

Account Agreement

*Investment Counsellor
Administration Services*



**RBC Investor &
Treasury Services**

1. Definitions

In this Booklet (as defined below), the following capitalized terms have the following meanings:

“Affiliate” means one or more corporate entities which are related to the Custodian through common ownership by a parent company.

“Account” means the account or accounts with the Custodian, which the Client has opened, or will open, under the Account Agreement, to which Property held hereunder may be credited.

“Account Agreement” or **“Agreement”** means the Investment Counsellor Administration Services Account Agreement, signed by the Client and the Custodian, including any schedules to it, as amended, restated, supplemented or replaced from time to time, and this Booklet.

“Anti-Money Laundering and Anti-Terrorist Financing Legislation” means any legislation dealing with anti-money laundering and the financing of terrorism and shall include but not be limited to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and *The United Nations Suppression of Terrorism Regulations* and its Schedule and any similar legislation implemented by any country as may be amended from time to time.

“Applicable Law” means any existing or future laws, regulations, policies or orders made and promulgated under statutory authority by any governmental or regulatory body, commission or agency purporting to have jurisdiction over the Client, the Property or the Account, including without limitation, Privacy Legislation, Anti-Money Laundering and Anti-Terrorist Financing Legislation and Applicable Tax Legislation and any federal or provincial laws, regulations, policies or orders related to the collection, use and retention of Personal Information (as defined herein), all as may be amended from time to time.

“Applicable Tax Legislation” means the *Income Tax Act (Canada)*, the regulations thereunder and any applicable provincial tax legislation or other tax legislation which may apply, as amended from time to time.

“Booklet” means this Investment Counsellor Administration Services Account Agreement Booklet, including any schedules to it, as amended, restated, supplemented or replaced from time to time.

“Client(s)” means the individual(s), corporation, trust or other non-individual entity that have signed the Account Agreement as the Client.

“Corporate Action” means any conversion privileges, subscription rights, warrants or other rights or options available

in connection with any securities which form part of the Property, including those relating to the reorganization, recapitalization, takeover, consolidation, amalgamation, merger, liquidation, filing for or declaration of bankruptcy, plans of arrangement of any corporation or association.

“Custodian” means RBC Investor Services Trust, a trust company incorporated under the laws of Canada.

“FundSERV Inc.” means the private company providing electronic clearing and settlement services to the Canadian investment fund industry (hereinafter referred to as “FundSERV”).

“Instructions” means any directions or orders given to the Custodian by the Client or given on the Client’s behalf, by one of the permitted means outlined in Section 5 below, to complete certain transactions permitted under the Account Agreement, including without limitation, directions relating to joint accounts as outlined in Section 6 below and “Instruct” means to give an Instruction.

“Investment Counsellor” means the individual or firm that the Client has appointed in the Account Agreement to act as Investment Counsellor for the Account, or their successors and assigns in its capacity as Investment Counsellor for the Client.

“Personal Information” means information about an identifiable individual, including the Client’s clients and employees, but does not include the name, title, business address or business telephone number of an employee of an organization.

“Privacy Legislation” means the *Personal Information Protection and Electronic Documents Act* and any similar provincial privacy legislation as may be amended from time to time.

“PPSA” means the *Personal Property Security Act (Ontario)* and any successor legislation thereto as amended and in effect from time to time.

“Property” means all of the money, securities (including for greater certainty Deposits (as defined in Section 3E)), and other property that the Client has paid or delivered to, and that has been accepted by, the Custodian from time to time for credit to an Account, together with sales proceeds, income or other revenue and additions, substitutions, profits and earnings thereon.

“Representatives” means, for the purposes of Section 17 herein in respect of each party, its directors, officers, employees, agents or advisors (including, without limitation, attorneys, accountants, consultants, bankers and financial advisors).

“**Securities Intermediary**” shall have the meaning set out in the STA;

“**STA**” means the *Securities Transfer Act, 2006* (Ontario) and any successor legislation thereto as amended and in effect from time to time.

“**Voting Materials**” means all proxies, proxy solicitation materials and other communications received by the Custodian relating to the securities, which form part of the Property, that call for voting.

