



Canadian Investor Protection Fund

# Canadian Investor Protection Fund



# What does CIPF do for investors?

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

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

# What does CIPF cover?

## CIPF COVERS:

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

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

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

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## CIPF DOES NOT COVER:

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

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

1. **Eligible Customer:** Customers of an insolvent member firm are generally eligible, unless they are in the list of ineligible customers in the CIPF Coverage Policy. Ineligible customers include a director of the firm or an individual who contributed to the firm's insolvency.
2. An **Eligible Account** must be:
  - Used for transacting securities or commodity and futures contracts business, and
  - Fully disclosed in the records of the member firm, which would normally be shown by receipts, contracts and statements that have been issued to you by the member firm.

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

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

## HOW DOES COVERAGE WORK?

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

## WHAT ARE THE COVERAGE LIMITS?

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

1. \$1 million for all general accounts combined (such as cash accounts, margin accounts, FHSAs and TFSAs), plus
2. \$1 million for all registered retirement accounts combined (such as RRSPs, RRIFs, LIRAs and LIFs), plus
3. \$1 million for all registered education savings plans (RESPs) combined where the client is the subscriber of the plan.

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

**Your  
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in  
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Protection**





iA Private Wealth Inc.  
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Montreal, QC H3A 2Y1

[iaprivatewealth.ca](http://iaprivatewealth.ca)

iA Private Wealth is a trademark and business name  
under which iA Private Wealth Inc. operates.

Check the Member Directory  
on CIPF's website to confirm  
you are dealing with a CIPF  
member firm.



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For more information on CIPF,  
please visit [www.cipf.ca](http://www.cipf.ca) or call  
toll-free at 1.866.243.6981  
or 416.866.8366 or e-mail  
[info@cipf.ca](mailto:info@cipf.ca).



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# How CIRO protects investors



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

CIRO works to protect investors. Here is how:



### Rules and Standards

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



### Oversight

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



### Registration and Education Requirements

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



### Putting Your Interests First

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



### Keeping You Informed

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





## Addressing Your Complaints

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



## Ombudsman

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

Learn more at [obsi.ca](https://obsi.ca)



## CIPF Protection

Your account is eligible for CIPF protection if your CIRO regulated firm becomes insolvent.

Learn more at [cipf.ca](https://cipf.ca)

## Questions?

Contact us:

1-877-442-4322



[ciro.ca](https://ciro.ca)



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# How to Make A Complaint





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

### **You Can Make a Complaint to Your Investment Firm**

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

### **About CIRO**

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



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## You Can Also Complain Directly to CIRO

If you feel there has been misconduct in the handling of your account we want to hear from you. You can complain to CIRO directly and we can investigate to determine if your advisor or firm has broken our rules and, if necessary, take disciplinary action. Disciplinary action can include fines or suspensions for firms or advisors that have broken our rules. You can make a complaint to CIRO, at any time, whether or not you have complained to your firm. However, CIRO does not order compensation to investors. If you are seeking compensation, the first step is to make a complaint to your investment firm. You can also consider the options described on the pages that follow.

We can be contacted by:

- 1 Completing the easy and convenient online complaint form at [ciro.ca](http://ciro.ca)
- 2 By email at [info@ciro.ca](mailto:info@ciro.ca)
- 3 By telephone at 1-877-442-4322
- 4 Fax at 1-888-497-6172
- 5 40 Temperance Street, Suite 2600  
Toronto, ON M5H 0B4

## Examples of Complaints We Investigate

Your firm or advisor:



Recommended investments that were too risky for you;



Made trades in your account without your permission or used your funds in ways that you were unaware of;



Charged you fees that were not explained to you;



Signed forms on your behalf without your knowledge.

## If You Are Seeking Compensation You Have Options

### The Ombudsman for Banking Services and Investments (OBSI)

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

You can contact OBSI at:

- 1 1-888-451-4519
- 2 [ombudsman@obsi.ca](mailto:ombudsman@obsi.ca)
- 3 [obsi.ca](http://obsi.ca)
- 4 20 Queen Street West, Suite 2400  
P.O. Box 8  
Toronto, ON M5H 3R3



### Other Options

#### Going to Court

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

#### Arbitration

Arbitration is a process where a qualified arbitrator, chosen in consultation with both you and the investment firm, hears both sides and makes a final, legally binding decision about your complaint. This option is available if your CIRO firm is an investment dealer. There are costs to using arbitration, though often less than going to court. The arbitrator acts like a judge and reviews facts presented by each side of the dispute. Either side can choose to be represented by a lawyer, though this is not required. Arbitrators in the CIRO arbitration program can award up to \$500,000.

## Provincial and Territorial Securities Regulators

### Quebec

If you live in Quebec, in addition to the options previously described, you can use the free services of the **Autorité des marchés financiers** (AMF). If you are dissatisfied with the firm's handling of the complaint or the outcome, you can request to have the complaint examined by the AMF. The AMF will assess the complaint and may offer conciliation and mediation services, though firms are not required to participate.

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

For more information on the AMF:

- 1 1-877-525-0337
- 2 [lautorite.qc.ca/en](http://lautorite.qc.ca/en)



### Other Provinces or Territories

Some provincial or territorial securities regulators can, *in certain cases*, seek an order that a person or company that has broken securities law pay compensation to harmed investors who make a claim. These orders are enforced similar to court judgments.

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



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

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



[ciro.ca](https://ciro.ca)



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# Opening an Investment Account

A Guide for Investors



## Opening an account through an advisor

### “Why so many questions?”

Firms and individuals working with you must make recommendations suitable to your circumstances.

Before proposing any investments or activity, your advisor must work with you to determine what types of investments fit your immediate and long-term financial needs. The “know-your-client” standard is important for investor protection.

#### Your advisor should ask:

- What is your investing experience?
- What is your financial situation?
- What is your investing time horizon?
- What are your investment goals?
- How much risk are you able and willing to tolerate?
- Would you like to appoint a TCP?

#### You should ask your advisor:

- Are you registered with a firm?
- What are your qualifications?
- What is your investment approach?
- How are you compensated?
- What kind of products can you sell?

### Naming a Trusted Contact Person (TCP)

A TCP acts like an emergency contact for your account, although they cannot make financial decisions or account changes.

A TCP should be an individual you trust and can help safeguard your assets when there is an emergency or potentially suspicious activity.

### Keeping your information up to date

Your advisor is required to keep your information current and should check in with you periodically to confirm its accuracy (at least once every 3 years). As a best practice, you should also keep your advisor up to date on any changes.

**Always** check advisor registration



CIRA's AdvisorReport



CSA's National  
Registration Search

## Opening an account on your own (Do-It-Yourself)

### “What does it mean to DIY?”

Do-it-yourself (DIY) investing is a method in which individual investors choose to build and manage their own portfolios. It is also known as self-directed investing.

Do-it-yourself investors commonly utilize discount brokerages and investment account platforms.

**These dealers are not permitted to provide their clients with investment recommendations.**

### What information do I provide?

Dealers allowing DIY are exempt from determining suitability and do not need to collect all personal information.

However, these firms still need to obtain certain client financial information in order to meet their account appropriateness assessment, anti-money laundering and other obligations.

## Information you need to provide

To meet CIRO, tax and legal requirements, and to protect against money laundering and fraud, advisors/firms must obtain certain personal information when you open an account, including:

- Your full legal name
- Social Insurance Number
- Your citizenship
- Spousal information
- Home address
- And more

### To prove your information

To validate this information, you may be asked to provide the following:

- Passport
- Driver's license
- Proof of citizenship
- Birth certificate (if under 21)

### Sign here

You'll be asked to provide a signature (electronic or physical) on several documents to consent to use email, specify info you want to receive, and more.

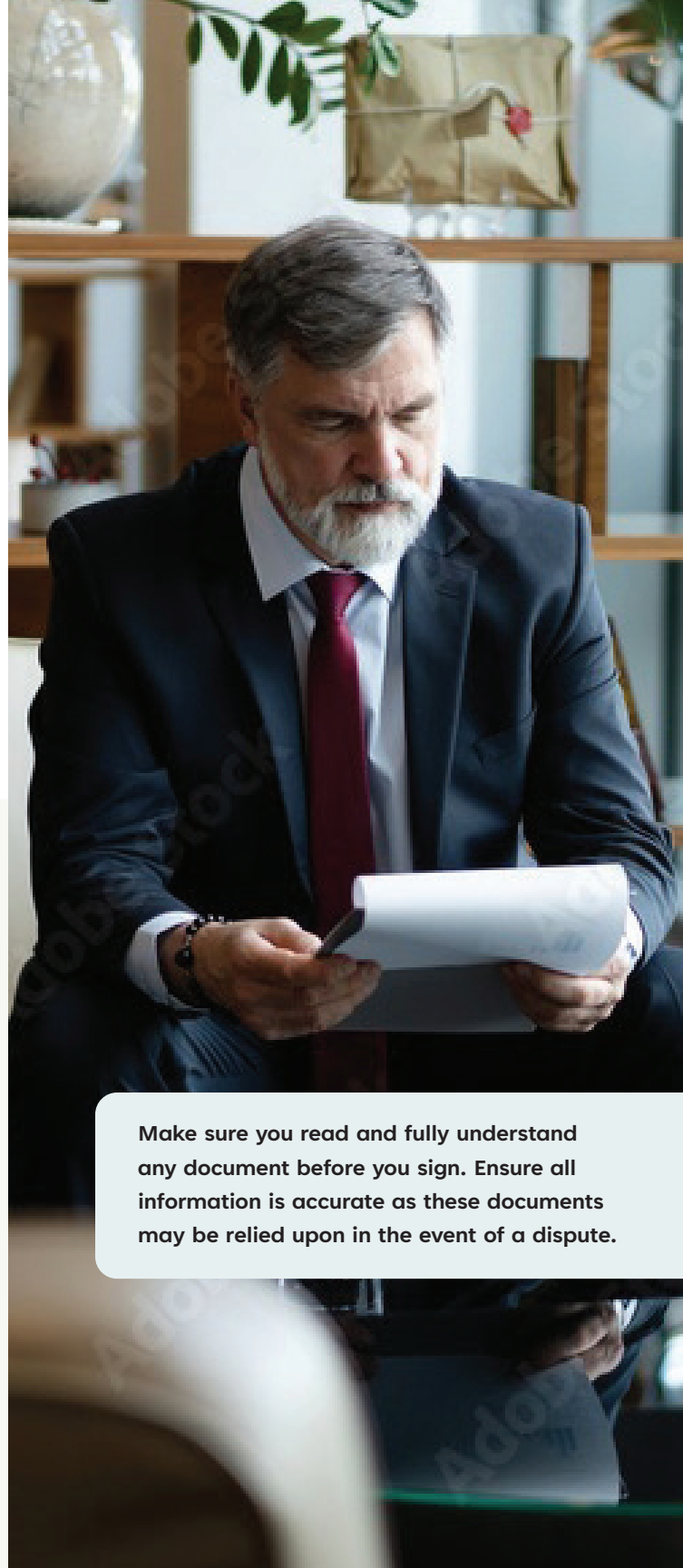
## Information you need to receive

- CIRO brochures:
  - “How CIRO Protects Investors”
  - “How to Make a Complaint”
- Relationship Disclosure Agreement, which outlines the firm’s products and services, fee structure, and more.
- Service or referral fees
- Risks of Borrowing to Invest

## Privacy

Under federal and/or provincial privacy legislation requirements, you must be provided with the firm’s privacy statement, which sets out when and how your firm may use your personal information.

**Make sure you read and fully understand any document before you sign. Ensure all information is accurate as these documents may be relied upon in the event of a dispute.**





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CIRO works to protect investors. Opening an investment account with a CIRO Member is an important first step in your investing journey.

If you're not sure about something, ask your advisor, the firm, or CIRO at 1-877-442-4322.



[ciro.ca](https://ciro.ca)



## **STRIP BONDS AND STRIP BOND PACKAGES INFORMATION STATEMENT**

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

### **Preliminary Note Regarding the Scope of this Information Statement**

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

Strip securities may also be based on Canadian corporate bonds. While some of the information in this Information Statement may also be relevant to corporate bond-based strips, corporate bond-based strips are outside the scope of this Information Statement. If you are planning to purchase a strip or strip package based on a corporate Canadian bond, please note that such securities are not governed by the regulations referred to above, but rather, may be subject to certain decisions issued by Canada's securities regulatory authorities exempting certain Canadian corporate bond-based strip securities from various regulatory requirements, including Section 2.1 of National Instrument 44-102 – *Shelf Distributions* and Section 2.1 of National Instrument 44-101 – *Short Form Prospectus Distributions*. See e.g. *RBC Dominion Securities Inc. et al.*, (2013) 36 OSCB 3867 (Apr. 8), online: [www.osc.gov.on.ca/en/SecuritiesLaw\\_ord\\_20130411\\_2110\\_rbc-dominion.htm](http://www.osc.gov.on.ca/en/SecuritiesLaw_ord_20130411_2110_rbc-dominion.htm). Pursuant to each such decision, Canadian securities dealers file with the applicable Canadian securities regulatory authorities a short form base shelf prospectus and certain supplements thereto, pursuant to which certain Canadian corporate-bond based strip securities may be distributed on an on-going basis without a full prospectus (the “CARs<sup>1</sup> and PARs<sup>2</sup> Programme”). For each decision, the applicable shelf prospectus and its supplements may be found on the System for Electronic Document Analysis and Retrieval or “SEDAR” at [www.sedar.com](http://www.sedar.com).

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

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<sup>1</sup> CARs are corporate strip bonds comprised of coupon and residual securities.

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

### **Strip Bonds and Strip Bond Packages (“Strips”)**

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

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

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

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

### **Strips vs. Conventional Bonds**

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

- strips are sold at a discount to face value and mature at par, similar to T-bills. Unlike conventional interest-bearing debt securities, strips do not pay interest throughout the term to maturity; rather, the holder is entitled to receive a fixed amount at maturity. The yield or interest earned is the difference between the discounted purchase price and the maturity value; thus, for a given par value, the purchase price for a strip will typically be lower the longer the term to maturity;
- a strip with a longer term to maturity will generally be subject to greater price fluctuations than a strip of the same issuer and yield but with a shorter term to maturity;
- strips typically offer higher yields over T-Bills, GICs and term deposits, and over conventional bonds of the same issuer, term and credit rating;

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

- the higher yield offered by strips reflects their greater price volatility. Like conventional bonds, the price of a strip is inversely related to its yield. Thus, when prevailing interest rates rise, strip prices fall, and vice versa. However, the rise or fall of strip prices is typically more extreme than with conventional bonds of the same issuer, term and credit rating. The primary reason for this greater volatility is that no interest is paid in respect of a strip bond prior to its maturity;
- unlike conventional bonds that trade in \$1,000 increments, strips may be purchased in \$1 multiples above the minimum investment amount, thereby enabling a holder to purchase a strip for any desired face value amount above the minimum investment amount; and
- strips are less liquid than conventional bonds of the same issuer, term and credit rating: there may not be a secondary market for certain strips and strip bond packages, and there is no requirement or obligation for investment dealers or financial institutions to maintain a secondary market for strips sold by or through them; as a result, purchasers should generally be prepared to hold a strip to maturity, since they may be unable to sell it—or only able to sell it at a significant loss—prior to maturity.

