

# CLIENT ACCOUNT AGREEMENT

## 1. Terms used in this agreement

- a. **Account** means the account(s) identified in this application and agreement, as such accounts may be from time to time closed, reopened, renumbered or redesignated.
- b. **Account holder(s)** means the person(s) indicated as account holder in the application.
- c. **Agreement** means and includes the new client application form(s) (NCAF) for this account, this client account agreement (CAA), all terms and conditions attached to and forming part of the application (also known as the account agreement or client account agreement) and all disclosures, forms and other documents provided to the account holder(s) from time to time.
- d. **Application** means and includes the NCAF(s) for this account(s).
- e. **ATBSI, we, us or our** means ATB Securities Inc., a wholly owned subsidiary of ATB Financial and a member of the Canadian Investment Regulatory Organization (CIRO). Please direct any correspondence intended for ATBSI to 3699 63 Avenue NE, Calgary, AB T3J 0G7.
- f. **ATB** means ATB Financial. ATB Financial is the parent company of ATBSI.
- g. **ATB Wealth** is a trademark of ATB and is licensed for use by ATBSI.
- h. **Personal Information** means personal information as defined in privacy legislation.
- i. **Privacy Legislation** means the federal *Personal Information Protection and Electronic Documents Act* and/or any applicable provincial legislation and includes National Instrument (NI) 33-102 as amended from time to time.
- j. **Securities** has the same meaning as defined in the *Securities Act (Alberta)* as amended from time to time.
- k. **You or your** means the account holder and/or the co-account holder, jointly and severally.
- l. **ATB Associate** means a person that is:
  - i. Non-registered and registered accounts in the personal name of an ATB Financial (including subsidiaries) team member, their spouse or common law partner;
  - ii. Accounts in the ATB Financial team member's personal name on behalf of their child that is a minor or a dependent adult due to them suffering from a long term disability that is documented.
  - iii. Donor advised fund established by the ATB Financial team member through the ATBS Foundation; or
  - iv. Any former ATB Associate who currently qualifies for ATB Financial retirement banking benefits.

## 2. Account information

You warrant that to the best of your knowledge, the information on the application is complete and accurate, and does not fail to

disclose information that we may require to service your account. You acknowledge that ATBSI has relied on this information in approving the account, and you agree to provide us with any further information or proof that we may need, at our request. You authorize ATBSI to obtain factual or credit information about you at any time from your employer, bank or other financial institution, credit bureau or any other person for the purpose of establishing your identity, reputation and credit worthiness.

## 3. Authority to execute orders

You appoint ATBSI as agent to execute securities transactions on your behalf and authorize ATBSI to buy and sell securities for the account on your instructions in any manner ATBSI considers appropriate, either for the account separately or as part of larger transactions for the account and others, including ATBSI, its affiliates and the directors, officers, employees and clients of ATBSI and its affiliates, in such manner by public or private sales as ATBSI considers appropriate and either directly or by agents, and in any such case, you acknowledge that ATBSI, its affiliates or a director, officer, employee or client of ATBSI or its affiliates may be the buyer or seller on the other end of the transaction.

## 4. Refusal to take orders

ATBSI may require written instructions from you before executing any transactions for the account and may refuse to accept any order from you at its discretion. You waive any and all claims for loss or damage arising from or related to any such refusal.

## 5. Good faith

- a. ATBSI shall not be responsible for any losses or failure to obtain investment gains from the operation of the account unless caused by ATBSI's negligence, fraud, bad faith or ATBSI's breach of Corporation Investment Dealer and Partially Consolidated Rules or applicable securities laws.
- b. All information and recommendations given by ATBSI or any of its representatives, officers, directors or agents as to values, prospects or any other matter relating to securities or other property is based on sources ATBSI believes reliable but are statements of opinion only. ATBSI does not guarantee their accuracy and assumes no responsibility of any kind for such information or recommendations.
- c. ATBSI will not be liable to you for any loss, claim, damage, liability or expense caused directly or indirectly by any cause beyond ATBSI's reasonable control including: government, regulatory or self-regulatory restrictions or regulations, exchange or market rulings, suspension of trading, cease trading orders, war, strikes, or other conditions or events which are beyond the control of ATBSI.
- d. You understand that ATBSI shall not be liable to you for errors or omissions in the execution, handling, purchasing, exercising, or endorsement of any securities transaction for the account unless caused by ATBSI's negligence, fraud, bad faith or ATBSI's breach of Corporation Investment Dealer and Partially Consolidated Rules or applicable securities laws.

