong, and the clearing houses through which transactions are processed.

You are responsible for all transactions made for your accounts, including those authorized by any person you have appointed as your agent.

If you buy or sell segregated funds offered through our insurance affiliates, you appoint us to act as an agent in transmitting instructions to the issuer of the segregated funds according to the segregated funds contracts.

4. Order or instruction received by email

We strongly advise you against transmitting your orders or instructions by email. If you nonetheless choose to do so, you agree to be fully responsible for orders or instructions transmitted to your Wealth Advisor by email. Instructions by email are not guaranteed. They may not be read or executed at the opportune moment, especially if they are incomplete or contain errors.

5. Your responsibilities in the delivery of securities

Unless the sale is made in a short margin account opened with us for that purpose, you may only instruct us to sell a security we already hold for you or that you can deliver to us, in an acceptable and negotiable form, by the settlement date or as otherwise directed by us.

To protect ourselves, we may buy or borrow securities and deliver them on your behalf without giving you any notice if:

- › you fail to deliver securities that are acceptable to us by the settlement date of a sale or as otherwise directed by us;
- › we have previously borrowed securities for you for a short sale and the owner wants them back;
- › any regulatory authority orders us to replace securities for a short sale; or

- › we think it is advisable to replace securities borrowed for your account for a short sale.

You are responsible for all liabilities and expenses of these transactions, and for any loss we may sustain by reason of your failure to supply us with the security in an acceptable and negotiable form on time.

Leverage risk disclosure statement

It is important to understand that using borrowed funds to finance the purchase of a security, in whole or in part (also known as leverage), is not suitable for all investors. Securities financing involves more risk than using your own funds. If you borrow money to buy securities, you are required to repay the loan and pay interest according to the terms of the loan, even if the value of the securities purchased has decreased. In addition, if the sums borrowed are subject to a variable interest rate, if the rate increases, this can lead to an increase in your borrowing cost.

6. How we treat cash in your account

For accounts other than RRSPs, RRIFs and other registered plans, we handle cash balances in the same way that banks treat deposits. We are not required to hold this cash separate from our other operations, and we have the right to use any or all of this cash in our business activities. We are required to return it to you on demand, or to use it to settle transactions you initiate.

Cash balances in registered plans are held by the trustee of the plan, Natcan Trust Company, which is a subsidiary of National Bank of Canada.

7. Interests

We will credit your account with the interest we owe you and debit your account with the interest you owe us. We can change our interest rates at any time. No interest is paid or debited if the amount is less than \$5. No interest is payable on credit balances in multi-currency accounts.

You agree to pay us interest on any credit we extend to you for trading in securities, including in your margin account, as well as any borrowing costs that may be incurred when you make short sales. The schedule of interest rates applicable to debit and credit balances is available upon request or can be viewed on our website. Interest is calculated daily and posted to the account monthly.

8. Returning funds deposited into your account by electronic funds transfer

We reserve the right to refuse an electronic funds transfer to your account. We may also, at our discretion, return funds deposited into your account by electronic funds transfer without prior notice to you.

9. How we are protected for any amount you owe us

You agree to pay promptly all amounts owed to us, from time to time, including the following:

- › The purchase price of securities we buy for your account, even if we have not actually received those securities or delivered them to you;
- › Commissions and charges for each transaction;
- › Management fees (for discretionary accounts);
- › Interest on all credit we grant you, including debit balances and money we provide for your margin account;
- › Borrowing fees involved in short sales;
- › Administration fees;
- › Foreign exchange rates and costs arising from currency conversions.

To make sure we are able to recover what you owe us, you grant us the following rights:

a) Right of set-off

If you fail to pay what you owe us, we can transfer any cash balance from one of your accounts to any other account you have with us, including joint accounts or accounts you have guaranteed. We may also sell or redeem any security held in or credited to your account or accounts and apply the cash proceeds thereof to pay what you owe us. We do not need to give you prior notice when exercising such set-off rights for unpaid amounts you owe us. If you owe us more than the value of the financial assets in your account or accounts, you remain responsible for paying the remaining balance of the full amount owed to us.

b) Security interest and hypothec

In order to guarantee the payment of all amounts you may owe us in the future, you hereby grant to us a security interest – or in Quebec, a hypothec – in all assets, including but not limited to securities and cash balances held in, or credited to, your account or accounts with us (the “Collateral”) now or at any future time.

Quebec residents: With respect to any Collateral that is subject to the laws of Quebec, since the *Civil Code of Québec* requires that the amount of the hypothec be specified, such hypothec is granted for a sum of \$100,000,000. To that end, you hereby grant us control over the Collateral. This amount does not represent the amount of your obligation to us nor the amount of any credit available to you by NBF. The hypothec has no practical impact on you, unless you owe amounts to us.

c) Use of securities and Collateral

We may hold the Collateral wherever we wish, through any third party of our choice, and may show this agreement to any third party to prove that we control the Collateral.

If you owe us money, we may use the Collateral, in whole or in part, without notice to you and without your prior permission, to conduct our normal business, including:

- › pledging, hypothecating and otherwise using it as security for any of our debts;
- › selling, redeeming or otherwise disposing of it, without any prior notice and without needing to observe any time limits or grace periods;
- › lending all or part of it in the day-to-day management of our activities, transferring the Collateral in any of your accounts to any of your other accounts.

We may also use any financial asset held in, or credited to, your accounts to make delivery when we complete a sale for your account, for another of our customer’s accounts, or for any account in which we may have a direct or indirect interest.

If you owe us money or securities, we may also cancel any of your outstanding orders, enter stop loss orders or stop buy orders, as the case may be for any security in your account, or withdraw or change any such stop loss order or stop buy order.

We may exercise any of these rights separately or in any combination at our discretion. We alone decide which assets in your accounts to sell and which ones to keep.

If we choose not to exercise any of our rights in this agreement, it does not mean we have waived those rights. Moreover, our decision not to hold you to any provision in the agreement will be limited to that one occasion only, unless we expressly say otherwise in writing.

You agree to reimburse us the reasonable costs incurred for the collection of the amount you owe to us, including legal fees.

10. Unclaimed assets

Under the applicable legislation in Quebec and New Brunswick, property is considered unclaimed when we have had no communication with the owner of the property for three years and the property has not been the subject of any claim, transaction or investigation during that period. If your account or the assets in it become unclaimed property, we may take all actions required under applicable law, including the sale of the unclaimed assets and the holding of the cash proceeds. If so, you will need to go to the government in question to claim the assets or the proceeds of their disposition.

11. Worthless securities

With respect to an account holding only one or more securities that may be considered worthless, you acknowledge and agree that NBF will have the right, in its sole discretion and acting reasonably, to deem the security to be worthless. In this case, NBF may, without giving you notice, withdraw the worthless security from your account, at a zero or nominal value.

Subject to the foregoing, you agree that NBF will not be liable to you if in the future any value is assigned to the worthless security or if distributions are paid in cash or in kind. Upon the final removal of the worthless security from the account, as there are no other assets in the

Account, we may terminate this Agreement and close your Account. If a security that is deemed worthless is part of a portfolio of securities held in your account, you will have the right, but not the obligation, to treat that security as a worthless security. Your instructions will then be required for us to remove the title under these provisions. For more information on reporting a loss from a worthless security, if applicable, please consult your tax professional or accountant.

12. Our liability

We act as your agent or mandatary, but, subject to the provisions of a specific account agreement, you remain solely responsible for your investment decisions and any transactions made on your behalf. You agree to indemnify and hold us harmless from and against any losses, damages, claims, expenses or penalties of any kind, whether direct or indirect, arising out of such transactions or operations in your account as well as any tax consequences.