### **Dealer Mark-ups and Commissions**

When purchasing or selling a strip bond or a strip bond package, the prospective purchaser or seller should inquire about applicable commissions (mark-ups or mark-downs) when executing the trade through an investment dealer or financial institution, since such commissions will reduce the effective yield (if buying) or the net proceeds (if selling). Investment dealers must make reasonable efforts to ensure the aggregate price, inclusive of any mark-up or mark-down, is fair and reasonable taking into consideration all reasonable factors. Commissions quoted by investment dealers generally range between \$0.25 to \$1.50 per \$100 of maturity amount of the strip, with commissions typically at the higher end of this range for small transaction amounts, reflecting the higher relative costs associated with processing small trades.

The table below illustrates the after-commission yield to a strip holder with different terms to maturity and assuming a before-commission yield of 5.5%. All of the yield numbers are semi-annual. For example, a strip bond with a term to maturity of one year and a commission of 25 cents per \$100 of maturity amount has an after-commission yield of 5.229%. The before-commission cost of this particular strip bond will be \$94.72 per \$100 of maturity amount while the after-commission cost will be \$94.97 per \$100 of maturity amount. In contrast, a strip bond with a term to maturity of 25 years and a commission of \$1.50 per \$100 of maturity amount has an after-commission yield of 5.267%. The before-commission cost of this particular strip bond will be \$25.76 per \$100 of maturity amount while the after-commission cost will be \$27.26 per \$100 of maturity amount.<sup>4</sup>

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<sup>4</sup> The purchase price of a strip bond may be calculated as follows:

$$\text{Purchase Price} = \text{Maturity (Par) Value} / (1 + y/2)^{2n}$$

where “y” is the applicable yield (before or after commission) and “n” is the number of years until maturity. For example, the purchase price (per \$100 of maturity value) for a strip bond that has a yield of 5.5% and 25 years until maturity is:  $100/(1+0.0275)^{50} = \$25.76$ .

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

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

### **Secondary Market and Liquidity**

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

### **Other Risk Considerations**

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

*Credit risk of the issuer* – strips represent a direct payment obligation of the government or corporate issuer, thus any change to an issuer’s credit rating or perceived credit worthiness may affect the market price of a strip, and the impact may be more severe than the impact on conventional bonds of the same issuer.

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

the yield of the strip at the time of purchase, the market value of the strip may fall below the original price of the strip.

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

*Currency risk* – strips may pay out in a currency other than Canadian dollars. Currency fluctuations may enhance, nullify or exacerbate your investment gains or losses.

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

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

Market Price Volatility

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

**Custodial Arrangements**

Due to the high risk of forgery, money laundering and similar illegal activities—and the costs associated with such risks—with physical strips and bearer instruments, most investment dealers and financial institutions will only trade or accept transfer of book-based strips. CDS Clearing and Depository Services Inc. (“CDS”) provides strip bond services, including book-based custodial services for strips and underlying bonds. Custodian banks or trust companies may also create and take custody of strips that are receipt securities, and may permit holders to obtain a registered certificate or take physical delivery of the underlying coupon(s) or residue(s). However, if the holder decides to take physical delivery, he or she should be aware of the risks,

including the risk of lost ownership, associated with holding a bearer security which cannot be replaced. In addition, the holder should be aware that the secondary market for physical strips may be more limited than for book-based strips due to the risks involved. Investors in strip components held by and at CDS are not entitled to a physical certificate if the strips are Book Entry Only.

### **Canadian Income Tax Summary**

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

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

### ***Qualified Investments***

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

### ***Annual Taxation of Strip Bonds***

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

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

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

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

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

***Disposition of Strip Bonds Prior To Maturity***

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

***Strip Bond Packages***

For tax purposes, a strip bond package is considered a series of separate strip bonds with the income tax consequences as described above applicable to each such component of the strip package. Thus a purchaser of a strip bond package will normally be required to make a calculation in respect of each component of the strip bond package and then aggregate such amounts to determine the notional interest accrued on the strip bond package. As an alternative, in cases where the strip bond package is issued at or near par and is kept intact, the Canada Revenue Agency will accept tax reporting that is consistent with reporting for ordinary bonds (i.e., reported on a T5 tax slip as accrued interest where it is matched by cash flow), including no obligation to report premium or discount amortization where the strip bond package is subsequently traded on the secondary market.

\* \* \* \* \*

# Administration Fees

Effective January 2025

With approximately \$55 billion in assets under administration, iA Private Wealth is a full-service brokerage firm offering tailored wealth management solutions through a network of more than 500 independent Investment Advisor teams.

## Annual Fees<sup>1</sup>

Account Type	Fee
Registered savings plan (RSP, LIRA and spousal RSP) <sup>2</sup>	\$125/year
Retirement income fund (RIF, LIF)	\$125/year
Group registered savings plan	\$50/year
Registered savings plan holding only mutual funds <sup>3</sup>	\$50/year
Registered savings plan holding only GICs <sup>3</sup>	\$50/year
Registered accounts under fee-based or managed programs <sup>4</sup>	No fee
Registered education savings plan	\$25/year
Registered disability savings plan	\$75/year
Tax-free savings account (TFSA)	\$50/year
First Home Savings Account (FHSA)	\$25/year

<sup>1</sup> Annual administration fees apply to each self-directed account. The maximum amount charged for holders of multiple accounts is \$250 (based on social insurance number).

<sup>2</sup> A \$60 fee is applied for each additional plan.

<sup>3</sup> For all registered savings plans, excluding FHSAs and RESPs.

<sup>4</sup> Registered Plans in households below \$100,000 in total assets are subject to the annual Administration Fees unless they are part of a Unified or Separately Managed Account Program, such as Elite UMA, iAPW Strategic Portfolios, Diversiflex, Vintage or iA WealthAssist.

The administration fees for your registered plans are billed annually in the month of June.

All fees are taxable based on the client's province of residence.

## Service Charges

Fee Type	Fee
Partial account transfer to another institution	\$100
Account transfers to another institution	\$175/acc.
Certificate registration	\$100/cert.
Partial plan withdrawal: RSP, HBP	\$50
Full plan deregistration	\$150
Certified cheque	\$25
Inactive account fee <sup>5</sup>	\$50/year
Cheque – insufficient funds	\$30
Cheque stop payment	\$25
Rush transfer	\$250/cert.
Wire transfer	\$25
Ineligible mutual fund	\$10/month
Safekeeping	\$10/month
Search of records	\$50/½ hour

<sup>5</sup> This fee applies to non-registered accounts valued at \$10,000 or less that hold securities and have not transacted in the past 12 months.



INVESTED IN YOU.

Administration fee information will be communicated to you in your monthly statement when billed. For trades in a currency other than the currency of the account, we convert any amount deposited to or withdrawn from your account into the currency of your account. The foreign currency charged to your account, includes our spread-based revenue, which is the difference between the rate we obtain from the market and the rate that we charge to our retail clients. The foreign currency conversion rate and our spread will depend on market fluctuations as well as the amount, date and type of foreign currency transaction. We may use a different day for: (a) mutual fund transactions; (b) transactions that you and we agree on; and (c) other transactions we deem necessary. The trustee for your registered plans is Industrial Alliance Trust Inc. If you hold a registered education savings plan or registered disability savings plan, your trustee will be NATCAN Trust Company. Some fees are taxable. iA Private Wealth Inc. is a member of the Canadian Investor Protection Fund and the Canadian Investment Regulatory Organization. iA Private Wealth is a trademark and business name under which iA Private Wealth Inc. operates.



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# CLIENT RELATIONSHIP DISCLOSURE

This Client Relationship Disclosure ("CRD") is one of the first steps in helping you make the right decisions about your investments with iA Private Wealth Inc. ("iAPW"). Presented in compliance with applicable regulations, this guide outlines the products and services we offer to you and the various accounts you can open with us, along with our obligations and your responsibilities when you open your account with us.

Reviewing this document will provide you with a good understanding of the following:

- The types of accounts, products and services we offer;
- Documents you will receive once you open your account(s);
- The fees and charges associated with your account(s);
- How we evaluate the suitability of investments in your account(s);
- Reports you will receive related to your account(s);
- How we manage conflicts of interest; and
- How you can resolve any issues you may have with your account.

iAPW is a dealer member of the Canadian Investment Regulatory Organization ("CIRO"), the national self-regulatory organization that is carrying on the regulatory functions of the former Investment Industry Regulatory Organization of Canada ("IIROC") and the Mutual Fund Dealers Association of Canada ("MFDA"). iAPW has both an investment dealer registration ("Investment Dealer") and a mutual fund dealer registration ("Mutual Fund dealer") under securities legislation in all Canadian jurisdictions.

## ACCOUNT, PRODUCTS AND SERVICES

iAPW offers a complete range of financial products and services designed to meet your specific needs.

Note: All accounts, products and services listed below can be offered by both iAPW's Investment Dealer and Mutual Fund Dealer, unless otherwise indicated.

### Advisory accounts

You may open either a commission-based or a fee-based advisory account. With an advisory account, you will need to speak to your Investment Advisor prior to making any transaction in your account (whether buying or selling). Your Investment Advisor is responsible for making unbiased suitable recommendations to you and is responsible for the advice they provide, and in doing so must show an appropriate degree of prudence and good faith. All investment recommendations made must be suitable for you having regard to your financial and personal circumstances and put your interests first.

Your Investment Advisor can help you decide whether to open a commission-based or fee-based advisory account. With commission-based accounts you pay commissions on every trade, and with fee-based accounts, you will be charged fees based on the value of your assets at the end of each month.

### Managed account (Investment Dealer only)

In a managed account, investment decisions will be made by your Portfolio Manager on a discretionary basis. Your Portfolio Manager will not make any recommendations and you will not have any decisions to make as your account will be managed according to your investment objectives, risk profile, time horizon, and your other personal and financial circumstances which are incorporated into your Investment Policy Statement. Ongoing suitability is provided as part of the managed account services, which means your Portfolio Manager will make investment decisions for your account that are suitable for you, based on the above factors, and in ways that put your interests first.

Account fees will be based on a pre-established agreement with your Portfolio Manager as detailed in the Managed Account Agreement.

### Third-party managed account (Investment Dealer only)

In a third-party managed account, investment decisions will be made by an external Portfolio Manager as selected by you and iAPW. The external Portfolio Manager will not make any recommendations and you will not have any decisions to make as your account will be managed according to your investment objectives, risk profile, time horizon and your other personal and financial circumstances. Ongoing suitability is provided as part of the managed account services, which means your external Portfolio Manager will make investment decisions for your account that are suitable for you, based on the above factors, and in ways that put your interests first.

Account fees will be based on a pre-established agreement with your external Portfolio Manager as detailed in the Managed Account Agreement.

### Separately Managed Account ("SMA") and Unified Managed Account ("UMA") (Investment Dealer only)

In a SMA and UMA, your account will utilize a Portfolio or Investment Manager with iAPW, an iAPW affiliate or a third-party, which includes sub-advisors of model portfolio investment products and overlay portfolio management. Participation in a third-party model portfolio may result in additional charges and fees that, if applicable, will be contained in their product offering documents. An iAPW, or third-party, Portfolio/Investment Manager or sub-advisor will provide, or be involved with, continuous discretionary investment management services to you for the assets in your UMA account (and select SMA accounts) that is separate and distinct from assets in your other accounts, if any. We use a third-party service provider for administrative services including (but not limited to) trade execution and rebalancing activities.

Your iAPW Investment Advisor, together with you, will select one or more available SMA or UMA portfolios or UMA sleeves based on the investment objectives, risk tolerance and your overall risk profile as provided in your iAPW account forms and investment policy statement ("IPS"). You should understand that the Portfolio/Investment Manager or sub-advisor makes certain assumption when presenting its data, which may include and is not limited to the timing and diligence of portfolio rebalancing, the execution of transactions and applicable fees or expenses. Therefore, you acknowledge that there is no expectation that model returns, as applicable, will be the same as actual portfolio performance and that past performance is not indicative of future performance.

Throughout this document, the term Investment Advisor applies to Investment Advisors who are registered with the iAPW Investment Dealer or Mutual Fund Dealer. Investment Advisors who are registered as a Mutual Fund Dealer - Dealing Representative ("MFD-DR") can only make investment recommendations on securities for which they have proficiency (such as mutual funds and exchange traded funds ("ETFs")). Investment Advisors who are registered as Registered Representatives ("RRs") are permitted to make investment recommendations on mutual funds, ETFs as well as other securities. The term Portfolio Manager applies to the iAPW Investment Dealer activities only.

Your Investment Advisor or your Portfolio Manager, depending on your account, will make recommendations or decisions, as the case may be, that we consider suitable for your financial and personal circumstances and that put your interest first. If your RR works on a team with a MFD-DR, the RR will be solely responsible for assessing suitability for securities-related trades for which the MFD-DR does not have proficiency. The RR will also be responsible for assessing suitability at the account level before the MFD-DR places a trade in your account for a product for which the MFD-DR has proficiency (such as mutual funds, ETFs) if your account also holds other securities. If your account holds only products for which the MFD-DR has proficiency (such as mutual funds and ETFs) then both the RR and the MFD-DR can assess suitability and place trades in your account. Your responsibility, based on your Investment Advisor's or Portfolio Manager's recommendations or decisions, is to take ownership of your investment decisions. In particular, you should tell us about any significant change in your financial and personal affairs so we can make sure to make suitable recommendations and decisions for your account.

### TYPES OF ACCOUNTS

The following account types are available for both advisory accounts and managed accounts (Investment Dealer only):

#### Non-registered accounts

- **Cash account:** An account in which you are required to pay for securities in full. You must pay for the securities in full prior to the settlement date.
- **Margin account:** An account in which you are permitted to borrow funds based on the value of securities held in your account.
- **Option account (Investment Dealer only):** An account with a margin in which options may be traded.
- **Short sale account (Investment Dealer only):** A margin account in which you may sell, under certain conditions, securities that you do not own.
- **Delivery Against Payment ("DAP") or Receipt Against Payment ("RAP") (Investment Dealer only):** An account where payments are settled through another financial institution or other brokerage firm that also acts as securities custodian.
- **High Interest Savings Account:** An account that offers higher than typical interest rates.

#### Registered accounts

- **Self-directed Registered Retirement Savings Plan ("RRSP"):** A savings account in which your contributions are tax deferred until the age of 71. We also offer you the ability to open a U.S. currency component of an RRSP plan, which will allow you to hold U.S. securities and settle trades in U.S. dollars.
- **Locked-in plans:** Tax deferred accounts that hold funds transferred from a pension plan.
- **Tax-Free Savings Account ("TFSA"):** A type of registered plan account which allows a wide range of eligible investment products, the growth of which is tax-sheltered.
- **First Home Savings Account ("FHSA"):** A registered plan account which allows a wide range of eligible investment products, the growth of which is tax-free (up to certain limits) for prospective first-time home buyers.
- **Registered Education Savings Plan ("RESP"):** An investment account to save for a child's post-secondary education. Government grants and incentives are available to help build your RESP savings.
- **Registered Disability Savings Plan ("RDSP"):** A savings plan that is intended to help parents and others save for the long term financial security of a person who is eligible for the disability tax credit. Contributions to an RDSP are not tax deductible and can be made until the end of the year in which the beneficiary turns 59. Contributions that are withdrawn are not included as income to the beneficiary when they are paid out of an RDSP. However, the Canada disability savings grant, the Canada disability savings bond, investment income earned in the plan, and the proceeds from rollovers are included in the beneficiary's income for tax purposes when they are paid out of the RDSP.
- **Registered Retirement Income Fund ("RRIF"):** A type of investment account used to transfer assets from your RRSP, Registered Pension Plan or from another RRIF. This type of account has certain restrictions such as limits on how much you can withdraw in any year. For RRIF accounts that have a market value of five thousand dollars or less, we are authorized to issue a cheque for the balance of the account and then close the account. You acknowledge that this payment may be greater than the minimum and applicable withholding taxes will apply.
- **Individual Pension Plan ("IPP"):** An employer-sponsored defined benefit pension plan under which self-employed individuals are permitted to accumulate retirement income on a tax-deferred basis within defined limits.