## 6. Trust account

If the account is marked as a trust account on the application, ATBSI shall take instructions for the account from you only, and shall not be required to confirm instructions from any beneficiary, whether known to ATBSI or not.

## 7. Joint account agreement (for joint accounts only)

- a. You agree to be jointly and severally liable for all obligations arising in relation to operation of the account(s) and any loss, claim, damage, expense or liability arising from this agreement or any authorization, instruction or promise that you provide to ATBSI. If necessary, ATBSI may take instructions from any one of you, without notice to the others, to trade, withdraw funds or otherwise deal with the account(s) or do any activity permitted by this agreement. ATBSI reserves the right, in its sole discretion and at any time, to restrict activity in the account(s) or to require joint written instructions from one or all of the owners of the account(s) in respect of any transaction in the account. ATBSI may deliver money or other property from the account(s), provide confirmations, account statements or other information about the account(s) to any one of the account(s) owners.
- b. On death of an owner, the legal ownership of the account shall be as designated in the agreement. If no designation is made, the owners of the account will be deemed to be joint tenants. This means that if one of the owners dies, all of the deceased's property and ownership in the account will become the property of the surviving owner(s) and does not form part of the estate of the deceased owner and the survivor's rights and obligations under this agreement will remain unchanged.
- c. If any one of the owners of the account dies, the survivor(s) shall immediately notify ATBSI in writing and provide such documentation as may be necessary to administer the deceased's property and ownership in the account.
- d. The authority of ATBSI to take instructions from the account owners shall be as specified in the agreement. If you do not specify the persons that are authorized and permitted to give instructions for the account, you authorize ATBSI to operate the account under the instruction of any one of the joint owners.
- e. You acknowledge and agree that the investment objectives, risk tolerance, investment experience and other information provided in this application apply to the account.

## 8. Applicable rules and regulations

All transactions in the account(s) will be subject to applicable law and regulatory policy, including without limitation, the constitution, bylaws, rules, customs and usage of the exchanges or markets and their clearing houses, if applicable, or through which the transactions for the account(s) are made, and the orders, regulations, rules and policies of all courts and regulatory authorities having jurisdiction in connection with such trades.

## 9. Credit balances

Any monies held by ATBSI from time to time to your credit are payable on demand, need not be segregated and may be used by

ATBSI in the ordinary conduct of its business. You acknowledge that your relationship with ATBSI with respect to such monies is one of debtor and creditor only, and that ATBSI is not a trustee.

## 10. Agreement to pay commissions

You will pay all commissions and other transaction charges in respect of purchases, exchanges, and sales in the account(s), including sales made by ATBSI at the rates customarily charged by ATBSI from time to time or as specifically agreed by ATBSI and you.

## 11. Fee from the issuer

You acknowledge and authorize ATBSI to receive a fee, commission, or other payment from the issuer of securities bought or sold for the account(s).

## 12. Credits and debits

ATBSI will credit to the account(s) any interest, dividends or other monies received in respect of securities held in the account(s) and any monies (net of all charges) received as proceeds from transactions in securities for the account(s), and will debit to the account(s) all amounts owing, including interest and applicable service charges, by you to ATBSI.

## 13. Review of account

You expressly permit ATBSI to review the account(s) from time to time, and to disclose or report any unusual, improper, unauthorized or other transactions to any other party, including but not limited to credit reporting agencies, regulatory bodies, and policing authorities.

## 14. Effect of orders

All of your orders accepted by ATBSI in its sole discretion are good until either executed or canceled on the day of entry, unless a longer period is specified by you. All orders accepted by ATBSI are binding on you from the moment of execution. Late or non-receipt of a transaction confirmation shall not relieve you of your obligation to settle the transaction on the settlement date.

