

Terms and Conditions

This brochure contains your Account Agreements, and information about your CONFIDENTIAL ACCOUNT AGREEMENT



Parties and Definitions

In this agreement (the “Agreement”) words capitalized bear the meanings stipulated within the text of this Agreement. In addition:

- (a) “you” and “your” refer to the owner and/or joint owner of a ScotiaMcLeod account and, when applicable, mean an individual who has made application to us, or provided a guarantee, for any financial or insurance product or service offered by us.
- (b) “we”, “our” and “us” refer to ScotiaMcLeod and any member of Scotiabank Group, as applicable, and include our directors, officers, agents and employees where appropriate;
- (c) “securities” includes securities and securities options;
- (d) “property” includes securities, commodities and other property;
- (e) “Scotiabank Group”, means collectively Scotiabank and all of Scotiabank’s subsidiaries with respect to their operations in Canada;
- (f) “Scotiabank Group Member” means Scotiabank or any one of its subsidiaries with respect to its operations in Canada.
- (g) “Electronic Services” means services delivered by us to you by means of a computer program or any electronic means used to initiate an action or to respond to electronic documents or actions, in whole or in part, without review by an individual at the time of the response or action, as requested by you by any electronic means including touching or clicking on an appropriately designated icon or place on a computer screen or otherwise communicating electronically in a manner that is intended to initiate or respond to an action;
- (h) “electronic” includes created, recorded, transmitted or stored in digital form or in other intangible form by electronic, magnetic or optical means or by any other means that has capabilities for creation, recording, transmission or storage similar to those means;
- (i) “Online Brokerage Services” means services delivered to you by us in respect of your account by means of Electronic Services;

TMTrademark used under authorization and control of The Bank of Nova Scotia. ScotiaMcLeod is a division of Scotia Capital Inc., Member CIPF.

Our Contract with You

This booklet sets out the essential terms and conditions that govern the operation of your account. These terms and conditions are incorporated into and form part of the contract formed between you and us. By opening an account with us, you agree to be bound by these terms and conditions.

Depending upon a variety of factors, including the type of account you wish to operate, the nature of the transactions you wish us to undertake on your behalf, and whether you wish to have access to your account and our services by means of Online Brokerage Services, you may be required to sign additional written agreements with us. The terms and conditions contained in this booklet are in addition to and not a substitute for these other written agreements. This booklet and the terms and conditions of all application forms and written agreements made between us respecting the operation of your account (collectively, “Contract Documents”) in their totality constitute the terms of the contract between us.

For Quebec residents

If you live in Quebec, you have specifically requested that these agreements and related documents be in English.

Les parties aux présentes, si elles résident ou sont domiciliées au Québec, exigent expressément que ces conventions et les documents qui s’y rattachent soient rédigés en anglais.

Information for Clients in the United States

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

A Summary of Your Responsibilities and What to do if you have a Concern or Complaint

At ScotiaMcLeod we are committed to providing you with high quality advice and service intended to assist you in meeting your financial objectives. In order to do that as your investment advisor, we obtain information from you about your investment objectives, risk tolerance and financial circumstances. You need to promptly advise us if there are significant changes to any such information previously provided. Based on what you have told us, we provide investment advice and recommendations intended to help you achieve your investment goals.

Our relationship with you is that of a non-discretionary investment advisor (unless your account is a discretionary managed account, which is specifically identified as such in the account agreement). While we will provide you with advice and recommendations, you must make the decision on what actions are to be taken and provide your specific authorization for each investment transaction. You also need to monitor your account and holdings on an ongoing basis and inform your advisor if you would like to initiate any changes. Please never hesitate to ask your advisor for assistance if you have questions or require additional information in order to make a decision.

This booklet, your account documentation and other agreements that you enter into with us are intended to clearly define and document our relationship with you and our mutual rights, responsibilities and obligations. You should always ensure that you read, understand and agree with what is set out in such documents.

You will receive a trade confirmation (other than for certain managed accounts) shortly after each purchase or sale of a security in your account. In addition, you will receive periodic account statements describing your account holdings and the activity in your account (please see the "Statements and other Communications" section of this booklet for more information). It is your responsibility to review each trade confirmation, account statement and other information about your account that we send to you, and inform us in a timely manner if you believe there is an error, omission or if you otherwise do not agree with the information shown in such records.

If, for example, you did not authorize a transaction described on a trade confirmation or on your account statement or, alternatively, you authorized a transaction that is not shown on a trade confirmation or account statement, you should advise us accordingly. You will be deemed to have ratified the transactions and holdings in your account if you do not inform us of any unauthorized discretionary transactions, errors or discrepancies within the time and in the manner specified in the relevant document or, if not specified, with a reasonable time period. For example, you must provide us with this notification in writing within 10 days from the date a trade confirmation is forwarded to you and within 60 days of the date of an account statement. Any legal action must be commenced within two years from the date the transaction, act or omission first occurred.

Should you have a concern or complaint respecting any aspect of the operation of your account, you should immediately contact your local ScotiaMcLeod Branch Manager (who is identified on your account statement) or the ScotiaMcLeod Compliance Department, 40 King Street West, Box 4085, Station "A", Scotia Plaza, Toronto, Ontario, M5W 2X6.

Types of Accounts

Cash, COD and Margin Accounts

Securities transactions must be made in a Cash Account, a COD Account or a Margin Account.

Cash Accounts:

When you open a regular cash account, you are expected to make full payment for purchases or full delivery for sales on or before the regular settlement date. Regular settlement date means the settlement date generally accepted according to industry practice for the relevant security in the market in which the transaction occurs, including foreign jurisdictions, specified in your trade confirmation.

The normal settlement date (unless mutually agreed) is prescribed as the following number of business days after the transaction date:

- *Government of Canada treasury bills - same day as the transaction takes place*
- *Other Government of Canada direct and guarantees maturing up to three years - Two business days after transaction date*
- *Options - the next day after the transaction date*
- *New issues - the contracted settlement date as specified for that issue*
- *All other securities - Three business days after the transaction date.*

COD accounts:

When you open a COD account, you must have an existing arrangement with a Financial Institution, acceptable to ScotiaMcLeod, to act as your single custodian and clearing agent, to take delivery of your security purchases, or to deliver securities for sales, on behalf of your ScotiaMcLeod account. You are expected to arrange to make full payment for purchases or full delivery of securities for sales on or before the settlement date, which is prescribed by industry rules and specified in your trade confirmation. The term COD refers to Cash on Delivery.

In the event that you do not make full payment on or before the settlement date, in your Cash and COD accounts we will charge you interest on the overdue balance.

Margin Accounts:

Margin accounts are for clients who wish to buy or sell securities (or sell securities short) on credit and initially pay only a portion of the full price of the transaction.

The word “margin” refers to the portion of the transaction amount you must personally provide to acquire or maintain the margined position. When you open a margin account, ScotiaMcLeod may, in its sole discretion, lend the remainder of the transaction amount to you, charging you interest on the loan. Interest is calculated daily on your debit balance, and charged to your account monthly. ScotiaMcLeod takes a charge against assets in your account as security for all amounts owed by you to us.

It is important that you recognize the difference between cash accounts and margin accounts.

When you open a cash account, ScotiaMcLeod does not grant you credit and our explicit understanding is that you have sufficient funds and/or equity in your account to cover your transactions and that you will settle all transactions on the settlement date.

