

Client Account Agreement and Relationship Disclosure

25100E (2025-08)



WORLDSOURCE
WEALTH MANAGEMENT INC.

coastcapital
INVESTMENT MANAGEMENT

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Relationship Disclosure

Who we are

Worldsource Wealth Management Inc., operating under the business names Worldsource Securities, Desjardins Financial Security Investments and SFL Wealth Management, is a dual-registered firm, both as a mutual fund dealer and an investment dealer in all Canadian provinces and territories (hereinafter the “Dealer”). It is also registered as a financial planning firm in Quebec.

The Dealer is a member of the Canadian Investment Regulatory Organization (CIRO) and the Canadian Investor Protection Fund (CIPF).

CIRO is the national self-regulatory organization that oversees all investment dealers, mutual fund dealers and trading activity on Canada’s debt and equity market places. You can visit the CIRO website at www.ciro.ca.

CIPF provides limited protection for investors’ assets if a dealer that is a CIPF Member becomes insolvent. For more information on the CIPF and the protections it offers, please refer to the CIPF brochure included in the welcome package sent to you when you opened your investment account. You can also visit the CIPF website at www.cipf.ca.

We strive to provide you with access to a wide range of financial products tailored to your needs. This goal is what drives our highly disciplined and professional team to help you succeed.

This document describes how your account will be administered, the protections you can benefit from, the rights you can exercise, as well as other important information which are part of the account agreement between you, Aviso Financial Inc. (the “Carrying Broker”) and the Dealer (also referred to as “Introducing Broker”). It explains the relationship between you and the Dealer and your advisor. In this document “Advisor,” depending on the context, may refer to a registered representative, a portfolio manager, an assistant portfolio manager or a mutual fund dealing representative.

Please take a moment to review this document, as it contains important regulatory information, definitions and explanations. This document will be provided to you at the time you open your account(s) and whenever there is a significant change to the information previously provided. Should you open more than one account on the same day, this document will be provided to you only once.

When you open an account, you receive the following documentation:

- A copy of your account opening documentation (which includes your Know-Your-Client (KYC) information);
- The Client Account Agreement and Disclosure Brochure (which includes the Relationship Disclosure and Conflicts of Interest Disclosure);
- Canadian Investor Protection Fund (CIPF) brochure;

- Canadian Investment Regulatory Organization (CIRO) brochures:
 - CIRO Complaints Brochure “How to Make a Complaint”
 - How CIRO protects investors
 - Strip bonds and strip bond packages information statement (applicable for full securities clients only)
- Service Fee Schedule.

Introducing and Carrying Broker Disclosure

The Dealer advises of the appointment of Aviso Financial Inc. (“Aviso”) as our agent and Carrying Broker for trade execution, clearing, settlement and record keeping of transactions with clients. The Carrying Broker will:

- issue and receive cheques, as well as deliver and receive securities on behalf of the Dealer, for all transactions directed through the Carrying Broker with you,
- be responsible for the receipt, the delivery, and the safekeeping of funds and securities received from the Dealer,
- be responsible for issuing confirmation slips and the statements of accounts for all transactions directed through the Carrying Broker,
- If we open a margin account for you, the Carrying Broker will loan you money for the purpose of purchasing or holding securities subject to applicable regulatory margin requirements, and margin policies of the Dealer and the Carrying Broker, and the terms outlined in the Margin Agreement.

The Carrying Broker does not control, audit, or otherwise supervise the activities of the Dealer, or its employees. The Dealer, as the Introducing Broker will:

- be responsible for determining or supervising the suitability of all trading activity, including the nature of securities purchased, the portfolio structure of the accounts and the opening and initial approval of accounts,
- bear full responsibility for all client regulatory capital required by the Canadian Investment Regulatory Organization.

Our advisor and the products and services available to you

Advisors are registered with the Dealer as a full securities investment advisor or mutual fund dealing representative. Through these registrations, advisors are permitted to inform on and sell only those products which the Dealer distributes under any applicable securities legislation, regulations and policies pursuant to its registration. Advisors may only distribute and advise on such products in jurisdictions where they are registered and per the limits of their registration. Your advisor will inform you of their registered category at the time of your account opening and on the account opening form. To find out which products your advisor is able to offer through the Dealer, please consult your advisor or your advisor’s branch office.

Products which may be available through mutual fund dealing representatives:

- High Interest Savings Accounts (HISA)
- Guaranteed Investment Certificates (GICs)
- Government Bonds
- Mutual funds
- Alternative Mutual Funds
- Exchange-traded funds (ETFs)
- Labour-sponsored funds
- Structured products, including principal-protected notes

- Prospectus exempt mutual funds

Products which may be available through full securities investment advisors:

- Fixed income, including guaranteed investment certificates, high-interest savings accounts, treasury bills, bonds and debentures, bankers' acceptances and notes
- Equities, including stocks, rights and warrants
- Investment funds, including mutual funds, pooled funds, alternative mutual funds, labour-sponsored funds
- Exchange-traded funds (ETFs)
- Structured Products, including principle-protected notes
- Derivatives such as Options
- Exempt Market Products including hedge funds, flow-through shares and limited partnerships
- Private Securities

For current and comprehensive list of products and services, please contact your advisor.

There may be certain fees, costs and charges applicable to the products, services and account types we offer, including in connection with the mutual funds or other investment products you hold in your account(s). See the section on information on compensation and fees and charges in this document for more information.

There may also be certain restrictions on your ability to liquidate or resell certain securities. Generally, the securities and investment products available through the Dealer may be readily liquidated or resold unless otherwise limited by the product manufacturer or securities law requirements.

Limits on products and services we offer

We offer a carefully selected range of investment products and services, designed to align with each client's financial goals and risk profile. Our advisors are committed to recommending only those products that meet your needs, based on an assessment of your individual circumstances, which may evolve over time:

- The availability of products and services will depend on the qualifications, registration category, and jurisdictional licensing of your advisor.
- Advisors may inform you about and offer only those products approved for distribution by the Dealer and which they are registered to offer, in compliance with applicable securities legislation.

Account Relationship

We offer our clients a choice of one or more of the account types below and depending on the licensing of your advisor (mutual fund dealing representative or full-security investment advisor) your advisor will work with you to determine the most suitable account(s) and the best services for you.

WITH A MUTUAL FUND DEALING REPRESENTATIVE:

Your advisor considers your Know Your Client (KYC) information, your financial situation, personal circumstances and investment product characteristics when making recommendations that are suitable, and puts your interest first. While your advisor may make recommendations, the power of choice will always rest with you, the client. Your advisor is not permitted to make any discretionary trade in your account. The following account types are available through your mutual fund dealing representative:

- **Commission-Based Accounts:** In a commission-based account, you pay a commission on certain transactions made. This means your costs will vary depending on the frequency and type of transactions you authorize.

- **Fee-Based Accounts:** In a fee-based account, you pay an annual fee based on a percentage of the assets held in the account, calculated as described in the fee-based account agreements, regardless of the number of trades. This arrangement provides greater predictability in fees and can support a long-term, advice-driven relationship with your advisor.
- **Model Portfolio Account:** Model portfolio account is a type of fee-based account with tailored investment strategies designed to meet your investment objectives and risk profile. The model portfolios in this account include a range of asset classes and are managed by a sub-advisor or portfolio manager. After consulting with your mutual fund dealing representative, you will receive a detailed description of the selected model portfolio, including its investment objectives, strategies, and the minimum and maximum percentage ranges for each asset class. Model portfolios are non-discretionary accounts, meaning the sub-advisor or portfolio manager adjusts the asset allocations within the specified ranges of each portfolio. Investments in the model portfolio are periodically rebalanced by the sub-advisor or portfolio manager to maintain alignment with the selected strategy. You may change your selected model portfolio in consultation with your mutual fund dealing representative as needed, based on changes to your financial situation or personal circumstances.

Please refer to **the Information on fees and charges** section of this brochure for further details.

WITH A FULL SECURITIES INVESTMENT ADVISOR:

The following account types are available through your full securities investment advisor:

- **Commission-Based Accounts:** In a commission-based account, you pay a commission on certain transactions made. This means your costs will vary depending on the frequency and type of transactions you authorize.
- **Fee-Based Accounts:** In a fee-based account, you pay an annual fee based on a percentage of the assets held in the account, calculated as described in the fee-based account agreements, regardless of the number of trades. This arrangement provides greater predictability in fees and can support a long-term, advice-driven relationship with your advisor.
- **Managed Accounts:** Unlike accounts offered through mutual fund dealing representatives, where advisors are not permitted to execute discretionary trades, working with a full-service securities investment advisor provides additional options. If your advisor is registered as a Portfolio Manager or Associate Portfolio Manager, they can offer a managed account, where trades can be executed on discretionary basis on your behalf without prior approval. In a managed account, you authorize a Portfolio Manager, an Associate Portfolio Manager or the Dealer utilizing the services of third-party sub-advisors, to independently exercise discretion in making investment decisions on your behalf on a continuing basis. This includes investing, reinvesting, and holding funds in securities, cash, or cash equivalents, within the framework of your directions as provided in an Investment Policy Statement (IPS). The IPS allows you and the portfolio manager to establish limits and standing instructions for your account. The Dealer and the portfolio manager are responsible for ensuring that all actions taken align with your investment objectives and risk profile, under a duty of care to act in your best interests. You will not make individual investment decisions; the portfolio manager will manage all investment decisions for you. Managed accounts available to you include:
 - Separately Managed Accounts (SMAs)
 - Unified Managed Accounts (UMAs)

- Advisor Managed Accounts (AMAs).
- Please refer to your managed account agreement for further terms and conditions specific to your account.

Please refer to the **Information on fees and charges** section of this brochure for further details.

What we do for you

Your advisor's first role is to establish your investor profile. To do so, your advisor must know you well and is required to collect specific information from you upon the opening of your account. This includes personal information, financial information and information commonly referred to as Know Your Client (KYC) information, which includes your risk profile, objectives and time horizon for investing. Personal and financial information that is accurate, complete and up to date is essential for your advisor to properly determine the suitability of your investments and be able to recommend investments that fit your situation.

Given the importance of this information in making recommendations, the Dealer, through its statements, will remind you of the importance of this information and request that you contact your advisor with any changes. You, the client, are responsible for informing your advisor should there be any change to the information previously provided by you. Without up to date, accurate and complete information, your advisor and the Dealer cannot accurately assess whether the investments in your account(s) are suitable for you.

How we assess investment suitability

Determining the suitability of your investments is part of our broader obligation to act fairly, honestly, and in good faith in our relations with our clients. We have the duty to determine if any measure taken, decided or recommended through the Dealer regarding your investments is suitable for you and puts your interest first.

The following factors are considered when performing a suitability review:

- your personal and financial situation, investment knowledge, investment needs and objectives, investment time horizon and risk profile (these elements are determined based on the information collected from you when you opened your accounts and that may have been updated later),
- the impact of the measure on the concentration and liquidity of the investments in your accounts,
- the potential and actual impact of costs on your investment returns and
- an assessment of the features of the products, including their structure, associated risks, and both initial and ongoing fees, as well as a consideration of a reasonable range of alternative actions available to your advisor at the time the determination.