## 15. Delivery of securities

Actual delivery is intended for every transaction in the account. You represent and warrant to ATBSI that all sales made in the account(s) will be long sales unless you have specified otherwise at the time of giving the order, and if you fail to make immediate delivery to ATBSI in deliverable form of any securities sold at your direction, then ATBSI is authorized to borrow or buy any securities necessary to settle the transaction, and you will pay to ATBSI and indemnify and save it harmless from any loss or expense incurred by ATBSI in connection with the borrowing, purchase or delivery.

## 16. Custody of securities

ATBSI may hold your securities at its head office or any of its branch offices or with any other custodian which ATBSI in its discretion considers appropriate and in so holding your securities, ATBSI assumes no higher degree of care than that exercised by ATBSI in the custody of its own securities.

## 17. Safekeeping of securities

ATBSI shall store your physical securities in safekeeping but in so doing, you warrant to ATBSI that the physical securities stored in safekeeping are legitimate and are free and clear of all mortgages, liens, charges, security interests or encumbrances. A physical security is a tangible security that ATBSI will keep in safekeeping until you provide ATBSI with a written notice to return the physical security certificate back to you. Unless otherwise agreed to, ATBSI will not have any liens, charge or right of set off against the securities. Unless otherwise agreed to, ATBSI will not request proceeds from the sale or redemption of the securities. You agree to indemnify and protect ATBSI from and against all claims, demands, damages, and losses, cost and expenses arising from any breach, violation, or non-performance by you of any obligation of keeping your securities in safekeeping.

## 18. Securities fungible

ATBSI is not obligated to return to you the same securities as those deposited with or received by ATBSI for your accounts, and ATBSI may discharge its obligation to you by delivering certificates for securities of the same issue in the same or equivalent amounts.

## 19. Accuracy

Upon receipt of your statements and confirmations you agree to immediately examine the accuracy of all information and notify ATBSI of any errors or omissions. Statements on your accounts or confirmations will be considered accurate and final if not objected to within thirty (30) days of the statement date.

## 20. Margin (applicable to margin accounts only)

If you request and are granted by ATBSI a margin facility, ATBSI may, in its sole discretion, without notice to you, at any time or from time to time, reduce or cancel any margin facility or refuse to grant any additional margin facility or require you to provide further margin in addition to that required by applicable regulatory rules or policy.

- a. If you wish to purchase securities and have insufficient funds in your account at the time of settlement, ATBSI may from time to time lend to you such amounts as it calculates as the available margin in your account, as determined by ATBSI in accordance with its policies and usual practices.
- b. If you do not have sufficient margin in your account at the time you place the order, you will deposit additional cash or securities sufficient to meet the necessary margin by the settlement date.
- c. You will maintain such margin as ATBSI requests, as determined by ATBSI in its sole discretion. You acknowledge that if there is a decline in the market value of your account, ATBSI may require additional margin; however, ATBSI retains the right to request additional margin at any time and for any reason. If additional margin is required, you shall provide such margin within the required time limits.
- d. ATBSI may cancel the un-drawn portion of the margin facility at any time without notice to you.
- e. All monies owing on the margin facility are repayable on demand.

- f. Any and all securities at any time held in the account including securities held in safekeeping and any equity shall be subject to a general lien and security interest for the discharge of all of your obligations to ATBSI, howsoever arising, and shall be held by you for any and all of your indebtedness whether individual or joint, and however designated, and also for any contingent liability to ATBSI by reason of any guarantee of accounts of others. You shall, at any time upon the verbal or written demand of ATBSI, discharge all of your obligations to ATBSI with interest thereon.
- g. If you fail to meet a margin call of ATBSI promptly, ATBSI is authorized in its sole discretion and without notice to you, to take any and all steps necessary to protect itself in connection with put and/or call transactions made for the account, including the right to buy and/or sell short for the account, or to buy for the account any puts and/or calls as ATBSI may deem necessary to fully protect itself. You shall reimburse any and all expenses incurred by ATBSI for these activities.
- h. All transaction entered into on behalf of the customer shall be subject to the regulations of the CRO and/or any securities exchanged if executed thereon.