We are not liable to you for errors or omissions in any transaction or operation or for any kind of loss of revenue or profits, failure to realize expected profits or savings, missed investment opportunities, or any damages (direct, indirect or consequential) or expenses that you or anyone else may experience in connection with your account or accounts, unless such loss or damages are caused by our negligence.

For advised accounts, you are solely responsible for informing yourself about developments relating to your investments, including stock splits, consolidations, restructurings or reorganizations. We are under no obligation to provide you with any information or to inform you of such developments, except as required by law.

13. Required regulatory information

You represent to us that, unless you have notified us to the contrary in your Client File, neither you nor your spouse or any beneficial account holder over whose account you or your spouse exercise control is neither:

- › an insider of any reporting issuer of securities;
- › alone, or as part of a group, in a position of control regarding any public company;
- › a partner, director, employee, affiliate, associate or member of any investment dealer; or
- › a non-resident of Canada within the meaning of the *Income Tax Act*.

You agree to notify NBF immediately if your status changes in this regard.

14. Tax matters

When we prepare your tax reporting slips, we rely on the information you provide to us. We do not provide any tax advice. You alone are responsible for the accuracy of your tax filings.

If you hold any account relating to a minor or a trust, you alone are responsible for giving the income from these accounts to the appropriate party or parties, paying any tax liability, complying with any investment restriction, and providing any duty of care and fiduciary obligations.

If a minor owns the cash and securities in the account or accounts, you are the guardian (or the tutor) of the minor's assets. We are entitled to pay any money owing in relation with this account. We are not liable for any kind of loss, damage or expense that you or anyone else may experience as a result of these payments.

NBF does not provide tax, legal, accounting or estate planning advice. If you have any questions about your tax situation, please contact your personal tax advisor.

15. Legal capacity

If you are an individual, you agree that you have the authority and capacity to enter into a legal agreement and to perform the obligations explained in our agreement with you.

For the account of a legal entity, you agree that the legal entity exists and has been properly constituted or formed, and that you have the authority and capacity to sign agreement documents, deliver them to us, and perform any obligation explained in this agreement.

16. How this agreement can be amended or terminated

We may amend the agreement by giving you 30 days' written notice. You can close any account with us at any time by giving us notice in writing. We will close the account three business days after we receive your notice, or as soon as possible.

We may also terminate this agreement and close your account by giving you notice and asking you to transfer your account to another broker within a reasonable time limit. If you fail to close your account or transfer your assets within that time limit, we may take any action required to close the account. You alone are responsible for financial or tax consequences arising out of the termination, closure, transfer or liquidation of your account.

In the event that your account does not contain any security or positive cash balance for a period of at least 18 months, we may, at our sole discretion, close your account and terminate your account agreement or agreements with us, without prior notice to you.

17. The laws governing our agreement with you

If you have indicated in your Client File that you are a resident of a province or territory of Canada, your account is governed by the laws of that province or territory, as well as by the federal laws of Canada. If you have indicated that you are not a resident of Canada or if you become a non-resident of Canada, your account is governed by the laws of the jurisdiction in which your Wealth Advisor's branch is located.

If any provision in our agreements with you conflicts with the applicable laws or is found to be invalid or unenforceable by a court of competent jurisdiction, the invalidity/unenforceability of the provision shall not affect the application of the other provisions which shall remain in force.

If any amendment to an applicable law is changed in a manner that conflicts with any provision of our agreements with you, that provision is automatically considered amended as well so as to comply with the law. We will try to give you a prompt notice of these amendments. All other provisions of the agreements will remain unchanged.

We may impose stricter standards than those imposed by the applicable law or other rules and regulations.

18. Residents of the United States

As a Canadian securities dealer, we must advise all of our clients residing in the United States that their accounts held at NBF are not regulated under the United States' securities laws. Neither we nor our Wealth Advisors are subject to the United States' broker-dealer regulations.

19. Obligations of respective successors

This agreement is binding on you and on us, as well as on your respective heirs, executors and administrators, and our respective successors and assigns. You may not transfer ownership of any of your rights or obligations under this agreement or any other agreement with us to anyone else without our written approval. We may assign the agreement and your account to another party, including a company associated or affiliated with us, after giving you notice.

20. NBF is a member of the Canadian Investor Protection Fund

NBF is a member of the Canadian Investor Protection Fund ("CIPF"). The CIPF protects your account within certain limits. These limits are described in the CIPF pamphlet, which is included at the end of this booklet.

21. When this agreement takes effect

Our agreement with you comes into force immediately upon us following your instructions for the first time, or when you sign all the requested documents related to your account, whichever comes first.

22. Digital signature system

If you are eligible, you may participate in our electronic signature system by agreeing to sign your Client File and other account documents using your unique electronic signature to confirm your agreement or receipt of the document (the "Electronic Signature System"). Your electronic signature is as valid and legally enforceable as your manual (handwritten) signature.

To the extent permitted by applicable laws and our internal policies, when you consent to the use of the electronic signature system, we will notify you by email

that documents are ready to be signed and we will ask you to verify your identity by means of a one-time verification code.

By electronically signing any document, you agree that you authorize us to act in accordance with and accept any agreements, forms, attestations or instructions that appear to us, in our sole discretion, to have been signed by you using your electronic signature.

You agree to promptly notify us if you suspect or learn that your electronic signature has been compromised or has been used in a manner that you have not authorized. You further acknowledge that we may reject or refuse to comply with any agreement, form, acknowledgement, or instruction bearing an electronic or digital signature that is contrary to applicable laws or our internal policies.

Some documents may not be able to be signed electronically. We will then inform you that they must be in handwritten form. In this case, you cannot use the electronic signature system, but you can manually print and sign the paper documents and send them to us.

5.2 Additional Terms and Conditions for USD Registered Accounts

These supplementary terms and conditions are in addition to those already included in the Declaration of Trust for your plan, as well as to those in the different agreements applicable to your other accounts opened with National Bank Financial (NBF).

1. Contribution in cash or in kind

For the purpose of issuing contribution receipts, the value of any USD securities contributions to a USD registered account is determined based on the market value of those USD securities converted to CAD.

For the purpose of issuing contribution receipts, the value of any USD contribution made to a USD registered account will be converted to CAD. The conversion rate used is the rate in effect on the day the contribution was made.

Amounts in any currencies other than USD which are being transferred or credited to a USD registered account will be converted into USD. This includes dividends, interest and proceeds of the sale of securities, among others.

2. Currency conversion

Foreign currencies, where applicable, are converted on the transaction date, using the rates established or determined by NBF. In addition, NBF (or its related parties) may benefit from income earned upon the conversion of any currency.

3. Transfer to an RRIF

If, upon maturity of your Registered Retirement Savings Plan (RRSP), it is converted to a Registered Retirement Income Fund (RRIF), all the assets (CAD and USD accounts) will be transferred to a CAD RRIF if you do not have a RRIF in USD. If applicable, the amount in your USD account will be converted to CAD, using the rate applicable on the transfer date.

4. Debit to the account

In addition to a USD account, if you also have a CAD account in a similar plan:

- a) and your CAD account has a debit balance, NBF can, at its discretion, convert the funds in your USD account and transfer the converted amount to your CAD account to cover the debit balance;
- b) and your USD account has a debit balance, NBF can, at its discretion, convert the funds in your CAD account and transfer the converted amount to your USD account to cover the debit balance.

5. Withholding tax on withdrawals from a USD registered account

When you make a withdrawal from a USD registered account, the amount withdrawn will be converted and reported to the Canada Revenue Agency in CAD. The amount of the withholding tax (based on the amount withdrawn) will also be calculated in CAD. Any applicable penalties, if any, with respect to a USD registered account, will be calculated in CAD.

5.3 Supplementary agreements

This section contains supplementary agreements to the General Accounts Agreement.