2. The Account

The Client will establish an Account with the Custodian, and the Custodian will provide the Client with certain services as more fully set out in the Account Agreement, including account administration, custody and recordkeeping. The Account Agreement contains all of the terms and conditions governing such services and the Account and covers all means by which the Client may transact with the Custodian now and until amended regarding the Account.

With respect to any trust accounts, the Client acknowledges and confirms that the Custodian is not acting as trustee under the Account Agreement and that the Custodian shall not be responsible for administering or obligated to administer any trust involved. The Client also acknowledges and confirms that the Custodian shall not be responsible for any trading in securities forming part of the Property, investment management activities, for any investment decisions or for monitoring in respect of the Property or the Account. The Custodian’s responsibilities shall be limited to those specifically provided for in the Account Agreement.

With respect to any registered accounts, if any inconsistency or conflict arises between the terms and provisions of the Account Agreement and the terms and provisions of the Registered Account Application and the applicable Trust Agreement or Declaration of Trust (as the case may be), then the terms of the Registered Account Application and the Trust Agreement or Declaration of Trust (as the case may be) will govern the Account. For greater certainty, the inclusion of a term or provision in the Account Agreement and not in the Registered Account Application and/or Trust Agreement or Declaration of Trust (as the case may be) or vice versa shall not constitute an inconsistency or conflict.

3. Administration

A. Authorization

The Client understands and agrees that the Client is responsible for providing Instructions to the Custodian with respect to any matters relating to the Property and the Account, including but not limited to, the matters specifically noted in the Account

Agreement. However, the Client specifically authorizes, and gives the Custodian the discretion to carry out, and the Custodian agrees to carry out, the following functions:

- a) to keep securities forming part of the Property in bearer form or registered in its name or in the name of its agents or nominees;
- b) to take all reasonable steps to receive and collect all proceeds, income or other revenue or distributions from the Property and process any ownership and other documents, on the Client’s behalf, as may be required for the Custodian to obtain payment of such proceeds, income or other revenue or distributions;
- c) to enter into and settle foreign exchange transactions, on the Client’s behalf, with counterparties of the Custodian’s choice, including its Affiliates, for the purposes of facilitating settlement of trades of securities or other Property;
- d) to do all acts and things and to execute and deliver all documents, including instruments of transfer and conveyance, necessary or advisable to carry out and give effect to the terms of the Account Agreement; and
- e) to notify the Investment Counsellor of matters affecting the Property by forwarding a corporate action notice that contains a summary of information which the Custodian has actually received from third party sources believed by the Custodian to be reliable. The Client understands that it is responsible for exercising or refraining from exercising, within the time frames specified by the Custodian in any such Voting Materials or Corporate Action notice applicable thereto, any voting rights with respect to any securities held in the Account and the Custodian is specifically not empowered to vote such securities unless instructed in writing to do so by the Client or the Investment Counsellor. Where Instructions have not been provided by the Client within such time frames, the Custodian will take no action except only in the case of Corporate Actions and where a default option exists, the Client will receive such default option as outlined in the notice. In the event that Instructions are provided by the Client after such time frames, the Custodian shall use reasonable efforts to process such Corporate Actions or Voting Materials but the Custodian shall have no liability for failure to process such Voting Materials or Corporate Actions.

The Client acknowledges that the Custodian may have to employ counsel, auditors, advisors, agents or other persons in order to discharge its duties under the Account Agreement. The Client agrees that the Custodian may pay such parties’ reasonable fees and expenses from the Account. The Custodian shall be entitled

to rely on the opinions and advice received from such counsel, auditors, advisors, agents or other persons and shall be fully protected from liability in doing so. The Custodian may rely and act upon any statement, report or opinion prepared by or any advice received from any auditor appointed by the Client from time to time, or from solicitors or other professional advisors and shall not be responsible nor held liable for any loss or damage resulting from so relying or acting if the advice was within the area of professional competence of the person from whom it was received, the Custodian acted in good faith in relying thereon and the professional advisor was aware that the Custodian was receiving the advice in its capacity as custodian of the Property and the Custodian acted in good faith in relying thereon.

The Client understands that the Custodian requires Instructions from either the Client or the Investment Counsellor before the Custodian will settle, on behalf of the Client, in any jurisdiction, the purchase and sale of any securities, currencies or other property. The Custodian requires additional Instructions from the Client to enter into any derivatives contracts and transactions or to participate in a securities lending program, including a program administered by the Custodian, as lending agent, under which the Custodian would release and deliver securities from the Account and return collateral received as security for the return of securities on loan in accordance with any such securities lending program.

