

1100 Robert-Bourassa Blvd, 7th Floor, Montreal, Quebec H3B 2G7
 Montreal: 514-866-6755 – Toll-free in Canada: 1-800-363-3511 – www.nbc.ca/nbdb

 New or existing account No.

1. INFORMATION ON APPLICANT

Ms. Mrs. Mr. _____
 Surname First name Social Insurance No. Date of Birth (MM DD YYYY) Initials

Home address (No., street, apt., city, province, postal code) (May not be a post office box or a temporary address.)

Mailing Address (if different from the above address) (No., street, apt., city, province, postal code) (The mailing address must be a Post Office Box or the office address (employment of applicant)).

Have you been living at this home address for more than 12 months: Yes No, please provide previous permanent address:

Previous address (No., street, apt., city, province, postal code)

Telephone No. (home) _____ Telephone No. (cell or other) _____

Number of dependents: _____

E-mail for communication purposes _____

Language of correspondence: English French

Is your current permanent residency in the United States?

NBDB is not authorized to open brokerage accounts for U.S. residents since it is not registered as a securities broker in the U.S.

Yes No

Citizenship 1 : Canadian American* Other (specify): _____

Please provide your citizenship usually determined by your place of birth.

* If your citizenship is "American", please complete forms W-9 AND the CRS-FATCA Self-Certification (continued).

Citizenship 2 : Canadian American* I do not hold any other citizenship Other (specify): _____

Please provide all other citizenships that you hold.

* If your citizenship is "American", please complete forms W-9 AND the CRS-FATCA Self-Certification (continued).

What are your countries of residence for tax purposes?¹ Please check all the applicable options.

Canada United States* Other*

* please complete forms W-9 AND the
 CRS-FATCA Self-Certification (continued).

* please complete forms W-9 AND the
 CRS-FATCA Self-Certification (continued).

¹ The residence for tax purposes, also known as "tax residence", is a state or fact or law that subjects an individual or an entity, as the case may be, to tax obligations in a given country. It is possible to have more than one country of residence for tax purposes. In general, it is a combination of various criteria that may vary from one country to another that determines this status.

What is your main country of residence for tax purposes?

This is usually the one in which you file your tax return.

Canada – specify the province: _____

United States – specify the state: _____

Other (specify) : _____

Certification and consent to disclosure of citizenship(s) and tax residence(ies)

I certify that the information provided in the CRS-FATCA self-certification about my citizenship and residency for tax purposes is correct and complete. I authorize you to share this information with your subsidiaries and parent companies for risk management, profile update and legal and regulatory compliance purposes. I also agree to inform you of any changes in circumstances that causes the information provided to become incomplete or inaccurate within 30 days of such change.

2. INFORMATION ON THE TYPE OF ACCOUNT REQUESTED

SELECT AN ACCOUNT CATEGORY:

Personal account Joint account² (only for non-registered accounts and education savings plans)
 Joint account² with right of survivorship - not available in Quebec (only for non-registered accounts, and RESP accounts)

² If you have selected a joint account, please attach a 2nd account application form filled out by the co-applicant.

Co-applicant's Surname _____

Co-applicant's First Name _____

Co-applicant's Social Insurance No. _____

SELECT A TYPE OF ACCOUNT:

To open a joint account, the applicant and co-applicant must request the same type of account on each form.

NON-REGISTERED ACCOUNT³:

Cash CAD\$ USD\$
 Margin account CAD\$ USD\$
 Margin account with short selling CAD\$ USD\$

³ A credit report is required in order to open a non-registered account.

REGISTERED ACCOUNT:**Retirement Savings Plan – Attach F.19554-702**

- Retirement Savings Plan (RSP)
 Currency: CAD\$ USD\$
- Retirement Savings Plan / spousal contribution (RSP)
 Currency: CAD\$ USD\$
- Locked-in Retirement Savings Plan (LRSP - Federal)
 Currency: CAD\$ USD\$
- Restricted Locked-in Savings Plan (RLSP - Federal only)
 Currency: CAD\$ USD\$
- Locked-in Retirement Account (LIRA)
 Currency: CAD\$ USD\$

Retirement Income Fund – Attach F.19554-702

- Retirement Income Fund (RIF)
- Retirement Income Fund / spousal contribution (RIF)³
 a) Transfer from a spousal contribution RRSP
 b) Transfer of an existing spousal contribution RRIF
- Life Income Fund (LIF)
- Restricted Life Income Fund (RLIF - Federal only)
- Locked-in Retirement Income Fund (LRIF - Newfoundland only)
- Prescribed Retirement Income Fund (PRIF - Saskatchewan only)
- Education Savings Plan - Individual or Family (ESP) – Attach F.19555-702**
- Tax Free Savings Accounts (TFSA) – Attach F.26473-702**
 Currency: CAD\$ USD\$
- Registered Disability Savings Plan (RDSP) – Attach F.29592-702**

OTHER TYPES OF ACCOUNTS:

- Delivery / receipt against payment (COD)**
 Currency: CAD\$ USD\$

Name of Institution

CAD Account No.

CUID

Address of Institution (No., street, city, province, postal code)

USD Account No.

DTC

Telephone No.

Personal Reference within the Institution

OPTIONS TRADING:**Do you want to trade options:**

- Yes No, please go to section 3.

How many years have you been trading options: _____

If yes, which type of strategy:

- Purchase of options
- Covered call writing
- Options strategies (eligible to Margin account only)
- Uncovered options writing (eligible to Margin account only)

How would you rate your knowledge in options:

- None or little
- Average
- Good
- Excellent

3. EMPLOYMENT INFORMATION ON APPLICANT

This information is required to establish the client's solvency and to determine if the applicant is employed in the securities industry or is an insider.

What is your current employment status:

- Employed¹ Self-employed Retired – less than a year Retired – a year or more Other: _____

Please provide the following information (This section is optional for people retired a year or more):

Name of employer

Type of business

Address of employer (No., street, city, province, postal code)

Position

Seniority (year)

Telephone No.²

Ext.

If you or your spouse is employed by the NBC group, please indicate the employee number:

Applicant No.

Spouse's No.

Spouse's surname

Spouse's first name

Do you have a made-to-measure financial package for professionals and students from the National Bank³:

- Yes No (if yes, specify name of package) _____

¹ The employer's address cannot be the same as the home address.² Please specify a telephone number where you may be reached and not simply a general switchboard.³ Clients who are members of certain recognized professional associations are eligible for certain financial or other benefits from the National Bank of Canada and its subsidiaries.**4. FINANCIAL AND BANKING INFORMATION****What is your annual income:**

This information helps determine the client's solvency.

- None Under \$35,000 \$35,000 - \$49,999 \$50,000 - \$75,000 \$75,000 and over

What is your net worth:

This information helps determine the client's solvency.

- a) Net liquid assets: _____ \$ (Cash plus investments cashable at any time minus loans on investments, credit cards and other loans)
- b) Net fixed assets: + _____ \$ (Value of properties minus mortgages)
- c) Total net worth (a + b): = _____ \$

Which is your main financial institution:

It is important to complete this section even if the client has an account with National Bank of Canada. If you wish to link this bank account to your new National Bank Direct Brokerage account in order to transfer funds electronically please attach forms (F.27058-702).

Canadian Currency Bank Account

Name of Institution Transit (usually 5 digits) Institution No. Account No. (usually 7 digits)

Address of Institution (No., street, city, province, postal code)

Telephone No.

American Currency Bank Account (applicable to NBDB accounts in US currency)

Name of Institution Transit (usually 5 digits) Institution No. Account No. (usually 7 digits)

Address of Institution (No., street, city, province, postal code)

Telephone No.

5. REQUIRED REGULATORY INFORMATION AND OTHER INFORMATION**INSIDERS AND CONTROLLING INTEREST**

Are you a director or officer of an issuer, or of a subsidiary of an issuer, whose shares are traded on a stock exchange or over the counter?

Yes No If yes, name of company: _____ Ticker symbol: _____

Do you, individually or with other people, own or control more than 10% of the voting shares in such a company?

Yes No If yes, name of company: _____ Ticker symbol: _____

Do you, individually or with other people, hold a controlling interest (more than 20%) in such a company?

Yes No If yes, name of company: _____ Ticker symbol: _____

OTHER BROKERAGE ACCOUNT

Do you have a brokerage account with another broker or control another account:

Yes No (If yes, specify the type of account (cash, margin, etc.): _____)

SECURITIES PROFESSIONAL

Are you, or a member of your family (spouse, children, parents) with whom you live, an employee, officer or director of a securities broker:

Yes³ No (If yes, please attach a written authorization from a director or partner of the firm (e.g.: compliance officer) authorizing you to open this brokerage account.)

³ Please specify:

Surname First name

Employer

INTENDED USE OF THE ACCOUNTS

It is not necessary to complete this section if you are only opening a registered account. (Except the TFSA)

The *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations* require securities dealers to ascertain the reasons for using brokerage accounts.

What is the intended use of this(these) account(s) (possible answers - one answer per account):

Type of account:	Currency	To save on a short-term basis (liquidities account)	To invest for a specific project (eg.: real estate investment, studies, purchase of a car, retirement, etc.)	To invest in the market on a long-term basis	To speculate	Other, please specify
Cash	CAD\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	USD\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Margin	CAD\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	USD\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Margin account with short selling	CAD\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	USD\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Delivery / receipt against payment	CAD\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	USD\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
TFSA	CAD\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	USD\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

SOURCE OF FUNDS

Please indicate the source of the funds that you are investing by selecting all applicable choices to your situation:

- Employment earnings Sale of immovable property Sale of movable property Investment earnings Rental income
- Retirement income Gift, Donation Inheritance Insurance settlement Savings
- Other, specify: _____

USE BY OR FOR THE BENEFIT OF A THIRD PARTY

Will the account be used by a person other than the applicant or co-applicant or for the benefit of a third party:

- Yes No (If yes, please attach the F.17333-702)

TRADING AUTHORIZATION / POWER OF ATTORNEY AND GUARANTEE

In lieu of form 13768-702, the client may provide a Notarized Power of Attorney together with form 28873-702. The Verification of Identity form (F.19447-702) must be completed in all cases.

Is someone other than the applicant or co-applicant:

- authorized to trade in this(these) account(s): Yes No If yes, please specify by selecting what corresponds to your situation:

The person other than the applicant or the co-applicant who will be authorized to conduct operations within this account will be authorized to do so by means of a:

- Trading Authorization or Power of Attorney (In this situation, please complete F.13768-702 and F.19447-702)
- Notarized Power of Attorney (In this situation, please complete F.28873-702 and F.19447-702)

- a guarantor of the account (applicable only for Margin accounts): Yes No (If yes, please attach the F.13621-702)

6. MONETARY TRANSFER

6.1 ONE-TIME MONETARY TRANSFER

Would you like to transfer money from your bank account to your National Bank Direct Brokerage (hereinafter "NBDB") brokerage account, and do you authorize NBDB to follow your instructions:

- Yes No (If yes, for what amount): \$ _____

From which account:

- Bank account indicated in Section 4 Other account:

Name of Institution

Address of Institution (No., street, city, province, postal code)

Transit Telephone No. Account No.

If you are opening more than one account, please indicate the distribution of the amount transferred by type of account:

Account type

To make a monetary transfer in American dollars, please call our Investor Services.

Account currency CAD\$

Cash	_____ \$
Margin	_____ \$
RSP	_____ \$
Spousal RSP	_____ \$
ESP	_____ \$
TFSA	_____ \$
DSP	_____ \$
TOTAL	_____ \$

6.2 BROKERAGE ACCOUNT TRANSFER

If you would like to transfer a non-registered brokerage account (cash, margin, margin account with short selling) from another financial institution to NBDB, please include F.30052-702 with your application.

If you would like to transfer an RESP account from another financial institution to an RESP account NBDB, please attach form *Registered Education Savings Plan (RESP) Transfer* (HRSDC SDE 0088), if you wish to transfer a Quebec Education Savings Incentive, please attach form TP-1029.8.IQ-V with your application.

7. COMMUNICATION WITH BENEFICIAL SHAREHOLDERS

To open a joint account, the instructions given in section 7 must be the same for the applicant and co-applicant.

I acknowledge having read and understood the explanations concerning the *Regulation Respecting Communication with Beneficial Owners of Securities of a Reporting Issuer* as well as the *Consent to the Electronic Delivery of Documents* attached hereto. I further acknowledge that the choices indicated below will apply to all of the securities held in my account(s) at NBDB, unless otherwise specified by me.

Disclosure of information

I consent to NBDB disclosing my name, mailing address, e-mail address, securities holdings and preferred language of communication to the issuers of said securities and other persons or companies in accordance with applicable securities legislation.

Yes No

Receipt of securityholder materials

I would like to receive (tick one box only):

All¹ materials intended for securityholders (e.g.: annual reports, financial statements, proxy-related documents for annual and special meetings)

Only¹ proxy-related materials for special meetings

None² of the materials intended for securityholders

These instructions do not apply to requests made regarding the mailing of interim financial statements of the reporting issuer. Moreover, in certain cases, the instructions that you will give will not apply to the annual reports or the financial statements of an investment fund that are not part of the proxy-related materials. Please note that an investment fund is also authorized to obtain instructions from you on the mailing of its annual reports and financial statements.

Language of communication³ : **English** (if available) **French** (if available)

¹ I could be made to assume mailing fees if I do not consent to the **Disclosure of information**.

² Even if I do not want to receive these types of materials, I understand that they may be sent to me at the sender's expense.

³ You will receive documents in your preferred language of communication if they are available in that language and make sure that you have indicated your e-mail address in section 1.

8. ACCOUNT HOLDER'S VERIFICATION OF IDENTITY

It is not necessary to complete this section if you are only opening a registered account.

This section does not apply to legal guardians, trustees, mandataries or agents, who must complete section 9.

In order to comply with certain regulatory requirements, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations* (the "Regulations"), NBDB must check the identity of all clients using one of the following methods: 1) confirmation of a bank reference, 2) confirmation of a cleared cheque or 3) verification of a piece of identification. Please note that if you are a National Bank of Canada client, unless you notify us otherwise and if some conditions are fulfilled, NBDB will automatically proceed with identifying you by validating your identity with NBC.

8.1 IDENTIFICATION DOCUMENT METHOD – IN PRESENCE

If you are physically present at a branch of National Bank of Canada or at our offices, NBDB must verify your identity by referring to an original and valid photo identification document from the following:

Driver's license issued in Canada **OR** Health Insurance Card issued by the Province of Quebec **OR** Canadian passport **OR** Permanent Resident Card

Reference No. _____ Place of issuance _____ Expiry date (MM DD YYYY) _____

I hereby acknowledge that I have seen the original document of the piece of identification checked above in the presence of the person to be identified.

Date (MM DD YYYY) **X**
Signature of the Employee

Transit Surname of the Employee Last name of the Employee

8.2 DUAL PROCESS METHOD – IN ABSENCE

If you are not physically present at a branch of National Bank of Canada or at our offices, NBDB must identify you by using a combination of the following methods: 1) by confirming that you hold a deposit account with an acceptable financial institution OR by confirming that a cheque drawn on a deposit account with an acceptable financial institution has cleared AND 2) by referring to your credit file OR by referring to an independent and reliable identification product that is based on your personal and Canadian credit history information¹.

¹ Please note that if you are a National Bank of Canada client, unless you notify us otherwise and if some conditions are fulfilled, NBDB will automatically proceed with identifying you by validating your identity with NBC.

Please choose one of the following options:

A - Confirmation of a bank reference: Information on the client's principal financial institution

Name of Financial Institution

Transit (usually 5 digits)

Institution No.

Account No. (usually 7 digits)
* Refer to the bottom of cheque

Address of Financial Institution (No., street, city, province, postal code)

B - Cleared cheque (Please attach a cheque for at least \$25 made out to National Bank Direct Brokerage Inc. The cheque will be deposited to your brokerage account and will be used to verify your identity.)

8.3 CONSENT TO THE COLLECTION, USE AND DISCLOSURE OF PERSONAL INFORMATION

For the purpose of applying the provisions of the Applicable Regulations, I, the undersigned (account holder or person authorized to give instructions or who benefits from a brokerage account), hereby authorize my financial institution and NBDB to exchange certain personal information about me, solely to confirm my identity as stipulated in the Applicable Regulations and for no other purpose. I therefore authorize both parties to exchange the personal information provided on this form.

Date (MM DD YYYY) _____ Signature of Applicant _____

9. VERIFICATION OF IDENTITY OF THE TUTOR, CURATOR OR MANDATARY

Are you the applicant's tutor, curator or mandatary under a mandate given in anticipation of incapacity either certified by a judgment (Quebec) or an official document emanating from the treating physician (outside Quebec) or under a power of attorney?

Yes No (If yes, please answer all questions in this section and complete F.19447-702)

Has the account holder been declared incapable? Yes No (If no, please answer the following question:)

Is it the first account opening request made by the account holder at NBDB?

Yes (If yes, the account holder has to sign all applicable sections of this form.)

No (If no, all applicable sections of this form must be signed by the account holder or the tutor, curator or mandatary appointed either by a judgment (Quebec) or an official document emanating from the treating physician (outside Quebec), or a notarized power of attorney, as the case may be).

INSIDERS AND CONTROLLING INTEREST

Is the Attorney a director or officer of an issuer, or of a subsidiary of an issuer, whose shares are traded on a stock exchange or over the counter?

Yes No If yes, name of company: _____ Ticker symbol: _____

Does the Attorney, individually or with other people, own or control more than 10% of the voting shares in such a company?

Yes No If yes, name of company: _____ Ticker symbol: _____

Does the Attorney, individually or with other people, hold a controlling interest (more than 20%) in such a company?

