

**Please note the following agreement will only come into effect on November 1<sup>st</sup>, 2008 and is subject to prior regulatory approval.**

## MUTUAL FUND ACCOUNT AGREEMENT

In consideration for National Bank Securities Inc.'s ("NBS") accepting, as confirmed by the first transaction executed under this agreement, to act as the agent of the applicant and/or the applicant's representative (the "Client") named on the Meritage Portfolios form attached to this document, the parties hereby agree as follows:

- 1. Legal capacity and identification** The Client is an adult person and is legally authorized to be a party to this agreement. NBS shall provide an identification number that the Client shall use when transmitting orders.
- 2. Role of NBS** NBS's role is limited to acting as the Client's agent for processing orders to buy, sell or exchange securities for Meritage Portfolios ("Mutual Funds") including, among others, any other mutual funds that might be added to, replace or merge with them in accordance with the general procedures described in this simplified prospectus. NBS is responsible only for its own deliberate or gross negligence in carrying out its obligations under this agreement.
- 3. Right of survivorship (Not applicable to residents of Québec)** If there is more than one Client, their interest in the accounts is as co-owners with right of survivorship. The death of one or more Clients shall not prevent the survivor(s) from withdrawing the sums or securities deposited in the accounts, and full ownership of the accounts shall be transferred to the surviving Client(s) on the same conditions.
- 4. Instructions** NBS is authorized to act on any order or instruction that it believes in good faith comes from the Client. NBS is also authorized to take directly from the bank account indicated in the section titled "Banking Information" of the account opening form the sums required to carry out for the Client the instruction or order received.
- 5. Automatic Investment Plan** The Client authorizes NBS or any financial institution mandated by NBS to debit, by any debit means whatsoever, the bank account indicated in the "Banking Information" section of the account opening form and to follow the instructions set out in the "Automatic Investment Plan" section on the reverse for automatic investment plans. The Client acknowledges that any debit made on his behalf to his account by NBS, or any financial institution mandated by it, shall bind him to the same extent as if he had done it himself. The Client may amend or cancel this authorization by giving NBS a new form similar to this one. The terms of the AIP are set out in the Mutual Funds Simplified Prospectus in effect.
- 6. Joint account with one signature or the other ("or")** If an account is opened in the name of several persons ("Joint Account"), each one is a "Client" and shall be jointly and severally liable (solidarily in Québec) with the others for the obligations set forth in this agreement. Each Client agrees with NBS and with the others that any of the Clients acting alone is authorized and able to:
  - give written instructions for any buy, sell or other transaction, or measures relating to the Joint Account; and
  - take all measures and sign all documents relating to the Joint Account, including generally everything that may be required to open, maintain and close the Joint Account.

The Customers also give each other reciprocal and irrevocable power of attorney, with power of substitution, for the purpose of endorsing, for deposit to the credit of the Joint Account and for the purpose of cashing any cheque, note, money order, bank draft or other negotiable instrument payable to the order of any of them. The Clients authorize NBS to pay, to the order of the Clients or one of their lawful attorneys, in whole or in part, any amount in principal or interest which is credited or which may be credited to the Joint Account.

- 7. Joint account with two or more signatures ("and")** If an account is opened in the name of several persons ("Joint Account"), each one is a "Client" and shall be jointly and severally liable (solidarily in Québec) with the others for the obligations set forth in this agreement. Each Client agrees with NBS and the others to jointly sign to authorize any transaction in the Joint Account and, more specifically, to:
  - give written instructions for any buy, sell or other transaction, or measures relating to the Joint Account; and
  - take all measures and sign all documents relating to the Joint Account, including generally everything that may be required to open, maintain and close the Joint Account.

The Clients agree to jointly sign for the purposes of endorsing, depositing to the credit of the Joint Account, and cashing any cheque, note, money order, bank draft or other negotiable instrument payable to the order of all the Clients. The Clients authorize NBS to pay, to the order of the Clients or a bank account designated by them, in whole or in part, any amount in principal or interest which is credited or which may be credited to the Joint Account.

- 8. Confirmations and Statements** When NBS sends the Client confirmation of the execution of an order, the Client shall inform NBS of any error or omission in the contents of the confirmation within three (3) days of its receipt. At the expiry of this period, NBS may consider the content of the confirmation to be accurate. When NBS sends the Client an account statement, the Client agrees to verify its accuracy and notify NBS of any error or omission within thirty (30) days of receipt. At the expiry of this period, NBS may consider the content of the statement to be

accurate. If the Client does not notify NBS as described above within the time stated, the Client may not resort, against NBS or any other person holding the securities, to any remedy concerning the subject of the confirmation or the account statement.

- 9. Miscellaneous** Any notice, document or communication to the Client may be sent to the address indicated in this agreement or to any other address which the Client might specify by writing to NBS, 1100 University Street, 9th Floor, Montreal, Quebec H3B 2G7. The parties shall be deemed to have received such notice, document or other communication on the third (3rd) business day following mailing or on the day of its delivery by hand or messenger.

NBS may amend the terms of this agreement on thirty (30) days written notice to the Client and that amendment shall be deemed agreed to if the Client continues to place trades with NBS thereafter. This agreement shall remain in effect until it is terminated by written notice from the Client, addressed to and duly accepted by NBS, or by written notice from NBS to the Client.

This agreement shall benefit and be binding on NBS, the Client and his heirs, testamentary executors, administrators, legatees, liquidators and assigns, as the case may be. The Client may not assign this agreement or its rights and obligations.

NBS, manager of the Mutual Funds, is a wholly-owned subsidiary of the National Bank of Canada. The Mutual Fund securities offered by NBS are not "Deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* and the *Quebec Deposit Insurance Act*, are not insured under the provisions of those statutes or any other law, and are not guaranteed in whole or in part by the National Bank of Canada.

The invalidity or unenforceability of a provision of this agreement shall not affect the other provisions of this agreement, which shall apply as if the invalid or unenforceable provision had not been written.

This agreement shall be governed by and interpreted in accordance with the laws in force in the jurisdiction in which the application is made.

### ELECTRONIC AND TELEPHONE SERVICES

In this section, "we" means "National Bank Securities Inc." and "you" means the "Client."

We can provide you with electronic and telephone services that will give you access to your account and to information and other services. If you use the electronic and telephone services that we provide, you hereby accept the terms and conditions indicated hereinafter. These terms and conditions are in addition to the other terms and conditions of this agreement and do not replace them.

In this section, "electronic and telephone services" means the services that give you access to your account and to information and other services that we provide you by standard telephone, cellphone, fax, computer or other similar device. "Information" means the information that you receive or provide via an electronic or telephone service. Applicants may not use our electronic and telephone services to transmit orders directly.

