



Relationship Disclosure Document and Agreements

PRIVATE WEALTH MANAGEMENT

Summary

1. Our Relationship	
What We Do for You	2
What We Expect of You	4
Our Discretionary Management Service Offering for Desjardins Private Wealth Management	6
Information Regarding Activities in Your Accounts	9
2. Your Protection	
Confidentiality Policy	12
Handling of Complaints	13
3. General Account Agreement and Specific Agreement	
General Account Agreement	16
Discretionary Private Wealth Management Agreement	29
4. Statement of Principles on Conflicts of Interest	
Introduction	36
Conflict of interest situations	37
Related and Connected Issuers Disclosure To Desjardins Securities	41
Referral Arrangements Disclosure	43
5. Notices	
Information on Multiple Marketplaces	46
Strip Bonds and Strip Bond Packages	49
Futures and Options Trading	56
Off-Book Borrowing for Investment Purposes	59
Further Information	61

Who we are

Desjardins Securities Inc. ("Desjardins Securities") offers its discretionary management segregated accounts and DIM Private Funds under the trade name "Desjardins Wealth Management Private Wealth Management".

Desjardins Securities is the brokerage firm of Desjardins Group.

Desjardins Securities offers a wide range of products and services to individuals, businesses and institutional investors through its Full-Service Brokerage, Online Brokerage, Corporate Financing, Research, Institutional Sales and Fixed Income divisions.

As an investment dealer, Desjardins Securities is a member of the Canadian Investment Regulatory Organization ("CIRO") and the Canadian Investor Protection Fund ("CIPF").

CIRO operates under recognition orders from the Canadian Securities Administrators (Canada's provincial and territorial securities regulators, e.g., the Autorité des marchés financiers ("AMF") in Québec and the Ontario Securities Commission).

For more information on the regulation of investment dealers, visit the CIRO website at www.ciro.ca. You can also ask a Desjardins Securities representative for the brochure "[How CIRO protects investors](#)".

The CIPF provides limited protection for investors' assets if a securities dealer that is a CIPF Member becomes insolvent. For more information on the CIPF and the protections it offers, please refer to the CIPF brochure included in the welcoming kit sent to you at the time of your account opening or visit the CIPF website at www.cipf.ca.

Desjardins Securities scrupulously complies with the regulations governing its activities. The primary objectives of these regulations are to protect clients and preserve financial market integrity.

Transparency, rigour and integrity are values that the entire Desjardins Securities team proudly adheres to. We know that each dollar you invest is precious. That is why we comply with the highest standards in the industry.

This brochure describes the rules which we strictly follow to contribute to your peace of mind. It presents the obligations of your Advisor (depending on the context, in this document "Advisor" may refer to a private wealth manager or a private wealth advisor who may be registered either as a portfolio manager, an associate portfolio manager or a registered representative), the protections you enjoy, and the rights you can exercise, as well as other important information.

At Desjardins Securities, we believe it is essential to keep our clients well informed.

1. OUR RELATIONSHIP



You expect your Advisor to be honest, objective and reliable. In turn, your Advisor wants you to honestly explain your situation, your requirements and your needs.

Trust is the cornerstone of your business relationship.

What We Do for You

Designed specifically for wealthy clients, Desjardins Private Wealth Management's discretionary portfolio management offers an integrated and personalized approach founded on its network of collaborators' expertise.

Your Advisor's first role is to establish your investor profile.

To do so, your Advisor must know you well: your personal, professional and financial situation, your investment needs and objectives, your investment time horizon, your risk profile, and your investment knowledge.

Personal and financial information that is accurate, complete and up-to-date is essential for your Advisor to properly determine the suitability of your investments.

Your Advisor will then be able to recommend investments that fit your situation.

What is “investment suitability”?

Determining the suitability of your investments is part of our broader obligation to act fairly, honestly and in good faith in our relations with our clients. We have the duty to determine if any measure taken, decided or recommended by Desjardins Securities with regard to your investments is suitable for you and puts your interest first.

To ensure that all measures taken by Desjardins Securities regarding your investments are suitable for you, we review a series of factors, including: i) your personal and financial situation, investment knowledge, investment needs and objectives, investment time horizon and risk profile (these elements are determined based on the information collected from you when you opened your accounts and that may have been later updated), ii) the impact of the measure on the concentration and liquidity of the investments in your accounts, and iii) the potential repercussions of the measure on the returns on your investments. The suitability assessment also requires Desjardins Securities and your Advisor to evaluate and be knowledgeable about the features of the securities purchased or sold in your name or recommended to you, which includes their structure and risks, as well as the related initial and ongoing fees.

At Desjardins Securities, suitability of your investments is a function of your investment objectives, as determined on your Account Application Form. Your Advisor will help you define your investment objectives to ensure that they clearly identify the results you are trying to achieve and fit your investor profile.

With regard to your investments, your objectives are split, according to exact percentages, into the four following major categories:

- Low-risk income securities
- Moderate-risk income securities
- Moderate- to higher-risk income and growth securities
- High- to very-high-risk securities

The breakdown of these percentages across the categories provides us with a general picture of your objectives. We use it to monitor and analyze your portfolio. The four categories are described on your Account Application Form.

Your Advisor performs its investment suitability assessment on this basis. This assessment is done at different times, depending on your service offering. Desjardins Private Wealth Management’s service offering includes the ongoing assessment of the suitability of your investments. Your portfolio is managed according to an investment policy that has been agreed upon at the beginning of your relationship. This policy sets your portfolio allocation by asset class based on your investor profile.

Suitability assessment triggers

The investment suitability assessment is also done systematically when:

- Investments are deposited in or transferred to your account
- There is a change of Advisor
- We learn of a significant change made to your personal or financial information
- We become aware of a change to a security in your account that may cause your account to not suit you anymore
- We review your information with you, at least every 12 months for Desjardins Private Wealth Management's discretionary management accounts

Your Advisor also keeps abreast of all changes on the stock markets. They closely monitor the recommended securities that you hold. Your Advisor is available to answer all of your questions.

Your Advisor must also meet high professional standards. They must exercise reasonable care, discernment and impartiality and act with loyalty, integrity, honesty and fairness in all dealings with you, which includes the obligation to disclose any conflicts of interest.

To practise the profession, your Advisor must be registered by regulatory authorities after a background check and after verification that they have the requisite training and education. Your Advisor is subject to ongoing supervision of their activities and to a mandatory continuing education program.

Your Advisor must explain Desjardins Securities' service offering to you. The terms and conditions of the service offering must be very clear to you. Your Advisor is required to give you a copy of the documents regarding your account opening.

What We Expect of You

- It is essential that you understand the service offering as well as the type(s) of account(s) you have chosen. This choice is clearly indicated on the Account Application Form, a copy of which will be given to you by your Advisor. If you have any doubts, clarify them as soon as possible with your Advisor.
- It is essential that you ask your Advisor any questions you may have on the products that they recommend for you or that you hold and that you understand their terms and conditions, as well as the risks involved.
- We ask that you verify that the information about you provided at the opening of your account is accurate and that you immediately notify your Advisor of **any significant change to your situation**. Do not hesitate to meet with your Advisor to inform them of such change. Your Advisor will then update your file accordingly. You also need to inform your Advisor of any change to your marital status, address, proxy or status as an insider or major shareholder of an issuer whose securities are traded on a stock exchange or over-the-counter markets.

- We ask you to examine carefully and without delay the content of this brochure, including CIRO's Client Complaint Handling Requirements, as well as the risks specific to certain markets, products or borrowing strategies. These risks are described in more detail in the "Notices" section of this brochure.
- We ask you to examine carefully and without delay all documents provided on the functioning of your account(s), not only when your account is opened, but also throughout our relationship. For example, we want to be notified immediately of any erroneous portfolio statement.
- We ask you to inform your Advisor if you have borrowed money from third parties for investment purposes or if you intend to. Please refer to the "Notices", "Off-Book Borrowing for Investment Purposes" section, for more details on this.
- Do not hesitate to request information on your account proactively, and contact your Advisor or your Desjardins Securities branch manager if you are not satisfied with the handling of your account(s).

What is a significant change?

A significant change is a change that affects your personal or financial situation, your investment needs and objectives, your risk profile or your investment time horizon, as well as any change that can reasonably be expected to have a significant impact on your net worth or on your income since the last update of your file.

Clients must inform their Advisor of any significant change, any event in their life that may cause a significant change to their short-, medium- or long-term investment objectives or any event with a significant impact on their personal or financial situation.

Our Discretionary Management Service Offering for Desjardins Private Wealth Management

Designed specifically for wealthy clients' complex needs, Desjardins Private Wealth Management's discretionary management service offering manages your investment decisions regarding your financial assets in a proactive and structured way.

A discretionary portfolio management account designates any account in which the investment decisions are made on an ongoing basis by a duly authorized portfolio manager, who makes and executes investment decisions on your behalf.

The assets in a discretionary portfolio management account of Desjardins Private Wealth Management are managed according to a personalized investment policy that is agreed upon when you opened your account and duly approved by a portfolio manager. This policy, which is appended to the Account Application Form, sets the asset allocation based on your objectives and your investor profile. Your Advisor will provide you a description of the segregated accounts and private funds that comprise your portfolio. Buy and sell transactions are made by Desjardins Securities according to the provisions of the asset allocation and on the advice of the authorized portfolio manager.

Desjardins Securities, who is responsible for managing discretionary management accounts' mandates, is

supported, by Desjardins Global Asset Management Inc. ("DGAM"), as well as by external managers.

Segregated Accounts and DIM Private Funds

The Desjardins Private Wealth Management's discretionary management portfolios are either comprised of segregated accounts or funds portfolios.

Segregated accounts are composed of securities portfolios, which means that you directly hold securities such as common or preferred shares, debt securities (like treasury bills, guaranteed investment certificates, bonds and debentures, notes issued by government agencies, financial institutions, companies or other Canadian or foreign corporations), as well as securities of investment funds or exchange traded funds and other securities.

Funds portfolios are exclusively comprised of DIM Private Funds built by Desjardins' teams of experts. DGAM is the investment fund manager of these funds. The portfolio manager of the DIM Private Funds is either DGAM or another duly authorized external manager. Because of the nature of the DIM Private Funds, there would be consequences in the event that your Discretionary Private Wealth Management Agreement with Desjardins Securities were to be terminated. If that were the case, you may not keep the units of funds you were holding at the time of the termination. Amounts owed to you would be paid, subject to the time it takes Desjardins Securities to sell the units off.

Types of accounts and fees

Cash, registered and non-registered accounts are available under this service offering. Account fees are based on a percentage of assets under management. Fee rates are presented in Appendix B — Fees and Charges under the Discretionary Private Wealth Management Agreement.

Fairness standards for the allocation of investment opportunities for clients of Desjardins Private Wealth Management's Discretionary Management Service

Desjardins Securities maintains standards in order to ensure fairness for clients who are part of Desjardins Private Wealth Management's Discretionary Management Service. As such, Desjardins Securities ensures that no single account or type of account will receive preference in the allocation of investment opportunities. Accordingly, Desjardins Securities and its staff shall act in a manner consistent with their obligation to deal fairly with all clients.

For completed block trades at one price, Desjardins Securities allocates the same fill to all its clients and to its own accounts. If the block trade does not fill at one price, allocations to clients and Desjardins Securities' own accounts will be made on an average pricing basis.

Partial fills on block trades will be distributed to client accounts on a pro rata basis.

Should Desjardins Securities participate in an initial public offering, the treatment of such orders and distribution to Desjardins Securities' client accounts of Desjardins Private Wealth Management's Discretionary Management Service would remain similar as with any other block trade or partial fills at Desjardins Securities.

The foregoing standards will be revised from time to time in keeping with changes in regulatory requirements and industry practices.


Other charges and forms of compensation that may apply to our service offering

- Direct compensation is paid directly to Desjardins Securities and its advisors by you and consists of fees and account-related fees. The account-related fees are presented in the fees and commissions schedule that is sent to you by Desjardins Securities when you open your account.
- These include administration charges, transfer fees, electronic funds transfer fees and interest fees. Fees and other forms of compensation proportionally reduce the returns of your investments.
- Commissions may also be charged to clients for trades relating to segregated accounts under Desjardins Private Wealth Management's Discretionary Management Service.



- You will receive, for the period ending December 31 of each year, a report on the fees and other forms of compensation paid to Desjardins Securities for the services and advice you benefited from during the year.
- Certain segregated accounts may include securities of investment funds or exchange traded funds, and certain DIM Private Funds may also invest in such funds. Each fund pays management fees to its manager as compensation and for the other services provided to the fund. Funds also pay operating costs, which, when combined with the management fees paid, are represented by the management expense ratio (MER) of the fund. The MER indicates, as a percentage of the total assets, how much managing and distributing the fund costs. These fees are described in the prospectus and the Fund Facts of each fund. When you invest in funds, you do not pay these fees directly. However, they have an impact on your investments because they directly lower the returns of the fund and reduce the total returns of your account. Your Advisor is available to answer all your questions regarding the fees and charges for which the funds you invest in are liable.
- When Desjardins Securities acts as principal in a trade involving debt securities, it may receive income from the spread between the buying and selling rates. This income is included in the purchase or sell price of the debt security.
- In any transaction requiring currency conversion, Desjardins Securities may earn income from the conversion. In such transaction, Desjardins Securities acts as principal and uses a competitive conversion rate based on bid and ask rates for the currency, with "currency conversion" and "income" included as separate parts. Any currency conversion is conducted at the rate in effect on the day of the transaction.

2023 fee schedule



Effective January 1, 2023

Clarity and transparency

Desjardins Wealth Management is committed to providing you with clear, detailed and transparent information. Below is a list of the fees that you may be charged. Whenever these fees apply to a service that you have received, they will be indicated on your portfolio statement.

FIXED ANNUAL FEES PER ACCOUNT

Cash account	No fee
Margin account	No fee
RRIF, LIF, RRSP, LIRA	\$125 ^{1, 2, 3}
BESF	No fee
IRP	\$125 ^{1, 2}
Stock savings plan	\$75 ^{1, 2}
TISA	\$50 ^{1, 2}
Inactivity fees	\$125 ^{1, 2}

FEES FOR SPECIALIZED SERVICES

ESTATE ACCOUNT

Account opening	\$150 ⁴
Securities deposited in Canadian dollars	\$100 ⁵ (minimum fee)
Securities deposited in US dollars	\$150 ⁵ (minimum fee)

TRUST, CURATORSHIP OR GUARDIANSHIP ACCOUNTS

Account opening	\$50 ⁴
-----------------	-------------------

SPECIAL SECURITIES

GBIC or CIP securities deposited or transferred	\$500 ⁴
Private company securities deposited or transferred	\$500 ⁴
European securities transferred in or out	\$100 per security
Restricted securities (Legend 1933)	\$100\$ per security

INTEREST RATES

With Desjardins Securities Inc., you get competitive interest rates on credit and debit balances. These rates may vary according to the market and are subject to change without notice.