### PRODUCTS AND SERVICES

Before investing in any specific investment, partner with your Investment Advisor to ensure you fully understand how the particular investment works and identify all costs connected to it. Make sure it aligns with your objectives, risk profile and time horizon, as well as your other personal and financial circumstances. The better the potential performance of an investment, the higher the risk. Investments with high returns and low risk simply do not exist. To take advantage of the potential "best" performance, you must accept the associated risks.

Generally, the investments that we recommend to you will be able to be readily liquidated or redeemed, as applicable. If this is not the case, your Investment Advisor will inform you of any restrictions.

#### **Products Offered at the iAPW Mutual Fund Dealer**

iAPW offers advisory services and the following investment products to its clients through its Mutual Fund Dealer:

- Mutual funds offered by prospectus
- Principle protected notes (“PPNs”)
- Guaranteed investment certificates (“GICs”)
- Liquid alternative mutual funds
- Exchanged traded funds (“ETFs”)

#### **Products Offered at the iAPW Investment Dealer**

iAPW offers a complete range of financial products and services through its investment dealer. While we do offer investment products that are managed, sponsored or administered by parties related to us, you are not restricted to only investing in those products.

To help you meet your investment goals, iAPW offers the products listed below through its Investment Dealer and Mutual Fund Dealer, unless otherwise indicated:

#### **Cash and cash equivalents**

This includes money in your bank account and investments that are like cash because they are generally very safe and give you quick access to your money, but they have relatively low rates of return compared to other kinds of investments. Some examples are:

- **Treasury bonds**
- **Savings bonds**
- **Guaranteed Investment Certificates (“GIC”)**
- **Money Market Funds**
- **High Interest Savings Accounts**

#### **Fixed income securities (Investment Dealer only)**

When you buy a bond or other “fixed income security”, you are lending your money to a government or corporation for a certain period of time. In return, they promise to pay you a fixed rate of interest at certain times and to repay the “face value” at the end of the bond’s term (its maturity date).

- **Bonds**
- **Debentures**
- **Stripped bonds (strips)**
- **Mortgage-backed securities (“MBS”)**

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## **YOUR ACCOUNT DOCUMENTATION**

At the time of account opening, you will complete a New Client Application Form with your Investment Advisor or your Portfolio Manager. If you open a managed account (Investment Dealer only), you will complete an Investment Policy Statement with your Portfolio Manager.

#### **Trusted Contact Persons and Temporary Holds**

Securities regulations effective December 31, 2021 require iAPW to ask you for the name and contact information for a person that you trust, who is mature, has the ability to communicate and engage in potentially difficult conversations about your personal situation and preferably is not involved with making decisions with respect to your account (Trusted Contact Person or TCP) at account opening and on a periodic basis.

If applicable in your particular circumstances, we may, in our sole discretion, contact your TCP or your legal representative on file with us, if we notice signs of financial exploitation or if you exhibit signs of diminished mental capacity for decisions involving financial matters relating to your account(s). iAPW may also contact your TCP to confirm your contact information if we are unsuccessful in contacting you after repeated attempts, particularly if failure to contact you is unusual. We may ask the TCP to confirm the name and contact information of a legal representative (e.g. attorney under a power of attorney or a legal guardian). You can change your TCP by contacting your Investment Advisor or Portfolio Manager.

You have agreed to: (i) notify the TCP that you have identified them as your trusted contact, and advise us if they decline to serve as your TCP; and (ii) release us from all claims that relate to any decision we make regarding whether or not to contact the TCP, in your personal circumstances, and any information that we may share with the TCP.

If iAPW has a reasonable belief that you are being financially exploited or that you are experiencing diminished mental capacity which may affect your ability to make decisions involving financial matters relating to your account(s), we may place a temporary hold on your account or a particular transaction. We will provide you with a verbal or written notice explaining our actions, in addition to contacting your TCP, if any, as above.

#### **Account Documentation**

Your Investment Advisor or Portfolio Manager will provide you with a copy of this Client Relationship Disclosure and the applicable Client Account Agreement for the type of account you open. After opening your account, we will provide you with several documents containing the information you need to play an active role in monitoring your accounts and your investments. These documents include:

#### **Equities (Investment Dealer only)**

When you buy stocks or “equities”, you become a part owner in a business. You may be entitled to vote at the shareholders’ meeting and will receive any profits (in the form of dividends) the company allocates to its shareholders. These profits are called dividends.

- **Common shares**
- **Flow-through shares**
- **Preferred shares**
- **Rights and warrants**
- **Investment funds**

Examples of investment funds include:

- **Mutual funds**
- **Liquid alternative mutual funds (for Mutual Fund Dealer, Investment Advisor alternative mutual fund proficiency is required)**
- **Other alternative investment funds, including hedge funds (see below) (Investment Dealer only)**
- **Exchange Traded Funds (“ETFs”) (for Mutual Fund Dealer, Investment Advisor ETF proficiency is required)**
- **Segregated funds, which is an insurance product**
- **Labour-sponsored investment funds (“LSIFs”)**

Alternative mutual funds are a type of mutual fund that can invest in non-traditional investment assets or use complex investment strategies in ways that are not available to conventional mutual funds. For example, an alternative mutual fund may invest in physical commodities without restrictions, use derivatives, short-sell securities or borrow cash for investing.

#### **Alternative investments**

Alternative investments represent some of the most complex types of investments. For this reason, they usually have higher-than-average risk in return for higher-than-average return potential. Alternative investments are typically meant for very knowledgeable investors or investors who can afford to take higher risks and get specialized advice.

- **Options (Investment Dealer only)**
- **Income Trusts (for Mutual Fund Dealer, only income trust mutual funds are permitted)**
- **Limited partnerships, including flow through limited partnerships (Investment Dealer only)**
- **Principal protected notes (“PPNs”)**
- **Hedge funds (Investment Dealer only)**
- **Real estate, infrastructure and venture capital funds (Investment Dealer only)**

- Copy of your Client Application Form completed by you, which includes an acknowledgement that you received this Client Relationship Disclosure and your Client Account Agreement, and also includes the name of your TCP, if applicable
- Your Client Account Agreement(s) applicable to the type(s) of account(s) you hold
- Your IPS if you open a managed account (Investment Dealer only)
- Administration and Service Fees Schedule
- Strip Bonds and Strip Bond Packages Information Statement
- Brochures issued by CIRO:
  - “How CIRO Protects Investors”
  - “How to Make a Complaint”
  - “Opening an Investment Account”
- Canadian Investor Protection Fund\* (“CIPF”) brochure

\*Please note that clients’ accounts at CIRO Dealer Members are protected by the CIPF’s Investment Dealer Fund in accordance with its Coverage Policy. A brochure describing the scope and nature of coverage, as well as the limitations and exclusions of coverage, is included in the iAPW Client Welcome Package. It is also available upon request or at [www.cipf.ca](http://www.cipf.ca).

#### **Limited Authorization Form (Mutual Fund Dealer only)**

Your Investment Advisor has discussed with you and you understand the terms and conditions of the Limited Authorization Form, if applicable, and you understand that you must provide your Investment Advisor with investment instructions either in writing, by telephone, fax or email in order for your Investment Advisor to trade using the Limited Authorization Form.

#### **Assignment of Accounts between Affiliated Firms**

In the event that your Investment Advisor or you request a transfer of your mutual fund only account or exchange-traded fund account at iAPW to Investia Financial Services Inc. (Investia), an affiliated iA Financial Group entity that is registered under securities legislation as a mutual fund dealer, you authorize iAPW to provide your iAPW client account documentation and related personal information to Investia in order to open and maintain the Investia account.

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## **ACCOUNT/PRODUCT ADMINISTRATION FEES AND CHARGES**

You will pay fees and charges related to the acquisition, disposal and holding of your investments according to the type of account or service you open or access. These fees and charges may change with time, and, for the fees and charges we charge you on your account, you will be advised of any change in writing at least 60 days before the change is effective.

Your Investment Advisor will provide you with information about the costs of any specific recommended investment, including any commissions you will pay before you make your investment decision. If information about actual commissions is not available, a reasonable dollar estimate will be provided.

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.

#### **Commission-based advisory accounts**

In the case of **commission-based advisory accounts**, we will charge you a commission for every transaction in your account (sale or purchase) based on the following:

- The amount of the transaction
- The value of the security
- The number of securities traded
- The type of investment

Commission charges will appear on the trade confirmation you receive. Please note that a minimum commission amount may be charged.

### Fee-based advisory accounts

In the case of **fee-based advisory accounts**, you will be charged an annual flat dollar fee and/or a percentage fee of the market value of the assets in your account either on a monthly or quarterly basis.

### Managed accounts (Investment Dealer only)

For **managed accounts**, the fee varies according to the assets under management as discussed with your Portfolio Manager and outlined in the Managed Account Agreement.

### Third-party managed accounts (Investment Dealer only)

For **third-party managed accounts**, you will be charged an annual flat dollar fee and/or a percentage fee according to the assets under management in your account and as discussed with your Investment Advisor/Portfolio Manager and outlined in the Managed Account Agreement.

### New issues (Investment Dealer only)

No commission is charged when you purchase a new issue (the initial public offering of an equity when securities are offered for sale for the first time in the primary market or through a secondary offering). The issuer pays a commission to us, which we pay over in part to your Investment Advisor. Please refer to the prospectus or offering document in which fees and commissions are fully disclosed.

### Bonds (for Mutual Fund Dealer, Épargne Placements Québec bonds only)

When you purchase a bond or similar fixed-income security from us, we may sell you securities from our inventory, which means that we are acting as principal in the transaction and will receive revenue based on the difference between the price that we paid for the security when we purchased it from another dealer or the price that we may sell it to another dealer. This will be in addition to any commission or fees we charge to your account. In each case, the markup or markdown represents the revenue that we earn from effecting the transactions. When we act as principal in the transaction, we will disclose this on the trade confirmation.

### Guaranteed Income Certificates ("GICs")

When you purchase a GIC from us, we are paid a commission by the issuer of the GIC. There is no direct cost to you for the purchase of a GIC and no ongoing charge for holding GICs in your account.

### Mutual funds

When you invest in mutual funds, you should understand how fees are charged to investment funds. Managers of investment funds usually receive a management fee equal to a specified percentage of the net assets of the fund. These management fees, as well as operating costs payable by the funds are set out in the fund's simplified prospectus and Fund Facts for each fund. Management fees and operating costs for funds, as well as associated taxes, are described as being the "management expense ratio" or MER of the fund. The MER of a fund is important because the fees and expenses affect the return on your investments.

Fund managers pay us a portion of their management fee called a trailing commission for the ongoing advice, access and service we provide to you. As an example, if you have invested \$10,000 in a fund, a trailing commission of 0.50% would pay us \$50 annually. This is not an additional charge paid by you to us. Trailing commissions vary depending on the way you have chosen to invest in investment funds.

In some circumstances you may be charged other fees in connection with investment fund transactions such as sales charges, early redemption fees, switch fees, short-term trading fees or account transfer fees. As investment fund fees and costs vary by fund manager and product and account type, you should speak with your Investment Advisor to understand the charges related to you and to any particular transaction.

## INVESTMENT SUITABILITY ASSESSMENT

iAPW must assess the suitability of any investments for your account before making a recommendation to you and before conducting any trade. If you have a managed account (Investment Dealer only), suitability assessments are conducted on a continuing basis by your Portfolio Manager or the external Portfolio Manager in view of the criteria described below.

If you have an advisory account, your Investment Advisor must assess the suitability of a new investment being considered before conducting the trade. Before advising on a transaction, whether buying, selling or exchanging securities, your Investment Advisor must assess whether this transaction suits your needs with regard to the financial and personal information provided by you. It is therefore very important that this information be kept up to date and that you inform your Investment Advisor of any significant change in your personal or financial situation as soon as it happens. This will make it possible for your Investment Advisor to make sure that your investments match your financial and personal situation and to advise you against certain transactions.

The factors guiding your Investment Advisor in assessing the suitability of your investments include what they believe to be your current situation regarding:

- **Your personal circumstances** – your age, marital status, number of dependents, occupation, employer and whether you are an insider or a significant shareholder of any specific entity
- **Your current financial situation** – your assets (including your sources of income) relative to your debts: iAPW will evaluate the value of the transaction being considered in light of the net value of your assets (assets minus debts).

## OUR ASSESSMENT PROCESS

Here is a brief summary of the process used by iAPW to assess the suitability of your investments with regard to the information you have provided. We will also follow this process to ensure that any account you open with us is suitable for you.

1. During your initial conversation with your Investment Advisor and based on your answers to the questions in the account opening documents, your Investment Advisor will help you determine your investment objectives and time horizon as well as your risk profile. This information will also assist in establishing your overall financial situation and investment knowledge and experience. You will be given a copy of all the information obtained and documented at the time of account opening and whenever there are significant changes to this information that you notify us about or we discover. It is your responsibility to notify us without delay about any errors in the information contained in these documents.
2. Before recommending any investment, your Investment Advisor will evaluate whether the proposed investment is suitable for you with regard to your overall portfolio, your investment objectives, time horizon and your other personal and financial situation.
3. Should you ask your Investment Advisor to conduct a transaction which we deem to be unsuitable for you with regard to your information and investor profile, we will advise you not to carry out this transaction. Your Investment Advisor will explain the reasons why this transaction is unsuitable for you. If, in spite of this explanation, you still want to carry out this transaction, your Investment Advisor will ask you to confirm in writing that you have been advised against it and have been made aware of the associated risks. The Investment Advisor and iAPW reserve the right to refuse to carry out the transaction.

### Sales Charges

Every mutual fund has associated costs that can vary widely from fund to fund and series to series. The following charges are examples of **sales charges** that you may encounter when you buy, sell, or switch a fund.

- **Front load** – these are fees paid by you upon the purchase of a mutual fund and are taken from the gross purchase price. Front load fees represent between 0% and 5% of the amount invested. This is a negotiable commission paid to your Investment Advisor.
- **No load** – with no load funds, no acquisition costs are charged upon purchase of units. In general the MER of no load funds is higher than those of front load or deferred sale charge funds.
- **Low load** – with low load funds, no fees are paid by you upon purchase of the fund, but fees are charged on a declining schedule upon redemption. The fees charged usually decrease over time. They may vary from 3% (or more) upon redeeming during the first year after the initial purchase to 0% if the redemption takes place 3 years or more after the initial investment.
- **Deferred sale charges ("DSC")** – no commission is charged to you when you purchase DSC mutual fund units. The fund manager pays us a commission of up to 5% of your funds purchases. The fund manager will apply a charge when you redeem your investment in accordance with a declining schedule. The fee may be up to 7% of assets at the time of redemption, but decreases for every year that you own the mutual fund. If the redemption takes place after a period of time, you will not pay anything.

**Note: As of June 1, 2022, the DSC option and the low load option are banned for sale across Canada and fund companies can no longer pay upfront sales commissions to us in connection with the sale of mutual funds.** If you bought a mutual fund with the DSC option before June 1, 2022, the redemption fee schedules on your DSC holdings can run its course. If you hold your mutual fund until the end of the redemption fee schedule, you won't pay a fee when you sell your units or shares. But you will be charged DSC fees on holdings sold before the expiry of the redemption fee schedule.