The Client confirms that, until the Client provides the Custodian with Instructions otherwise, the Investment Counsellor is authorized to provide Instructions to the Custodian regarding the matters listed above. The Custodian is also authorized to follow Instructions issued by attorney(s) appointed by the Client, provided the Client has notified the Custodian, in writing, of the appointment of such attorney(s) and the scope of their appointment and provided any supporting documentation requested by the Custodian.

Where the Investment Counsellor has provided notice to the Custodian of its successor and assign (the "Successor Investment Counsellor"), the Client acknowledges that the Successor Investment Counsellor shall thereafter be the Investment Counsellor for the purposes of this Agreement, and for greater certainty the Custodian may act and rely on any Instruction from the Successor Investment Counsellor until otherwise Instructed by the Client.

B. Shareholder Communication

The Custodian confirms that it will send all Voting Material, and annual audited financial statements, to the Investment Counsellor. The Custodian may send such material, in bulk, to the Investment Counsellor.

C. Custody

The Client acknowledges that the Custodian will act as custodian for the Property and in accordance with the terms of the Account Agreement. Pursuant to its role as custodian, the Custodian will:

- a) keep the Property at any one or more of its offices or the places of business of its approved agents, nominees or subcustodians, including its Affiliates, within or outside Canada; and
- b) ensure that all Property is kept separate and distinct from its own assets and those of other clients and keep a separate record for each Account. Notwithstanding the foregoing, the Client acknowledges that the Custodian may commingle the Property with property of its other Clients (but not with its own property), in which case the Client shall be entitled, in common with those other Clients, to its proportionate share of such property and/or the rights thereto. The Client acknowledges that the Custodian may appoint subcustodians and agents, which may be affiliated with it, to carry out any of its activities under the Account Agreement. The Custodian will be responsible for the selection and monitoring of such subcustodians and agents and provided that the Custodian has acted in accordance with the Standard of Care (as defined in Section 15 herein) in appointing and monitoring such agents and subcustodians, the Custodian shall not be responsible for any loss or lessening in value of the Property resulting from the bankruptcy or insolvency of any of its subcustodians or agents.

The Custodian may also utilize the services of The Canadian Depository for Securities Limited or The Depository Trust Company in the U.S. or any other authorized depository on the terms of the business and in accordance with the practices and procedures, of those depositories. The Custodian will be fully protected and absolved from liability from effecting transactions in this manner.

For the purposes of the following paragraphs, the term "Designated Markets" means those higher risk jurisdictions and/or markets, which are identified to the Client by the Custodian from time to time, as provided below, where the risks arising out of subcustodial arrangements are significantly greater than they would be in relation to more established markets.

Notwithstanding any other provision of the Account Agreement, in certain Designated Markets where the Custodian is providing custodial services (whether directly or through a subcustodian) in respect of the Property, the Custodian is not able to accept some of the liabilities for the acts of its agents, which are otherwise contemplated by the Account Agreement, which assumes that services are provided in more established markets. Specifically,

to the extent that the Custodian employs agents to perform in the Designated Markets any of its obligations under the Account Agreement, it is agreed that the Custodian will not be responsible for any act, omission or default of any such agent in its performance, and for greater certainty, any negligence, willful misconduct or lack of good faith of such an agent will not constitute a breach of the standard of care of the Custodian for purposes of the Custodian Agreement. For greater certainty, however, nothing in this provision is intended to limit the responsibility of the Custodian under the Account Agreement for the selection and ongoing monitoring of such agents.

The Client acknowledges that the Investment Counsellor has been provided with the Custodian's list of Designated Markets, which list shall be incorporated by reference into, and form part of, the Account Agreement. From time to time, the Custodian, acting reasonably, will advise the Investment Counsellor, by written notice, of any additions or other changes to the list of Designated Markets. Effective as of sixty (60) days from the date of such notice, the parties hereby acknowledge and agree the list of Designated Markets shall be deemed to be amended, as provided in such notice, and any additional markets shall be deemed to be Designated Markets for the purposes of the Account Agreement, without any further act or formality.