Interest amounts of \$5 or less are neither charged nor paid to non-registered accounts. Interest amounts of \$5 or less are not charged to registered accounts.

OTHER FEES

Withdrawal from RRIF or LIF	No fee
Scheduled payment (RRIF or LIF only)	No fee
Change in instructions during the year (RRIF or LIF only)	No fee
Direct deposit	No fee
Electronic transfer to a Desjardins caisse or Desjardins credit union	No fee
Registration and delivery of securities	\$100 per certificate
Rush registration and delivery of securities (same day or within 48 hours)	\$200 per certificate
Electronic transfer to a bank	\$25
Swap	\$25
Full transfer to another institution	\$150 ⁶
Partial transfer to another institution	\$100 ⁶
NSF cheque	\$40
Document tracing and copies	\$25 per hour (minimum \$25)
Withdrawal from RRSP	\$50 ⁴
Unlocking LIRA or LIF	No fee

CURRENCY CONVERSION

In any transaction requiring currency conversion, Desjardins Securities Inc. may earn, in addition to the brokerage commission, income from the conversion. This schedule does not include that income. In this type of transaction, Desjardins Securities Inc. acts as principal. Desjardins Securities Inc. uses a competitive conversion rate based on the bid and ask rates for the currency, which includes a currency conversion portion as well as an income portion. All currency conversion is conducted at the rate in effect on the day that the transaction is executed.

1. Applicable fees not included.
2. Fees are charged in the currency of the account.
3. For each additional plan account, the fee is \$50.
4. These fees do not apply to fee-for-service accounts.
5. No fee if the account generated at least \$500 in commissions during the calendar year or if the average commission amount generated by all your household's accounts is at least \$500 or if administrative fees were already charged to one of your other registered accounts during the calendar year or if the balance of all your household's accounts is at least \$150,000.
6. Quebec residents only.

vmdconseil.ca/en

Desjardins Wealth Management is a trade name used by Desjardins Securities Inc. Desjardins Securities Inc. is a member of the Canadian Investment Regulatory Organization (CIRO) and the Canadian Investor Protection Fund (CIPF).

Notice

Leverage

Using borrowed money to finance the purchase of securities involves greater risk than a purchase 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. Therefore, the leverage strategy could result in far greater losses than an investment strategy that does not involve the use of borrowed money.

Information Regarding Activities in Your Accounts

We are committed to providing you with complete, transparent information on a regular basis.

Your Portfolio Statement

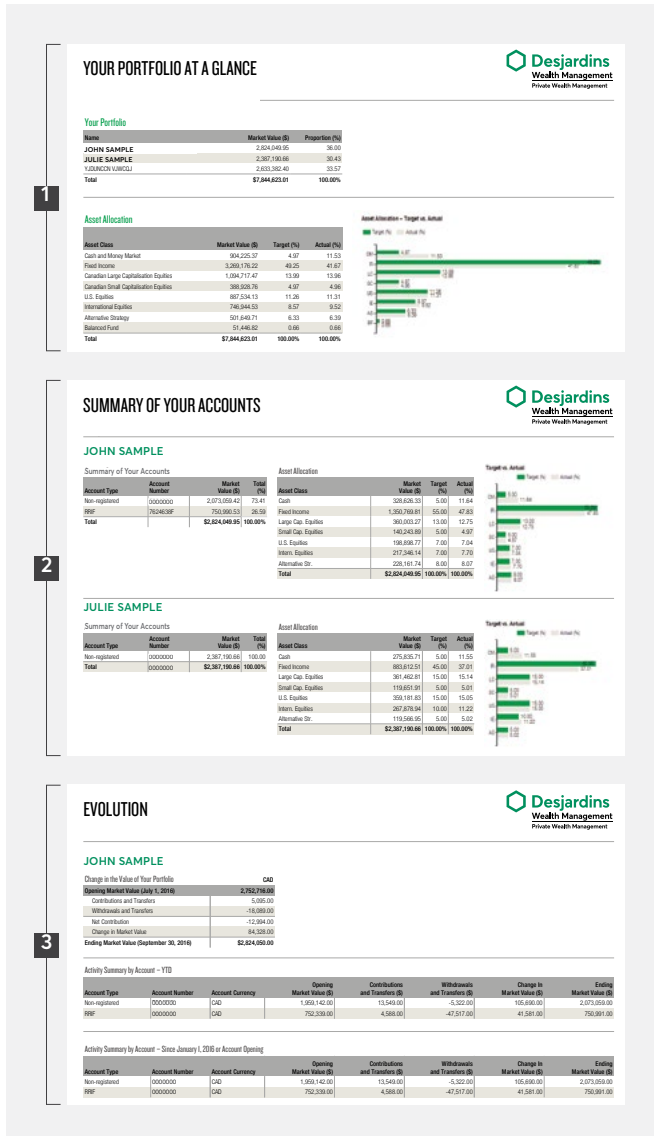
Designed to simplify the management of your finances, your portfolio statement is issued at the end of each month and includes the details of your investments and their performance. Every quarter, it will also include the details of your transactions for the period. Your portfolio statement will be sent within a reasonable timeframe after the end of the statement period.

Easy to understand

- Orderly classification of information
- Clear type that is easy to read

At a glance

1. **Your portfolio at a glance.** This overview enables you to view at a glance all your assets.
2. **Summary of your accounts.** The summary details the assets of each holder in your group by type of account. We present graphically and in percentages the current allocation of your principal asset classes and compare them with your investment policy target. You can thus see the variations attributable to the active management of your investments.



3. **Evolution.** This section shows the factors that affected the change in market value of your investments during the quarter, since the beginning of the current year and from the moment the account was opened.

Investment Performance Report

Desjardins Securities produces, for the period ending December 31 of each year, an Investment Performance report. This report displays information pertaining to, in particular, the change, in dollar value, over the past 12 months, 3 years, 5 years, 10 years and since the accounts opening, and your total personal rate of return on your investments.

Your total personal rate of return is equal to the return on your investments over different periods. It is calculated using a method called the "money weighted rate of return", which takes into account the effect of deposits and withdrawals in the account and the dates they were made.

This personal rate of return and a time-weighted rate of return are both provided in your monthly Desjardins Securities' portfolio statement. You will get more details about this when you open your account.



Investment Performance Benchmarks

To evaluate your portfolio's performance and track its progress, its level of return can be compared to that of a benchmark measure representing the return generated by a specific asset class over a given period. A benchmark reference index, such as a stock or bond index, may constitute such a measure. To be meaningful to your analysis, the index you are using must replicate as closely as possible the portfolio you are evaluating. Comparison with such an index may help you assess whether your investment strategy is well suited to your goals.

The most commonly used benchmarks are the S&P/TSX Composite Index for Canadian stocks, the FTSE Canada Universe Bond Index for Canadian bonds, and the S&P 500 Index for U.S. stocks. If your portfolio contains various asset classes, make sure to compare it with a blend of indexes weighted according to the portfolio's composition.

It is important to note, however, that these benchmarks do not take into account your deposits and withdrawals and, in most cases, do not reflect management and operating fees. In fact, the rate of return of a benchmark index is calculated using a method called the "time-weighted rate of return", which only takes into account the changes in market value; it does not consider the effect of deposits and withdrawals.

It is therefore difficult to make a direct comparison between a benchmark index and your total personal rate of return.



2. YOUR PROTECTION



Confidentiality Policy

At Desjardins Securities, we know how much the security and confidentiality of your personal information matters.

To that end, Desjardins Securities complies with the Desjardins Group's Confidentiality Policy that is being implemented in all the components of the Group to ensure that all personal information collected, used or conveyed in the course of our business relationship with you is protected.

If you would like to take a closer look at the policy, you can find it at the following address: www.desjardins.com/ca/privacy/privacy-policy.

If you have any questions, concerns or complaints about the protection or confidentiality of your personal information or our privacy practices, you can contact the Desjardins Group Privacy Office at all times.

By mail:
Desjardins Group Privacy Office
100, rue des Commandeurs
Lévis (Québec) G6V 7N5
LEV-100-6°

By email:
cpo@desjardins.com

If you wish to rely on one of the above means of transmission, please mention your name and address, the nature of your request, the name of the service or person with whom you have been in contact, as well as any other relevant information.

Handling of Complaints

What you should know about Desjardins Securities and its handling of complaints

Desjardins Securities, in cooperation with the Desjardins Group's team in charge of handling complaints (the "team"), has established efficient measures for handling client complaints, in order to comply with the quality standards set out by the applicable regulations.

Desjardins Securities' complaints handling procedures allow clients who allege they were victims of misconduct relating to the handling of their account(s) to appeal to an impartial review and investigation service for dispute settlements and to obtain a response within a clearly defined time limit.

Alleged misconduct includes: breach of confidentiality, theft, fraud, misappropriation or misuse of funds or securities, forgery, unsuitable investments, false or misleading information or unauthorized trading, other unauthorized financial dealings as well as unapproved activities engaged outside of the Dealer Member.

For any dissatisfaction concerning customer service, please contact your Advisor.

Filing a complaint with Desjardins Securities

Complaints may be filed in writing to the following address:

Team in charge of handling complaints

Desjardins Group
100, rue des Commandeurs
Lévis (Québec) G6V 7N5

We recommend that your written complaint includes details of the grievance, a description of the alleged prejudice, and the requested corrective measure.

If you find it difficult to bring your complaint, we recommend you visit the AMF website, where you will find tools to assist you throughout the process: www.lautorite.gc.ca/en/general-public/assistance-and-complaints/making-a-complaint.

If you are unable to write your complaint, you can contact the team. An advisor from the team will contact you within 24 hours following your phone call. The phone numbers are:

Montréal: 514-985-1883 Toll-free: 1-877-985-1883

Steps Following Receipt of a Complaint

- An advisor from the team is assigned to the file.
- Acknowledgement of receipt is sent to the complainant within 5 business days.
- The person in charge of your file proceeds with their review and conducts an investigation. Their contact information is available on the acknowledgement of receipt.

- A detailed response to the complaint is sent by mail as soon as possible and no later than 90 calendar days following receipt of the complaint. The answer includes a summary of the complaint, the results of the investigation, the final decision with an explanation and the other options for you in case you are unsatisfied with the decision.
- The letter also provides you with other options for seeking compensation if you are not satisfied with the response. These options are detailed in the CIRO brochures entitled "Making a Complaint – A Guide for Investors" and "How Can I Get My Money Back?" given along with the letter. These brochures are also included in the welcoming kit sent to you at the moment of your account opening.
- In the event that the team is not able to provide you with a response within the 90-day period, they will contact you within that timeframe to inform you of the reasons for the delay and the new expected response time. In such cases, you can file a complaint to the **Ombudsman for Banking Services and Investments (OBSI)** after the initial 90-day period, at: 1-888-451-4519
ombudsman@obsi.ca
www.obsi.ca

CIRO's Guides for Investors

CIRO puts at your disposal the brochures entitled "Making a Complaint – A Guide for Investors" and "How Can I Get My Money Back?". These brochures will be given to you along with the acknowledgement of receipt of any complaint filed against Desjardins Securities and with the decisions made by the team pertaining to said complaints. These brochures will inform you of the options at your disposal:

- With CIRO
- With the OBSI
- With the AMF Mediation and Conciliation Service, for Québec residents
- Via arbitration
- Via legal actions



Trusted contact person

If you have provided your written consent for Desjardins Securities to contact your trusted contact person, we will communicate with them only in the following situations:

- In the event of concerns over your potential financial exploitation
- In the event of concerns over your capacity to understand major financial issues about your situation or the important consequences of a financial decision you have to make
- To get the contact information of one of your legal representatives
- To get your contact information in the event that we could not reach you after many attempts

Temporary Hold

A temporary hold on an account holds the purchase or sale of a security, or the withdrawal or transfer of cash or securities in an account.

Desjardins Securities or an Advisor could put a temporary hold on an account in the following circumstances if it is reasonable to believe that:

- The client is vulnerable and exploited financially; or
- With regard to an instruction given, the client does not have the mental capacity required to make an informed financial decision.

3. GENERAL ACCOUNT AGREEMENT AND SPECIFIC AGREEMENT



NOTICE: In this Agreement, "Client" means the Client who signed the Account Application Form, and "Account" means, collectively, all the accounts held by the Client with Desjardins Securities Inc. (hereinafter "Desjardins Securities").

General Account Agreement

General Provisions

1. Applicability

The provisions of this Agreement shall apply to all accounts held by the Client with Desjardins Securities, unless otherwise provided in any other agreement between the Client and Desjardins Securities.

2. Contractual Documents

Relationship Disclosure Document and Agreements" (hereinafter the "Relationship Disclosure Document"), any Account Application Form, the General Account Agreement and any other agreement between the Client and Desjardins Securities regarding the Account represent the terms and conditions of the contractual relationship between the Client and Desjardins Securities.

Definitions

Significant Shareholder

Under CISO's Universal Market Integrity Rules, a Significant Shareholder is a natural or legal person holding separately, or in combination with other persons, more than 20% of the outstanding voting securities of an issuer.

Declaration of Residence for Fiscal Purposes

According to Parts XVIII and XIX of the *Income Tax Act* of Canada, financial institutions must collect residence information for tax purposes in order to determine if a financial account should be reported to the Canada Revenue Agency ("CRA"). The CRA may disclose this information to the government of a foreign country if a person has a residence there for tax purposes, or to the U.S. government if the person is a U.S. citizen.

Desjardins Group treats the personal information collected from the Client in a confidential manner. This information is collected and used strictly for the purposes of the *Income Tax Act* of Canada and may be shared between Desjardins Group entities.

The Client understands that Desjardins Securities, as a financial institution, is required to report to the CRA the necessary information concerning a person who is a resident of a country other than Canada for tax purposes or a citizen of the United States. The CRA may impose a penalty on a person who does not provide this information.