The conditions, rules, procedures, fees and commissions indicated in written instructions, in computer or software generated instructions, or instructions appearing on any fee schedule or other document we provide you regarding our electronic and telephone services are part of this section.

- 1. Identification** Whenever you use our telephone services, our representatives will ask you certain questions to confirm your identity. You are responsible for the accuracy of the information you provide us. This information will be processed in accordance with the "Conditions Governing the Collection, Use and Disclosure of Personal Information" section of this form. When done, you will have access to your account and receive information via our electronic and telephone services.

We are not responsible for unauthorized use of an electronic or telephone service by another person.

- 2. Access to our services** You are not entitled to:

- Enter restricted access areas of any of our telecommunications or computer systems or of any systems intended for the members of our group;
- Perform functions that are not authorized under this agreement.

*We have the right to:*

- Suspend your access to an electronic or telephone service without warning if we believe that you are using it to gain unauthorized access to systems or information, or if you are using it in an inappropriate manner. We may reinstate your access after reviewing the situation.

- Terminate your access without warning if we believe that you are using an electronic or telephone service or information in an unauthorized or inappropriate way or if we notice unusual activity in or associated with your account.

**3. Placing orders** You authorize us to act on your representative's instructions regarding all account orders placed via electronic and telephone services.

*We will not process an order placed by your representative unless the following conditions are met:*

- Your account is in good standing;
- The balance in your bank account identified in the "Banking Information" section of this account opening form is sufficient to execute the order.

**4. Recording of telephone conversations**

*We have the right to record telephone conversations between you, our agents or designated representatives, and us. We may use this information to:*

- Confirm and/or substantiate your instructions;
- Monitor our service quality;
- Ensure compliance with our policies.

*We will:*

- Ensure that the recordings are kept in a secure location;
- Allow only authorized persons access to the recordings for authorized reasons or for the purpose of complying with a court decision or order or other statutory requirement;
- Destroy the recordings at regular intervals.

**5. Change and interruption of services** We may change all or some of our electronic and telephone services without notice. Each of our electronic and telephone services may be made temporarily unavailable for maintenance or updating or for other valid reasons, especially during periods of increased market activity.

**6. Liability**

*We are not liable:*

- Towards you or any other person, for any damage, loss, cost or failure to realize anticipated profits or savings attributable to the use of our electronic and telephone services or to the equipment used to access our electronic and telephone services;
- For any action or inaction resulting from an error in an order given by your representative or the failure to receive an order.

*We and the members of our group are not liable for any loss, damage or bodily injuries sustained by a person following:*

- Use of the equipment to access our electronic and telephone services.

*We and the information providers are not liable:*

- Towards you or any other person for the accuracy, completeness, timeliness or relevance of the information;
- For any decision or action you take based on the information or on our electronic and telephone services;
- For the interruption of data, information or any other aspect of our electronic and telephone services due to negligence, omission or any other cause that is reasonably outside our or the information provider's control. This includes communications breakdowns and power blackouts as well as computer hardware and software failures.

**7. Force majeure** We are not responsible for any loss due to circumstances beyond our control that you may suffer in relation to the use of our electronic and telephone services.

**8. Termination of electronic and telephone services** You may terminate electronic or telephone service by giving us thirty (30) days' prior written notice.

We may terminate electronic and telephone services by giving you reasonable notice to that effect.

The electronic and telephone services provided to you will also be terminated when this agreement ceases to have effect.

**MERITAGE EDUCATION SAVINGS PLAN  
TERMS AND CONDITIONS (FAMILY PLAN)**

The application ("Application") and its terms and conditions constitute the agreement between National Bank Securities Inc. ("we", "us" or "our"), Natcan Trust Company ("Trustee") and the Subscriber or Subscribers for an education savings plan ("Plan") under which we will make Educational Assistance Payments to provide for a beneficiary's post-secondary education as set out in the agreement. Natcan Trust Company agrees to act as Trustee for the purposes of the agreement.

**1. Definitions – For this Plan:**

**"Beneficiary" or "Beneficiaries"** means the individual or individuals designated by each Subscriber as beneficiaries to whom or for whom Educational Assistance

Payments shall be paid if the requirements of the Plan and applicable tax legislation are satisfied at the time the Educational Assistance Payments are made.

**"Designated Educational Institution (DEI)"** means an educational institution in Canada that is a university, college or other educational institution designated by a province's Lieutenant Governor in Council as a specified educational institution under the *Canada Student Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, or designated by the Minister of Education of the Province of Québec for the purposes of the *Act respecting financial assistance for education expenses* (Québec) and which is permitted to receive the payments designated in this agreement by each Subscriber from time to time.

**"Post-Secondary Educational Institution (PSEI)"** means an educational institution in Canada that is a university, college or other educational institution designated by a province's Lieutenant Governor in Council as a specified educational institution under the *Canada Students Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, designated by the Minister of Education of the Province of Québec for the purposes of the *Act respecting financial assistance for education expenses* (Québec), certified by the Minister of Human Resources and Skills Development Canada to be an educational institution providing courses, other than courses designed for university credit, that furnish a person with skills for or improve a person's skills in an occupation, or an educational institution outside Canada that is a university, college or other educational institution that provides courses at a post-secondary school level at which the Beneficiary is enrolled in a course of not less than 13 consecutive weeks.

**"Trust"** means any person who irrevocably holds property under an education savings plan for any one of the following purposes:

- a) the disbursement of Educational Assistance Payments under paragraph 12 a) of this section;
- b) the refund of contributions under paragraph 5 of this section;
- c) payments to, or to a trust in favour of, a DEI under paragraph 12 b) of this section;
- d) payments under paragraph 12 c) of this section to a trust that irrevocably holds property under an RESP within the meaning of applicable tax legislation for any of the purposes set out in items a) to f) of this definition, as permitted by applicable tax and CES legislation;
- e) the repayment under paragraph 6 of this section (and payment of amounts concerning that repayment) under applicable CES legislation of CES amounts paid into the Plan; or
- f) the disbursement of AIPs under paragraph 12 d) of this section, provided they are made to, or for, a person resident in Canada and not jointly to, or for, more than one such person, as permitted under applicable tax legislation.

**"RESP Legislation"** means applicable tax and CES legislation.

**"Applicable CES Legislation"** means the provisions of the *Canadian Education Savings Act* (Canada) and its regulations and, where relevant, the provisions of the *Department of Human Resources Development Act* (Canada) before the repeal of Part III.1 and its relevant regulations, and shall include, where applicable, the provisions of any savings grant legislation and related regulations of a province of Canada under a program administered through an agreement under section 12 of the *Canada Education Savings Act* (Canada).

**"Applicable Tax Legislation"** means the provisions of the *Income Tax Act* (Canada) and its regulations and, where relevant, any income tax legislation of the province in Canada of the Subscriber's address on the application.