5.3.1 Joint Account Agreement

When you open a joint account with one or several individuals, you agree to the terms and conditions described in this document. They are an integral part of your agreement with us.

Your joint account is also subject to the General Account Agreement contained in this brochure, as well as to the provisions of the Client File that you have signed. In the event of conflict between the general terms and conditions in these documents and this Joint Account Agreement, the Joint Account Agreement will prevail.

1. Joint and several liabilities

Each holder of a joint account is responsible to meet all of the requirements and obligations pertaining to the account, financial or otherwise. In other words, you are not only responsible for part of the obligations pertaining to the account, but for the account as a whole, as if you were the sole holder. This includes debit balances, losses arising from any transaction in the account, as well as fees, commissions and expenses.

If your account carries a debit balance, we may collect the total amount outstanding from any of the account holders, regardless of which owes the amount.

2. Authority of each joint account holder

Each account holder may act as the sole owner of the account, with the power to make decisions and give instructions independently of the other account holder or holders. If one of the account holders gives us instructions or places orders, we may treat such requests as if they had been issued jointly by all holders of the joint account. Instructions given by one of the account holders binds all other holders of the joint account.

We do not have to question orders or instructions from one of the account holders, even if they involve the delivery of all securities and liquidities to this holder's personal benefit, to that of a third party, or to that of any other account. You agree that we do not have to give separate notice to the other account holder or holders, nor request authorization before or after having executed any order or instruction of one of the account holders; however, we reserve the right to request written notice from all account holders for any instruction or order, should we choose to do so.

It is possible to revoke an instruction or order; however, once the instruction or order has been executed, you may not cancel it, and you remain liable for any loss that may occur as a result, if any.

3. Ownership right of your joint account

a) For non-residents of Quebec

At the time of opening a joint account, account holders who live outside of Quebec must elect whether the account will be:

- › a joint tenancy; or
- › a tenancy in common.

Here is what you need to know about these options:

Joint tenancy

If you choose the joint tenancy option, each holder will share undivided ownership in the joint account, but none will have the right to individually claim a part of it.

In the event of the death of one of the joint account holders, the joint account will become entirely the property of the surviving joint account holder or holders. The deceased will automatically lose any and all rights pertaining to the joint account, and the estate of the deceased will not be entitled to assert any right pertaining to this joint account.

In the event of the death of one of the joint account holders, the surviving account holder or holders must notify us immediately in writing. Until we receive such written notice, we are authorized to execute instructions or orders as if no change had taken place.

There will be no change to the terms and conditions of the Joint Account Agreement.

Tenancy in common

In the event of the death of one of the joint account holders, the deceased's share of the joint account will be disposed of in accordance with the will of the deceased or applicable intestacy laws. The other account holder or holders will have no right pertaining to the deceased's share.

In the event of the death of one of the joint account holders, the surviving account holder or holders must notify us immediately in writing. Until we receive such written notice, we are authorized to execute instructions or orders as if no change had taken place.

Upon receipt of the written notice, we have the right to freeze any activities pertaining to the

deceased's share of the joint account and to transfer that share to the representative responsible for the deceased's estate; however, we reserve the right to freeze any and all activities in the entire joint account and to refuse to execute any transaction until we receive the necessary probate documents.

Whether you elect a joint tenancy or a tenancy in common, the estate of the deceased account holder (as well as every surviving account holder) remains liable for:

- › all amounts owing as a result of transactions executed prior to the receipt of the written notice of the deceased's death; and
- › all fees incurred by the sale of securities in the joint account or pertaining to changes in the ownership interest of the joint account holders.

b) For residents of Quebec

If at least one of the joint account holders is a Quebec resident, each account holder is deemed to have equal undivided ownership in the joint account.

In the event of the death of one of the account holders, the surviving account holder or holders will not have the right to issue instructions or make withdrawals from the account until we have received the necessary probate documents and the permission from the liquidator of the succession.

The estate of the deceased account holder (as well as every surviving account holder) will remain liable for:

- › all amounts owing as a result of transactions executed prior to the receipt of the written notice of the deceased's death; and
- › all fees incurred by the sale of securities in the joint account or pertaining to changes in the ownership interest of the joint account holders.

4. The laws governing our agreement with you

Your joint account is governed by the federal laws as well as by the laws of the province or territory of residence of the account holder identified as the "account holder No. 1" on the Client File, the said province or territory is specifically the one indicated on the Client File when opening your joint account.

In the event that the "account holder No. 1" is a non-resident of Canada, the joint account is governed by the federal laws as well as by the laws of the province or territory of residence of the subsequent Canadian account holder identified on the Client File; the said province (or territory) is specifically the one indicated on the Client File when opening your joint account.

5. Our communications

We will send all communications to the person indicated in your Client File as the primary account holder, at the last address we have on file. When we communicate with this account holder, we are deemed to have communicated with all account holders

5.3.2 Margin Account Agreement

When you open a margin account, you agree to the terms and conditions described in this document. They are an integral part of your agreement with us.

Your margin account is also subject to the General Account Agreement contained in this brochure, as well as to the provisions of the Client File that you have signed. In the event of a conflict between the general terms and conditions in these documents and this Margin Account Agreement, the Margin Account Agreement will prevail.

A margin account allows you to borrow funds. It is what we call "margin investments" or "using financial leverage." With a margin account, you can borrow funds from the securities you already hold in your account or from part of the value of the securities that you wish to purchase. This can increase your gains, but it can also increase your losses. That is why the use of borrowed funds to finance the purchase of securities bears greater risk than paying for the securities you wish to acquire with funds you already have.

Please take time to read the terms and conditions below. Should you have any questions, please contact your Wealth Advisor.

1. Margin requirement and margin calls

Regulations dictate the maximum borrowing value of each security. Some securities have no borrowing value. We can also choose to set a lower value than the maximum borrowing value established by regulations.

You undertake to maintain a certain amount of cash or securities that can be used for margin borrowing in your margin account. These securities and liquidities are known as the margin. We have the right to determine the margin amount that must be maintained in your account from time to time. We may require additional margin at any time for any reason. We hold your margin as collateral for the repayment of sums borrowed on your margin account.

The request for additional margin is referred to as a margin call. You undertake to meet all margin calls promptly by providing the liquidities or securities eligible for a loan.

We may issue a margin call by any means of communication with you, namely in writing, by telephone, by fax, by messenger or by email. Under certain circumstances, we have the right, without the need to issue a margin call, to sell part or all of the securities in your account, or to purchase securities for which your account is overdrawn.

2. Failure to meet a margin call

If you fail to meet a margin call, we may take any measure to protect our interests, including:

- › liquidating the securities in your account and applying the proceeds to the amount that you owe us;
- › buying or selling securities for your account and placing stop orders; and
- › transferring liquidities or securities from any other account you hold with us into your margin account.

It is in our sole discretion to choose the measures we take, and we do not have to give you any notice. If you owe more than the total value of the liquidities and securities held in all of the accounts you hold with us, you remain liable for any remaining deficiency, along with all accumulated fees and interests.

3. The different ways we can use your liquidities and your securities

If you have a short position or are indebted toward us, we may use the liquidities and securities in your account to carry out our activities. We may, without notice to you, use them as collateral to guarantee any one of our debts, or we may borrow them, in part or in whole, either separately or together with other securities.

We may also use all of the securities in your account for making delivery against a sale for your account, for the account of another one of our clients, or for any other account in which we could have a direct or indirect interest.

4. Rules pertaining to short sales

When you place an order for a sale, you are always considered to own the securities that you wish to sell, unless otherwise specified by you. When you place an order for a **short sale**, you must inform us that you do not own the securities to be sold.