## 21. Leveraging disclosure

Using borrowed money to finance the purchase of securities involves greater risk than using cash resources only. If I borrow money to purchase securities, my responsibility to repay the loan and pay interest as required by the loan terms, remains the same even if the value of the securities purchased declines.

## 22. Payment of indebtedness

You will promptly pay all debit balances in the account, when due, except to the extent covered by a margin facility and all other indebtedness arising in connection with transactions for the account.

## 23. Interest

You will pay to ATBSI interest, calculated daily and compounded monthly, on outstanding indebtedness in the account. The interest rate will be that rate designated from time to time by ATBSI to its branches as its effective rate for determining interest on debit balances on accounts with ATBSI and you waive notice of all changes in such rates.

## 24. Security for indebtedness

You hereby pledge to ATBSI all of the securities and credit balances held by ATBSI for the account from time to time as continuing collateral security for the payment of any indebtedness to ATBSI arising for any reason, including, without limitation, any liability arising by reason of any guarantee by you of the account of any other person whether or not any amount owing relates to the collateral pledged.

## 25. Right to deal with securities

At any time while you are indebted to ATBSI, ATBSI may, without notice, use the securities and credit balances in the account(s) from time to time in the conduct of ATBSI business, and without limiting this right, ATBSI may: combine or intermingle any securities or credit balances in the account(s) with the property of ATBSI, its clients or both; pledge any of the securities as security for its own indebtedness; borrow any of the securities in the account(s) or credit balances in the account(s) for its own purposes; or use any of the securities in the account(s) for making delivery against sale, whether a short sale or otherwise, and whether such sale is for the account(s) or for the account(s) of any other client of ATBSI. If:

- a. You fail to comply with any term of this Agreement;
- b. ATBSI considers it necessary for its protection for any reason whatsoever, including without limitation, where ATBSI considers any margin in the account to be insufficient;
- c. A garnishing order or other attachment is levied against the account;
- d. An application for bankruptcy is made by or in respect of you or a receiver is appointed to manage your affairs;
- e. If you die, or if you are a corporation or other unincorporated entity, are wound up or dissolved then, ATBSI may, without taking any other steps, do one or more of the following, at its discretion:
  - i. Apply credit balances in the account or any other account in which you have an interest to reduce the indebtedness of the account;
  - ii. Retain possession of or sell any of the securities in the account and apply the net proceeds of any sale to reduce the indebtedness in the account;
  - iii. Purchase or borrow any securities necessary to cover short sales or to cover open positions;
  - iv. Cancel any unexecuted orders.

## 26. Collection and other expenses

ATBSI may charge to the account all expenses (including legal expenses on a solicitor and own client basis) reasonably incurred by ATBSI:

- a. In connection with disputes over ownership or an interest in securities or credit balances in the account(s) between joint holders of the account(s) or between you and a third party;
- b. To collect any indebtedness owing;
- c. To exercise or enforce any right under this agreement.

## 27. Liability for unsatisfied balance

You will remain liable to ATBSI for the balance of any indebtedness or other amount remaining following the exercise by ATBSI of any of its rights under this agreement.

## 28. Exercise or waiver of rights

The exercise or the failure to exercise any right under this agreement or the waiver of any breach or the granting of any indulgence by ATBSI will not in any way restrict or prevent ATBSI from exercising any other rights under or insisting on the performance of any other term of this agreement.

## 29. Alternative courses of action

Whenever this agreement entitles ATBSI to take alternative courses of action, ATBSI will be entitled to take any or all of such alternative courses of action or refrain from taking any courses of action in its sole discretion.

## 30. Discretion as to manner of sale

Any sale or purchase made by ATBSI for the account(s) in the exercise of any of the rights of ATBSI under this agreement may be made at such times and on such exchange or market, by public or private sale and on such terms and in such manner as ATBSI in its sole discretion considers appropriate.

## 31. Transfer to other accounts

ATBSI may at any time, without notice to you, enter credit or debit balances, take any monies or securities in the account(s) and any proceeds from the sale or other dispositions of such securities to pay or cover any obligations of you to ATBSI, including obligations of you in respect of any other account with ATBSI, whether such account(s) is a joint account or is an account(s) guaranteed by you.