**"CES Amount"** means any Canadian Education Savings grant and/or any Canada Learning Bond and/or any education savings grant from a province of Canada provided for under applicable CES legislation.

**"Educational Assistance Payment (EAP)" or "Educational Assistance Payments (EAPs)"** means any amount, other than a contribution refund under paragraph 5 of this section, paid under the Plan in accordance with applicable tax and CES legislation to or for a Beneficiary to assist that Beneficiary to continue his or her education at a PSEI.

**"Accumulated Income Payment (AIP)"** means an amount paid or payable under the Plan, other than an EAP; a contribution refund; a payment to, or to a trust in favour of, a DEI in Canada; a repayment of any amount under applicable CES legislation; or a payment to a trust that irrevocably holds property under an RESP that is not revoked or revocable, and is the sum of the amounts paid that exceed the fair market value of any contribution to the Plan for the payment of that amount.

**"RESP Lifetime Limit"** means the maximum amount of total contributions that can be made to an RESP for a beneficiary as set out in subsection 204.9(1) of the *Income Tax Act* (Canada), and amended from time to time.

**"Qualifying Educational Program (QEP)"** means a program at post-secondary school level of not less than 3 consecutive weeks' duration requiring students to spend not less than 10 hours per week and given by a PSEI.

**"Specified Educational Program (SEP)"** means a program at post-secondary school level of not less than 3 consecutive weeks' duration requiring students to spend not less than 12 hours per month in courses.

**"RESP"** means "registered education savings plan" under the *Income Tax Act* (Canada).

**"RRSP"** means "registered retirement savings plan" under the *Income Tax Act* (Canada).

**"Public Primary Caregiver (PPC)"** means the department, agency or institution that maintains a Beneficiary who is eligible for the payment of a special allowance under the *Children's Special Allowances Act* (Canada) or the public trustee or public curator of the province of Canada in which the Beneficiary resides.

**"HRSDC"** means Human Resources and Skills Development Canada.

**"Grant Balance"** means the total amount of all the CES amounts paid into the Plan under paragraphs 4 and 7 of this section less:

- a) any CES amounts paid out of the Plan under paragraphs 6 and 7 of this section; and
- b) the portion of EAPs paid to or for a beneficiary under paragraph 12 attributable to CES amounts paid into the Plan.

**"Subscriber"** or **"Subscribers"** means i) each individual (other than a trust) or the PPC identified as a subscriber on the Application; ii) another individual (other than a trust) or other PPC who has before that time, by written agreement, acquired PPC rights as a subscriber under the Plan; iii) a person (other than a trust) who, after the death of the subscriber, acquires subscriber rights under the Plan, or makes a contribution to the plan for a beneficiary; or iv) an individual who has before that time acquired subscriber rights under the Plan under a decree, order or judgment of a competent tribunal, or by a written agreement, relating to a division of property between the individual and a subscriber under the Plan in settlement of rights arising out of, or on the breakdown of, their marriage or common-law partnership. An individual or a PPC whose rights as a subscriber under the Plan had, before that time, been acquired by an individual (other than a trust) or PPC in the circumstances described in ii) or iv) above ceases to be a "Subscriber" under the Plan. Where two individuals are identified as subscribers in the Application, each individual must be the spouse or common-law partner of the other within the meaning of applicable tax legislation, although the Plan does not have to be divided on the separation or divorce of joint subscribers. When a plan has two Subscribers, each is treated as a single subscriber for all purposes, except for the purposes of providing instructions for payments under paragraph 5 and/or paragraph 12 d) of this section, voting rights under paragraph 13 of this section and designating a termination date in accordance with the first sub-paragraph a) under paragraph 15 of this section, which must all be authorized by both Subscribers.

2. **Registration** We will apply for the registration of the Plan as an RESP in the required form containing the required information in accordance with applicable tax legislation. Final responsibility for the Plan, its administration and disbursement of the EAPs rests with us. We will also attend to the timely application for each CES amount for each Subscriber who has instructed us to apply for the CES amount on the CES Amount application and who has provided us with the required social insurance numbers and commitments. Social insurance numbers obtained to apply for a CES Amount will not be knowingly used, communicated or allowed to be communicated for any other purpose.

3. **Subscriber's Account** In accordance with applicable CES legislation, in the name of the Subscriber or Subscribers, we will maintain an account, including any sub-accounts required to separately identify specific CES amounts, in which we will record:

- a) all payments into and out of the Plan by and to the Subscriber or Subscribers under paragraphs 4, 5 and 7 of this section, the name of the Beneficiary for whom the payments were made and the date we received the contributions to the Plan, as well as whether such payments were for the payment or repayment of CES amounts;
- b) all CES amounts paid into and out of the Plan under paragraphs 4, 6 and 7 of this section and, where required, the name of the Beneficiary for whom the payments of CES amounts were made, as well as the portion of EAPs made to or for a Beneficiary under paragraph 12 of this section attributable to CES amounts paid into the Plan;
- c) all transfers to and from the Plan under paragraph 7 of this section;
- d) all investments and investment transactions made under paragraphs 8 and 9 of this section;
- e) all Plan investment income, gains and losses and all income and gains payments made to each Subscriber under paragraph 12 d) of this section;
- f) all trustee and administration charges under paragraph 21 of this section;
- g) all amounts paid to or for a Beneficiary as EAPs under paragraph 12 of this section, the date of payment and the name of the payee;

h) all amounts paid to DEIs, to other trusts, or any other amounts paid to each Subscriber or on the Subscribers' instruction under paragraphs 12 c), d) and f) of this section, the date of payment and the name of the payee; and

i) any other information we or the Trustee may decide to keep or may be required to keep under applicable tax and CES legislation and the agreements between us and/or the Trustee, and the Minister of HRSDC, from time to time.

This and any other information concerning the Plan will be provided to, and be open to inspection or audit by, the Minister of National Revenue and the Minister of HRSDC from time to time, as required by applicable tax, CES or any other applicable legislation, or agreements between us or the Trustee and the Minister of HRSDC.

4. **Contributions** Contributions by or for each Subscriber to the Beneficiary's Plan in instalments or as a lump sum (subject to any conditions under applicable tax legislation and determined by us, to the annual limit, to the lifetime limit and to any minimum amount required by us) and CES amounts paid into the Plan, if any, under applicable CES legislation and all earnings and net gains on them, will be held in trust by the Trustee in accordance with applicable tax legislation and the terms of this agreement. At the Trustee's sole discretion, contributions by or for a Subscriber may also be by transfer of securities of certain mutual funds, provided that the registered ownership of the securities has been changed to reflect ownership by the Trust. The Beneficiary for whom contributions are made must be resident in Canada at the time each contribution is made.

Contributions for a Beneficiary may also be made as transfers from another RESP held for the Beneficiary provided it has not made any AIPs before the transfer, and subject to any conditions under applicable tax legislation and the terms of this agreement.