Tax Identification Number

A tax identification number (TIN) is a unique combination of letters or numbers that a country assigns to an individual to identify the latter for the purposes of administering its tax laws. In Canada, the TIN is the social insurance number ("SIN") for a natural person, the business number or Québec enterprise number for a business ("BN" or "NEQ") and the trust number for a trust.

If the Client does not have a TIN, he or she has 90 days to request one. Once a TIN is assigned to the Client, the latter has 15 days to disclose it to his or her financial institution.

Citizen or Resident of the United States

According to U.S. law, a citizen or resident of the United States for tax purposes is considered to be:

- Any citizen of the United States (including a U.S.-born person residing in Canada or another country who has not renounced his or her U.S. citizenship) or
- Any U.S.-authorized resident (including a U.S. Green Card Holder) or
- Any permanent resident of the United States

A person may also be considered to be a resident of the United States for tax purposes if he or she spends a sufficiently long period in the United States. U.S. corporations, estates and trusts are also considered to be residents of the United States for tax purposes. If in doubt, the Client should contact his or her tax advisor.

More information about U.S. citizenship, residency, and tax obligations can be found on the CRA or Internal Revenue Service websites.

Tax Residence

In general, a person is a resident of a country for tax purposes if, under the laws of that country, they pay or are required to pay taxes because they are domiciled or resident therein, or meet similar criteria. Individuals who are residents of more than one country for tax purposes may rely on the decisive rules that the tax treaties provide for (when applicable) to resolve the issue of dual residency for tax purposes.

For more information on residency for tax purposes, the Client should consult his or her tax advisor.

Privileged Information

In general, any information that has not been disclosed to the public and that could affect the decision of a reasonable investor to buy, sell or keep securities of a reporting issuer.

Insider

An issuer that has made a public offering by distributing its securities to the public is defined as a "reporting issuer". Canadian securities legislation requires that reporting insiders of a reporting issuer report transactions done in respect of any securities issued by said reporting issuer. Canadian securities legislation also prohibits transactions initiated by an insider when in possession of insider information concerning the reporting issuer. Under *Regulation 55-104 respecting Insider Reporting Requirements and Exemptions* ("Regulation 55-104"), a reporting insider is defined as being:

- a) the chief executive officer ("CEO"), chief financial officer ("CFO") or chief operating officer ("COO") of the reporting issuer, of a significant shareholder¹ of the reporting issuer or of a major subsidiary² of the reporting issuer;
- b) a director of the reporting issuer, of a significant shareholder of the reporting issuer or of a major subsidiary of the reporting issuer;

1 A significant shareholder, under Regulation 55-104, means a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, or a combination of beneficial ownership of, and control or direction over, whether direct or indirect, securities of an issuer carrying more than 10% of the voting rights attached to all the issuer's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person or company as underwriter in the course of a distribution.

2 A major subsidiary, under Regulation 55-104, means a subsidiary of an issuer if:

- a) the assets of the subsidiary, as included in the issuer's most recent annual audited or interim balance sheet, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of financial position, are 30% or more of the consolidated assets of the issuer reported on that balance sheet or statement of financial position, as the case may be, or
- b) the revenue of the subsidiary, as included in the issuer's most recent annual audited or interim income statement, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of comprehensive income, is 30% or more of the consolidated revenue of the issuer reported on that statement.

- c) a person or company responsible for a principal business unit, division or function of the reporting issuer;
- d) a significant shareholder of the reporting issuer;
- e) a significant shareholder based on post-conversion beneficial ownership of the reporting issuer's securities and the CEO, CFO, COO and every director of the significant shareholder based on post-conversion beneficial ownership;
- f) a management company that provides significant management or administrative services to the reporting issuer or a major subsidiary of the reporting issuer, every director of the management company, every CEO, CFO and COO of the management company, and every significant shareholder of the management company;
- g) an individual performing functions similar to the functions performed by any of the insiders described in paragraphs (a) to (f);
- h) the reporting issuer itself, if it has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security; or
- i) any other insider who:
 - i) in the ordinary course receives or has access to information as to material facts or material changes concerning the reporting issuer before the material facts or material changes are generally disclosed; and
 - ii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of the reporting issuer.

Politically Exposed Person (PEP) and Head of an International Organization (HIO)

These are persons who have been assigned important functions that usually involve the ability to influence decisions and the ability to direct resources. They are distinguished by the influence and control they can exert on political decisions, institutions or rules determining the allocation of financial or other resources.

IMPORTANT: If a Client's family member is a PEP or HIO, or if the Client is closely associated with a PEP or HIO, he or she will be treated as such (e.g., if the Client's father is a HIO, the Client will be considered a HIO himself/herself).

Family Member

Some family members of a PEP and HIO must also be considered as PEPs or HIOs. Family members of the person concerned are the following: spouse or common-law partner, child, spouse's parent, mother or father, child of the mother or father of an affected person (brother or sister).

Closely Associated Person

A person who has close ties to a PEP or HIO for personal or professional reasons. The association does not have to be known to the public. Here are some examples of people closely associated with a PEP or HIO:

- A business partner of a PEP or HIO, or a person who holds, directly or indirectly, a business jointly with a PEP or HIO
- A person engaged in a romantic relationship with a PEP or HIO (partner or lover)
- A person engaged in financial transactions with a PEP or HIO

- An important member of the same political party or trade union as a PEP or HIO
- A person on the same board of directors as a PEP or HIO
- A person participating in charities in close connection with a PEP or HIO

PPVs are divided between Politically Exposed Foreigner Persons ("PEPs") and Politically Exposed Nationals ("PENs").

Politically Exposed Foreign Person (Foreign "PEP")

A person who holds or has previously held a position in or on behalf of a foreign state:

- Head of state or head of government
- Member of the executive council of government or member of a legislature
- Deputy Minister or equivalent office holder
- Ambassador or attaché or counsellor of an ambassador
- Military officer with a rank of general or higher
- Officer of a state-owned company or state-owned bank
- Head of a government agency
- Judge on a supreme court, constitutional court or other final appellate court
- Leader or president of a political party represented in a legislature

These persons are foreign PEPs regardless of their citizenship, resident status or place of birth. The foreign PEP status is permanent.

Politically Exposed Domestic Person ("PEDP")

A person who holds (or has held in the past five years) one of the following positions within or on behalf of the Canadian federal government, a Canadian provincial government or a Canadian municipal government:

- Governor General, Lieutenant Governor or Head of Government
- Member of the Senate or House of Commons or a member of a Legislative Assembly
- Deputy Minister or equivalent office holder
- Ambassador or attaché or counsellor of an ambassador
- Military officer with a rank of general or higher
- Officer of a corporation wholly owned by Her Majesty in right of Canada or a province
- Head of a government agency
- Judge on a provincial court of appeal, the Federal Court of Appeal or the Supreme Court of Canada
- Leader or president of a political party represented in a legislature
- Mayor (leader of a city, village, rural municipality or urban agglomeration)

A person ceases to be a PEDP five years after they have left office or five years after they are deceased.

Head of an International Organization (HIO)

A HIO is a person who holds or has held within the last five years the office or position of head of:

- an international organization established by the governments of states
- an institution of an international organization
- an international sports organization

In all cases, it must be the main person leading the international organization, institution or international sports organization, such as the president or Chief Executive Officer.

A person ceases to be an HIO five years after they have left office or five years after they are deceased.

International Organization ("IO")

An International Organization is an organization created by the governments of more than one state. The circumstances surrounding the establishment of the organization are therefore crucial in determining whether its leader is a HIO or not. If an IO was created by an officially signed agreement between the governments of various states, the leader of that organization is a HIO. The existence of these organizations is lawfully recognized by their member countries but the organizations do not belong to any of the member countries. IOs include the United Nations, the International Labour Organization, the World Health Organization, the International Monetary Fund, the Commonwealth, the International Court of Justice and the Asian Development Bank.

Regulation concerning communication with the beneficial owners of securities of a reporting issuer — Explanation

Notice: This section applies to Desjardins Private Wealth Management's Discretionary Management accounts as set out in sections 14 and 15 of the Discretionary Private Wealth Management Agreement. As a result, the Client does not have to make choices regarding to the accounts covered by this agreement.

Part 1 — Communication of information regarding beneficial ownership

Securities laws allow a reporting issuer, as well as other persons and corporations, to send documents related to the reporting issuer's internal affairs directly to beneficial owners of its securities if these owners do not oppose having personal details, meaning their name, postal address, email address, securities held and preferred language (hereinafter designated as "Personal Details") communicated to the reporting issuer or to other persons or corporations.

You are not required to **CONSENT** to the disclosure of your Personal Details to the reporting issuer. Securities legislation limits the use of your Personal Details by a reporting issuer to matters affecting its internal affairs.

If you **CONSENT** to the communication of your Personal Details, please tick the appropriate box on the Account Application Form. There are no costs for receiving documents sent to holders of securities.

If you **DO NOT CONSENT** to the communication of your Personal Details, please tick the appropriate box on the Account Application Form. In this case, all

documents you receive as the beneficial owner of securities will be sent to you by Desjardins Securities. Reasonable charges may apply, and will be debited directly from your Account. In either case, please provide Desjardins Securities with your email address.

Part 2 — Receiving documents for holders of securities

For any security you hold in any of your accounts, you have the right to receive proxy-related materials sent by a reporting issuer to registered holders of its securities in preparation for meetings, enabling you to receive, in particular, all information required to exercise voting rights related to your securities or to have these rights exercised in accordance with your instructions at these meetings.

Beneficial owners who are opposed to the communication of their Personal Details will not receive these documents, unless they, or the reporting issuer, assume the costs thereof.

In addition, reporting issuers may send the beneficial owners other documents intended for holders of securities, although they are not obliged to do so.

Under securities laws, you have the right to refuse to receive the three following types of documents intended for holders of securities:

- a) Proxy-related materials, including annual reports and financial statements, sent in preparation for meetings of holders of securities;
- b) Annual reports and financial statements that are not part of proxy-related materials;
- c) Documents that the reporting issuer or another person or corporation sends to holders of securities and that corporate laws or securities laws do not require to be sent to registered holders of securities.

If you **WISH** to receive **ALL** documents sent to beneficial owners of securities, please tick the appropriate box on the Account Application Form.

If you **DO NOT WISH** to receive the three above-mentioned types of documents, please tick the appropriate box on the Account Application Form.

If you **WISH** to receive only proxy-related materials concerning special meetings, please tick the appropriate box on the Account Application Form.

Note 1: Even if you do not wish to receive the three above-mentioned types of documents, the reporting issuers or other persons or corporations have the right to send them to you at their expense. These documents will be sent to you through the intervention of Desjardins Securities if you do not wish your Personal Details to be communicated to the reporting issuers.

Note 2: Even if you do not wish to receive the three above-mentioned types of documents, there are other documents that securities laws prohibit you from refusing to receive.

Part 3 — Consent for electronic transmission of documents

If you consent to receiving documents by email, you confirm to Desjardins Securities that:

- a) You have read and understood the terms of this consent;
- b) You have a computer and an Internet connection meeting the minimum requirements;
- c) Desjardins Securities is not responsible for any miscommunication that may be due, in whole or in part, to limitations or restrictions on your electronic equipment or by your service provider or to damage or malfunctions of your equipment or those of your service provider;

- d) You acknowledge that Desjardins Securities will send you notices or documents within the stipulated time at the email address you have provided and that you are responsible for checking your email on a regular basis in order to consult such documents in a timely manner;
- e) You are responsible for advising Desjardins Securities in a timely manner of any change of your email address;
- f) Desjardins Securities will have no obligation to send you a hard copy of the documents, unless you revoke your consent to email transmission in accordance with paragraph g) below or you request to obtain, free of charge, the hard copy of any document sent by email. However, hard copies may not be available in all circumstances;
- g) You acknowledge that you are not required to consent to email transmission of documents and that, if you do so consent, you may, at any time, revoke such consent by sending a written notice to Desjardins Securities;
- h) You acknowledge that, notwithstanding your consent to the email transmission of documents, in certain circumstances, Desjardins Securities may be required to send you hard copies of documents.

If you **WISH** to receive **ALL** security holder-related documents that are sent to beneficial owners by email, please tick the appropriate box on the Account Application Form.

If you **DO NOT WISH** to receive security holder-related documents sent to beneficial owners by email, please tick the appropriate box on the Account Application Form.

Questions

If you have any questions or if you wish to change your instructions, please contact your Advisor or send them a written request at the address shown on your portfolio statement.

Terms and Conditions Applicable to all Accounts

In consideration for Desjardins Securities agreeing to act, subject to the terms and conditions of this Agreement, as an agent for the Client, the Client agrees to the following:

1. Insider and/or Significant Shareholder

When Desjardins Securities undertakes a transaction on behalf of the Client, Desjardins Securities assumes, in the absence of express mention to the contrary by the Client, that the Client is not, directly or indirectly, an Insider and/or a Significant Shareholder of a reporting issuer. If the Client, directly or indirectly, becomes an Insider or a Significant Shareholder, the Client must expressly inform Desjardins Securities before completing any transaction in the Account.

2. Written Notice of Changes

The Client hereby agrees to notify Desjardins Securities immediately in writing of any change in their investment objectives, financial situation, risk factors, or any other information concerning their personal, professional, financial or family situation.

3. Rules Governing Securities Transactions

All securities transactions shall be subject to the constituting documents, by-laws, regulations, orders, customs and practices of the exchange or market (and, if applicable, of the clearing house), where they are executed and of the applicable self-regulatory organizations. Transactions that are not executed on an exchange or market are subject to the broker's practices for such type of transactions, including settlement procedures. These transactions shall also be subject to all applicable provincial laws and regulations and to all policies and decisions of all applicable regulatory authorities. The Client further acknowledges that the provisions of the documents

referred to in this section constitute a minimum standard in the brokerage industry and that Desjardins Securities may, at its sole discretion, apply more restrictive standards.

4. Registration, Securities Keeping and Free Credit Balance

The Client's securities may, at the discretion of Desjardins Securities, be registered in the name of Desjardins Securities Inc. or in the name of an agent designated by Desjardins Securities. The Client authorizes Desjardins Securities to entrust the custody of their securities, of any distribution with respect to such securities and of any proceeds of sale of such securities with any securities custodian or any other depositary, in Canada or abroad, approved by Desjardins Securities. The Client acknowledges that the securities may be represented by certificates or documents other than those originally representing them when acquired. The Client shall give notice to Desjardins Securities if the Client wishes that any securities held for the Client be withdrawn, and Desjardins Securities shall deliver to the Client such securities within a reasonable timeframe if they can be registered in the Client's name or shall deliver said securities to another financial institution. The Client may not withdraw securities if the Client is in default under the present Agreement or under any other agreement between the Client and Desjardins Securities or if the Client is insolvent or bankrupt. The Client agrees to pay to Desjardins Securities administration fees in accordance with the rates and terms in force from time to time and acknowledges having been informed of the current rates and terms. Any free credit balances held by Desjardins Securities in an account of the Client represents funds payable on request which, although they are accounted for in the books of Desjardins Securities on a regular basis, are not segregated and may be used by Desjardins Securities in the normal course of its business.