An investment suitability determination by your advisor:

- When investments are deposited in or transferred to your account
- When there is a change of Advisor
- When you communicate a significant change to your "Know Your Client (KYC)" information that could result in one or more investments in your account no longer being suitable for you
- When there is a change to a product in your account that could result in the investment no longer being suitable for you
- When your advisor reviews with you the information about you, at least annually for all managed accounts and model portfolio accounts or every three years in any other investment accounts.

We do not automatically review the suitability of the investments in your account(s) when there are significant market fluctuations, particularly given the long-term nature of investing for most clients. Your advisor is, however, ready to discuss the effect of market fluctuations on your portfolio with you when you request this.

Suitability assessments may be conducted based on the individual investments within an account by comparing the risk factors of each investment to your Know Your Client (KYC) information. Alternatively, they may be performed using a portfolio-based approach, which is limited to managed accounts and model portfolios. In the portfolio-based approach, the overall risk of the portfolio is assessed by evaluating all investments collectively held in the account on a combined basis, and the resulting risk level is compared to your KYC information.

UNSOLICITED ORDERS

Unsolicited orders, which are trade orders initiated by you and not recommended by your advisor, will be reviewed by your advisor to ensure suitability. If your advisor determines that an unsolicited order is not suitable based on your financial and/or personal information, they will advise you and, where appropriate, make suitable recommendations. After receiving this information, you may wish to proceed and submit the trade order. Please note, while you may request an unsolicited trade order be placed, neither your advisor or the Dealer is obligated to accept unsolicited orders which appear to be contrary to your best interests or not suitable for you.

TRUSTED CONTACT PERSON AND TEMPORARY HOLDS

The Dealer is required to provide an opportunity for you to name and provide contact information for a Trusted Contact Person (TCP) at account opening and on a periodic basis. A trusted contact person is a trusted individual named by you, that may be contacted by your advisor, any advisor to whom your file is transferred, the Dealer and its representatives, in our discretion, to address reasonable concerns related to:

- Your ability to make financial decisions;
- Your ability to understand the important consequences of a financial decision that you are about to make; or
- Indicators that you may be victim of possible financial exploitation or abuse.

The individual you designate should be trusted, mature, can communicate and engage with you in potentially difficult conversations about your personal situation and with whom you are comfortable sharing personal, financial or investment information. We recommend a TCP to be someone other than your Power of Attorney (POA). It is important to understand that, unlike a POA, a trusted contact person has no authority over your account and has no authority to make decisions on your behalf. Their purpose is to support you and assist your advisor to validate or alleviate any of the concerns previously mentioned. Your advisor will ask you if you would like to name a trusted contact person, and it is recommended that you name one or more individuals; however, you are not obligated to do so.

If the Dealer and/or advisor reasonably believes that the financial exploitation of a potentially vulnerable client has occurred, is occurring, has been attempted or will be attempted, or the Dealer and/or advisor has reasonable grounds to believe a client does not have the mental capacity to make decisions involving financial matters, the Dealer may temporarily place a hold on one or more specific transactions in a client's account to protect their best interests. While these are rare, it is important for you to know that if the Dealer identifies the need to place a temporary hold on your account:

- You will be notified of the hold and the reason(s) why it was placed; and
- If the concerns cannot be resolved immediately, you will be updated every 30 days as to the reason(s) for the decision to continue the temporary hold.

What we expect of you?

- It is essential that you understand the service offering(s) as well as the type(s) of account(s) you have chosen. This choice is clearly indicated on your account opening form, a copy of which will be provided to you by your advisor. If you have any doubts, clarify them as soon as possible with your advisor
- It is essential that you ask your advisor any questions you may have on the products that is recommended to you and that you understand their terms and conditions, as well as the risks involved
- We ask that you verify that the information about you, provided at the opening of your account, is accurate and that you immediately notify your advisor of any significant change to your situation. Don't hesitate to meet with your advisor to inform him/her of such change. Your Advisor will then update your file accordingly
- We ask you to examine carefully and without delay the content of this brochure, including CIRO's [How to make a complaint](#) brochure, as well as the risks specific to certain markets, products or investment strategies. These risks are described in more detail in the "Risks associated to Investing" section of the present brochure
- We ask you to examine carefully and without delay all documents provided on the functioning of your account(s), not only when your account is opened, but also throughout our relationship. For example, we want to be notified immediately of any erroneous transaction confirmation or portfolio statement
- We ask you to inform your advisor if you have borrowed money from third parties for investment purposes or if you intend to do so.

What is "a significant change"?

A significant change is a change that significantly affects your personal or financial situation, your investment needs and objectives, your risk profile or your investment time horizon, as well as any change that can reasonably be expected to have a significant impact on your net worth or on your income since the last update of your file.

You must inform your advisor of any significant change, any event in your life that may cause a significant change to your investment objectives or any event with a significant impact on your personal or financial situation. You must also notify your advisor of any change in your civil status, tax residency declaration, a change of address, a change in your status as an insider (as defined by securities regulations) or as a significant shareholder of a company whose shares are traded on an exchange or on the over-the-counter market.

Risks associated to investing

In any investment account you have, whether advisory or managed, there are investing risks that will affect your account. The value of individual investment products (unless specified) is not guaranteed. Nor is the value of your portfolio guaranteed and you could lose part or even all your investments.

Risks that the value of your investments face include fluctuations in market value due to micro and macro-economic conditions; risk-return trade-offs; risks relating to concentration; credit; interest and exchange rates; liquidity (how quickly you can sell a security with little change in price); structured products and derivatives; and regulatory risk. As the net equity of your portfolio will rise and fall, the value you receive when selling a product or your portfolio may be more or less than its value when you bought it. There is also a risk of not investing, and of holding savings in a deposit account: over time, low interest rates will not allow financial assets to grow, on average, as much as inflation may reduce the purchasing power of your holdings.

Conflicts of interest

It is important that you are informed of existing or potential conflicts of interest which could arise in the course of the Dealer's activities. A conflict of interest arises when the interests of different persons, for example those of a client and those of the Dealer or one of its advisors, are incompatible or divergent.

To ensure fairness to clients, the dealer has adopted policies and procedures to help identify and manage conflicts of interest that may exist between you and the Dealer and/or its related or connected issuers, and your advisor. In general, the dealer deals and manages conflicts of interest by:

- **Avoiding** conflicts that are prohibited by law, as well as conflicts that cannot be effectively addressed in your best interest
- **Controlling** through means, such as physically separating different business functions and restricting the internal exchange of information
- **Disclosing** and providing to the client information about the conflicts, enabling you to assess independently their significance when evaluating recommendations, and other action taken by the dealer.

DISCLOSURE – RELATIONSHIP WITH RELATED OR CONNECTED ISSUERS

The following section lists relationship and product information to help you make an informed choice by describing any affiliation between the Dealer and the following issuers which may be recommended by your advisor. When there is a connection between the Dealer and an issuer, a potential conflict of interest exists. The Dealer mitigates this risk by putting in place policies and procedures to ensure that there are no incentives, financial or otherwise, to sell related issuers' products over the products of another issuer.

Relationship between the Dealer and Aviso Financial Inc.

Aviso Financial Inc. acts as carrying broker for the Dealer and is its agent for trade execution, clearing, settlement, record keeping and, as required, custodial services provided for client accounts. Aviso Financial Inc. is entirely owned by Aviso Wealth Inc., the shareholder of which is held in equal shares by Desjardins Financial Holding Inc. ("DFHI") and a partnership comprised of Canada's five provincial Credit Union Centrals and the CUMIS Group. The Dealer is a wholly-owned subsidiary of Worldsource Group of Companies Inc., which is an indirect subsidiary of DFHI, itself wholly owned by the Fédération des caisses Desjardins du Québec.

Relationship between the Dealer and NEI Funds

The Dealer and its advisors may, from time to time, recommend that you trade in securities of the NEI Funds. The manager of the NEI Funds, Northwest & Ethical Investments L.P. is entirely owned by Aviso Wealth Inc., the shareholder of which is held in equal shares by Desjardins Financial Holding Inc. ("DFHI") and a partnership comprised of Canada's five provincial Credit Union Centrals and the CUMIS Group. The Dealer is a wholly-owned subsidiary of Worldsource Group of Companies Inc., which is an indirect subsidiary of DFHI, itself wholly owned by the Fédération des caisses Desjardins du Québec.

Relationship between the Dealer and Desjardins Funds

The Dealer and its advisors may, from time to time, recommend that you trade in securities of the Desjardins Funds and the Wise ETF Portfolios, which are Desjardins Funds. The Dealer and the Desjardins Funds are entities of Desjardins Group. Desjardins Investments Inc. is registered as an investment fund manager and acts as such for the Desjardins Funds. Desjardins Investments Inc. and the Dealer are both indirect subsidiaries of the Fédération des caisses Desjardins du Québec.

Relationship between the Dealer and the Fédération des caisses Desjardins du Québec

The Dealer and its advisors may, from time to time, recommend that you trade in principal protected notes issued by the Fédération des caisses Desjardins du Québec (FCDQ). The Dealer and FCDQ are entities of Desjardins Group. The Dealer is a wholly owned subsidiary of Worldsource Group of Companies Inc. and is an indirect subsidiary of the Fédération des caisses Desjardins du Québec.

Relationship between the Dealer and Guardian Capital LP

Guardian Capital LP (Guardian) is the trustee, manager and portfolio manager of the Guardian Capital Funds and the Guardian ETFs. Guardian is a wholly owned subsidiary of Guardian Capital Group Limited, a diversified, global financial services company. The Dealer is the principal distributor for certain Guardian Capital Mutual LP Funds (Guardian Capital Funds) these funds are exclusively available for trading through the Dealer and cannot be transferred in-kind to other dealer registrants.

Relationship between the Dealer and Encasa Financial Inc.

The Dealer and its advisors may, from time to time, recommend that you trade in Encasa's proprietary mutual funds. The Dealer and its advisors receive no commissions, trailer or referral fees. Advisors recommending Encasa mutual funds are salaried employees of Encasa Financial Inc. Encasa has three proprietary mutual funds—the Encasa Canadian Short-Term Bond Fund, the Encasa Canadian Bond Fund, and the Encasa Equity Fund—these three funds are exclusively available for trading through the Dealer and cannot be transferred in-kind to other dealer registrants.

DISCLOSURE – OUTSIDE ACTIVITIES (BUSINESS AND VOLUNTEER)

Where permitted and approved by the Dealer, your advisor may engage in certain activities outside of their registration with the Dealer. We require that these activities be disclosed to the Dealer and approved prior to the advisor engaging in them and require the advisor to monitor and fully disclose certain activities to clients so that clients are aware these activities are not conducted through or supervised by the Dealer. In addition, advisors are required to disclose to clients in writing, any outside activity which may give rise to a potential or actual conflict of interest.