All amounts contributed from time to time, net of any applicable fees and other charges, as provided under paragraph 21 of this section, will together make up the Plan assets. Each Subscriber is responsible for ensuring that the total of all contributions made in a year, other than CES amounts or transfers from another RESP, for a Beneficiary who is also a beneficiary under other RESPs (including a replacement beneficiary who inherits the contribution history of the beneficiary he or she replaces), does not exceed the RESP annual limit and the RESP lifetime limit.

When a contribution is made to the Plan, it will be allocated first to Beneficiaries who qualify for a CES amount, up to the amount necessary for each Beneficiary to qualify for the maximum CES amount, then equally among the Beneficiaries eligible to receive contributions. No contributions may be made to the Plan for Beneficiaries who are 21 years of age or older, other than contributions that are transfers from another RESP that allows more than one beneficiary at a time, in accordance with applicable tax legislation. No contributions (other than contributions that are transfers from another RESP) may be made to the Plan after the 21st year following the year in which the Plan was set up.

5. **Contribution refund** Subject to any reasonable requirements we may set, to applicable tax and CES legislation that requires us to repay CES amounts in certain circumstances, and to the extent of the Plan assets, each Subscriber may at any time request in writing that the Trustee, or we on its behalf, pay to the Subscriber an amount not exceeding the total of all the Subscriber's contributions to the Plan (but not any CES amounts paid into the Plan) that can be refunded at that time under applicable tax legislation net of:

- a) any applicable fees and other charges under paragraph 21 of this section; and
- b) the repayment of CES amounts under paragraph 6 of this section.

The Subscriber may also direct that all or any part of the amount be paid to some or all of the Beneficiaries.

If the Plan has two Subscribers, written instructions must be signed by both. When a contribution refund is made, a corresponding refund of any CES amounts paid into the Plan will be made in accordance with paragraph 6 of this section and may result in limitations on future payments of CES amounts for the Beneficiaries.

6. **Repayment of CES Amounts paid into the Plan** Repayments of CES amounts paid into the Plan will be made to the Minister of HRSDC when and as required by applicable tax and CES legislation, including:

- a) payment of certain contributions out of the Plan for non-educational purposes;
- b) payments under paragraphs 12 b) and d) of this section;
- c) certain transfers from the Plan to another RESP under paragraph 12 c) of this section;
- d) termination or revocation of the Plan; and
- e) certain replacements of Beneficiaries.

Repayments of CES amounts paid into the Plan will also be made when the amounts were paid into the Plan in error. Neither the Subscriber nor the Trustee nor we are responsible for ensuring that any excess in the total of all CES amounts received by a Beneficiary under more than one RESP, over the maximum amount prescribed by applicable tax and CES legislation, is repaid to the Minister of HRSDC.

7. **Transfers** Each Subscriber may at any time request in writing that the Trustee, or we on the Trustee's behalf, transfer monies (including CES amounts) into and out of the Plan from and to another RESP. Such transfers will be made at the Trustee's sole discretion and only when permitted by applicable tax legislation and in the manner required by applicable CES legislation. However, permitted transfers will be made even if they give rise to adverse tax consequences or result in overpayment of CES amounts paid into the Plan or limitations on future payments of CES amounts for Plan Beneficiaries.

8. **Liquidation of Plan Assets** For the purposes of making payments under sections 5, 6 and 12 of this section, the Trustee will liquidate the investments that make up the Plan assets according to each Subscriber's instructions. Failing instructions from subscribers, the Trustee, or we on its behalf, shall liquidate those investments which it, in its sole discretion, shall deem appropriate in the circumstances. Notwithstanding any other terms of this agreement, except as may otherwise be permitted by the Trustee, payment from the proceeds of a fixed term investment of the Plan will not be made under paragraphs 5, 6 or 12 of this section until the investment has matured.

9. **Investments** We, for the Trustee, will apply all amounts contributed to the Plan by each Subscriber and under applicable CES legislation to subscribe to any investments qualified for RESPs available to Meritage education savings plans in accordance with applicable tax legislation and the instructions we receive from each Subscriber from time to time. If the Plan has two Subscribers, both Subscribers may provide these instructions regarding the Plan assets. Until we receive instructions regarding the investment of amounts contributed to the Plan, contributions will be held in an account in the name of the Subscriber. We shall reinvest all distributions of net income and net realized capital gains received by the Plan from any particular investment, net of any applicable fees and other charges as provided in paragraph 21 of this section and any repayment of CES amounts as provided in paragraph 6 of this section, in additional investments of the same type unless otherwise instructed by the Subscriber.

From time to time, we may authorize such additional investments by the Plan as we consider advisable without being limited to investments authorized by law for trustees, provided that such investments constitute qualified investments for RESPs under applicable tax legislation. It is hereby agreed that we may authorize investments in any mutual funds or other forms of pooled investment vehicles, even if these investments are not authorized by law for trustees or may be considered a delegation of the Trustee's investment duties, and we will not be liable for any loss in connection with any such additional investments so authorized in good faith.

It is the sole responsibility of the Subscriber to choose from the investments that are available to Meritage education savings plans and determine whether any investments should be bought, sold or retained as part of the Plan. The Subscriber acknowledges that any failure to comply with applicable tax legislation may also result in revocation of the Plan by the Minister of National Revenue.

10. **Purpose of the Plan** Subject to any applicable fees and other charges provided under paragraph 21 of this section and the repayment of CES amounts paid into the Plan under paragraph 6 of this section, we agree to pay, or cause to be paid, the EAPs, and to arrange for the Plan assets to be irrevocably held by the Trustee in trust in accordance with the terms and conditions of this agreement for one or more of the purposes described in the definition of Trust, or any other such purposes as are permitted by RESP legislation from time to time.

11. **Beneficiaries** The person or persons named on the Application as the beneficiary or beneficiaries of the Plan shall be the initial Plan Beneficiary(ies). Subscribers may, by notice to us in writing, remove only those Beneficiaries they have designated, or designate other Plan Beneficiaries. Unless otherwise permitted by applicable tax legislation, we will accept as Beneficiaries those persons Subscribers name only if we receive those persons' Social Insurance Numbers at the time of designation and they are resident in Canada when the designation is made or the designation is made in conjunction with a transfer from another RESP under which they were beneficiaries immediately before the transfer. In certain circumstances, newly designated Beneficiaries may inherit the contribution history of the Beneficiaries they replace, which may give rise to a penalty tax. Subscribers' written instructions must clearly explain the desired change, identify Plans by their account numbers, be signed and dated by them and be delivered to us. If the Plan has two Subscribers, they may each designate their own Beneficiaries and remove only those Beneficiaries. If more than one such instrument is delivered to us, the one dated most recently will apply. Beneficiaries must be related by blood or adoption, as defined under the *Income Tax Act* (Canada), to a living Subscriber or have been related in the same way to a deceased original Subscriber. Subscribers cannot designate themselves as Beneficiaries at any time. Subscribers cannot designate as Beneficiaries at any time individuals 21 years of age or older at that time, unless the individuals were Beneficiaries under another Family RESP immediately before this designation.