To complete a short sale, we borrow securities from third parties and sell them for your account. The third parties from whom we borrow securities may request them back at any time. As a result, you agree to return all borrowed securities by purchasing equivalent positions at current market prices. At any time, we may purchase securities for your account, especially in order to reimburse the lending party, if a regulatory authority demands that we replace the securities that were used to carry out the short sale, or for any other reason.

What is a short sale?

A **short sale** occurs when you borrow a position and then sell it with the hope that its market value will decline. If the value declines, you can then buy the position at a lower price and return it to the third party from whom you had borrowed it. The difference in value constitutes your profit.

If the value increases, you must purchase the position at a higher price and return it to the third party from whom you had borrowed it. The difference in value constitutes your loss.

SECTION 6 – Communications with beneficial owners of securities

6.1 Communication with the beneficial owners of securities

Generally speaking, the securities held in your NBF account or accounts are not registered in your name but in our name, or in the name of a person holding your securities on our behalf. This presents many benefits: the securities can be sold promptly, without you having to sign a power of attorney or endorse a certificate, and the dividends or interest payments can be deposited into your NBF account for reinvestment, rather than being paid by cheque, which would then have to be forwarded to us for deposit. This also allows us to issue consolidated tax slips, which is a great convenience when it comes time to file your income tax return.

However, it means that the issuers of the securities held in your account or accounts may not know the identity of the beneficial owner of these securities. Under securities law, NBF is obligated to obtain your instructions on various matters pertaining to the securities held in your account or accounts. What follows is a summary of the rules pertaining to the communications with the beneficial owners of securities.

Disclosure of beneficial ownership information

Under securities law, reporting issuers, as well as other persons and companies, are allowed to send material pertaining to the affairs of the reporting issuer directly to the beneficial owners of their securities, provided these beneficial owners consent to the disclosure of their

contact information. Part 1 of Section 10 of your Client File allows you to inform NBF that you **DO NOT CONSENT** to NBF disclosing beneficial ownership information (i.e., your name, postal and email addresses, the securities you hold and your preferred language of communication). Securities law limits the use of beneficial ownership information to matters pertaining to the affairs of the reporting issuer.

If you **CONSENT** to the disclosure of such information, please check the appropriate box on your Client File (first box in Part 1 of Section 10). You will not be charged for the delivery of security holder material.

If you **DO NOT CONSENT** to the disclosure of such information, please check the appropriate box on your Client File (second box in Part 1 of Section 10). If you check this box and if you also select to receive securityholder materials (see section 2), all materials will be sent to you through NBF. You may be charged a handling fee.

Receiving securityholder material

With regard to the securities you hold in your account or accounts, you are entitled to receive proxy-related material sent by reporting issuers to registered owners of their securities to allow you to receive information required to have your securities voted in accordance with your instructions at meetings.

Furthermore, although not required, reporting issuers are permitted to send beneficial owners other securityholder material.

Under securities legislation, you are allowed to refuse to receive three types of shareholder material, as listed below:

- a) Proxy-related material, including annual reports and financial statements sent in connection with a securityholder meeting
- b) Annual reports and financial statements that are not part of proxy-related material
- c) Material that a reporting issuer or other person sends to securityholders and which is not required under corporate or securities law

Part 2 of Section 10 of your Client File allows you to receive all material sent to beneficial owners, or to refuse to receive the three types of material listed in this section.

If you wish to receive **ALL** of the material sent to beneficial owners of securities, please check the first box in Part 2 of Section 10. If you **DO NOT WISH** to receive any of the three types of material listed above, please check the third box in Part 2 of Section 10.

Note: Even if you do not wish to receive the material listed above, the reporting issuer or other person may send it to you, provided that the reporting issuer or other person pays all costs associated with the sending of this material. This material will be sent to you through NBF if you do not wish your contact information as a beneficial owner to be disclosed to reporting issuers.

Preferred language of communication

Your Client File allows you to inform NBF of your preferred language of communication (English or French). You will receive material in your preferred language when available in that language.

Electronic delivery of securityholder material

I hereby declare that I have the technical capacity and resources (computer, telephone line and all other necessary equipment) to receive the above material electronically from NBF, via the Internet, and to access and read this material.

NBF shall not be held liable for any loss I may sustain, directly or indirectly, arising from delivery of any material by electronic means. Without limiting the generality of the foregoing, NBF shall not be held liable for malfunctions of equipment belonging to me or for the disruption of any delivery via electronic means.

Furthermore, NBF shall not be held liable for damages that I may sustain in the event that an unauthorized third party, via my computer system or equipment, would succeed in breaching the security and information protection systems implemented by NBF.

I hereby accept all risk inherent in the communication and delivery of material by electronic means, including the Internet.

Changing instructions

You may change these instructions at any time by contacting your Wealth Advisor.

6.2 Communication of information and receipt of documents by shareholders of European or foreign companies

As required by Directive (EU) 2017/828 as regards the encouragement of long-term shareholder engagement and the related Commission Implementation Regulation (EU) 2018/1212 and national laws implementing those requirements (together, "SRDII"), a company with registered office(s) in the European Union that is admitted to trading on a European stock exchange (a "European Issuer") could request NBF to disclose information about its shareholders. If you hold securities from a European Issuer ("European Securities"), we may therefore be required to disclose to such European Issuer information about you such as your name, address or addresses and details of the European Securities you hold. NBF may also disclose information to a foreign issuer if required to do so by applicable laws.

In addition, and in accordance with what is indicated in item 10 of your Client File, NBF may provide you with information relating to shareholders' meetings of European Issuers in order to enable you to exercise the rights flowing from your European Securities.

If you hold European Securities in your non-managed account, you will receive proxy material at the email address you provided us. If you did not provide us with a valid email address or if you did not update it (if applicable), we may not be able to send you such material and you may not be able to exercise the rights flowing from the European Securities you hold. If you hold European Securities in your managed account, we will not provide proxy material, unless you specifically request it from your Wealth Advisor.

To the extent a voting confirmation or voting receipt is made available in connection with an exercise of shareholder rights for the European Securities held in your account, you nominate NBF to receive such confirmation or receipt on your behalf. NBF will provide such confirmation or receipt to you upon request.

For the avoidance of doubt, NBF will have no liability to you for actions taken, or not taken, by us or our agents in good faith and intended to comply with any provision of SRDII.

Fee Schedule (Effective January 1, 2025)



Annual administration fees¹

Registered account (RRSP, RRIF, LIF, LIRA)	
› Delivery preference – electronic ²	\$115*
› Delivery preference – paper	\$135*
Other registered accounts (TFSA, FHSA, RESP or RDSP)	
› Delivery preference – electronic ²	\$35*
› Delivery preference – paper	\$50*
Non-registered accounts	
› Delivery preference – electronic ²	\$115
› Delivery preference – paper	\$135

Annual administration fees, charged in March of each year, cover the previous calendar year and are not applicable to fee-based accounts nor to certain accounts to which exemption criteria apply.

Operations and transfer fees

Returned cheque or electronic funds transfer to/from another financial institution	\$50
Electronic Funds Transfer (EFT)	no charge
Bank wire transfer to another financial institution	\$50
RRSP or LIRA account withdrawal	\$50*
FHSA taxable withdrawal	\$50*
Stop payment	\$25
Account transfer to another financial institution (partial or total)	\$155*
Closing a registered account	\$150*

Miscellaneous fees

Additional copies of trade confirmations and/or portfolio statements (duplicates)	
› Online Documents Service	no charge
› By mail	\$50/duplicate/year*
Document search ³	
› Up to 3 documents	\$25/document*
› More than 3 documents	\$75/hour (minimum 1 hour)*
Substitution in a registered plan	5 free securities/year, \$50/subsequent security
Unclaimed account ⁴	\$125/year

Duplicate fees are charged in June of each year.