- **Short-term trading fees** – redeeming or exchanging shares from a fund against those from another fund in the 90 days following their purchase may incur short-term trading fees that may represent up to 2% of the amount received at the moment of redeeming or exchanging units between funds. Short-term trading fees are payable directly to the funds and do not apply to money market or HISA funds.
- **Switch fees** – apply to an exchange of units from one mutual fund to another of the same family. Trading fees may apply.

### Segregated fund contracts

Segregated fund contracts are contracts of life insurance and not considered "securities". The sale of segregated fund contracts by your Investment Advisor is not in their capacity as an employee or agent of iAPW but is through their capacity as an employee or agent of PPI Management Inc. or another life insurance agency. PPI Management Inc. is an affiliate of iAPW and has entered into a servicing relationship with iAPW with respect to the processing of trades of segregated fund contracts. Holding segregated funds in a self-directed account and therefore having segregated funds registered in a name other than your name may impact the characteristics, protections or benefits normally associated with segregated funds as insurance products, such as protection from creditors or the avoidance of estate tax and it is possible that they could be lost.

### Administration and service fee schedule

For all of the accounts listed above, iAPW may charge additional administration fees (transaction, maintenance, transfer, inactivity, account closing, etc.). Details of these fees are outlined in an Administration and Service Fee Schedule provided to all new clients, and is always available from your Investment Advisor. All clients are notified in 60 days in advance whenever there is a change in the schedule.

- **Your investment knowledge and experience** – this will be evaluated based on your past experience and on your own assessment of your knowledge of certain products and of the risks associated with investment products and complex investment strategies.
- **Your investment needs and objectives** – these are your specific financial objectives as provided to us, such as your wish to protect your investments (avoid loss of capital), increase your revenue or your capital via market growth.
- **Your risk profile** - risk profile involves your risk tolerance, being your comfort level if faced with the possibility of losing part of your money, even if you have many years in which to invest and save and your risk capacity, which is a more objective assessment on your financial ability to absorb any losses, given your personal and financial circumstances.
- **Your time horizon** – this is the period of time from when you provide the information to us until you will require all or part of your capital, whether to buy a property, retire, or for any other purpose.

Your Investment Advisor and/or your Portfolio Manager must put your interests first in making any recommendation or taking an investment action for your account.

### Assessment frequency

To ensure that your investments remain suitable, your Investment Advisor will assess the investments in your advisory account at least once every 3 years, and your Portfolio Manager will do the same for your managed account (Investment Dealer only) on an annual basis. In addition, iAPW will assess the suitability of the investments in your account with regard to the criteria described above whenever:

- a trade is accepted on your instructions;
- a recommendation is made by your Investment Advisor;
- securities are transferred, withdrawn, or deposited into your account;
- there is a change of the Investment Advisor or Portfolio Manager responsible for your account;
- we become aware of a significant change to your personal or financial situation; or
- we become aware of a change in security in your account that could result in the investments in your account not being suitable for you.

Please note that an investment suitability reassessment will not necessarily be conducted in the event of significant market fluctuations. Feel free to contact your Investment Advisor or Portfolio Manager, if necessary. Should your Investment Advisor or Portfolio Manager find a discrepancy while assessing the suitability of your investments, they will contact you to discuss it. Such conversations may be documented as required by applicable regulations or in compliance with the best business practices.

## CLIENT ACCOUNT REPORTS

As part of our relationship with you, we will send you a number of reports to help you monitor the progress and performance of your investments. If you enroll in our electronic access, you can view your Account Statement, Trade Confirmations and tax documents in the Client Portal available through our website ([www.iaprivatewealth.ca](http://www.iaprivatewealth.ca)) ("e-Delivery Service").

**Trade confirmation** – We will send you a confirmation of every transaction in your account itemizing relevant information connected to it. This confirmation will be sent on the next business day after the transaction is processed. It is your responsibility to closely examine each confirmation and to inform us of any error or omission and of any transaction unauthorized by you within 30 days following receipt of the confirmation. If you do not contact us within this time, you confirm and approve each transaction listed in the confirmation as well as the completeness and accuracy of other details connected to each transaction.

For Managed Accounts (Investment Dealer only), unless otherwise instructed by you in writing, we will not deliver trade confirmations to you in connection with individual trades in your account.

**Account statement** – We will send you a monthly account statement whenever there is activity in your account, no later than the 15th day of the following month. Monthly statements are issued if your account has activity other than dividend, interest and systematic plans. If there is no such activity in your account, an account statement will be sent on a quarterly basis. This account statement provides you with an overall view of all your accounts plus an itemized description of each individual account. The types of account you have are clearly identified as well as all of the securities and their market value, and an itemized list of all trades conducted in the accounts during the time period. It is your responsibility to closely examine each account statement and to inform us of any error or omission and of any transaction unauthorized by you within 30 days of the date printed on the statement or the day we deem you to have received them, whichever is earlier. If you do not contact us within this time, you confirm and approve each transaction listed in the account statement as well as the completeness and accuracy of all other information in the account statement.

### Book Values

Your monthly or quarterly statement will show the market value of the security based on either the last available market value/net asset value for the security or the book value of the security. However, if the securities were purchased elsewhere and transferred into your account, the cost base shown will be based on the information, if any, provided when the securities were received by us and we cannot guarantee the accuracy of such information. If the original cost or a market value at the time of transfer is not available, then the position cost will not be determinable and will be carried as zero on our books and records. Book value may not be equivalent to the cost base required for tax purposes.

## CONFLICTS OF INTEREST AND STATEMENT OF POLICIES

iAPW is committed to putting the interests of our clients above all else. In addition, as a dual-registered securities firm with a Mutual Fund Dealer and an Investment Dealer and a member of CIBC, we must effectively address any situation which may give rise to a conflict of interest. We must do this in your best interest. We have described our conflicts of interest and how we manage them below.

### Managing Conflicts of interest

iA Private Wealth Inc. (**iA Private Wealth, we or our**) offers a wide range of products and services to individuals, companies and institutional investors. In the context of our varied activities, we are committed to ensuring that the interests of our clients always have precedence. Moreover, as a dealer member of CIBC, we must ensure effective management of any situation which could give rise to a conflict of interest. We seek to manage conflicts of interest in the best interests of our clients.

A conflict of interest arises when the interests of different persons, particularly your interests and those of iA Private Wealth or one of our Employees (which includes our administrators, managers, associates, staff, or agents) or Investment Advisors/Portfolio Managers are incompatible or divergent. Situations may arise that may influence or be perceived to influence iA Private Wealth or one of our Employees or Investment Advisors/Portfolio Managers to act in their own interests or those of a related entity and not in the client's best interest.

Accordingly, conflicts of interest may occasionally arise between you and:

- iA Private Wealth or you and your Investment Advisor/Portfolio Manager;
- other clients whom we represent; or
- a person or company with whom we have a relationship.

We have adopted policies and internal procedures to effectively address conflicts of interest in the client's best interest. Canadian securities laws require us to take reasonable steps to identify and respond to material conflicts of interest in your best interest. We also are required to tell you about them, including how the conflicts might impact you and how we address them in your best interest.

We have policies and procedures in place to address how we will manage material conflicts of interest in your best interest, which are described below:

- iAPW will always seek to act fairly, honestly and in good faith with you and our other clients. To this end, we avoid material conflicts of interest that we cannot effectively address and conflicts that are prohibited by law. We have adopted policies and procedures to identify and address all remaining material conflicts in your best interests. We maintain standards directed to ensuring fairness for clients. Each director, officer, employee, Investment Advisor and Portfolio Manager of iAPW shall, as applicable:
  - a) Use their best efforts to mitigate any conflicts of interest between themselves, iAPW, and clients, and inform clients of any material conflict of interest that might impair their ability to render unbiased and objective advice with respect to investment opportunities.
  - b) Exercise diligence, independence (including in the case of products and services of iAPW or affiliates where additional conflict controls are in place), and thoroughness in analyzing investments, making investment recommendations and taking investment action;
  - c) Deal fairly and objectively with all accounts over time when making investment recommendations, or taking investment action that must not favour some accounts over others;
  - d) Strive toward a high standard of ethical business and personal conduct, integrity and professionalism in adherence to the iA Financial Group Code of Business Conduct;
  - e) Comply with iAPW Policies and Procedures and review and attest to these policies and procedures annually; and
  - f) Adhere to policies and procedures that mitigate trading conflicts of interest. iAPW Portfolio Managers and the firm's traders have the primary responsibility for implementing policies and procedures related to trade management.

### Annual fees and compensation report

This report summarizes the amounts we received to service your account over the past year. A portion of this sum is paid as remuneration to your Investment Advisor/Portfolio Manager. The remainder is kept by our firm to service and support your account and the services we provide you.

### Annual investment performance report

This report provides you with information regarding activity in your accounts and presents performance over the past year and since inception. This information can help you assess your progress toward meeting your investment goals.

### Performance benchmarks

You can judge how your investments are doing by comparing the rate of return on the securities you hold to a performance benchmark. Your rate of return is affected by, among other things, changes in the value of your securities, dividends and the interest you earn, as well as when you make deposits and withdrawals.

There are many different benchmarks. When choosing a benchmark, pick one that reflects your investments and the investment objectives or options for the account. 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.

### Please keep in mind:

- Benchmarks should be used as a guide only.
- Benchmarks do not factor in commissions, management fees, or other administrative costs to invest and often do not include low-earning assets that you hold in cash in case of emergencies which results in benchmark returns that appear higher - which means benchmark returns will seem higher than what you would earn on your account if you held the same securities as the index.
- Benchmark rates of return are calculated using a specified method, therefore, for a better comparison, be sure this is how the rate of return on your account is calculated.
- Benchmarks are based on how a sample portfolio performs and other factors, such as tax considerations, will affect your returns.

Please speak to your Investment Advisor or your Portfolio Manager if you have questions about the performance of your portfolio or what benchmark(s) might be appropriate for your comparison purposes.

We do not generally compare the performance of your accounts to any benchmarks.

- We avoid conflicts prohibited by law as well as material conflicts that we cannot effectively manage in your best interest. Some conflicts cannot be avoided. In situations in which we do not or cannot avoid conflicts and in which our interests may compete with yours, your interest is always put first.

- We control or manage acceptable conflicts by physically separating different business functions, restricting the internal exchange of information, whether in person or electronically, reducing the possibility of one part of our organization unsuitably influencing another, removing the financial incentive of an Employee or Investment Advisor/Portfolio Manager to favour a particular product or service over another that may be more suitable, and establishing and continuing testing of our operational review and approval processes.

### Material Conflicts Arising from Being a Member of the iA Financial Group

We are a wholly owned indirect subsidiary of iA Financial Corporation Inc ("**iA Financial Corporation**"). Our relationship to iA Financial Corporation and its other financial services subsidiaries ("**the iA Financial Group**") creates conflicts of interest when we provide products and services to you that are sourced from or provided by other members of the iA Financial Group.

iA Financial Corporation and its various financial services subsidiaries, including iA Private Wealth, are commercial businesses that seek to maximize profits while providing fair, honest and appropriate services to clients. This means that we may encourage you to do more business with us and the other members of the iA Financial Group, and we may engage affiliates to provide us with products and services for your account, but will always do so in a way that we consider to be in your best interest. We will only enter into these transactions or arrangements where we are permitted under applicable securities laws and where we believe they are in your best interest.

Although iA Private Wealth is under common ownership with the other members of the iA Financial Group and may from time to time have directors and officers in common with these other firms, iA Private Wealth is a separate and distinct corporate entity.

Any relationships that an iA Private Wealth director or officer might have with another iA Financial Group entity do not raise material conflicts as none of the individuals is in a position to personally influence clients of iA Private Wealth to invest in any of the investment products of the iA Financial Group, nor are they compensated by any of the iA Financial Group entities on a commission or other basis that could result in decisions being made, or influence being exerted, against the interest of any of our clients.

In addition to applicable regulatory provisions and contractual provisions respecting any business arrangements that may exist between iA Private Wealth and the other iA Financial Group entities, the directors, officers, Employees, Investment Advisors and Portfolio Managers of each of the firms are subject to iA Financial Group's Code of Business Conduct governing their actions, in addition to our internal compliance policies and procedures.

iA Private Wealth generally carries on its activities independently from the other firms owned by iA Financial Corporation. However, from time to time there may be certain cooperative business arrangements between it and the other firms, such as arrangements relating to introduction of clients, distribution of products, advisory relationships or administrative support.

The conflicts described in this section raise perceptions that iA Private Wealth will favour the business interests of the various members of the iA Financial Group, rather than your interests. These conflicts and the methods used to manage them will always be in the client's best interest as described below.

### Related Service Providers to iA Private Wealth

We may offer, recommend or take investment actions involving products or services of related service providers. iA Private Wealth has no arrangements (contractual or otherwise) in place with our related service providers that incent us or our Investment Advisors or Portfolio Managers to cause your account to be invested in those products or services.

The following iA Financial Group entities provide services to you and/or iA Private Wealth:

- iA Clarington Investments Inc. manages the iA Clarington family of investment funds, which iA Private Wealth Investment Advisors/Portfolio Managers may recommend as investment options for your accounts with iA Private Wealth.
- Industrial Alliance Investment Management Inc. is the portfolio manager of the iA Clarington family of investment funds.
- iA Private Wealth Investment Advisors/Portfolio Managers may be licensed as insurance agents with PPI Management Inc. or another life insurance agency and may recommend that you acquire insurance and insurance products, such as segregated funds, provided by Industrial Alliance Insurance and Financial Services Inc. ("IAIFS").

To manage the conflicts inherent in making investment recommendations or taking investment actions for your account(s) in products or services of our related service providers, we will only cause your account(s) to be invested in such products or services where permitted by the terms of your agreement and if we consider such products or services to be suitable for your account(s) and in your best interest.

#### Distribution and Research Activities

iA Private Wealth may participate as a dealer, including as a member of a selling group, in distributing securities. We also may conduct research on issuers. iA Private Wealth may take investment actions for your account(s) in securities that are distributed or analyzed by us. We avoid conflicts of interest inherent in these circumstances because we separate our advisory and managed account (Investment Dealer only) business from our corporate finance and research activities. Information and physical barriers are in place to prevent the transfer of material non-public and other confidential client information between these divisions.

#### Investments in Related and Connected Issuers

Under certain circumstances, iA Private Wealth may cause your account to invest in securities in which the issuer of the securities or another party to the transaction is a party having an ownership or business relationship with us. Since these transactions may create a conflict or the appearance of a conflict between our interests and yours, we have adopted policies and procedures to assist in identifying and minimizing any conflicts of interest that may arise.

iA Financial Corporation is a publicly traded company with securities listed on the Toronto Stock Exchange and as such it is a related issuer to iA Private Wealth. The iA Clarington investment funds are all related and connected issuers to iA Private Wealth. For a full list of the related and connected issuers to the firms within the iA Financial Group, please visit: <https://iaprivatewealth.ca/regulatory-framework/statement-of-policies>.

#### Other Material Conflicts of Interest

**Allocation of New Issues (Investment Dealer only):** For an issuance of new securities, there may be a higher expression of interest from our clients than the amount of securities we were allocated for the offering. Trades can be affected at different prices, which could be perceived to favour one client over another. We may need to determine which clients will be offered certain securities if availability is limited. We allocate new issues to clients who express an interest. Securities are available to clients based on certain conditions set by issuers, regulatory requirements and our policies and procedures related to fairness of allocation. Not all securities are available to all clients. We execute trades in accordance with best execution requirements under applicable law. Generally, if our clients' expressions of interest cannot be satisfied in full, we will apportion the issue to clients using an allocation method that we determine to be fair and reasonable.