Yes No If yes, name of company: _____ Ticker symbol: _____

US RESIDENCY/CITIZENSHIP

Are you a citizen of the United States or a resident alien of the United States for tax purposes? Yes No

Is your current permanent residency in the United States? Yes No

10. AUTHORIZATIONS AND WARNINGS

The applicant is required to sign this section when requesting the opening of a brokerage account (cash, registered, margin, margin with short selling, with or without options trading).

BROKERAGE ACCOUNT APPLICATION

I hereby request that National Bank Direct Brokerage Inc. - Order-execution service (hereinafter the "Broker") open one or more brokerage accounts for which I undertake to pay the applicable administration fees in accordance with the commissions and general fees disclosed to me, which may be subject to change.

I acknowledge that all the information provided herein is complete and accurate and undertake to notify the Broker should this information change.

I acknowledge having received a copy of the *Cash Account Agreement* and the *Electronic Brokerage Service User Agreement* attached hereto and having the content thereof specifically drawn to my attention. I further acknowledge having read and understood the conditions which form an integral part hereof and agree to comply therewith.

WARNING

I acknowledge and understand that the Broker shall not give any investment advice or make any recommendations, and that the Broker shall **not check the suitability** of my transaction orders; namely the fitness thereof in relation to my financial situation, my investor profile and my knowledge investment. I acknowledge that the Broker shall not assume any liability for the appropriateness of my investment decisions or transactions. I acknowledge that I am liable for the financial consequences of my investment decisions.

I authorize the Broker to conduct, at any time, with any credit reporting and assessment agencies, any customary investigation of my identity, my creditworthiness and my credit, and I agree, for such purpose, that the Broker requests, obtains and communicates my personal information to these agencies.

RELATIONSHIP DISCLOSURE INFORMATION

I acknowledge having read and understood the document « *Relationship disclosure information* »

Credit Report

Information provided by the credit report acceptable:

Yes No Not required

Comments: _____

SSC verification

NBDB Employee: _____ DROP
_____ AROP

Surname and last name of Authorized Officer

Date (MM DD YYYY)

X _____
Signature of Authorized Officer

Comments: _____

Methods used to verify identity in the absence of the client:

- NBC Bank reference
- or
- Bank reference from another financial institution
- or
- Cleared cheque:

Name of Financial Institution

AND

Account No.

- Credit Report
- or
- Identification Product Report

Methods used to verify identity in the presence of the client:

- Verification of an identity document (original)
- or
- Verification of an identity document at CIS

Cross reference:

Identity confirmed

- Yes
- No

NBDB Employee

Date (MM DD YYYY)

CONDITIONS GOVERNING THE COLLECTION, USE AND DISCLOSURE OF PERSONAL INFORMATION

For the purposes of this section, the term “NBDB” means National Bank Direct Brokerage Inc., its successors and assigns.

The term “I”, “my”, “mine” means individually and collectively each of the NBDB brokerage account applicants or, if applicable, the account holder’s representative.

The term “SROs” (self-regulatory organizations) means the Investment Industry Regulatory Organization of Canada, the Mutual Fund Dealers Association of Canada, the *Bourse de Montréal Inc.* and the Canadian Investor Protection Fund. These SROs can require or request access to personal information collected or used by NBDB and provided by its current and former clients, employees, agents directors, officers, partners and other persons.

The term “Personal information” means the information of a personal nature notably my name, address, telephone numbers, e-mail address, employment and information regarding my financial situation and concerning my investment instructions.

Collection

NBDB collects Personal information in order to provide me with routine services related to my brokerage account, register my plan in accordance with applicable tax legislation, provide access to my account by any electronic means or via telephone, to understand and meet my needs, to determine my eligibility for NBDB’s products and services and protect my interests and those of NBDB.

I agree to provide NBDB with the necessary Personal information about me for the purposes mentioned in the preceding paragraph. I also authorize NBDB to obtain Personal information about me from any person likely to have such information, particularly financial institutions, other brokers guarantor, credit reporting and assessment agencies, registration of rights offices, securities regulatory agencies, employers and professionals.

Use and Disclosure

1. The Personal information obtained by NBDB, which it needs in order to provide me with the products and services requested, may be used and communicated in order to:
 - 1.1. Determine my eligibility for any products and services I request, including margin accounts and credit approval and provide me in an ongoing manner with the products and services I have adhered to, and check the veracity of the information provided;
 - 1.2. Enable NBDB to manage its activities such as statistics, record-keeping and audit;
 - 1.3. Measure customer service quality and for compliance purposes. To these ends, NBDB may control and record telephone conversations with me;
 - 1.4. Enable any person working for and with NBDB, including its suppliers and agents, to access such information, particularly for the purpose of negotiating in my brokerage account, preparing and mailing statements, processing and storing data and also collecting debts and assuring traderelated surveillance in order to protect me and NBDB against error and fraud;
 - 1.5. Cooperate with the SROs for regulatory purposes, such as trade-related surveillance; sales, financial compliance and trade desk review and other regulatory audits; investigation of potential regulatory and statutory violations; regulatory databases; enforcement of disciplinary proceedings reporting to securities regulators; and information-sharing with securities regulatory authorities, regulated marketplaces, other self-regulatory organizations and law enforcement agencies in any jurisdiction in connection with any of the foregoing;

- 1.6. Enable NBDB to comply with applicable legislation, particularly tax legislation requiring the production of tax slips on which NBDB must include, among other information, my social insurance number and with the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* which require that I be duly identified;
- 1.7. Easily identify me and distinguish me from other clients of NBDB as well as clients of other financial institutions, brokers, SROs, credit reporting and assessment agencies, guarantor, registration of rights offices, securities regulatory agencies employers, professionals and individuals given as references. I authorize you to use my social insurance number for these specific purposes;
- 1.8. If I have requested a margin account or other credit product, convey my credit file to credit reporting and assessment agencies, credit product insurers or other lenders in order to preserve the integrity of the credit granting process; and
- 1.9. Enable disclosure of such information for purposes of a transactional due diligence review by prospective parties in the event of the sale, transfer or assignment of NBDB’s operations.

I expressly consent to the use and disclosure of Personal information about me by NBDB for the above purposes.

2. I also consent to the following, unless I instruct you otherwise:
 - 2.1. NBDB is allowed to gradually disclose my Personal information to its affiliates, including National Bank of Canada, in order to enable, where applicable, a concerted management of my business relationship among them;
 - 2.2. NBDB may use some of my personal information (such as my name, address(es), telephone number(s), email address(es) and financial information) to offer me products and services that may be of interest to me and may disclose such information to its affiliates, including National Bank of Canada, so they can use it for the same marketing purposes. NBDB and its affiliates may contact me via different means for such offers, namely mail, telephone and electronic means (such as email), at addresses and numbers provided by me.

I acknowledge that I may, at any time, withdraw my consent to the use and disclosure of my Personal information for the purposes set out in paragraph 2 by providing NBDB with reasonable notice. I must notify NBDB to this effect by telephone at 514-866-6755 from Montreal or 1-800-363-3511. The product or service requested will not be refused solely because I withhold my consent for such information to be used or disclosed. In any event, I will be informed of the consequences of my refusal to allow the information about myself to be used or disclosed, particularly of the fact that I will no longer receive information on the products and services likely to be of interest to me.

I authorize NBDB to keep the information collected, as per by applicable laws and regulations, for as long as it is needed for the purposes cited in section 1, even if I no longer do business with NBDB. I acknowledge that I can also gain access to and, if necessary, correct my Personal information by contacting NBDB by telephone at the numbers indicated above. I agree to notify NBDB promptly of any changes in my Personal information in order to update its files. NBDB is authorized to act on the basis of the Personal information it has on me until such time as I have notified it of a change to said information. I indemnify and hold NBDB harmless against any recourse and liability if it is not notified of such changes.

I understand that I can obtain further information concerning NBDB’s policies concerning privacy by reading its policy regarding this matter on the Internet at www.nbc.ca/nbdb.

REGULATION RESPECTING COMMUNICATION WITH BENEFICIAL OWNERS OF SECURITIES OF A REPORTING ISSUER - EXPLANATIONS

Based on your instructions, the securities in your account with National Bank Direct Brokerage Inc. (hereinafter the “Broker”) are not registered in your name but in the name of the Broker or the name of another person or company holding your securities on behalf of the Broker. The issuers of the securities in your account may not know the identity of the beneficial owner of these securities. Under securities legislation, the Broker is required to obtain your instructions concerning various matters relating to the securities held in your account.

Disclosure of information

Securities legislation permits reporting issuers and other persons or 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 consents to having information about him disclosed to the reporting issuer or other persons or companies. The “Disclosure of Information” section allows you to inform the Broker that you DO NOT CONSENT to it disclosing to the reporting issuer or other persons or companies your beneficial ownership information, consisting of your name, mailing address, e-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 CONSENT to the disclosure of your beneficial ownership information, please tick the "Yes" box in the "Disclosure of Information" section. By doing so, you will not be charged any costs associated with sending securityholder materials to you. If you DO NOT CONSENT to the disclosure of your beneficial ownership information, please tick the "No" box in this same section. By doing so, all materials to be delivered to you as beneficial owner of securities will be sent by the Broker, at your expense.

Receipt of securityholder materials

For securities held in your account, you are entitled to receive proxy-related materials sent by reporting issuers to the registered holders of their securities in connection with meetings of such securityholders. Among other things, this enables you to receive the necessary information to allow you to have your securities voted in accordance with your instructions at a meeting of securityholders.

In addition, reporting issuers may choose to send other securityholder materials to beneficial owners, even though they are not required to do so. Securities legislation allows you to decline to receive the following three types of securityholder materials:

- a) proxy-related materials, including annual reports and financial statements, that are sent in connection with a securityholder 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 securityholders that are not required by corporate or securities legislation to be sent to registered securityholders.

The "Receipt of securityholder materials" section allows you to receive all materials sent to beneficial owners of securities, to receive only proxy-related materials in connection with securityholder meetings, or to decline to receive the materials intended for securityholders.

If you consent to receive ALL materials that are sent to beneficial owners of securities, please indicate your choice by ticking the "All materials intended for securityholders" box. If you would like only proxy-related materials in connection with securityholder meetings and not the other materials mentioned above, please tick the second box. Lastly, if you do not wish to receive materials intended for securityholders, please indicate your choice by ticking the third box.

Note: Even if you do not consent to receive the three types of materials referred to above, a reporting issuer or other person or company is entitled to deliver these materials to you, at their expense. These materials would be delivered to you by way of the Broker if you did not consent to the disclosure of your beneficial ownership information to reporting issuers.

Language of communication

This section allows you to inform the Broker of your preferred language of communication (English or French). You will receive materials in your preferred language of communication if they are available in that language.

CONTACT

If you have any questions or want to change your instructions in the future, please contact the Broker's Customer Service.

CONSENT TO THE ELECTRONIC DELIVERY OF DOCUMENTS

1. The Client certifies that he/she has the technical resources (computer, telephone line, software and any other equipment) needed to receive and read materials sent by the Broker to the e-mail address indicated in the "Information on Applicant", section 2 of the Brokerage Account Application.
2. The Client acknowledges that delivery by electronic means is neither sure nor confidential, that information that is confidential, exclusive or of a sensitive nature sent by electronic means can be read or copied by unauthorized persons, and that it is the Client's responsibility to verify that the documents sent by the Broker do not contain computer viruses or any other destructive element.
3. The Client acknowledges that it is his/her sole responsibility to inform the Broker of any changes with respect to the e-mail address where the materials are sent by the Broker as indicated in the "Information on Applicant", section 2 of the Brokerage Account Application.
4. The Client acknowledges that he/she is solely liable and that the Broker can in no way be held liable for any equipment failure, disruption of any electronic delivery, disruption of Internet service or any other means of electronic delivery, or any damages, loss or expenses that the Client or a third party may sustain or incur following instructions given by the Client to deliver the materials by electronic means.

ACCOUNT TERMS AND CONDITIONS

CASH ACCOUNT AGREEMENT

(Also applicable to registered accounts, margin accounts, margin short accounts and options trading accounts.)

In consideration of the Broker agreeing to open and maintain an Account in the name of the Client, the latter consents and undertakes to comply with the following terms and conditions:

1. APPLICATION

The Agreement shall apply to the Client's Account.

2. DEFINITIONS

In the Agreement, the terms below have the following meanings:

- 2.1 **Client:** The applicant identified in the Brokerage Account Application. If an account is opened in the name of an applicant and co-applicant, they shall constitute the "Client" and shall be jointly and severally (solidarily in Quebec) responsible for the obligations stipulated in the Agreement.
- 2.2 **Account:** The account of the Client, which is opened with the Broker and is the subject of this Agreement, and all other accounts held by the Client with the Broker.
- 2.3 **Agreement:** This Cash Account Agreement.
- 2.4 **Suitability:** The fitness of a Transaction in relation to the financial condition of the Client, as well as his investor profile and investment knowledge.

2.5 **Broker:** means National Bank Direct Brokerage Inc. - Order-execution service, offering brokerage services; that is trade execution services without advice on any product type (shares, options, fixed income securities or mutual funds). Such services offered shall not include checking the suitability of any transaction.

2.6 **Authorized Representatives:** Each of the persons designated as such in the "Identification Form" attached hereto to form an integral part hereof, as well as any other representative who may be designated from time to time to fill this function.

2.7 **Reporting insider:** means an insider of a reporting issuer if the insider is:

- a) the CEO, CFO or COO of the reporting issuer, of a significant shareholder* of the reporting issuer or of a major subsidiary of the reporting issuer;
- b) a director of the reporting issuer, of a significant shareholder* of the reporting issuer or of a major subsidiary of the reporting issuer;
- c) a person or company responsible for a principal business unit, division or function of the reporting issuer;
- d) a significant shareholder* of the reporting issuer;
- e) a significant shareholder* based on post-conversion beneficial ownership of the reporting issuer's securities and the CEO, CFO, COO and every director of the significant shareholder* based on post-conversion beneficial ownership;

- f) 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;
- g) an individual performing functions similar to the functions performed by any of the insiders described in paragraphs (a) to (f);
- h) 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; or
- i) any other insider that
 - 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.

* "significant shareholder" means a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, or a combination of beneficial ownership of, and control or direction over, whether direct or indirect, securities of an issuer carrying more than 10% of the voting rights attached to all the issuer's outstanding voting securities, 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.

2.8 Transaction Order: The instructions of the Client or any other person duly authorized by the Client regarding a Transaction or the use of credit balances.

2.9 Security: Any security or securities recognized as such in the securities industry, including in particular but not limited to stocks, bonds, debentures, instalment receipts, notes, warrants, rights, derivative instruments similar to debt securities, structured notes, asset-backed instruments, investment certificates, mutual fund units, options and any other type of investment that may be traded from time to time by the Broker.

2.10 Transaction: A purchase, sale or any other financial operation with respect to a Security.

3. INFORMATION ON CLIENT

3.1. Legal Capacity: The Client acknowledges that he has the legal capacity to be a party hereto.

3.2. Insider: The Client undertakes to notify the Broker promptly should the Client, or any of his Authorized Representatives or their spouses, if any, become an insider of a reporting issuer or should any of them acquire, directly or indirectly, a controlling interest in the capital stock of the same.

3.3. Employee of an Investment Dealer: The Client undertakes to notify the Broker promptly should the Client, or any of his Authorized Representatives or their spouses, if any, become a partner, director or employee of an investment dealer, whether or not such dealer is a member of an exchange or self-regulatory agency.

3.4. Complete and Continuous Information: The Client acknowledges that all the information provided in the Brokerage Account Application is complete and accurate. The Client further undertakes to notify the Broker promptly of any change in such information, including in particular any information concerning his financial condition.

4. ROLE OF THE BROKER

4.1. Role: The role of the Broker shall be limited to acting as a discount broker in executing the Transaction Orders placed by the Client, for which no recommendation and advice shall be provided by the Broker or whose Suitability shall not be checked.

4.2. Rights Attached to Securities: The Broker shall not have any obligation or liability regarding voting, subscription or conversion rights or any other right attached to the Securities and shall not provide any advice in regard thereto.

4.3. Liability: The Broker shall not be liable for any errors or omissions with respect to a Transaction Order, the execution thereof or any fact related thereto, and consequently, it shall not be bound to compensate for any loss, repair any damage or reimburse any expenses arising therefrom, unless the error or omission was caused by its gross negligence or willful misconduct.

5. ROLE OF THE CLIENT

5.1. Role: The Client acknowledges that he has the required knowledge, necessary experience and sufficient financial capacity to make investment decisions without advice from the Broker.

5.2. Liability: The Broker shall not assume any liability for the Client's investment decisions. The Client acknowledges, consequently, that he is solely liable for the financial consequences of his investment decisions.

6. JOINT ACCOUNT

6.1. Joint Account

Each of the Clients acting alone shall be authorized and empowered to deal in general with the Broker, with the same authority as if he were the sole party with interests in the Account, without the Broker having to notify the other Client. Without limiting the generality of the foregoing, either of the Clients may individually:

- I) perform all trading in the Account, including, without limiting the scope of the foregoing, buy, sell, accept, receive, assign, deliver, endorse, transfer, convey or otherwise trade all the securities registered in the name of either of the clients, which are currently assigned to them or which may be assigned to them, and use any free credit balance deposited and registered in the Account;
- II) without any restrictions as to the beneficiary, sign, draw, issue, accept, authorize and endorse any cheque, promissory note, letter of exchange, money order, bank draft, payment order, transfer, electronic funds transfer or other instrument, as well as deposit any amount of money into the Account or make any withdrawal therefrom;
- III) have forwarded to the Broker and receive from the same any request, notice, confirmation, statement of account or communication of any kind with respect to the Account;
- IV) sign, ratify, amend and rescind any agreement regarding the administration of the Account.