Client purchasing products/services from an advisor outside the normal course of Dealer business

When the Dealer approves an outside activity for an advisor that may create or result in a conflict of interest that cannot be addressed in your best interest, the Dealer will not permit your advisor to solicit you for this outside activity.

Advisor purchasing products/services from a client

If, as a business owner, you offer products or services in which your advisor partakes, please note that your advisor is not permitted to ask you to increase your investments in exchange for purchasing your products and services.

When an advisor is a shareholder of an investment management company and recommends the investment to clients

In any instance where your advisor is a shareholder of an investment management company, approved as an outside business interest, he/she will disclose this information to you in detail. Additionally, when your advisor makes an investment recommendation for you, they will assess a reasonable number of comparable alternatives. Any investment recommendation made by your advisor must be made in your best interest.

INFORMATION ON FEES AND CHARGES

The following section contains important information about our fees, including details about administrative fees and commissions received by us. This information is provided to help you make an informed choice by explaining charges, fees and commissions received by your advisor and the Dealer related to sales and the servicing of your account. The Dealer mitigates the risk of an advisor selling you a product that does not meet your needs by ensuring that account transactions flow through the Dealer and are reviewed for suitability, including the fee structure selected.

When considering the fees charged to your account, you should note that a fee charged to your investment account will compound over time as a deduction to the overall value of your account. Fees payable in respect of your account will reduce the amount invested in your account.

We offer you a choice between a commission-based account and a fee-based account. Your advisor will recommend the one that is appropriate for you based on how you expect to use the account, as well as the service(s) you wish to receive and your personal preferences. Fees and commissions for your applicable account(s) will vary depending on whether you have chosen a commission-based account or a fee-based account.

Some charges are fixed, such as the administrative charges listed in the "Fee Schedule" (provided at account opening and available at <https://www.worldsourcewealth.com/files/CCS-Fee-Schedule-En.pdf>).

When you invest in mutual funds, you should understand how certain fees are charged in investment funds:

- **Management Expense Ratio (MER):** When you invest in mutual funds, mutual fund managers usually receive a management fee equal to a specified percentage of the net assets of the fund. These management fees, along with the operating costs payable by the fund, are disclosed in the Fund Facts document for each fund. Management fees and operating costs, along with any applicable taxes, are collectively referred to as the fund's "management expense ratio" or MER. The MER is an important factor as it directly affects the returns on your investment.
- **Trailing Commission:** Mutual fund managers pay a portion of their management fee to us as a "trailing commission." We then provide a portion of this trailing commission to your advisor to compensate for the ongoing advice, access, and service provided to you. For example, if you have invested \$10,000 in a mutual fund with a trailing commission of 0.50%, \$50 annually would be paid to us, with a portion allocated to your advisor. This trailing commission is paid out of the fund's management fee.
- **Fund Expense Ratio:** This represents the percentage of a fund's assets that go towards paying for its management and operation expenses each year. This includes costs like management fees, administrative fees, and other operation costs. Understanding the FER is important because it helps you see how much of your investment is being used to manage the fund, which can impact your overall returns. The sum of an investment fund's management expense ratio and trading expense ratio, expressed as a percentage.

Additionally, there may be sales charges for certain mutual fund purchases:

- **Front-End Load mutual funds:** These charges are usually deducted from the original investment at the time of purchase. However, all front-end load funds investments offered through us are completed with a zero commission rate, ensuring no additional costs are incurred when you invest in these funds.
- **Deferred Sales Charge:** New purchases of deferred sales charges are not permitted as of June 2022. However, investors may continue to hold these funds on an ongoing basis. If you do, deferred sales charges generally have a declining fixed rate over a specific number of years. In this fee structure, you did not pay any commission up

front; however, should you redeem any units from the investment fund during the deferred sales charge period, the applicable fee will apply. The exact number of years where deferred sales charges may apply to a redemption and the amount of the fee is described in the mutual fund prospectus or the Fund Facts document. Every year, you may redeem up to a certain percentage of the units fee free (generally 10%), even during the deferred sales charge period. After the deferred sales charge period, you may redeem unlimited units without penalty. When mutual funds were purchased on a deferred sales charge basis, the mutual fund company paid a commission to the Dealer and its advisors directly at the time of purchase.

- **Administrative fees:** For account operation and maintenance, including account transfer fees and annual registered plan administration fees, we charge fees in accordance with the "Fee Schedule" (provided at account opening and available at <https://www.worldsourcewealth.com/files/CCS-Fee-Schedule-En.pdf>).
- **Other fees:** In some circumstances you may be also subject to other costs relating to services that you use that are not our service offerings. For example, there may be charges levied by third parties for services that help you save more quickly and securely such as for pre-authorized transfers. There may be penalties related to the early withdrawal from, or encashment of certain instruments as well as switch fees or short-term trading fees. Also, if you own shares of small emerging companies, you may be required to pay for valuations of these holdings to satisfy Canada Revenue Agency requirements. Knowing about and planning for these costs are your responsibility.
- **Fee-based Accounts:** Please refer to Account Relationship section above for fees in fee-based accounts.
- **Third party compensation:** The Dealer and your advisor may also receive commissions or other compensation from third parties, including, without limitation, with respect to the sale of newly issued securities or secondary offerings, limited partnership units, tax shelter securities, Canada and provincial savings bonds, guaranteed investment certificates and other notes.

The following may apply when working with a full securities advisor:

- For equity securities, a commission will be charged per transaction on every trade purchased or sold through an exchange or over-the-counter in your account, based on the market value of the securities. The percentage of the commission and any minimum fee will be determined through negotiations between you and your advisor.
- For debt securities, commissions are not applied; instead, a markup is included in the quoted yield. A minimum dollar amount may apply, with the markup generally calculated based on 25 basis points (bps) multiplied by the duration of the debt instrument. Specifics of the markup percentage will be provided at the time of the trade. For example, if you buy \$10,000 face value of a bond that is priced at \$95 and the bond matures in six years, a markup of 150 bps or \$142.50 ($10,000 \times .95 \times .0150$ or 150 bps (25 bps x six years)) will be applied and included in the yield.
- Some fee-based accounts will be subject to a trade ticket cost

Financial Planning offered through the Dealer

For financial planning services, your advisor may charge an additional fee. The rate and terms would be defined in writing in a separate document and would be charged through your Dealer account and reflected on your account statement.

Financial Planning Services offered by the advisor as an Outside Activity (excluding full securities investment advisors)

Mutual Fund licensed advisors do not offer financial planning services through the Dealer. Your mutual fund licensed advisor may provide financial planning services as an Outside Activity. In such cases, you will be informed at account opening or when you engage this service through the advisors outside activity.

WAYS IN WHICH WE MITIGATE AND MANAGE POTENTIAL CONFLICTS OF INTEREST

Advisor Compensation

Your advisor may be compensated by a combination of one or more of the following:

- Compensation based on the assets under administration
- Sales commission and trailer fees received by the Dealer
- Base Salary and Bonus
- Referral commission

Where your Advisor is employed by a Credit Union

If your advisor is employed by a Credit Union, any commissions or fees generated are paid to the Credit Union, not directly to the advisor. The Credit Union then compensates the advisor through a salary and may also provide a bonus. Bonuses are not based on the sales of investment products to you, ensuring that there is no sales-based incentive for your Advisor. We implement supervision measures in accordance with supervision rules, to ensure trades are suitable for you and put your interests first. This review framework ensures that Credit Union Employees acting as Advisors prioritize the best interests of their clients and avoid conflicts that could compromise the fairness and objectivity of their advice.

Where the Dealer acts as Principal

When the Dealer acts as principal in a trade in addition to any other commission which is earned on the transaction, it may also receive further compensation, including a profit from the spread between the buying and selling prices from. In such a situation, a potential conflict of interest may arise. This dual compensation structure could influence the Dealer's decision-making process in executing trades, as the Dealer's financial interest may not always align with the best interests of the client.

To address this conflict, we ensure that all transactions are conducted fairly and transparently, with a commitment to prioritizing the client's best interests. Compliance reviews are conducted regularly to monitor trading practices and ensure adherence to established guidelines, reinforcing our dedication to ethical conduct and fair treatment of all clients.

Referral arrangements

Your advisor may refer you to other entities/individuals through a referral arrangement available through the Dealer. Though your advisor may have made this introduction believing it to be in your best interest. You are under no obligation to proceed with the referral arrangement. Any compensation (monetary or non-monetary) received by your advisor and/or the Dealer from the referral is explained in the Referral disclosure document which you are required to sign to evidence your consent in order for the referral arrangement to take place. Our due diligence of all approved referral arrangements includes consideration to any excessive referral compensation with comparable alternatives and to ensure that fees charged to clients are reasonable when compared to investments offered through the Dealer. It is important to note that products or services provided through the referred entity/individual are not offered or supervised by the Dealer.

Advisor payout levels

Your advisor's compensation is based entirely on commission/fee revenue generated for the Dealer. Payout levels are independent of the product or service provided to you. In addition, they are not impacted by whether the investment is proprietary or non-proprietary.

Supervisory Compensation

A Branch Manager must be provided the required autonomy and independence to carry out their supervisory obligations, ensuring independent judgment and unbiased oversight of branch activities. When appointing a Branch Manager, an assessment is conducted to identify and mitigate potential conflicts of interest in accordance with the Dealer's Conflict of Interest policies. Branch Managers are expected to

adhere strictly to these policies to ensure their compensation and bonus arrangements do not interfere with their duty to act in the best interests of clients. To mitigate potential conflicts of interest, supervisory structures and compensation levels are reviewed and approved by the Dealer prior to implementation. With these controls in place, the Dealer believes this compensation model does not give rise to a conflict of interest.

Trading Alongside Clients

Conflicts may arise when advisors and employees trade in the same securities as clients, including exempt market securities or other investment opportunities. To mitigate these risks, the Dealer has established policies requiring that client orders take priority over non-client accounts, prohibiting personal trading until all client orders are fulfilled, and restricting advisors from redeeming securities ahead of clients when an issuer imposes redemption restrictions. Additionally, the Dealer prohibits the use of confidential or non-public information for personal gain and maintains strict oversight and monitoring of personal trading activities to ensure compliance with regulatory obligations and the fair treatment of clients.

Advisor Incentive to join the Dealer

The Dealer may offer a transitioning allowance to facilitate the transfer of an advisor's clients when moving from another dealer to us. This is an industry-wide practice. An account may not be transferred without a client's authorization. When an advisor is transferring a client's account to the Dealer and is aware that mutual funds may be redeemed as part of the transfer, they would be expected to advise the client of any charges or transaction implications that may be applicable. If the client requests further information with respect to the fees and charges that may apply on the transfer, the advisor may direct the client to the relinquishing dealer.

MUTUAL FUND COMPANY BUSINESS PROMOTIONAL ACTIVITIES AND PROMOTIONAL ITEMS

Mutual fund companies may provide advisors with non-monetary benefits of a promotional nature and of nominal value. We manage this potential conflict of interest by ensuring that these promotional activities or items are not so extensive or frequent that they could raise concerns about whether your advisor was induced to sell the fund company's mutual funds based on the benefits that they are receiving, as opposed to what is suitable and in your best interests.