Within 90 days of an individual becoming a Beneficiary under the Plan, we will notify that individual (or where the individual is under 19 years of age at that time

and ordinarily resides with a parent or is maintained by a PPC, that parent or PPC) in writing of the existence of the Plan and each Subscriber's name and address.

12. **Educational Assistance and Other Payments** Subject to any reasonable requirements we may set, and to the extent of the Plan assets, each Subscriber may at any time request in writing that we cause the Trustee to, or that the Trustee, or we on the Trustee's behalf, pay out of the Plan such amount or amounts (net of any fees and charges under paragraph 21 of this section, any repayment of CES amounts under paragraph 6 of this section and any withholding taxes under applicable tax legislation) as the Subscriber directs:

- a) i) as an EAP to a Beneficiary enrolled in a QEP at a PSEI in the preceding 12-month period provided that:
  - A) the Beneficiary was enrolled for a period of at least 13 consecutive weeks;
  - or
  - B) the Beneficiary does not receive EAPs totalling in excess of \$5,000 (or any greater amount the Minister designates under the *Canada Education Savings Act* and approves in writing) in the preceding 12 months from RESPs administered by us.
- ii) as an EAP to a Beneficiary enrolled in a SEP at a PSEI provided that:
  - A) the Beneficiary is at least 16 years of age and,
  - B) the Beneficiary does not receive EAPs totalling in excess of \$2,500 (or any greater amount the Minister designates under the *Canada Education Savings Act* and approves in writing) in the preceding 13 months from RESPs administered by us.

At the Subscriber's request and on receipt of the required supporting documentation, we will apply to the Minister of HRSDC for the above approval.

When an EAP is made to a Beneficiary, the portion of the EAP attributable to CES amounts paid into the Plan at the Beneficiary's request shall not exceed the maximum amount permitted under applicable tax and CES legislation and payment shall not be made unless:

- i) the Subscriber's application confirms in writing that the Beneficiary is a resident of Canada and undertakes to inform us of any changes in the Beneficiary's circumstances whenever the Subscriber makes further contributions to or requests an EAP from the Plan; and
  - ii) the Beneficiary has not been designated as a Beneficiary after attaining 21 years of age, unless immediately before being so designated, the Beneficiary had been a Beneficiary of another RESP that allows more than one beneficiary at a time;
- b) to, or to a trust in favour of, a DEI;
  - c) under paragraph 7 of this section, to a trust that irrevocably holds money or property transferred to the Plan from an RESP within the meaning of applicable tax legislation and for the same purposes set out in paragraph 10 of this section. Following the transfer from an RESP to the Plan, the effective date the Plan is deemed to have been set up is the earlier of: the day on which the transferee plan was set up, and the day on which the transferor plan was set up;
  - d) under subsection 146.1(2.2) of the *Income Tax Act* (Canada), as AIPs in cash to each Subscriber or, if certain *Income Tax Act* provisions are met, to the Subscriber's RRSP or spousal RRSP, provided that:
    - i) the payment is made to, or for, a Subscriber who is resident in Canada and not made jointly to, or for, more than one Subscriber; and either
    - ii) each Beneficiary for whom a Subscriber has contributed into the Plan has either attained 21 years of age and is not eligible to receive an EAP at the time the payment is made, and the Plan has existed for at least 10 years; or
    - iii) each Beneficiary for whom a Subscriber has made a contribution into the Plan was deceased when the payment is made; or
    - iv) the payment is made in the 25th year following the year in which the Plan was set up.

At the Subscriber's request and on receipt of the required supporting documentation, where a Beneficiary suffers from a severe and prolonged mental impairment that prevents, or can reasonably be expected to prevent, that Beneficiary from enrolling in a QEP at a PSEI, we will apply to the Minister of National Revenue to waive the latter two preconditions for these payments. If the Plan has two Subscribers, both must sign the written instructions;

- e) under paragraph 6 of this section, for the repayment of CES amounts (and the payment of amounts concerning that repayment) under applicable CES legislation; or
- f) under paragraph 5 of this section, as a contribution refund.

It is hereby agreed that payments from the Plan will not be made when the fair market value of the Plan assets is less than the Grant Balance, unless the distribution is an EAP to a Beneficiary and the entire EAP is attributable to CES amounts.

amounts in the Plan to the replacement trustee until such time as the replacement trustee has entered into trustee agreement(s) with the Minister of HRSDC.

Notwithstanding any other provision of this agreement, any trust company resulting from the merger, amalgamation or continuation of the Trustee or succeeding to substantially all of the trusteeship business of the Trustee (either by sale of such business or otherwise) shall thereon automatically become the replacement trustee in this agreement without further act or formality.

- 20. Delegation** The Trustee irrevocably holds the Plan assets. Without in any way diminishing the ultimate responsibility of the Trustee for the Plan assets, the Trustee may, and each Subscriber expressly authorizes the Trustee to delegate to us, our successors and assigns as the sole agent of the Trustee (with power to delegate any of our powers, authorities or duties), certain powers, authorities and duties concerning the Plan assets (other than the duty to hold the Plan assets) as we and the Trustee may determine from time to time. To the extent that the Trustee has delegated the performance of all or a portion of the activities of the trust regarding the Plan assets to us, such delegation shall be deemed in the best interest of the trust, the Subscriber and the Beneficiary(ies). The Trustee shall notify the Minister of HRSDC of the appointment of an agent in accordance with the terms of the trustee agreement(s) between the Trustee and the Minister of HRSDC.
- 21. Compensation** We and the Trustee are entitled to such reasonable fees and other charges as we may establish from time to time for our services under the Plan and to reimbursement of all disbursements and expenses (including all taxes and repayment of CES amounts) reasonably incurred by us in performing our duties under this agreement. We are entitled to change the amount of these fees or charges in the future on reasonable notice to each Subscriber. Unless paid separately and in advance, all amounts payable under this paragraph will be charged against and deducted from the Plan assets.
- Certain fees concerning the Plan (such as investment advice fees charged by the Trustee directly to the Subscriber) are not deductible by the Subscriber for income tax purposes. Fees concerning the Plan assets, such as broker commissions and mutual fund service charges, are considered to be Plan expenses, and should be paid out of the Plan assets and reduce the Plan assets that are available for refund of contributions, EAPs and AIPs under the Plan.
- 22. Subscriber's Death** If a Subscriber dies prior to the termination of the Plan, the Subscriber's heirs, executors, administrators or other legal representatives may continue the Plan for the deceased Subscriber.
- 23. Agreements with HRSDC** We and the Trustee will, and each Subscriber expressly authorizes us and the Trustee, respectively, to enter into, amend, extend and terminate any agreements and trustee agreements between us and/or the Trustee, respectively, and the Minister of HRSDC to provide each Subscriber with access to applicable CES Amount programs administered under applicable CES legislation.
- 24. Information Slips** We will provide the Subscriber, each Beneficiary and other applicable persons with the information regarding amounts paid to or from the Plan and other Plan transactions as is required under applicable tax legislation to enable such persons to complete their respective income tax returns. We will also file any returns required by applicable tax legislation, such as an information return regarding the investments of the Plan, with the Minister of National Revenue.
- 25. Proof of Information** The Subscriber certifies that the information provided to us concerning the Plan is correct and undertakes to provide us with further proof of any information required relating to the Plan.
- 26. Governing Law** The terms of the Plan will be governed by and construed, administered and enforced in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada (including the *Income Tax Act* (Canada)).