If a payment or delivery in favour of either of the clients is made further to the request of one of the clients, the Broker shall not be bound to inquire about the purpose of such request, nor its relevance, and the Broker may not be held liable for the consequences arising therefrom.

In the event of the death of a Client, the surviving Client shall notify the Broker forthwith in writing. The death of a Client shall affect the rights and obligations of the other because such rights and obligations are subject to the legislation applicable to each of the provinces in Canada where the Broker carries on its business. The Broker may, before or after the receipt of such notice, take the appropriate measures to protect its interests.

In the event of the death of a Client, the Broker may, where applicable, proceed to close the Account. The free credit balances and the Securities held in the Account shall then be remitted, transferred or delivered to either of the Clients or to the estate of the deceased Client.

6.2. Joint Account with Right of Survivorship (except Quebec)

Each of the clients acting alone shall be authorized and empowered to deal in general with the Broker, with the same authority as if he were the sole party with interests in the Account, without the Broker having to notify the other Client. Without limiting the generality of the foregoing, either of the clients may individually:

- I) perform all trading in the Account, including, without limiting the scope of the foregoing, buy, sell, accept, receive, assign, deliver, endorse, transfer, convey or otherwise trade all the securities registered in the name of either of the Clients, which are currently assigned to them or which may be assigned to them and use any free credit balance deposited and registered in the Account;

- II) without any restrictions as to the beneficiary, sign, draw, issue, accept, authorize and endorse any cheque, promissory note, letter of exchange, money order, bank draft, payment order, transfer, electronic funds transfer or other instrument, as well as deposit any amount of money into the Account or make any withdrawal therefrom;
- III) have forwarded to the Broker, and receive from the same any request, notice, confirmation, statement of account or communication of any kind with respect to the Account;
- IV) sign, ratify, amend and rescind any agreement regarding the administration of the Account.

If a payment or delivery in favour of either of the clients is made further to the request of one of the clients, the Broker shall not be bound to inquire about the purpose of such request, nor its relevance, and the Broker may not be held liable for the consequences arising therefrom.

In the event of the death of a Client, the surviving Client shall notify the Broker forthwith in writing. It is the express intention of each of the clients to operate the Joint Account as joint holders with right of survivorship and not as owners in common. Each of the clients shall therefore enjoy a right of survivorship with respect to the Securities and free credit balances deposited in the Joint Account.

The death of a Client shall not prevent the surviving Client from giving Transaction Orders.

In the event of the death of a Client, the entire participation in the Account shall be assigned in favour of the surviving Client pursuant to the existing terms and conditions. The Account shall then become the exclusive property of the surviving spouse, and the estate of the deceased spouse shall not be entitled to assert any claims against the Broker regarding such assets.

7. CHECKING SUITABILITY

The Client acknowledges that he has not received any assistance from the Broker or its representatives to determine his investment needs and to establish his investment objectives.

The Client acknowledges and understands that the Broker shall not provide any investment advice or any recommendation and that the Broker shall not check the Suitability of the Transaction Orders placed by the Client. The Broker shall not assume any liability for the appropriateness of the Client's investment decisions or transactions. The Client acknowledges that he shall be liable for his investment decisions and, consequently, for any possible financial consequences resulting therefrom.

The Client acknowledges that the Broker shall have the discretionary right to review, reject, change or cancel any transaction before transmitting it to the market concerned.

Notwithstanding the foregoing, the Broker reserves the right to check, at any time, the Suitability of any Transaction Order placed by the Client, and to do so without prior notice. Furthermore, the Broker reserves the right to check the following transactions:

- I) Buy transactions for a stock priced lower than the minimum trading price deemed acceptable by the Broker;
- II) Transactions for an amount higher than the amount estimated as being the norm deemed to be acceptable by the Broker;
- III) The transmission, on a day-to-day basis, of a higher number of transactions than the norm deemed acceptable by the Broker;
- IV) Transactions failing to comply with the Broker's credit rules in force.

8. INSTRUCTIONS

8.1. Instructions: The Broker shall be authorized to act on the basis of any instruction or Transaction Order given by the Client or by any duly authorized person. The instructions and Transaction Orders transmitted and received by an automated transaction execution system, including telephone systems, personal computers and the Internet, shall be deemed to be accurate, and the Broker may not be held liable for having acted pursuant thereto. The Client undertakes to indemnify and hold harmless the Broker from and against any losses, damages and expenses that it may incur pursuant to the execution of such instructions or Transaction Orders.

8.2. Recording of Telephone Conversations: The Client agrees to the recording of all telephone conversations between him and the Broker. The Client agrees that the contents of such recording may be used for the purposes of evidence.

8.3. Use of the Internet: The Client using the Internet for trading agrees that the communications between him and the Broker may be made via the Internet, where applicable.

9. SECURITIES CERTIFICATES

9.1. Registration: The Client's Securities may, at the Broker's discretion, be registered in the name of the Broker or of an agent or representative designated by the Broker. The Client acknowledges that the Securities may be represented by certificates or documents other than those which evidenced the same when the Securities were acquired.

9.2. Custody of Securities: The Broker shall be the custodian of the Securities of the Client. The Broker may not use, in the course of its business operations, the Securities whose purchase price was paid in full and which are the exclusive property of the Client.

9.3. Custody of Securities Entrusted to a Third Party: The Client authorizes the Broker to entrust the custody of his Securities and of any income generated thereby and all proceeds from the disposition thereof to any investment dealer or financial institution deemed acceptable by the Broker, to The Canadian Depository for Securities Limited or to any other custodian carrying out similar functions.

10. INCOME AND CREDIT BALANCES

10.1. Income: Any interest, dividend, net proceeds from disposition and any other amount received for the Securities of the Client shall be credited by the Broker to the Client's Account.

10.2. Credit Balances: Any credit balance in the Account shall bear interest at the rate then in effect at the Broker.

10.3. Free Credit Balances: Any free credit balance in the Account shall be payable on demand. It shall be recorded in the books of the Broker on a regular basis, shall not be segregated and may be used by the Broker in the course of its business operations within the limits prescribed by regulatory authorities.

11. CONFIRMATION AND STATEMENT OF ACCOUNT

11.1. Transaction Confirmation: Whenever the Broker sends a Transaction Confirmation to the Client, the latter undertakes to verify the accuracy thereof and to notify the Broker of any error or omission in the contents within three (3) days of the receipt thereof, at the end of which the Client shall have agreed to and definitively approved the contents of the Transaction Confirmation, which shall then be considered accurate and may no longer be subject to any dispute.

11.2. Statement of Account: Whenever the Broker sends a statement of account to the Client, the latter undertakes to verify the accuracy thereof and to notify the Broker of any error or omission in the contents within thirty (30) days of the receipt thereof. Except with regard to the contents of Transaction Confirmations approved by the Client under this Agreement, the Client shall agree to and definitively approve, at the expiry of the period of thirty (30) days, the contents of the statement of account, which shall then be considered accurate and may no longer be subject to any dispute.

11.3. Expiry of Time Periods: At the expiry of the time periods mentioned in Sections 11.1 and 11.2, the Client acknowledges that he may no longer exercise against the Broker or any other custodian of the Securities any recourse directly or indirectly in connection with the subject matter of the Transaction Confirmation and the statement of account.

12. SHORT SALES

Except in a margin account specifically opened for such purpose, the Client undertakes to refrain from giving any order to sell a Security that he does not own or that he cannot deliver in an acceptable and negotiable form by the settlement date.

13. LIQUIDITY OF SECURITIES

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

14. SETTLEMENT OF TRANSACTIONS

The Client shall pay the Broker for all Securities purchased on his behalf and to deliver to the Broker all Securities sold on his behalf which are not already in the custody of the Broker or any other custodian, no later than on the scheduled settlement date of the Transaction.

If the Client fails to make payment or to deliver the Securities, the Broker may, at its discretion and without prior notice to the Client, finalize the Transaction as it may deem appropriate, including (1) by selling the Securities held in another account of the Client; (2) by purchasing or borrowing all the Securities causing the Account to be short; (3) by cancelling or amending any outstanding Transaction Order; or (4) by exercising any other right or recourse provided for in the Agreement or by taking any other measure deemed necessary to protect its interests.

The Client shall then pay to the Broker any and all damages, costs and expenses incurred by the Broker to finalize the Transaction. The net proceeds from such Transactions shall be applied to the payment of any amount due by the Client to the Broker without however lessening the liability of the Client to repay any remaining amount.

15. PRINCIPAL TRANSACTIONS

The Broker may act as principal in executing Transaction Orders for the Client. The Client agrees to approve any Transaction in which the Broker has acted as principal and to pay the resulting transaction fees.

16. COMMISSIONS AND OTHER GENERAL FEES

16.1. Commissions and Other General Fees: The Client shall pay to the Broker brokerage commissions for executing Transactions as well as all the general fees incurred while administering his Account, pursuant to the fee schedule and terms and conditions of the Broker then in effect. The Client acknowledges having been informed of the fee rates (commissions and general fees) set out in detail in the fee schedule as well as of the terms and conditions of the Broker currently in force.

16.2. Currency Exchange: If the Client makes a trade involving a security which is denominated in a currency other than the currency of the accounting which the trade is to settle, a conversion of currency may be required. In all such transactions and at any time a conversion of currency is made, the Broker will act as principal with the Client in converting the currency at rates established or determined by the Broker or parties related to the Broker. The Broker and the parties related to the Broker may earn revenue, in addition to the commission applicable to such a trade, based on the spread between the applicable bid and ask rates for the currency. Conversion of currency, if required, will take place at the trade date.

16.3. Fixed Income Fees: The Broker may act as principal or agent in fixed income transactions. The Broker or parties related to the Broker may earn revenue on the spread between the bid and ask prices.

17. AMOUNTS OWED BY THE CLIENT

17.1. Amounts Owed: All amounts owed by the Client to the Broker under the Agreement as a result of the Transaction Orders executed by the Broker, expenses or otherwise shall be payable to the Broker on demand.

17.2. Interest Rates: All amounts owed to the Broker shall bear interest commencing on the due date thereof or, in the case of a payment or an advance made by the Broker, as of the date of payment or the date of the advance.

17.3. Computation of Interest Payable: The interest payable shall be computed daily and compounded monthly at the prime rate of National Bank of Canada plus a percentage according to an interest table in the Broker's fee schedule then in effect. The prime rate of National Bank of Canada is the annual rate published by National Bank of Canada from time to time as the reference rate on which it bases the rates of interest for commercial loans in Canadian dollars made by it in Canada.

18. CROSS GUARANTEE AND COMPENSATION

Any amount owed by the Client to the Broker, and the interest thereon, may be debited from his Account. In the event the Client has several accounts with the Broker, the Client authorizes the Broker to transfer any credit balance from one account to any other account of the Client with a debit balance. The Broker shall be authorized to apply the proceeds from any sale and any other amount held by the Broker in the Client's name against any amount owed by the Client to the Broker.

Similarly, the Client irrevocably authorizes the Broker to take all the necessary steps to cash any Securities held or registered in any account of the Client, and consents to a compensation between the amounts owed and the proceeds from the disposition of any Securities. The Broker shall decide how to apply such proceeds.

The Broker may exercise the rights conferred under this section without publication, notice or demand to the Client or any other third party.

19. HYPOTHEC (APPLICABLE IN QUEBEC) AND SECURITY INTEREST

19.1. Creation of Collateral: In order to secure payment of all the amounts owed by the Client as well as to secure performance of all obligations, present and future, direct and indirect, contracted hereunder, the Client assigns and hypothecates, in favour of the Broker, all Securities and credit balances held or registered at any time whatsoever in any of his accounts, including the interest, dividends, any proceeds from the disposition thereof and any other income that could be generated therefrom (collectively called the "Collateral"), which shall be automatically held as security by the Broker and shall be charged by a security interest and a lien in favour of the Broker.

19.2. Holding by a Third Party: For the purpose of the constitution or the validity of this hypothec or in order to set it up against third parties or effect publication thereof, the Client agrees that the Collateral may be held by a third party in the Broker's name. It is furthermore agreed that the Broker may furnish written evidence of this hypothec to all third parties, in particular to those holding the Collateral.

20. RECOURSES IN THE EVENT OF DEFAULT

20.1. Default: The Client shall be in default in each of the following cases:

- a) If any of his obligations, present or future, direct or indirect, contracted toward the Broker is not performed when required;
- b) If the Client's Account is seized or possession is taken thereof, or it is subject to any other proceeding by a creditor, a receiver or any other person performing similar duties;
- c) If the Client becomes insolvent or bankrupt;
- d) If any of the declarations made in the Agreement is false;
- e) If the Client is subject to dissolution, liquidation or block sale, where applicable;
- f) If the Client fails to maintain his registration in force, where applicable.

20.2. Recourses: In the event of default by the Client as described in Section 20.1 and in all other cases where, as dictated by usage, the Broker deems that it is reasonable and necessary to protect its interests, the Broker may, at its entire discretion, sell by mutual agreement or otherwise, all or part of the Collateral at the prices and conditions that the Broker may deem the most appropriate in such circumstances. The Broker may also take the Collateral as payment and exercise any other right under the Agreement or provided by law.

Among other things, the Broker may exercise all the rights and powers attached to the Collateral and act as if it were the owner thereof. The Broker may exercise such recourses without publication, notice or demand, or any other prior notice to the Client or third parties. The recourses of the Broker may be exercised together or separately, and in the order that it may determine at its discretion. The Broker may apply the proceeds from the realization of the Securities to the payment of any expenses incurred by it while exercising its rights and recourses, in particular to the payment of judicial and extrajudicial costs incurred, and to the repayment of any obligation of the Client contracted under the Agreement. The Broker shall decide how to apply such proceeds.

Failure by the Broker to exercise one or more of its rights and recourses under the Agreement may not be deemed to be abandonment or a waiver of the said rights and recourses.

21. POWERS OF THE BROKER

The Broker reserves the right to close the Account, to limit the Transactions in the Account, at any time and without notice.

DISCLOSURE OF CHARGES BEFORE THE TRANSACTION

The charges and fees specified in the Commission and General Fee Schedule apply to the transactions made in your account. These transactions include:

- The sale or purchase of securities,
- The liquidation or closure of a position made by the Broker, such as when your margin account is subject to a margin call,
- Exercising an option contract,
- The liquidation of securities to make a payment from your RRIF account in the case that sufficient cash is not available,
- The handling of an estate account when securities are to be liquidated.

If the liquidated securities include deferred sales charges, you will also have to pay these charges. For more details on these charges and fees, please refer to the "Commission fees" available in the "Pricing" section of the nbdb.ca homepage and prospectus.

22. AMENDMENT BY THE BROKER

The Broker may amend the provisions of the Agreement by way of a written notice of thirty (30) days given to the Client. The amendments shall take effect at the end of the period of thirty (30) days following the receipt of the said notice by the Client.

23. AMENDMENT BY THE CLIENT

The Client may not make any amendment, modification, addition or waiver in respect of one or more of the terms and conditions of the Agreement unless the same is evidenced in a document expressly modifying the terms of the Agreement, and such document is signed by the Client and an Authorized Representative from the Compliance Department of the Broker.

24. DEATH OF THE CLIENT

Upon the Client's death, and until receipt of any documentation prescribed by law and required by the Broker as part of the handling of the estate, the Broker may execute, upon the instructions of the apparent liquidator or a presumed heir, any Transaction of a conservatory nature.

The Broker may, however, refuse at its discretion to execute any Transaction Order and may not be held liable for any loss or damage, whether direct or indirect, arising from the application of this section.

25. TERMINATION

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

26. ACCOUNT TRANSFER

If the Client transfers his Account held with the Broker to another institution, the Broker is authorized to limit or suspend the Transactions in the Account and to cancel any open orders once notified of that request by the receiving institution. The Client undertakes that no Transaction Order is to be transmitted to the Broker after having initiated an Account transfer request and that all open orders, which remains unfilled, can be cancelled. The Broker may not be held liable for any loss or damage, whether direct or indirect, arising from the application of this section.

27. CANADIAN INVESTOR PROTECTION FUND AND DEPOSIT INSURANCE

The Securities sold through the Broker and held in the Client's Account, and the free credit balances of the Client, unless otherwise notified, shall benefit from the protection of the Canadian Investor Protection Fund pursuant to the conditions for the application thereof. They shall not, however, be insured in whole or in part by the Canada Deposit Insurance Corporation, the *Régie de l'assurance-dépôts du Québec* or any other public deposit insurance fund, nor shall they be guaranteed in whole or in part by National Bank of Canada.

28. LIABILITY OF THE BROKER

The Broker shall not be liable for any loss caused directly or indirectly by a delay in the receipt or execution of a Transaction Order, periods of abnormal or unusual activity on the markets, government restrictions, decisions of an exchange or over-the-counter market, trading halts, or any other case of Act of God (wars, strikes and lock-outs, etc.) that cannot be foreseen by the Broker and are beyond its reasonable control.

The Broker shall not be liable for errors or omissions with respect to Transaction Orders, the execution thereof or any fact related thereto and consequently, the Broker shall not be bound to compensate for any loss, repair any damage or reimburse any expenses arising therefrom, unless such error or omission was caused by its gross negligence or willful misconduct.

29. APPLICABLE LAW

29.1. Applicable Law: Insofar as the home address or permanent address of the Client, where applicable, is located in Canada, the Agreement shall be interpreted in accordance with the laws of the Client's province of residence at the time of the signing of this Agreement. Otherwise, the Agreement shall be interpreted in accordance with the laws of the Province of Quebec.