POSSIBLE THIRD PARTY FEES APPLICABLE TO FULL SECURITIES CLIENTS

New Issue Compensation: The Dealer and your advisor may receive Commissions or other compensation from third parties, including, without limitation, with respect to the sale of securities of a mutual fund, newly issued securities or secondary offerings, limited partnership units, tax shelter securities, Canada and provincial savings bonds, guaranteed investment certificates and other notes.

Other Fees: You may be subject to other costs relating to services that you use that are not our service offerings. For example, there may be charges levied by third parties for services that help you save more quickly and securely such as for pre-authorized transfers. There may be penalties related to the early withdrawal from, or encashment of, certain instruments. Also, if you own shares of small emerging companies, you may be required to pay for valuations of these holdings to satisfy Canada Revenue Agency requirements. Knowing about and planning for these costs are your responsibility.

OTHER SALES INCENTIVES

Your advisor may qualify for additional compensation, such as bonuses and non-monetary benefits like travel incentives. This compensation is based upon the gross revenue earned by your advisor, and not specific investments. Investments through the Dealer are supervised to ensure

that they are suitable for you, in respect of your personal information, including your Know Your Client (KYC) information, which is covered in more detail in the following section.

LIMITED SECURITIES AVAILABLE (I.E., NEW ISSUES)

A client may not get a requested allotment of a certain security, such as a New Issue. The following describes our process for distributing New Issues.

For Managed accounts

In the case of new issues it is not always possible to receive a sufficient supply to meet the requirements of every account which should participate (meaning the security is suitable for the account and there is cash available for the transaction). The Portfolio Manager will strive to ensure all accounts receive the fair allocation over a period of time.

Non-managed accounts

As long as a new issue is available, your advisor will accept all expressions of interest. However, the principle of first, in first served, is applied.

FULL CONTROL OR AUTHORITY OVER THE FINANCIAL AFFAIRS OF A CLIENT

Unless you are related to your advisor, as defined by the Income Tax Act (Canada), your advisor is not permitted to have full or partial control over your financial affairs. This specifically means that, unless related to you, your advisor may not accept from you or act upon for you as a:

- Power of Attorney or Trading Authorization
- Trustee or Executor
- Trustee or Executor of your Estate

Additionally, your advisor is required to obtain approval from the Dealer before acting, or accepting an appointment, in this capacity, for a related individual.

LEVERAGED RECOMMENDATIONS

Borrowing funds to invest ("leveraging") may not be suitable for all investors. Before implementing a leverage strategy, please review the risks and essential considerations in the **Disclosure - Borrowing for Investment purposes (Leveraging statement)** section of this document and discuss its suitability with your advisor. Because leveraging investments may present a financial incentive for your advisor, we address potential conflicts by ensuring compliance with the Dealer's leveraging policy. We review all leveraged investments to confirm they are suitable for you and align with your best interests.

MARKETING MATERIALS WITH MISLEADING OR INACCURATE PERFORMANCE

The Dealers' policies require the review and approval of all marketing material used with clients to ensure fair representation of information and performance.

Your transaction confirmations

Client Name Accounts and Intermediary

When a trade is settled in a client name account or intermediary account (other than a systematic plan such as a Systematic Withdrawal Plan or a Pre-Authorized Contribution), trade confirmations will be produced and sent directly by the individual fund company, or by the intermediary, directly to the clients' addresses on record.

Dealer Self-Directed Accounts

The Dealer will promptly send a confirmation of activity by post or electronic means when a trade is settled in a self-directed account (other than a systematic plan such as a Systematic Withdrawal Plan or Pre-Authorized Contribution). The confirmation document will provide the security's name, the quantity, the unit price, the transaction date, the market's name, the settlement date, the commission, the service charges, the representative's name, the dealer's role in the transaction and, if applicable, a disclosure that

the security is a security of a related issuer. Please review your confirmations and advise us within 30 days of any errors you identify, or if you have an advisory account and you receive a confirmation for a transaction that you do not recall. After that time, the Dealer deems that you have acknowledged as correct, approved and consented to the information provided.

Managed accounts

If permitted by regulations, trade confirmations, on any purchases or sales of securities in, will not be sent unless specifically requested by the client. This practice will continue unless the client provides written notice to the advisor requesting that trade confirmations be provided for all transactions which are entered into, after such notice.

Your account statements

Designed to simplify the management of your finances, your Account Statement is issued by the Dealer, at minimum, quarterly. You will receive an account statement either monthly or quarterly, depending on the level of activity in your account and your account relationship (served by a mutual fund dealing representative).

CLIENT NAME ACCOUNTS AND INTERMEDIARY

For client name and intermediary accounts (e.g., B2B Bank), this statement will be in addition to any annual and quarterly statements produced and sent directly by the manager of the individual fund companies held in your portfolio or by the intermediary in question.

Dealer Account Statements

The Dealer's statements include the following information:

- the book cost of each security, including a definition of the cost;
- the market value of each account at the start of the statement period (opening balance);
- the market value of each account and security at the end of the statement period (closing balance);
- whether or not the product is covered by an investor protection fund, and if so, the name of the fund;
- whether or not the investment is segregated and a description of how it is held.

THE DEALER WILL SEND YOU AN ANNUAL REPORT WHICH CONTAINS:

- A report on how your investments have performed. Your performance report will include account percentage return information.
- A report on charges and compensation that details the commissions received by the Dealer and costs related to your investments

In certain instances, the current market value of a security held in your account is not available and/or no market currently exists for the investment product. In such instances, your account statements and annual performance report will show the market value of the investment product based on either the last available market value/net asset value for the investment product or the book value for the investment product. In such instances, the market values may not reflect the current value of the investment product. All market prices and book values shown on your account statements and annual performance report are obtained from sources that we believe reliable but we do not guarantee their accuracy. In the case of investment product that have ceased trading, where the company is bankrupt, in the instance of thinly traded securities and of Canadian Controlled Private Corporations (CCPCs), or where external valuations are usually required at the owner's cost and the costs can be significant, we use N/A. N/A will also be used for any book value where a portion or all of the book value of the investment product is unknown.

In the event of any error, you must notify the Dealer within 30 days following the receipt of the statement of account. After that time, the Dealer deems that you have acknowledged as correct, approved and consented to the information provided.

Performance benchmarks and how to use them

You may assess the performance of your investments by comparing them to an investment performance benchmark. Benchmarks show the performance over time of a select group of funds. There are many different benchmarks. When choosing a benchmark, pick one that reflects your investments. For example, the S&P/TSX Composite Index follows the share prices of the largest companies listed on the Toronto Stock Exchange. This index would be a good benchmark for assessing performance of a Canadian equity fund that invests only in large Canadian companies. It would be a poor benchmark if your investments are diversified in other products, sectors or geographic areas. We do not provide benchmark comparisons in our account reporting. Please speak to your advisor if you have questions about the performance of your portfolio or what benchmark(s) might be appropriate for you.

Disclosure — Borrowing for investment purposes (Leveraging statement)

LEVERAGE

Using borrowed money to finance the purchase of mutual fund units and/or other securities involves greater risk than a purchase using cash resources only. If you borrow money to invest, your responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the investment product purchased declines. Therefore, the leverage strategy could result in far greater losses than an investment strategy that does not involve the use of borrowed money. Should you use this strategy for Non-Registered and/or Tax-Free Savings Account (TFSA), your advisor will provide you with a more comprehensive disclosure form explaining the risks associated with this strategy.

Protection information

As a member of CIRO, customers' accounts are protected by the Canadian Investor Protection Fund (CIPF) within specific limits. CIPF does not necessarily apply to all products. Please refer to the CIPF Coverage Policy on the website at www.cipf.ca for a description of the nature and limits of coverage, or contact the CIPF at 1-866-243-6981. In Quebec, clients of a mutual fund dealer may benefit from fraud protection through the Fonds d'indemnisation des services financiers (financial services compensation fund). More information is available on the Autorité des marchés financiers (AMF) site at www.lautorite.qc.ca or at 1-877-525-0337. GICs may be guaranteed by the Canada Deposit Insurance Corporation or by a provincial deposit insurance program if the issuer fails under certain conditions. Coverage may not apply to investments in all cases, may be limited by regulation and may not be available for non-Canadian residents. Please consult the website of these organizations to determine the nature and limits of this coverage.

Handling of complaints

The Dealer and its advisors take client concerns very seriously. If clients ever have concerns or questions regarding their accounts, they should immediately contact their advisor, whose name appears on your account statement. Advisors endeavor to provide the highest level of service to their clients and will work with the Dealer and their clients to resolve any concerns which may arise.

If a client is not satisfied with the way a concern is resolved, the Dealer has procedures in place to fairly and promptly handle any written or verbal complaint received from clients. This is a summary of these procedures, which is provided to new clients and clients who file a complaint. These procedures are also available on our website at <https://www.worldsourcewealth.com/complaints>.

HOW TO FILE A COMPLAINT

Clients wishing to complain to the Dealer may make their complaint to our head office using one of the methods indicated below. All complaints are forwarded to qualified compliance or supervisory personnel to be handled. We encourage clients to make their complaint in writing, where possible. The Dealer will provide assistance to clients who advise they are having difficulty putting their complaint in writing. For confidentiality reasons, we will only deal with the client or another individual who has the client's written authorization to deal with us.

Designated Complaints Officer

The Dealer has a Designated Complaints Officer ("DCO") who acts in a supervisory capacity over complaints process and may at times be actively involved in the investigation of complaints. Complaints are handled by qualified staff of Compliance department and not by individuals that are the subject of a complaint. Complaints or inquiries on the resolution of a complaint may be addressed to:

Worldsource Wealth Management Inc.

Attn: Designated Complaints Officer

1150, rue de Claire-Fontaine

Quebec City, Quebec G1R 5G4

Tel: 1-800-331-8467

Email: complaints@worldsourcewealth.com

For complaints related to bank products (for example guaranteed investment certificates or high-interest savings accounts of banks), clients can also file their complaint with the issuing bank in accordance with its complaint handling process available on its website or on the search tool of the Financial Consumer Agency of Canada, accessible at the following link: <https://itools-ioutils.fcac-acfc.gc.ca/CHP-PTP/Complain-Outilder-eng.aspx>.

COMPLAINT HANDLING PROCEDURES

We will acknowledge receipt of complaints promptly, generally within five days. Within the acknowledgement, you will be provided the name and contact information of the Complaints & Investigations Officer responsible for handling the complaint as well as a copy of the CIRO Complaints brochure [How to Make a Complaint](#).

We review all complaints fairly, taking into account all relevant documents and statements obtained from the client, our records, our advisors, other staff members and any other relevant source. We will communicate with the relevant parties throughout the investigation via phone, mail, email or any other mutually convenient method. Once our review is complete we provide clients with our substantive response letter. Our response may be an offer to resolve your complaint, a denial of the complaint with reasons or another appropriate response. Our response will summarize your complaint, our findings and will contain a reminder about your options for making a complaint, including guidance on the statutes of limitations, should you wish to pursue the matter further.