An annual fee of \$150* may be applied to maintain shares of privately held companies in registered or non-registered accounts.

Account in CA\$ or US\$: fees are charged in CA\$ or US\$ according to the currency of the account,⁵ except for Bank wire transfer fees to another financial institution, which are charged in the currency of the transfer.

Account in foreign currency (other than US\$): fees are charged to the related CA\$ or US\$ account, as applicable.⁵

Interest charges may be applied to credit balances in foreign currencies other than US\$

* Subject to GST and provincial taxes.

1 Consists of, among other things, the safekeeping of securities with a custodian, trustee fees, deposit of your investment income (dividends, interests, etc.), production of statements, as well as access to research, online services and quarterly newsletters about markets and investment strategies.

2 You must have an electronic delivery preference for your investment portfolio statement, trade confirmations and fiscal documents.

3 Documents are available for a period of up to 7 years.

4 Unclaimed account with no valid address.

5 No conversion rate is applied.

Specialized services fees

Estate processing	\$150*
Pledge, escrow or tutorship	\$150/year
Registration of physical certificate or direct registration statement	\$150*
Registration of physical certificate or direct registration statement (accelerated)	\$200*
Securities in safekeeping registered in client's name	\$50/account/month*
FullAccess Service	\$250/year

Pledge, escrow or tutorship fees are charged in June of each year. FullAccess Service fees are not applicable on fee-based accounts.

National Bank Financial – Wealth Management prides itself on the quality of the services it offers its clients, and constantly strives to ensure their satisfaction. With this in mind, we feel it is important to inform each of our clients about the fees associated with the different aspects of our services. People who know how they are being charged for services and how much they are paying generally tend to feel they are getting much better value for their money. We invite you to contact your Wealth Advisor for explanations on anything you have the slightest question about.

If you trade securities on foreign markets, certain stock exchanges, securities commissions or foreign governments may, from time to time, impose taxes or apply trading, execution or settlement fees on financial transactions made in their country. Furthermore, intermediaries may require additional safekeeping charges for certain securities. When these particular fees are levied, they are over and above the usual commissions, management fees and administration fees. National Bank Financial Wealth Management applies to your accounts and your transactions, regardless of the pricing option you have chosen. These supplemental fees will be charged in the currency

of the country where the transaction was made, and are displayed in your trade confirmation or portfolio statement.

Any special transactions not covered in this schedule may be subject to additional fees.

Short-selling borrowed securities or completing transactions while there is a short position in an account may result in additional fees, which vary according to the market and the borrowed security. These fees are charged directly to your account the following month in the currency of the account, regardless of whether the position is covered or not. Contact your Wealth Advisor for more information regarding these fees.

Each time a currency conversion is required, National Bank Financial – Wealth Management acts as principal in converting the currency and earns income on the basis of the difference between the price offered to you for the currency and the price obtained by National Bank Financial – Wealth Management or its affiliates for that same currency (the “**Spread**”), in addition to any commission and management or advisory fees that may apply.

A currency conversion is required when, for instance, a transaction involves a security denominated in a currency other than that of

the account in which the operation is settled, a transfer of funds is made between accounts denominated in different currencies or an amount (dividends, interest, etc.) in one currency is paid in an account that is denominated in a different currency.

The exchange rate applicable to the operation (the “**Applicable Rate**”) is established by National Bank Financial – Wealth Management or its affiliates and corresponds to the interbank exchange rate in effect at the time of the settlement of the transaction, plus the Spread applicable to the transaction. The Applicable Rate varies according to several factors, including market fluctuations and the amount, date and nature of the operation. The Spread applicable to the operation also varies according to the amount of the operation. The Applicable Rate and Spread are subject to change without notice. Up-to-date information on the applicable Spread can be obtained by visiting the Regulatory Information section of our website at <https://www.nbfwm.ca/about/regulatory-information.html> or from your Wealth Advisor. All currency conversions take place at the time when the operation is settled.

* Subject to GST and provincial taxes.

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Strip Bonds and Strip Bond Packages Information Statement

June 2014



We are required by provincial securities regulations to provide you with this Information Statement before you can trade in strip bonds or strip bond packages based on bonds of the Government of Canada, a Canadian province, or certain foreign governments or political subdivisions thereof. Please review it carefully.

Preliminary Note Regarding the Scope of this Information Statement

This information statement relates to strip securities that are based on bonds of the Government of Canada, a Canadian province, or certain foreign governments or political subdivisions thereof. Provincial securities regulations create an exemption from dealer registration and prospectus requirements for these types of securities.

Strip securities may also be based on Canadian corporate bonds. While some of the information in this Information Statement may also be relevant to corporate bond-based strips, corporate bond-based strips are outside the scope of this Information Statement. If you are planning to purchase a strip or strip package based on a corporate Canadian bond, please note that such securities are not governed by the regulations referred to above, but rather, may be subject to certain decisions issued by Canada's securities regulatory authorities exempting certain Canadian corporate bond-based strip securities from various regulatory

requirements, including Section 2.1 of National Instrument 44-102 – *Shelf Distributions* and Section 2.1 of National Instrument 44-101 – *Short Form Prospectus Distributions*. See e.g., *RBC Dominion Securities Inc. et al.*, (2013) 36 OSCB 3867 (Apr. 8), online: www.osc.gov.on.ca/en/SecuritiesLaw_ord_20130411_2110_rbc-dominion.htm. Pursuant to each such decision, Canadian securities dealers file with the applicable Canadian securities regulatory authorities a short form base shelf prospectus and certain supplements thereto, pursuant to which certain Canadian corporate-bond based strip securities may be distributed on an on-going basis without a full prospectus (the "CARs¹ and PARs² Programme"). For each decision, the applicable shelf prospectus and its supplements may be found on the System for Electronic Document Analysis and Retrieval or "SEDAR" at www.sedar.com.

Risk and other disclosures relating to securities issued as part of the CARs and PARs Programme are set forth in the shelf prospectus and supplements published on SEDAR, and investors considering purchasing such securities are advised to consult these documents, since considerations unique to securities issued as part of the CARs and PARs Programme are not addressed herein.

Strip Bonds and Strip Bond Packages ("Strips")

A strip bond—commonly referred to as a "strip"—is a fixed-income product that is sold at a discount

to face value and matures at par. This means the holder is entitled to receive the full face value at maturity. Strips do not pay interest, but rather, the yield at the time of purchase is compounded semi-annually and paid at maturity. Since the return on a strip is fixed at the time of purchase, strips may be a suitable investment where the holder requires a fixed amount of funds at a specific future date.

A strip is created when a conventional debt instrument, such as a government or corporate bond, discount note or asset-backed security (i.e., the "underlying bond"), is separated into its "interest" and "principal" component parts for resale. Components are fungible and may be pooled together where they share the same issuer, payment date and currency and have no other distinguishing features. The two types of components may be referred to as follows:

- The "coupon": the interest-paying portion of the bond; and
- The "residual": the principal portion.

A strip bond package is a security comprised of two or more strip components. Strip bond packages can be created to provide holders with a regular income stream, similar to an annuity, and with or without a lump sum payment at maturity.³ By laddering strips with staggered maturities or other payment characteristics, holders can strategically manage their cash flow to meet their future obligations and specific needs.

¹ CARs are corporate strip bonds comprised of coupon and residual securities.

² PARs are a form of strip bond package where the coupon rate is reduced to current yields, thus allowing the package to be sold at par.

³ A bond-like strip bond package has payment characteristics resembling a conventional bond, including regular fixed payments and a lump-sum payment at maturity. In contrast, an annuity-like strip bond package provides regular fixed payments but no lump-sum payment at maturity.