The Client acknowledges that it, and the Investment Counsellor, are responsible for apprising themselves of the specific risks to the Client involved in the investment and reinvestment of the Property in all jurisdictions and/or markets in which the Property is located from time to time, and it is agreed that the Custodian does not bear any such responsibility.

D. Interest on Cash Balances

The Custodian may, in its sole discretion, hold cash balances held in the Account uninvested or deposit such cash in demand deposits with a bank or other deposit-taking institution, including itself or its Affiliates. The Custodian will pay interest on cash balances held on deposit with itself at such rate as the Custodian determines from time to time according to its usual business practices. The Custodian will not be accountable for any profits that it earns on those cash balances. For greater certainty, the parties agree that all free credit balances standing to the credit of any Account, including uninvested cash balances, shall constitute "financial assets" for the purposes of the STA and shall be subject to the security interest provided in Section 11.

E. Term Deposits

The Client may place a fixed term deposit (a "Deposit") with the Custodian in respect of the uninvested credit balances, from time to time, held in the Client's Account. The Client hereby

acknowledges and agrees to the following terms and conditions with respect to each such Deposit:

- i) Upon accepting the Deposit from the Client, the Custodian will provide the Client or the Investment Counsellor with a confirmation notice showing the details of the Deposit, including its principal amount, its term, the interest rate for the term, the frequency of payment of interest, whether the Client may cash the deposit before the end of the term and any penalties that may apply for doing so.
- ii) If the Client does not instruct the Custodian to renew the Deposit, then the principal and any interest being held with the Deposit will be deposited into the relevant Account at the end of its term. If the Client instructs the Custodian to renew the Deposit in accordance with subsection (iii) below, then the Custodian will renew the Deposit at the end of its term. The interest rate on the renewed Deposit will be the same as the interest rate that the Custodian offers on comparable Deposits at the date of renewal.
- iii) All renewal instructions must be in writing and must be received by the Custodian at least two (2) business days before the daily client investment cut-off time.
- iv) Interest on a Deposit will be calculated counting the first but not the last day of the Deposit's term.
- v) A Deposit with the Custodian is not insured under the *Canada Deposit Insurance Corporation Act* if it is not made in Canadian dollars. A Deposit made in Quebec is covered by the *Quebec Deposit Insurance Act*; however it is not guaranteed by the Régie de l'assurance dépôts du Québec if its term is more than five (5) years or if it is not in Canadian dollars.

4. Statements

A. Statements

During the term of the Account Agreement, the Custodian will provide to the Client, at least annually, a statement of account setting out all transactions, which have occurred in respect of the Account. The Custodian will also provide the Client with a listing of all securities and cash balances forming part of the Account.

The Custodian will also provide the Client with any other relevant tax information (including such appropriate tax slips, as may be required by Applicable Law, such as T5, T3, NR4, T5013) prepared by the Custodian.

B. Tax Cost of Assets; Limitation of Liability

When Property is transferred into the Client's Account, the accuracy of the Client's future statements is dependent upon the

information provided by the Client or on its behalf. The Client acknowledges and agrees that the Custodian is not responsible for missing or inaccurate tax costs for Property transferred into the Account.

It is important to have accurate tax cost information, without which some of the following points may apply in certain circumstances:

- The tax cost of any additional units of the same type of Property will be incorrect when averaged together with previous holdings.
- Gains and losses reported on the Capital Gains Statement that the Custodian provides will be incorrect and may lead to the incorrect payment of tax if the information provided in the Statement is not adjusted when the Client prepares its tax return.
- The Analysis of Tax Cost Statement, which identifies the tax cost of the Client's holdings as at year-end and identifies foreign property, will be incorrect. If amounts are not corrected, and the Client fails to make the appropriate Foreign Property Reporting or provide incorrect information, then the Client understands that it may be committing an offence under the *Income Tax Act* (Canada), which may lead to penalties being assessed against it.

The Client acknowledges and agrees that the Custodian will not be liable or responsible for the accuracy or completeness of any tax information provided to the Custodian either by the Client, or on the Client's behalf, in respect of the Client, the Property or the Account, or any losses or penalties arising from the inaccuracy or incompleteness of such tax information.