We will provide our response as soon as possible, within 90 calendar days of receipt of the complaint, unless you are a Quebec resident, which will require a response from us within 60 calendar days. If further time is required where we are waiting for additional information from you, or the case is novel or very complicated, we may require more time to respond. If further time is required, you will be notified in writing and provided with both an explanation as to why our response has been delayed along with our best estimate of the time required for completion of our response.

If you are dissatisfied with our investigation or the outcome, you may respond to our letter indicating the issues which you feel were not addressed. We will respond to communications you send us after our response, to the extent necessary, to implement a resolution or to address any new issues or information you provide. You may also refer to the CIRO Complaints Brochure which will be included with the response.

This brochure provides guidance regarding the options available to you should you wish to pursue the matter further and includes guidance on the statutes of limitations.

SETTLEMENTS

If we offer you a financial settlement, we will ask you to sign a release and waiver, for legal reasons.

Contacting the Dealer

Clients may contact us at any time to provide further information or to inquire as to the status of their complaint, by contacting the DCO or the individual handling their complaint.

Business continuity planning

The Dealer recognizes the importance of a Business Continuity Plan ("BCP"). Together with advisors, the Dealer has a BCP in place to address significant business disruptions. In the event of a significant business disruption, we encourage you to contact your advisor. If you are unable to get through to your advisor's office, please contact our BCP Officer at head office at 1-800-331-8467.

General Provisions and Agreements

APPLICATION OF RULES AND REGULATIONS

The provisions of this Agreement shall apply to all accounts held by the Client with the Dealer, unless otherwise provided in any other agreement between the Client and the Dealer. All transactions in securities for the Account shall be subject to the constitutions, by-laws, rulings, regulations, customs and usages of the exchanges or markets and their clearing houses, if any, where made and to all laws, regulations and orders of any applicable government or regulatory authorities (all collectively referred to as "Applicable Rules and Regulations").

This Agreement shall be construed in conjunction with any other agreements between the Dealer and the Client in connection with the Account, provided that, to the extent necessary, the terms and provisions of the Agreement shall supersede the terms and provisions of all other agreements with the Dealer, whether or not referred to herein, except that this Agreement in no way limits or restricts any other rights which the Dealer may have under any other agreement or agreements with the Client. None of the terms and conditions of this Agreement may be waived or changed without agreement in writing signed by the Client and a director of the Dealers. If any Applicable Rules and Regulations are enacted, amended or otherwise charged with the result that any term or condition of this Agreement is, in whole or in part invalid, then such term or condition will be deemed to be varied or superseded to the extent necessary to give effect to such Applicable Rules and Regulations. Any term or condition of this Agreement which notwithstanding any such variation is invalid shall not invalidate the remaining terms.

COMPLIANCE WITH APPLICABLE LAWS

All transactions must comply with all laws and regulations applicable to our business and your Account. This includes securities, tax, anti-money-laundering financing, privacy, anti-spam, electronic commerce and other legislation and regulations. All transactions made for your Account will be subject to these rules, which also includes the constitution, rules, by-laws, regulations and customs of CIRO and the exchanges or markets and/or clearing houses where the orders are executed.

AUTHORIZATION TO ACCESS CREDIT FILES

You acknowledge and agree that the Dealer, to the extent permitted by law, obtain credit or other information about you, including conducting a credit and/or financial institution reference check with regard to approving your application, and may give other credit grantors and credit bureaux information about the application and any credit experience with you.

EMPLOYEE/AGENT OF THE DEALER

The advisor may be either an employee or agent of the Dealer. In either case, the Dealer will be irrevocably liable to the Client, and will continue to be liable to the Client, for the acts and omissions of the advisor relating to the Dealer's business as if the advisor were an employee of the Dealer.

PROCEDURES REGARDING PURCHASES

Cash purchases, including postal money orders, are not accepted. All purchases are to be made by cheque, an electronic funds transfer payment or Pre-Authorized Contribution (PAC) through a Canadian bank account, by completing an Electronic Fund Transfer agreement. When purchasing GICs in a client name account, a cheque must be made payable to the GIC issuer. Payors must be properly identified in accordance with money laundering requirements.

Please be aware cheques are never to be made payable to your advisor or to any organization through which your advisor carries out outside activities (e.g., ABC Insurance and Financial Planning Inc. or a numbered company). The Dealer does not permit your advisor to accept cash from clients for the purchase of securities.

PROCEDURES REGARDING REDEMPTIONS

The Dealer will only accept a redemption request from you for a chosen fund or investment product if the initial purchase of that investment has both settled with the fund company and been confirmed in your account. Proceeds from redemptions will be paid out by cheque to the account holder or by electronic funds transfer to a Canadian bank account in your name.

PROCEDURES REGARDING RRIF WITHDRAWALS – NOMINEE ACCOUNTS

If you hold a Self-Directed Registered Retirement Income Funds (RRIF), you, the annuitant, are required to withdraw a minimum amount every year (except for the calendar year that the RRIF comes into effect) by the Income Tax Act (Canada) Canada Revenue Agency (CRA).

If we do not receive your instructions, we will proceed with an annual payment to be made to you on or around December 15th. The payment will be issued to you (the annuitant) and the subsequent tax slip will be mailed within the first 60 days of the following year. This payment is made by redeeming assets within the account using the redemption hierarchy outlined below.

If an investment selected to redeem for RRIF and payments becomes depleted, we will use the same hierarchy outlined below to ensure you continue to receive payments. Your advisor will be made aware and attempt to obtain your instructions.

Redemption hierarchy for RRIF Payments

1. CCA (Cash) for any amount available
2. Money market fund with the highest market value
3. Canadian Fund with the highest market value
4. Foreign Fund with the highest market value

Settlement and Transaction Charges

Full and timely settlement will be made for each transaction in securities for the Account. The Client will pay to the Dealer all commissions and other transaction charges in respect of each transaction (including any transaction pursuant to pledging and use of collateral) and interest, calculated daily and compounded monthly, on outstanding indebtedness. Such commissions and other charges shall be at the Dealer's customary rates in the circumstances or as negotiated from time to time. The interest rate shall be the interest rate designated from time to time by the Dealers as being its effective rate for determining interest on debt balances in accounts with the Dealers and the Client waives notice of all changes in such rates.

UNAPPROVED PRODUCTS

We will only execute purchase orders for Dealer-approved investments. For holdings of unapproved fund companies, which may have transferred in, we will only accept redemption requests and requests for transfers to another dealer.

In addition, we do not guarantee: a) timely payment of distributions b) next available net asset value, or c) fixed settlement dates.

PAYMENT OF INTEREST ON CLIENT CASH HELD IN TRUST

The Dealer may hold cash, in trust, on your behalf. The payment of interest on client cash held in non-registered nominee accounts trust shall bear interest at prime less 5.5% in Canadian dollar accounts, and prime less 6.5% in U.S. dollar accounts. No interest is payable when the monthly interest amount is less than \$5 per month.

For client name and intermediary accounts, the interest earned is paid in trust on your behalf directly to the mutual fund companies or to the intermediary, as applicable. For the Dealer's self-directed accounts, it is paid to your self-directed accounts.

If the account is liquidated in advance of the interest calculation date, then no interest shall be payable.

JOINT ACCOUNTS

If you open a joint account, all account holders consent to the sharing of their personal information with each other. You and your joint applicant holder(s) jointly and severally (meaning collectively and individually), agree that each of the joint applicant holder(s) have authority to provide any transaction orders to the Dealer, including buy and sell (including short sales) and otherwise deal in stocks, bonds and other securities, whether or not on margin, all without notice to the other or others in, or interested in, the account. You and your joint applicant holder(s) jointly agree that each of the joint applicant holder(s) is authorized to receive and withdraw money, securities or other property, without limitation on amount; and sign, make, change, waive or cancel authorizations, agreements and documents that may be required in connection with the Account. Furthermore, you authorize the Dealer to follow the instructions received from either joint applicant even if the payments or delivery of securities are being made directly to one of the account holder. You also understand that it is not the responsibility of the Dealer to question the purpose or propriety of a delivery or payment. Provided the Dealer has acted correctly on the instructions received, the Dealer is not responsible for the outcome of the action. You understand that you and your joint applicant holder(s) are jointly and severally liable for the account. As continuing security for the discharge of the obligations under the joint account, the account holders further jointly, and severally, pledge to the Dealer all property the Dealer may, at any time, be holding or carrying for any one or more of the account holders. Such pledge to be in addition to, and not in substitution of, the rights and remedies the Dealer otherwise would have.

JOINT ACCOUNT – DEATH

It is agreed that in the event of the death of either, or any, of the account holders of a joint account opened, the survivor or survivors shall immediately give the Dealer written notice thereof. The Dealer may, before or after receiving such notice, take such proceeding, require such papers and inheritance or estate tax waivers, retain such portion of and/or restrict transactions in the account as the Dealer may deem advisable to protect the Dealer against any tax, liability, penalty or loss under any present or future laws or otherwise. The estate of any of the deceased account holders shall be liable and each survivor shall continue to be liable, jointly and severally, to the Dealer for any net debit balance or loss in said account in any way resulting from the completion of transactions initiated prior to the receipt by the Dealer of the written notice of the death of the decedent or incurred in the liquidation of the account or the adjustment of the interest of the respective parties.

REPORTING INSIDERS AND PRO ACCOUNTS

It is agreed that you will advise the Dealer, when you complete the application form, and when your situation changes, if you acquire a controlling interest in or otherwise become a Reporting Insider. Unless otherwise disclosed to the Dealer, if an individual, and not an employee of the Dealer, the Dealer will consider that you are not a partner, director or employee of a member, member firm or member corporation of any stock exchange or a non-member broker or investment dealer. **For more information, please consult the "Definition" section of this document.** Furthermore, you agree to notify the dealer if you, your spouse, or member of your household, become an employee of a CISO-registered dealer. You also agree to inform the Dealer of any changes in your status to a non-client (PRO)

OUT-OF-COUNTRY ACCOUNTS

If you reside in another country than Canada, you must be aware that non-resident withholding tax may apply. You should also consult a tax specialist in your country of residence to identify any filing requirements or additional tax implications. Accounts of clients residing in some countries may be restricted from trading.

TO CLIENTS WHO RESIDE IN THE UNITED STATES OF AMERICA

If you reside in the United States on a temporary or permanent basis, please note that the Dealer, your advisor and, when applicable, your registered retirement account with a Canadian tax advantage, are not subject to the securities regulations of the United States or of your state of residence. The Dealer relies on a Limited Registration exemption to deal with Clients in certain conditions. As part of this exemption, the Dealer and applicable Client Accounts are not subject to the full regulatory requirements of any U.S. securities law or regulation.

Given there may be differences from state to state, account activities for your current investments and your ability to purchase new investments may be restricted or limited in accordance with the applicable rules. We recommend you speak with your advisor regarding your particular circumstances.