## 32. Currency

ATBSI may transfer or convert currency between your Canadian and United States dollar accounts as ATBSI considers necessary or advisable to meet obligations in either of those currencies which are not covered in the account.

## 33. Referral arrangements

ATBSI has certain business referral arrangements in place with ATB and QTrade Securities Inc. (QTrade). ATBSI is prohibited from receiving a fee to trade or advise in respect of securities unless duly licensed or registered under applicable securities legislation. Under the referral arrangement with ATB, ATBSI receives referral fees calculated as a percentage of the interest spread earned by ATB on Guaranteed Investment Certificates sold by ATB to ATBSI referred clients. Under the referral arrangement with QTrade, ATBSI earns a percentage of the net commissions earned by QTrade on trades executed by QTrade on behalf of ATBSI referred clients.

## 34. Use of personal information

You agree that ATBSI may disclose personal information for regulatory purposes to self regulatory organizations and securities regulatory authorities, including the Canadian Investment Regulatory Organization (CIRO) the Mutual Fund Dealers Association of Canada (MFDA), the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and any securities regulatory authorities (collectively the regulatory bodies) that require access to personal information of current and former clients, employees, agents, directors, officers, partners and others that has been collected or used by ATBSI and/or persons under their jurisdiction (regulated persons), including:

- a. Surveillance of trading-related activity;
- b. Sales, financial compliance, trade desk reviews and other regulatory audits;
- c. Investigation of potential regulatory and statutory violations;
- d. Regulatory databases;



- e. Enforcement or disciplinary proceedings;
- f. Reporting to securities regulatory authorities;
- g. Information sharing with securities regulatory authorities, regulated marketplaces, other regulatory bodies and law enforcement agencies in any jurisdiction in connection with the foregoing.

### **35. No guarantee**

- a. ATBSI is a wholly-owned subsidiary of ATB Financial; however, any securities traded through ATBSI are not deposit instruments guaranteed or insured in whole or in part by the province of Alberta, the Canada Deposit Insurance Corporation (CDIC), any other government deposit insurer or agency, ATB Financial or ATBSI.
- b. The value of, and the investment return on, any securities traded through ATBSI are subject to market fluctuation.
- c. ATBSI is a member of the CIPF. Clients' accounts are protected for losses within specified limits that result from the insolvency of a CIPF member. CIPF does not cover customer losses that result from other causes such as changing market values of securities, unsuitable investments or the default of an issuer of securities. An explanatory brochure describing the nature and limits of coverage is available on request.

### **36. Capacity**

You represent to ATBSI that you have the power and capacity and are competent to enter into this agreement. If an individual, you represent that you are of legal age and either are not an employee of any other member, member firm or member corporation of any exchange, or of any non-member broker or investment dealer or are such an employee and have so declared to ATBSI and delivered to ATBSI proper written permission of such employer to maintain this account. If a corporation, partnership, trust, syndicate or other similar form of organization, you represent that the execution and delivery of this agreement has been duly authorized by all necessary action and the persons signing the application are authorized to sign on behalf of the organization.

### **37. Headings**

The headings in this agreement are for convenience or reference only and do not affect its interpretation.

### **38. Governing law**

This agreement shall be governed by and interpreted in accordance with the laws of the province of Alberta, without regard to its conflict of laws provisions.

### **39. Further assurances**

You will take all such actions and will execute and deliver any further documents as are necessary or desirable, in the view of ATBSI, to give effect to this agreement and the application.

### **40. Severability**

If any term of this agreement is found by a court of competent jurisdiction to be invalid, illegal or void, that term will be severed

from this agreement and the remaining terms of this agreement will continue in full force and effect modified only to reflect the severance of that term.

### **41. Binding**

This agreement shall be binding upon the parties and their respective successors and assigns.

### **42. Assignment**

This agreement may not be assigned by you.

### **43. Amendment**

Subject to regulatory approval, ATBSI may amend this agreement at any time with written notice to the last address we have for you in our records.

The first transaction in your account(s) following the notification of an amendment to this agreement will be considered to be acceptance of the amendment as of the effective date set out in the notice.