#### MERITAGE EDUCATION SAVINGS PLAN TERMS AND CONDITIONS (NON-FAMILY PLAN)

The application ("Application") and its terms and conditions constitute the agreement between National Bank Securities Inc. ("we", "us" or "our"), Natcan Trust Company ("Trustee") and the Subscriber or Subscribers for an education savings plan ("Plan") under which we will make Educational Assistance Payments to provide for a beneficiary's post-secondary education as set out in the agreement, and Natcan Trust Company agrees to act as Trustee for the purposes of the agreement.

**1. Definitions** – For this Plan:

**"Beneficiary"** means the individual designated by each Subscriber as a beneficiary to whom or for whom Educational Assistance Payments shall be paid if the requirements of the Plan and applicable tax legislation are satisfied at the time the Educational Assistance Payments are made.

**"Designated Educational Institution (DEI)"** means an educational institution in Canada that is a university, college or other educational institution designated by a province's Lieutenant Governor in Council as a specified educational institution under the *Canada Student Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, or designated by the Minister of Education of the Province of Quebec under the *Act respecting financial assistance*

for education expenses (Quebec) to receive the payments directed in this agreement by each Subscriber from time to time.

**"Post-Secondary Educational Institution (PSEI)"** means an educational institution in Canada that is a university, college or other educational institution designated by a province's Lieutenant Governor in Council as a specified educational institution under the *Canada Student Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, designated by the Minister of Education of the Province of Quebec under the *Act respecting financial assistance for education expenses* (Quebec), and certified by the Minister of Human Resources and Skills Development Canada as an educational institution providing occupational skills training or updating other than for university credit, or an educational institution outside Canada that is a university, college or other educational institution providing post-secondary school level courses where the Beneficiary is enrolled in a course of not less than 13 consecutive weeks.

**"Trust"** means any person who irrevocably holds property under an education savings plan for any one or more of the following purposes:

- the disbursement of Educational Assistance Payments under paragraph 12 a) of this section;
- the refund of contributions under paragraph 5 of this section;
- payments to, or to a trust in favour of, a DEI under paragraph 12 b) of this section;
- payments under paragraph 12 c) of this section to a trust that irrevocably holds property under an RESP within the meaning of applicable tax legislation for any of the purposes set out in items a) to f) of this definition, as permitted by applicable tax and CES legislation;
- repayment under paragraph 6 of this section (and payment of amounts concerning that repayment) under applicable CES legislation of CES amounts paid into the Plan; or
- the disbursement of AIPs under paragraph 12 d) of this section, provided they are made to, or for, a person resident in Canada and not jointly to, or for, more than one such person, as permitted under applicable tax legislation.

**"Specified Plan"** means an education savings plan i) that does not allow more than one beneficiary under the plan at any one time, ii) under which the beneficiary is an individual who is entitled to a disability tax credit under subsection 118.3(1) of the *Income Tax Act* (Canada) for the beneficiary's taxation year that ends in the 21st year following the year in which the plan was entered into, and iii) that provides that, at all times after the end of the 25th following the year in which the plan was entered into, no other individual may be designated as a beneficiary under the plan.

**"RESP Legislation"** means applicable tax and CES legislation.

**"Applicable CES Legislation"** means the provisions of the *Canadian Education Savings Act* (Canada) and its regulations and, where relevant, the provisions of the *Department of Human Resources Development Act* (Canada) before the repeal of Part III.1 and its relevant regulations, and shall include, where applicable, the provisions of any savings grant legislation and related regulations of a province of Canada under a program administered through agreement under section 12 of the *Canada Education Savings Act* (Canada).

**"Applicable Tax Legislation"** means the provisions of the *Income Tax Act* (Canada) and its regulations and, where applicable, any income tax legislation of the province in Canada of the Subscriber's address shown in the Application.

**"CES Amount"** means any Canada Education Savings grant and/or any Canada Learning Bond and/or any education savings grant from a province of Canada provided for under applicable CES legislation.

**"Educational Assistance Payment (EAP)"** or **"Educational Assistance Payments (EAPs)"** means any amount, other than a contribution refund under paragraph 5 of this section, paid under the Plan in accordance with applicable tax and CES legislation to or for a Beneficiary to assist that Beneficiary to continue his or her education at a PSEI.

**"Accumulated Income Payment (AIP)"** means an amount paid or payable under the Plan, other than an EAP; a contribution refund; a payment to, or to a trust in favour of, a DEI in Canada; a repayment of any amount under applicable CES legislation; or a payment to a trust that irrevocably holds property under an RESP that is not revoked or revocable, and is the sum of the amounts paid that exceed the fair market value of any contribution to the Plan for the payment of that amount.

**"RESP Lifetime Limit"** means the maximum amount of total contributions that can be made to an RESP for a beneficiary as set out in subsection 204.9(1) of the *Income Tax Act* (Canada), and amended from time to time.

**"Qualifying Educational Program (QEP)"** means a program at a post-secondary school level of not less than 3 consecutive weeks' duration requiring students to spend not less than 10 hours per week on courses or work in the program, and given by a PSEI.

**"Specified Educational Program (SEP)"** means a program at post-secondary school level of not less than 3 consecutive weeks' duration requiring students to spend not less than 12 hours per month in courses.

from subscribers, the Trustee, or we on its behalf, shall liquidate such investments as it shall deem appropriate in the circumstances, at its sole discretion. Notwithstanding any other terms of this agreement, except as may otherwise be permitted by the Trustee, payment from the proceeds of a fixed term investment of the Plan will not be made under paragraphs 5, 6 or 12 of this section until the investment has matured.