5. Confirmation Slips and Statements of Account

The Client undertakes to examine carefully, upon receipt, all confirmation slips that, as the case may be, could be communicated in accordance with the terms of Section 16 of the Private Wealth Management Discretionary Management Agreement, and statements of account sent by Desjardins Securities with respect to all accounts held with Desjardins Securities, and to notify Desjardins Securities, in writing, if they do not understand any of the information contained in these documents, if they any mistake or omission or if they raise any objection to any such information, at the earliest possible occasion, but no later than 10 days following the date of such confirmation slips, as applicable, or within 45 days following the date of any statement of account, as the case may be, at the following address: Compliance Department, Desjardins Securities Inc., 1170 Peel Street, Suite 300, Montréal (Québec) H3B 0A9, or at any other address that Desjardins Securities may make known to the Client.

At the expiry of the above-mentioned delays, Desjardins Securities will deem that the Client has understood, confirmed and ratified all trades referred to in the confirmation slips, as the case may be, and statements of account, as well as the accuracy and sufficiency of the information confirmed. The Client also acknowledges that the market value of the securities indicated on said statements of account is provided to Desjardins Securities by sources that are deemed to be reliable. However, Desjardins Securities makes no representation and warranty with respect to the accuracy of such information. The Client acknowledges that market value for securities will fluctuate according to market conditions and economic circumstances. Thus, the Client acknowledges that Desjardins Securities makes no representation and warranty that market value for securities will be maintained or that it will increase.

6. Transaction Settlements

Unless otherwise specified in a margin account agreement, as the case may be, the Client must pay to Desjardins Securities the price of all securities purchased on their behalf and deliver all securities sold on their behalf that are not already held on behalf of the Client by Desjardins Securities or an agent, at the latest on the settlement date. If the Client does not pay for the securities or if they not deliver the relevant securities, Desjardins Securities may, at its sole discretion, execute, reverse or take any other action required in respect of the transaction, at its sole discretion. The Client must then pay to Desjardins Securities all debits, damages, costs and fees incurred by Desjardins Securities in relation thereto.

7. Commissions, Management Fees and Other Fees

The Client must pay to Desjardins Securities the commissions or management fees, as the case may be, as agreed at the time of opening the Account. The rates of commissions and management fees may vary from time to time. The Client must also pay to Desjardins Securities the fees indicated in the "Fee Schedule" provided to the Client at the time of opening the Account, which fee schedule may be modified from time to time. The Client acknowledges having been informed of the current rates, commissions, management fees and terms. The Client acknowledges that Desjardins Securities and its Advisors may receive commissions, trailing fees or other forms of additional compensation from third parties in relation to certain transactions involving the purchase, holding or sale of securities for the Client's Account, such as units or shares in investment funds, exchange traded funds, bonds, principal protected notes or newly issued securities sold by Desjardins Securities as underwriter or trader for an account. In addition, when Desjardins Securities acts as principal in a trade, particularly with regard to fixed-income securities, it may also receive further compensation, including a profit from the spread between the buying and selling prices.

8. Currency Conversion

In any transaction requiring currency conversion, Desjardins Securities may earn, in addition to brokerage fees, income from the conversion. In such transaction, Desjardins Securities acts as principal and uses a competitive conversion rate based on bid and ask rates for the currency, with "currency conversion" and "income" included as separate parts. Any currency conversion is conducted at the rate in effect on the day of the transaction.

9. Principal Transactions

Desjardins Securities may execute, on behalf of the Client, transaction orders as principal. The Client agrees to ratify any operation concerning their Account for which Desjardins Securities acts as principal for the execution of any purchase or sale order or any other order, and agrees to pay the applicable transaction fees.

10. Related and Connected Issuers

The Client authorizes Desjardins Securities to execute, for their Account, transactions on securities from issuers related or connected to Desjardins Securities or belonging to the same group, provided that such transactions are made on commercial terms and are consistent with the Client's investment objectives. When Desjardins Securities execute transactions on securities of a related or connected issuer for the Client, the statements of account will indicate the related or connected status of the issuer. The Client acknowledges that a list of related or connected issuers is included in the Relationship Disclosure Document and that they have read it and accepts the contents thereof. This list will be updated regularly on Desjardins Securities' website and a copy of the updated list shall be communicated to the Client on an annual basis. The Client undertakes to carry out regular verifications of Desjardins Securities' website and to review any update of the list of related or connected issuers. In the absence of any objection

from the Client within 10 days of receipt of the updated list of related or connected issuers, the Client shall be deemed to have agreed to the content of the updated list.

11. Client Indebtedness

Unless otherwise specified in the Margin Account Agreement, as the case may be, any indebtedness of the Client to Desjardins Securities pursuant to this Agreement or any other agreement between the Client and Desjardins Securities for transactions made on their behalf by Desjardins Securities or otherwise and any payment made by Desjardins Securities on behalf of the Client must be paid to Desjardins Securities on demand. These amounts shall bear interest from the date on which they become payable or, in the case of a payment made by Desjardins Securities, from the date of such payment. Any amount due by the Client pursuant to this Agreement or any other agreement between the Client and Desjardins Securities, and the interest thereon, may be charged to the Client's Account.

If the Client has other accounts with Desjardins Securities, the Client authorizes Desjardins Securities to transfer, if Desjardins Securities deems it necessary, any credit balance in such other account to the Account governed by this Agreement. Desjardins Securities is also authorized to use the proceeds of any sale and any other sum held by Desjardins Securities on behalf of the Client to pay for any indebtedness of the Client; Desjardins Securities may make any choice with respect to such credits. Any conversion from a currency to another currency must be made with the exchange rate in force on the date of conversion. In case of any transfer from an account of the Client to the Account governed by this Agreement, Desjardins Securities may convert the amount to be transferred in Canadian dollars.

12. Control, Pledge, Hypothec and Security Interest

- a) Control Agreement (an *Act respecting the transfer of securities and the establishment of security entitlements*)

The Client hereby consents to Desjardins Securities being the registered holder of all securities and security entitlements deposited by the Client with Desjardins Securities or credited to them in one or more securities accounts maintained by Desjardins Securities on behalf of the Client pursuant to this Agreement and acknowledges that Desjardins Securities shall be the appropriate rights holder thereof. The Client further consents and acknowledges that this Agreement shall constitute for all legal purposes a control agreement in respect of such securities and security entitlements within the meaning of the foregoing statute.

- b) Pledge and Moveable Hypothec with Delivery (applicable in Québec only)

All securities, security entitlements and all other securities and instruments, credit balances, monies held, other property as well as all distributions with respect to such property and all proceeds of sale of such property in which the Client has an interest at any time and of which Desjardins Securities is directly the holder, depository, securities intermediary or registered holder or indirectly through any other person authorized by this Agreement to hold and receive same on deposit in a securities account or otherwise (collectively, the "Secured Property"), are pledged and hypothecated with delivery in favour of Desjardins Securities as security for the performance of all present and future obligations of the Client pursuant to this Agreement or any other agreement between the Client and Desjardins Securities. Desjardins Securities may give written proof of such security to parties who hold a control agreement or to third parties. Desjardins Securities may also make the necessary

transfer with any appropriate clearing house in order to acquire possession of the Secured Property against third parties.

- c) Pledge and Security Interest (applicable in any provinces where Desjardins Securities transacts business, except Québec)

All securities, security entitlements and all other securities, instruments, credit balances, monies held or other property in which the Client has an interest at any time and of which Desjardins Securities is the holder, depository or registered holder or that are held by or are in the possession of an agent in the Client's Account, as well as all distributions with respect to such property and all proceeds of sales of such property (collectively, the "Secured Property"), are collateral subject to a security interest and are pledged in favour of Desjardins Securities, and the Client hereby pledges and hypothecates such Secured Property as collateral in favour of Desjardins Securities for the discharge of all present or future obligations of the Client pursuant to this Agreement or any other agreement between the Client and Desjardins Securities.

- d) Default

If the Client fails to perform any of their obligations under this Agreement or under any other agreement between the Client and Desjardins Securities or becomes insolvent or bankrupt, Desjardins Securities may, in its sole discretion, sell by mutual agreement or otherwise all or part of the Secured Property or take it in payment of the obligations of the Client under this Agreement or under any other agreements between the Client and Desjardins Securities. Desjardins Securities may also, in its sole discretion, exercise any other right provided by the law or by any agreement between the Client and Desjardins Securities, the whole without any notice to the Client or to any other person or without any delay prescribed by the law or by any applicable agreement. Such rights of

Desjardins Securities may be exercised together or separately and in the order that Desjardins Securities may decide at its sole discretion. Desjardins Securities may credit the proceeds arising from the exercise of its recourses in payment of any obligations of the Client. Desjardins Securities may make any choice with respect to such credits.

13. Liability and Exceptional Circumstances

Desjardins Securities shall not be liable with respect to any losses that the Client may incur in their Account and/or resulting from their securities transactions or with respect to any delay in the receipt or execution of any orders of transactions or to transfer securities or balances from an account of the Client to a third party, for any reason whatsoever, except in the case of intentional fault, gross negligence or failure to comply with their legal or regulatory obligations on the part of Desjardins Securities. Desjardins Securities has no obligation and no liability with respect to the exercise of any rights to vote, to subscribe or to convert or any other rights attached to the securities held in the Account of the Client or with respect to the exercise of an option. Desjardins Securities shall also not be liable for any losses resulting from restrictions made by a public authority, or by a decision of an exchange or a market, from a suspension of transactions, from abnormal or unusual activities in the markets, from war, strike or any other independent circumstances or any acts of God.

14. Errors or Omissions

Desjardins Securities shall not be liable for errors or omissions affecting an order or its execution related to the purchase, sale, execution or expiry of any security or any connected matter, unless the error or omission was caused by negligence, bad faith or a breach of statutory or regulatory obligations on the part of Desjardins Securities.

15. Securities Professional

Any person who is an employee, officer or director of Desjardins Securities, and any person working in any capacity in the securities industry, as well as any such person's spouse or relative living under the same roof, is considered a professional for the purposes thereof.

16. Amendment

Desjardins Securities may amend the provisions of this Agreement by sending 30 days' written notice to the Client.

17. Termination

Subject to the provisions of specific account agreements, the Client may terminate this Agreement by sending a written notice to Desjardins Securities. Such termination shall take effect immediately upon receipt of said notice by Desjardins Securities. Desjardins Securities may terminate this Agreement by sending a written notice to the Client at their address as shown in Desjardins Securities' files.

18. Death

Subject to certain provisions of specific account agreements, in the event of the death of the Client, Desjardins Securities will not accept any new order or instruction for all accounts held by the Client with Desjardins Securities until the Client's legal representative or successor has authority to provide new instructions. During this period, no withdrawal or transfer out can be made in any of the accounts held by the Client with Desjardins Securities. Desjardins Securities shall not be held responsible for any loss or damage directly or indirectly arising from the application of this section.

19. Miscellaneous

All notices, documents and communications to the Client required under any law or any agreement between the Client and Desjardins Securities may be sent to their address provided in the Client's Account Application Form or to any other address that the Client may provide to Desjardins Securities. Such notices, documents and communications shall be deemed to have been received on the third business day after mailing or on the date of delivery if delivered in person or by messenger.

Unless otherwise provided, any notice required under any agreement between the Client and Desjardins Securities shall be sent by regular prepaid mail to the following address:

Desjardins Securities Inc.
2, Complexe Desjardins C.P. 991
Desjardins Station
Montréal (Québec) H5B 1C1

Any agreement between the Client and Desjardins Securities shall take effect to the benefit of Desjardins Securities, its successors and assignees, and of the Client as well as their heirs, estate executors, succession administrators, legatees, liquidators or successors, as the case may be, and it shall also be binding on them. The Client may not assign any agreement between them and Desjardins Securities and any of the rights and obligations resulting therefrom.

Any agreement between the Client and Desjardins Securities is governed by, and must be construed in compliance with, the laws of the Canadian province or territory in which the Client resides at the time of signing the Account Application Form.

The monies kept in the securities accounts of Desjardins Securities and the securities sold by Desjardins Securities, unless notice is given to the contrary, are not insured in whole or in part by the Canada Deposit Insurance Corporation, the Régie de l'assurance-dépôts du Québec or by any another public deposit insurance

fund, and are not guaranteed in whole or in part by Desjardins Securities, the Caisses Desjardins or other components of Desjardins Group.

The Client's Account is covered, in case of insolvency of the dealer by the Canadian Investor Protection Fund up to certain specific limits provided by said Fund. A brochure explaining the conditions and limits of the coverage is available upon request.

The invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of any other provision of this Agreement, which Agreement shall be construed as if the invalid or unenforceable provision had been omitted. The provisions of this Agreement shall be considered as distinct and supplementary to any other provision contained in any other agreement between the Client and Desjardins Securities.

In any agreement between the Client and Desjardins Securities, as well as in any other document sent by Desjardins Securities to the Client, the singular includes the plural and vice versa, and the masculine includes the feminine and vice versa.



Discretionary Private Wealth Management Agreement

Notice: In this Agreement, "Client" means the client who signed the Account Application Form.

The Client hereby authorizes Desjardins Securities Inc. (hereinafter "Desjardins Securities") to manage their assets or certain of their assets through a discretionary management account (hereinafter "Discretionary Management Account"), and Desjardins Securities agrees to operate the Discretionary Management Account in accordance with the terms and conditions set forth below:

1. Applicability

This Agreement shall apply in addition to the provisions of the General Account Agreement and of any other agreement between the Client and Desjardins Securities.

2. Discretionary Management

The Client entrusts their Discretionary Management Account to a Desjardins Securities portfolio manager in order for the latter to provide discretionary management services. The Client gives Desjardins Securities the discretionary authority to execute any transaction on the securities (including their sale and purchase) or the assets under management of the Discretionary Management Account, in accordance with the personalized Investment Policy as initially appended to the Account Application Form and as it could later be amended (the "Investment Policy", included as Appendix A to this Agreement).