Strips vs. Conventional Bonds

Strips are offered on a variety of terms and in respect of a variety of underlying bonds, including government bonds issued by the Government of Canada or provincial, municipal and other government agencies, or a foreign government. CARs and PARs are examples of strips derived from high-quality corporate bonds. Some differences between strips and conventional bonds that you may wish to consider include the following:

- strips are sold at a discount to face value and mature at par, similar to T-bills. Unlike conventional interest-bearing debt securities, strips do not pay interest throughout the term to maturity; rather, the holder is entitled to receive a fixed amount at maturity. The yield or interest earned is the difference between the discounted purchase price and the maturity value; thus, for a given par value, the purchase price for a strip will typically be lower the longer the term to maturity;
- a strip with a longer term to maturity will generally be subject to greater price fluctuations than a strip of the same issuer and yield but with a shorter term to maturity;
- strips typically offer higher yields over T-Bills, GICs and term deposits, and over conventional bonds of the same issuer, term and credit rating;
- the higher yield offered by strips reflects their greater price volatility. Like conventional bonds, the price of a strip is inversely related to its yield. Thus, when prevailing interest rates rise, strip prices fall, and vice versa. However, the rise or fall of strip prices is typically more extreme than with conventional bonds of the same issuer, term and credit rating. The primary reason for this greater volatility is that no interest is paid in respect of a strip bond prior to its maturity;

- unlike conventional bonds that trade in \$1,000 increments, strips may be purchased in \$1 multiples above the minimum investment amount, thereby enabling a holder to purchase a strip for any desired face value amount above the minimum investment amount; and
- strips are less liquid than conventional bonds of the same issuer, term and credit rating: there may not be a secondary market for certain strips and strip bond packages, and there is no requirement or obligation for investment dealers or financial institutions to maintain a secondary market for strips sold by or through them; as a result, purchasers should generally be prepared to hold a strip to maturity, since they may be unable to sell it—or only able to sell it at a significant loss—prior to maturity.

Dealer Mark-ups and Commissions

When purchasing or selling a strip bond or a strip bond package, the prospective purchaser or seller should inquire about applicable commissions (mark-ups or mark-downs) when executing the trade through an investment dealer or financial institution, since such commissions will reduce the effective yield (if buying) or the net proceeds (if selling). Investment dealers must

make reasonable efforts to ensure the aggregate price, inclusive of any mark-up or mark-down, is fair and reasonable taking into consideration all reasonable factors. Commissions quoted by investment dealers generally range between \$0.25 to \$1.50 per \$100 of maturity amount of the strip, with commissions typically at the higher end of this range for small transaction amounts, reflecting the higher relative costs associated with processing small trades.

The table below illustrates the after-commission yield to a strip holder with different terms to maturity and assuming a before-commission yield of 5.5%. All of the yield numbers are semiannual. For example, a strip bond with a term to maturity of one year and a commission of 25 cents per \$100 of maturity amount has an after-commission yield of 5.229%. The beforecommission cost of this particular strip bond will be \$94.72 per \$100 of maturity amount while the after-commission cost will be \$94.97 per \$100 of maturity amount. In contrast, a strip bond with a term to maturity of 25 years and a commission of \$1.50 per \$100 of maturity amount has an after-commission yield of 5.267%. The before-commission cost of this particular strip bond will be \$25.76 per \$100 of maturity amount while the after-commission cost will be \$27.26 per \$100 of maturity amount.¹

Commission or dealer mark-up amount (per \$100 of maturity amount)	Term to maturity in years and yield after commission or dealer mark-up (assuming a yield before commission of 5.5%)					
	1	2	5	10	15	25
\$0.25	5.229%	5.357%	5.433%	5.456%	5.462%	5.460%
\$0.75	4.691%	5.073%	5.299%	5.368%	5.385%	5.382%
\$1.50	3.892%	4.650%	5.100%	5.238%	5.272%	5.267%

Prospective purchasers or sellers of strips should ask their investment dealer or financial institution about the bid and ask prices for strips and may wish to compare the yield to maturity of the strip, calculated after giving effect to any applicable mark-up or commission, against the similarly calculated yield to maturity of a conventional interest-bearing debt security.

¹ The purchase price of a strip bond may be calculated as follows: Purchase Price = Maturity (Par) Value / (1 + y/2)²ⁿ where “y” is the applicable yield (before or after commission) and “n” is the number of years until maturity. For example, the purchase price (per \$100 of maturity value) for a strip bond that has a yield of 5.5% and 25 years until maturity is: 100/(1+0.0275)⁵⁰ = \$25.76.

Secondary Market and Liquidity

Strips may be purchased or sold through investment dealers and financial institutions on the "over-the-counter" market rather than on an exchange. Where there is an active secondary market, a strip may be sold by a holder prior to maturity at the prevailing market price in order to realize a capital gain or to access funds. However, liquidity may be limited for certain strip bonds and strip bond packages, and, as noted above, investment dealers and financial institutions are not obligated to maintain a secondary market for strips sold by or through them. **As a result, there can be no assurance that a market for particular strip bonds or strip bond packages will be available at any given time, and investors should generally be prepared to hold strips to maturity or run the risk of taking a loss.**

Other Risk Considerations

Potential purchasers of strips should conduct their own research into the term, yield, payment obligations and particular features of a strip prior to purchase. While not an exhaustive list, you may wish to consider some of the following potential risks:

Credit risk of the issuer – strips represent a direct payment

obligation of the government or corporate issuer, thus any change to an issuer's credit rating or perceived credit worthiness may affect the market price of a strip, and the impact may be more severe than the impact on conventional bonds of the same issuer.

Interest rate risk – if interest rates rise, the market value of a strip will go down, and this drop in market value will typically be more severe than the drop in market value for the corresponding conventional bond from the same issuer for the same term and yield. If interest rates rise above the yield of the strip at the time of purchase, the market value of the strip may fall below the original price of the strip.

Market and liquidity risk – strips are not immune to market or liquidity risks and may have specific terms and conditions that apply in the event of a market disruption or liquidity event. If liquidity is low, it may be difficult to sell a strip prior to maturity and there may be large spreads between the bid and ask prices. **There can be no assurance that a market for particular strip bonds or strip bond packages will be available at any given time.**

Currency risk – strips may pay out in a currency other than Canadian dollars. Currency fluctuations may

enhance, nullify or exacerbate your investment gains or losses.

Component risk – you should ensure that you understand and are comfortable with the underlying components, terms, risks and features of a strip bond or strip bond package prior to purchase. For example, strips may be derived from asset-backed securities or callable or retractable bonds, and may have features such as inflation indexing or structured payments.

Price volatility – strips are generally subject to greater price volatility than conventional bonds of the same issuer, term and credit rating, and will typically be subject to greater price fluctuations in response to changes to interest rates, credit ratings and liquidity and market events. The table below shows the impact that prevailing interest rates can have on the price of a strip. For example, as indicated in the table below, an increase in interest rates from 6% to 7% will cause the price of a 5-year strip bond with a maturity value of \$100 to fall by 4.73%—a larger percentage drop than for a \$100 5-year traditional bond, whose price would fall only 4.16%, assuming the same increase in interest rates.

