

RAYMOND JAMES®

CORRESPONDENT SERVICES

It gives us great pleasure to confirm that your independent portfolio manager (the “Portfolio Manager”) has selected Raymond James Correspondent Services (“RJCS”), a division of Raymond James Ltd¹, to be the custodian for your investment accounts. We would like to take this opportunity to both welcome you to RJCS and to share with you some important information about our relationship.

Portfolio management firms using RJCS as a custodian for client assets must be registered with a provincial securities commission as a discretionary Portfolio Manager. Your Portfolio Manager provides professional advisory services to you – the investor and are solely responsible to provide you with advice in respect to your account and investments. It is the responsibility of your Portfolio Manager to ensure that the investments and investment strategy are suitable for you based on your investment objectives, time horizon, risk tolerance, investment knowledge and overall financial situation. RJCS does not provide any suitability oversight of your Portfolio Manager and is not responsible for the suitability of your investments or investment objectives.

RJCS is the custodian of your securities and cash and manages the operations of your account, such as additions, or withdrawals. Having your accounts at RJCS requires that the securities in your account be segregated, as opposed to mixed with other clients’ or the firm’s assets (please read the RJCS Client Account Agreement Terms and Conditions for more information).

If you have any questions about the custody of your investments or your relationship with RJCS, please feel free to contact RJCS directly. We look forward to a long-term relationship serving your custodial and administrative needs.

Service Agreement: Your Portfolio Manager and RJCS have entered into an agreement that sets out the responsibilities and obligations of both corporate entities in respect of your and our other clients’ accounts.

RJCS will provide you with order-execution services and a custody account where your Portfolio Manager will make investment decisions and place trading instructions on your behalf. The Portfolio Manager will have the authority to act for you in the same manner and with the same force and effect as if you had taken such action directly with RJCS yourself. RJCS will follow the

¹ Raymond James Ltd. is a member of, and regulated by, the Canadian Investment Regulatory Organization (CIRO), the national self-regulatory organization that oversees all investment dealers and trading activity on debt and equity marketplaces in Canada. Raymond James Ltd is a member of the Canadian Investor Protection Fund (CIPF) that provides coverage (within specified limits).

Portfolio Manager's trade instructions regarding purchases, sales, or other products or services requested for your account, in every respect without having to confirm with you any of the instructions provided by your Portfolio Manager. These transactions will be made according to the terms and conditions of agreements that you may enter into from time to time with RJCS and your Portfolio Manager with respect to your accounts.

Corporate Actions: Your Portfolio Manager will receive shareholder information on your behalf, unless you direct RJCS to send this information directly to you. Your Portfolio Manager may make decisions on the voting of proxies and other corporate actions involving the securities in your accounts, unless otherwise agreed in writing by you.

Cash disbursements: Your Portfolio Manager does not have authority to withdraw or transfer account holdings, however your Portfolio Manager can request a cheque payable to you, or request the electronic transfer of funds to a bank account in your name – the name of the account holder.

Account fees: Your accounts will be charged a management fee as set out in the Managed Account Agreement that you have executed with your Portfolio Manager. This fee compensates your Portfolio Manager for portfolio management services and may also compensate RJCS for holding and administering the securities in your portfolio. Please note that RJCS may charge other administrative fees to the account for activities such as trade execution, wire transfers, NSF fee and transfer out, etc. (See the RJCS Fee Schedule provided by your Portfolio Manager for specific details).

As a custodial customer of RJCS upon account opening you will be provided a Welcome Package which will include;

- A Welcome letter
- Terms & Conditions Booklet
- Investor Protection information
- Client Account Agreement
- Relationship Disclosure
- CISO's Investor Guide to making a Complaint pamphlet

Account statements: You will receive account statements on a monthly basis, in either paper or electronic format, when transactions have occurred, or they will be made available to you, at minimum, on a quarterly basis if there has been no activity in your account. Your account statement confirms all account activity conducted through RJCS, including purchases and sales of securities, contributions and withdrawals, dividends, interest earned and paid, transfers, and any other transactions that occurred in your account over the previous month. We aim to avoid errors, but misunderstandings and mistakes can happen. We expect you to let us know within 30 days if you see any errors in your account statements.

Your statements also list your current holdings and the closing market value of your portfolio as of the statement date. In the case of securities that have ceased trading, where the company is bankrupt, in the instance of thinly traded securities and of Canadian Controlled Private Corporations (CCPCs), the holding may be valued at zero or book cost.