**Side-by-Side Management of Different Accounts:** iA Private Wealth and its Investment Advisors/Portfolio Managers service a number of different accounts, including accounts with investment strategies that may have differing or conflicting views of expected market performance. These conflicts are addressed by making recommendations and investment decisions for an account that are based solely on the investment objectives, strategy, guidelines and other relevant factors of that individual account, without reference to any other accounts.

**Recommending investment products of other clients:** iA Private Wealth Investment Advisors/Portfolio Managers may recommend investment products that are issued by other clients or that are significantly connected to them. Our Investment Advisors/Portfolio Managers will only recommend or make investment decisions of investment products they consider suitable for your account.

**Compensation of Investment Advisors/Portfolio Managers:** We may compensate our Investment Advisors/Portfolio Managers by a combination of one or more of the following:

- base salary;
- compensation based on the value and/or types of assets under administration;
- bonus based on various performance criteria; and
- percentage of sales commissions, spreads, and trailer fees received by iA Private Wealth.

Investment Advisors/Portfolio Managers may also receive compensation or benefits based on referrals to other members of the iA Financial Group. When assessing the overall performance of our Investment Advisors/Portfolio Managers, we may consider referrals and/or include referrals as a part of the overall sales/revenues of the Investment Advisor/Portfolio Manager.

We address the conflicts inherent in the compensation and incentives received by our Investment Advisors/Portfolio Managers by ensuring that the compensation paid and incentives provided, rewards our Investment Advisors/Portfolio Managers in putting your interests first ahead of their own.

Different products may have differing levels of compensation, and different account types (fee-based and transactional) may have differing fees. Our compensation plans do not incent our Investment Advisors/Portfolio

Managers to recommend specific products or services, including any particular type of account. Where both transactional and fee-based accounts are available, we regularly review whether a fee-based account is appropriate, given your circumstances and investment needs and objectives. Further, to avoid duplicate fees being charged in fee-based accounts, products with embedded commissions will be excluded from your assets for the purpose of calculating fees.

**Outside Activities:** At times, our executives and Investment Advisors/Portfolio Managers may participate in outside activities ("OAs") such as participating in community events, pursuing personal outside business interests or serving on a board of directors of a charity. The Investment Advisor/Portfolio Manager's OAs could cause the Investment Advisor/Portfolio Manager to put such interests ahead of yours. To address this conflict of interest, we have policies and procedures to review any proposed OAs to ensure that conflicts of interest do not exist, are not likely to exist in the future or can be mitigated in a manner that is consistent with the best interest of our clients; otherwise, the proposed OAs must be avoided. Before engaging in any OA, our policies require these individuals to disclose situations where a conflict of interest may arise and to determine how such conflicts may be addressed. Our Employees and Investment Advisors/Portfolio Managers may only engage in such OAs if approved by their supervisor. The approval may be subject to terms and conditions that help address perceived or actual conflicts of interest. Our Employees and Investment Advisors/Portfolio Managers are also required to annually confirm their OA to their supervisors to ensure accuracy and completeness.

**Gifts and Entertainment:** iAPW Employees and Investment Advisors/Portfolio Managers may from time to time receive offers of gifts and/or entertainment from business partners. We could be perceived to be financially motivated to put our interests ahead of your interests because of the gifts and entertainment. To address this conflict of interest, iAPW Employees and Investment Advisors/Portfolio Managers are not permitted to accept gifts or entertainment beyond what is permitted by iAPW policies and procedures and applicable laws. We set maximum thresholds for permitted gifts and entertainment to avoid any perception that the gifts or entertainment will influence decision-making.

**Personal Trading:** Our Employees and Investment Advisors/Portfolio Managers could use non-public information about you, and the securities in your account, for their personal trading. Our policies and procedures and the iA Financial Group's Code of Business Conduct require our Employees and Investment Advisors/Portfolio Managers to act in accordance with applicable laws that prohibit insider trading, front running and similar conduct. Individuals may be required to obtain prior approval before making trades in their personal securities accounts. Our Employees and Investment Advisors/Portfolio Managers are prohibited from accessing non-public information for their direct or indirect personal benefit. We place securities on a "restricted list" to avoid trading when we have non-public information. We review on a regular basis securities transactions made in the personal securities accounts of the Investment Advisors/Portfolio Managers and certain Employees.

**Personal Dealings with Clients:** Conflicts of interest can arise where our Investment Advisors/Portfolio Managers have personal financial dealings with you, such as acquiring assets outside of your investing relationship, borrowing money from or lending money to you, or exercising control over your financial affairs. To address these conflicts, iA Private Wealth has policies and procedures in place which prohibit personal financial dealings with clients who are not family members.

**Referral Arrangements:** Referral arrangements may exist between iA Private Wealth and other iA Financial Group members and/or other regulated/non-regulated entities. A referral arrangement happens when a prospective client is referred to or from iA Private Wealth by a party and that party or iA Private Wealth may receive a referral fee (e.g. benefit for the referral of a client to or from iA Private Wealth). The purpose of referrals is to introduce our clients or potential clients to qualified persons who are best suited to help clients achieve their financial objectives.

If a referral arrangement is in place, a written disclosure will be provided to you wherein the specific details of the referral arrangement will include:

- the name of each party to the referral arrangement;
  - the purpose and material terms of the referral arrangement, including the nature of the services to be provided by each party;
  - any conflicts of interest resulting from the relationship between the parties to the referral arrangement and from any other element of the referral arrangement;
  - the method of calculating the referral fee and, to the extent possible, the amount of the fee; and
  - the category of registration of each registrant that is a party to the agreement, with a description of the activities that the registrant is authorized to engage in under that category and, giving consideration to the nature of the referral, the activities that the registrant is not permitted to engage in.
- if a referral is made to a registrant, a statement that all activity requiring registration resulting from the referral arrangement will be provided by the registrant receiving the referral; and
  - any other information that a reasonable client would consider important in evaluating the referral arrangement.

**Sharing of office premises:** Industrial Alliance Insurance and Financial Services Inc. ("IAIFS") is the primary shareholder of iAPW. Some iAPW Investment Advisors or Portfolio Managers may share office space with IAIFS or another financial entity related to or affiliated with IAIFS, or may share a receptionist and other administrative staff. Please see our Statement of Policies for all related or affiliated entities in the Regulatory Framework section of our website at [iaprivatewealth.ca](http://iaprivatewealth.ca).

## CLIENT COMPLAINT PROCESS

iAPW is committed to handling client complaints in a fair and equitable manner. On opening an account, we will send you a document outlining our process for handling complaints, as well as a copy of the CIRO complaints brochure entitled "How to Make a Complaint".

Our process for handling client complaints is available online at [iaprivatewealth.ca](http://iaprivatewealth.ca). If your complaint relates to the servicing of your account, we ask that you raise your concerns with your Investment Advisor, your Portfolio Manager, or the Branch Manager identified on your Account Statement. If your complaint concerns alleged misconduct in the handling of your account or transactions in your account, we urge you to raise your concerns with the Branch Manager or our designated Complaints Officer at the address below. The following is a brief summary of our procedure for responding to complaints:

- Upon receipt of a complaint (apart from service complaints), we will send an acknowledgement letter to the complainant within five business days. We may request that you provide or clarify your complaint in writing.
- After analyzing the complaint, a detailed response letter and a copy of CIRO complaints brochure, "How to Make a Complaint", will be sent as soon as possible or 90 calendar days following the date of receipt of the complaint. This response will include the results of our investigation and our final decision on the complaint.

- If we are not able to send a final response within 90 days, you will be informed of the reason for the delay and of the new timeline for completion of the process.
- If you are not satisfied with our final response, you can bring your complaint to the Ombudsman for Banking Services and Investments ("OBBI") within 180 days of receiving our final response.
- (Quebec resident clients) In addition, if you are not satisfied with the outcome or with the examination of a complaint, the *Autorité des marchés financiers* ("AMF") can examine your complaint and may provide dispute resolution services.

In case of any dissatisfaction or complaint, please contact your Investment Advisor, or call our head office at (647) 258-3773 or 1 (833) 297-3773. You may also submit your complaint by email to [compliance@iagto.ca](mailto:compliance@iagto.ca) or in writing to:

**iA Private Wealth Inc.**  
**Attention: Complaints Officer**  
1981 McGill College, Suite 800  
Montreal, QC H3A 2Y1

#### In Quebec (Mutual Fund Dealer only):

- Complaints and inquiries related to activities carried out by iAPW and its Investment Advisors in Quebec are managed by the AMF. As such, any complaints or inquiries submitted by iAPW to CIRO regarding its mutual fund dealer activities conducted in Quebec will be forwarded to the AMF or the Chambre de la sécurité financière ("CSF"), as applicable.
- If you think you are a victim of fraud, fraudulent tactics or embezzlement, you can contact the AMF to see if you meet the eligibility to submit a claim to the Fonds d'indemnisation des services financiers ("FISF") financial services compensation fund. An indemnity of up to \$200,000 may be paid for eligible claims from monies accumulated in the FISF fund.

- For more information, you may:
  - a) Contact the AMF by telephone at (418) 525-0337 (in Quebec), or toll free at 1-877-525-0337
  - b) Visit the AMF website at [www.lautorite.qc.ca](http://www.lautorite.qc.ca).

## DISCLOSURE OF PERSONAL INFORMATION TO YOUR INVESTMENT ADVISOR OR PORTFOLIO MANAGER

Your Investment Advisor or Portfolio Manager may provide you with other wealth management services from time to time, such as tax preparation, financial planning and insurance services (Outside Activities or "OAs") which are, unrelated to iAPW's activities. iAPW may disclose your personal information with your Investment Advisor or Portfolio Manager for purposes related with such OAs but only if your Investment Advisor or Portfolio

Manager has, prior to the disclosure, obtained your consent in this regard. For further information regarding this disclosure as well as your related rights, please refer to your Investment Advisor or Portfolio Manager.

## PRIVACY NOTICE

### Your personal information is valuable

We, iAPW and our iA Financial Group affiliates, are doing everything we can to protect the personal information you entrust to us. That is why we are committed to continually reassessing our practices, keeping them up to date and in line with the high standards regarding your privacy and management of your personal information, as set out in the iA Financial Group Privacy Notice.

To learn more about the iA Financial Group Privacy Notice, please visit the Protection of Personal Information section of the iA Financial Group website at <http://www.ia.ca/protection-personal-information>.

### What we are doing to protect your personal information

Personal information is information that concerns you and can be used to identify you, directly or indirectly.

- We operate on the basis of 4 important principles

The following principles govern how we ensure your privacy:

**Ensure secure management.** We implement good management and safeguard practices to secure your personal information and oversee its use.

Respect your rights. You have rights related to the personal information we hold about you. You may exercise them at any time.

**Be transparent.** We provide you with all relevant information about our privacy practices.

**Act responsibly.** Our employees, suppliers and representatives (including our financial services advisors) must comply with our privacy practices. Our iA Financial Group Chief Privacy Officer sees to ensure that they do and that our practices are always up to date.

Further to the iA Financial Group Privacy Notice:

- We only collect personal information that is necessary
- We collect your personal information for specific purposes

**The following purposes may be essential to our relationship with you, depending on the products and services you request:**

- Know who you are
- Build a relationship with you
- Maintain our relationship with you
- Comply with laws and manage risk

**Some purposes are optional for doing business with us. You can consent to them to benefit from a distinctive client experience and to obtain offers tailored to your needs. We must obtain your consent to collect, use, disclose and retain your personal information for the following purposes:**

- Improve our products and services and provide a distinctive client experience
- Keep you informed of our promotions, products, services, contests and events that may be of interest to you
- In order to fulfill the purposes outlined in the iA Financial Group Privacy Notice, we may sometimes need to share your personal information with other individuals or organizations. While we store your personal information primarily in Canada, we may sometimes disclose it to parties outside of Canada or in another Canadian province or territory.
- We obtain your consent, except in certain cases prescribed by law.
- We are doing everything we can to protect your personal information, and our internal procedures clearly define the roles and responsibilities of employees, representatives and other stakeholders in the management of personal information:

**We limit access to and use of your personal information to those who need it to perform their duties. We protect our facilities and IT systems with securities measures, and your personal information is protected at all times by a multidisciplinary team, monitoring tools and state-of-the-art technological environments.**

**We communicate with you in a secure manner, including when we collect your personal information.**

- We retain your personal information only as long as necessary to:

**Fulfill the purposes for which we collected it; and**

### Meet our legal obligations.

- We respect your privacy rights:

### To manage your consent preferences

You may review and change your consent preferences for the collection, use and disclosure of your personal information at any time. Please be aware, however, that we will no longer be able to offer you our products and services if you withdraw your consent for a purpose that is essential to our relationship with you.

For optional purposes, you may withdraw your consent at any time without adversely affecting our relationship with you.

You can contact us to withdraw your consent for the following purposes:

- Improve our products and services and provide a distinctive client experience
- Keep you informed of our promotions, products, services, contests and events that may be of interest to you

Withdrawing your consent may take up to 30 days to be processed and applied.

### Rights to your personal information

You have several rights to make requests ("**Personal Information Requests**") regarding the personal information we hold about you. You may exercise them at any time to:

- Know whether we hold personal information about you
- Access your personal information
- Request an electronic copy of the personal information you have provided to iAPW that is held by the firm in a digital non-PDF format
- Rectify your personal information
- Delete your personal information (our response to this request will depend on the situation)

### How to contact us regarding your Personal Information Request

To make a Personal Information Request by telephone, you may contact the iAPW Client Call Centre at 1-866-384-5840.

In the alternative, you may make a Personal Information Request in writing to the iAPW Privacy Officer at the email or mailing address set out below.

You will receive our written response within 30 days. If we deny your request in whole or in part, we will provide you with several pieces of information:

- Reasons for the denial
- The references of the laws and regulations that justify this denial
- Your right to challenge this denial before the privacy regulatory authority of your province or territory
- Timeframe for appealing the denial

### Filing a complaint

You may file a complaint if you feel that we have mishandled your personal information.

We invite you to contact us first if you wish to file a complaint. We will take the time to analyze your complaint and work with you to resolve the situation.

You can also file a complaint with the privacy regulatory authority of your province or territory.

You can contact us in writing at the email or mailing addresses below or by telephone at 1-800-361-7465 to:

- File a complaint about the handling of your personal information
- Request assistance, send us a comment or ask any question related to your privacy.

Please make sure that you provide us with all the information we need to follow up on your request.

**By email at:** [iapwprivacy@iagto.ca](mailto:iapwprivacy@iagto.ca)

**By mail at:**

**iA Private Wealth Inc.**

**Privacy Officer**

26 Wellington Street East, Suite 600

Toronto, ON M5E 1S2

## INVESTED IN YOU.

iA Private Wealth Inc. is a member of the Canadian Investor Protection Fund and the Canadian Investment Regulatory Organization. iA Private Wealth is a trademark and business name under which iA Private Wealth Inc. operates.

# CLIENT ACCOUNT AGREEMENT

This Client Account Agreement (the “**CAA**”) contains important information about the essential terms and conditions that govern the relationship between iA Private Wealth Inc. (“**iAPW**”), and you.

iAPW is a dealer member of the Canadian Investment Regulatory Organization (“**CIRO**”). iAPW has both an investment dealer (“**Investment Dealer**”) registration and a mutual fund (“**Mutual Fund Dealer**”) dealer registration under securities legislation in all Canadian jurisdictions.