### **44. Telephone instructions**

You may give instructions about your account(s) by telephone to ATBSI, provided your instructions are consistent with the terms and conditions of your account(s) and your identity can be verified to our satisfaction. You consent to the recording of any telephone instructions provided to ATBSI, to ensure accuracy of instructions and quality of service. We maintain the right to refuse any instructions if your identity cannot be confirmed or if the accuracy of the instructions cannot be established or understood to our satisfaction.

### **45. Notice**

You may tell us anything concerning this agreement by writing or contacting your branch or ATBSI representative, or calling the Virtual Contact Centre. We consider that we have received your letter or call on the day it is received by us. Any notice or communication by us to you may be given by prepaid mail, facsimile, or by courier to any of your addresses on file. We consider that you have received such a communication forty-eight (48) hours after we mail it to you at the last address we have for you in our records, or on the same day if sent by facsimile or courier. You shall promptly notify ATBSI of any change of address.

### **46. Termination**

The account may be terminated by either of the parties by written notice at any time. The termination will be effective on the day it is received but will not reduce or relieve any of your liability resulting directly or indirectly from any transactions made for the account at any time before such notice was actually received by ATBSI.

### **47. Acceptance of account**

You understand and agree that you have made an application to open an account. This account will not be opened until ATBSI has reviewed your application and approved the opening of the account. ATBSI reserves the right to deny your application in its sole discretion.

#### 48. Verification of client identity

You agree that ATBSI may take the steps necessary to verify your identity in accordance with securities law and the standards required by the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*. You also agree that we may rely on ATB or an ATBSI affiliate firm for verification of your identity.

#### 49. Politically Exposed Foreign Person (PEFP), Domestic Politically Exposed Persons (DPEP) and Heads of International Organizations (HIO)

You agree that you have made truthful assertions as to your status as a PEFP, DPEP and/or HIO as defined by the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.

#### 50. Shareholder communication: explanation to clients

Based on your instructions, the securities in your account with us are not registered in your name but in our name or the name of another person or company holding your securities on our behalf. The issuers of the securities in your account may not know the identity of the beneficial owner of these securities.

We are required under securities law to obtain your instructions concerning various matters relating to your holding of securities in your account.

- a. Disclosure of beneficial ownership information:  
Securities law permits reporting issuers and other persons and companies to send materials related to the affairs of the reporting issuer directly to beneficial owners of the reporting issuer's securities if the beneficial owner does not object to having information about it disclosed to the reporting issuer or other persons and companies. Part 1 of the client response form allows you to tell us if you OBJECT to the disclosure by us to the reporting issuer or other persons or companies of your beneficial ownership information, consisting of your name, address, electronic mail address, securities holdings and preferred language of communication. Securities legislation restricts the use of your beneficial ownership information to matters relating to the affairs of the reporting issuer. If you DO NOT OBJECT to the disclosure of your beneficial ownership information, please mark the second box on Part 1 of the form. In those circumstances, you will not be charged with any costs associated with sending securityholder materials to you. If you OBJECT to the disclosure of your beneficial ownership information by us, please mark the first box in Part 1 of the form. If you do this, all materials to be delivered to you as a beneficial owner of securities will be delivered by us. There may be fees or charges that an objecting beneficial owner must pay in order to receive securityholder materials.
- b. Receiving securityholder materials:  
For securities that you hold through your account, you have the right to receive proxy-related materials sent by reporting issuers to registered holders of their securities in connection with meetings of such securityholders. Among other things, this permits you to receive the necessary information to allow you to have your securities voted in accordance with your instructions at a securityholder meeting. It may be necessary for objecting beneficial owners to bear the costs associated with receiving materials. In addition, reporting

issuers may choose to send other securityholder materials to beneficial owners, although they are not obliged to do so. Securities law permits you to decline to receive securityholder materials. The three types of materials that you may decline to receive are:

- i. Proxy-related materials, including annual reports and financial statements that are sent in connection with a securityholder meeting.
- ii. Annual reports and financial statements that are not part of proxy-related materials.
- iii. Materials that a reporting issuer or other person or company sends to securityholders that are not required by corporate or securities law to be sent to registered holders.