On the other hand, **when you open a margin account**, it is on the explicit understanding that ScotiaMcLeod is granting you credit based on the market value and quality of the securities held by you, long (purchased) and/or short (sold) in the account.

You shall be responsible for meeting any margin calls immediately. Where you fail to meet a margin call upon request, we reserve the right to liquidate securities from your account without further notice to you and apply such proceeds to satisfy your indebtedness to us. You will remain liable to us for any remaining deficiency in your account.

Leverage / Margin Risk Disclosure Statement

The use of leverage may not be suitable for all investors. Using borrowed money (whether through a margin account or any other method of borrowing) to finance the purchase of securities involves greater risk than using cash resources only. If you borrow money to purchase securities, your responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the securities purchased declines. In the case of a margin account, you are also required to satisfy margin calls as required by the margin terms.

See Margin Terms above within the General Terms and Conditions Applicable to All Accounts that will govern the operation of your Margin Account.

Guidelines for Investment Objectives and related Account Risk Factors

In completing Investment Objectives and Account Risk Factors, please note that the categories are general guidelines intended to assist your ScotiaMcLeod investment advisor (“advisor”) in carrying out your overall investment objectives.

It is your responsibility to advise ScotiaMcLeod of any change in your investment objectives or account risk factors, any restrictions regarding trading in securities for your account, any material change in your circumstances or any other matter that could affect the administration of your account. What you indicate on your Account Application are your basic objectives at the present time. Your objectives and account risk factors may change from time to time.

To assist you in determining your objectives, we offer the following guidelines of what types of securities and activities are intended by each of the three categories. Please remember that the list of securities in each category is not intended to be exhaustive and your own situation may require further clarification with your advisor.

Income

This category is designed to include securities whose primary characteristics are steady income with little potential for capital gain and a more limited risk of capital loss than other securities.

For example, this category would include money market securities, bonds, and high quality preferred shares.

High yielding, stable dividend paying common shares and trust units could, but would not normally, be included in this category.

Long Term Capital Appreciation

This category is designed to include securities whose primary characteristics are to provide the investor with the potential for long-term capital gain, but with a greater risk of capital loss than in the “INCOME” category.

This category would normally include the common shares of established companies that have experienced some reasonable period of operating history, including a record of past profitability.

Short Term Capital Appreciation/Speculative Trading

This category is designed to include common shares or other equity related securities of more junior companies or securities which are generally of higher risk than those securities which would be included under the “LONG TERM CAPITAL APPRECIATION” category.

Trading activity in warrants or stock options would be included in this category. This category would also encompass securities normally included under the “INCOME” or “LONG TERM CAPITAL APPRECIATION” category if:

1. *the investment horizon was more short term oriented and the intended trading activity was, therefore, of a more frequent nature, or*
2. *a significant percentage of margin was regularly utilized in your account.*

Guidelines For Investment Knowledge

To assist you in describing your level of investment experience, the following guidelines are set out.

It is expected that over a period of time, with increasing exposure to various investment products, your level of experience may increase.

HIGH - High experience would include those individuals who have traded in most types of investment securities. This would include the trading knowledge of options, commodities, speculative and short selling strategies and an appreciation of the risks and rewards involved in trading these securities.

MODERATE - Moderate experience would include those individuals who have either traded in or have some knowledge of the basic characteristics of both fixed income securities and common shares, as well as basic understanding of the degree of risk and reward inherent in trading these types of securities.

LOW - Low experience would include those individuals who have some investment experience but it is limited and may not have a full understanding of the basic characteristics of the various types of securities and the degree of risk associated with trading these securities.

Deemed Insiders & Control Positions

A company which offers its securities for sale to the public in Canada is called a reporting issuer. Canadian securities legislation (the “Acts”) generally require insiders of a reporting issuer to file reports of their trading in its securities and to refrain from such trading when in possession of information obtained as an *insider* that has not been disclosed to the public.

By regulating *insiders*, the Acts attempt to ensure that in any securities transaction the buyer and seller both have access to the same information.

The rationale for this regulation is two-fold:

- (1) transactions by *insiders* are material information that may affect investment decisions of outsiders; and
- (2) use of undisclosed information by an *insider* confers an unfair advantage at the expense of those who trade without such inside information.

When we engage in transactions in securities on your behalf we assume that neither you nor your spouse is an insider of the reporting issuer whose securities are traded. If either of you is an *insider*, you must tell us before we act on your behalf.

The Acts generally define an insider to include any of the following;

- *a director or senior officer of a corporation or of a subsidiary company;*
- *a person or company owning, directly or indirectly, or controlling more than 10% of the voting shares of a corporation;*
- *a director or senior officer of a company which is itself an insider of a corporation by virtue of owning or controlling more than 10% of the voting shares of that corporation.*

Failure to file an *insider* report or giving false or misleading information are offences under provincial securities legislation and are usually punishable by fines. *Insiders* who trade with inside information may be subject to fines, imprisonment, and repayment of profits and may be liable in damages for their activities.

General Terms and Conditions Applicable to All Accounts

Contract Terms and Applicable Law

The operation of each account that you maintain with us for transactions in securities is governed by:

- *the laws, regulations and orders governing personal property and securities transactions (the “Applicable Law”);*
- *the constitution, by-laws, rules, regulations and practices of the stock exchange or market on which a particular transaction is concluded (the “By-Laws”);*
- *the terms and conditions contained in this booklet, which form part of the binding contract between you and us; and*
- *the terms and conditions of all other written agreements between us at any time respecting operation of your account; and*
- *ScotiaMcLeod Terms of Access, Legal, Copyright and Trademark Notices governing Electronic Services, set out in full below.*

When the Applicable Law or By-Laws change, the terms of the contract between us will be deemed to have been changed accordingly. If you have indicated in your Confidential Account Agreement that you are a resident of a province or territory of Canada, the Applicable Law shall be the laws of that jurisdiction and the laws of Canada applicable therein. Otherwise, the Applicable Law shall be the laws of the province of Ontario and the laws of Canada applicable therein.

Investment Objectives

Your investment objectives and restrictions, if any, in respect of the investments made on your behalf are those set out in the Confidential Account Agreement form, as they may be amended by subsequent written agreements between us concerning specific types of accounts. You understand that there are risks inherent in any investment and that the level of risk you are undertaking depends in part on your choice of investment objectives.

Operation of Account

You appoint us as your agent to undertake transactions in securities, with power to buy, sell, borrow and lend securities and advance and disburse cash on your behalf in accordance with your instructions.

You warrant that all securities to be delivered to your account by you or on your behalf are owned by you and may be sold free of all liens, charges or encumbrances and without prior notice to or consent of any other party.

We will maintain a record of receipts and deliveries of securities and your resulting positions in the account.

We will credit to the account the net amount of any interest, dividend, proceeds of sale or other amount received in respect of securities held in the account and will debit to the account all amounts owed to us under the terms of the contract between us.

We may hold securities for your account at any location where it is customary or convenient for us to do so, and we will exercise the same degree of care with your securities as with our own. We are not required to deliver to you the specific certificates deposited to your account, but may deliver certificates for the same issue and aggregate amount.