The operation of your Account by iAPW is based on the information provided by you in the Client Application Form (the “**CAF**”), the terms and conditions contained in all other written agreements respecting the operation of the Account/s, the terms and conditions contained herein, and all Applicable Laws, including any subsequent valid amendments that we may make. This Agreement and every Transaction carried out for your Account are subject exclusively to the laws and regulations of the Provinces or Territories of Canada in which the branch is located where the Account is maintained. It is also subject to the constitution, by-laws, rules, regulations, customs and usages, in effect from time to time, of the exchange (and its clearing corporation, if any) upon which the Transaction is executed, or if not executed upon any exchange, to the applicable bylaw, rules, regulations, customs and usages, in effect from time to time, of CIRO or any market associations of brokers or dealers to which we belong. If any applicable statute or any statutory regulation, bylaw, rule, regulation, policy or custom of such regulatory authorities is enacted or amended having the effect of invalidating any part of this Agreement, then such term or condition will be deemed to be varied or superseded to give effect to such statute, regulation, by-law, policy or custom.

## 1.1 TERMS AND CONDITIONS

### 1.1.1 DEFINITIONS

For the purpose of this Client Account Agreement, the following definitions apply:

**Account** refers to any account opened by you with the iAPW Investment Dealer or Mutual Fund Dealer for the purpose of carrying out Transactions, including a cash account, a margin account, a short account (Investment Dealer only) or a registered account, whether previously opened, opened in the future or from time to time closed and then reopened or renumbered.

**Agreement** refers to this Client Account Agreement.

**Account Documentation** means this Agreement, the CAF and all other agreements, forms and documents relating to the operation of your Account/s, including any fixed rate agreement reached with your Investment Advisor and the Managed Account Agreement, as applicable.

**Applicable Laws** refers to any legislation, regulation, order, notices, or directives issued by any applicable government or regulatory authority, including those issued by the Canadian Securities Administrators and all self-regulatory bodies such as the CIRO.

**Brokers** refers collectively to iAPW and National Bank Independent Network (“**NBIN**”), our Carrying Broker or either or any of the two, as applicable.

**CIRO** means the Canadian Investment Regulatory Organization, which is a consolidation of the Investment Industry Regulatory Organization of Canada (“**IIROC**”) and the Mutual Fund Dealers Association of Canada (“**MFDA**”).

**Emergency Situation** refers to a market or currency fluctuation or event that changes or otherwise affects the value or makeup of the Marginable Securities or affects the amount of the Margin facility granted by the Brokers to you or any other event that affects the financial position, regulatory capital or, more generally, the business risk of the Brokers or that affects the protection of the Brokers under Applicable Laws.

**Indebtedness** refers to any debit balance on any Account, including any monies used as a Margin facility by you, whether the Margin has been called or not, and any amount owed following a Margin Call (including any authorized or unauthorized surplus Margin) or following a request for partial or total Margin refund, or any amount owed on a Transaction as well as unpaid interest on all or any of these amounts and reasonable collection fees including legal, extrajudicial, and professional fees and the associated document and court costs.

**Margin** refers to the borrowing limit granted from time to time by us to you. It is calculated daily by iAPW based on the value of the Marginable Securities held by you in the Account/s, which allows you to borrow monies from iAPW in the form of advances in order to carry out a Transaction in Securities or other Transactions in accordance with the terms and conditions herein, which must be respected at all times by you.

**Margin Call** refers to any situation in which the Margin facility granted by iAPW to you is exceeded or to any amount exceeding the Margin facility granted by iAPW to you.

**Marginable Securities** refers to any Security meeting the criteria provided for in the CIRO Investment Dealer Rules, including any subsequent amendment to the Rules, used to calculate the Margin.

**Security/Securities** refers to any security as defined by Applicable Laws, including without limitation shares, bonds, debentures, notes, mutual fund units, warrants, rights and options, and any other securities or financial instruments which iAPW is permitted to trade in for an Account under Applicable Laws. There are certain securities (such as shares, bonds (other than Épargne Placements Québec fonds), debentures, warrants, rights and options) which iAPW is not permitted to trade in for a Mutual Fund Dealer Account under Applicable Laws. Please refer to the iAPW Client Relationship Disclosure document for details.

**Transaction** refers to the purchase, sale, trade or transfer of cash or Securities, and other trading activities in the Account.

**We, us, and our** refer to iA Private Wealth Inc. (“**iAPW**”).

**You, I, me, my, and your** refer to the accountholder and client of iAPW.

## 1.2 ACCOUNT INFORMATION

When we open an Account for you, and depending on the type of Account that is opened, Applicable Laws and our policies require that we obtain know your client (“**KYC**”) information from you or about you prior to performing any Transactions in your Account apart from the initial deposit, including:

### Client KYC Information and Identity Verification

- Full legal name and date of birth;
- Home address and contact information – telephone, email, fax, etc.;
- Social Insurance Number;
- Social Security Number (for US persons);
- Tax Identifying Number (for US persons);

- Citizenship;
- Net income and net worth;
- Marital status and number of dependents;
- Occupation and employer (and the occupation and employer of your spouse);
- Investment knowledge and experience;
- Investment objectives;
- Time horizon;
- Risk profile, including risk tolerance and risk capacity;
- Intended use of the Account;

**Politically Exposed Persons:** whether you, a member of your immediate family or a close associate is, or was, a political official;

**Head of International Organization:** whether you, a member of your immediate family or a close associate is, or was, a head of an International Organization.

**Third-party information:** where any third-party has a financial interest or trading authority over your account, you must provide their name, date of birth, citizenship, employment information, their relationship to you and whether they are a control person or insider of an issuer of securities;

**Beneficial owners:** where there is an individual or individuals who beneficially own, directly or indirectly through another legal entity or entities, a greater than 25% beneficial ownership in the corporation account or a greater than 10% beneficial interest in the trust account or partnership account, you must provide the name, address, employment information, date of birth, citizenship and whether the person is a control person or insider of an issuer of securities;

This information will be collected and recorded using the forms and documents required for the opening of your Account.

Your Investment Advisor or iAPW will provide you with copies of these documents. It is your responsibility to provide us with accurate and complete information, to review the information that we have recorded on these documents, and make us aware of any errors or omissions immediately.

### Use of One Set of KYC Information for Multiple Accounts

iAPW may use one account application (CAF/KYC Update Form) to collect and maintain one set of KYC information for multiple accounts (e.g. a client's cash, margin and registered accounts) provided that:

- For individuals accounts - The account beneficial owner is the identical individual for all the accounts;
- For joint accounts – The account beneficial owners are the identical individuals for all the accounts;
- For non-individual accounts - The account beneficial owners and legal entity are identical for all the accounts; and
- The representative code(s) and responsible Investment Advisor (or team of Investment Advisors) are the same for all of the accounts.

You understand and acknowledge that iAPW may use the KYC information collected in one account application (CAF/KYC Update Form) to assess and determine suitability on a multiple-account basis, where the above-noted conditions are met and the investment objectives, risk profile and time horizon are the same for all of these accounts.

## 1.3 COMMISSIONS AND OTHER ADMINISTRATIVE AND TRANSACTION CHARGES

You agree to pay us all commissions and other Transaction charges in respect of each Transaction. Such commissions and other Transaction charges shall be at the customary industry rates or as negotiated from time to time with you, and based on our current fee schedule.

If you sign a fixed rate agreement for Transactions to be carried out for your Account, the amount corresponding to the commission rate and the other charges payable to your Investment Advisor and to iAPW will be deducted from your Account by iAPW pursuant to the signed fixed rate agreement. The commission and charges deducted by iAPW for each Transaction will appear on the trade confirmation sent by iAPW to you on the business day following the Transaction.

In addition to commission charges, transaction charges set from time to time by stock exchanges or marketplaces may apply to some Transactions. Any applicable transaction charges will be deducted from your Account at the time of Transaction, then paid to the stock exchange or marketplace as applicable. These transaction charges will appear on the trade confirmation sent by us to you on the business day following the transaction.

Administrative charges may also be billed by iAPW to you in accordance with the fee schedule established by iAPW. This schedule is available to you by your Investment Advisor. It may be amended by us in our sole discretion. Additional taxes may be applicable.

## 1.4 OPERATION OF THE ACCOUNT

The Brokers have the right, solely for their own protection, to determine at their discretion whether or not any order for the Account/s is acceptable and whether to execute the order. The Brokers may therefore decide, at their sole discretion, to refuse to carry out any Transactions for your Account/s. The Brokers will credit to the Account any interest, dividends or other monies received in respect of Securities held in the Account and any monies (net of all charges) received as proceeds from Transactions for the Account, and will debit to the Account any amounts owing, including interest, by you to the Brokers for Transactions in the Account/s pursuant to your Account Documentation. You agree to pay any service fees or service charges relating to services provided by the Brokers for the administration of the Account as stipulated herein. We may register ownership of your securities in a nominee account held by us or our agent. In this case, we will credit any dividends, interest and sale proceeds to the nominee account and then transfer them to your Account. We will be responsible for the safekeeping of your securities and credit balances.

## 1.5 PAYMENT OF INDEBTEDNESS

For cash accounts, you agree to pay us promptly and without notice all Indebtedness by the corresponding settlement date, which may vary by the type of Security involved in the Transaction. For margin accounts, you shall pay any Indebtedness promptly when due unless covered by the Margin facility. In the case of a request for any partial or total repayment of your Indebtedness, or in the case of a Margin call, you agree to deposit the amount required by us no later than 3 p.m. Eastern Standard Time of the day after the request is made. In the event of a Margin Call, you agree to deposit the amount required by the Brokers no later than 3 p.m. Eastern Standard Time on the day of the Margin Call, with no other formality or notice.

## 1.6 INTEREST

You agree to pay interest on any Indebtedness from the time the Indebtedness is incurred until it is paid off in full. Interest on Indebtedness is calculated daily and compounded monthly. The interest rate shall be the interest rate designated from time to time by iAPW as being the effective rate for determining interest on debit balances in Accounts held with iAPW. We may change the interest rate at any time. The rate schedule is always available on request from your Investment Advisor.

## 1.7 MARGIN ACCOUNTS

A Margin Account allows you to carry out Transactions in Securities based on the Margin granted by iAPW, which may vary from one day to the next. Since a Margin facility is a loan, it entails more risks than a cash-only purchase and may increase Indebtedness. Therefore, if you borrow money to purchase Securities, you will still be responsible for paying back the loan granted in the form of a Margin facility by iAPW, as well as outstanding interest on the Margin facility, even if the value of the purchased Securities declines.

If you are permitted by us to trade Securities based on the Margin facility granted to you, you agree to be bound by all the terms and conditions below in addition to the other terms and conditions described herein applicable to any other type of Account. The Brokers may, at their sole discretion, require the granting of a guarantee (suretyship in Quebec) deemed necessary and appropriate to secure the payment of the debt. The Brokers may decide, at their sole discretion, to grant or refuse to grant any Margin facility to you and to maintain all or part of it thereafter.

You agree that the Brokers may at any time in their discretion obtain a credit report concerning the approval or continuation of any Margin facility.

The Brokers may also decide, at any time and without notice, to modify the terms and conditions for granting a Margin facility to you or to cancel or reduce the entire Margin facility granted, specifically: 1) if an amendment or condition affecting the Margin is required or modified by the Brokers and is not executed or fulfilled by the Client to their entire satisfaction, 2) if the guarantee (suretyship in Quebec) is canceled or reduced, or, 3) if the guarantor (surety in Quebec) refuses, neglects or fails to sign the required guarantee (suretyship in Quebec) or any other document required by the Brokers in order to maintain the Margin. Upon such cancellation or reduction of the Margin, the debt becomes due and payable immediately.

If the amount used by you in the Account exceeds the Margin facility granted or if the amount of the Margin facility granted declines, iAPW may request reimbursement of all or part of the Margin facility granted by making a verbal request for payment to you (the "Margin Call"). The amount of Indebtedness required by iAPW under a Margin Call will have to be deposited by you to the Account at the time stipulated in the notice.

## 1.8 SHORT SELLING OF SECURITIES (INVESTMENT DEALER ONLY)

You understand that the risk of selling securities short is unlimited and may result in significant losses. If you do not hold the Securities in your Account, you must satisfy the Brokers that you will make delivery of the Securities in negotiable form on or before the settlement date. If you do not hold the Securities in your Account or you do not intend on making delivery into your Account on or before the settlement date, you must immediately notify us. In this situation you understand and agree that you will be charged a "borrow fee" for each short position, as set by NBIN. You agree to pay the prevailing borrow fee and waive notice of any and all changes in such lending fee. In addition to the commission, interest or other fees applicable to the transaction, we may earn revenue from borrowing or lending Securities to cover short positions.

You also understand and agree that in case of adverse price movement resulting in a Margin deficiency or failure to deliver, withdraw or borrow the security, a short position may be "bought in" immediately and without notice by the Brokers at market price, potentially resulting in significant losses to you.

## 1.9 DELIVERY AGAINST PAYMENT (DAP) AND RECEIPT AGAINST PAYMENT (RAP) ACCOUNTS (INVESTMENT DEALER ONLY)

A DAP/RAP account allows you to make delivery or receipt against payment trades. A delivery against payment ("DAP") trade is a Transaction to buy securities in your Account, where you have arranged for another financial institution to provide payment to us at the same time we deliver the Securities you have purchased. A receipt against payment ("RAP") trade is a Transaction to sell securities in your account, where you have arranged for another financial institution to deliver securities to us at the same time we deliver the proceeds from the sale of the securities. When you open a DAP/RAP account with us, you must agree that you have an existing arrangement with a financial institution that is acceptable to us, to act as your custodian and clearing agent. You must arrange with your custodian to make full payment and to take delivery for your security purchases, and to make full delivery of securities to us for any sales, on or before the settlement date. In the event that you do not make full payment on or before the settlement date in your Account, we will charge you interest on the overdue balance and take other remedial action as we see fit without further notice to you.

In addition, National Instrument 24-101 requires that all clients who enter into DAP/RAP trades and their investment dealer who execute such trades mutually represent to each other either through a trade matching agreement or statement that they have established, maintain, and enforce policies and procedures designed to achieve matching in accordance with the National Instrument. Our statement is available on our website: [www.iaprivatewealth.ca](http://www.iaprivatewealth.ca).

## 1.10 FOREIGN CURRENCY

If you carry out a Transaction in a currency other than the currency of the Account used to settle the Transaction, iAPW will have to convert the currency using the rate established or determined by iAPW. The foreign currency conversion rate that appears on your trade confirmation and/or account statement includes our spread-based revenue ("spread") for performing this function, which is calculated using the difference between the selling rate and the buying rate for the currency at the prevailing exchange rate. The foreign currency conversion rate and our spread will depend on market fluctuations as well as the amount, date and type of foreign currency transaction. The currency will be converted on the Transaction date whenever applicable. In performing foreign currency transactions iAPW may act as agent or principal. We may, at our discretion, reject a foreign currency transaction request.

## 1.11 PLEDGE AND USE OF COLLATERAL

As continuing collateral security for the payment of any Indebtedness which is now or which may in the future be owing by you to us, you hereby agree to pledge, hypothecate and charge to us all of your Securities and cash, including any free credit balances that may now or hereafter be in any of your accounts with us, either individually or with others, (collectively, the "Collateral"), whether held in the Account or in any other account in which you have an interest and whether or not any amount owing relates to the Securities pledged. So long as any Indebtedness remains unpaid, you authorize us, without notice, to use the Collateral, at any time, in the conduct of our business, including the right to: (a) combine any of the Collateral with our property or other clients or both; (b) pledge any of the Collateral which is held in our possession as security for our own indebtedness; (c) lend any of the Collateral to us for our own purposes; or (d) use any of the Collateral for making delivery against a sale, whether a short sale or otherwise and whether such sale is for the Account or for the account of any of our other clients.

iAPW and its nominees have full ownership rights over the Collateral and may perform all acts of ownership with respect to the Collateral to the same extent as you. You agree to provide iAPW with written notice and obtain our consent before you give, pledge, hypothecate or grant a security interest in the Collateral to anyone else.