C. Examination and Correctness of Statements

The Client must promptly examine the statements that the Client receives and notify the Custodian in writing of any errors, irregularities, discrepancies or omissions in such statements within 30 days from the statement date. If the Client does not notify the Custodian as required, the Custodian will be entitled to treat the statements as final and binding on the Client and the Custodian will be released by the Client from any liability whatsoever in respect of any error, irregularities, discrepancies or omissions in such statements.

D. Copies of Statements

The Custodian will provide information regarding the Account, including copies of the Client's statements, to the Investment Counsellor, from time to time as requested by the Investment Counsellor. The Client may also request, in writing, that additional copies of its statements be sent to others. The Client acknowledges that it may be charged an additional fee for this service.

5. Instructions

The Client understands and agrees that the Custodian shall act in accordance with Instructions and, in so acting, shall be fully protected and absolved from any liability howsoever arising, and that the Custodian is not bound to inquire into or assess the validity, accuracy or advisability of any Instructions given by the Client, the Investment Counsellor or any other attorney or agent that the Client may appoint. The Client acknowledges that the Custodian will consider any Instructions, including Instructions from the Investment Counsellor or any other attorney or agent that the Client may appoint, to be Instructions from the Client to the Custodian.

In all circumstances where the Custodian receives any direction or order in relation to the Account from FundSERV, any such direction or order shall be deemed to be an Instruction for all purposes of this Agreement, and the Client hereby authorizes and directs the Custodian to act on any such Instruction, and the Custodian shall have no liability whatsoever for acting on any such Instruction.

Any communications given under the Account Agreement, including Instructions, may be given by mail, courier, telephone, telegram, telegraph, telex, facsimile transmission, one of the Custodian's secured access channels (including, without limitation, Viewfinder and/or Investor Services Online), the internet (subject to the provisions below) or through any other means that the parties may agree to from time to time to the address in the Account Agreement or such other address as either party may notify the other. Subject to disruptions in the postal service, any communication sent by prepaid ordinary mail shall be deemed to have been given and received on the fifth Business Day following the date of mailing. Any communication given by authenticated telex, facsimile, or directly between electromechanical or electronic terminals (including the internet or unsecured lines of communication) shall be deemed to have been given and received on the Business Day it is transmitted provided that it was received before 3:00 p.m. (Toronto time), and, if received after 3:00 p.m. (Toronto time), it shall be deemed to have been given and received on the Business Day following the day of transmission provided in each case that confirmation of transmission is available from the party giving the communication.

Nothing in the Account Agreement shall create an obligation for the Custodian to constantly monitor its electronic communication equipment, provided that reasonable monitoring is performed within business hours of the Custodian where communications are sent and the Custodian will not be held liable for an omission to act from not receiving electronically transmitted communications (including, without limitation, Instructions). In the event of any disagreement as to whether electronic communications (including,

without limitation, Instructions) have been received by the Custodian, the sender will have the onus of proving that such electronic communications have been so received.

Instructions given to the Custodian by telephone must be confirmed in writing on the same day that they are given but not doing so or giving contrary Instructions will not affect the validity of any transactions effected by the Custodian on the basis of such telephone Instructions. The Client acknowledges and agrees that the Custodian will be recording some or all of the telephone conversations between the Custodian and the Client and, in the event of any disagreement as to the contents of any Instructions or communications given by telephone, the Custodian's recording will be conclusive and determinative of the contents of such Instructions or communications.

If the Client or the Investment Counsellor communicates with the Custodian, or accepts communication from the Custodian, through the internet or any other electronic means of communication, which is not secure, then the Client, on its own behalf and on behalf of the Investment Counsellor, acknowledges that, in respect of certain communications, including Instructions, the Custodian may, in its sole discretion, decline to accept delivery of such communications by certain means and the Custodian may require that such communications be issued by the Client, or the Investment Counsellor, as the case may be, in a specific form and by specific means and, in such case, the Custodian has no obligation to abide by such communications unless and until they have been issued in such form and by such means specified by the Custodian. Without limiting the foregoing, by communicating with the Custodian through the internet, the Client recognizes that the internet is not a secure, confidential or prompt means of communication and agrees that the Custodian shall bear absolutely no responsibility or liability whatever for any errors and omissions, or direct, indirect or consequential losses or damages arising in any way from the use of the internet, including, but not limited to, losses or damages resulting from the Custodian relying and acting on Instructions received via the internet from the Client or its authorized agents, including without limitation the Investment Counsellor, or arising from viruses or worms, or the interception, tampering or breach of confidentiality of data or information transmitted which is not encrypted and authenticated in accordance with the Custodian's encryption standards. The Client also agrees that any email Instructions received by the Custodian from the Client or its authorized agents, including without limitation the Investment Counsellor, shall be binding on the Client and the Client shall not make any claim or take any action or proceedings against the Custodian for any losses or damages whatsoever suffered by reason of the Custodian accepting and acting upon such Instructions.