Any cash balances held to your credit in any account need not be segregated and may be used by us:

- *as your debtor in the ordinary conduct of our business; or*
- *as your creditor to discharge obligations you owe to us in respect of other accounts you maintain with us, whether the accounts are held jointly with another or guaranteed by you.*

Without notice to you, we are entitled to set off any credit balance in your account against any deficit in any other account you have with us or any other debt or obligation you owe to us. In addition, we may transfer securities among your various accounts, including joint accounts and those guaranteed by you.

Accepting Orders

We have the right to decline to accept or execute any order, direction or request from you if in our sole discretion we think it unreasonable or imprudent, having regard to factors such as the state of your account or accounts, the nature of the proposed transaction, and your financial position. Once we accept and act on your order you cannot amend or cancel your order and you are fully responsible for all consequences and costs of the order.

Filling Orders

We retain the exclusive right to determine the best way to buy and sell securities for your account. At our option, your transaction may be completed:

- *as an independent transaction;*
- *as part of a larger transaction for you and other customers, our agents and ourselves;*
- *by purchase from or sale to us or other customers of ours; or*
- *as part of broken lots and public or private sales.*

You acknowledge that ScotiaMcLeod may be the vendor or purchaser acting as principal or for its own account in a transaction with you, including in connection with treasury or secondary offerings by prospectus or private placement. ScotiaMcLeod may match an order executed on your behalf with an order from another party for whom it acts as agent and from whom it receives commission. You acknowledge that ScotiaMcLeod may receive a fee from an issuer for trades executed on your behalf, and that your advisor may also receive compensation on sales of new issue product.

In respect of investment in mutual funds, you acknowledge that ScotiaMcLeod or its advisors may receive from other persons ongoing trailer commissions in respect of any mutual fund in which you hold investments, and that ScotiaMcLeod or its related entities may be a sponsor of a mutual fund and may receive compensation in relation to such mutual funds.

Delivery of Securities

(A) Long Sales.

You will not instruct us to sell a security unless we hold the security for you or you can deliver the security to us before the settlement date.

(B) Short Sales.

You will not instruct us to sell a security that you do not then own unless you expressly notify us at the time of your order that you are ordering a short sale. To complete a short sale we borrow securities from others on a demand basis and sell them for your account. You agree to return the borrowed securities at any time by buying equivalent replacements at current market prices.

(C) Delivery by Us.

To protect our own interests, we have the right to borrow or purchase securities and deliver them on your behalf and to buy for your account any options we consider necessary, all without notice to you:

- *if you fail to deliver securities by the settlement date of a long sale;*
- *if we are required by the owner of securities borrowed and previously delivered on your behalf for a short sale or by any regulatory authority to replace such securities; or*
- *if at any time we think it advisable to replace securities borrowed for your account for a short sale.*

You are responsible for all liability and expenses arising from such transactions.

Margin Terms

Upon your request and at our sole discretion we may, grant you credit for the purchase of securities, charging to your account interest calculated daily on your debit balance. In assessing the portion of each transaction that must be funded by you (the “margin”), we take into account the value of the underlying securities held by you. That value is always subject to changes in market prices, and so we must constantly reassess the margin we require from you to maintain your holdings, and we may require you to increase it from time to time (“margin calls”). Consequently, we permit **margin trading** only on condition that we may at any time, without notice, and at our sole discretion:

1. *require you to provide security in excess of margin required by applicable law;*
2. *reduce or cancel the amount of credit provided to you;*
3. *refuse to provide any further credit; or*
4. *cancel any open order for the purchase or sale of any securities if we think the margin or deposit in any of your accounts is inadequate.*

We reserve the right to immediately, and without notice, charge to your margin account the amount by which credit granted to you is reduced or cancelled by us. You agree to maintain the margin levels we require in your margin account(s) and to meet all margin calls promptly. Where you fail to meet a margin call upon request, we reserve the right to liquidate securities from your account without further notice to you and apply such proceeds to satisfy your indebtedness to us. You will remain liable to us for any remaining deficiency in your account.

Service Charges, Interest and Foreign Exchange

You agree to pay to us on demand:

- *commissions and charges in respect of each transaction;*
- *interest on all credit granted to you by us, whether in respect of margin, or otherwise;*
- *a debit balance in any account;*
- *foreign exchange rates and costs arising from necessary currency conversions.*

Our commissions and charges and the interest we charge on loans to you, or pay on credit balances, will be calculated at our prevailing rates, which vary from time to time, and may be subject to certain minimums. Foreign exchange rates and costs are subject to market fluctuations which could increase your risk of holding securities denominated in foreign currencies. The rate and amount of such commissions, charges, exchange and costs charged to you in any month will be disclosed on your account statements, and you waive any right to require any other notice of rates or changes in such rates.

It is understood that in some circumstances, ScotiaMcLeod and/or your advisor may receive fees from other sources in connection with transactions for your account. You acknowledge that ScotiaMcLeod and your advisor may receive from others third party sales commissions, ongoing trailer commissions or other benefits in respect of any mutual fund in which you invest or remain invested. You also acknowledge that ScotiaMcLeod may be a promoter or sponsor of a mutual fund and may receive compensation in relation to such mutual funds.

If you make a trade involving a security which is denominated in a currency other than the currency of the account in which the trade is to settle, a conversion of currency may be required. In all such transactions and at any time a conversion of currency is made, we will act as principal with you in converting the currency at rates established or determined by us or parties related to us. Scotia Capital Inc., its employees and parties related to us may earn revenue, in addition to the commission applicable to such a trade, based on the difference between the applicable bid and ask rates for the currency and the rate at which the rate is offset either internally, with a related third party or in the market. Conversion of currency, if required, will take place at the trade date unless otherwise specified or agreed.

You may at the same time hold credit and debit balances within your margin account balances in Canadian dollars and United States dollars. The interest rate that we pay you for a credit balance in your accounts may differ and is typically lower than the interest rate that we charge you on a debit balance in your accounts in each of the two currencies. As a result, you may receive interest for a credit balance in your account in one currency while at the same time be charged interest for a debit balance in your account in another currency. You may specifically request that a credit balance in one account be converted to pay a debit balance in another account and in another currency, at any time.

Ratification of Notices and Statements

We will send to you written confirmation of each transaction for your account. The transaction as confirmed will be deemed to be authorized, correctly transacted and ratified by you unless we receive written notice to the contrary within ten (10) days from the date the confirmation is forwarded to you.

Confirmations of transactions are subject to amendment to record the correct details of the transaction.

Statements and other Communications

ScotiaMcLeod will issue a Statement of Account to you for an account registered in your name whenever there has been activity in that account within the preceding month. Accounts with security positions and/or money balances and no activity are issued Statements of Account on a quarterly basis. The Statement of Account is the statement of record. Accounts with security positions and/or money balances with no activity are issued Statements of Account on a quarterly basis. You agree to examine all statements upon receipt and to advise us of any errors, irregularities, discrepancies or omissions contained in those statements within 30 days of their date. During that period you will also advise us of any trades which appear on the statement that were not specifically ordered or authorized by you. After the 30 day period, and except as to any errors, irregularities, discrepancies or omissions brought to our attention within the 30 day period, all statements shall be conclusively deemed to be accepted by you as true and correct for all purposes.

Payments to Us

You agree to pay promptly to us all amounts owing to us under the terms of our contract except to the extent covered by a current margin facility, including the purchase price of securities purchased for your account, whether or not we have received such securities or delivered them to you.