Bond Type	Market Price	Market Yield	Price with rate drop to 5%	Price change	Price with rate increase to 7%	Price change
6% 5-Year Bond	\$100.00	6.00%	\$104.38	+ 4.38%	\$95.84	- 4.16%
5-Year Strip Bond	\$74.41	6.00%	\$78.12	+ 4.99%	\$70.89	- 4.73%
6% 20-Year Bond	\$100.00	6.00%	\$112.55	+ 12.55%	\$89.32	- 10.68%
20-Year Strip Bond	\$30.66	6.00%	\$37.24	+ 21.49%	\$25.26	-17.61%

Custodial Arrangements

Due to the high risk of forgery, money laundering and similar illegal activities—and the costs associated with such risks—with physical strips and bearer instruments, most investment dealers and financial institutions will only trade or accept transfer of book-based strips. CDS Clearing and Depository Services Inc. ("CDS") provides strip bond services, including book-based custodial services for strips and underlying bonds. Custodian banks or trust companies may also create and take custody of strips that are receipt securities, and may permit holders to obtain a registered certificate or take physical delivery of the underlying coupon(s) or residue(s). However, if the holder decides to take physical delivery, he or she should be aware of the risks, including the risk of lost ownership, associated with holding a bearer security which cannot be replaced. In addition, the holder should be aware that the secondary market for physical strips may be more limited than for book-based strips due to the risks involved. Investors in strip components held by and at CDS are not entitled to a physical certificate if the strips are Book Entry Only.

Canadian Income Tax Summary

The Canadian income tax consequences of purchasing strip bonds and strip bond packages are complex. Purchasers of strip bonds and strip bond packages should refer questions to the Canada Revenue Agency (www.cra-arc.gc.ca) or consult their own tax advisors for advice relating to their particular circumstances.

The following is only a general summary regarding the taxation of strip bonds and strip bond packages under the Income Tax Act (Canada) (the "Tax Act") for purchasers who are residents of Canada and hold their strip bonds and strip bond packages as capital property for purposes of the Tax Act. The following does not constitute legal advice.

Qualified Investments

Strip bonds and strip bond packages that are issued or guaranteed by the Government of Canada or issued by a province or territory of Canada are "qualified investments" under the Tax Act and are therefore eligible for purchase by trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, deferred profit sharing plans, registered disability savings plans and tax-free savings accounts ("Registered Plans"). Depending on the circumstances, strip bonds issued by corporations may also be "qualified investments" for Registered Plans.

Annual Taxation of Strip Bonds

The Canada Revenue Agency takes the position that strip bonds are a "prescribed debt obligation" within the meaning of the Tax Act. Consequently, a purchaser will be required to include in income in each year a notional amount of interest, notwithstanding that no interest will be paid or received in the year. Strips may therefore be more attractive when purchased and held in non-taxable accounts, such as self-directed Registered Plans, pension funds and charities.

In general terms, the amount of notional interest deemed to accrue each year will be determined by using the interest rate which, when applied to the total purchase price (including any dealer mark-up or commission) and compounded at least annually, will result in a cumulative accrual of notional interest from the date of purchase to the date of maturity equal to the amount of the discount from face value at which the strip bond was purchased.

For individuals and certain trusts, the required accrual of notional interest in each year is generally only up to the anniversary date of the issuance of the underlying bond. For example, if a strip bond is purchased on February 1 of a year and the anniversary date of the issuance of the underlying bond is June 30, only five months of notional interest accrual will be required in the year of purchase. However, in each subsequent year, notional interest will be required to be accrued from July 1 of that year to June 30 of the subsequent year (provided that the strip bond is still held on June 30 of the subsequent year).

In some circumstances the anniversary date of the issuance of the underlying bond may not be readily determinable. In these circumstances individual investors may wish to consider accruing notional interest each year to the end of the year instead of to the anniversary date.

A corporation, partnership, unit trust or any trust of which a corporation or partnership is a beneficiary is required for each taxation year to accrue notional interest to the end of the taxation year and not just to an earlier anniversary date in the taxation year.

Disposition of Strip Bonds Prior To Maturity

A purchaser who disposes of a strip bond prior to, or at, maturity, is required to include in the purchaser's income for the year of disposition notional interest accrued to the date of disposition that was not previously included in the purchaser's income as interest. If the amount received on a disposition exceeds the total of the purchase price and the amount of all notional interest accrued and included in income, the excess will be treated as a capital gain. If the amount received on disposition is

less than the total of the purchase price and the amount of all notional interest accrued and included in income, the difference will be treated as a capital loss.

Strip Bond Packages

For tax purposes, a strip bond package is considered a series of separate strip bonds with the income tax consequences as described above applicable to each such component of the strip package. Thus a purchaser of a strip bond package will normally be required to make a calculation in respect of each component

of the strip bond package and then aggregate such amounts to determine the notional interest accrued on the strip bond package. As an alternative, in cases where the strip bond package is issued at or near par and is kept intact, the Canada Revenue Agency will accept tax reporting that is consistent with reporting for ordinary bonds (i.e., reported on a T5 tax slip as accrued interest where it is matched by cash flow), including no obligation to report premium or discount amortization where the strip bond package is subsequently traded on the secondary market.

Canadian Investor Protection Fund

Partner in Investor Protection



Canadian Investor Protection Fund

What does CIPF do for investors?

CIPF is a compensation fund that provides protection (within certain limits) if property being held by a member firm on a customer's behalf is missing (i.e., not returned to the customer) following the member firm's insolvency.

Member firms are investment dealers and/or mutual fund dealers that are members of the Canadian Investment Regulatory Organization (CIRO) which oversees all investment dealers and mutual fund dealers in Canada. Lists of CIPF member firms are available at www.cipf.ca.

What does CIPF cover?

CIPF covers:

Missing property – This is property held by a member firm on your behalf that is not returned to you following the firm's insolvency. Missing property can include:

- cash and cash equivalents
- securities
- commodity and futures contracts
- segregated funds

A "security" is a type of financial instrument. Examples of securities include: bonds, guaranteed investment certificates (GICs), shares or stock of a company, units or shares of an investment fund such as mutual fund or an ETF (exchange-traded fund), and units of limited partnerships.

CIPF does not cover:

- Losses resulting from any of the following: a drop in the value of your investments for any reason, investments not suitable for you, fraudulent or other misrepresentations made to you, misleading information given to you, important information not disclosed to you, poor investment advice, the insolvency or default of the company or organization that issued your security.
- Securities held directly by you, where you have received the share certificate or other ownership documentation for the investment. CIPF coverage does not apply since the member firm is not holding this property for you.
- Mutual funds registered in your name and held directly at the mutual fund company.
- Customer accounts held at a mutual fund dealer if the office serving you is located in Québec, unless the member firm is also registered as an investment dealer.
- Crypto assets held by a member firm on your behalf that are missing at the time of the member firm's insolvency.
- Other exclusions identified in the CIPF Coverage Policy, available at www.cipf.ca.

Am I eligible for CIPF protection?

If you meet the 3 points of eligibility below, you are eligible for CIPF protection:

1. Eligible Customer: Customers of an insolvent member firm are generally eligible, unless they are in the list of ineligible customers in the CIPF Coverage Policy. Ineligible customers include a director of the firm or an individual who contributed to the firm's insolvency.

2. An Eligible Account must be used for transacting securities or commodity and futures contracts business, and fully disclosed in the records of the member firm, which would normally be shown by receipts, contracts and statements that have been issued to you by the member firm.

A mutual fund dealer account located in Québec is not an eligible account, unless the member firm is also registered as an investment dealer. Accounts are considered to be located in Québec if the office serving the customer is located in Québec. Mutual fund dealer customers with accounts in Québec are encouraged to contact their advisor for information about the coverage available for these accounts.

3. Eligible Property: may include cash and cash equivalents, securities, commodity and futures contracts, and segregated funds held by a member firm, but excludes crypto assets.

How does coverage work?

If a customer bought one hundred shares of Company X at \$50 per share through a member firm, and the share value on the day of the member firm's insolvency was \$30, CIPF's objective would be returning the one hundred shares to the customer because that's the property in the customer's account at the date of insolvency. If the one hundred shares are missing from the account, CIPF would provide compensation based on the value of the missing shares on the day of the firm's insolvency. In this example, that's \$30 per share.