**9. Investments** We, for the Trustee, will apply all amounts contributed to the Plan by each Subscriber and under applicable CES legislation to subscribe to any investments qualified for RESPs available to Meritage education savings plans in accordance with applicable tax legislation and the instructions we receive from each Subscriber from time to time. If the Plan has two Subscribers, both Subscribers may provide these instructions regarding the Plan assets. Until we receive instructions regarding the investment of amounts contributed to the Plan, contributions will be held in an account in the name of the Subscriber. We shall reinvest all distributions of net income and net realized capital gains received by the Plan from any particular investment, net of any applicable fees and other charges under paragraph 21 of this section and any repayment of CES amounts under paragraph 6 of this section, in additional investments of the same type unless otherwise instructed by the Subscriber.

From time to time, we may authorize such additional investments by the Plan as we consider advisable without being limited to investments authorized by law for trustees, provided that such investments constitute qualified investments for RESPs under applicable tax legislation. It is hereby agreed that we may authorize investments in any mutual funds or other forms of pooled investment vehicles, even if these investments are not authorized by law for trustees or may be considered a delegation of the Trustee's investment duties, and we will not be liable for any loss in connection with any such additional investments so authorized in good faith.

It is the sole responsibility of the Subscriber to choose from the investments that are available to Meritage education savings plans and determine whether any investment should be bought, sold or retained as part of the Plan. The Subscriber acknowledges that any failure to comply with applicable tax legislation may also result in revocation of the Plan by the Minister of National Revenue.

**10. Purpose of the Plan** Subject to any applicable fees and other charges under paragraph 21 of this section and the repayment of CES amounts paid into the Plan under paragraph 6 of this section, we agree to pay, or cause to be paid, the EAPs, and to arrange for the Plan assets to be irrevocably held by the Trustee in trust in accordance with the terms and conditions of this agreement for one or more of the purposes described in the definition of Trust, or any other such purposes as are permitted by RESP legislation from time to time.

**11. Beneficiary** The person named on the Application as the beneficiary of the Plan shall be the initial Beneficiary of the Plan. Subscribers may, by notice to us in writing, remove only those Beneficiaries they have designated or designate other Plan Beneficiaries. Unless otherwise permitted by applicable tax legislation, we will accept as Beneficiaries those persons Subscribers name only if we receive those persons' social insurance numbers at the time of designation and they are resident in Canada when the designation is made or the designation is made in conjunction with a transfer from another RESP under which they were beneficiaries immediately before the transfer. In certain circumstances, newly designated Beneficiaries may inherit the contribution history of the Beneficiaries they replace, which may give rise to a penalty tax. Subscribers' written instructions must clearly explain the desired change, identify Plans by their account numbers, be signed and dated by them, and be delivered to us. If the Plan has two Subscribers, the written instructions must be signed by both. If more than one such instrument is delivered to us, the one dated most recently will apply. The Subscriber may be the Beneficiary of the Plan.

Within 90 days of an individual becoming a Beneficiary under the Plan, we will notify that individual (or where the individual is under 19 years of age at that time and ordinarily resides with a parent or is maintained by a PPC, that parent or PPC) in writing of the existence of the Plan and each Subscriber's name and address.

**12. Educational Assistance and Other Payments** Subject to any reasonable requirements we may set, and to the extent of the Plan assets, each Subscriber may at any time request in writing that we cause the Trustee to, or that the Trustee, or we on the Trustee's behalf, pay out of the Plan such amount or amounts (net of any fees and charges under paragraph 21, any repayment of CES amounts under paragraph 6 and any withholding taxes under applicable tax legislation) as the Subscriber directs:

- a) i) as an EAP to a Beneficiary enrolled in a QEP at a PSEI in the preceding 12-month period provided:
  - A) the Beneficiary was enrolled for a period of at least 13 consecutive weeks;
  - or
  - B) the Beneficiary does not receive EAPs totalling in excess of \$5,000 (or any greater amount the Minister designates under the *Canada*

*Education Savings Act* and approves in writing) in the preceding 12 months from RESPs administered by us.

- ii) as an EAP to a Beneficiary enrolled in a SEP at a PSEI provided:
  - A) the Beneficiary is at least 16 years of age and,
  - B) the Beneficiary does not receive EAPs totalling in excess of \$2,500 (or any greater amount the Minister designates under the *Canada Education Savings Act* and approves in writing) in the preceding 13 months from RESPs administered by us.

At the Subscriber's request and on receipt of the required supporting documentation, we will apply to the Minister of HRSDC for the above mentioned approval.

When an EAP is made to a Beneficiary, the portion of the EAP attributable to CES amounts paid into the Plan at the Beneficiary's request shall not exceed the maximum amount permitted under applicable tax and CES legislation and further such payment shall not be made unless the Subscriber, when applying, confirms in writing that the Beneficiary is a resident of Canada and undertakes to inform us of any changes in the circumstances of the Beneficiary whenever the Subscriber makes further contributions to the Plan or requests the disbursement of EAPs under the Plan.

- b) to, or to a trust in favour of, a DEI;
- c) under paragraph 7 of this section, to a trust that irrevocably holds money or property transferred to the Plan from an RESP within the meaning of applicable tax legislation and for the same purposes set out in paragraph 10 of this section. Following such transfer from an RESP to the Plan, the effective date the Plan is deemed to have been set up is the earlier of the day on which the transferee plan was set up and the day on which the transferor plan was set up;
- d) under subsection 146.1(2.2) of the *Income Tax Act* (Canada), as AIPs in cash to each Subscriber or, if certain *Income Tax Act* provisions are met, to the Subscriber's RRSP or spousal RRSP, provided that:
  - i) the payment is made to or for a Subscriber who is resident in Canada and not made jointly to or for more than one Subscriber; and either
  - ii) the Beneficiary has either attained 21 years of age and, at the time when the payment is made, is not eligible to receive an EAP, and the Plan has existed for at least 10 years; or
  - iii) the Beneficiary is deceased; or
  - iv) the payment is made in the year in which the Plan is required to be terminated in accordance with the first sub-paragraph c) in paragraph 15 of this section.

At the Subscriber's request and on receipt of the required supporting documentation, where the Beneficiary suffers from a severe and prolonged mental impairment that prevents, or can reasonably be expected to prevent, the Beneficiary from enrolling in a QEP at a PSEI, we will apply to the Minister of National Revenue to waive the latter two preconditions for these payments. If the Plan has two Subscribers, both must sign the written instructions;

- e) under paragraph 6 of this section, for the repayment of CES amounts (and the payment of amounts concerning that repayment) under applicable CES legislation; or
- f) under paragraph 5 of this section, as a contribution refund.

It is hereby agreed that payments from the Plan will not be made when the fair market value of the Plan assets is less than the Grant Balance, unless the distribution is an EAP to a Beneficiary and the entire EAP is attributable to CES amounts.