## Additional Provisions Applicable to Accounts Opened in Quebec

With respect to any collateral which is subject to the laws of Quebec, since the laws of that province require that the amount of the hypothec be specified, you hereby acknowledge that the pledge, hypothec and charge granted in our favour as described herein are for a principal amount of two hundred million Canadian dollars, bearing interest thereon at the rate of interest described to you in your monthly or quarterly account statements, it being understood however that we are not obligated to grant you credit to the extent of such or any other amount.

Furthermore, we will have the right to require that you grant another hypothec in our favour on the Collateral in the event the aggregate amount of the indebtedness which you may owe in the future to us exceeds the aforementioned principal amount. Any such new hypothec will be evidenced by a written agreement between you and us. Notwithstanding any other provision in this agreement, the law governing this section will be the laws of Quebec and the federal laws of Canada therein.

This paragraph shall not be applicable to Collateral while held in registered plans.

## 1.12 ELIMINATION, REDUCTION OR COMPENSATION OF INDEBTEDNESS

If: (a) you fail to pay any Indebtedness or provide collateral security in the timeframe set out herein; (b) we deem the Collateral held by us to be insufficient for our protection; (c) you fail to comply with any other requirement contained in this Agreement or any Account Documentation; or (d) if an Emergency Situation arises, then, in addition to any other right or remedy to which we are entitled, we may at any time, without notice or demand to you (and with no obligation to issue a Margin Call or notify you):

- apply monies held to your credit in any other account held with us to eliminate or reduce indebtedness or any part thereof;
- sell, contract to sell or otherwise dispose of any or all of the Securities held by us for you and apply the net proceeds therefrom to eliminate or reduce the Indebtedness;
- purchase or borrow any Securities necessary to cover short sales or any other sale made on your behalf in respect of which delivery of certificates in an acceptable delivery form has not been made;
- cancel any outstanding orders; v. suspend, cancel or reduce the future right to use any Margin facility granted to you; or
- take any measure iAPW deems necessary to protect itself.

Such rights may be exercised separately, successively or concurrently. iAPW shall not be required by this Agreement to exercise any such rights nor shall we be required to exercise any right prior to exercising any other right. The failure to exercise any or all of such rights or the granting of any indulgence shall not in any way limit, restrict or prevent us from exercising such rights at any subsequent time and shall not limit, reduce or discharge any Indebtedness or part thereof. Any such sales or purchases for the Account may be made upon any exchange or market or at a public or private sale upon such terms and in such manner as we deem advisable. If demand is made or notice given to you by us, it shall not constitute a waiver of any of our rights to act hereunder without demand or notice. Any and all expenses (including any legal expenses) reasonably incurred by us in connection with exercising any right pursuant to this Section may be charged to your Account. You shall remain liable to us for any Indebtedness outstanding following our exercise of any or all of the rights herein and agree that the rights which we are entitled to exercise pursuant to this section are reasonable and necessary for our protection having regard to the nature of securities markets, particularly its volatility and the occurrence of Emergency Situations.

## 1.13 YOUR SECURITIES

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

## 1.14 FREE CREDIT BALANCES

Any monies held by us from time to time to your credit are payable to you seven (7) days following our receipt of a withdrawal request sent by you. Notwithstanding the foregoing, if you have any Indebtedness, whether outstanding or not, at the time you make the withdrawal request, we may refuse, at our sole discretion, to honour your withdrawal request. These monies need not be segregated by iAPW and may be used by iAPW in the ordinary conduct of our business. You acknowledge and agree that our relationship with you with respect to such monies is one of debtor and creditor only.

## 1.15 GOOD DELIVERY (INVESTMENT DEALER ONLY)

Whenever you order a short sale, you must declare it as a short sale to us prior to the Transaction. Except for any declared short sale, you will not order any sale or other disposition of any Securities not owned by you or which you will be unable to make delivery of in acceptable form on or before the Transaction settlement date.

## 1.16 ACCOUNT STATEMENTS AND TRADE CONFIRMATIONS

We send Account statements to you either monthly or quarterly, depending on the level of activity in your Account, as well as annually as required by securities laws. Every Account statement sent to you shall be deemed to have been acknowledged as correct and approved by you unless you inform us of the inaccuracy or erroneous nature of the document received or your disagreement with the measure taken or not taken by us with respect to the Account within thirty (30) days of the date received by you or deemed to have been received by you, whichever is earlier.

Trade Confirmations or other notices sent by us whether in writing or by any electronic or telecommunication device, are complete and accurate unless you inform us of the inaccuracy or erroneous nature of the trade within fifteen (15) days of the date deemed to have been received by you or deemed to have been received by you, whichever is earlier.

## 1.17 ELECTRONIC MAIL

Securities laws permit us to deliver some documents by electronic means if the consent of the recipient has been obtained. You may consent to electronic delivery (Edelivery) of your account statements, annual cost and performance reports, trade confirmations and tax slips on your Client Application Form, Know Your Client Update Form or by enrolling in the iAPW Client Portal at [www.iaprivatewealth.ca](http://www.iaprivatewealth.ca), and providing the email address to notify you of any new documents available for review in the Client Portal. You agree that communications sent to this email address will be considered to have been personally delivered on the date they are sent by us and that we do not bear responsibility if you do not receive or review the communications sent to this email address. You are required to notify us promptly of any changes to your email address. You may update your email address or withdraw your consent at any time through the Client Portal or by contacting your Investment Advisor.

If you consent to the Edelivery of your documents but are not registered for the Client Portal, you will need to complete the Client Portal registration within one year of providing your consent. Once these steps are completed, you will need to log into the Client Portal on an ongoing basis to access your electronic documents there. Failure to complete the Client Portal registration within one year of providing your Edelivery consent will result in your delivery preference being switched back to regular mail.

### 1.18 INSIDER (INVESTMENT DEALER ONLY)

When we engage in Transactions of securities on your behalf, we assume that neither you nor your spouse is an insider of a reporting issuer whose securities are being traded. You are responsible for notifying us at the time of placing your order whether you or your spouse is, or has, or will acquire as a result of the trade, an insider or controlling interest in the reporting issuer.

Under National Instrument 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 subsidiary of the reporting issuer, of a significant shareholder of the reporting issuer or of any post-conversion 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:
  - i. 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
  - ii. 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.

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

A Significant Shareholder under NI 55-104 is a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, of securities of an issuer carrying more than 10% of the voting rights attached to all the issuer's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person or company as underwriter in the course of a distribution. Post-conversion ownership of securities is also taken into consideration for identification as a Significant Shareholder. "Post-conversion" ownership is considered if the securities are convertible within a 60-day timeframe.

#### Securities Professional

Unless otherwise disclosed, you confirm, if an individual, that you are not a partner, director or employee of a Dealer Member of the CICO or of a member firm or member corporation of any stock exchange or a non-member broker or investment dealer. If you become a partner, director or employee of a Dealer Member of the CICO or of a member firm or member corporation of any stock exchange or non-member broker or investment dealer, you must immediately advise us in writing in order that you may continue to be a client of iAPW.

### 1.19 TELEPHONE RECORDING

You acknowledge that iAPW may record all telephone calls by which orders for any Transactions for the Account are placed or confirmed, both between the Client and iAPW and between the Brokers and any broker or dealer to whom an order is directed concerning a Transaction for the Account.

### 1.20 CLIENT NOTICES

Any notice or communication to you required herein may be made by mail, fax or email to any email address, fax number or mailing address on file with us, and shall be deemed to have been received, if mailed, on the fifth business day after mailing, or if sent by fax or email, on the day sent.

### 1.21 INTRODUCING AND CARRYING BROKER DISCLOSURE

Pursuant to rules of the CICO, iAPW (the "Introducing Broker") is required to notify each of our clients whose accounts are being carried by a carrying broker, and outline the relationship between you and the carrying broker. In order to effect this rule and associated policies, we are providing you the required disclosure below. Should you have any queries, please do not hesitate to contact your Investment Advisor.

If your Investment Advisor is an agent of iAPW, iAPW is irrevocably liable to you for any acts and omissions of your Investment Advisor with regard to iAPW business as if the Investment Advisor were an employee of iAPW. By continuing to deal with our firm, you accept our offer of indemnity.

We advise of the appointment of National Bank Independent Network (NBIN) as our agent for trading, clearing and settlement of Transactions with you.

As our agent and Carrying Broker, NBIN will:

- a) issue and receive cheques and deliver and receive securities on our behalf with respect to all Transactions directed through NBIN with you;
- b) be responsible for the receipt, the delivery, and the safekeeping of funds and Securities received from us;
- c) be responsible for issuing confirmation slips and the statements of accounts for all Transactions directed through NBIN;
- d) if we open a Margin account for you, we will loan you money for the purpose of purchasing or holding securities subject to the terms of our written Margin Account Agreement, applicable regulatory margin requirements, and NBIN's and/or our margin policies which may be more stringent than regulatory minimums.

NBIN does not control, audit or otherwise supervise the activities of iAPW or its agents and employees. NBIN does not verify information provided by iAPW regarding your account nor undertake responsibility for reviewing the appropriateness of Transactions entered or Securities purchased by us on your behalf.

### 1.22 CAPACITY

You, if an individual represents that you have the legal capacity to enter into this agreement and if a corporation, trustee, partnership, investment club or other legal entity, represents that it has the power and capacity to enter into this Agreement to effect the Transactions contemplated herein, and that the execution and delivery of the Agreement have been duly authorized.

### 1.23 FOREIGN RESIDENTS

If you have opened an account with us and you live or have moved outside of Canada, you agree that your Account will be governed by the laws of the Canadian province or territory where the branch administering your account is located, not by the laws of the country you reside in. Additionally, your resident country may impose certain tax withholding obligations on interest payments that you make to us. You agree that you are responsible for payments of the taxes owed to the relevant tax authority. If we are assessed tax, interest or a penalty on interest payments you owe us, you must immediately pay us the full amount of the tax, interest or penalty assessed. If you move outside of Canada, even temporarily, we may not be permitted to provide

services to you, or the services we are permitted to provide you may be limited, and you may have to close your accounts. You agree that you are responsible for any withholding taxes that may arise.

### 1.24 CLIENTS IN THE UNITED STATES

We are restricted by federal and state securities laws in our ability to deal with persons in the United States. In defined circumstances, iAPW is permitted to provide certain services to persons in the U.S. Such clients should be aware that Canadian RRSP, RRIF and similar retirement accounts are not regulated under U.S. securities laws and iAPW is not subject to the full regulations governing broker-dealers under U.S. federal and state securities laws.

### 1.25 TRUSTED CONTACT PERSONS

- a) You have provided iAPW with the name of and contact information for a person whom you consider to be mature and trustworthy (the Trusted Contact). This information is included in the Client Application Form. You hereby consent to the disclosure by iAPW to the Trusted Contact of confidential, personal information about you and your account if iAPW has reasonable grounds to be concerned about your personal or financial well-being, including your health or mental capacity or if iAPW is concerned that you may be the victim of fraud, exploitation or abuse. iAPW may exercise its discretion to contact the Trusted Contact and share concerns and ask the Trusted Contact to provide it with any helpful information he or she has and, perhaps, to take other steps to assist iAPW. iAPW will not accept instructions on the Account from the Trusted Contact unless he or she also holds a valid Continuing Power of Attorney for Property or similar source of authority.
- b) iAPW has the option to contact the Trusted Contact but has no obligation to do so. If iAPW does contact the Trusted Contact, iAPW will disclose confidential information about you and your Account only as iAPW considers necessary or helpful to secure assistance for you or to protect you from fraud, exploitation or abuse.
- c) iAPW shall rely on the most recent information regarding a Trusted Contact in its files and shall have no obligation to update or confirm same.
- d) In providing iAPW with the name and contact information of a Trusted Contact, you confirm that you have the Trusted Contact's permission to give this information and the Trusted Contact has agreed to act in this capacity.

### 1.26 TEMPORARY HOLDS

iAPW may place a temporary hold on your account or a particular transaction, in appropriate circumstances permitted by law and will provide you with a verbal or written notice explaining iAPW's actions. iAPW will review the facts behind placing the temporary hold on a regular basis to determine whether the temporary hold should continue.

### 1.27 POLITICALLY EXPOSED PERSONS

Under the federal Proceeds of Crime (Money Laundering) and Terrorist Financing Act, we are required to take reasonable measures to determine if a person or any of their family members or close associates are either a foreign or domestic politically exposed person (also called a "PEP"), or the Head of an International Organization ("HIO") at account opening, on a periodic basis for existing account holders, and if a fact is detected about an existing account holder.

A **foreign PEP** is described as a person who holds or has held one of the following offices or positions 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 above;
- president of a state-owned company or a state-owned bank;
- head of a government agency;
- judge of a supreme court, constitutional court or other court of last resort; or
- leader or president of a political party represented in a legislature.

These persons are foreign PEPs regardless of citizenship, residence status or birth place, and once determined to be a foreign PEP, is forever a foreign PEP.

A **domestic PEP** is described as a person who holds, or has held within the last 5 years, a specific office or position in or on behalf of the Canadian federal government, a Canadian provincial government, or a Canadian municipal government:

- Governor General, lieutenant governor or head of government;
- member of the Senate or House of Commons 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 above;
- president of a corporation that is wholly owned directly 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; or
- mayor.

A person ceases to be a domestic PEP 5 years after they have left office or 5 years after they are deceased.

The **head of an international organization ("HIO")** is a person who holds or has held within the last 5 years the position of either:

1. the head of an international organization established by the governments of states; or
2. the head of an institution established by an international organization.

A person ceases to be a HIO 5 years after they are no longer the head of the international organization or institution or 5 years after they are deceased.

**Family member(s) of a PEP or HIO** that are required to be noted are:

- spouse or common-law partner;
- biological or adoptive child(ren);
- mother(s) or father(s) including those of their spouse or common-law partner;
- child(ren) of their mother or father (siblings).

Family members of foreign PEPs remain a family member of a foreign PEP forever.

Family members of a domestic PEP or HIO remain a family member of a domestic PEP or HIO until 5 years after the domestic PEP or HIO has left office or is deceased.

A **close associate of a PEP or HIO** can be a person who is connected for personal or business reasons. Examples of, but not limited to are:

- Business partners;
- Romantic relationships;
- Involved in a financial transaction;
- Serve as prominent members of the same political party or union;
- Members of the same board;
- Maintain close working or personal relationships.

Once a close associate loses that connection, they are no longer considered a close associate of a PEP or HIO.

### 1.28 FOREIGN ACCOUNT TAX COMPLIANCE ("FATCA")

The United States Department of Treasury and the United States Internal Revenue Service ("IRS") implemented FATCA to target tax non-compliance by United States taxpayers with foreign (i.e. non-U.S.) accounts. Canada and the United States have signed an Inter-Governmental Agreement ("IGA") to improve international tax compliance and to implement FATCA. Under the IGA, investment dealers in Canada are required to identify, document and report on accounts held by US persons to the Canada Revenue Agency ("CRA"). The CRA will then exchange the information with the IRS through the existing provisions and safeguards of the Canada-U.S. Tax Convention. All non-registered accounts held by U.S. persons will be subject to the rules of FATCA.