TAX, LEGAL OR ACCOUNTING ADVICE

You understand that the Dealer does not provide tax, legal or accounting advice. You should consult your own tax, legal and accounting experts before engaging in any transaction.

It is your responsibility to understand what your contribution limits are for any RRSP, RESP, RDSP, TFSA or FHSA, as well as the tax implications of any withdrawal or sale of an investment product held within your account(s).

TO CLIENTS WHO RESIDE IN QUÉBEC – LANGUAGE OF CHOICE

At your request, the agreement and all documents, notices and other communications relating to the operation of the account will be produced in English. As required, you are provided with a French equivalent of the account opening document. A ma demande, le client souhaite expressément que la présente Convention et tous les documents, avis et autres communications pertinents à l'exploitation du régime, soient rédigés en anglais.

YOUR INSTRUCTIONS

You understand and authorize the Dealer to act in accordance with any order or instruction that it believes, in good faith, originates from you or your authorized agent. The Dealer may, at its sole discretion, refuse any order or instruction if it believes, for any reason, that the order or instruction is not legitimate or an acceptable transaction on a securities market.

You understand that you are responsible for any trading loss if you email trade instructions or leave instructions on a voice mail. You further understand that the Dealer can provide no assurance that these instructions are received, or reviewed, on a timely basis. The Dealer may refuse to act on trade instructions received by email or left on a voice mail until the trade instruction is confirmed by you, either over the phone or in person. We reserve this right due to concerns such as non-receipt or delayed receipt, price movement in the security since the instruction was received or reviewed by the Dealer, or need for additional information from you before the trade can be entered. This additional step taken in the process also ensures the legitimacy of your instructions.

You acknowledge that we may record telephone calls by which a client order is placed or confirmed.

Once an order or instruction is accepted and executed, you may not amend or cancel said order or instruction and are solely responsible for the consequences and costs related to the execution of the order or instruction. In some circumstances, the applicable securities laws and regulations of your province or territory may offer a right to cancel a given transaction.

You understand that the Dealer will not be liable in connection with the execution or handling of received instruction, except for negligence or misconduct on our part.

FEES, COMMISSIONS AND CHARGES

You agree to pay any service fees or service charges relating to services provided by us for the administration of the Account.

You agree and understand that the Dealer may, at any time or from time to time, take any monies or Investment Products in the account and any proceeds from the sale or other disposition of such Investment Products to pay or cover any fees or charges that may be applicable by you to the Dealer, including but not subject to transfer fees and returned items.

The Dealer may impose or revise fees or charges with 60 days' written notice to you prior to the imposition or revision of the fee or charge. You can obtain a copy of the current fee schedule by contacting the Dealer or asking your advisor.

Service Fees: The Dealer will deduct from the Account all administrative fees, costs and other charges applicable to the Account (collectively, "Service Fees"). Service Fees include, without limitation, fees for automated services, registered account trustee and administrator fees, interest or financing charges, exchange fees, transfer fees and wire transfer fees. Service Fees are set out in the "Fee Schedule." Additional sales taxes may be applicable. Fees may change with 60 days' notice in writing.

Fees and Commissions: The Dealer will deduct from the Account all transaction fees, commissions and fees for advisory/management services, including all the various fees that are payable by you to your advisor, as per the Account Agreement. Additional tax may be applicable. Advisory/management fees will be charged as per a separate Fee Agreement. Please refer to "Fee Schedule" which discloses all fees associated with the Account.

Interest: The Dealer will deduct from the Account any interest owed to the Dealer for debit balances. The rate of interest is available upon request and may change at any time.

ACTING AS PRINCIPAL AND AGENT FOR FEE COLLECTION

You acknowledge that a portion of the Advisory/Management Fees that are payable pursuant to separate Fee Agreements may represent fees that are contractually payable by you to your advisor. In these situations, the Dealer will receive said fees in its dual capacity of (i) acting as principal with respect to the portion of the fees that are payable by you to the Dealer; and (ii) acting as agent for your advisor with respect to

receiving the portion of the fees that are contractually payable by you to the advisor. On behalf of you, the Dealer shall remit to the advisor its respective portion of the fees.

LIMITED AUTHORIZATION – NOMINEE ACCOUNTS

If you open a nominee account, you authorize the Dealer to accept purchases, in-cash transfers, switches within the same fund family, setup and modification of Pre-Authorized Contribution (PAC) plans, Systematic Withdrawal Plans (SWP) and Automatic Withdrawal (AWD) plans, and redemptions for you in accordance with specific instructions provided to your advisor. The authorization also applies to other products distributed through the Dealer.

You confirm that the Dealer is authorized to accept your verbal instructions with respect to investment in and renewal of guaranteed investment certificates, subject to applicable policies.

You understand that the Dealer and your advisor are prohibited from completing any such transactions on your behalf without in each case obtaining specific authorization from you.

You understand that you must pay any applicable fees, commissions or charges payable to the Dealer as a result of these transactions.

You further acknowledge that in providing instructions to the Dealer pursuant to this authorization, you have the same rights and obligations as you would have had if you provided written instructions to the Dealer.

You understand that, unless otherwise specifically provided, this limited trading authorization is not intended to supersede or replace any other power of attorney granted by you or anyone other than the Dealer.

NON-REGISTERED (CASH) AND TFSA ACCOUNTS

You authorize the Dealer to withdraw money from your Cash or TFSA account and direct the proceeds to any of the following:

- Cheque payable to the account holder using current address we hold on file;
- Electronic Fund Transfer to your financial institution bank account using the information you have provided and have on file;
- The Trustee of your registered account (e.g.: RRSP, RIF, etc.) with us

Expiration of Limited Authorization

This limited trading authorization is valid until and will expire immediately upon the occurrence of any of the following events:

- We receive written notice of revocation from you
- The death of an account holder

COMMUNICATIONS AND NOTICES

You understand that the Dealer will communicate with you for various reasons, including but not limited to notices, margin calls, demands, reports and confirmations. These communications will be sent to the most recent address (physical or electronic or to the client portal, as applicable) the Dealer has on file. You acknowledge that it is your responsibility to keep your personal information up to date and inform your advisor of any changes.

TELECOMMUNICATIONS CONSENT

You hereby expressly consent, notwithstanding that you may have registered on the National Do Not Call List, to be contacted at the telephone numbers provided on the account application by the Dealer's employees and agents for purposes related to solicitation and the business relationships arising from the account. You understand that you may withdraw this telecommunications consent, other than for contact related to servicing of your account, at anytime by sending your request in writing to:

1150, rue de Claire-Fontaine
Québec (Québec) G1R 5G4;

by telephone: 1-800-331-8467

EMAIL COMMUNICATION CONSENT

You hereby authorize your advisor (or authorized representative) and the Dealer to email you about financial products and services that they are authorized to distribute, or provide you with personal information about your account(s) and/or send you documents that require your attention/signature pertaining to the management and/or update of your account(s). Although the Dealer uses reasonable means to protect the security and confidentiality of personal information sent by email, the privacy and security of email communications cannot be guaranteed. You understand that an email is not a secure medium and that this means of communication can be intercepted. You also understand this consent is valid for this and any other account with the Dealer and you are responsible for informing your advisor if your email address changes.

You understand that you can unsubscribe from your advisor's and Dealer's mailing list at any time via email, phone or mail by contacting your advisor (contact details available on statements issued by the Dealer) or the Dealer (**by mail:** 1150, rue de Claire-Fontaine, Québec (Québec) G1R 5G4; **by telephone:** 1-800-331-8467; or **by email:** wwmservice@worldsourcewealth.com).

ELECTRONIC DOCUMENT ACCESS AND CLIENT RESPONSIBILITIES

By consenting to the electronic delivery of documents in the account application or otherwise, you acknowledge and agree that the Dealer may use electronic means to deliver documents and communications related to your account, including statements, trade confirmations, tax documents, and required regulatory documents. Documents may be posted to your secure Online Account Access or sent to the email address you have provided.

To receive documents via Online Account Access, you must be registered for this service. It is your responsibility to monitor notifications and review your account regularly. You must inform your Advisor or the Dealer if you are unable to access documents online or if your email address changes.

You will receive an electronic notification when a statement has been posted to your Online Account Access. It is your responsibility to review the statement. A statement or other document posted to the secure Online Account Access will be considered delivered and received at the time it is posted, regardless of whether or when you access or view it. Similarly, a document sent by email will be considered delivered and received when it is sent, regardless of whether or when you access or view it.

You must notify the Dealer within five (5) business days if you do not receive an electronic confirmation for a particular trade.

FURTHER ASSURANCE

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

SEVERABILITY

In the event any term or provision of this Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by a court of competent jurisdiction, the remaining terms and provisions of this Agreement shall remain in full force and effect.

SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective heirs, executors, administrators, successors and assigns, as the case may be. You agree that you will not assign this Agreement without the Dealer's written approval.

PERSONAL INFORMATION MANAGEMENT

We know how important it is to keep your personal information secure and confidential.

That's why we take the protection and confidentiality of personal information you entrust us with very seriously. Whether to serve you on a daily basis, take advantage of our products and services or meet our legal obligations we must collect, use and disclose some of your personal information. You can read the Privacy Policy at <https://www.worldsourcewealth.com/privacy> for full details.

In compliance with applicable Privacy laws, and the Privacy Policy, the Dealer has instituted adequate measures to ensure the confidentiality and protection of personal information.

The Dealer is subject to confidentiality obligations and takes the necessary measures to ensure and preserve the accuracy, confidentiality, security and privacy of your personal information.

Access to your file is limited to authorized personnel who need to access it to perform their duties.

You have the right to review your personal information in our files and correct anything that is incomplete, ambiguous or not relevant. To do so, please consult our [Privacy Policy](#).

By signing the Dealer's account opening application, you authorize the Dealer to collect, use and disclose your personal information in accordance with privacy regulations and our Privacy Policy. You acknowledge and accept that this consent takes precedence over any other consent you have previously signed. This consent remains in effect for as long as you maintain a business relationship with the Dealer.

ACCOUNT CLOSING

The Dealer may at its sole discretion terminate this Agreement and require that you close or transfer your Account(s) to another dealer within a reasonable time limit, as determined by the Dealer. If you fail to do so, the Dealer may, without notice to you, deliver your account assets to you or liquidate your account(s), pay all outstanding payments owed to the Dealer and forward any balance to you. You acknowledge that the liquidation of your account(s) may result in significant tax and other consequences to you. You accept full responsibility for such consequences and hereby waive any claim or right you have or may have against the Dealer with respect to the termination of this Agreement and the closure, transfer or liquidation of your account(s).

MARGIN ACCOUNT (FULL SECURITIES INVESTMENT ADVISORS ONLY)

With a margin account, you understand you can borrow funds, also known as "margin investments" or "using financial leverage" to purchase securities. The portion of the purchase price that you must deposit is called "margin" and is your initial equity or value in the margin account.