**13. Voting Rights** The voting rights attached to shares and/or units of mutual funds or other securities held under the Plan and credited to each Subscriber's account may be exercised by the Subscriber and for this purpose the Subscriber is hereby appointed as the agent and attorney of the Trustee to execute and deliver proxies and/or other instruments mailed by the Trustee, or us on its behalf, to each Subscriber in accordance with applicable legislation. If the Plan has two Subscribers, both must sign these documents.

**14. Valuation** We will determine the value of the Plan assets from time to time in accordance with applicable industry practices and such valuation shall be conclusive for all purposes of this agreement.

**15. Termination Date** The termination date of the Plan will be the earliest of:

- a) the date the Subscriber or Subscribers designate from time to time;
- b) the last day of February in the year following the year in which the first AIP is made under paragraph 12 d) of this section or otherwise; and
- c) the last day of the 25th year (the 30th year where the Plan is a Specified Plan) following the year in which the Plan is set up.

The Subscriber or Subscribers may change the designated termination date to a date that is not later than the earlier of the dates set out in accordance with the first sub-paragraphs b) and c) under paragraph 15 of this section by written instructions

- 21. Compensation** We and the Trustee are entitled to such reasonable fees and other charges as we may establish from time to time for our services under the Plan and to reimbursement of all disbursements and expenses (including all taxes and repayment of CES amounts) reasonably incurred by us in performing our duties under this agreement. We are entitled to change the amount of these fees or charges in the future on reasonable notice to each Subscriber. Unless paid separately and in advance, all amounts payable under this paragraph will be charged against and deducted from the Plan assets. Certain fees concerning the Plan (such as investment advice fees charged by the Trustee directly to the Subscriber) are not deductible by the Subscriber for income tax purposes. Fees concerning the Plan assets, such as broker commissions and mutual fund service charges, are considered to be Plan expenses, and should be paid out of the Plan assets and reduce the Plan assets that are available for refund of contributions, EAPs and AIPs under the Plan.
- 22. Subscriber's Death** If a Subscriber dies prior to the termination of the Plan, the Subscriber's heirs, executors, administrators or other legal representatives may continue the Plan for the deceased Subscriber.
- 23. Agreements with HRSDC** We and the Trustee will, and each Subscriber expressly authorizes us and the Trustee, respectively, to enter into, amend, extend and terminate any agreements and trustee agreements between us and/or the Trustee, respectively, and the Minister of HRSDC to provide each Subscriber with access to the applicable CES Amount programs administered under applicable CES legislation.
- 24. Information Slips** We will provide the Subscriber, the Beneficiary and other persons concerned with the information regarding amounts paid to or from the Plan and other Plan transactions that is required under applicable tax legislation to enable them to complete their respective income tax returns. We will also file any returns required by applicable tax legislation, such as an information return regarding the investments of the Plan, with the Minister of National Revenue.
- 25. Proof of Information** The Subscriber certifies that the information provided to us in respect of the Plan is correct and undertakes to provide us with further proof of any information required relating to the Plan.
- 26. Governing Law** The terms of the Plan will be governed by and construed, administered and enforced in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada (including the *Income Tax Act* (Canada)).

**CONDITIONS GOVERNING THE COLLECTION,  
USE AND DISCLOSURE OF PERSONAL INFORMATION**

For the purpose of this section, the term "NBS" means National Bank Securities Inc., its successors and assigns. The term "I" individually and collectively designates each of the NBS investment account applicants or, where applicable, the representative of the account holder.

The term "SRO" (self-regulatory organization) means Market Regulation Services Inc., the Investment Dealers Association of Canada, the Mutual Fund Dealers Association of Canada, the Montreal Exchange Inc. and the Canadian Investor Protection Fund. These SROs may request personal information collected or used by NBS and provided by its clients, employees, designated representatives, directors, managers and associates, both former and current, and by other persons or may request access to such personal information.

**Collection**

NBS collects information of a personal nature (specifically, my name, address, telephone numbers, e-mail address and information regarding my investment instructions) to provide me with routine services concerning my investment accounts, to have my account registered in accordance with applicable tax legislation and to protect my interests and those of NBS.

I agree to provide my personal information to NBS for the purposes mentioned in the preceding paragraph and I authorize NBS to obtain personal information on me from anyone likely to have such information, especially my financial advisor, the registered investment dealer from whom I bought units of mutual funds, financial institutions and NBS-linked companies.

**Use and Disclosure**

1. Personal information obtained by NBS, which it needs to provide me with the products and services requested, may be used and disclosed for the following purposes:
  - 1.1 To determine my eligibility for the products and services I request, provide these products and services on an ongoing basis, and verify the authenticity of the information provided;
  - 1.2 To allow NBS to manage its operations, such as compiling statistics, maintaining records and auditing;
  - 1.3 To measure customer service quality and to monitor and record telephone conversations with me to ensure compliance;
  - 1.4 To allow anyone working for or with NBS, including its suppliers and designated representatives, access to this information, especially to execute my operation orders, prepare and mail statements and operation order fulfillment confirmations, process and store data, and protect me from errors and fraud;
  - 1.5 To cooperate with the SROs for regulatory purposes, such as monitoring linked to negotiations, the examination of sales, financial compliance and other regulatory operations or checks; investigations into possible violations of regulatory and legal provisions; regulatory databases; the execution of disciplinary procedures; reports to organizations regulating securities, regulated markets, other SROs and the agencies responsible for law enforcement in any territory with respect to the foregoing;
  - 1.6 To allow NBS to comply with applicable legislation, especially the provisions of tax legislation requiring the filing of income tax statements on which NBS must include, among other information, my Social Insurance Number;
  - 1.7 To easily identify and distinguish me from other NBS clients and companies in its group, as well as from clients of other financial institutions. I authorize you to use my Social Insurance Number for these specific purposes;
  - 1.8 To allow the disclosure of this information for the purpose of due diligence on an operation by potential parties, in the event of the sale, transfer or assignment of NBS's business.

I expressly consent to the use and disclosure of my personal information by NBS for the above-mentioned purposes. I acknowledge being informed of my right to limit the use and disclosure of my personal information. In all cases, I must be informed of the consequences of my refusal to allow my personal information to be used or disclosed.

I authorize NBS to keep the information for as long as needed for the purposes described in 1 of this paragraph, even if I am no longer dealing with NBS. I understand that I may also have access to my personal information and, if necessary, correct it by calling NBS at 1-866-603-3601 or 514-844-9019. NBS is authorized to act on the basis of the personal information on me that it is keeping until I notify it of a change in that information. I indemnify and save NBS harmless of any recourse or liability if it is not informed of these changes.

I understand that I can obtain other information about NBS privacy policies by reading its policy on this matter, available on the Internet at [www.meritageportfolios.com](http://www.meritageportfolios.com).