Security Interest in Account Assets

As continuing collateral security for the performance of all your obligations to us, including the payment of all amounts now or in the future owed by you to us, including interest calculated daily at Scotiabank prime rate on the debit balance of your accounts, you grant to us a security interest in and charge on, and in the province of Quebec a movable hypothec on, all securities, cash and other assets held in any of your accounts with us now or at any future time (the "Collateral"). In the province of Quebec, unless otherwise agreed between us in writing, the hypothec is granted for one million dollars, though we are not entitled to recover from the Collateral more than the actual amount of your debt to us. You agree that we may hold the Collateral through any third party of our choice and that delivery of the Collateral to such third party shall constitute evidence in writing of the hypothec or security interest.

Remedies

If you fail to pay any amount owing to us when it falls due or cause us any loss or liability by failing to fulfil any of your obligations under this contract, or if for any reason we consider it necessary for the protection of our interests, you agree that we may, in addition to other remedies available at law, take one or more of the following actions without notice to you:

- *take or retain possession of the Collateral;*
- *sell the Collateral or any part of it or buy it for our own account or that of other customers;*
- *purchase for your account securities necessary to honour any short or long sales made on your behalf;*
- *cancel any outstanding orders; or*
- *enter stop loss orders in respect of any securities of which your account may be long or short, and withdraw or change any such stop loss orders.*

We will apply the proceeds of all such remedies to reduce your indebtedness to us, but you will remain liable to us for any deficiency in the proceeds realized.

All such remedies shall be exercised in compliance with applicable law.

Customer Information

You represent to us that you are of full legal capacity and that, unless you have notified us to the contrary in your Confidential Account Application, neither you nor your spouse is:

- *an insider of any reporting issuer of securities; or*
- *singularly, or as part of a group, in a control position, as defined in Applicable Law, of any public company;*
- *a partner, director, employee, affiliate or associate of a member of any stock exchange, broker or investment dealer; or*
- *a non-resident of Canada within the meaning of the Income Tax Act;*
- *and you agree to notify us immediately of any change in your status.*

You authorize us to obtain financial information and credit reports about you from third parties required for the opening or operation of your account, and to disclose financial information about you to credit reporting agencies and others with whom you have or propose to have a financial relationship.

You certify to us that the information disclosed by you in any Contract Document is complete and accurate and not misleading in any material respect. You acknowledge that we are relying on the truth, accuracy and completeness of all such information in administering your account and you agree to notify us promptly in writing of any change or inaccuracy in information provided to us by you.

Communications with You

We may communicate with you by any available means, including letter, e-mail, fax and telephone. You will notify us of any change in your address, whether residential, telephonic or electronic, and we may rely on the last reported address in directing our communications to you.

Any communication sent by us to your last reported address will be deemed to have been received by you at noon

- (1) *on the next business day, if sent by e-mail, fax or other electronic communication,*
- (2) *on the next business day following receipt by you if delivered by courier or other personal delivery,*
- (3) *on the third following business day if sent by prepaid ordinary or registered mail.*

You authorize us to act upon communications from you given by telephone and to rely on the electronic input of your account number in conjunction with a valid personal identification number or any recognized form of electronic identification for the purpose of authenticating any attached instructions or enquiries and responding accordingly. However, in our sole discretion, we may decline to act upon such instructions if we doubt the authority or lawfulness of those instructions.

Access to designated accounts by means of Electronic Services is automatically available to all new ScotiaMcLeod clients. The terms and conditions governing such access are set out in the ScotiaMcLeod Terms of Access Legal, Copyright and Trademark Notices and are incorporated herein and set out in full below. Please contact your advisor for details of how this service may be provided to you.

Risk and Liability

We act as your agent. You, as owner of your accounts, have full responsibility for your investment decisions and for transactions conducted for your account.

You agree that ScotiaMcLeod is not liable on any legal basis, including negligence, for any loss, damage or expense (direct or indirect) that you may suffer or incur as a result of any transaction concluded by you or for you on the advice of an advisor. ScotiaMcLeod is not liable if we fail to act with regard to any transaction or prospective transaction, except in cases of gross negligence or willful misconduct on our part. You acknowledge that you are solely responsible for knowing about developments and reorganizations related to your investments, that ScotiaMcLeod is not obligated to notify you of such developments and reorganizations except where required by regulation, and that you are responsible for any errors resulting from any failure on your part to discharge your responsibilities in these areas.

You expressly release us from any liability for any loss, damage or expense that you incur as a result of:

- *any transaction undertaken by or for your account on our advice;*
- *any act or failure to act on our part in respect of any transaction or proposed transaction, unless resulting from gross negligence or wilful misconduct on our part;*
- *delays in the transmission of orders and other circumstances beyond our control;*
- *failure on our part to notify you of developments related to your investments, including stock splits, reorganizations and consolidations, unless required by Applicable Law;*
- *any action taken by us to protect our own interests that is permitted by the terms of the contract between us.*

The liability from which you expressly release us includes:

- (a) *liability for loss of revenue or profits, failure to realize expected profits or savings, missed investment opportunities and other items of economic loss of any kind, and*
- (b) *liability for special, indirect, consequential, exemplary or incidental damages, in each case however caused, even if we have been advised of the possibility of such damages.*

Amendment and Term

The contract between us can only be changed:

- *by changes in the Applicable Law or By-Laws;*
- *by a written amendment signed by you and on our behalf by an authorized signing officer;*
- *by amendments to Contract Documents published by us from time to time*
- *by amendments to ScotiaMcLeod Terms of Access, Legal, Copyright and Trademark Notices governing Electronic Services.*

If you die or are declared by a court to be incompetent to manage your affairs, the contract between us will continue in effect and will be binding on your personal representatives.

Failure by you or by us to exercise any of our respective rights under any Contract Document shall be deemed not to be a waiver of such rights for the future. An account or any Contract Document may be terminated at any time by you or us by giving notice in writing to the other, and the termination will be effective on the date that written notice is received by the other.

Invalidity Provision

Whenever possible each provision of this and any other Contract Document shall be interpreted in such a manner as to be effective and valid under Applicable Law, but if any provision of this or any other Contract Document shall be prohibited by or invalid under Applicable Law, such provision shall be ineffective to the extent of such prohibition or invalidity but the remainder of such provision or the remaining provisions of this or any other Contract Document shall remain in full force and effect.

Authority to Act

If the owner of any account to which any Contract Document is applicable is not a natural person but a corporation, cooperative, unincorporated association, general partnership, limited partnership, limited liability partnership, joint venture, trust or other legal entity (each one an "Organization"), you as signatory for such Organization represent and warrant (A) that the Organization: (i) is duly constituted and validly existing; (ii) has the corporate power and authority to execute and deliver the Contract Documents and to perform its obligations under them; and (iii) has duly authorized,

by all necessary corporate action, the execution, delivery and performance of each of the Contract Documents; (B) that you: (i) are the duly authorized signatory of the Organization; and (ii) have the power to bind the Organization to the terms of the Contract Documents; and (C) that the Contract Documents do not contravene: (i) the articles, charter, by-laws or other such constating documents of the Organization; or (ii) any law, rule or regulation applicable to the Organization.

Your Joint Account Agreement

Additional Terms

If your account is opened by you and one or more other person, it will be subject to all of the terms and conditions set out in this booklet plus the additional terms and conditions below which apply to all joint accounts.