The Client also acknowledges and agrees the Custodian shall not be liable for failing to act if the Custodian is not provided with Instructions as and when required. Without limiting the foregoing, the Custodian shall not be obliged to act upon any Instructions with respect to any sale of securities unless the securities are, at the time the order to sell is made, in deliverable form, or with respect to the settlement of any purchase of securities unless there is sufficient cash in the Account at the time for settlement.

If the Account is owned by a non-individual, the Client will provide the Custodian with a certificate signed by the President, Vice-President or Secretary or equivalent officer of the corporation, trust or other non-individual entity containing the name(s) of, specimen signatures of and positions held by the authorized signatories of the corporation, trust or other non-individual entity. The Client will advise the Custodian, in writing, of any changes to the information contained in this certificate or provide the Custodian with an updated certificate, upon request. The Client will be bound by any transaction which the Custodian carries out on its behalf prior to the Custodian receiving notice of changes to the authorized signatories and the Custodian shall not be liable for taking and carrying out Instructions prior to receiving written notice of any such changes from the Client.

Notwithstanding any other provision in this Account Agreement, the Client agrees that the Custodian shall not act on any Instruction from the Investment Counsellor to transfer Property to a third party, except for any Instruction, or any action taken at the Custodian's discretion, to carry out the functions in Section 3A, unless and until the Custodian has received an Instruction from the Client directing the Custodian to comply with any such Instruction.

6. Joint Accounts

(Not applicable to corporation, trust or other non-individual entity Accounts.)

As acknowledged in the Account Agreement, either party named as the Client therein may provide Instructions to the Custodian regarding the Account.

Clients who Reside Outside the Province of Quebec

If this is a joint account, the parties declare that their interests in the joint account are as joint tenants with full right of survivorship and not as tenants-in-common or resulting trust. This means that the following special rules apply:

- a) The death of one Client shall not terminate the Account Agreement nor affect the right of the survivor(s) to such party; rather, in the event of the death of one Client, all proceeds of and rights to the Account pass automatically, without any additional Instructions to the Custodian, to the survivor or the survivors jointly;

- b) The death of one Client means that the Custodian may accept Instructions from the survivor or any one of the survivors, as the case may be;
- c) The Custodian may credit the Account with the proceeds of any cheque or other instrument payable to, or any security in the name of, any Client; and
- d) Each Client will be jointly and severally liable with the others for all liabilities with respect to any obligations arising in the Account or under the Account Agreement, including the payment of fees, charges and, if applicable, overdraft charges.

Clients who reside in the Province of Quebec

The death of one Client will affect the rights and obligations of the survivor(s) as they will be governed by the Civil Code of Quebec and any other law applicable. The right of survivorship does not apply to Quebec residents.

7. Policy upon Death of a Client

(Not applicable to corporation, trust or other non-individual entity accounts.)

Subject to the provisions governing joint accounts above, the Client acknowledges that the Custodian shall, upon receiving notice of the Client's death, cease to accept Instructions provided in accordance with the Account Agreement for the Account and shall not dispose of any securities in the Account until the Custodian receives Instructions from a representative of the Client's estate. The Client further acknowledges that the Custodian reserves the right to refuse to act upon any Instructions of a representative of the Client's estate without being provided with letters of administration, letters probate, notarial will or any other documentation or assurances the Custodian may deem necessary.

8. Withholding Tax

The Custodian is directed to withhold, pay or otherwise satisfy out of the Account on the Client's behalf all withholding taxes properly payable against the Property under the laws of Canada, any Province or any other country having jurisdiction.