29.2. Regulations: The Client acknowledges that all his Transactions shall be subject to the by-laws, regulations, orders, customs and usage of the various exchanges or markets on which such Transactions are executed by the Broker, the self-regulatory agencies of which the Broker is a member and, where applicable, the clearing corporations through which they are processed. These transactions shall further be subject to all applicable laws, regulations and orders of any government or self-regulatory authority.

29.3. Minimum Standards: The by-laws, regulations and orders referred to in Section 29.2 constitute a minimum standard in the Canadian securities industry and the Broker may subject any Transaction to more stringent standards.

29.4. Legislative or Regulatory Amendments: In the event of amendments to the laws, regulations or rules in force, amending the terms and conditions of the Agreement, the corresponding provisions shall be deemed to have been amended accordingly, with the other provisions remaining unchanged.

30. ASSIGNMENT AND SUCCESSORS

The Agreement shall be binding upon the Broker, the Client and their successors and assigns, as applicable. The Agreement shall remain valid notwithstanding any incidental, temporary or intermittent closures, or any reopening or any change in the numbering of the Account. The Client shall not assign this Agreement, nor the rights and obligations arising therefrom.

31. COMMUNICATIONS

31.1. Notice to the Client: Any notice, document or communication intended for the Client may be delivered personally to the Client, sent postage-paid to his mailing address, if any, or transmitted electronically to his e-mail address or by facsimile machine. Unless otherwise instructed by the client, trade confirmations, account statements as well as prospectuses and other documents can be sent to him via the Broker's secure site.

31.2. Notice to the Broker: Any notice, document or communication intended for the Broker shall be sent postage-paid to the following address:

National Bank Direct Brokerage Inc.

1100 Robert-Bourassa Blvd, 7th Floor, Montreal, Quebec H3B 2G7.

31.3. Receipt: The Broker and the Client shall be deemed to have received any notice, document or communication by the third (3rd) business day following the mailing thereof by prepaid envelope or on the day of its delivery by hand or by courier. The Client shall be deemed to have received any document on the same day as it was sent by facsimile machine or electronically.

32. HEADINGS

The headings of the sections of the Agreement are included for convenience of reference only and may not at any time be used to interpret the Agreement.

33. GENDER AND NUMBER

Wherever so required by the context, a word expressing the masculine gender shall include the feminine, and the singular shall include the plural unless otherwise indicated in the context or the context does not lend itself thereto.

34. INVALIDITY OF A PROVISION

If any provision is held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the application of the other provisions of the Agreement, which shall remain in full force and effect and shall continue to be complied with as if the invalid or unenforceable provision was not incorporated therein.

35. COMING INTO FORCE AND SCOPE

This Agreement shall come into force and shall become binding upon the Client and the Broker upon the occurrence of one of the following conditions: (1) when the Broker acts according to the Client's instructions for the first time or (2) at the signing of the Agreement by the Client. The Agreement, and the "Identification Form", which are attached thereto, where applicable, to form an integral part thereof, constitute the entire agreement regarding the Account between the Broker and the Client, and such Agreement supersedes any other oral or written agreement made between the Broker and the Client, including any form of communication, representation, agreement or undertaking prior to this Agreement. The provisions of this Agreement are separate provisions in addition to all other provisions contained in the "Margin Agreement" and the "Options Trading Agreement" included herein.

36. NOTICE TO THE CLIENT

The Broker shall notify the Client as follows:

The Broker has executed an "Introducing Broker and Carrying Broker Agreement" with NBCN Clearing Services Incorporated ("NBCN"), a subsidiary of National Bank of Canada, under which NBCN shall provide the Broker with clearing services for Transactions, delivery of Securities, settlement of Transactions, general administration of accounts and custody of Securities. The Broker shall nonetheless remain responsible to the Client for the provision of its services.

37. NOTICE TO CLIENTS RESIDING IN THE UNITED STATES

NBDB, as a Canadian securities broker relying on certain exemptions from registration in the United States (U.S.), must advise all of its clients residing in the U.S., that their accounts are not regulated under the securities laws of the U.S. and that NBDB is not subject to the broker-dealer regulations of the U.S.

38. NOTICE TO CLIENTS REFERRED BETWEEN NATIONAL BANK DIRECT BROKERAGE AND OTHER MEMBERS OF NATIONAL BANK FINANCIAL GROUP

National Bank Direct Brokerage (NBDB) and other members (collectively with NBDB, **Members**) of National Bank Financial Group (NBFG) will, from time to time, refer clients to each other. National Bank Financial Group is the trade name used by National Bank of Canada (NBC) and its subsidiaries such as NBDB. NBFG's policy is to refer its clients between Members in accordance with the needs of the client. A referral may arise for example where a specific Member does not offer certain services that a client needs but another Member does and the client is referred to that other Member for those services. An example of a common referral is when NBC refers a client to NBDB for the purpose of establishing a brokerage account.

If a client is referred to a Member that is registered under securities legislation, such as NBDB, the referred Member is responsible for the activities that require registration such as compliance and supervision of an order execution service.

38.1. Members participating in incentive referral agreements

A brief description of the other Members that NBDB enters into referral agreements with from time to time, and the general nature of the services each Member provides is set out below. Each of NBDB and the other Members listed below are completely separate from each other, but are all wholly owned, direct or indirect, subsidiaries of NBC. Each Member offers its clients a different range of services for which each holds the appropriate registrations under applicable securities laws.

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

38.2. Referral Fees

The incentive referral agreements that NBDB enters into from time to time with another Member under which NBDB may refer its clients to or may receive a referral from the Member are in exchange for the sharing of commissions. It is important to note that these referral agreements will not increase the costs or fees pertaining to the services provided to a client. Therefore, the client will not pay higher fees as a result of any referral agreements that are entered into by NBDB with another Member. However, the commissions shared by NBDB with the other Member give NBDB and such other Member incentive to refer a client to each other. The commissions will vary depending on the other Member involved and whether the client is referred to or by NBDB.

The referral commissions that could be earned or paid by NBDB through referral agreements with other members of National Bank Financial Group are available for consultation on the NBDB Internet site.

38.3. Other Important Information

NBDB and the Members have adopted policies and procedures to assist them in identifying and responding to any material conflicts of interest that may arise from these referral arrangements. NBDB will not be involved in or aware of your specific dealings with the other Member, other than in reference to any referral fees generated as well as any specific authorizations that you may grant the Member in your account opening form or otherwise to enable it to continue to offer you its services.

The referral commissions NBDB and the members of National Bank Financial Group are sharing may be modified from time to time in accordance with the referral agreements NBDB and the members of National Bank Financial Group may enter into with one another. In such cases, the list of referral agreements and the information respecting the referral commissions will be updated and available for consultation on the NBDB Internet site.

39. (APPLICABLE IN QUEBEC)

The parties hereto have requested that this Agreement and any notice and other related documents be drawn up in English.

MARGIN ACCOUNT AGREEMENT

In consideration of the Broker agreeing to open and maintain a margin account in the name of the Client, the latter consents and undertakes to comply with the following terms and conditions:

1. REFERENCES

All the clauses of the Cash Account Agreement shall form an integral part of this Margin Account Agreement, including the necessary adjustments in view of the context of a Margin Account.

2. MARGIN

2.1. Margin (Guarantee): The Client undertakes to maintain at all times the protective margins required, as established from time to time by the Broker at its entire discretion.

2.2. Additional Guarantees: The Client also undertakes to furnish additional guarantees for any obligation that he has contracted toward the Broker and whenever requested by the Broker.

2.3. Margin Call: The Client undertakes to meet forthwith any margin calls, failing which the Broker may, at its sole discretion, without having to make a margin call or an additional prior request, sell all or part thereof, or purchase any Securities for which an Account is short, in order to meet any commitment of the Client. A margin call may, at the discretion of the Broker, be made in writing, by telephone or courier, by facsimile machine or by any other means of communication.

3. AMOUNTS OWED BY THE CLIENT

Any debit amount in the Client's Account resulting from a cash advance or a Transaction, shall constitute an amount owing under Section 17 of the Cash Account Agreement, and shall bear interest at the same conditions.

4. HYPOTHEC (IN QUEBEC) AND SECURITY INTEREST

The Securities held for the Client's Account shall, upon being purchased, be hypothecated in favour of the Broker, as stipulated in Section 19 of the Cash Account Agreement.

5. USE OF SECURITIES

As long as the Client's Securities are not fully paid, the Broker may use them as follows:

- a) lend them and use them in the day-to-day management of its business;
- b) borrow money and pledge them, separately or with its own Securities or those of other persons, for purposes it deems appropriate;
- c) deliver said Securities to hedge sales made for the account of another person, without having to keep in its possession or under its control Securities of the same nature and of the same amount;
- d) use them to make delivery following a sale by the Broker acting as principal or for an account in which the Broker or one of its directors has a direct or indirect interest.

6. POWERS OF THE BROKER

As often as deemed necessary and without previously notifying the Client thereof, the Broker may, on an exchange or any other market or by private sale:

- a) buy any Securities causing the Client's margin account to be short;
- b) sell any Securities held for the Client's account;
- c) cancel any Transaction Order being executed;
- d) take any other measure deemed necessary to protect its interests.

The net proceeds from such Transactions shall be applied to the payment of any amounts owed by the Client to the Broker, without however lessening the Client's responsibility to repay any remaining amount.

DISCLOSURE OF CHARGES BEFORE THE TRANSACTION

The charges and fees specified in the Commission and General Fee Schedule apply to the transactions made in your account. These transactions include:

- The sale or purchase of securities,
- The liquidation or closure of a position made by the Broker, such as when your margin account is subject to a margin call,
- Exercising an option contract,
- The liquidation of securities to make a payment from your RRIF account in the case that sufficient cash is not available,
- The handling of an estate account when securities are to be liquidated.

If the liquidated securities include deferred sales charges, you will also have to pay these charges. For more details on these charges and fees, please refer to the "Commission fees" available in the "Pricing" section of the nbdb.ca homepage and prospectus.

7. SHORT SALES

Unless the Client has expressly indicated to the Broker beforehand that he is selling short in a margin account opened specifically for this purpose, the Client shall deliver to the Broker all the Securities sold on his behalf and not held by the Broker or an agent or mandatary no later than the scheduled settlement date. The Client shall notify the Broker when issuing a short sale order. All sell orders given by the Client shall be considered to be covered, unless otherwise specified by the Client.

If the Client fails to make delivery pursuant to the foregoing or if the Broker sells the Client's Securities according to his instructions and is unable to deliver the same to the purchaser because the Client is not the owner of the Securities or is not in a position to deliver them to the Broker on the settlement date in an acceptable and negotiable form for delivery, the Broker may, at its discretion, execute the Transaction as it may deem appropriate. The Client shall then be required to pay the Broker for any damages, costs and expenses incurred by the Broker to execute the Transaction.

8. COLLECTION OF INFORMATION

The Client acknowledges that the information gathered regarding him, including information on his financial condition and creditworthiness, contains essential elements on which the Broker bases itself to extend margin loans. Consequently, the Client shall authorize the Broker, as long as he has a margin account with the Broker, to obtain from any financial institution, any personal information agency, any employer, any landlord or any other person, all the information deemed useful with respect to his financial condition and creditworthiness and for such purpose, the Client authorizes the Broker to deliver a copy of this authorization to such persons.

OPTIONS TRADING AGREEMENT

In consideration of the Broker agreeing to act as an investment dealer for any Options Trading Accounts in the Client's name, the Client consents and undertakes to comply with the following terms and conditions:

1. REFERENCES

All the clauses of the Cash Account Agreement and the Margin Account Agreement shall form an integral part of this Options Trading Agreement, including the necessary adjustments in view of the context of an Options Trading Account.

2. OPTIONS

The Broker shall act, from time to time, as a dealer for the purchase, sale or execution of puts and calls that can be traded on a recognized market, or other Options Transactions (hereinafter called the "Options").

3. ROLE OF THE CLIENT

The Client acknowledges that he has the required knowledge, necessary experience and required financial resources to carry out and support any Options trade in which he may participate.

4. REGULATIONS

In addition to the rules imposed by the Broker, Options shall be subject to the provisions of the rules of the various clearing corporations which issue Options, of the exchanges on which the Options are traded, and of any other competent self-regulatory agency. The Client undertakes to comply with position limits, maximum limits on short positions, exercise limits, margin requirements, subsequent transaction requirements and all other requirements determined at the option of the Broker and the competent self-regulatory agencies concerned. The Client undertakes to comply with the requirements currently in force that may be subsequently amended at the option of the Broker.

5. LIMITS

The Client acknowledges that limits may be set on short positions, and that in the last ten (10) days preceding the expiry of an Option, a cash-only basis may apply for Transactions, which may vary at the option of the Broker and the competent self-regulatory agencies concerned.

6. ASSIGNMENT

The Broker shall assign exercise notices for Options on a random selection basis or otherwise, as it may deem appropriate. For this purpose, the Broker shall maintain a register according to the execution date of the initial sales of Options traded by its clients.

7. INSTRUCTIONS

The Client shall provide instructions to the Broker in a timely manner concerning the sale, close-out or exercise of any Option or any other action to be taken regarding his Options. The Client acknowledges that the Broker shall have no duty or obligation to take any measures with regard to the Options or exercise the Client's Options before their expiry without specific instructions from the Client. The office of the Broker where the Client shall transmit his instructions regarding Options Trading shall be open during local business hours, but an order may be executed at any time during the session of the exchange concerned. Notice of the Client's intention to exercise an Option shall be required to be given no later than 4:00 p.m., Montreal time, on the business day preceding the expiry date of the Option.

8. POWERS OF THE BROKER

Any order to trade an Option given by the Client may be refused by the Broker at its entire discretion. Should the Broker deem it necessary or desirable, particularly in the case of insolvency, death, bankruptcy, or any other event that could change the Client's financial condition, the Broker may, without having to first notify the Client, take all the measures required to protect its interests against any losses. Without limiting the generality of the foregoing, the Broker may, in particular, sell any Securities held for the Client's account, purchase any Securities for which the Client's Account is short, or buy or sell any uncovered Options for the Client's account and at his risk.

DISCLOSURE OF CHARGES BEFORE THE TRANSACTION

The charges and fees specified in the Commission and General Fee Schedule apply to the transactions made in your account. These transactions include:

- The sale or purchase of securities,
- The liquidation or closure of a position made by the Broker, such as when your margin account is subject to a margin call,
- Exercising an option contract,
- The liquidation of securities to make a payment from your RRIF account in the case that sufficient cash is not available,
- The handling of an estate account when securities are to be liquidated.

If the liquidated securities include deferred sales charges, you will also have to pay these charges. For more details on these charges and fees, please refer to the "Commission fees" available in the "Pricing" section of the nbdb.ca homepage and prospectus.

9. DELAYS

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

10. LIABILITY OF THE BROKER

The Broker may not be held liable for errors and omissions affecting an order or the execution thereof regarding the purchase, sale, execution or expiry of Options or any other Options Transaction unless such error or omission is caused by the Broker's gross negligence or willful misconduct.

11. ACCURACY AND CHANGE OF INFORMATION

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

RISK DISCLOSURE STATEMENT (Integral texts in compliance with regulations)

Risk disclosure statement for futures and options

This brief statement does not disclose all of the risks and other significant aspects of trading in futures and options. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Trading in futures and options is not suitable for many members of the public. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

Futures

1. EFFECT OF "LEVERAGE" OR "GEARING"

Transactions in futures carry a high degree of risk. The amount of initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit: this may work against you or in your favour. You may sustain a total loss of initial margin funds and any additional funds deposited with the firm to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss and you will be liable for any resulting deficit.

2. RISK-REDUCING ORDERS OR STRATEGIES

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

Options

3. VARIABLE DEGREE OF RISK

Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarize themselves with the type of option (i.e. put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options must increase for your position to become profitable, taking into account the premium and all transaction costs.

The purchaser of options may offset or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a future, the purchaser will acquire a futures position with associated liabilities for margin (see the section on Futures above). If the purchased options expire worthless, you will suffer a total loss of your investment which will consist of the option premium plus transaction costs. If you are contemplating purchasing deep-out-of-the-money options, you should be aware that the chance of such options becoming profitable ordinarily is remote.

Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavourably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a future, the seller will acquire a position in a future with associated liabilities for margin (see the section on Futures above). If the option is "covered" by the seller holding a corresponding position in the underlying interest or a future or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability for margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

Additional risks common to futures and options

4. TERMS AND CONDITIONS OF CONTRACTS

You should ask the firm with which you deal about the terms and conditions of the specific futures or options which you are trading and associated obligations (e.g., the circumstances under which you may become obligated to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restrictions on the time for exercise).

Under certain circumstances, the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

5. SUSPENSION OR RESTRICTION OF TRADING AND PRICING RELATIONSHIPS

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any contract or contract month because of price limits or "circuit breakers") may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions. If you have sold options, this may increase the risk of loss.

Further, normal pricing relationships between the underlying interest and the future, and the underlying interest and the option may not exist. This can occur when, for example, the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge "fair" value.

6. DEPOSITED CASH AND PROPERTY

You should familiarize yourself with the protections accorded money or other property you deposit for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as your own will be prorated in the same manner as cash for purposes of distribution in the event of a shortfall.

7. COMMISSION AND OTHER CHARGES

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

8. TRANSACTIONS IN OTHER JURISDICTIONS

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulations which may offer different or

diminished investor protection. Before you trade, you should inquire about any rules relevant to your particular transactions. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the firm with which you deal for details about the types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

9. CURRENCY RISKS

The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

10. TRADING FACILITIES

Most open-outcry and electronic trading facilities are supported by computer based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or member firms. Such limits may vary; you should ask the firm with which you deal for details in this respect.