The margin investment is secured by the securities you purchase, also referred to as collateral. You will be able to use securities holdings in your margin account as collateral to borrow funds or make additional purchases of securities. If the securities you use as collateral go down in price, a "margin call" may be issued, which is a demand that you repay all or part of the loan with either cash, a deposit of securities from outside the managed account, or by selling some of the securities in the margin account. This ensures you have enough collateral to cover the borrowed amount. You understand that you must promptly meet all margin calls and pay any indebtedness arising from transactions in your margin account, maintaining the required margins as specified by the Carrying Broker.

Margin Account Agreement

If you wish to trade securities on margin, you must first enter into a separate margin agreement, which sets out the specific terms, conditions, and obligations relating to margin transactions. Unless you have entered into such an agreement, your account will not be extended margin. The margin account provisions described here apply to all of your accounts with the Dealer that are approved for margin trading however, these provisions do not include all terms and conditions applicable to margin

accounts. For the complete terms governing margin trading, please refer to your Margin Account Agreement, which forms part of, and is to be read in conjunction with, this agreement as it relates to your accounts.

OPTIONS ACCOUNT (FULL SECURITIES INVESTMENT ADVISORS ONLY)

An options account enables you to participate in transactions involving options contracts, which grant the right or obligation to buy or sell a security at a specified price within a defined period. Options trading is inherently speculative and carries a high level of risk, including the possibility of losses exceeding your initial investment. Before engaging in options trading, you must obtain specific approval from the Dealer, and may be subject to additional margin requirements or restrictions imposed by the Carrying Broker.

Derivatives Trading Agreement (options account)

If you wish to trade derivatives such as options, you must first enter into a separate derivatives trading agreement and margin agreement, which outline the specific terms, conditions, and obligations for derivatives transactions. For the complete terms governing derivatives trading, please refer to your Derivatives Trading Agreement and Margin Account Agreement, which form part of this agreement and must be read in conjunction with it as they relate to your accounts.

Definitions and explanations

INVESTMENT KNOWLEDGE

This is a description of your knowledge of the investment sector or your experience with the characteristics and inherent risks of investment products, or a combination of both. Your knowledge of the investment industry and/or experience of investment products' characteristics and inherent risks. If you have a high level of investment knowledge, you have a good understanding of the relative risk of various types of investments and understand how the level of risk taken affects potential returns. If you have very little knowledge of investments and financial markets, speculative and high-risk investments and strategies are likely not suitable options for you.

Novice: You understand there are different things you can invest in but do not know the differences between each type. This might be your first investment.

Fair: You know different types of investments and their level of risk. You own different investments.

Good: You are familiar with mutual funds, bonds and equities. You understand the interaction between the risk level, the returns and the fluctuation in time of different investment types.

Sophisticated: You have in-depth knowledge of the financial market, its movement and its effect on your investments.

ANNUAL INCOME

Your gross annual income that comes from your salary, rental, business and investment income.

NET WORTH

This is the sum of liquid assets and other assets, less liabilities.

Liquid assets: Assets that can easily be converted into cash, without penalties or restrictions. Includes cash, bank accounts and investments held in non-registered and TFSA accounts, but excludes pension plans, registered plans and locked-in plans, as well as assets assigned as collateral.

Other assets: Includes non-liquid assets (for example, investments held in pension plans, registered plans and locked-in plans, as well as assets assigned as collateral) and fixed assets (such as real estate, motor vehicles, furniture and equipment).

Liabilities: They are deducted from your gross worth to obtain your net worth. Examples of liabilities include mortgages, car loans and lines of credit.

INVESTMENT OBJECTIVES*

***Important:** product examples are for illustration purposes only. Please speak to your advisor about which investments are available to them as per your advisor's category of registration.

Investment objectives are the goal or result you want to achieve from investing. Understanding your investment goals helps determine the types of investments best suited to meet your needs. The investment products used to meet different goals have varying levels of risk and potential returns.

Safety: This option prioritizes safety and liquidity, making it suitable for conservative investors who prefer stability over potential growth. This is best suited for investors who are risk-averse and/or need immediate access to their funds. Investments that will satisfy this objective include GICs, high-interest savings accounts (HISA) and money market funds.

Income: This approach focuses on generating income with a lower emphasis on capital appreciation. This strategy is ideal for investors seeking consistent income while accepting moderate risk. Investments that will satisfy this objective may include but are not limited to fixed-income investments such as bonds or funds that invest in bonds, preferred shares, covered options, the dividend component of higher yielding common stocks.

Growth: Your focus is on capital appreciation. Current income from investments is not a primary goal. A portfolio with a relatively high proportion of funds that invest in equity-based securities will satisfy this objective if you also have a long time horizon and are willing and able to accept more risk. This strategy is designed for investors who prioritize long-term growth and are comfortable with greater market fluctuations. Appropriate holdings may include but not limited to common shares and Canadian, U.S. or global equity funds.

Speculative: Your focus is pure capital appreciation or to invest in tax-advantaged structures. A portfolio with trading strategies that utilize a significant degree of concentration in specific positions, sectors, or companies, as well as the use of leverage, short selling, and short-term trading. These strategies are intended for investors who are seeking aggressive growth opportunities and are willing to accept significant risk in pursuit of higher returns. Examples include, but are not limited to, alternative strategy, venture capital, some sector equity funds, penny stocks, long options, uncovered options, warrants, flow-through shares, limited partnerships, and leveraged funds.

Balanced or Combined Objectives: It is important to note that the above-noted investment objectives can be combined such that the apportionment of objectives adds to 100%. A balanced fund or a portfolio that includes a mix of fixed income and equity investments will satisfy this objective. This strategy seeks to balance income generation with growth potential. This is suitable for investors who seek a combination of moderate income and moderate growth.

RISK PROFILE*

***Important:** product examples are for illustration purposes only. Please speak to your advisor about which investments are available to them as per your advisor's category of registration.

Your risk tolerance and your risk capacity are separate considerations that, combined, make up your overall risk profile. Your risk profile reflects the lower of how much risk you willingly can take on (your risk tolerance) and your ability to endure potential financial loss (your risk capacity). The investments that you hold in your account should reflect your risk profile. The risk level of investments in your account should not exceed your risk profile. The levels of risk are described below:

Low: You have a very low tolerance for risk and are unable to tolerate any investment losses or you have a very short investment time horizon. You prefer knowing that your capital is safe and are willing to accept lower returns to protect your capital. Investments may include Guaranteed Investment Certificates, High Interest Savings Account, money market funds, low-risk mutual funds, treasury bills, bankers' acceptance notes, and short-term government bonds and coupons.

Low-Moderate: You have a low tolerance for risk and potential loss of capital or a short investment time horizon. You are willing to accept some short-term fluctuations and small losses in your investment portfolio in exchange for modest returns. The primary objective of your investment portfolio will be to provide income by investing primarily in funds that invest in fixed-income securities. While capital appreciation is not a priority, a small portion of the portfolio may be invested in equity funds to provide the potential for some growth to offset the impact of inflation. Investments may include but not limited to bond or some balanced and dividend oriented funds high quality preferred shares, government and corporate bonds (rated).

Moderate: You have a moderate tolerance for risk and loss of capital. You are willing to tolerate some fluctuations in your investment returns and moderate losses of capital. You have at least a medium-term investment time horizon. The objective of your portfolio is to provide growth and long-term capital growth. Note that while your portfolio may include an allocation to fixed income securities you are comfortable with the volatility associated with equity-based investments. If held for a number of years, medium-risk mutual funds offer a greater return potential when compared to low-risk investments (such as Canadian, U.S. and certain international and global equity funds), but they generally exhibit greater short to medium term price fluctuations. Other investments may include but not limited to growth (non-option-eligible) stocks, some equity funds, some foreign government bonds, and lower rated government and corporate bonds

Moderate-High: You have a high tolerance for risk and loss of capital. You are willing to tolerate large fluctuations in your investment returns and moderate to large losses of capital in exchange for potential long-term capital appreciation. You do not have any significant income requirements from your investments. You have at least a medium term investment time horizon. Investments may include but not be limited to growth (non-option-eligible) stocks, some equity funds, some foreign government bonds, and lower rated government and corporate bonds.

High: Your tolerance for risk, portfolio volatility and investment losses is very high. You are willing to tolerate potentially significant and sustained price fluctuations and large losses of capital. You have extensive investment knowledge. You have no income requirements from your investments and have a long investment time horizon. Examples of high-risk investments may include labour-sponsored venture capital funds or funds that invest in specific market sectors or geographic areas such as emerging markets, science and technology, or funds that engage in speculative trading strategies. Securities products rated as high risk in their prospectus or offering document also fall into this category. High-risk investments may include but not limited to hedge funds that invest in derivatives, illiquid investments, stocks trading under \$5, long options, uncovered options, warrants, inverse and leveraged funds. Investment strategies that use aggressive trading such as high concentration, short selling, leverage, short-term trading are also considered high risk.

INVESTMENT TIME HORIZON

The period between now and when you will need to redeem a significant portion (1/3 or more) of the money you invested in this account. The length of your time horizon impacts the types of investments that may be suitable for you. Investors with a longer investment time horizon may

have a greater degree of flexibility when building a portfolio, whereas a short investment time horizon may mean that conservative investments may be the only suitable option.

INTENDED USE OF THE ACCOUNT

The Financial Transactions and Reports Analysis Centre of Canada ("FINTRAC") requires that financial institutions, including the Dealer, record the intended use of each account opened.

DECLARATION OF RESIDENCE FOR TAX PURPOSES

According to Parts XVIII and XIX of the Income Tax Act of Canada, financial institutions must collect residence information for tax purposes in order to determine if a financial account should be reported to the Canada Revenue Agency (CRA). The CRA may disclose this information to the government of a foreign country if a person has a residence there for tax purposes, or to the U.S. government if the person is a U.S. citizen.

The Dealer treats the personal information collected from the Client in a confidential manner. This information is collected and used strictly for the purposes of the Income Tax Act of Canada.

The Client understands that the Dealer, as a financial institution, is required to report to the CRA the necessary information concerning a person who is a resident of a country other than Canada for tax purposes or a citizen of the United States. The CRA may impose a penalty on a person who does not provide this information.

Tax identification number

A tax identification number (TIN) is a unique combination of letters or numbers that a country assigns to an individual to identify the latter for the purposes of administering its tax laws. In Canada, the TIN is the social insurance number (SIN) for a natural person, the business number or Québec enterprise number for a business (BN or NEQ) and the trust number for a trust.

If the Client does not have a TIN, he or she has 90 days to request one. Once a TIN is assigned to the Client, the latter has 15 days to disclose it to his or her financial institution.

Citizen or resident of the United States

According to U.S. law, a citizen or resident of the United States for tax purposes is considered to be:

- Any citizen of the United States (including a U.S.-born person residing in Canada or another country who has not renounced his or her U.S. citizenship) or
- Any U.S.-authorized resident (including a U.S. Green Card Holder) or
- Any permanent resident of the United States

A person may also be considered to be a resident of the United States for tax purposes if he or she spends a sufficiently long period in the United States. U.S. corporations, estates and trusts are also considered to be residents of the United States for tax purposes. If in doubt, the Client should contact his or her tax advisor.