Part 2 of the client response form allows you to receive all materials sent to beneficial owners of securities or to decline to receive the three types of materials referred to above. If you want to receive ALL materials that are sent to beneficial owners of securities, please mark the first box on Part 2 of the enclosed client response form. If you want to DECLINE to receive the three types of materials referred to above, please mark the second box in Part 2 of the form. **Note:** Even if you decline 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, provided that the reporting issuer or other person or company pays all costs associated with the sending of these materials. These materials would be delivered to you through your intermediary if you have objected to the disclosure of your beneficial ownership information to reporting issuers.

- c. Preferred language of communication:  
Part 3 of the client response form allows you to tell us your preferred language of communication (English or French). You will receive materials in your preferred language of communication if the materials are available in that language.
- d. Electronic Delivery of Documents:  
Securities law permits us to deliver some documents by electronic means if the consent of the recipient to the means of delivery has been obtained. Please provide your electronic mail address if you have one.
- e. Contact:  
If you have any questions or want to change your instructions in the future, please contact your ATBSI representative.

#### 51. Fee-based accounts

For the advisory services provided by ATBSI, you agree to pay the advisory fees calculated in accordance with the applicable tiered rate fee table, hereafter the fee table, provided to you at the time of your account application.

The advisory fees:

- a. Do not include any applicable taxes, such as GST, HST or PST;
- b. Do not include management fees and operating expenses payable to managers of mutual funds in which you own units. Those fees and expenses are charged to the mutual fund as set out in the prospectus for the particular mutual fund;

- c. Include, in relation to equity and fixed income securities held in the Accounts, the transaction fees for transactions conducted in the Accounts based upon the number of transactions per period of time set out in the "Included Transactions" portion of the fee table provided. You agree that ATBSI may charge additional transaction fees, based on its then standard charges, for transactions that exceed the number of transactions per period of time set out in the fee table.

You further acknowledge and understand that in this addendum:

- a. "**Account balance ratio**" means, for a particular month for an account, the ratio of the average account balance of that account to the average aggregate account balance, for that month;
- b. "**Advisory fee rate**" means the applicable rate under the column "Advisory Fee Rate (%)" in the fee table provided to you with your account application that corresponds to the range set forth in the applicable row indicated under the heading "Balance (\$CAD)" based upon the average aggregate account balance for that month. For example, using the sample fee table provided below as a basis for all following calculations:
- If the average aggregate account balance for January is \$600,000.00, then the advisory fee rate is 1.00% on the entire balance;
  - If the average aggregate account balance for January is \$800,000.00, then for that month: (i) the advisory fee rate for the first \$750,000.00 is 1.00%; and (ii) the advisory fee rate for the remaining \$50,000.00 is 0.60%;
  - If the average aggregate account balance for January is \$2 million, then for that month: (i) the advisory fee rate for the first \$750,000.00 is 1.00%, (ii) the advisory fee rate for the balance over \$750,000 and up to and including \$1,500,000.00 is 0.60%, and (iii) the advisory fee rate for the remaining \$500,000.00 is 0.20%.
- c. "**Aggregate advisory fee**" means the total advisory fees payable for all accounts and is **calculated monthly (payable quarterly)** as follows: The average aggregate account balance for that month is multiplied by the applicable advisory fee rate and that amount is then multiplied by the ratio of the number of days in the applicable month to the number of days in the applicable year.
- d. "**Average account balance**" for an account for a particular month is the sum of the end of day market values in that account for each day of that month divided by the actual number of days in that month.
- e. "**Average aggregate account balance**" for a particular month means the sum of the Average Account Balance for that month for all of the accounts.

The advisory fees for each account for a particular month shall be:

- Based upon the pro rata apportionment of the aggregate advisory fees for that month.
- Calculated by multiplying the aggregate advisory fees for that month by the account balance ratio for that account for that month. For example, let's say that there are two accounts under a fee-based arrangement and using the sample fee table provided below:

- John Smith is the account holder for account X.
- John Smith and his wife Mary are the account holders for account Y.
- In January, account X has an average account balance of \$900,000.00 and account Y has an average account balance of \$1,100,000.00. The advisory fees for each account for January are calculated as follows:

**Step 1:** ATBSI calculates the average aggregate account balance: The average aggregate account balance for January is **\$2,000,000.00** (\$900,000.00 + \$1,100,000.00) being the sum of the average account balances in January for account X and account Y.