11. ELECTRONIC TRADING

Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all. Your ability to recover certain losses which are particularly attributable to trading on a market using an electronic trading system may be limited to less than the amount of your total loss.

12. OFF-EXCHANGE TRANSACTIONS

In some jurisdictions, and only then in restricted circumstances, firms are permitted to effect off-exchange transactions. The firm with which you deal may be acting as your counterparty to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks.

Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should familiarize yourself with applicable rules.

USER AGREEMENT – ELECTRONIC BROKERAGE SERVICE

General

This Agreement sets out the terms and conditions of your access to accounts and services through an electronic access device. This Agreement supersedes any prior agreement specifically regarding electronic brokerage services, but is in addition to, and not a replacement for, the present and future agreements between you and National Bank Direct Brokerage Inc. (“NBDB”), including any account opening agreement you enter into when opening a brokerage account.

1. ACCEPTANCE OF THE AGREEMENT

The first-time use of any of the services defined herein below shall indicate that you have read this Agreement and that you agree to be bound by the terms and conditions stipulated herein and by any other condition or restriction applicable to the Service.

2. DEFINITIONS

In this Agreement:

“Client” means an NBDB client who uses the Service.

“User Code” means the user code or codes assigned to the Client to use the Service.

“Account” means the Client’s brokerage account or accounts with NBDB

“Quotation” means any request made by the Client through the Service for stock, option, index, mutual fund or other security quotations, including, but not limited to, bid/ask/last price/changes.

“Information Provider” means any entity providing NBDB, directly or indirectly, with securities or market data or information, including securities markets such as stock exchanges, and includes any subsidiary or affiliate of any such provider of data or information.

“Information” means any information, including news or information provided by third parties, relayed through the Service, including any request made by the Client using the Access System for account information, information about a stock, option, index, mutual fund or other security or quotations, including bid/ask/last price/changes using the Service.

“Password” means the personal password or passwords selected by or assigned to the Client to use the Service.

“Trade Order” means principally any buy or sell order for stocks, options, mutual funds or other securities transmitted to NBDB, as well as any instruction or directive given through the Access System.

“Service” means, individually and collectively:

- access to any information, including data on prices, securities and the market available through electronic services, voice recognition or any other similar Internet connection or online system;
- access to accounts, particularly to documents related to accounts (trade confirmations, account statements, etc.);
- the facility to send a Trade Order using electronic services, voice recognition or any other Internet connection or online system.

“Access System” means any device the Client uses to access the Service, including a telephone, a mobile phone, personal computer or intelligent terminal.

“Telephone Set” means a telephone with a numeric keypad.

3. SERVICE ACCESS

The Client may access the Service through an Access System using his/her User Code and Password. Once the Client has entered the Password into the Access System, he/she undertakes not to leave the device unattended until communication with the Service has been terminated.

The Client undertakes not to attempt to enter into access zones reserved for NBDB’s computer system or the computer system of any entity related to or affiliated with NBDB or to perform functions unauthorized hereunder.

The Client acknowledges and agrees that NBDB may modify or discontinue the Service or any part thereof at any time without prior notice by deactivating the User Code if NBDB considers that the use of the Service is unlawful or inappropriate or if there is any unusual activity in the Account or relating thereto. The Client further acknowledges that the Service may be periodically unavailable in order to allow for systems maintenance and updates.

The Client understands that, depending on the Access System use, e.g. mobile phone, the Client may not have access to the full range of features, functionalities, content and information the Service can provide. Some terms and conditions will appear strictly once the Client click on certain links or information icons. The Client is, however, responsible for familiarizing itself with these as it would with any other applicable agreements or instructions.

The Service shall be available only in the jurisdictions where it may generally be offered to the public. The Client might be unable to use an Access System to access the Service outside Canada. Any service provider fees resulting from the use of an Access System shall be incurred by the Client.

4. USE OF PASSWORD

The Client shall keep the Password confidential. The Client agrees not to disclose the Password to any person and to keep it separately from information about the Service. The Client shall be held liable for any losses incurred in the Account and for access provided to the information contained therein if he/she discloses the Password, keeps a readily discernible inscription thereof, uses a Password that may be easily associated with the Client, such as his/her first or last name, social insurance number, telephone number, address or date of birth. The Client shall change his/her Password from time to time in order to reduce the risk of unauthorized use. The Client shall notify NBDB immediately if the Password has been breached, if he/she has become aware of any unauthorized use thereof or if he/she suspects that a third party may have his/her Password. In such cases, the Client shall be responsible for changing his/her Password immediately.

5. SOFTWARE

Should NBDB provide software to the Client for the use of the Service, the Client undertakes to use the same for his/her personal use only and covenants not to allow access to any unauthorized person. Such

software, as well as the technology, information and documents or instruments relating thereto shall belong to NBDB.

The Client undertakes to use the software in accordance with the terms and conditions set out in the user licence.

NBDB reserves the right to provide support for only the most recent version of the software. If the Client fails to accept the software updates, NBDB may terminate all or part of the Service without prior notice. NBDB shall not be liable for the use or performance of the software provided.

6. PAYMENT OF FEES

By using the Services, the Client accepts, for each Account, responsibility for any and all costs and fees, including but without limitation, commissions, transaction fees or other applicable fees, as described in the fee schedule in effect.

The Client agrees there could be additional fees from third parties, including fees charged by the service provider used to connect the Access System to the Service.

7. PROCESSING TRADE ORDERS

The Client hereby authorizes NBDB to accept, transact and execute any Trade Order for the Account submitted using the Service and agrees to be solely responsible for the accuracy of any instruction communicated to NBDB using the Service. All Orders are subject to the discretionary acceptance of NBDB. In particular, NBDB does not guarantee that Trade Orders placed just prior to the closing of stock exchanges will be forwarded to such stock exchanges on the same day. The Client agrees, inter alia, that a Trade Order will only be processed if the Account is in good standing, if sufficient funds are available in the Account to execute the Trade Order, and if the Trade Order is consistent with the applicable legislation and regulations and with trading practices. The Client agrees that the changes to or cancellation of a Trade Order may be executed only if the original Trade Order has not yet been executed.

NBDB may request additional confirmation of the Trade Order from the Client before execution and the Client agrees that he/she may be reached at the telephone number specified at the time of the Trade Order.

The Client shall immediately notify NBDB if (i) a Trade Order has been placed but the Client has not received back a Trade Order number and accurate confirmation of the Trade Order or its execution, or (ii) the Client has received inaccurate confirmation of a Trade Order or confirmation of a Trade Order that the Client did not place or, any similar conflicting or inaccurate communication. If the Client fails to comply with the foregoing requirements, NBDB shall not be held responsible or liable to the Client, or to any person whose claim may arise through the Client, for any claims arising out of any such conditions.

8. INFORMATION SOURCES

Information provided through the Service, including quotations has been independently obtained from various Information Providers through sources NBDB believes to be reliable. Such information shall be the exclusive property of the Information Providers. By using the Service, the Client agrees not to reproduce, retransmit, disseminate, sell, distribute, publish, issue, broadcast, circulate or commercially exploit the information in any manner whatsoever and not to provide the information to any other person without the written consent of NBDB and the appropriate Information Provider. The information provided shall be used only for the Client's personal use.

9. INFORMATION ACCURACY

NBDB and the Information Providers do not warrant the timeliness, appropriateness, order, sequence, accuracy or completeness of any securities, market data or other information provided through the use of the Service. The Client acknowledges that the Information may include views, opinions, and recommendations of individuals or organizations that may be of interest to investors generally, but that neither NBDB nor the Information Providers endorse such views, opinions or recommendations, or give tax, accounting or legal advice, or recommend the purchase or sale of any security.

10. HYPERTEXT LINKS

Links from and to other websites or references to products, services or publications other than those of NBDB on its web site do not imply that NBDB endorses or approves such web sites, products, services or publications.

11. LIMITATION OF LIABILITY

NBDB may, at its discretion, act in all matters on any instructions regarding a Trade Order given or purported to be given by or on behalf of the Client conveyed using the Service. NBDB shall not incur any

liability by reason of acting or not acting on or because of an error in the Trade Order given by the Client.

The Client acknowledges that NBDB may not be held liable for:

- Any inaccuracy, error, delay, interruption or omission of any information accessible through the Service.
- Any decision made or action taken by the Client in response to information provided through the Service.
- Any loss or injury caused in whole or in part by negligence, abnormal use, use inconsistent with the instructions provided regarding the Service or misuse or inadequate use of the Service by the Client, or by an unforeseeable event beyond the control of NBDB or the Information Providers in procuring, providing, interpreting, compiling, writing, editing, reporting or delivering any information or other services through the Service.
- Any loss or injury resulting from a communication problem or the Client enrolment in other Internet services or any network that places an Access System in contact with other devices. Consequently, the Client accepts the risks inherent in the communication and transmission of information via these networks.
- Any loss or injury suffered by the Client if an unauthorized person succeeds in penetrating the security systems protecting the Access System controlled by the Client, if these systems are inadequate or if the Client accesses the Service with an Access System containing an application that could potentially disclose the Password or otherwise compromise it in any way.
- Any indirect or consequential damage, including, but not limited to, loss of revenues or profits or economic loss, present or future, arising from the proper or improper use of the Service, even if NBDB was advised of the possibility of such damages, or any third party claim.

The Client agrees that the liability, if any, of NBDB or the Information Providers resulting from any claim (whether contractual, delictual, in contract, tort or otherwise) in any way connected with the Service is not to exceed the amount the Client paid to NBDB for the use of the Service, unless there is gross negligence on the part of NBDB.

12. RECORDING OF ORDERS

The Client acknowledges that, for their mutual protection, NBDB shall record all the instructions regarding Orders placed by the Client under the Service.

13. ACT OF GOD

The Client agrees that NBDB, its directors, officers, employees, agents, mandataries and Information Providers will not be liable for any loss or damage resulting from any circumstances beyond their control which prevent the Client from accessing the Service, including, but not limited to, acts or omissions of the Information Providers or any service provider related to the Client use of an Access System, failure of electronic, mechanical equipment or software, problems with telephone and communication lines and intercommunication ducts or conduits, unavailability of or an interruption in a network connection, fraudulent access, theft, acts of terrorism, power failure, labour disputes, and the intervention by a government or by regulatory or self-regulatory organizations.

14. PROPRIETARY RIGHTS

The Client acknowledges that all information conveyed through the Service is proprietary to NBDB or to the appropriate Information Provider and is protected by copyright law and other applicable intellectual property laws. The Client may copy the information for his/her personal and non-commercial use, but the Client covenants not to reproduce, retransmit, disseminate, sell, distribute, publish, broadcast, circulate or otherwise commercially exploit the Information without the express written consent of NBDB and the appropriate Information Provider.

15. OTHER AGREEMENTS AND AMENDMENTS

All terms and conditions governing the agreements respecting brokerage accounts held by the Client at NBDB shall remain in force and shall apply concurrently with the terms and conditions hereof. In the event of any conflict between such agreements and this Agreement, this Agreement shall prevail with respect to the use of the Service. The Client agrees that NBDB may, from time to time, change the terms and conditions under which it offers and provides the Service by notifying the Client thereof. By using the Service, the Client agrees to the new terms and conditions and all amendments hereto.

16. TERMINATION OF AGREEMENT

NBDB may terminate this Agreement at any time simply by sending a notice to the Client and may discontinue all or only part of the Service. The Client may cancel a Service by giving NBDB prior written notice of thirty (30) days.

17. CONFIDENTIALITY

The confidentiality and security of the Trade Orders of the Client placed over the Internet shall be safeguarded by a 128-bit SSL encrypting security device.

18. MISCELLANEOUS

This Agreement confers certain legal rights upon the Information Providers, who may enforce such rights against the Client by instituting legal proceedings or by using other appropriate means.

This Agreement shall be binding upon the respective successors and assigns of the parties hereto.

The Client agrees that the rights and obligations stated herein shall not be assigned without the express written consent of NBDB.

If any provision or condition of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall apply only to such provision or condition and shall not affect the rest of the Agreement.

This Agreement shall be governed by and construed in accordance with the laws in the Province of Quebec.

The parties have requested that this Agreement be drawn up in the English language.

STOCK SAVINGS PLAN II ACCOUNT AGREEMENT (SSP II - Quebec only)

Definitions. For the purposes hereof, the terms or expressions appearing below have the meaning ascribed to them:

- a) **AMF:** shall mean the *Autorité des marchés financiers*.
- b) **Application:** shall mean the account application form completed and executed by the Client.
- c) **Client:** shall mean the individual (other than a trust) whose name appears in this respect on the Application.
- d) **NBDB:** shall mean National Bank Direct Brokerage Inc.
- e) **SSP II Account:** shall mean a SSP II Account established for the benefit of the Client in accordance with the terms and conditions set out in the Application and herein, as such account may be amended from time to time.
- f) **SSP II Plan:** shall mean the Stock Savings Plan II in accordance with the *Taxation Act*.
- g) **Qualifying Stocks:** shall mean, collectively, Qualifying Shares, Valid Shares or Qualifying Securities pursuant to the SSP II Plan.
- h) **Taxation Act:** shall mean the *Taxation Act* (Québec) and the specific proposals to amend the *Taxation Act* publicly announced by the Minister of Finance (Québec).
- i) **Valid Shares:** shall mean Valid Shares included in the SSP II Account in accordance with the *Taxation Act*, and used to cover any disposition of Qualifying Shares, Valid Shares or Qualifying Securities transacted within the SSP II Account of the Client.

The Client:

- 1. is requesting that NBDB hold in his name, in a SSP II Account of which he is the beneficiary, Qualifying Stocks pursuant to the SSP II Plan;
- 2. understands that any Qualifying Shares and any Qualifying Securities included in his SSP II Account must be acquired for money consideration as part of a distribution in accordance with a receipt granted by the AMF. In the case of Qualifying Shares, the certificate in respect of these shares shall be delivered to NBDB directly by the issuer thereof or by another dealer. In the case of Qualifying Securities, the certificate in respect of these securities shall be issued and registered in the name of NBDB or be sent directly to NBDB by the issuer thereof or by another dealer;
- 3. understands that the Valid Shares included in his SSP II Account must (i) have been acquired through a transaction on a stock exchange during a trading session; (ii) at the time of their acquisition, be listed on a Canadian stock exchange; (iii) on the date of their acquisition, belong to a class of shares included in the list of the AMF; and (iv) be evidenced by a certificate which shall be delivered or issued and registered in the name of NBDB;

- 4. understands that, pursuant to the Taxation Act, he shall not receive any certificate evidencing the Qualifying Stocks held in his SSP II Account;
- 5. confirms that the Qualifying Stocks held in his SSP II Account are not included in any other plan whatsoever;
- 6. acknowledges that the failure to maintain Qualifying Stocks in his SSP II Account for the duration of the minimum holding period prescribed by the Taxation Act may result in adverse tax consequences for him;
- 7. acknowledges that the failure to comply with the requirements to cover the account, upon withdrawal of Qualifying Stocks from his SSP II Account in accordance with the requirements prescribed by the Taxation Act, may result in adverse tax consequences for him;
- 8. acknowledges that an investment in the Qualifying Stocks of a corporation or fund qualifying for the SSP II Plan represents a significant risk and that such an investment should only be made by investors willing to assume a high degree of risk. In addition to the risks inherent in any investment made in a corporation, the shares of which are listed on a stock exchange, an investment in Qualifying Stocks specifically involves risks in connection with: (i) the size and financial ability of the corporation qualifying for this plan; (ii) the returns on the securities during the minimum holding period of the Qualifying Securities prescribed by the Taxation Act; (iii) the restricted number of corporations qualifying for the SSP II Plan; (iv) non-compliance with the eligibility criteria and conditions in respect of the SSP II Plan prescribed by the Taxation Act; and (v) the activities of the corporation issuing Qualifying Stocks, as such risks are set out in its prospectus;
- 9. acknowledges that he is responsible for filing in a timely manner, and for the accuracy of, his income tax returns with Revenu Québec;
- 10. acknowledges that NBDB has given him no warranty as to the eligibility of the securities for the purposes of the SSP II Plan or the tax benefits arising therefrom and he releases NBDB from any liability with respect to the tax consequences as well as to the eligibility of the securities for inclusion in the SSP II Plan;
- 11. agrees to indemnify and hold NBDB harmless against and with respect to any loss, damages or fees or costs (whether direct or indirect), which he, NBDB or a third party could incur or suffer as a result of the use of (or the failure to use) any information supplied by NBDB for the purposes of preparing income tax returns with respect to the SSP II Account or Accounts, except in the event of gross negligence or intentional wrongdoing on the part of NBDB;
- 12. acknowledges that, despite the fact that this agreement contains some information with respect to the SSP II Plan, it is not intended to provide him with legal or tax advice. Consequently, he understands that it would be wise to consult his tax advisors with respect to issues regarding the SSP II Plan, including the maximum allowable deduction and the eligibility conditions.

ADDITIONAL TERMS AND CONDITIONS FOR U.S. DOLLAR REGISTERED ACCOUNTS

These additional terms and conditions are complementary to the ones included in the declaration of trust for your plan, as well as those that you received when you opened your accounts at National Bank Direct Brokerage ("NBDB").

1. CONTRIBUTION IN CASH OR IN KIND

For the purposes of issuing contribution receipts, the value of any contribution consisting of U.S. securities to a U.S. dollar registered account is determined in Canadian dollars based on the market value of the securities converted into Canadian dollars. For the purposes of issuing contributions receipts, the value of any contribution made in U.S. dollars to a U.S. dollar registered account is reported to Canada Revenue Agency in Canadian dollars. The conversion rate used is the rate in effect on the day the contribution is made.