Joint and Several Liability

Except for residents of Quebec, each owner of a joint account is responsible jointly with each other owner and severally, in his or her individual capacity, for the performance of all obligations of the account owner as though each were the individual owner of the account. In particular, each owner is individually liable for:

- *all debit balances in the account;*
- *all losses arising from any transaction in the account;*
- *all fees, commissions and expenses payable in connection with the operation of the account*

In the province of Quebec, each holder of a Joint Account is liable for the performance of all obligations owed to us in respect of the account and performance of such obligations by one such holder of a Joint Account releases all other holders from their obligations.

In addition, each holder of a Joint Account may act as the sole holder of the account by giving unilateral instructions to us in respect of the account that are binding on all other holders of the Joint Account, thereby releasing us from any obligation to the other account holders.

Survivorship Election

Except for residents of Quebec, on opening a joint account all owners of the account must elect whether the account will be:

- *a joint tenancy; or*
- *a tenancy in common.*

If you elect a joint tenancy, each owner will have an undivided ownership interest in the whole account and when one member dies his or her ownership interest will be automatically extinguished in favour of the ownership interest of the surviving owner or owners.

If you elect a tenancy in common, each owner will have an individual ownership interest in a specific percentage of the account and when one member dies that interest will survive and be disposed of according to the deceased's will.

In the province of Quebec the Applicable Law requires that all joint accounts be tenancies in common.

Authorization, Ratification and Indemnity

Each joint account owner severally, in his or her individual capacity:

- *authorizes us to act on the instructions issued by any one joint account owner from time to time in respect of the joint account as though such instructions had been issued jointly by all owners of the joint account;*
- *releases us from any obligation to give separate notice to all owners of the joint account before or after acting on instructions issued by one of them;*
- *agrees to confirm and ratify the instructions received by us from any one joint account owner and to indemnify us against and promptly pay on demand all losses that we incur and all debit account balances that arise as a result of us acting on those instructions.*

We are entitled to act on the instructions of any one joint account owner without inquiring as to the purpose or propriety of the instructions or the rights or interests of any other owner of the joint account, even if the instructions involve the delivery of all securities and money held in the account to one owner of the joint account personally.

This authorization, ratification and indemnity is a continuing one. It may be revoked only by a written notice signed by a joint account owner and delivered to us, but no such notice can revoke any instructions already acted on by us or avoid loss or liability resulting from those instructions.

Communications

We will direct all communications to the last known address of the joint account owner identified as the Applicant in the Confidential Account Application and such communication shall be deemed to be communication with all owners of the joint account.

Death of one Owner of a Joint Account

If the joint account is a joint tenancy, on the death of one joint owner the account will become entirely the property of the surviving joint owner or joint owners. The interest of the deceased in the account is automatically extinguished and no longer forms part of his or her estate.

If the joint account is a tenancy in common, the proportionate share of the joint account that was the separate property of the deceased will survive and be disposed of in accordance with the will of the deceased. In this case, we have the right to freeze that portion of the joint account owned by the deceased and to convey it as separate property to the personal administrator of the deceased. The interests of the surviving owners will not be affected at all.

Electronic Funds Transfer Agreement

Electronic Funds Transfer (“EFT”) services are available to all ScotiaMcLeod clients. Please contact your advisor for details on how this service may be provided to you in respect of your account(s). EFT services are delivered expressly subject to the following terms (the “EFT Agreement”), and use of the EFT services by you shall constitute unqualified acceptance by you of those terms.

By utilizing the EFT services in whatever way to effect the transfer of funds, you authorize and direct ScotiaMcLeod to debit your Canadian dollar account(s) with the amount(s) and pay the funds to the Financial Institution(s) and account(s), all as indicated by you by means of the EFT services. You should refer to the other Financial Institution(s) for the prevailing charges, if any, imposed by such institution for transfers performed by means of EFT services with the use of its facilities.

In consideration of ScotiaMcLeod accepting and complying with each such direction, you waive notification of each such transaction and ratify any and all such transactions heretofore and hereafter made for your ScotiaMcLeod account.

ScotiaMcLeod shall have no liability or responsibility for any loss or damage suffered or incurred by you in connection with the debits contemplated by any direction made by you by means of EFT services, including, without limitation, any loss of interest or other losses or damages, whether economic or otherwise, caused by or resulting from any delay in complying with any such direction. You are liable for all indebtedness, withdrawals and account activity contemplated by this Agreement resulting from your use of the EFT services, including all indebtedness, withdrawals and account activity by persons authorized by you to use such services on your behalf.

While ScotiaMcLeod will make commercially reasonable efforts to maintain continuous access to the EFT services, you agree and acknowledge that ScotiaMcLeod does not guarantee and is not offering continuous access to these facilities pursuant to this EFT Agreement.

ScotiaMcLeod makes no representation, warranty, covenant, promise, guarantee, agreement or condition, or any warranties or conditions of merchantability or fitness or adequacy for a particular purpose or use, or of quality, productiveness, capacity or adequacy, whether express or implied, statutory or otherwise or arising from a course of action or usage of trade, in respect of the EFT services or the equipment whereby they are delivered or otherwise relating to this EFT Agreement.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SCOTIAMCLEOD SHALL NOT BE LIABLE TO YOU OR ANY THIRD PARTY FOR LOSS OF REVENUE OR PROFITS, FAILURE TO REALIZE EXPECTED PROFITS OR SAVINGS, MISSED INVESTMENT OPPORTUNITIES OR OTHER ITEMS OF ECONOMIC LOSS, OF ANY NATURE WHATSOEVER, OR FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY, OR INCIDENTAL DAMAGES ARISING OUT OF OR RELATED TO USE OF THE EFT SERVICES, HOWEVER CAUSED, AND WHETHER ARISING UNDER CONTRACT, TORT (INCLUDING NEGLIGENCE), OR ANY OTHER THEORIES OF LIABILITY, EVEN IF SCOTIAMCLEOD HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

You agree to indemnify and hold ScotiaMcLeod harmless against, and will pay ScotiaMcLeod promptly on demand for, any loss, liability and expense, including legal costs, arising out of our compliance with any direction made by you by means of the EFT services.

This direction and indemnity is a continuing one and shall remain in full force and effect unless revoked by you by written notice addressed and delivered to ScotiaMcLeod, but such revocation shall not affect any liability resulting from, or the waiver of liability and indemnity relating to, transactions initiated prior to such revocation.

This EFT Agreement is expressly made subject to the General Terms and Conditions Applicable to all accounts, which appear earlier in this booklet, all of which are incorporated into and form an integral part of this EFT Agreement.

Your Terms of Access Agreement

Online Brokerage Services are automatically available to all new ScotiaMcLeod clients. The terms and conditions governing such access are set out in the Legal, Copyright and Trademark Notices page on the ScotiaMcLeod web site under scotiamcleod.com Terms of Access Agreement (the "Agreement"). Please contact your advisor for details on how this service may be provided to you in respect of your account(s).

The Agreement (reproduced below) is expressly made subject to the General Terms and Conditions Applicable to all accounts, which appear earlier in this booklet, all of which are incorporated into and form an integral part of this Agreement.

Scotia Online Brokerage Services Electronic Services Terms Of Access

Please read carefully the following Terms of Access. If you do not agree with these terms you will not have access to the brokerage functions within the Scotia Online site.