More information about U.S. citizenship, residency, and tax obligations can be found on the Canada Revenue Agency (CRA) or Internal Revenue Service (IRS) websites.

Tax Residence

In general, a person is a resident of a country for tax purposes if, under the laws of that country, they pay or are required to pay taxes because they are domiciled or resident therein, or meet similar criteria. Individuals

who are residents of more than one country for tax purposes may rely on the decisive rules that the tax treaties provide for (when applicable) to resolve the issue of dual residency for tax purposes.

For more information on residency for tax purposes, the Client should consult his or her tax advisor.

INSIDER

Reporting insiders have lawful reporting requirements. The Client should confirm with their employer, legal affairs department or the issuer whether or not they are a reporting insider and understand the reporting obligations, which includes disclosure of being a reporting insider to the Dealer.

A company that has made a public offering by distributing its securities to the public is defined as a "reporting issuer." Canadian securities laws require, without exceptions, that insiders of a reporting issuer report transactions done in respect of any securities issued by said reporting issuer. Canadian securities laws prohibit transactions initiated by an insider when in possession of privileged information concerning the reporting issuer. Under Regulation 55-104 respecting Insider Reporting Requirements and Exemptions, a reporting insider is defined as being:

- The CEO, CFO, COO and the directors of the reporting issuer, of a major subsidiary¹ of the reporting issuer, of a significant shareholder² of the reporting issuer or of any post-conversion³ significant shareholder
- A person or company responsible for a principal business unit, division or function of the reporting issuer or of a major subsidiary
- A significant shareholder or a post-conversion significant shareholder
- A management company that provides significant management or administrative services to the reporting issuer or a major subsidiary of the reporting issuer, every director of the management company, every CEO,

CFO and COO of the management company, and every significant shareholder of the management company

- An individual who performs functions similar to those described above
- The reporting issuer itself, if it has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security and
- Any other insider who:
 - in the ordinary course receives or has access to information as to material facts or material changes concerning the reporting issuer before the material facts or material changes are generally disclosed; and
 - directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of the reporting issuer.

POLITICALLY EXPOSED PERSON (PEP) AND HEAD OF INTERNATIONAL ORGANIZATION (HIO)

These are persons who have been assigned important functions that usually involve the ability to influence decisions and the ability to direct resources. They are distinguished by the influence and control they can exert on political decisions, institutions or rules determining the allocation of financial or other resources.

¹ A major subsidiary is a subsidiary of an issuer whose assets correspond to 30% or more of the consolidated assets of this issuer, or whose revenues correspond to 30% or more of the consolidated revenue of the issuer.

² A significant shareholder, under NI 55-104, is a natural or legal person who has beneficial ownership of, or control or authority over, whether direct or indirect, securities of an issuer carrying more than 10% of the voting rights attached to all the issuer's outstanding voting securities. Post-conversion ownership of securities is also taken into consideration for recognition as a significant shareholder.

³ A "post-conversion" ownership can be considered if the securities are convertible within a 60-day timeframe.

IMPORTANT: A client who is not a PEP or HIO can be treated as a PEP or HIO because of their family ties or close association with a PEP or HIO.

Family member

Some family members of a PEP and HIO must also be considered as PEPs or HIOs. Family members of the person concerned are the following: spouse or common-law partner/child/parent/spouse's parent/ /child of the parent of an affected person (sibling)/ ex-spouse or ex-partner.

Close associate

A person who has close ties to a PEP or HIO for personal or professional reasons. The association does not have to be known to the public. Here are some examples of people closely associated with a PEP or HIO:

- A business partner of a PEP or HIO, or a person who holds, directly or indirectly, a business jointly with a PEP or HIO
- A person engaged in a romantic relationship with a PEP or HIO
- A person engaged in financial transactions with a PEP or HIO
- An important member of the same political party or trade union as a PEP or HIO
- A person on the same board of directors as a PEP or HIO
- A person participating in charities in close connection with a PEP or HIO

PEPs are divided between Politically Exposed Foreigner Persons (PEPs) and Politically Exposed Domestic Persons (domestic PEPs).

Politically Exposed Foreign Person (foreign PEP)

A person who holds or has previously held a position in or on behalf of a foreign state:

- Head of state or head of government
- Member of the executive council of government or member of a legislature
- Deputy minister or equivalent rank
- Ambassador or attaché or counsellor of an ambassador
- Military officer with a rank of general or higher
- Officer of a state-owned company or state-owned bank
- Head of a government agency
- Judge on a supreme court, constitutional court or other final appellate court
- Leader or president of a political party represented in a legislature

These persons are foreign PEP regardless of their citizenship, resident status or place of birth. The foreign PEP status is permanent.

Politically Exposed Domestic Person (domestic PEP)

A person who holds (or has held in the past five years) one of the following positions within or on behalf of the Canadian federal government, a Canadian provincial (or territorial) government or a Canadian municipal government:

- Governor General, Lieutenant Governor or Head of Government
- Member of the Senate or House of Commons or a member of a Legislative Assembly
- Deputy Minister or equivalent rank
- Ambassador or attaché or counsellor of an ambassador
- Military officer with a rank of general or above
- President of a corporation wholly owned by Her Majesty in right of Canada or a province
- Head of a government agency
- Judge of an appellate court in a province, the Federal Court of Appeal or the Supreme Court of Canada
- Leader or president of a political party represented in a legislature

- Mayor, reeve or other similar chief officer of a municipal or local government, including cities, towns, villages and rural (county) or metropolitan municipalities.

A person ceases to be a PEP five years after they have left office or five years after they are deceased.

Head of an International Organization (HIO)

A person who is either (or has been within the last five years):

- The head of an international organization set up by governments of states
- The head of an institution established by an international organization;
- The head of an international sports organization.

A HIO is the primary person who leads the organization, such as its president or chief executive officer. The activities of an institution established by an international organization do not necessarily have an international scope and may be limited to a country or territory.

A person ceases to be a HIO five years after they are no longer the head of an international organization or the head of an institution established by an international organization, or five years after they are deceased.

International Organization (IO)

An international organization is an organization set up by the governments of more than one member country, and is bound by a formal agreement among member countries. The circumstances surrounding the establishment of the organization are therefore crucial in determining whether its leader is (or is not) a HIO. If an IO was created by a formally signed agreement between the governments of more than one country, then the leader of that organization is likely a HIO. The existence of these organizations is lawfully recognized by their member countries but the organizations do not belong to any of the member countries. Examples of IOs: United Nations, International Labour Organization, World Health Organization, International Monetary Fund, Commonwealth, International Criminal Court, Asian Development Bank, etc.

SIGNIFICANT SHAREHOLDER

Under CIRO's Universal Market Integrity Rules (UMIR), a Significant Shareholder is a person (including a corporation or incorporated organization) holding separately, or in combination with other persons, more than 20% of the outstanding voting securities of an issuer.

Regulation concerning communication with the beneficial owners of securities of a reporting issuer – Explanations for clients

Part 1 — Communication of information regarding beneficial ownership

Securities laws allow a reporting issuer, as well as other persons and corporations, to send documents related to the reporting issuer's internal affairs directly to beneficial owners of its securities if these owners do not oppose having personal details, meaning their name, postal address, email address, securities held and preferred language (hereinafter designated as "Personal Details") communicated to the reporting issuer or to other persons or corporations.

You are not required to consent to the disclosure of your Personal Details to the reporting issuer.

Securities legislation limits the use of your Personal Details by a reporting issuer to matters affecting its internal affairs.

If you **consent** to the communication of your Personal Details, please indicate this choice on the Account Opening Form. There are no costs for receiving documents sent to holders of securities.

If you **do not consent** to the communication of your Personal Details, indicate this choice on the Account Opening Form. In this case, all documents you receive as the beneficial owner of securities will be sent to you by the Dealer. Reasonable charges may apply, and will be debited directly from your Account.

In either case, please provide your email address.

Part 2 — Receiving documents for holders of securities

For any security you hold in any of your accounts, you have the right to receive proxy-related materials sent by a reporting issuer to registered holders of its securities in preparation for meetings, enabling you to receive, in particular, all information required to exercise voting rights related to your securities or to have these rights exercised in accordance with your instructions at these meetings. Beneficial owners who are opposed to the communication of their Personal Details will not receive these documents, unless they, or the reporting issuer, assume the costs thereof.

In addition, reporting issuers may send the beneficial owners other documents intended for holders of securities, although they are not obliged to do so.

Under securities laws, you have the right to refuse to receive the three following types of documents intended for holders of securities:

- a) Proxy-related materials, including annual reports and financial statements, sent in preparation for meetings of holders of securities;
- b) Annual reports and financial statements that are not part of proxy-related materials;
- c) Documents that the reporting issuer or another person or corporation sends to holders of securities and that corporate laws or securities laws do not require to be sent to registered holders of securities.

On the Account Application Form you can indicate:

- If you **wish** to receive **all** documents sent to beneficial owners of securities;
- If you **wish** to receive **only** proxy-related materials concerning special meetings;
- If you **do not wish** to receive the three above-mentioned types of documents.

Note 1: Even if you do not wish to receive the three above-mentioned types of documents, the reporting issuers or other persons or corporations have the right to send them to you at their expense. These documents will be sent to you through the intervention of the Dealer if you do not wish your Personal Details to be communicated to the reporting issuers.

Note 2: Even if you do not wish to receive the three above-mentioned types of documents, there are other documents that securities laws prohibit you from refusing to receive.

Part 3 — Consent for electronic transmission of documents

If you consent to receiving documents by email, you confirm to the Dealer that:

- a) You have read and understood the terms of this consent;
- b) You have a computer and an Internet connection meeting the minimum requirements;
- c) The Dealer is not responsible for any miscommunication that may be due, in whole or in part, to limitations or restrictions on your electronic equipment or by your service provider or to damage or malfunctions of your equipment or those of your service provider;
- d) You acknowledge that the Dealer will send you notices or documents within the stipulated time at the email address you have provided and that you are responsible for checking your email on a regular basis in order to consult such documents in a timely manner;
- e) You are responsible for advising your advisor and/or the Dealer in a timely manner of any change of your email address;
- f) The Dealer will have no obligation to send you a hard copy of the documents, unless you revoke your consent to email transmission in accordance with paragraph g) below or you request to obtain, free of charge, the hard copy of any document sent by email. However, hard copies may not be available in all circumstances;
- g) You acknowledge that you are not required to consent to email transmission of documents and that, if you do so consent, you may, at any time, revoke such consent by sending a written notice to the Dealer;
- h) You acknowledge that, notwithstanding your consent to the email transmission of documents, in certain circumstances, the Dealer may be required to send you hard copies of documents.

On the Account Opening Form please specify your choice.

QUESTIONS

If you have any questions or if you wish to change your instructions, please contact your advisor or send him/her a written request at the address shown on your portfolio statement.