### 1.29 COMMUNICATION BY TELEPHONE

The Canadian Radio-television and Telecommunications Commission ("CRTC") has rules governing when your Investment Advisor may contact you. The rules generally restrict such calls to between the hours of 9:00 a.m. to 9:30 p.m. local time on weekdays and 10:00 a.m. to 6:00 p.m. on weekends ("**Regular Hours**"). In situations where it is necessary to provide important or timely information to you, concerning your Account including without limitation, Emergency Situations, important developments or changes in the markets, specific securities or other investment products relevant to your Account, you hereby grant your Investment Advisor and iAPW authorization to contact you outside of the Regular Hours. You may withdraw this authorization at any time by advising your Investment Advisor that you only want to be contacted with important information concerning your Account during Regular Hours. You hereby release iAPW from any and all claims and from all liability for financial losses or other damages that you may sustain as a result of your decision to withdraw your authorization.

### 1.30 SHARING OF INFORMATION

iAPW is a direct subsidiary of Industrial Alliance Insurance and Financial Services ("**IAIFS**") and has entered into referral arrangements with our affiliated and related companies. As related and affiliated entities we have entered into shared services agreements under which we have agreed to share certain administrative staff. In that capacity, to the extent permitted by law, we may share your personal and financial information for the purpose of efficiently servicing client needs. We may also ask for your consent to share account-specific information with our affiliated companies. You may revoke this consent at any time.

### 1.31 OUTSIDE BUSINESS ACTIVITY

Certain products and services offered to you by your Investment Advisor are business activities that are outside of his or her affiliation with us. Your Investment Advisor is prohibited from engaging in outside business activities without prior written approval from us. We neither supervise nor monitor these outside business activities and do not in any way warrant or assume any liability whatsoever in connection with any outside business activities engaged in by your Investment Advisor. Outside business activities include, but may not be limited to, the sale of life insurance and segregated funds, tax preparation or estate planning activities. Please contact the Branch Manager or Compliance to determine if the business activity of your Investment Advisor has been approved by iAPW.

### 1.32 DEATH OF ACCOUNT HOLDER

You agree that in the event of your death, incompetency or disability, you and/or your successors shall hold iAPW harmless from any and all liability we may incur for continuing to operate your Account as though you were alive and competent until we are notified in writing by your successors of your death or incompetency. Before or after we receive this notice, we may ask your successors for certain documents, restrict trading or other activity in your Account or take any other actions we think are necessary.

### 1.33 DEFUNCT SECURITIES (INVESTMENT DEALER ONLY)

Securities in your Account that become defunct or cease to exist because the issuer is wound-up or dissolved may be removed at any time from the Account, and will appear as a Transaction in your statement that month. You may be eligible to claim a disposition for tax purposes as of the date that they became defunct. If you have any questions about the tax implications of defunct securities, please contact your tax advisor.

### 1.34 UNCLAIMED PROPERTY

If your Account or the Securities in your Account become unclaimed property within the meaning of any applicable legislation governing unclaimed property or otherwise, we will adhere to all unclaimed property legislation, which may include selling the unclaimed assets and holding the cash proceeds. To ensure that your Account or the Securities in your Account do not become unclaimed property, always inform your Investment Advisor of changes to your personal information, including your address and email address.

### 1.35 ELECTRONIC SIGNATURES

You authorize us to act on and accept agreements, forms, acknowledgements or instructions that appear to us, in our sole discretion, to have been signed by you using your electronic or digital signature. Any such agreement, form, acknowledgement or instruction will be binding on you and you are responsible for it the same as you would be if you had signed and delivered it to us in writing. We are not required to verify any electronic or digital signature submitted to us in relation to your Account.

You agree to notify us promptly if you suspect or become aware that your electronic or digital signature has become compromised or has been used in a way that you have not authorized. You acknowledge that we may reject or refuse to act on any agreement, form, acknowledgement or instruction signed using an electronic or digital signature that does not comply with Applicable Laws or our internal standards.

### 1.36 AMENDMENTS

The terms and conditions of this Agreement may be amended at any time by iAPW by sending you a written notice of the changes that will take effect on the date indicated in the notice. When changes concern the fee schedule, we will send you prior written notice informing you of the changes that will take effect sixty (60) days after the notice is sent or on any other subsequent date indicated in the notice. If any Applicable Laws are enacted or amended with the result that any of the terms or conditions of this Agreement are, in whole or in part, invalid or in need of amendment, then such terms or conditions will be deemed to be varied or superseded to the extent necessary to give effect to such Applicable Laws. Any terms or conditions of this Agreement that, notwithstanding any such variation, is invalid shall not invalidate the remaining terms and conditions hereof.

### 1.37 TERMINATION

We have a right to terminate, in our sole and unfettered discretion, this Agreement and close the Account/s by providing you with notice of our intention to do so. We reserve the right to accept only liquidating instructions from you from the date of notice. If following such notice, you fail to take action to close the Account/s or transfer assets out of the Account/s, we may take such action as is necessary to close the Account/s. Such action may include re-registering Securities in your name and, if applicable, mailing to your last known address, certificates representing Securities and cheques representing cash balances that remain in the Account/s. The liquidation of the Securities in the Account may have significant financial consequences for you, including but not limited to tax consequences for which you will be solely liable. You agree that we are not liable in any way to you with respect to the termination, closure, transfer or liquidation of the Account/s.

### 1.38 WAIVER OF TERMS

No action taken by the Brokers, its employees or agents, nor any failure to take action or exercise any right, remedy or power available under this Agreement or otherwise shall be deemed to constitute a waiver or other modification of any of our rights, remedies, or powers. Only an authorized officer of iAPW can waive a term of this Agreement, and the waiver must be in writing.

### 1.39 FURTHER ASSURANCES

You shall do all acts or things, execute and deliver all documents, and take all measures as are necessary or desirable to give effect to all Transactions for the Account executed by the Brokers pursuant to the Agreement.

### 1.40 SEVERABILITY

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

### 1.41 SUCCESSORS AND ASSIGNS

This Agreement shall enure to the benefit of and shall be binding upon the Brokers and you, and their respective heirs, executors, administrators, successors and assigns, as the case may be. You agree that you will not assign this Account without our written approval. We may withhold consent at our discretion.

### 1.42 HEADINGS AND PLURAL

The headings used in this Agreement are for convenience of reference only and must not be used to interpret the Agreement. In this Agreement, where the singular is used, it shall include the plural and vice versa.

### 1.43 GOVERNING LAW

This Agreement shall be governed, with respect to each separate Account, in all respects by the Applicable Laws of the jurisdiction where the Branch office is located that services that particular Account, and by the laws of Canada that apply in that jurisdiction.

### 1.44 LEGAL CAPACITY

You hereby certify that you are of legal age in the province/territory of residence.

### 1.45 ENGLISH LANGUAGE

You have expressly required that this agreement and all notices, statements of account and other documents relating to it be in the English language only. Les parties reconnaissent avoir expressément demandé que la présente convention ainsi que tout avis, état de compte at autre document devant ou pouvant être produit ou faire l'objet d'une entente en vertu des présentes soient rédigés en langue anglaise seulement.

## NATIONAL INSTRUMENT 54-101 EXPLANATION TO CLIENTS

Holding your securities on our behalf. The issuers of the securities in your account may not know the identity of the beneficial owner of these securities. We are required under securities law to obtain your instructions concerning various matters relating to your holding of securities in your account.

1. **Disclosure of Beneficial Ownership Information** – Securities law permits reporting issuers and other persons and companies to send materials related to the affairs of the reporting issuer directly to beneficial owners of the reporting issuer's securities if the beneficial owner does not object to having information about it disclosed to the reporting issuer or other persons and companies. Part 1 of the Client Response Form allows you to tell us if you OBJECT to the disclosure by us to the reporting issuer or other persons or companies of your beneficial ownership information, consisting of your name, address, electronic mail address, securities holdings and preferred language of communication. Securities legislation restricts the use of your beneficial ownership information to matters relating to the affairs of the reporting issuer.

If you DO NOT OBJECT to the disclosure of your beneficial ownership information, please mark the first box in Part 1 of the Client Response. In those circumstances, you will not be charged with any costs associated with sending security holder materials to you.

If you OBJECT to the disclosure of your beneficial ownership information by us, please mark the second box

in Part 1 of the Client Response. If you do this, all materials to be delivered to you as a beneficial owner of securities will be delivered by us. You will be charged fees that will include postage, handling, and GST.

2. **Receiving Security Holder Materials** – For securities that you hold through your accounts, you have the right to receive proxy-related materials sent by reporting issuers to registered holders of their securities in connection with meetings of such security holders. Among other things, this permits you to receive the necessary information to allow you to have your securities voted in accordance with your instructions at a security holder meeting. In addition, reporting issuers may choose to send other security holder materials to beneficial owners, although they are not obliged to do so. Securities law permits you to decline to receive security holder materials. The three types of material that you may decline to receive are:

- a) Proxy-related materials, including annual reports and financial statements, that are sent in connection with a security holder meeting;
- b) Annual reports and financial statements that are not part of proxy-related materials; and
- c) Materials that a reporting issuer or other person or company sends to security holders that are not required by corporate or securities law to be sent to registered holders.

## INVESTED IN YOU.

iA Private Wealth Inc. is a member of the Canadian Investor Protection Fund and the Canadian Investment Regulatory Organization. iA Private Wealth is a trademark and business name under which iA Private Wealth Inc. operates.

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## JOINT ACCOUNT AGREEMENT (APPLICABLE FOR JOINT ACCOUNTS ONLY)

Part 2 of the Client Response allows you to receive all materials sent to beneficial owners of securities or to decline to receive the three types of materials referred to above. If you want to receive ALL materials that are sent to beneficial owners of securities, please mark the first box in Part 2 of the Client Response. If you want to DECLINE to receive the three types of materials referred to above, please mark the second box in Part 2. materials to you at their own expense. These materials would be delivered to you through your intermediary if you objected to the disclosure of your beneficial ownership information to reporting issuers.

If you want to receive ONLY proxy-related materials that are sent in connection with a special meeting, please mark the third box in Part 2.

**Important Note:** These instructions do not apply to any specific request you give or may have given to a reporting issuer concerning the sending of interim financial statements of the reporting issuer. In addition, in some circumstances, your instructions will not apply to annual reports or financial statements of an investment fund that are not part of the proxy-related materials. An investment fund is also entitled to obtain specific instructions from you on whether you wish to receive its annual report or financial statements, and where you provide specific instructions, the instructions you have provided to us with respect to financial statements will not apply. The costs to deliver these materials to you are charged by the security issuer, and are subject to change at their discretion. Details of these costs are available upon request.

If two or more persons open an Account together, it is a Joint Account, and you are each Joint Accountholders. Except for residents of Quebec, each Accountholder of a Joint account is jointly and severally liable with each other owner, in his or her individual capacity, for the performance of all obligations of the Accountholders as though each were the individual Accountholder of the Account.

In consideration of iAPW agreeing to operate, open and/or maintain a Joint account (the "Joint Account") for you and the co-account holder (each individually the "Accountholder", and collectively, the "Accountholders"), each Accountholder hereby jointly and severally agrees as follows:

1. We may conclusively rely on the authority of either Accountholder, acting alone, and either Accountholder is authorized and empowered for and on behalf of all Accountholders to:
  - a) deposit any Securities or monies with iAPW;
  - b) buy, sell (including short sales) and otherwise deal in Securities through us, on Margin or otherwise;
  - c) receive on behalf of the Joint Account, demands, notices, confirmations, reports, statements of account and communications of every kind;
  - d) receive on behalf of the Joint Account, money, Securities and property of every kind and to dispose of same;
  - e) execute agreements or modify, terminate or waive any applicable provisions relating to the Joint Account in accordance with the terms of the Joint Account Agreement;
  - f) generally to deal with you on behalf of the Joint Account as fully and completely as if a single Accountholder interested in said account, all without notice to the other or others interested in said account;
  - g) receive requests and demands for payment or Securities due, notices of intention to sell or purchase Securities and such other notices and demands as we may from time to time in our sole discretion deem necessary for the operation of the Joint Account;
  - h) settle, compromise, adjust and give release with respect to any claims, demands, disputes or controversies; and
  - i) make payments to either Accountholder or upon such Accountholder's order, of any or all monies from the Joint Account as such Accountholder may order and direct, even if such deliveries and/or payments shall be made to such Accountholder personally and not for the Joint Account of the Accountholders and we shall be under no duty or obligation to inquire into the purpose or propriety of such demand for delivery of Securities or payment of monies, and we shall not be bound to verify the application or disposition of the said Securities and/or monies so delivered or paid to either Accountholder upon such Accountholder's order. The authority hereby conferred shall remain in force until written notice of the revocation is delivered to us.

Notwithstanding subsection 1(i), we may, in our sole discretion, restrict the Joint Account and/or require written instructions from both Accountholders when we deem necessary and shall not be responsible for any damages or losses in connection therewith.

2. The liability of the Accountholders with respect to this Joint Account Agreement is joint and several. Without limiting the generality of the foregoing, the Accountholders hereby agree to pay to us promptly on demand all debit balances in the Joint Account. Furthermore, as continuing security for the discharge of the obligations under the Joint Account, each Accountholder pledges in our favour all property we may at any time be holding or carrying for such Accountholder, such pledge to be in addition to and not in substitution of the rights and remedies we otherwise would have. By giving notice of sale, we shall have the right to sell the property pledged in our favour by public or private sale on such terms and conditions as we may see fit and apply the net proceeds to the payment of any amounts due under this Agreement.
3. If you elected "Tenants in Common" on the CAF, you agree that each owner of the Joint Account will have an individual ownership interest in a specific percentage of the account, as set out in the CAF. In the event of death of any of the Accountholders, the interests in the account as of the date of death (or on the following business day if the date of death is not a business day) shall be based on the specific percentages stated in the CAF.
4. If we receive conflicting instructions from the Joint Accountholders or we are advised of any dispute or conflict of interest between Accountholders (including, without limitation, separation or divorce proceedings), we may, in our sole discretion, refrain from taking action on instructions from one Accountholder until all Accountholders consent to the same instruction. We are not responsible for any claims or damages resulting from such reliance or accountable for any change in the relationship between Joint Accountholders. Each Accountholder agrees to promptly notify us of any change in the relationship between Joint Accountholders.
5. This Joint Account Agreement shall remain in full force and effect until written notice of the revocation signed by all of the holders and addressed to us is delivered to and acknowledged by us. Without limiting the generality of the foregoing, this Joint Account Agreement shall survive the death, bankruptcy, incompetence or disability of either Accountholder until we are notified thereof. However, any revocation shall not affect any liability resulting from transactions initiated prior to such revocation. In the event of the death of either Accountholder, the survivor or survivors shall immediately give us written notice thereof and we may before or after receiving such notice take such measures, require such papers and inheritance or estate tax waivers, retain such portion of and/or restrict transactions in the Account as we may deem advisable for our own protection against any tax liability, penalty or loss under any present or future laws or otherwise.
6. The Accountholders shall indemnify and save us and our successors or assigns harmless from all liabilities, costs, charges and expenses of every nature and kind incurred on account of this Joint Account Agreement. The indemnity and authorization provided by this Agreement shall enure to the benefit of iAPW and its successors and assigns.
7. If you reside in the province of Quebec, after the death of a Joint Account holder residing in Quebec, your rights and obligations related to the Joint Account are set out in the Federal laws of Canada and the laws of Quebec that apply to the Survivors' rights and obligations. The right of survivorship does not apply to the interest of a Quebec resident in an Account.

## INVESTED IN YOU.

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