3. Portfolio Manager

The Client authorizes the portfolio manager and Desjardins Securities to choose the segregated accounts and funds portfolios that comprise the Discretionary Management Account, make any and all decisions they consider appropriate and trade (including all rights as a holder of securities) any securities that they consider appropriate at their entire discretion, provided that is in keeping with the Investment Policy and any restrictions agreed upon. The Client agrees that Desjardins Securities may use funds portfolios and segregated accounts developed by portfolio managers other than Desjardins Securities and that Desjardins may receive assistance from such portfolio managers, on the condition that only Desjardins Securities shall have the discretionary authority to make transactions in respect of the Discretionary Management Account.

4. Broker

The Client agrees that Desjardins Securities may execute as a broker or cause to be executed by any other broker of its choice any or all transactions in their Discretionary Management Account.

5. By-Laws

All trades in the Discretionary Management Account are subject to statutes and regulations, as well as to regulations, rulings, policies, rules and practices of the various regulatory and self-regulatory organizations of which Desjardins Securities is a member and, where applicable, of the clearing house where a trade is conducted.

6. Investor Profile

The Client acknowledges that the investment objectives, general investor profile, including their personal and financial situation, investment time horizon, risk profile and investment knowledge, for the Discretionary Management Account are determined in accordance with the Account Application Form and in the Investor

Profile Form and that Desjardins Securities shall use this information to determine the investor profile and investment policy of the Client and the suitability of their investments. This information shall have precedence over any other document provided to the Client or by them.

7. Investment Policy

The Client acknowledges that they have received a copy of the Discretionary Management Account's Investment Policy. The Client acknowledges that the Investment Policy is in keeping with their needs, consolidated investment objectives and risk profile, as established in the Account Application Form and their risk profile determined in the Investor Profile Form, which take into account their personal and financial situation, investment time horizon, risk profile and investment knowledge. However, the Client acknowledges that market fluctuations may lead to discrepancies with the model portfolio Investment Policy.

8. Change in Client Information

The Client hereby agrees to notify Desjardins Securities immediately in writing of any change in their investment objectives, financial situation, account-related risk factors, or any other information concerning their personal, professional, financial or family situation provided to Desjardins Securities in connection with the Discretionary Management Account.

9. Privileged Information

The Client declares to Desjardins Securities that they are not an insider of a reporting issuer and is not banned from trading securities of an issuer, except for those indicated on the Account Application Form, as the case may be. Moreover, the Client agrees to notify Desjardins Securities immediately in writing of any change concerning the information provided in this regard in the Account Application Form.

10. Transactions on Securities of Related Issuers and Proprietary Products

The Client agrees that Desjardins Securities may, in the course of managing the Discretionary Management Account, make transactions on i) securities of an issuer that Desjardins Securities or a person in its group owns, ii) securities in whose placement Desjardins Securities or a person in the same group is participating, iii) securities of a related or connected issuer, iv) proprietary products managed by Desjardins Securities or by a company related or in the same group, or v) securities issued by an issuer that has an employee, agent, partner, director or officer as an employee, agent, partner, director or officer of Desjardins Securities or of Desjardins Group. However, in the latter case, such a transaction may not be made if such employee, agent, partner, director or officer of Desjardins Securities or Desjardins Group participates in a decision concerning a transaction made for the Discretionary Management Account, unless the Client has been given notice thereof and has authorized such a transaction.

As part of its discretionary portfolio management mandate, Desjardins Securities may acquire DIM Private Funds units on behalf of the Client. Desjardins Global Asset Management Inc. ("DGAM") acts as the portfolio manager for several DIM Private Funds. As such, the Client expressly and specifically authorizes DGAM to execute transactions on securities from issuers related or connected to DGAM or belonging to the same group for the DIM Private Funds held by the Client, provided that such transactions are made on commercial terms and are consistent with the DIM Private Funds's investment policy. Issuers related or connected to DGAM are the same as those related or connected to Desjardins Securities, which are listed in the *Related and Connected Issuers Disclosure to Desjardins Securities* section.

11. Restrictions

11.1. Desjardins Securities shall not, except with the prior written consent of the Client, allow the following transactions in the Discretionary Management Account:

- a) An investment in securities of an issuer, or in a future or option in respect of the securities of an issuer, in which a person responsible for managing the Discretionary Management Account holds a position as officer or director, and no investment of this type shall be made even with the Client's written consent, unless said officer or director position has been disclosed to the Client;
- b) An investment in new issues or secondary offerings underwritten by Desjardins Securities.

11.2 Desjardins Securities must not knowingly cause the following transactions to be conducted in the Discretionary Management Account:

- a) The purchase or sale of the securities of an issuer, or of a future or option on the securities of an issuer, from the personal brokerage account of a person responsible for managing the Discretionary Management Account or the account of a person related to that person;
- b) A guarantee or a loan granted to a person responsible for managing the Discretionary Management Account or to a person related to that person;
- c) The purchase or sale of the securities of an issuer, or of a future or option on the securities of an issuer from or to an investment fund for which a person responsible for managing the Discretionary Management Account acts as an advisor.

For the purposes of Section 11, a "person responsible for managing the Discretionary Management Account" means any Desjardins Securities employee (including any director or officer) or agent who helps formulate advice for the management of the Discretionary Management Account or participates in investment decisions or knows of such advice or decisions prior to their implementation. A "person related" means, with regard to an employee or agent of Desjardins Securities, (i) a corporation of which the employee or agent is the beneficial owner, either directly or indirectly, of voting securities with more than ten percent (10%) of the voting rights attached to all outstanding voting securities of the corporation; (ii) a partner of the employee or agent; (iii) a trust or estate in which the employee or agent has a substantial beneficial interest or as to which the employee or agent serves as trustee or in a similar capacity; (iv) a family member of the employee or agent who lives in the same household; (v) a person living together with the employee or agent in marriage or in a conjugal relationship outside of marriage; (vi) a family member of a person described in subparagraph (v) living in the same household as the employee or agent.

The foregoing shall not be interpreted as preventing Desjardins Securities from investing on behalf of the Discretionary Management Account in the securities of an issuer in which Desjardins Securities or its directors, officers or employees, other than those responsible for managing the Discretionary Management Account, may have an interest, whether through participation in selling an issue or through share ownership or through a position as officer or director, including securities of a related or connected issuer in accordance with provisions of the General Account Agreement.

12. Minimum Deposit or Withdrawal

Any additional deposit or withdrawal may require multiple transactions to comply with the segregated accounts or funds portfolio that comprise the Discretionary Management Account. The Client acknowledges that in order to avoid a multitude of small transactions, Desjardins Securities may wait until the amount of liquid assets is sufficient before investing them. Desjardins Securities may also, at its sole discretion, impose minimum withdrawal requirements for withdrawal requests requiring transactions.

13. Allocation

The Client understands and agrees that certain transactions may be made for their Discretionary Management Account only, or as part of overall transactions made both for the Client and for other Desjardins Securities clients. In such case, Desjardins Securities agrees to ensure that purchases and sales of securities in its discretionary management accounts are allocated among said accounts in a fair and equitable manner, taking into account, however, their respective investment objectives, their respective investment policies, and the funds or securities available for settlement of trades in each of the discretionary management accounts. Subject to the foregoing, allocation of investment opportunities shall be done on a proportional basis.

14. Voting Rights and Other Securityholders' Rights

The Client allows Desjardins Securities to exercise all the rights attached to the securities held in the Discretionary Management Account, including the proxy voting rights. Desjardins Securities may, in its sole discretion, exercise all the rights attached to the securities held in the Discretionary Management Account, including but not limited to the right to vote or abstain from voting at shareholders' or securityholders' meetings, to buy, sell or exercise all rights or warrants, to exercise or abstain from exercising

any conversion privilege attached to any security or any other right normally attributed to security holders, to give or abstain from giving its consent or participate or abstain from participating in any reorganization, restructuring of capital, amalgamation or similar transaction with respect to an entity whose shares or other securities are included in the Discretionary Management Account. This provision applies notwithstanding receipt of or access to documents related to the annual and special meetings of securityholders of an issuer by the Client.

15. Documentation for Securityholders

The Client acknowledges that they will not receive the prospectuses, information circulars, annual reports or any other documents related to the annual and special meetings of securityholders of an issuer whose securities have been purchased and included in the Discretionary Management Account, subject to exceptions or in cases where said documents must obligatorily be provided in accordance with applicable securities regulations laws.

16. Renunciation to Confirmation Slips

The Client hereby renounces to their right to receive a trade confirmation slip for each transaction made in the Discretionary Management Account. They understand that said renunciation is revocable and that the revocation of this renunciation shall take effect upon Desjardins Securities receiving a written notice from the Client to this effect. Desjardins Securities shall provide the Client with a regular monthly statement of account for the Discretionary Management Account.

17. Management Fees and Charges

The Client expressly agrees that Desjardins Securities may charge the Discretionary Management Account directly for monthly management fees, calculated in accordance with Appendix B — Fees and Charges to this Agreement. Management fees may be modified from time to time. Notwithstanding the foregoing, no

change in management fees shall take effect without Desjardins Securities sending the Client at least a 60 days' written notice thereof. In addition, the client expressly agrees that commissions may be charged by Desjardins Securities for trades relating to segregated accounts under Desjardins Private Wealth Management's service offering.

18. Administration Fees and Charges

The Client acknowledges that, notwithstanding the provisions of this Agreement taking effect, administration fees normally payable in connection with managed accounts shall continue to apply to the Discretionary Management Account, based on the fee schedules in force from time to time at Desjardins Securities.

19. Taxes

The Client agrees to pay to Desjardins Securities, in addition to the other amounts payable under this Agreement, the Goods and Services Tax and any applicable provincial sales tax.

20. Payment of Fees and Charges

The Client acknowledges that management fees to be charged represent a percentage of the value of the Discretionary Management Account. Except in cases where Desjardins Securities is otherwise notified in writing by the Client, the Client authorizes Desjardins Securities to take payment of the management fees, commissions, if applicable, administration fees and applicable taxes, by debiting the full amount of these fees, as determined by Desjardins Securities, from the Discretionary Management Account.

21. Currency

The Client acknowledges that fees shall be payable in Canadian dollars, except if the Client only has a Discretionary Management Account denominated in U.S. dollars. In the latter case, fees shall be payable in U.S. dollars. For the calculation of fees payable in Canadian dollars, Desjardins Securities shall

convert to Canadian dollars the market value of assets denominated in U.S. dollars using the exchange rate in force at the end of the relevant quarter.

22. Limitation of Liability

The Client acknowledges that Desjardins Securities, its directors, senior executives, officers and employees or agents shall in no way be liable for any loss incurred in the Discretionary Management Account, for any decline in the value of the assets contained in the Discretionary Management Account, or for any shortfall in gains or returns, unless they commit a gross or intentional fault or fail to comply with their legal or regulatory obligations. The Client acknowledges and agrees that the return on the Discretionary Management Account depends on market fluctuations and that Desjardins Securities does not in any way guarantee the return on, nor that any loss will not occur in, this account.

23. Coming into Force and Renewal

Subject to the provisions hereof, this Agreement shall take effect from the date on which the account is approved as a Discretionary Management Account by the designated supervisor and shall end on December 31 of the year in which Account Application Form was signed (hereinafter the "Initial Period"). This Agreement shall be automatically renewed each year for an additional period of one year, at the expiration of the Initial Period or at the expiration of any renewal period, as the case may be, unless the Client or Desjardins Securities receives, at least 30 days before the expiration of the period in question, a written notice from the other party indicating its intention not to renew the Agreement.

24. Conversion and Transfer of Registered Plans

Subject to the provisions hereof and other applicable tax laws and regulations, the Client acknowledges that Desjardins Securities will automatically convert the tax plan under which a Discretionary Management

Account is managed from a Registered Retirement Savings Plan ("RRSP") to a Registered Retirement Income Fund ("RRIF"), or from a Locked-In Retirement Account ("LIRA") to a Life Income Fund ("LIF"), as soon as the transfer to such types of plans becomes mandatory at the age of 71 years old. Desjardins Securities shall not be responsible for any loss or damage arising directly or indirectly from the application of this section.

25. Death

In the event of the death of the Client, Desjardins Securities shall continue to manage the Discretionary Management Account in accordance with the Client's investment objectives as established in the Account Application Form, the Investment Policy, as well as any restriction agreed upon, until the Client's legal representative or successor has authority to provide new instructions. During this period, no withdrawal or transfer out can be made. Desjardins Securities shall not be held responsible for any loss or damage directly or indirectly arising from the application of this section.

26. Incapacity

In the event of the incapacity of the Client, Desjardins Securities shall continue to manage the Discretionary Managed Account in accordance with the Client's investment objectives as established in the Account Application Form, the Investment Policy, as well as any restriction agreed upon, until the Client's legal representative or authorized mandatary under the Client's protection mandate that is homologated by a competent court, is authorized to provide new instructions. During this period, no withdrawal or transfer out can be made. Desjardins Securities shall not be responsible for any loss or damage arising directly or indirectly from the application of this section.

27. Termination

The Client may terminate this Agreement by sending a written notice to Desjardins Securities to that effect. Such termination shall take effect immediately upon receipt of said notice by Desjardins Securities, except with regard to transactions whose order was taken prior to the receipt of the notice. Desjardins Securities may terminate this Agreement by sending a written notice to the Client at their address as shown in Desjardins Securities' files. Such termination shall take effect within 30 days following the date on which the written notice is sent to the Client. In the event of the termination of this Agreement, including the receipt of a notice of non-renewal, the Client agrees that if Desjardins Securities has purchased units or other securities of pooled funds, including from DIM Private Funds that said units or other securities may not be kept by the Client and Desjardins Securities is expressly authorized to sell said units or other securities or cause them to be redeemed in accordance with the procedures applicable to the said pooled funds. Subject to the time it takes to sell or redeem the units or other securities of pooled funds, including from DIM Private Funds, that the Client may hold in their Discretionary Management Account upon expiry of this Agreement, the Client takes back possession of the assets, on the condition that any amount owed to Desjardins Securities under this Agreement has been paid, otherwise Desjardins Securities may take as a pledge, all or part of the assets in the Discretionary Management Account that it considers enough to ensure full payment of the amount owed, and without prejudice to any of its other rights.

28. Validity

The invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of any other provision of this Agreement, which Agreement shall be construed as if the invalid or unenforceable provision had been omitted. The provisions of this Agreement shall be considered as distinct and supplementary to any other provision contained in any other agreement between the Client and Desjardins Securities.