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

2. CURRENCY CONVERSION

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

3. TRANSFER TO A RRIF

If, when your Registered Retirement Savings Plan (RRSP) in U.S. dollars matures, it is converted to a Registered Retirement Income

Fund (RRIF), all the assets will be transferred to a Canadian dollar RRIF (because RRIFs are only available in Canadian dollars). As a result, amounts in your U.S. dollar account will be converted to Canadian dollars, using the applicable rate, on the date they are transferred to a RRIF.

4. DEBIT TO THE PLAN

If, in addition to a plan in U.S. dollars, you also have a similar plan in Canadian dollars:

- a) If your Canadian dollar account has a debit balance, NBDB can, at its discretion, convert the funds in your U.S. dollar account and transfer the converted amount to your Canadian dollar account to cover the debit balance;
- b) If your U.S. dollar account has a debit balance, NBDB can, at its discretion, convert the funds in your Canadian dollar account and transfer the converted amount to your U.S. dollar account to cover the debit balance.

5. WITHHOLDING ON WITHDRAWALS FROM A U.S. DOLLAR REGISTERED ACCOUNT

When you withdraw amounts from a U.S. dollar account, the amount withdrawn will be converted and reported to Canada Revenue Agency in Canadian dollars. The applicable amounts withheld, based on the amount withdrawn, will be calculated in Canadian dollars. Any applicable penalty for a U.S. dollar registered plan will be calculated in Canadian dollars.

RELATIONSHIP DISCLOSURE

At National Bank Direct Brokerage (“NBDB”) we offer Canadian investors a comprehensive direct brokerage solution that is easily accessible, reliable, and that allows you to make trades, plan and take charge of your investment decisions easily. Thanks to the support of a team of dedicated specialists, cutting-edge technology and sophisticated tools.

Manage your own investments

Discount brokerage or direct brokerage allows you to manage your own investments and perform all of your own asset management activities, from developing an investment strategy to carrying out transactions. This service, which combines flexibility with abundant information and tools, represents a very attractive alternative to investors looking to be more in control of their investments.

NBDB offers investors a direct trading service (without advice). This means that our clients’ orders are accepted and executed without us making any recommendations or validating their appropriateness or suitability with respect to the client’s financial situation, investment knowledge, investment objectives, investment time horizon or tolerance for risk.

Be in charge!

Choose NBDB and benefit from one of Canada’s top direct brokerage services firm. Whether you are a novice, seasoned or active investor, we have everything you need to help you attain your financial goals. We provide access to all the services you need to independently manage your accounts: unparalleled customer service, investment accounts and solutions for different investor profiles, and powerful IT tools to help you make your investment decisions.

This document has everything you need to know about your account and your relationship with us, including a description of the products and services we offer and the rules that govern your relationship with us. Take the time to read it, as it has important information for you. Since the information contained in this document applies to the accounts you open with us, we recommend that you keep it for future reference. Should you have any questions or comments, do not hesitate to contact us. Our offices are open from Monday to Friday, 8 a.m. to 8 p.m. (ET).

National Bank Direct Brokerage

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Montreal, Quebec H3B 2G7

Toll-free number: 1-800-363-3511

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Website: nbdb.ca

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1. ACCOUNT TYPES

NBDB offers different types of accounts designed to cater to your financial needs.

1.1 Non-registered accounts

1.1.1 Cash account

A cash account provides a quick way to manage all your investments. In this type of account, you must maintain or deposit certain amounts to cover your purchases. Account available in Canadian and US dollars.

1.1.2 Margin account

A margin account allows you to borrow against the market value of eligible securities already in your account. The maximum loan amount of an eligible securities is determined by the Investment Industry Regulatory Organization of Canada (IIROC), (we can determine a more restrictive value than this maximum loan amount), and varies depending on the type of investment and the market value of the security. You have to pay a certain amount of money, called the **margin deposit**, in partial settlement of the transaction. Interest charges are to be paid by you on any amount we lend you. Account available in Canadian and US dollars.

1.1.3 Margin account with short selling

This type of account allows you to sell securities that you do not yet own, with the intention of buying them back eventually at a lower price and potentially realizing a capital gain. Because security prices can rise or fall unexpectedly, this type of transaction could result in a loss if you are required to buy back the security at a price above the original selling price. Interest charges are to be paid by you on any amount we lend you. Account available in Canadian and US dollars.

1.1.4 COD account

With a COD account, payment transactions are settled by another financial institution or broker, which also holds the securities in custody. When a purchase is made, the other institution or broker sends a cheque and receives the certificates for the securities. When a sale is made, the other institution or broker sends us the certificates and we forward the cheque on delivery. Account available in Canadian and US dollars.

1.1.5 Income account

With an income account, you can have dividends and interest from your investments deposited into a bank account at any branch of National Bank of Canada or another major banking institution. Account available in Canadian and US dollars.

1.2 Registered accounts

1.2.1 Tax-Free Savings Account (TFSA)

The Tax-Free Savings Account is a savings method in which your money grows tax-free. The contribution ceiling for the TFSA is set by the federal government without regards to your earned income with the opportunity to catch up your unused contributions for each year since 2009. Investment income (interest, dividends, etc.) and capital gains are not taxable. Account available in Canadian and US dollars.

1.2.2 Registered Retirement Savings Plan (RRSP)

With an RRSP, you can accumulate funds for retirement tax-free and, at the same time, reduce the income taxes you pay today. Amounts contributed to an RRSP are deducted from your current taxable income, allowing you to defer taxation until you retire, a time when your income and tax rate is generally lower. Your Registered Retirement Savings Plan account must be converted into a Registered Retirement Income Fund no later than December 31 of the year you turn 71 years of age. Account available in Canadian and US dollars.

1.2.3 Registered Education Savings Plan (RESP)

If you are interested in starting to guarantee your children's education today, you should open a Registered Education Savings Account. Designed to help you finance their post-secondary education, this tax-sheltered investment plan lets you save and invest for your children's education. The amount that you contribute will be enhanced by the Canada Education Savings Grant (CESG), by an amount of 20% of the first \$2,500 (or less) of annual contributions, up to \$500 per year per beneficiary. Additional grants may be awarded based on your family's net income.

1.2.4 Locked-in Retirement Account (LIRA)

The Locked-in Retirement Account is a retirement savings vehicle in which only pension fund amounts under provincial jurisdiction can be deposited. A LIRA must be converted into a Life Income Fund or a life annuity no later than December 31 of the year you turn 71 years of age. Account available in Canadian and US dollars.

1.2.5 Locked-in RRSP

This type of account is a retirement savings vehicle that can only accept amounts from registered pension plans subject to federal law. A Locked-in RRSP must be converted into a life annuity or a Life Income Fund (federal jurisdiction) before December 31 of the year you turn 71 years of age. Account available in Canadian and US dollars.

1.2.6 Registered Disability Savings Plan (RDSP)

A RDSP is a savings plan that is intended to help parents and others to save for the long-term financial security of a person who is eligible for the Disability Tax Credit (DTC). As an incentive to save, the government will pay a Canada Disability Savings Grant (CDSG). Low-income families will be paid, under certain conditions, Canada Disability Savings Bonds (CDSB). As with all other registered plans, investment income accumulates tax-free.

1.3 Retirement income accounts

1.3.1 Registered Retirement Income Fund (RRIF)

Like all investors, you will have to convert your RRSP into a RRIF the year you turn 71 years of age. The Registered Retirement Income Fund is a natural extension of an RRSP, so it is one of the most sensible choices you can make. In addition to allowing you to defer income taxes on capital and income until the invested amounts are withdrawn, the RRIF allows you to make monthly, quarterly, semi-annual or annual withdrawals of retirement income. You are free to set the withdrawal amounts, as long as they meet the mandatory minimum amount determined by the government.

1.3.2 Life Income Fund (LIF)

The Life Income Fund is a type of retirement income plan that is similar to the Registered Retirement Income Fund (RRIF). However, unlike the RRIF, it sets a maximum amount for retirement income withdrawals. Funds transferred into LIFs come from locked-in accounts, which in turn were created from amounts from pension funds.

1.4 Special accounts

NBDB offers a wide variety of special accounts to meet the specific financial needs of certain entities. This includes: companies, sole proprietorships, estates, trusts, partnerships, investment clubs, associations and Individual Pension Plans (IPPs).

2. TYPES OF PRODUCTS

2.1 Shares

A share is a security that gives the investor ownership rights in a company. Depending on the type of share, shares can represent equity in a company, participation in distributions of the company's profits paid out as dividends and/or voting rights at shareholder meetings. There are two main types of shares: common shares and preferred shares.

2.2 Exchange-traded funds

Exchange-traded funds (ETFs) are securities that track an index, a commodity or a basket of assets like an index fund. They are made up of portfolios of securities (shares, bonds, etc.) managed by portfolio managers. Investors need to consider an ETF's management style (which may be passive, active, inverse or with leverage) and its portfolio of securities to determine whether it is the one that best meets their needs.

In contrast to mutual funds, which are traded once a day at the close of trading, ETFs are traded on the exchange. This means that you can freely trade them and track changes in their values throughout the day.

2.3 Mutual funds

When you invest in a mutual fund, you buy part of the fund; this part is called a unit when the fund is incorporated as a trust. Mutual funds may invest in different types of securities, including common and preferred shares, in debt securities such as bonds and debentures, and in money market instruments, including Treasury bills. There are over 5,700 mutual funds offered in the Canadian market, with each fund targeting a specific type of investor. Management decisions regarding the assets held in mutual funds are made by portfolio managers.

2.4 Fixed income securities

2.4.1 Bonds

A bond is a negotiable debt security issued by a company (public or private) or governmental entity (the federal government, a provincial government or a municipality) giving the investor a claim against the issuer. Property is generally pledged to secure the loan (except in the case of government bonds).

2.4.2 Debentures

Like bonds, debentures are debt securities. A debenture may be secured by various protective clauses, a residual equity and the issuer's creditworthiness, but it is not usually secured by specific tangible assets that can be seized and sold in the event of default. Consequently, debentures may offer a higher interest rate than comparable bonds, because they are usually riskier.

In some cases, debentures offer the holder the possibility of conversion into common shares when certain predetermined conditions are met. A company may decide to issue a debenture and make it available on the markets.

2.4.3 Stripped bonds and coupons

These assets actually represent the two components that usually make up a bond: the principal (stripped bond) and the interest payments (coupons). However, for this bond category, the coupons are separated from the bond, creating two separate products.

Once detached, the coupons are purchased at a discount and are redeemed at their full face value at maturity. They can be sold in whole or in part before maturity. Regular interest is not paid, as all interest is paid at maturity.

The holder can sell the coupons on the secondary market before maturity, in which case he will receive the day's rate. Because the values of these products fluctuate with the markets and interest rates, there is no way to predict the return that the client will realize if he or she sells before maturity (the client may even incur a loss).

2.4.4 Principal Protected Notes (Linked notes)

Principal-protected notes (linked notes) are debt securities that provide a guarantee, based on the issuer's credit rating, that the principal will be repaid at maturity. The return at maturity, if any, depends on the performance of an underlying asset, which can be made up of several asset classes, including equities, mutual funds, commodities, hedge funds, currencies, bonds and indices.

2.5 Money market securities

2.5.1 Government of Canada Treasury bills

Government of Canada treasury bills (T-bills) are short-term government debt instruments issued in denominations ranging from \$1,000 to \$1,000,000. Treasury bills do not earn interest. They are issued below par and are redeemable (at maturity) at par. The difference is the interest earned.

2.5.2 Quebec Treasury bills

Quebec treasury bills are short-term government debt instruments similar to Government of Canada treasury bills. Most issues have terms of several days to 180 days. The minimum investment amount is \$25,000, regardless of the term chosen by the client.

2.5.3 Bankers' acceptances

Bankers' acceptances are bearer notes issued by a corporation and guaranteed by a bank. When a bank agrees to guarantee a note, it assumes the responsibility for paying the holder at maturity if the corporation is unable to do so. Bankers' acceptances are issued for terms ranging from a few days to one year. However, in most cases, they are issued for 30 to 90 days. The minimum purchase amount is \$25,000, regardless of the term chosen by the client.

2.5.4 Bearer term notes

A bearer term note is an instrument issued and secured by a bank and sold to Canadian investors with short-term funds.

2.5.5 Commercial paper

Commercial paper consists of a bearer or registered note issued by a well-known commercial or industrial company. Commercial paper is often endorsed by the parent company or a subsidiary, or supported by a line of credit at a bank. The issuing company's credit rating, which determines the degree of risk, influences the interest rate paid to the investor. Most commercial paper is issued for 30 to 90 days. It can be sold at a discount or at par. The minimum purchase amount is \$100,000, regardless of the term chosen by the client.

2.6 Guaranteed investment certificates (GICs)

2.6.1 Conventional GICs

Conventional guaranteed investment certificates generally offer terms of 30 days to 5 years and are sold in redeemable and non-redeemable versions. The date of payment of the simple or compound interest is known when the GIC is issued.

2.6.2 Variable-return GICs

Variable-return GICs enable investors to benefit from a potential return linked to the markets, while fully protecting their initial investment. Variable-return GICs include index-linked GICs, which combine the security of a deposit certificate and the growth potential of a stock.

2.7 Derivatives

2.7.1 Options

An option contract gives the holder the right but not the obligation to buy or sell a given position in an underlying security, at a given exercise price, at a specified time or at any time before a specified expiry date.

An option giving the holder the right to acquire the underlying security is a call option, while a put option gives the holder the option to sell the security.

2.7.2 Subscription warrants

A warrant is a security that gives the holder the right to buy the shares of an issuing company at a stipulated price within a specified period. In that sense, a warrant is similar to a call option. The main difference between these two financial products is that warrants are issued by companies, while call options are sold by investors.

2.7.3 Subscription rights

A subscription right is a temporary privilege granted to a shareholder that allows the shareholder to buy additional shares directly from the issuing company. Rights are issued to shareholders in proportion to the number of securities they hold. Rights usually expire within a short period. If the shareholder does not exercise or sell his rights before they expire, he may incur a financial loss.

For more information on the products we offer, please consult the Education Centre and Glossary on our website at nbdb.ca or contact one of our representatives.

3. SERVICES OFFERED

At NBDB, you're in charge of your trade. We offer you a wide range of investment products, and you can use several quick and simple ways to trade.

3.1 Opening an account is simple and easy

By Internet

Fill out an account opening application online at nbdb.ca and, once you've finished, we will receive it immediately. You can also download the forms and print them.

Telephone

Contact us at 1 800 363-3511 or 514 866-6755 between 8:00 a.m. and 8:00 p.m. (Eastern Time), Monday to Friday.

Bank branch

Drop by your local National Bank branch.

3.2 Trading made easy

Website

This is the most convenient and popular way to trade! Our online portfolio assessment tools support your development as an investor (account summary, asset details, history) and provide a quick overview of your investments and the actions required to attain your investment objectives. The site has been designed to simplify your portfolio management and provide you with a range of easy-to-use tools and resources.

Mobile website

Have the markets in the palm of your hands with the NBDB mobile website! We launched the mobile site because you are active and your needs have changed. It offers fast and secure access to your brokerage accounts wherever you are. In addition to being able to make trades with your smartphone, you will be able to monitor your accounts, consult asset details and obtain real-time quotes.

To access the mobile website, go to at nbdb.ca using your smartphone.

Customer service

You can also contact our seasoned and experienced team of representatives between 8:00 a.m. and 8:00 p.m. (Eastern Time), Monday to Friday. They will be happy to help you in all your transactions in your accounts or answer questions on our web tools.

3.3 Online tools

NBDB offers you a wide range of practical tools to help you get the most out of your brokerage experience.

- **National Bank Direct Brokerage's transactional site**
The site allows you to make trades, consult your account and use our tools at any time.

- **Recognia**
Interactive and easy to use, Recognia is an integrated, free research tool that helps investors obtain technical analysis information, search for investment ideas, find purchase and selling prices, and monitor security watch lists.

Recognia is much more than a simple form of technical event recognition software; it analyzes over 65,000 equities, indices, and global currencies and provides you objective analyses every day.

- **National Bank Financial (NBF) research**
Take advantage of free access to NBF research and analyses on close to 300 Canadian securities. Whether you are interested in exchange-traded funds, stocks or options, NBF's analysts make weekly postings of their favourite stock picks, lists of selected securities, model portfolios, and investment ideas.

- **Morningstar Research**
Take advantage of the independent expertise of 100 Morningstar analysts who, for over 25 years, have been specifically helping independent investors make objective investment decisions through a star-based recommendation system on over 2,000 North American equities and exchange-traded funds.

Their 2,000 reports allow you to make detailed comparisons of securities and understand the qualitative and quantitative factors of the analysis, which is focused on a company's long-term ability to generate cash flows. Whether you are looking for the best company in a given sector, the best investment opportunities or simply those equities providing the best dividend yields, Morningstar delivers exclusive monthly watch lists of selected securities, in English and in French.

- **Mutual fund select list**
In a single page, see the best performing funds in terms of consistent performance over time and resistance to market fluctuations. Are you interested in building a well-diversified portfolio or carefully rounding out the selection of products in your account? Our list can help you make your decisions.

- **Asset allocation tool**
Before taking action, you need to do some planning. This is where our tool comes in, helping you through the different available profiles and allowing you to see the differences! Once you have determined your asset allocation and selected appropriate investments, you are in the good direction to attaining your financial objectives. We believe that asset allocation requires a long-term approach. It is a balanced and rational process designed to bring some stability in an economic environment that at times defies forecasting.