"ScotiaMcLeod" is a registered trademark of The Bank of Nova Scotia. "ScotiaMcLeod Direct", "ScotiaMcLeod Direct Investing", "Scotia Online" and "Scotia Online Brokerage" are trademarks of The Bank of Nova Scotia. Scotia Capital Inc. is an authorized user of these marks. All other trademarks, service marks, registered trademarks, or registered service marks mentioned in this web site are the property of their respective owners. Scotia Capital Inc. is a wholly owned subsidiary of The Bank of Nova Scotia. ScotiaMcLeod and ScotiaMcLeod Direct Investing are divisions of Scotia Capital Inc. (the "Service Provider").

Client agrees to comply with the terms and conditions of The ScotiaCard Cardholder Agreement, as that agreement is amended by The Bank of Nova Scotia from time to time, in addition to the terms and conditions contained herein.

Where there is a conflict between the provisions of this Agreement and the ScotiaCard Cardholder Agreement, the provisions of this Agreement will govern. Client acknowledges and understands that the range of services that Client may use and the types of transactions that Client may enter into in respect of Client's Designated Account(s) using the ScotiaCard may be different than those described in the ScotiaCard Cardholder Agreement. Client agrees that Client may only use those services and enter into those transactions which the Service Provider makes available to clients from time to time in its sole discretion. All capitalized terms not defined herein shall have the meaning set forth in the ScotiaCard Cardholder Agreement.

No portion of the content of this web site may be reproduced, other than for personal, non-commercial use, in any form or by any means, without prior written permission from the Service Provider.

Electronic Services

You (the "User") agree that User may only use those services and enter into those transactions which the Service Provider make available to users from time to time. User's access to all electronic and telephone services, including but not limited to the Scotia Online Brokerage services (the "Electronic Services"), may be temporarily suspended or terminated, without notice, where it is believed that User is using such services for inappropriate purposes.

The Electronic Services are intended to permit clients of the Service Provider to, among other things, transmit securities trading instructions, view account balances, access related information, effect Direct Payment transactions and pay bills to any participating business, company or utility, which services may vary from user to user depending upon level of access granted. The Service Provider reserves the right to charge for those services.

Transactions

Transactions entered into by User through Electronic Services will be posted to User's account as follows: (i) transactions processed before 5 p.m.(Eastern Time) on any business day will be processed on that day and will appear on the User's account records on the following business day; and (ii) transactions processed after 5 p.m. (Eastern Time) will be processed as of the next business day, however, interest will be calculated as of the day on which the transaction was entered by the User. For transactions processed after 5 p.m., the User's account records will reflect the transaction on the second business day after the transaction was entered.

User will receive a reference number or, if the transaction is by way of the Internet, a transaction record will be displayed on the computer screen. Where the Electronic Services are used to effect a Direct Payment transaction, third parties may provide the transaction record directly to the User.

Fees

The Service Provider endeavours to keep the rates and fees posted on this web site current. However, rates, fees and related information are subject to change at any time with prior notice and may not be reflected. A list of charges and fees will be provided to User upon request. However, fees and rates imposed by other financial institutions may only be obtained from such financial institutions. For more information on fees, see the ScotiaCard Cardholder Agreement.

Security

User is solely responsible for the security and confidentiality of its Electronic Signature, which includes logon ids, passwords, access codes and personal identification numbers chosen by User. The Service Provider shall not be responsible for the unauthorized use of the service by any other person with User's Electronic Signature, and the Service Provider is under no obligation to confirm the actual identity or authority of any user of the Electronic Signature.

User shall notify the Service Provider immediately upon becoming aware of any known or suspected unauthorized use of the User's Electronic Signature to gain access to the Electronic Services, or any other breach of security involving User's Electronic Signature.

User will be liable up to the maximum daily and weekly permitted purchase and withdrawal amounts through the ScotiaCard, ScotiaCard number and/or Electronic Signature for all account activity contemplated by this Agreement resulting from unauthorized use. For more information on security and unauthorized use, see the ScotiaCard Cardholder Agreement.

Transaction Acceptance

User acknowledges and agrees that with regards to Electronic Services:

- (1) User is solely responsible for the accuracy of transactions;
- (2) the Service Provider may exercise its absolute discretion to accept and process transactions placed through User's Electronic Signature, whether or not the transaction was placed by User, and will not incur any liability by reason of acting or failing to act in such respect;
- (3) all transaction requests will only be processed if User's account is in good standing, User has sufficient funds to complete the transaction and the transaction is consistent with User's stated objectives, where the User's stated objectives are applicable;
- (4) prior to processing, all brokerage order requests must be reviewed and approved by a licensed trader where applicable. If the order is not approved for any reason, it may be cancelled. User will be advised of the details and any necessary action by e-mail or telephone;
- (5) in certain circumstances the Service Provider may request additional confirmation of any transaction request before execution of the same;
- (6) for mutual protection, the Service Provider may keep records of all transactions and instructions received, though not required by applicable law or regulatory requirements to do so. These records will be conclusive and binding on User in the absence of clear proof that the records are erroneous or incomplete; and
- (7) the Service Provider may pay a referral fee to its affiliates and their personnel as compensation for referring User to Service Provider.

User must advise the Service Provider immediately if: User placed a transaction and did not receive the applicable reference number; User did not receive the written confirmation; User received an inaccurate written confirmation; or User received a written confirmation for a transaction not placed.

Cancellation of Access

The Service Provider may at any time, without notice, withdraw or vary any Electronic Services. Any transactions posted subsequent to the withdrawal of such service will not be processed by the Service Provider.

Disclaimer

The information provided by the Electronic Services is provided “AS IS” with all faults. While the Service Provider believes the information to be correct when posted on the Electronic Services, neither the Service Provider nor its affiliates nor any third party owner, licensor or supplier of equipment, software, systems, services or facilities (the “Systems”) used or made available in connection with the information used or made available through the Electronic Services, including market data, quotation information and databases, and including news, articles, text, graphs, audio clips, video clips, broadcasts and seminars (“Data”) makes or is liable for any representation, warranty or condition, whether express or implied, concerning the Systems or Data or the use thereof, including, without limitation, that (i) the Systems or Data will meet User’s needs, will be of a merchantable quality and fitness for use at any particular time or for any particular purpose or will be error free or (ii) the Systems or Data is up-to-date, accurate, in sequence, reliable, complete or suitable for any purpose. Without limiting the foregoing, “real time” quotes viewed on this web site, particularly in times of high volumes of trading and market volatility, may not be reflective of current trading prices. Further, all express or implied, direct or indirect, representations, warranties and conditions in respect of the Systems and Data arising or implied by statute, common law, custom, usage of trade, course of performance, course of dealing or otherwise, including, but not limited to, any warranties or conditions are expressly excluded.

Changes may be made at any time to the Electronic Services and the information contained therein without prior notice. If you are a client of ScotiaMcLeod, consult your Investment Executive or any branch of ScotiaMcLeod for more complete and up-to-date information. If you are a client of ScotiaMcLeod Direct Investing, contact the local office of ScotiaMcLeod Direct Investing.

The Electronic Services are not intended to provide legal, accounting or tax advice and should not be relied upon in that regard.