Your Portfolio Manager may rely solely on RJCS to deliver statements of holdings and activity to you and may not provide its own statements. Your Portfolio Manager will advise you directly about their statement delivery process. Both Your Portfolio Manager and RJCS are responsible for ensuring the accuracy and completeness of your RJCS statement. If you have any questions about the statement issued to you by RJCS, please contact your Portfolio Manager.

RJCS does not provide you with written or electronic confirmation of every purchase or sale in your managed account unless specifically requested by you.

Tax Reporting: You will receive from us annually a complete tax package including all applicable T3s and T5s, an Investment Income Summary, a Summary of Transactions, a Fee Summary and any RRSP contribution receipts. Tax receipts, including US tax receipts produced by RJCS, will be either sent to the primary mailing address on record for taxable accounts; or posted online if you have elected for paperless delivery through our secure client website. Likewise, all tax receipts for registered plan accounts, with the exception of RESP accounts, will be distributed in this manner. Income receipts for RESPs are sent to the beneficiaries directly. All applicable tax disclosures are sent to Canada Revenue Agency, Revenue Quebec, Saskatchewan Energy and Resources, and in certain circumstances we may be required to provide reports to the Internal Revenue Service. If you are registered for the RJCS client site, all tax receipts are posted online at <https://rjcs.raymondjames.ca>.

Performance: Your Portfolio Manager is responsible for providing you with investment performance reporting information such as a rate of return calculation report and all other information required by applicable securities regulations.

Complaint handling procedures: As your account is managed on a discretionary basis by a registered Portfolio Manager, the responsibility for the suitability of investments rests with them, and not with RJCS. You must contact your Portfolio Manager with respect to any complaint about unsuitable investments or the financial performance of your account. If however you have a complaint about the custody services we provide we have policies and procedures in place to ensure that all complaints are subject to a fair and thorough investigation. All complaints will be acknowledged in writing. We provide you with a copy of the CISO brochure entitled “An Investor’s Guide to Making a *Complaint*” at the time of account opening in your Welcome Package. The brochure outlines your options and provides instructions for accessing the Ombudsman for Banking Services and Investments (OBSI) and your rights to require mandatory arbitration.

Temporary Holds: As part of our regulatory requirements the firm and your advisor are required to have controls in place to exercise a temporary hold on your account if there is reason to believe that you are deemed a vulnerable client where financial exploitation has occurred, is occurring, has been attempted or will be attempted, or if it is reasonably believed that you lack the mental capacity to make sound decisions involving your financial matters. The firm shall accept your advisor's request for the temporary hold as we are relying on your advisor's commitment, judgement, and expertise to elect a course of action that is in your best interest as their client. Further, the firm will not accept instructions or orders for account liquidation that contravenes with your advisor's decision in this particular circumstance. If any or all of these circumstances occur, and we decide, pursuant to a review, to put a temporary hold on your account, we will provide a notice to you in advance of the temporary hold and the factors for it. Within every subsequent 30-day period, we will provide you with a notice of the firm's decision to either revoke or continue to with the temporary hold and the reason(s) for the decision upon every subsequent review.

Conflicts of interest: Conflicts of interest arise where an action or decision by us could benefit us or others at your expense. Actual, potential or perceived conflicts may exist or arise from time to time in the relationship;

- Between you and us.
- Between you and our other clients. We act for many clients and must allocate investment opportunities among all of our clients fairly without intentionally favouring one client over another.
- Between us and our related or associated companies.

We have policies and procedures in place to address how we handle conflicts of interest. We avoid conflicts prohibited by law and conflicts we cannot effectively manage. In all other situations, we give your interest priority by acting in one of two ways:

- **We control** or manage acceptable conflicts by separating different business functions, restricting the internal exchange of information in person or through systems, and setting up and testing our operational review and approval processes.
- **We disclose** information about conflicts to you so that, when you evaluate our recommendations and actions, you can assess independently whether conflicts are significant for you.

For more details please refer to the Conflict of Interest Disclosure document provided at account opening. It provides more information about conflicts of interest and gives examples of actual, potential and perceived conflicts.

Termination: Should the relationship between you and your Portfolio Manager terminate for any reason, RJCS will continue to custody your assets and restrict your accounts to only liquidating securities, paying out funds, delivering securities or transferring out positions based on your written instructions.