**Step 2:** ATBSI then determines the applicable advisory fee rates for January:

- For the first \$750,000.00, the advisory fee rate is 1.00%;
- For amounts over \$750,000.00 and up to and including \$1,500,000.00 (in this case, \$750,000.00), the advisory fee rate is 0.60%; and
- For all amounts over \$1,500,000.00 (in this case, \$500,000.00), the advisory fee rate is 0.20%.

**Step 3:** ATBSI then calculates the aggregate advisory fees for January:

The average aggregate account balance for that month is multiplied by the applicable advisory fee rate:

- For the first \$750,000.00 at the advisory fee rate of 1.00%:  $\$750,000.00 \times 1.00\% = \$7,500.00$ , plus
- For amounts over \$750,000.00 and up to and including \$1,500,000.00 (in this case, \$750,000.00) at the advisory fee rate of 0.60%:  $\$750,000.00 \times 0.60\% = \$4,500.00$
- For all amounts over \$1,500,000.00 (in this case, \$500,000.00) at the advisory fee rate of 0.20%:  $\$500,000.00 \times 0.20\% = \$1,000.00$   
**Total:** \$13,000.00,
- and that amount is then multiplied by the ratio of the number of days in the applicable month to the number of days in the applicable year (31 days in January ÷ 365 days in year):  $\$13,000.00 \times (31 \div 365) = \$1,104.11$

**Therefore, the aggregate advisory fee payable for all of the accounts for January is \$1,104.11.**

**Step 4:** ATBSI then determines the account balance ratio for each account for January:

- For account X, the average account balance of \$900,000.00 is divided by the average aggregate account balance (\$2,000,000.00) for that month, for an account balance ratio of 0.45; and
- For account Y, the average account balance of \$1,100,000.00 is divided by the average aggregate account balance (\$2,000,000.00) for that month for an account balance ratio of 0.55.

**Step 5:** ATBSI then determines the advisory fees for each account by multiplying the aggregate advisory fees for that month by the account balance ratio for that account for that month.

- For account X, the aggregate advisory fees for January (\$1,104.11) X account balance ratio (0.45) = \$496.85; and
- For account Y, the aggregate advisory fees for January (\$1,104.11) X account balance ratio (0.55) = \$607.26

**Employee Fee Rate** means the applicable rate indicated in the Employee Fee Schedule provided to you at account opening that corresponds to the range set forth in the applicable row indicated under the heading "Balance (\$CAD)" based upon the Average Aggregate Account Balance for that month.

In cases where you cease to meet the definition of "ATB Associate" described in section 1 (L) above and as such are no longer eligible to hold an investment product that is restricted by prospectus to eligible ATB Associates we will, without prior notice to you, redesignate that product into an equivalent eligible series and advisory fee schedule. Then commencing on the first day of that month and without prior notice to you, the Advisory Fees for each Account for a particular month and for each month thereafter shall be:

- a. based upon the pro rata apportionment of the Aggregate Tiered Advisory Fees for that month; and
- b. calculated by multiplying the Aggregate Tiered Advisory Fees for that month by the Account Balance Ratio for that Account for that month.

**Tiered Rate Fee Table used in the preceding calculation.**

**This table is for illustration purposes only.**

| Balance (\$CAD)   | Advisory Fee Rate (%) | GST (5%) | Total Fees |
|---|-----------------------|----------|------------|
| The first \$0 up to and including to \$750,000 of the average aggregate account balance.                  | 1.00                  | 0.05     | 1.05       |
| All amounts above \$750,000 and up to and including \$1,500,000 of the average aggregate account balance. | 0.60                  | 0.03     | 0.63       |
| All amounts above \$1,500,000 of the average aggregate account balance.                                   | 0.20                  | 0.01     | 0.21       |

**Included Transactions**

|   |    |
|---|----|
| Number of transactions included per year: | 15 |
|---|----|