All the Data is protected by copyright and each supplier of the Data reserves all proprietary and intellectual property rights therein. User shall not reproduce, retransmit, disseminate, sell, rent, distribute, publish, broadcast, circulate or commercially exploit the Data provided through the Electronic Services in any manner or furnish it to any other person without the prior written consent of the Service Provider and the relevant supplier. User of the Electronic Services shall use the Data accessible through the Electronic Services only for the User’s individual use, and shall indemnify and hold harmless the Service Provider, its affiliates and each supplier of Data from any losses or liabilities incurred as a result of the User’s breach of the foregoing provisions or other misuse of the Data. User agrees that the terms of this Agreement may be enforced directly against User by each supplier of Data.

The Service Provider expressly disclaims any liability for losses or damages, whether direct, indirect, specific or consequential incurred by User of the Electronic Services and whether by contract, negligence or otherwise. In consideration for the Service Providers providing access to User of the Electronic Services, User shall release the Service Provider and all related companies and their respective directors, officers, employees and agents from all claims and proceedings for such losses, damages or consequences.

The Service Provider expressly disclaims any liability for User’s acts or omissions, such as errors regarding dollar figures, account numbers or other information required to complete an Electronic Service. User acknowledges that once User confirms the details of a transaction made through the Electronic Services, that transaction may not be revoked, other than for post-dated payments for which User provides a written request to stop payment at least five business days before the payment is due to be charged to User’s account.

All claims or disputes arising by virtue of the User effecting (i) a permitted Direct Payment transaction or (ii) a permitted bill payment through the Electronic Services, the Service Provider will in no way be liable for (a) the quality or non-receipt of the goods or services purchased pursuant to (i) or (b) verifying that any purpose for which the payment in (ii)

is made has been fulfilled. Any such claims or disputes must be settled directly with the third party merchant, business, company or utility. Similarly, the Service Provider shall not be liable if any merchant, business, company or utility does not accept User's ScotiaCard number or Electronic Signature.

The Service Provider and its affiliates do not guarantee continuous access. From time to time interruptions, errors or other deficiencies in service may occur which are outside of the control of the Service Provider and its affiliates, including interruptions in the accessibility of the Internet, a system outage in facilities of a third party service and market conditions that may result in general market volatility, volatility affecting a particular security or class of securities, or heavy demand and high volumes of trading activity. Neither of the Service Provider nor its affiliates will be liable for any loss or damage resulting from use of the Systems, including but not limited to loss or damage resulting from failure of electronic or mechanical equipment or communications lines, the Internet, telephone or other inter-connect problems, power failure or third party system failure.

Information in this web site does not constitute a solicitation or offer to sell products or services of the Service Provider and its subsidiaries and affiliates or mutual funds normally distributed by them, or the securities or financial instruments of any issuer. The Service Provider does not guarantee investment results and is not liable for any loss or missed investment opportunities resulting from any investment decision made by User.

Links in this web site to other web sites or references to products, services or publications other than those of the Service Provider or its subsidiaries and affiliates should not be construed as an endorsement, recommendation or approval of such web sites, products, services or publications by the Service Provider or its subsidiaries and affiliates, rather are solely those of the third party and not of the Service Provider or its affiliates.

Information from the Electronic Services is intended for use only in Canadian jurisdictions where such services or products may lawfully be offered for use and/or for sale and neither use or sale is intended where prohibited by law.

Canadian laws exclusively apply to this web site and to the use of this web site, notwithstanding domicile, residence or physical location of any user. THE ELECTRONIC SERVICES ARE NOT AVAILABLE TO U.S. RESIDENTS.

Market Volatility - Online Trading Customers Only

In times of market volatility and high trading volumes, both at market opening and during the trading day, and including situations of high volume trading of so-called "hot stocks", Users of online brokerage services, which is part of the Electronic Services, may experience delays in the execution of their orders which may expose the User to the risk of trade execution at a market price that is significantly different from the market price at the time the order was placed. Once an order is placed, it may be difficult or impossible to cancel. In these circumstances, the Service Provider and its affiliates bear no responsibility to the User for any discrepancy between the market price at the time of order placement and of trade execution. To minimize the risk, User should consider placing limit orders in lieu of market orders, limiting the price at which the User's order will be filled. Limit orders will be executed only at a specified price or better, rather than at the earliest opportunity without regard to price at the time of execution in the case of market orders. While the market may be such that the User's limit order does not get filled at all, this outcome may be more desirable than the risk of a fill at an undesirable price.

General

This web site is not a secure medium for e-mail communications. Any confidential, proprietary or sensitive information transmitted by means of this web site through e-mail may be read and/or copied by unauthorized persons.

User is responsible, at User's own expense, to obtain and maintain all necessary equipment, software and communication links as required in order to access the Electronic Services.

When using this web site, it is User's responsibility to take reasonable precautions to scan for computer viruses and other items of a destructive nature. User should ensure to have a complete and current backup of the information on User's computer system prior to using this web site.

User may not assign its rights under this Agreement without the prior written permission of the Service Provider. This Agreement shall be governed by the laws in force in the Province of Ontario (without reference to its conflicts of laws rules).

If the account subject to this Agreement is held as a joint account by more than one person, the liabilities and obligations of the User hereunder shall be joint and several, other than in the Province of Québec, and shall be carried out in accordance with the provisions of the applicable forms signed by the User at the time the joint account was activated.

User acknowledges that User is also subject to all other agreements entered into with the Service Provider and its affiliates.

Scotiabank Group Privacy Agreement¹

In this agreement, "we", "our" and "us" mean, as applicable, any Scotiabank Group Member or the collective Scotiabank Group; "you" and "your" mean an individual who has made application to us, or provided a guarantee, for any personal banking, insurance, brokerage or financial product or service offered by us ("Service"), including their personal representatives.

When you apply for, or provide a guarantee in respect of, or use any Service and while you are our customer, you agree that:

1. We may collect from, use and disclose personal information from you and about you to any person or organization for the following purposes:
 - (a) to understand your needs;
 - (b) to determine the suitability of our products and services for you;
 - (c) to determine your eligibility for our products and services;
 - (d) to set up, manage and offer products and services that meet your needs;
 - (e) to provide you with ongoing service; and
 - (f) to meet our legal and regulatory requirements
 - (g) to investigate and adjudicate insurance claims.

We may use third parties to assist us in these purposes and you acknowledge that we may release information about you to them.

We may collect, use and disclose your Social Insurance Number for income tax reporting purposes and for any of the other purposes set out above. In addition, we may ask you for your Social Insurance Number to verify and report credit information to credit bureaus and credit reporting agencies. You may refuse to consent to its use or disclosure for these purposes.

2. If you have a Service with us, we may use, disclose to and collect from credit bureaus or financial service industry data bases, credit and other information about you in order to offer you pre-approved credit products or margin facilities.
3. You agree that we may give information (except health information) about you to other members of the Scotiabank Group members (where the law allows this) so that they may directly tell you about their products and services. The Scotiabank Group includes companies engaged in the following services to the public: deposits, loans and other personal financial services; credit, charge, debit and payment card services; full-service and discount brokerage services, mortgage loans; trust and custodial services; insurance services; investment management and financial planning services; and mutual funds investment services. This consent will apply to any companies that form a part of the Scotiabank Group in the future. [Also, if we sell a company in the Scotiabank Group or a portion of the business of a Scotiabank Group member, we may release the information we hold about you to the prospective purchaser.]
4. We may keep information about you in our records for as long as it is needed for the purposes described above, even if you cease to be a customer.
5. All information that you give us will, at any time, be true and complete and you will not withhold any material information. If any personal information changes or becomes inaccurate or out of date, you will tell us so we can revise our records.
6. We may use references you provide, to verify information you give us and you authorize any person whom we contact in this regard to provide such information to us.