- **Market-Q** (Available upon subscription - There are costs associated with using this tool. Learn more on our website or speak to a representative for more information)
Market-Q is a sophisticated and fully customizable information and trading platform that allows you not only to track changes in the North American markets in real time, but also to monitor your own positions, in particular through real-time streaming quotes. The platform does not require any software downloads and it allows you to quickly respond to opportunities when they present themselves, no matter where you are. Whether you perform your own analyses, are looking for news of a particular interest, or want to sort through market information in the blink of an eye, using your own criteria, Market-Q adjusts to your needs and gives you the most complete picture of the markets.

- **Decision-Plus tools**
(Available upon subscription - There are costs associated with using this tool. Learn more on our website or speak to a representative for more information)

In partnership with Decision-Plus, National Bank Direct Brokerage offers stock market investors the MarketVisionPlus, TraderPlus and MarketGurus.tv suite of tools. These tools are designed to assist active investors by helping them map out an investment strategy that meets their financial objectives.

- **Goal Planner**
Whether you're planning for retirement or for a specific project, or choosing your investment profile, Goal Planner allows you to create an action plan, devise your savings strategy and validate your assumptions. Access Goal Planner from our website or trading platform and visualize the change in your assets over time while comparing your plan with different economic projections.

- **ETF Centre (exchange-traded funds)**
Are you looking for exchange-traded funds, or do you simply want to learn more about this type of product? Our ETF Centre is a comprehensive source of information that can not only assist you in your decision process; it can also enable you to quickly take action. With several thousand ETFs available, choosing one that suits you best can be a difficult task. The ETF Centre lets you search for ETFs more quickly using symbols, personalized criteria and a simple key word. The characteristics and composition of ETFs are displayed in real time on a single page. It is also possible to customize the display using our many options: frequency, period, indicators and volume. Our ETF Centre allows you to better understand this type of product.

- **Educational tools**
Are you taking advantage of all the benefits from investing in a TFSA and an RESP? Do you have any questions about how income trusts work or the tax treatment of dividend income? Our Education Centre will provide you with a wealth of information. It answers questions that independent investors have, allowing you to learn about investments when you want, where you want and at your own speed, using the many interactive learning capsules in English and French on our website. We freely offer a wide range of seminars for you to learn, step by step, investment basics, how markets work, and the differences between products and accounts, or even broaden your investment and trading knowledge.

- **A variety of publications, including the Dow Jones Morning Briefing**
Sign up online for a free subscription to the daily Dow Jones Morning Briefing! It will keep you up-to-date on market trends and in touch with the latest developments (available in English and French). The Briefing contains the latest information, including:
 - an outlook on the day's trading;
 - an early look at action in stocks, bonds, forex and commodities;
 - the top stories of the day;
 - a calendar of earnings and economic indicators.

3.4 Distinctive Services

As a member of National Bank Direct Brokerage's VIP clientele, you have access to our most advantageous service offering. As a way of showing you our gratitude and to thank you for the trust you place in us, we wish to present you two exclusive offers developed entirely with your needs in mind.

Advantage Direct Brokerage offers you:

- The support and guidance of our most senior representatives
- Priority telephone access
- 10% off the commission when you trade equities, options or ETFs by telephone, with a representative¹
- A free, personalized annual report of your accounts, upon request
- Reimbursement of fees when transferring \$25,000 or more assets from another institution²

To benefit from the services offered under *Advantage Direct Brokerage*, you must meet one of the two following criteria:

- Have assets of \$500,000 or more at National Bank Direct Brokerage;
or
- Carry out a minimum of 300 equities, options or ETFs trades each year at National Bank Direct Brokerage.

You can also trade for as low as \$6.95¹ when you carry out your transactions electronically.

If you qualify for the service under the above mentioned criteria, you can request that your immediate family members (including parents and children) benefit from the *Advantage Direct Brokerage Service*.

Private Direct Brokerage offers you:

- Dedicated Account Manager
- Private telephone access
- Personalized electronic communications
- The management of your debit balances (upon request)
- Follow-up on the renewal of your investment maturities (upon request)
- Broader inventory of fixed income securities
- Preferred interest rate on credit balances in Canadian currency
- 20% off the commission when you trade equities, options or ETFs by telephone, with a representative¹
- Free personalized reports on your accounts
- No annual administration fees
- Reimbursement of fees when transferring assets from another institution²

You can also trade for as low as \$ 6.95¹ when you carry out your transactions electronically.

To benefit from the services offered under *Private* Direct Brokerage, your assets held at National Bank Direct Brokerage must total \$1,000,000 or more. You must also carry at least 10 transactions on equities, ETFs or options annually. We are happy to extend this offer to your immediate family, including parents and children.

Do not hesitate to contact one of our representatives to know more.

¹ Consult our Commission and General Fee Schedule

² Up to \$135 + taxes

3.5 Financial packages

NBDB clients can benefit from certain agreements negotiated with professional orders, either through National Bank of Canada or directly by NBDB. To know whether you are eligible for the financial packages we offer, consult our website under the "Programs" tab, "Financial packages for professionals" page (<http://nbdb.ca/en/our-offer/financial-programs-for-professionals/>). If you are eligible and interested in signing up, all you have to do is contact us.

3.6 InvestCube

InvestCube was designed to simplify do-it-yourself investing. The idea behind InvestCube is to combine exchange-traded fund (ETF) portfolios built by experts to smart automatic rebalancing synched to market fluctuations. This innovative concept, combined with low fees, is an interesting option for investors wishing to have some control over their investments - by choosing their own portfolio - while benefiting from professional expertise. InvestCube is a solution for long-term buy-and-hold investors. For more information on InvestCube, visit our website at: <http://nbdb.ca/en/investment-solutions/turnkey-solutions/investcube/>.

4. SERVICE WITHOUT ADVICE AND SUITABILITY VALIDATION

NBDB offers a trading service without advice. This means that your trading orders are accepted and carried out without us making a recommendation or validating their suitability or appropriateness with respect to your financial situation, your investment knowledge and objectives, your investment time horizon or your tolerance for risk. NBDB assumes no responsibility for the suitability of its clients' orders and investments. Clients bear full responsibility for their investment decisions and, by extension, for the financial and tax consequences of their decisions.

5. DOCUMENTATION TO HELP YOU TRACK PORTFOLIO ACTIVITY

Regular communications are part of any good relationship. We have different means for staying in touch with you, such as mail, telephone and email. When we need to send you information we will use the most recent contact information you have provided. You are responsible for keeping us informed of any changes in your contact information, so that we can always reach you.

5.1 Transaction confirmation

We will send you a confirmation or make one available on the web on the day following each transaction that you make in your account. You will need to verify the accuracy of this confirmation and advise us of any errors or omissions regarding its content within three (3) days of receipt. Once this deadline has expired, you are deemed to have accepted and definitively ratified the content of the transaction confirmation, which is then considered accurate and cannot be contested.

5.2 Portfolio statement

We will send you, by mail, or we will make available on the web, a monthly statement between the 5th and 10th day of the following month, when there has been activity in your account during the preceding month. When there is no activity in the account, you will be sent a statement at least once per quarter. Activity in the account is defined as a transaction other than dividends or interest recorded in the account.

When we send you an account statement, you must confirm its accuracy and notify us of any error or omission in its content within thirty (30) days of receipt. Once the thirty (30) day period has expired, you are deemed to have accepted and definitively ratified the content of the account statement, which is then considered accurate and can no longer be contested.

5.3 Investment Performance Report

As of January 2017, you will receive a report of your performance over the past year and since inception. This information can help you assess your progress toward meeting your investment goals.

Calculation of return

The "total percentage return" of your account provided in the report is calculated net of costs and other charges based on two (2) calculation methodologies.

The "Time-weighted rate of return" (TWRR) calculation is commonly used in the financial industry and is a standard requirement from the Chartered Financial Analyst (CFA) Institute. "TWRR" calculations do not consider the impact of deposits and withdrawals you have made within your account. The results of this performance calculation isolate the investment decisions made within your account and do not consider the timing of deposits and withdrawals. Therefore your account's TWRR can be compared against a relevant benchmark for you to assess your performance.

The "Money-weighted rate of return" (MWRR) is a performance calculation methodology required by regulators such as the Canadian Securities Administrators (CSA) and the Investment Industry Regulatory Organization of Canada (IIROC). "MWRR" is a calculation methodology used to measure the performance experienced by the investor. The rate of return is influenced by the timing of deposits and withdrawals from your account and takes into consideration not only the amount but also the timing of the cash flow. This provides a picture of how your account is performing in light of decisions you have made to deposit or withdraw funds over a set period. Its results cannot be compared to a benchmark.

5.4 Return to your portfolio (transactional website)

Access your account through our transactional site and the Accounts > Performance will give you detailed information on the return in each of your account types, individually or on a consolidated basis using one of two methods: by individual period or by cumulative periods.

Assessment date

Return by individual period. The return displayed here has been calculated for the relevant period and does not take prior periods into account.

Return by cumulative periods. The return displayed here has been calculated for the relevant period, as well as prior periods.

Calculation of return

The return is calculated using the "Time-weighted rate of return" (TWRR). This calculation is commonly used in the financial industry and is a standard requirement from the Chartered Financial Analyst (CFA) Institute. "TWRR" calculations do not consider the impact of deposits and withdrawals you have made within your account. The results of this performance calculation isolate the investment decisions made within your account and do not consider the timing of deposits and withdrawals. Therefore your account's TWRR can be compared against a relevant benchmark for you to assess your performance.

Investment performance benchmarks

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

Investment benchmarks usually provide a broad measure of the return generated by specific asset classes over a given period. They are often referred to as reference indices since the most common form of investment benchmark is an index - such as a stock or bond index. A benchmark must replicate the security or portfolio you are monitoring as closely as possible for the comparison to be meaningful. Examples of benchmarks would include the S&P/TSX for Canadian stocks, the DEX Universe for Canadian bonds and the S&P 500 for U.S. stocks. For a portfolio composed of securities from several different asset classes, the appropriate benchmark would be a blend of indices weighted according to the portfolio's asset mix.

For more information about comparing your portfolio's return to a benchmark, please don't hesitate to contact us.

Sharpe ratio

The Sharpe index represents the real return (return obtained less the risk-free return) obtained for each unit of risk (standard deviation). The rate of return on Treasury bills is often considered a risk-free rate, given that they are debt instruments issued by the state whose term is short enough to minimize market-related interest rate risk. So the higher the Sharpe index, the more positive it is.

5.5 Annual Fees and Compensation Report

As of January 2017, you will receive a report that summarizes the amounts we received directly and/or indirectly, over the past year, to provide you with our services and tools as they relate to your investment account.

Our compensation comes from two sources:

1. What you pay us directly. Some of these charges are associated with the operation of your account. Others are associated with purchases, sales and other types of transactions you make in your investment portfolio.
2. What we receive through third parties.

6. INFORMATION ON SITUATIONS THAT COULD CREATE OR BE PERCEIVED AS CONFLICTS OF INTEREST

Securities regulations in Canada require all dealers and advisers to comply with certain rules in relation to conflicts of interest, particularly with respect to the disclosure of information in that regard. The purpose of this document is to inform you on the nature and extent of the conflicts of interest that may affect the services provided by NBDB and about how we identify and respond to them in order to minimize their impact.

We consider a conflict of interest to be any circumstance where the interests of different parties, such as the interests of a client and those of NBDB, are inconsistent or divergent. We take reasonable steps to identify all existing material conflicts of interest, and those we would reasonably expect to arise. We then assess the level of risk associated with each conflict. We avoid any situation that would entail a serious conflict of interest or represent too high a risk for clients or market integrity. In any other situation entailing a conflict of interest, we ensure that appropriate measures are implemented to control the conflict of interest effectively.

Conflict of Interest Situations

The situations in which NBDB could be in a conflict of interest, and the way in which NBDB intends to respond to such conflicts, are described herein below. Where not avoided, any existing or potential material conflict of interest situations and any future material conflict of interest situations will be disclosed to you as they arise.

Related Issuer

An individual or company is considered a "related issuer" to NBDB if, through the ownership of, or direction or control over voting securities or otherwise, i) this person or company is a influential securityholder of NBDB; ii) NBDB is a influential securityholder of that person or company, or iii) each of them is a related issuer of the same third person or company.

An issuer distributing securities is a "connected issuer" to NBDB if the relationship between this issuer and NBDB, a related issuer of NBDB or the directors, officers or partners of NBDB or a related issuers of NBDB, may lead a reasonable prospective purchaser of the securities of the connected issuer to question NBDB's independence from the issuer with respect to the distribution of the securities of this issuer.

Relationships with Parties Related or Connected to NBDB

As of December 23, 2015, the list of related issuers of NBDB considered reporting issuers under Canadian securities legislation is as described herein below. A concise statement of the relationship between NBDB and each related or connected issuer is also provided:

Alstra Fund p.l.c. : Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Alstra Fund p.l.c. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Avalon Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Avalon Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Draco Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Draco Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Gedney Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Gedney Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Lancaster Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Lancaster Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Lock Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Lock Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Oxford Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Oxford Fund Inc. Innocap Investment Management Inc. is held at 50% by

National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Mason Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Mason Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Sherwood Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Sherwood Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Sonata Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Sonata Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Spitfire Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Spitfire Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Thor Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Thor Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Baldr Valkyrie Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Baldr Valkyrie Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

National Bank of Canada: National Bank of Canada is a bank incorporated under the Bank Act (Canada) and is a reporting issuer that holds indirectly 100% of the voting and equity shares of NBDB.

Canadian Credit Card Trust II: This trust is a trust whose administrator is National Bank of Canada and whose securities are publicly distributed. Consequently, Canadian Credit Card Trust is deemed to be a related issuer.

Fiera Capital Corporation: Fiera Capital Corporation is a portfolio manager of which 23% of the issued and outstanding shares are indirectly held by National Bank of Canada.

NBC Asset Trust: This trust is a closed-end trust whose voting units are held by National Bank of Canada. Consequently, NBC Asset Trust is deemed to be a related issuer.

NBC Capital Trust: This trust is an open-end trust whose voting units are held by National Bank of Canada. Consequently, NBC Capital Trust is deemed to be a related issuer.

Horizons AlphaPro Exchange Traded Funds: NBF International Holdings Inc., an indirectly wholly-owned subsidiary of National Bank of Canada, holds voting securities of AlphaPro Management Inc., manager and trustee of these Funds.

National Bank Mutual Funds: National Bank Investments Inc., a wholly-owned subsidiary of National Bank of Canada, is the manager of all National Bank Mutual Funds (including Jarislowky Fraser Funds, Westwood Funds, NBI Private Portfolios and NBI SmartBeta Funds), namely National Bank Dividend Income Fund Inc. and National Bank AltaFund Investment Corp., two mutual fund corporations. Fiera Capital Corporation is the portfolio manager of most of the National Bank Mutual Funds. National Bank Short Term Yield Class is a class of shares of National Bank Funds Corporation, a mutual fund corporation indirectly controlled by National Bank of Canada.

Lakeroad Equity L/S Fund L.P.: National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. is the investment manager of Lakeroad Equity L/S Fund L.P.

IPSOL Global Equity Fund L.P.: National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. is the investment manager of IPSOL Global Equity Fund L.P.

Landry Global Equity II Fund L.P.: National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. is the investment manager of Landry Global Equity II Fund L.P.

Landry Global Equity L/S Fund L.P.: National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. is the investment manager of Landry Global Equity L/S Fund L.P.

LionGuard Canadian Small Cap Equities Fund L.P.: National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. is the investment manager of LionGuard Canadian Small Cap Equities Fund L.P.

Razorbill Bond Fund L.P.: National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. is the investment manager of Razorbill Bond Fund L.P.

Global Alpha Fund L.P.: National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. is the investment manager of Global Alpha Fund L.P.

Majestic Global Diversified Fund L.P.: National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. is the investment manager of Majestic Global Diversified Fund L.P.

Crystalline Global Macro Fund L.P.: National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. is the investment manager of Crystalline Global Macro Fund L.P.

Galliant Market Neutral Fund Fund L.P.: National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. is the investment manager of Galliant Market Neutral Fund Fund L.P.

Razorbill Beta Plus Canadian Universe Bond Fund L.P.: National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. is the investment manager of Razorbill Beta Plus Canadian Universe Bond Fund L.P.

Hexavest GTAA Fund L.P. (established in Quebec under the name Fonds Hexavest AATG): National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. holds 100% of voting and participating shares of Innocap GTAA GP Inc. (established in Quebec under the name Commandité Innocap GTAA), which acts as general partner of this fund. Innocap Investment Management Inc. is the investment manager of Hexavest GTAA Fund L.P.

Icare Investment Solutions p.l.c.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Icare Investment Solutions p.l.c. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Innocap Fund SICAV p.l.c.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada, acts as the Investment Manager of Innocap Fund SICAV p.l.c. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Innocap Globevest Capital AG Fund L.P. (established in Quebec under the name Fonds Innocap Globevest Capital CA): National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. holds 100% of voting and participating shares of Innocap GCAG GP Inc. (established in Quebec under the name Commandité Innocap GCAG), which acts as general partner of this fund. Innocap Investment Management Inc. is the investment manager of Innocap Globevest Capital AG Fund L.P.

Innocap TOBAM Anti-Benchmark World Equity Fund L.P. (established in Quebec under the name Fonds Innocap TOBAM Actions Internationales Anti Indice de Référence): National Bank of Canada holds 50% of voting and participating shares of Innocap Investment Management Inc. Innocap Investment Management Inc. holds 100% of voting and participating shares of Innocap TAWÉ GP Inc. (established in Quebec under the name Commandité Innocap TAWÉ), which acts as general partner of this fund. Innocap Investment Management Inc. is the investment manager of Innocap TOBAM Anti-Benchmark World Equity Fund L.P.