4. STATEMENT OF PRINCIPLES ON CONFLICTS OF INTEREST



Introduction

Desjardins Securities Inc. ("we," "our," "us," or "Desjardins Securities") is an indirectly wholly owned subsidiary of the Fédération des caisses Desjardins du Québec (the "Fédération").

Desjardins Securities is an investment dealer registered in all provinces and territories of Canada.

Desjardins Securities carries out its full-service securities brokerage activities under the trade names "Desjardins Wealth Management" and "Desjardins Wealth Management Private Wealth Management", depending on the network, and its online brokerage activities under the trade name "Desjardins Online Brokerage". Desjardins Securities' institutional brokerage activities are carried out under the trade name "Desjardins Capital Markets".

It is important to Desjardins Securities that its clients be informed of existing or potential material conflicts of interest that could arise in the course of its activities, including how these material conflicts of interest are addressed in the best interest of clients.

A conflict of interest arises when the interests of different persons, e.g., a client and Desjardins Securities or one of its representatives (directors, officers, partners, employees, agents) are incompatible or divergent.

Desjardins Securities takes reasonable measures to identify any material conflicts of interest that exist or that it can reasonably expect to arise. It assesses the level of risk associated with each conflict and avoids any situation that involves a serious conflict of interest, presents too great a risk for its clients or may materially compromise market integrity. In any other material conflict of interest situation, Desjardins Securities ensures that appropriate measures are put in place to effectively control the conflict.

Generally, a conflict of interest is material if the conflict may be reasonably expected to influence either your decisions as a client in the circumstances or Desjardins Securities' or its representatives' decisions in the circumstances.

Desjardins Securities, through this Statement of Principles on Conflicts of Interest (the "Statement of Principles"), informs you of the nature and scope of conflicts of interest that may have an impact on the services it offers you.

Conflict of interest situations

The main situations in which Desjardins Securities could be in a material conflict of interest, and the way in which Desjardins Securities intends to address such conflicts, are described below.

We will inform you in a timely manner should any additional material conflicts of interest be identified after account opening.

1. Related and Connected Issuers

As part of its business activities, Desjardins Securities may buy or sell securities of related and connected issuers on behalf of its clients, exercise its discretion to buy or sell such securities pursuant to discretionary management agreements, or make recommendations in respect of such securities.

Desjardins Securities may also, as part of its business activities, be called upon to act as an underwriter or a member of a selling group for the sale of the securities of such issuers. Its other divisions may at the same time recommend such securities.

We usually manage these conflicts of interest as follows:

- When we exercise discretionary authority to purchase or sell securities of a related or connected issuer with regard to your account, disclosure will be made before we exercise our discretion, either through the delivery of this Statement of Principles or its posting on our website, disclosure in the account agreement governing your account or otherwise.
- When we buy or sell securities of a related or connected issuer on your account, we will disclose our relationship to the issuer in the trade confirmation and account statement.
- When we participate as an underwriter or a member of a selling group of securities of a related or connected issuer, we will disclose our relationship to the issuer in the prospectus or other document being used to qualify these securities.

For a description of a related and/or connected issuer and/or to view a current list of our related and connected issuers, see section *Related and connected issuers disclosure* below.

2. Proprietary Products

As part of its business activities, Desjardins Securities may buy or sell, on behalf of its clients, products made by our affiliates ("proprietary products"), exercise its discretion to buy or sell such products pursuant to discretionary management agreements, or make recommendations in respect of such products.

These proprietary products include, but are not limited to, DIM Private Funds, other investment funds and exchange traded funds, guaranteed investment certificates, principal-protected notes and high-interest savings accounts offered by our affiliates.

Offering proprietary products generally gives rise to a conflict of interest that could affect the independence of a firm or of its representatives when assessing the suitability or quality of exclusive products.

We usually manage such conflict of interest as follows:

- We implement a process to review and learn about the products that takes into account various factors in assessing whether proprietary products should be included in Desjardins Securities' product offering to clients.
- We continuously monitor products, that includes the performance and suitability of securities with regard to a Client's investment profile and objectives.
- We frequently review comparable non-proprietary products offered on the market.
- We disclose related and connected issuer relationships to Clients. See also section 1 *Related and Connected Issuers* above.

3. Relations between Desjardins Securities and other Desjardins Group Entities

As part of its commercial activities, Desjardins Securities may enter into service agreements with affiliated partners who are members of the same financial group, Desjardins Group. These include the asset management service agreements that Desjardins Securities may enter into, as part of its discretionary management mandates and service offers, with Desjardins Global Asset Management Inc., Desjardins Capital Management Inc., Fiera Capital Corporation, or other affiliated portfolio managers. Desjardins Securities will do so, in accordance with applicable regulations and its obligations toward its clients, by implementing a portfolio manager selection process and monitoring portfolio manager performance.

Shared Premises with Desjardins Group Entities

Desjardins Securities is a separate entity from the Fédération, the Caisse Desjardins Ontario Credit Union Inc., as well as their member caisses. In some cases, the premises of these entities are located at the same address and in the same offices. Desjardins Securities representatives perform their duties solely on behalf of Desjardins Securities. In addition, unless Desjardins Securities informs the client otherwise, the securities bought through Desjardins Securities have the following features:

- a) They are not guaranteed by a government deposit insurer
- b) They are not guaranteed by the caisses
- c) Their value may fluctuate

4. Relationship with Other Issuers

As part of its business activities, Desjardins Securities may act in various capacities, often simultaneously, with respect to an issuer.

Desjardins Securities may, for a fee, act as a corporate financing advisor, an underwriter, or a member of a selling group with respect to issuers.

Desjardins Securities may express opinions or issue research reports with recommendations on issuers.

Desjardins Securities may buy or sell securities of an issuer on behalf of its clients, exercise its discretion to buy or sell such securities pursuant to discretionary management agreements, or make recommendations in respect of such securities. Such securities may on occasion be owned or traded by Desjardins Securities and its representatives.

Desjardins Securities may act as a market maker.

These different, and often simultaneous, roles of Desjardins Securities could have an impact on its independence regarding these issuers. Desjardins Securities has therefore put in place the following measures to effectively control the existing or potential conflicts of interest that may arise in the course of its commercial activities:

- The relationships between the different divisions of Desjardins Securities are subject to specific and effective policies and procedures, which are based on the regulations in force and prevent our retail advisory employees from having access to any non-public information that may be available to our corporate finance businesses.
- The offering documents provide full disclosure of all relationships we may have with the issuer.

- We notify you and obtain your consent before exercising our discretion with regard to your account to invest in new or secondary issues underwritten by Desjardins Securities.
- The activities of the research division of Desjardins Securities, which expresses opinions and issues research reports with recommendations on issuers, are subject to policies on disclosure of potential conflicts of interest.

5. Compensation and Incentives

Direct compensation is paid by you to Desjardins Securities and its advisors and consists of management fees as well as commissions and account-related fees.

When Desjardins Securities acts as principal in a trade involving debt securities, it may receive an income resulting from the spread between the buying and selling rates.

In any transaction requiring currency conversion, Desjardins Securities may earn income from the conversion.

For more information on Desjardins Securities forms of compensation, please see the section *Our Discretionary Management Service Offering for Desjardins Private Wealth Management* in this document.

Desjardins Securities representatives may also receive incentives (monetary or otherwise) for the achievement of individual or business unit objectives, with regards to business development and/or income generated.

In general, compensation and incentives may have the effect of encouraging a firm or its representatives to recommend a product or service that provides them with higher compensation.

We usually manage these conflicts of interest as follows:

- For managed accounts, we disclose the fee rates to you in the account opening documents.
- We have implemented a comprehensive supervision program that is reasonably designed to detect, among other things, conflicts of interests between our representatives and clients with regards to trading activities and inappropriate trading.
- You will also receive, for the period ending December 31 of each year, a report on the fees and other forms of compensation paid to Desjardins Securities for the services and advice you benefited during the year.

6. Referral Arrangements

As part of its activities, Desjardins Securities may enter into referral arrangements with business partners, including with the business partners members of the same financial group, the Desjardins Group.

The terms of our referral arrangement will be set out in writing and provided to you prior to the account opening, either through the delivery of this Statement of Principles or otherwise.

Such disclosures will allow you to make an informed decision with respect to the referral, if applicable, and assess any potential conflicts of interest.

We undertake periodic reviews of our referral arrangements in order to ensure that the referral fees received or given do not encourage practices incompatible with our obligations toward our clients.

For further details on the Desjardins Securities referral arrangements, please see section *Referral Arrangements Disclosure* below.

7. Conflicts Related to the Personal Interests of Desjardins Securities Representatives

Desjardins Securities representatives may find themselves in situations where their personal interests conflict with those of one or several clients of Desjardins Securities. This could occur in the following situations in particular:

- Desjardins Securities representatives may be offered or receive a gift or entertainment that could compromise or give the impression of compromising their independence.
- Desjardins Securities representatives could put themselves in a conflict-of-interest situation by carrying out personal financial dealings with clients or by exercising control over clients' financial affairs outside of their work at Desjardins Securities.
- Desjardins Securities representatives could put themselves in a conflict-of-interest situation by participating in an outside activity that could interfere with or enter into conflict with their duties.
- Desjardins Securities representatives could also put themselves in a situation of conflict of interest by carrying out transactions in their personal account using confidential information, about Desjardins Securities or their clients, acquired in the performance of their duties.

Under Desjardins Securities' Code of Professional Conduct and Compliance Handbook, the interests of clients take precedence over those of Desjardins Securities and its representatives as a matter of basic principle.

Desjardins Securities' Code of Professional Conduct and Compliance Handbook of set forth standards that guide the conduct of its representatives. These standards prohibit them from:

- Using personal or privileged information acquired in the course of or in connection with their duties, or exploiting a situation for the purpose of obtaining an advantage of any kind
- Accepting or giving gifts, entertainment and compensation that could influence decisions to be made in the course of performing their duties
- Accepting any other form of compensation than that paid by the firm without prior approval of Desjardins Securities
- Engaging in outside activities that could interfere or conflict with their duties at Desjardins Securities
- Entering into financial transactions on a personal basis with clients of Desjardins Securities who are not members of their families
- Carrying out transactions in their personal account that conflict with the interests of Desjardins Securities clients despite full knowledge of such fact
- Engaging in any activity, holding an interest in any business or participating in any partnership that may hinder or appear to hinder their independence of judgment in the best interest of Desjardins Securities' clients

Desjardins Securities representatives must disclose to the clients concerned any material conflict of interest and any personal interest in a security or other investment that can be expected to affect their capacity to advise them objectively and impartially.

Desjardins Securities representatives must disclose to their employer any situation that can be reasonably expected to hinder the performance of their duties or their capacity to give objective and impartial advice.

The outside activities of our representatives must be approved by Desjardins Securities, which then assesses the presence or absence of a conflict of interest, their potential risks, and the appropriate control measures.

We monitor and review transactions in accounts of our representatives on a regular basis.

Desjardins Securities ensures that its practices with regards to representative compensation are not incompatible with its obligations toward its clients and do not encourage behaviour against clients' interests.

Related and Connected Issuers Disclosure To Desjardins Securities

An issuer of securities is "related" to Desjardins Securities if, through the ownership of, or direction or control over, voting securities, Desjardins Securities exercises a controlling influence over that issuer, that issuer exercises a controlling influence over Desjardins Securities, or the same third party exercises a controlling influence over both Desjardins Securities and the issuer.

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

The entities listed below may be considered as issuers related or connected to Desjardins Securities.

Issuers	Issuer Description
Caisses Desjardins	Members of the Fédération des caisses Desjardins du Québec (the Fédération) and the Caisse Desjardins Ontario Credit Union Inc.
Desjardins Capital Inc.	Wholly owned subsidiary of the Fédération, Desjardins Capital's purpose is to offer its own securities in the financial markets and invest the proceeds in securities issued by Desjardins caisses.
Capital régional et coopératif Desjardins Inc. ("CRCD")	Investment funds whose investment fund manager and portfolio manager is Desjardins Capital Management Inc., a wholly owned subsidiary of the Fédération. CRCD raises development capital through public offerings and allocates the funds to cooperatives and businesses. Desjardins Trust Inc. is the custodian of CRCD.
Fiera Capital Corporation	A public corporation in which Desjardins Financial Holding Inc., a wholly owned subsidiary of the Fédération, holds an interest through Fiera Capital L.P. Fiera Capital Corporation is registered as a portfolio manager and investment fund manager. Fiera Capital Corporation acts as a portfolio sub-manager for certain Desjardins Funds.
Fiera Capital Mutual Funds	A family of investment funds for which Fiera Capital Corporation is the investment fund manager and promoter. Fiera Capital Corporation is registered as a portfolio manager and can act in that capacity on behalf of Fiera Capital Mutual Funds. The latter are reporting issuers.
Fédération des caisses Desjardins du Québec	The Fédération is the cooperative entity responsible for strategic policy, oversight, coordination, treasury operations and development for Desjardins Group. It meets the financial needs of the caisses and other components of the Desjardins Group. In this regard, it is mandated with providing institutional funds to the Desjardins network and play the role of financial agent, in particular by providing interbank exchange services, including the financial settlement of compensation.
Desjardins Trust Inc.	Indirectly wholly owned subsidiary of the Fédération, this company is a trust institution of Desjardins Group.
Desjardins Funds	A family of investment funds for which the trustee and custodian is Desjardins Trust Inc., which is an indirectly wholly owned subsidiary of the Fédération. Desjardins Investments Inc., a wholly owned subsidiary of Desjardins Financial Security Life Assurance Company, which itself is an indirectly wholly owned subsidiary of the Fédération, is the management company and sponsor of Desjardins Funds. DGAM is their portfolio manager. DGAM is a wholly owned subsidiary of Desjardins Financial Corporation Inc., which itself is an indirectly wholly owned subsidiary of the Fédération.
Trust Company DGAM Funds	A family of investment funds focused on institutional clients, for which DGAM is the investment fund manager and portfolio manager. Trust Company DGAM Funds are not reporting issuers. Desjardins Trust Inc. is the trustee and custodian of Trust Company DGAM Funds.
Limited Partnership DGAM Funds	A family of private limited partnership funds for which a company wholly owned by DGAM is every fund's sole general partner. Limited Partnership DGAM Funds are not reporting issuers.
Desjardins ETFs	A family of exchange traded funds for which Desjardins Trust Inc., an indirectly wholly owned subsidiary of the Fédération, is the trustee. DGAM is the management company and portfolio manager of Desjardins ETFs.
NEI Funds	A family of mutual funds for which Northwest & Ethical Investments L.P. ("NEI Investments") is the trustee and administrator. NEI Investments also acts as investment fund manager and portfolio manager for specific funds. The Fédération has a 50% interest in NEI Investments through its subsidiary Desjardins Financial Holding Inc. Desjardins Trust Inc. is the custodian of these funds.