Refusing or withdrawing Consent:

Subject to legal, regulatory and contractual requirements, you can refuse to consent to our collection, use or disclosure of information about you, or you may withdraw your consent to our further collection, use or disclosure of information at any time in the future by giving us reasonable notice, provided the consent does not relate to certain information required for credit products or arrangements or insurance underwriting or claims which you apply for or accept (see below). In addition, you cannot refuse our collection, use and disclosure of information required by third party service providers essential for the provision of the Services or required by our regulators, including self-regulatory organizations. If you refuse or withdraw your consent, we may not be able to provide you or continue to provide you with some Services or information that may be of value to you.

You can tell us at any time to stop using information about you to market our Services or to stop sharing information with other members of the Scotiabank Group.

If you wish to refuse consent or to withdraw consent as outlined in this agreement, you may do so at any time by contacting the branch or office with which you are dealing or by calling us toll-free at 1-800-387-6508.

In addition, if you apply for, accept, or guarantee, a line of credit, term loan, mortgage, margin or other personal credit account with us:

When you apply for, accept, or guarantee a loan or credit facility and from time to time during the course of the loan or credit facility, we may use, give to, obtain, verify, share and exchange credit and other information (except health information) about you with others including credit bureaus, mortgage insurers, creditor insurers, registries, other companies in the Scotiabank Group and other persons with whom you may have financial dealings, as well as any other person as may be permitted or required by law. You also authorize any person whom we contact in this regard to provide such information to us.

During the term of the loan or credit facility, you may not withdraw your consent to our ongoing collection, use or disclosure of your personal information in connection with the loan or other credit arrangement you have with us or have guaranteed. We can continue to disclose your personal information to credit bureaus even after the loan or credit facility has been retired, and you may not withdraw your consent to our doing so. We do this to help maintain the accuracy, completeness and integrity of the credit reporting system.

In addition, if you accept an insurance Service with us:

If you have accepted an insurance Service with us, you may only withdraw your consent as noted above so long as the consent does not relate to underwriting or claims where the Scotiabank Group member must collect and report information to insurance service bureaus after the application has been underwritten or the claim has been adjudicated. This is necessary to maintain the integrity of the underwriting and claims systems.

Further Information:

For further information about any Scotiabank Group Member's privacy policies, please refer to the brochure: *The Scotiabank Group & You: A Question of Privacy* available at any Scotiabank Group Member's branch or office, or by calling us toll-free at 1-800-387-6508 or on the Scotiabank website at www.scotiabank.com.

Shareholder Communication

National Instrument 54-101 Communication With Beneficial Owners of Securities of a Reporting Issuer

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.

Disclosure of Beneficial Ownership Information

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

If you **DO NOT OBJECT** to the disclosure of your beneficial ownership information, please mark the **first box 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 **second 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.

You understand that by objecting to the disclosure of your account information noted above, to issuers of securities that you hold with us, certain materials may still be required by law to be sent to you, and you may have to pay the costs of having these materials provided to you. The cost to deliver these materials to you are charged by the security issuer, and are subject to change at their discretion. Details of these costs are available upon request. If you do not object to the disclosure of your account information noted above, you will not be charged with any costs associated with sending these materials to you.

Receiving Securityholder Materials

For securities that you hold through your account, you have the right to receive proxy-related materials¹ 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.

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 three types of securityholder materials. Securities law does not provide for you to decline to receive other types of securityholder materials. The three types of material that you may decline to receive are:

- (a) proxy-related materials, including annual reports and financial statements, that are sent in connection with a securityholder meeting at which only “routine business”² is to be conducted;
- (b) annual reports and financial statements that are not part of proxy-related materials; and
- (c) materials that a reporting issuer or other person or company sends to securityholders that are not required by corporate or securities law to be sent to registered securityholders.

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 **WISH** 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 **DO NOT WISH** 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.)

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.

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.

Contact

If you have any questions or want to change your instructions in the future, please contact your investment advisor.

¹ This would include financial statements and annual reports that are proxy-related materials.

² “Routine business” means: (i) consideration of the minutes of an earlier meeting; (ii) consideration of financial statements of the reporting issuer or an auditors’ report on the financial statements of the reporting issuer; (iii) election of directors of the reporting issuer; (iv) the setting or changing of the number of directors to be elected within a range permitted by corporate law if no change to the constating documents of the reporting issuer is required in connection with that action; or (v) reappointment of an incumbent auditor of the reporting issuer.

Related Mutual Funds

National Instrument 81-105 on Mutual Fund Sales Practices, made by Canadian securities regulators, requires that ScotiaMcLeod make certain disclosures to customers concerning related mutual funds and obtain customer consent to trade in such funds.

ScotiaMcLeod is the manager of a family of mutual funds, collectively known as the Pinnacle Funds, and is affiliated with Scotia Securities Inc., the manager of a family of mutual funds, collectively known as the Scotia Mutual Funds.

ScotiaMcLeod may from time to time offer to sell units of the Pinnacle funds and the Scotia Funds to the Customer. The Customer hereby consents to investing in such funds to the extent that the Customer may from time to time instruct ScotiaMcLeod or provide discretionary authority to do so.

Referral Fees

From time to time incentive programs may be established whereby ScotiaMcLeod receives referral fees from another member of the Scotiabank Group of companies, or another member of the Scotiabank Group receives referral fees from ScotiaMcLeod, for business resulting from referrals amongst the Scotiabank Group. Such referral fees may be calculated by reference to the number of referrals, the size of such referrals, the business resulting, or some combination thereof.

You may obtain on request specific information as to how any referral fee earned in respect of transactions for your account is calculated. Securities regulations prohibit the party receiving a referral fee from trading or advising in respect of securities unless it is registered to do so under applicable securities regulations.

Your Scotia Self-Directed Retirement Savings Plan Agreement

To: The Bank of Nova Scotia Trust Company (“Scotiastrust”)

You direct Scotia Capital Inc., as agent of Scotiastrust, to hold your Scotia Self-Directed Retirement Savings Plan(s) (the “Plan(s)”) assets (other than cash) in accordance with securities industry practice and in accordance with any requirements or recommendations of any securities commission or stock exchange in Canada. Such assets may be released only on the annuitant’s instructions or under the terms of the Declaration of Trust.

You acknowledge and agree that:

- (i) Scotiastrust has the right to refuse the Scotia Self-Directed Retirement Savings Plan application.*
- (ii) You have read the Declaration of Trust reproduced here.*
- (iii) Scotiastrust will have no responsibility whatsoever for determining the eligibility and suitability of any investment of the Plan(s) under the provisions of applicable tax legislation or for any tax consequences resulting from making investments or resulting from any accounts maintained by the Plan(s) being overdrawn;*
- (iv) Scotiastrust will have no responsibility whatsoever for determining the amount of the contributions to the Plan(s) which may be claimed as a deduction of any personal income tax return in any taxation year; or the amount of any “excess contribution” refund under section 5 of the Declaration of Trust;*
- (v) You will furnish proof of any information, including proof of your age and the age of your spouse when required by Scotiastrust; and*
- (vi) Scotiastrust will have no obligation to provide any investment advice in connection with the purchase, retention or sale of any investment by the Plan(s).*

Building Relationships for Life



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