What are the coverage limits?

CIPF will provide compensation for the value of the missing property as at the date of insolvency, up to the limits prescribed in the CIPF Coverage Policy. For an individual holding an account or accounts with a member firm, the limits on CIPF protection are generally as follows:

- \$1 million for all general accounts combined (such as cash accounts, margin accounts, FHSAs and TFSAs), plus
- \$1 million for all registered retirement accounts combined (such as RRSPs, RRIFs, LIRAs and LIFs), plus
- \$1 million for all registered education savings plans (RESPs) combined where the client is the subscriber of the plan.

The limits of coverage for other types of clients are outlined on CIPF's website. All coverage by CIPF is subject to the terms and conditions of the CIPF Coverage Policy and Claims Procedures, available at www.cipf.ca.

IMPORTANT This is a copy of the CIPF Official Brochure that has been obtained from the CIPF website. The CIPF Official Brochure may be obtained from a CIPF member firm. This is one way to ensure that you are dealing with a CIPF member firm. Check the Member Directory on CIPF's website to confirm you are dealing with a CIPF member firm.

For more information on CIPF, please visit www.cipf.ca or call toll-free at **1-866-243-6981** or **416-866-8366** or e-mail info@cipf.ca.

How CIRO Protects Investors



You are opening an account with a firm regulated by the Canadian Investment Regulatory Organization (CIRO). CIRO regulates the activities of Canadian investment dealers and mutual fund dealers and the advisors they employ.

CIRO works to protect investors. Here is how:

Rules and Standards

CIRO sets rules for the firms and advisors we regulate, from conduct rules regarding the handling of your account to capital requirements to reduce the risk of a firm insolvency to how your firm trades on a marketplace. These rules protect investors like you.

Oversight

We conduct regular reviews of all firms to make sure they comply with our rules. We also monitor the trading activity of all Canadian marketplaces. We can take disciplinary action if firms or their advisors break our rules.

Registration and Education Requirements

Advisors registered with a CIRO regulated firm must pass background checks and specific education requirements before they become registered. They must also meet continuing education requirements to keep their knowledge up to date.

Putting Your Interests First

If you are receiving investment advice, your advisor must first work with you to understand your personal and financial circumstances, investment needs and objectives, risk profile and investment time horizon. Any investment recommendation your advisor makes must be suitable for you and put your interests first.

Keeping You Informed

Your firm must keep you informed about your investments with regular account statements and periodic reports on the fees and charges you pay and the performance of your investments.

Addressing Your Complaints

You can complain directly to your firm and they must address your complaint fairly. You can also complain directly to CIRO if you feel there has been misconduct in the handling of your account and we can investigate and, if necessary, take disciplinary action.

Ombudsman

If you are not satisfied with your firm's response to your complaint, you can also complain to the Ombudsman for Banking Services and Investments. Learn more at obsi.ca.

CIPF Protection

Your account is eligible for CIPF protection if your CIRO regulated firm becomes insolvent. Learn more at cipf.ca.

Questions? Contact us:

1-877-442-4322

ciro.ca

How to Make a Complaint



About CIRO

CIRO regulates the activities of Canadian investment dealers and mutual fund dealers and the advisors they employ. CIRO sets rules for the firms and advisors we regulate and monitors the trading activity on all Canadian marketplaces. We can take disciplinary action if firms or their advisors break our rules. CIRO is overseen by the provincial and territorial securities regulators.

Here is what you need to know if you have a complaint about your advisor or investment firm regulated by CIRO.

You Can Make a Complaint to Your Investment Firm

Clients of a firm regulated by CIRO who are not satisfied with a financial product or service can make a complaint to the firm and seek resolution of the problem. The firm must follow our rules for handling client complaints and address your complaint promptly and fairly. You can find your firm's contact information on your account statement and your firm's complaint handling procedures on their website.

You Can Also Complain Directly to CIRO

If you feel there has been misconduct in the handling of your account we want to hear from you. You can complain to CIRO directly and we can investigate to determine if your advisor or firm has broken our rules and, if necessary, take disciplinary action. Disciplinary action can include fines or suspensions for firms or advisors that have broken our rules. You can make a complaint

to CIRO, at any time, whether or not you have complained to your firm. However, CIRO does not order compensation to investors. If you are seeking compensation, the first step is to make a complaint to your investment firm. You can also consider the options described on the pages that follow.

We can be contacted by:

- Completing the easy and convenient online complaint form at ciro.ca
- By e-mail at info@ciro.ca
- By telephone at **1-877-442-4322**
- Fax at **1-888-497-6172**
- 40 Temperance Street, Suite 2600
Toronto, ON M5H 0B4

Examples of Complaints We Investigate

Your firm or advisor:

- Recommended investments that were too risky for you;
- Made trades in your account without your permission or used your funds in ways that you were unaware of;
- Charged you fees that were not explained to you;
- Signed forms on your behalf without your knowledge.

If You Are Seeking Compensation, You Have Options

The Ombudsman for Banking Services and Investments (OBSI)

If you do not receive a response from your investment firm within 90 days or you are not satisfied with the firm's response you can go directly to OBSI. OBSI is Canada's free, independent

and impartial service for resolving investment and banking disputes with participating firms. CIRO requires all the investment firms it regulates to take part in the OBSI process. OBSI can recommend compensation up to \$350,000, but currently its decisions are not legally binding. **You have 180 days to bring your complaint to OBSI after receiving a response from your investment firm. If your firm has not responded within 90 days, then you can take your complaint to OBSI without your firm's response.**

You can contact OBSI at:

- 1-888-451-4519
- ombudsman@obsi.ca
- obsi.ca
- 20 Queen Street West, Suite 2400
P.O. Box 8 Toronto, ON M5H 3R3

Other options

Going to court

You can hire a lawyer to take legal action or to assist you with your complaint, however this can be an expensive option. There are also time limits on legal action, which vary by province or territory. Once the time limit expires you may not be able to pursue your claim.

Arbitration

Arbitration is a process where a qualified arbitrator, chosen in consultation with both you and the investment firm, hears both sides and makes a final, legally binding decision about your complaint. This option is available if your CIRO firm is an investment dealer. There are costs to using arbitration, though often less than going to court. The arbitrator acts like a judge

and reviews facts presented by each side of the dispute. Either side can choose to be represented by a lawyer, though this is not required. Arbitrators in the CIRO arbitration program can award up to \$500,000.

Provincial and Territorial Securities Regulators

Quebec

If you live in Quebec, in addition to the options previously described, you can use the free services of the Autorité des marchés financiers (AMF). If you are dissatisfied with the firm's handling of the complaint or the outcome, you can request to have the complaint examined by the AMF. The AMF will assess the complaint and may offer conciliation and

mediation services, though firms are not required to participate.

If you think you are a victim of fraud, fraudulent tactics or embezzlement, you can contact the AMF to see if you meet the eligibility to submit a claim to the Fonds d'indemnisation des services financiers ("Financial Services Compensation Fund"). Up to \$200,000 can be payable for an eligible claim.

For more information on the AMF:

- **1-877-525-0337**
- lautorite.qc.ca/en

Other Provinces or Territories

Some provincial or territorial securities regulators can, in certain cases, seek an order that a person or company

that has broken securities law pay compensation to harmed investors who make a claim. These orders are enforced similar to court judgments.

Access the link to your provincial or territorial securities regulator by visiting the following Canadian Securities Administrators page: securities-administrators.ca/about/contact-us.

Your complaint matters. It helps to ensure you are treated fairly and can help CIRO better protect investors now and in the future.

Learn more about how to make a complaint, where you can get help and your options for seeking compensation.

ciro.ca

Managing the world's
most important investments:
yours!

nbfwm.ca



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