Issuers	Issuer Description
DIM Private Funds	A family of investment funds focused on private wealth management clients, for which DGAM is the investment fund manager and the portfolio manager is DGAM or an external manager. DIM Private Funds are not reporting issuers. Desjardins Trust Inc. is the trustee and custodian of DIM Private Funds.
Hexavest Funds	A family of private funds focused on institutional clients, for which DGAM is the investment fund manager and portfolio manager. Hexavest Funds are not reporting issuers. RBC Investor Services is the trustee and custodian of Hexavest Funds.
Desjardins Capital PME S.E.C.	A limited partnership for which Desjardins Capital Management Inc, a wholly owned subsidiary of the Fédération, acts as general partner and whose objective is to raise private equity in cooperatives and small and medium enterprises.

Referral Arrangements Disclosure

In this section, "Referral Agreement" refers to an agreement whereby Desjardins Securities agrees to pay or receive a referral fee from another business partner. In the course of its activities, Desjardins Securities has entered into fee-sharing agreements with the following business partners:

- Member caisses of the Fédération des caisses Desjardins du Québec
- Caisse Desjardins Ontario Credit Union Inc.
- Desjardins Financial Security Life Assurance Company ("DFS")
- Desjardins General Insurance Inc. ("DGI")
- Banque Transatlantique S.A. ("BT")

These business partners are members of the same financial group, Desjardins Group, except for BT, which is an outside business partner. The above-mentioned caisses offer banking services.

DFS provides life and health insurance and DGI provides casualty insurance services. BT is a wholly owned subsidiary of Groupe Crédit Mutuel CIC,

which provides banking services primarily in the following sectors: private banking, international mobility assistance, employee stock ownership plan administration services and advisory. Depending on the client referral arrangements between Desjardins Securities and the above-mentioned entities, Caisse and BT staff may refer clients to Desjardins Securities, which will be able to provide them with any private wealth management services they offer. Desjardins Securities Advisors are authorized to refer clients to DFS and DGI for insurance products and to BT for banking services outside Canada.

1. Client referrals to Desjardins Securities by member caisses of the Fédération des caisses Desjardins du Québec and by the Caisse Desjardins Ontario Credit Union Inc.

As consideration for client referrals to Desjardins Securities' brokerage networks Signature Service and Desjardins Private Wealth Management, the member caisses receive compensation equal to 15% of the gross commission and fee income generated annually by all the referred clients who are members.

2. Client Referrals to DFS from Desjardins Securities

As consideration for client referrals to DFS, Desjardins Securities receives in the year following the signing of a new insurance contract, as intermediary, a certain percentage of the insurance premium that is calculated based on the types of products or services, as shown in the table below.

Compensation	Year 1	
Paid by DFS to:	Desjardins Securities	
	Insurance Premium	Compensation %
	\$0 – \$999	15%
	\$1,000 – \$4,999	25%
	\$5,000+	40%

The table above shows the compensation offered for the best-selling insurance products and is **not comprehensive**. Other forms of compensation that may apply to other ancillary products and services offered by DFS, such as group insurance, life insurance for people over 50, travel insurance, accident insurance or GetWell insurance, guaranteed investment funds contracts, personal annuities (life annuity or annuity certain), individual retirement plans, group plans (group RRSPPs, defined contributions pension plans, deferred profit sharing plans, etc.), collective annuities, and others.

3. Client Referrals to DGI from Desjardins Securities

As consideration for client referrals to DGI, Desjardins Securities receives compensation equal to 15% of the insurance premium in the case of individuals (1.5% for renewals) and 15% of the insurance premium, up to a maximum of \$2,000 in the case of businesses (1.5% for renewals).

4. Client referrals to Desjardins Securities by BT

As consideration for the referral of clients who engaged the services of Desjardins Securities for the discretionary management of their portfolio, BT receives, as intermediary, the following fees:

- 50% of the gross fees generated by the client referred by BT or Crédit Mutuel CIC
- 30% of the gross fees generated by the client referred by a Caisse Desjardins or any other Desjardins Group entity

Fees will be paid to BT annually by Desjardins Securities and calculated from January 1 to December 31 of each year.

Other Referral Arrangements

Desjardins Securities may enter into arrangements whereby it pays or receives compensation for client referrals. The following information is communicated to the Client in writing before the opening of the account or the provision of services:

- The name of each party to the referral arrangement
- The purpose and material terms of the referral arrangement, including the nature of the services to be provided by each party
- Any conflicts of interest resulting from the relationship between the parties to the referral arrangement and from any other element of the referral arrangement

- The method for calculating the referral fee and, to the extent possible, the amount of the fee
- The category of registration of each registrant that is a party to the agreement, with a description of the activities that the registrant is authorized to engage in under that category and, considering the nature of the referral, the activities that the registrant is not allowed to engage in
- If a referral is made to a registrant, a statement that all activity requiring registration resulting from the referral arrangement will be provided by the registrant receiving the referral
- Any other information that a reasonable client would consider important in evaluating the referral arrangement

If there is a change to the information set out above, Desjardins Securities must ensure that written disclosure of that change is provided to each client affected by the change as soon as possible and no later than the thirtieth day before the date on which a referral fee is next paid or received.

5. Review

We will notify you of any significant changes to this Statement of Principles. An updated version of the Statement is available on our website at: www.gestionpriveedesjardins.com/en/statement-principles-conflicts-interest.



5. NOTICES



How are your trade instructions executed on the market? What are the conditions that apply to strip bonds? How are they traded and taxed? What are the risks related to options and futures trading? What are the risks associated with using borrowed money to invest? These are the questions that will be answered in this section.

Information on Multiple Marketplaces

Over the last few years, new exchanges and opaque markets have been established in Canada. With the availability of multiple marketplaces (such as Alpha, Pure and Chi-X), new circumstances come into play in trade order execution process, which is no longer limited to the Toronto Stock Exchange exclusively. On opaque markets, blocks of shares are being anonymously traded within official markets. On those markets, important volumes of orders are processed and prices are never displayed before the transactions

are executed by market participants. Desjardins Securities therefore prepared an informative document describing the changes applying to various types of trades.

For any question, please contact your Desjardins Securities Advisor.

Hours of Operation for Trading of Listed Canadian Securities

Desjardins Securities' trading staff is available for order execution between the hours of 9:30 a.m. and 4:00 p.m., Eastern Time ("ET"), Monday through Friday, not including statutory Canadian holidays. Staff may be further available before and after these hours; however, Desjardins Securities cannot guarantee any order taking and/or trade execution outside of the hours noted above.

Please be advised that unless otherwise stated, or unless otherwise agreed to between the Advisor and the Client:

- a) An order received prior to 9:30 a.m. ET will route to the pre-opening of the marketplaces.
- b) An order received after 4:00 p.m. ET can be entered to the after-hours trading of markets where this feature is available if the trade characteristics allow. If received after "extended hours" trading becomes unavailable, the order will route the next business day to the pre-opening of the marketplaces.

Principal Marketplace

For those securities listed on the Toronto Stock Exchange ("TSX") and trading on other alternative marketplaces, the principal marketplace will be the TSX, unless otherwise notified by Desjardins Securities.

"Best Market"

The "best market" is defined as the market with the best bid (buy price) or ask (sell price) and/or best historical liquidity and where Desjardins Securities feels the order has the highest probability of being executed.

Trade Characteristics

Day Order

A day order is an order that is only valid during the market opening hours on and for the day it is entered. A day order received after the opening of the principal marketplace will be entered into the best market at the time of entry. From there, the order will trade on any marketplace Desjardins Securities has access to and/or can access for the purpose of best execution. If not filled in full, the order will expire at 4:00 p.m. ET on the market on which the last portion of the order remains live, or at the time when after-hours trading ceases on that market.

Special Terms Order

A special term order is an order with specific terms that is not executable in the regular marketplace. A special term order will only post to the special terms market of the principal marketplace, currently the TSX, unless it is immediately executable on an alternative marketplace at the time of entry and it will only be live between 9:30 a.m. and 4:00 p.m. ET.

Good-Til-Cancelled Order

A good-til-cancelled order is an order that the client wants to remain open until a specified date of expiry. Such order will be sent to a marketplace determined by Desjardins Securities' established routing map. The order will remain in the principal marketplace until executed or expired, whichever comes first. It is the client's responsibility to ensure they know what the date of expiry will be and to contact their Advisor on the expiry date should they wish the order to be reinstated.

"All-or-None" Order

Note: The TSX no longer accepts "All-or-None" orders.

A retail All-or-None order is an order that must be executed in full; no partial fills are to be executed or booked pending a complete fill. In the multiple marketplace environments, an All-or-None order may not be executed due to limited volume on more than one marketplace. While the total volume on all marketplaces might complete the order, the All-or-None terms apply only to the individual marketplace. An All-or-None order received after the opening of the principal marketplace will be booked to the "best market" at the time of entry.

An institutional All-or-None order is an order that must be executed for large block volume in full, and does not book to the marketplace unless it can be filled in full for its entire volume at the time of receipt. Such order can be executed on any marketplace as agreed to between both parties at the time of receipt.

Market Order

An order is considered a "market order" when the client has instructed a dealer to buy or sell at whatever prices are available in the marketplace to help ensure a complete and full fill. A market order requires immediate completion. An order received after the opening of the principal marketplace will be entered into the "best market" at the time of entry. In an effort to avoid unusual market impacts, all market orders will be converted to limit orders with a reasonably aggressive price before being sent to a marketplace. This measure ensures that market orders still receive a full and immediate fill, except in cases where there are unusual liquidity rates or erroneous order parameters which would result in significant market impacts and a likelihood of breaching market liquidity thresholds. From there, the order will trade on any marketplace Desjardins Securities has access to and/or can access for the purpose of best execution. The order will expire, if not filled in full, on the market where the unexecuted portion of the order remains live until that marketplace closes.

Limit Order

A limit order has a specific minimum sale price or maximum purchase price provided by the client. On or after 9:30 a.m. ET, if a limit order is not immediately executable on any marketplace, the order will be sent to a marketplace determined by Desjardins Securities' established routing map. The order will expire, if not filled in full, on the market where the last portion of the order remains live until that marketplace closes.

Disclosure of Marketplace

An order executed using one or more marketplaces or alternative marketplaces in either Canada or the United States will be reported to the client using a trade confirmation that will read (not limited to the following) we confirm the following purchase/sale for your account traded on a North American marketplace. If multiple prices or marketplaces were used in the completion of the order, a further disclaimer will be provided which reads multiple marketplaces and/or average prices used, details available on request. Should you receive such a confirmation, you are free to contact your Advisor to obtain further information.

Extended Trading Hours

Some marketplaces may offer extended trading hours for brokers and investors. Extended trading hours allow the possibility to buy and sell securities beyond regular hours of operation of the principal marketplaces (9:30 a.m. to 4:00 p.m., ET). Mostly used by investment professionals, extended trading hours often have low liquidity rates and wider spreads between bid and ask prices, resulting in risks of having orders executed at a less favourable price than during regular trading hours. An order placed during extended trading hours will not necessarily be completed at the desired time and may be executed at a price lower or higher than the one indicated on another trading system during extended trading hours or during regular hours of operation of marketplaces. Furthermore, the market price during extended trading hours is not always consistent with the market price registered at the time of closing of the principal marketplaces and may be highly volatile. Orders placed during extended trading hours are valid only during the particular trading session in which they are placed and will expire at the end of the said session.

Strip Bonds and Strip Bond Packages

This information statement relates to strip securities that are based on bonds of the Government of Canada, a Canadian province, or certain foreign governments or political subdivisions thereof. Provincial securities regulations create an exemption from dealer registration and prospectus requirements for these types of securities.

Strip Bonds and Strip Bond Packages

A strip bond (also known as "strips") is a fixed-income product that is sold at a discount to face value and matures at par. This means the holder is entitled to receive the full face value at maturity. Strips do not pay interest, but rather, the yield at the time of purchase is compounded semi-annually and paid at maturity. Since the return on a strip is fixed at the time of purchase, strips may be a suitable investment where the holder requires a fixed amount of funds at a specific future date.

A strip is created when a conventional debt instrument, such as a government or corporate bond, discount note or asset-backed security (i.e., the “underlying bond”), is separated into its “interest” and “principal” component parts for resale. Components are fungible and may be pooled together where they share the same issuer, payment date and currency and have no other distinguishing features. The two types of components may be referred to as follows:

- The “coupon”: the interest-paying portion of the bond
- The “residual”: the principal portion

A strip bond package is a security comprised of two or more strip components. Strip bond packages can be created to provide holders with a regular income stream, similar to an annuity, and with or without a lump sum payment at maturity.¹ By laddering strips with staggered maturities or other payment characteristics, holders can strategically manage their cash flow to meet their future obligations and specific needs.

¹ A bond-like strip bond package has payment characteristics resembling to a conventional bond, including regular fixed payments and a lump-sum payment at maturity. In contrast, an annuity-like strip bond package provides regular fixed payments, but no lump-sum payment at maturity.

Strips vs. Conventional Bonds

Strips are offered on a variety of terms and in respect of a variety of underlying bonds, including government bonds issued by the Government of Canada or provincial, municipal and other government agencies, or a foreign government. CARs and PARs are examples of strips derived from high-quality corporate bonds. Some differences between strips and conventional bonds that you may wish to consider include the following:

- Strips are sold at a discount to face value and mature at par, similar to T-bills. Unlike conventional interest-bearing debt securities, strips do not pay interest throughout the term to maturity; rather, the holder is entitled to receive a fixed amount at maturity. The yield or interest earned is the difference between the discounted purchase price and the maturity value; thus, for a given par value, the purchase price for a strip will typically be lower the longer the term to maturity.
- A strip with a longer term to maturity will generally be subject to greater price fluctuations than a strip of the same issuer and yield, but with a shorter term to maturity.
- Strips typically offer higher yields over T-Bills, GICs and term deposits, and over conventional bonds of the same issuer, term and credit rating.