InRIS QIAIF p.l.c.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of InRIS QIAIF p.l.c. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

InRIS UCITS p.l.c.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of InRIS UCITS p.l.c. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Investment Grade Managed Duration Income Fund: National Bank Financial Inc., which is one of the Agents and the Promoter, is an affiliate of a Canadian chartered bank which has been requested to provide the Fund with a loan facility or prime

brokerage facility, the proceeds of which would be used by the Fund for various purposes, including purchasing additional securities for the Portfolio, effecting market purchases of Units, maintaining liquidity and funding redemptions.

NBCG Fund SICAV p.l.c.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of NBCG Fund SICAV p.l.c. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

Meritage Portfolios: National Bank Investments Inc., a wholly-owned subsidiary of National Bank of Canada, is the manager of the Meritage Portfolios. National Bank Trust Inc., a wholly-owned subsidiary of National Bank of Canada, is the portfolio manager of all Meritage Portfolios. Certain Meritage Portfolios are classes of shares of National Bank Funds Corporation.

Proteus Fund Inc.: Innocap Global Investment Management Ltd, a wholly owned subsidiary of National Bank of Canada acts as the Investment Manager of Proteus Fund Inc. Innocap Investment Management Inc. is held at 50% by National Bank of Canada and acts as the Investment Advisor of Innocap Global Investment Management Ltd.

U.S. Banks Income & Growth Fund: National Bank Financial Inc., which is one of the Agents and the Promoter, is an affiliate of a Canadian chartered bank which has been requested to provide the Fund with a loan facility or prime brokerage facility the proceeds of which would be used by the Fund for various purposes, including purchasing additional securities for the Portfolio, effecting market purchases of Units, maintaining liquidity and funding redemptions. Consequently, the Fund may be considered a "connected issuer" of National Bank Financial Inc. under applicable securities legislation.

In the course of carrying out its business activities as securities dealer, NBDB may from time to time engage in the following activities in respect of National Bank or other related issuers of NBDB, and in the context of a distribution, in respect of the securities of National Bank and other connected issuers of NBDB:

- Sell such securities to or on behalf of clients of NBDB;
- Purchase such securities from or on behalf of clients of NBDB;
- Offer for sale securities, goods and services which include securities, goods or services issued or provided by National Bank of Canada or another related issuer, or cooperate with National Bank of Canada or another related issuer in the joint offering for the sale or purchase of securities, and goods or services.

It is the policy of NBDB to comply fully with all applicable securities legislation and to make all required disclosures where acting as investment dealer in respect of the securities of National Bank of Canada and other related or connected issuers of NBDB, particularly in the following situations:

- In the context of the purchase or sale of securities of a related issuer, or in the course of a distribution, in respect of securities of a connected issuer, NBDB will have to inform the client in writing of the relationship or connection between NBDB and the issuer of the securities; and
- Where NBDB purchases securities from or sells securities to a subsidiary or affiliate, the dealing will be done on the basis that the transaction price for a given security together with the brokerage commission applicable to such trade, is as good as or better than that offered by an unaffiliated third party broker in an arms-length transaction.

As part of its business activities as investment dealer, NBDB may also be called upon to act as agent or principal at the time of buying or selling for or on behalf of its clients or in their accounts. In such instances, the services provided by NBDB in the normal course of business will be provided in accordance with its normal practices and procedures as well as the relevant legislation or regulations.

Related Dealers and Advisors

NBDB affiliation with National Bank of Canada and its subsidiaries makes it necessary to put in place certain policies aimed at dealing with any potential conflicts of interest and ensuring that the best interest of NBDB's clients are preserved.

NBDB is duly registered as an investment dealer which gives no advice nor does it make any recommendations with respect to investments. Furthermore, National Bank of Canada, of which NBDB is indirectly wholly-owned subsidiary, is also the principal shareholder of the following dealers and advisors:

- National Bank Investments Inc.
- NBC Alternative Investments Inc.
- CABN Investments Inc.
- National Bank Financial Inc.
- National Bank Financial Ltd.
- Innocap Investment Management Inc.
- Innocap Global Investment Management Ltd. – in Malta only
- National Bank of Canada Financial Inc. – in Hong Kong only

NBC Financial Markets Asia Limited
 NBCN Inc.
 NBF International S.A. – in Switzerland only
 Natcan Trust Company
 National Bank Trust Inc.
 Fiera Capital Corporation
 Fiera Sceptre Funds Inc.
 Maple Futures Corp.
 Maple Securities Canada Limited
 Maple Securities U.S.A. Inc. – in United States only
 Maple Securities (U.K.) Limited – in United Kingdom only
 PI Financial Corp.
 PI Financial (US) Corp. – in United States only

NBDB is therefore related to the above-mentioned dealers and advisors. Although there may be overlaps among the directors and officers of these companies, all of these companies are operated as separate legal entities.

NBDB may obtain from or provide to the above-mentioned dealers or advisors management, administrative, referral and/or other services in connection with its ongoing business activities or the ongoing business activities of these other companies or transactions completed by it or these other companies, or may offer such services to its related parties. These relationships are subject to certain legislative and industry regulatory requirements which impose restrictions on dealing between related dealers or advisors intended to minimize the potential for conflict of interest resulting from these relationships. NBDB has also adopted internal policies and procedures which supplement these requirements, including its policies on confidentiality of information.

TMX Group Limited

National Bank Group Inc., one of our affiliates, owns or controls an equity interest in TMX Group Limited in excess of 5% of the issued and outstanding equity securities thereof, and has a nominee director serving on the board. In addition, NBDB is a wholly-owned subsidiary of National Bank of Canada. From time to time, National Bank of Canada may enter into lending or financial arrangements with companies that are the subject of research reports or that are recommended by related entities. At the present date, National Bank of Canada is a lender to TMX Group Limited under its credit facilities. As such, CDBN may be considered to have an economic interest in TMX Group Limited. No person or company is required to obtain products or services from TMX Group Limited or its affiliates as a condition of doing business with TMX Group Limited or its affiliates.

TMX Group Limited is also the limited partner of Alpha Trading Systems Limited Partnership. Alpha Trading Systems Limited Partnership owns Alpha Exchange Inc., a stock exchange in Canada for the trading of securities.

We can execute transactions on your behalf on Alpha Exchange Inc. and enter orders into Alpha Exchange Inc.'s order book which cannot be immediately completed. In that role, we are subject to a number of regulatory obligations, including the requirement to diligently pursue the best price and best execution of each client order on the marketplace. Those obligations override the direct or indirect interest NBDB has in the above companies.

Other Situations that Could Create or be Perceived as Conflicts of Interest for NBDB or its Employees

NBDB, its management, employees, representatives and officers could, as part of their duties, find themselves in situations where their personal interests are in conflict with those of a client.

NBDB has a Code of Professional Conduct, a Compliance Manual and internal policies to deal with situations related to its activities. Among other stipulations, they reiterate that NBDB and its employees must never favour their own interests to the detriment of their responsibilities towards clients. These documents set out the basic guiding principles for the conduct of NBDB and its employees:

- a) **Confidential information:** It is forbidden for NBDB employees to use confidential information acquired as part of their duties, or to exploit a situation for the purposes of obtaining a personal advantage of any kind. An NBDB employee is therefore not authorized to use information on clients, transactions or NBDB client accounts for his personal benefit or that of a third party;
- b) **Gifts, entertainment and compensation:** It is forbidden for NBDB employees to accept gifts, entertainment or any form of compensation that could influence decisions to be taken as part of their duties. To avoid any conflict of interest

situations, NBDB employees may not, as part of their duties, receive any other form of compensation than that paid by NBDB without the prior written authorization of NBDB. NBDB ensures that its employee compensation practices do not conflict with their obligations to clients;

- c) **External activities:** NBDB has a policy governing the external activities of its employees, whereby it is forbidden for NBDB employees to engage in activities that could interfere or conflict with their duties at NBDB. The purpose of this policy is to detect, and, where applicable, oversee, disclose or prohibit such external activities. NBDB will not permit any of its employees to engage in activities outside the scope of their duties, including, but not limited to, serving as director of a company, without first ensuring that such activities do not compromise the interests of its clients;
- d) **Client priority rule:** NBDB employees must offer top-quality service to NBDB clients and cannot give priority to their personal interests to the detriment of those of NBDB clients. For example, employees' brokerage accounts shall be monitored and subject to other exceptional measures, to ensure that serving the client remains employees' priority, as opposed to their own personal interests;
- e) **Client order priority:** The interests of clients must always be given priority over those of NBDB and its employees. For this reason and to avoid conflicts of interest, between two orders for the same security at the same price (or a better price), the order coming from a client is always executed prior to the one from NBDB or one of its employees;
- f) **Policy respecting errors:** A policy has been established to supervise trading errors made by employees. Employees may not correct their own errors and must forward them to their immediate supervisor to be analyzed and handled;
- g) **Referrals:** On occasion, clients may be referred by third parties to NBDB for the purpose of obtaining the products and services offered by NBDB. When such referrals involve a referral commission, they must comply with the existing regulations and be subject to the required disclosures to clients so referred. Such disclosures allow the clients concerned to make an informed decision with respect to the referral and to assess any potential conflicts of interest;
- h) **Research analyst activities:** NBDB offers its clients research reports from external suppliers and companies affiliated with NBDB. Companies covered by the research made available to NBDB clients may have other business relationships with the companies that provide these research reports.

When the companies that provide these research reports are affiliated with NBDB, they make sure that conflict of interest situations are properly monitored and subjected to the appropriate disclosures;
- i) **Underwriter and market maker or other advisory role:** NBDB may offer its clients securities for which a company affiliated with NBDB may act as market maker, underwriter, financial advisor or other. In some cases, the interests of the parties involved can differ from the interests of NBDB clients. The various roles which the companies affiliated with NBDB can play are governed by regulations;
- j) **Allocation of securities:** NBDB has a policy regarding the allocation of securities among its clients, when demand for securities exceeds the number available at NBDB. This policy is intended to ensure a fair distribution of these securities among NBDB clients;
- k) **Compensation:**
 - In some cases, issuers of securities or other related parties may compensate NBDB based on the purchase of their securities by NBDB clients, such as trailing commissions for mutual funds.
 - In some instances, NBDB may be compensated indirectly, e.g., for transactions involving a foreign currency exchange, in which NBDB receives compensation based on the difference between the price clients pay for the currency and the price NBDB pays for the same currency or on the difference in interest rates between the one obtained by NBDB on the funds invested versus the interest rate paid to clients.
 - In some cases, NBDB and certain companies affiliated with NBDB may receive compensation based on the markets on which the transactions of NBDB clients are carried out. The conditions under which NBDB client transactions are carried out are subject to regulations applicable to NBDB and its affiliated companies.
 - NBDB or its affiliated companies may receive compensation for the purchase or sale of certain over-the-counter products. This compensation is based on the gross-up or mark-down applied by NBDB or its affiliated companies to the price paid by the client when purchasing securities or to him when selling securities.

Other conflicts of interest

From time to time, other important conflict of interest situations may arise. NBDB undertakes to continue taking the necessary steps to identify and address such situations fairly and reasonably, in keeping with the standards of care to which it is subject in its relationships with its clients. This NBDB document regarding conflict of interest situations will be updated in the event that the situation regarding major conflicts of interests changes.

7. EXPENSES RELATED TO ACQUIRING, DISPOSING OF OR HOLDING INVESTMENTS

7.1 Commissions and fees

Commissions are the fees you pay when buying or selling certain products. These fees are clearly indicated on the trade confirmation that you receive once a transaction has been executed.

Canadian and U.S. stocks, options

A commission is applicable to transactions made over the phone or through our electronic services when you purchase and sell shares and options.

Mutual funds

Only some fund families are subject to online transaction fees, and transactions made by phone are subject to different commissions. For more detailed information and to obtain the complete list of funds with transaction fees, just visit our website or speak to one of our representatives.

Fixed-income securities

We offer treasury bills, bonds, strip bonds, debentures, GICs and other money market instruments. The minimum amount for a purchase depends on the security. Commissions on purchases and sales, if any, are included in the quoted price.

You will find complete information on our website under the "Pricing" tab, "Commission fees" page (<http://nbdb.ca/en/pricing/commission-fees/>) or contact one of our representatives by telephone. You will also receive our complete Commission and Fee Schedule in your welcome kit a few days after opening your brokerage account.

7.2 Interest payable and interest expense

Interest rates will be applied to your account's credit and debit balances, based on the prime rate established by National Bank of Canada.

You will find complete information on our website under the "Pricing" tab, "Interest rates" page (<http://nbdb.ca/en/pricing/interest-rates/>) or contact one of our representatives by telephone.

8. ADMINISTRATIVE FEES AND RELATED ACCOUNT CHARGES

Like all financial institutions, National Bank charges fees for specific services and the administrative work required to manage them well.

8.1 Fees

Annual administrative fees may apply to most registered accounts when the value of the assets is less than the established threshold. Non-registered accounts are also subject to an annual low-activity fee if the value of the assets is less than the established threshold or if the minimum number of transactions is not attained.

For more detailed information on our fees, go to our website under the "Pricing" tab, "General fees" page (<http://nbdb.ca/en/pricing/general-fees/>) or contact one of our representative by telephone. You will also receive our complete Commission and Fee Schedule in your welcome kit at the time of account opening.

9. LIST OF DOCUMENTS THAT NBDB GIVES CLIENTS OPENING AN ACCOUNT

General documents given when a brokerage account is opened

- Brokerage Account Application
- Conditions Governing the Collection, Use and Disclosure of Personal Information
- Regulation Respecting Communication with Beneficial Owners of Securities of a Reporting Issuer Client – Explanations
- Consent to Electronic Delivery of Documents
- Brokerage account agreements
- Electronic Brokerage Service User Agreement
- This document contains general conditions applicable to your account, including:
 - Communication of conflicts of interest
 - Communication of client referrals from other National Bank of Canada entities (for more information, visit our website at <http://nbdb.ca/en/about-us/policies-commitments-and-arrangements/referral-arrangements/>).
 - A document indicating how to file a complaint

- The accounts, products and services we offer
- Commissions and fees applicable to your account.

We recommend that you review these documents to confirm which information applies to you.

Depending on the type of account you open, you will receive specific documents governing the account. Please consult the following table to know which documents apply:

Account Type	Applicable Agreement(s)
Margin account	<ul style="list-style-type: none">• Margin Account Agreement
Margin account with options	<ul style="list-style-type: none">• Margin Account Agreement• Option Trading Agreement• Information documents on risk (information document on risks in futures and option contracts)
SSP account	<ul style="list-style-type: none">• Stock Savings Plan II agreement (SSP II – Quebec only)
Registered account	<ul style="list-style-type: none">• Declaration of trust and addendum

Soon after opening your brokerage account, you will also receive a welcome kit with more information on the following subjects:

- Taking control of your investments (What is brokerage?, Our service offer, List of account types, A wide range of products, Access your investments when and where you want, Tools at your disposal, Portfolio statement, Satisfaction in mind, Opening an account)
- **An Investor's Guide to Making a Complaint**, from the Investment Industry Regulatory Organization of Canada (IIROC). This brochure provides useful information on how to make a complaint an IIROC-regulated firm, how to make a complaint to IIROC, and compensation options for investors.
- The brochure entitled **Here's One Aspect of Investing You Don't Have to Worry About**, produced by the Canadian Investor Protection Fund (CIPF), provides detailed information on the protection it offers at members regulated by the IIROC.
- The brochure entitled **Why IIROC Matters to You, the Investor?** from the IIROC.
- The document **Strip Bonds and Strip Bond Packages Information Statement**, also by the IIROC, describes certain features of these products, associated risks and certain aspects of their tax treatment.
- Commission and General Fee Schedule
- Your right to confidentiality
- Transfer forms (F.30052 for non-registered accounts, T2033 for registered accounts)

10. MAKING A COMPLAINT

Complaint handling process

We are always happy to hear from you if you have a favourable comment, and especially regarding any comments regarding dissatisfaction with our services, so that we can make the required improvements. We value our client relationships and will do our utmost to remain your financial partner. Customer satisfaction is our main goal.

So don't hesitate to contact us by mail, email, telephone or fax if you have questions and comments. Should you be dissatisfied with the available services and products, we invite you to send your complaint to the following address:

National Bank Direct Brokerage
1100 Robert-Bourassa Blvd, 7th Floor
Montréal, Quebec H3B 2G7
Toll-free number: 1-800-363-3511
Fax: 514-394-8688
Email: directbrokerage@nbc.ca

Please provide the following information when you make your complaint; it will help us analyze it:

- Your name, your contact info, your account number and the circumstances and reasons for your complaint, including the date on which the events took place;
- All relevant documents related to the grievance—including any discussions—that can shed light on the situation.

Once your complaint has been filed, we will send you a written acknowledgement of receipt within five business days, specifying the name and contact info of the person

who will be analyzing it. Please contact this person directly if you have any questions on developments with the file.

Rest assured that your complaint will be dealt with quickly and fairly. Then, no later than 90 days after we have begun our analysis, we will send you a letter detailing our results and conclusions, as well as your options if you are not satisfied with these findings.

Upon opening your account, you will receive a brochure describing IIROC-approved guidelines on how complaints are handled.

Conclusion

NBDB is proud to have a state-of-the-art technological platform, an innovative range of products and services, a comprehensive set of tools, and exhaustive economic and financial research from internal and external sources. We also provide our clients with the support of a team of seasoned investment specialists.

Understanding how to make your money grow, and how to find a financial institution with which you can develop a true partnership, are key conditions to financial success. Combining your know-how with a platform like the one we have at NBDB allows you to bring together everything you need to reach your investment objectives.

We are very happy that you have chosen NBDB, and we thank you for your trust.