- The higher yield offered by strips reflects their greater price volatility. Like conventional bonds, the price of a strip is inversely related to its yield. Thus, when prevailing interest rates rise, strip prices fall, and vice versa. However, the rise or fall of strip prices is typically more extreme than with conventional bonds of the same issuer, term and credit rating. The primary reason for this greater volatility is that no interest is paid in respect of a strip bond prior to its maturity.
- Unlike conventional bonds that trade in \$1,000 increments, strips may be purchased in \$1 multiples above the minimum investment amount, thereby enabling a holder to purchase a strip for any desired face value amount above the minimum investment amount.
- Strips are less liquid than conventional bonds of the same issuer, term and credit rating: there may not be a secondary market for certain strips and strip bond packages, and there is no requirement or obligation for investment dealers or financial institutions to maintain a secondary market for strips sold by or through them; as a result, purchasers should generally be prepared to hold a strip to maturity, since they may be unable to sell it — or only able to sell it at a significant loss — prior to maturity.

Dealer Mark-Ups and Commissions

When purchasing or selling a strip bond or a strip bond package, the prospective purchaser or seller should enquire about applicable commissions (markups or markdowns) when executing the trade through an investment dealer or financial institution, since such commissions will reduce the effective yield (if buying) or the net proceeds (if selling). Investment dealers must make reasonable efforts to ensure the aggregate price, inclusive of any markup or markdown, is fair and reasonable taking into consideration all reasonable factors. Commissions quoted by investment dealers generally range between \$0.25 to \$1.50 per \$100 of maturity amount of the strip, with commissions typically at the higher end of this range for small transaction amounts, reflecting the higher relative costs associated with processing small trades.

The table below illustrates the after-commission yield to a strip holder with different terms to maturity and assuming a before-commission yield of 5.5%. All of the yield numbers are semi-annual. For example, a strip bond with a term to maturity of one year and a commission of \$0.25 per \$100 of maturity amount has an after-commission yield of 5.229%. The before-commission cost of this particular strip bond will be \$94.72 per \$100 of maturity amount, while the after-commission cost will be \$94.97 per \$100 of maturity amount. In contrast, a strip bond with a term to maturity

of 25 years and a commission of \$1.50 per \$100 of maturity amount has an after-commission yield of 5.267%. The before-commission cost of this particular

strip bond will be \$25.76 per \$100 of maturity amount while the after-commission cost will be \$27.26 per \$100 of maturity amount.²

Commission or dealer markup amount (per \$100 of maturity amount)	Term to maturity in years and yield after commission or dealer markup (assuming a yield before commission of 5.5%)					
	1	2	5	10	15	25
\$0.25	5.229%	5.357%	5.433%	5.456%	5.462%	5.460%
\$0.75	4.691%	5.073%	5.299%	5.368%	5.385%	5.382%
\$1.50	3.892%	4.650%	5.100%	5.238%	5.272%	5.267%

2 The purchase price of a strip bond may be calculated as follows:
Purchase Price = Maturity (Par) Value / (1 + y/2)²ⁿ where "y" is the applicable yield (before or after commission) and "n" is the number of years until maturity. For example, the purchase price (per \$100 of maturity value) for a strip bond that has a yield of 5.5% and 25 years until maturity is: 100/(1 + 0.0275)⁵⁰ = \$25.76.

Prospective purchasers or sellers of strips should ask their investment dealer or financial institution about the bid and ask prices for strips and may wish to compare the yield to maturity of the strip, calculated after giving effect to any applicable markup or commission, against the similarly calculated yield to maturity of a conventional interest-bearing debt security.

Secondary Market and Liquidity

Strips may be purchased or sold through investment dealers and financial institutions on the "over-the-counter" market rather than on an exchange. Where there is an active secondary market, a strip may be sold by a holder prior to maturity at the prevailing market price in order to realize a capital gain or to access funds. However, liquidity may be limited for certain strip bonds and strip bond packages, and,

as noted above, investment dealers and financial institutions are not obligated to maintain a secondary market for strips sold by or through them. **As a result, there can be no assurance that a market for particular strip bonds or strip bond packages will be available at any given time, and investors should generally be prepared to hold strips to maturity or run the risk of taking a loss.**

Other Risk Considerations

Potential purchasers of strips should conduct their own research into the term, yield, payment obligations and particular features of a strip prior to purchase. While not an exhaustive list, you may wish to consider some of the following potential risks:

Credit Risk of the Issuer

Strips represent a direct payment obligation of the government or corporate issuer, thus any change to an issuer's credit rating or perceived credit worthiness may affect the market price of a strip, and the impact may be more severe than the impact on conventional bonds of the same issuer.

Interest Rate Risk

If interest rates rise, the market value of a strip will go down, and this drop in market value will typically be more severe than the drop in market value for the corresponding conventional bond from the same issuer for the same term and yield. If interest rates rise above the yield of the strip at the time of purchase, the market value of the strip may fall below the original price of the strip.

Market and Liquidity Risk

Strips are not immune to market or liquidity risks and may have specific terms and conditions that apply in the event of a market disruption or liquidity event. If liquidity is low, it may be difficult to sell a strip prior to maturity and there may be large spreads between the bid and ask prices. **There can be no assurance that a market for particular strip bonds or strip bond packages will be available at any given time.**

Currency Risks

Strips may pay out in a currency other than Canadian dollars. Currency fluctuations may enhance, nullify or exacerbate your investment gains or losses.

Component Risk

You should ensure that you understand and are comfortable with the underlying components, terms, risks and features of a strip bond or strip bond package prior to purchase. For example, strips may be derived from asset-backed securities or callable or retractable bonds, and may have features such as inflation indexation or structured payments.

Price Volatility

Strips are generally subject to greater price volatility than conventional bonds of the same issuer, term and credit rating, and will typically be subject to greater price fluctuations in response to changes to interest rates, credit ratings and liquidity and market events. The table below shows the impact that prevailing interest rates can have on the price of a strip. For example, as indicated in the table below, an increase in interest rates from 6% to 7% will cause the price of a 5-year strip bond with a maturity value of \$100 to fall by 4.73% — a larger percentage drop than for a \$100 5-year traditional bond, whose price would fall only 4.16%, assuming the same increase in interest rates.

Price Volatility

Bond Type	Market Price	Market Yield	Price with Rate Drop to 5%	Price Change	Price with Rate Increase to 7%	Price Change
6% 5-Year Bond	\$100.00	6.00%	\$104.38	+ 4.38%	\$95.84	- 4.16%
5-Year Strip Bond	\$74.41	6.00%	\$78.12	+ 4.99%	\$70.89	- 4.73%
6% 20-Year Bond	\$100.00	6.00%	\$112.55	+ 12.55%	\$89.32	- 10.68%
20-Year Strip Bond	\$30.66	6.00%	\$37.24	+ 21.49%	\$25.26	- 17.61%

Custodial Arrangements

Due to the high risk of forgery, money laundering and similar illegal activities — and the costs associated with such risks — with physical strips and bearer instruments, most investment dealers and financial institutions will only trade or accept transfer of book-based strips. CDS Clearing and Depository Services Inc. ("CDS") provides strip bond services, including book-based custodial services for strips and underlying bonds. Custodian banks or trust companies may also create and take custody of strips that are receipt securities, and may permit holders to obtain a registered certificate or take physical delivery of the underlying coupon(s) or residue(s). However, if the holder decides to take physical delivery, he or she should be aware of the risks, including the risk of lost ownership, associated with holding a bearer security which cannot be replaced. In addition, the holder should be aware that the secondary market for physical strips may be more limited than for book-based strips due to the risks involved. Investors in strip components held by and at CDS are not entitled to a physical certificate if the strips are Book Entry Only.

Canadian Income Tax Summary

The Canadian income tax consequences of purchasing strip bonds and strip bond packages are complex. Purchasers of strip bonds and strip bond packages should refer questions to the Canada Revenue Agency (www.canada.ca/en/revenue-agency.html) or consult their own tax advisors for advice relating to their particular circumstances.

The following is only a general summary regarding the taxation of strip bonds and strip bond packages under the *Income Tax Act* (Canada) (the "Tax Act") and regulation for purchasers who are residents of Canada and hold their strip bonds and strip bond packages as capital property for purposes of the Tax Act. The following does not constitute legal advice.

Qualified Investments

Strip bonds and strip bond packages that are issued or guaranteed by the Government of Canada or issued by a province or territory of Canada are "qualified investments" under the Tax Act and are therefore eligible for purchase by trusts governed by registered retirement savings plans ("RRSPs"), registered retirement income funds ("RRIFs"), registered education savings plans ("RESPs"), deferred profit sharing plans, registered disability savings plans and tax-free savings accounts ("registered plans"). Depending on the circumstances, strip bonds issued by corporations may also be "qualified investments" for registered plans.

Annual Taxation of Strip Bonds

The Canada Revenue Agency takes the position that strip bonds are a "prescribed debt obligation" within the meaning of the Tax Act. Consequently, a purchaser will be required to include in income in each year a notional amount of interest, notwithstanding that no interest was paid or received in the year. Strips may therefore be more attractive when purchased and held in non-taxable accounts, such as self-directed registered plans, pension funds and charities.

In general terms, the amount of notional interest deemed to accrue each year will be determined by using the interest rate which, when applied to the total purchase price (including any dealer markup or commission) and compounded at least annually, will result in a cumulative accrual of notional interest from the date of purchase to the date of maturity equal to the amount of the discount from face value at which the strip bond was purchased.

For individuals and certain trusts, the required accrual of notional interest in each year is generally only up to the anniversary date of the issuance of the underlying bond. For example, if a strip bond is purchased on February 1 of a year and the anniversary date of the issuance of the underlying bond is June 3, only 5 months of notional interest accrual will be required in the year of purchase. However, in each subsequent year, notional interest will be required to be accrued from July 1 of that year to June 30 of the subsequent year (provided that the strip bond is still held on June 30 of the subsequent year).

In some circumstances the anniversary date of the issuance of the underlying bond may not be readily determinable. In these circumstances individual investors may wish to consider accruing notional interest each year to the end of the year instead of to the anniversary date.

A corporation, partnership, unit trust or any trust of which a corporation or partnership is a beneficiary is required for each taxation year to accrue notional interest to the end of the taxation year and not just to an earlier anniversary date in the taxation year.

Disposition of Strip Bonds Prior To Maturity

A purchaser who disposes of a strip bond prior to, or at, maturity, is required to include in the purchaser's income for the year of disposition notional interest accrued to the date of disposition that was not previously included in the purchaser's income as interest. If the amount received on a disposition exceeds the total of the purchase price and the amount of all notional interest accrued and included in income, the excess will be treated as a capital gain. If the amount received on disposition is less than the total of the purchase price and the amount of all notional interest accrued and included in income, the difference will be treated as a capital loss.

Strip Bond Packages

For tax purposes, a strip bond package is considered a series of separate strip bonds with the income tax consequences as described above applicable to each such component of the strip package. Thus a purchaser of a strip bond package will normally be required to make a calculation in respect of each component of the strip bond package and then aggregate such amounts to determine the notional interest accrued on the strip bond package. As an alternative, in cases where the strip bond package is issued at or near par and is kept intact, the Canada Revenue Agency will accept tax reporting that is consistent with reporting for ordinary bonds (i.e., reported on a T5 tax slip as accrued interest where it is matched by cash flow), including no obligation to report premium or discount amortization where the strip bond package is subsequently traded on the secondary market.

Futures and Options Trading

Risk Disclosure Statement for Futures and Options

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

Futures

1. Effect of "Leverage" or "Gearing"

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

2. Risk-reducing Orders or Strategies

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

Options

3. Variable Degree of Risk

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

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

Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of

that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavourably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a future, the seller will acquire a position in a future with associated liabilities for margin (see the section on Futures above). If the option is "covered" by the seller holding a corresponding position in the underlying interest or a future or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

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

Additional Risks Common to Futures and Options

4. Terms and Conditions of Contracts

You should ask the firm with which you deal about the terms and conditions of the specific futures or options which you are trading and associated obligations (e.g., the circumstances under which you may become obligated to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

5. Suspension or Restriction of Trading and Pricing Relationships

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

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

6. Deposited Cash and Property

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

7. Commission and Other Charges

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

8. Transactions in Other Jurisdictions

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. Before you trade you should enquire about any rules relevant to your particular transactions. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the firm with which you deal for details about the types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

9. Currency Risks

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

10. Trading Facilities

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

11. Electronic Trading

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

12. Off-exchange Transactions

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

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

Off-Book Borrowing for Investment Purposes

In this Information Statement, the term “Off-book borrowing for investment purposes” refers to a strategy that enables you to borrow money from third parties, i.e., another entity than Desjardins Securities, to make investments with the objective of enhancing your investment returns.

This leverage strategy carries a high degree of risk. Whether the investment makes money or not, you must still pay back the loan plus interest. The possibility that interest rates may increase or that the market may decline should be considered as you may see your debt grow and suffer greater losses.

Desjardins Securities does not allow Advisors to recommend an off-book borrowing leverage strategy through loans advanced by third parties. When such a strategy is used nevertheless, the Advisor must fulfill their obligations regarding investment suitability, the strategy used and the method of financing. Investment suitability assessment depends on your investment profile.

Risks Associated with Such a Strategy

When the Advisor becomes aware of your intent to use a borrowing-to-invest strategy, or that you have used such a strategy, they are required to fulfill their suitability assessment obligations.

You should be aware that:

- Using money borrowed from others to purchase investments involves greater risk than doing it with your own money
- You have a continuing obligation to repay principal and interest even if the value of the investment goes down
- Using a borrowing-to-invest strategy could result in far greater losses than an investment strategy that does not involve the use of borrowed money





FURTHER INFORMATION

Desjardins Securities

Go to desjardinsprivatemanagement.com

Email us at gestion.privee@desjardins.com

Call us

Montréal

1 877 286-3180

Québec

1 800 653-7922

Ontario-Gatineau

1 866 567-2885

Desjardins

Go to desjardins.com

CIRO

Go to ciro.ca

CIPF

Go to cipf.ca

or call 1-866-243-6981



Head Office

1170, rue Peel, bureau 300
Montréal (Québec) H3B 0A9

Desjardins Wealth Management, Desjardins Wealth Management Private Wealth Management and Desjardins Private Wealth Management are trade names used by Desjardins Securities Inc. Desjardins Securities Inc. is a member of the Canadian Investment Regulatory Organization ("CIRO") and the Canadian Investor Protection Fund ("CIPF").