9. Compliance with Laws

The Client acknowledges that it is responsible for compliance with any law or regulation to which the Client, the Account or any Property is subject and the Custodian will not be liable or responsible for any act required or demanded by any governmental, taxing regulatory or other authority having jurisdiction over the Client, the Account or the Property or any failure to act on Instructions if the Custodian reasonably believed that to do so might result in breach of any Applicable Law or the terms of the Account Agreement (but no duty of the Custodian to comply with any such Applicable Law shall be implied from the foregoing limitation of liability).

10. Fees

For the services that the Custodian provides under the Account Agreement, the Client shall compensate the Custodian in accordance with the applicable fee schedule, which the Client acknowledges having received. The Custodian is permitted to change the fees payable for the Account and will provide either the Client or the Investment Counsellor with at least thirty (30) days' written notice of the change. As well as compensating the Custodian for the services provided, the Client will also reimburse the Custodian for all expenses that are properly incurred in the discharge of its duties under the Account Agreement and relating to the administration of the Account. Both the fees and expenses shall be paid out of the Account unless the Client otherwise pays for them first.

Without limiting the foregoing, the Client hereby directs the Custodian to pay from the Account any investment management fees as directed by the Investment Counsellor.

11. Security Interest to Secure Obligations

The Client hereby assigns, conveys, mortgages, pledges, hypothecates, and charges in favour of, and grants a security interest to the Custodian in all of the Client's right, title and interest in and to all Property now owned or hereafter acquired by the Client and held in custody by the Custodian pursuant to the Account Agreement and all proceeds thereof, as continuing collateral security for the due payment and performance of all of the obligations, liabilities and indebtedness of the Client to the Custodian from time to time, whether present or future, absolute or contingent, liquidated or unliquidated, of whatsoever nature or kind, in any currency or otherwise, arising pursuant to the Account Agreement, including without limitation unpaid fees, disbursements, expenses, indemnification amounts payable, overdraft and obligations owing to the Custodian in connection with foreign exchange transactions contemplated by Section 3(c) (collectively, the "Obligations").

The Client and the Custodian agree that it is their intention that the security interests hereby created shall attach immediately to any Property in which the Client has any interest on the date of the Account Agreement, and, with respect to after-acquired Property, forthwith at the time the Client acquires an interest therein, all in accordance with the terms hereof.

The Client acknowledges and agrees that to the extent that the Custodian is the Client's Securities Intermediary with respect to any Property in the custody of the Custodian hereunder, pursuant to the STA and the PPSA the Custodian's security interest therein shall have priority over any other security interest therein granted by the Client, and the Custodian

shall be under no obligation to waive, subordinate or discharge such security interest except upon the indefeasible payment and satisfaction in full of the Obligations.

12. Right of Deduction and Set-Off

If and to the extent that at any time any Obligations owing to the Custodian hereunder are outstanding and unpaid, in addition to any right or remedy that the Custodian may otherwise have hereunder or under any Applicable Law, the Custodian is hereby authorized, in its discretion (upon reasonable notice in the circumstances to the Client and in accordance with Applicable Law), both before and after demand or judgment, and whether or not default has occurred hereunder:

- a) to sell, as agent for the Client, such portion of the Property (which, for the purposes of this Section shall include any account with any third party with whom cash has been deposited by the Custodian on behalf of the Client) as may be required to satisfy any such unpaid Obligations, on such commercially reasonable terms as it thinks fit in its discretion, and
- b) set off against and deduct from the proceeds of any such sale owing to the Client such amounts of such unpaid Obligations as the Custodian thinks fit in its discretion, and account for any surplus to the Client;

it being agreed and understood by the Client that the exercise of the Custodian's rights under this Section 12 shall not be construed as the exercise of a right of realization in respect of the security interest created under Section 11 but a separate right of set-off.

13. Right to Retain

The Custodian may retain an amount of the Property held in the Account at least equivalent to the amount of any outstanding fees and expenses and any other monies owing by the Client hereunder, until the Custodian receives full payment with respect thereto.

If the Account is in a cash debit position, the Custodian is authorized to liquidate any holdings in the Account to cover such debit position. Interest, at the prime interest rate (being the annual rate of interest announced by Royal Bank of Canada, from time to time), plus 2% per annum, will be charged on such debit balance from the date it was created until it and the interest thereon have been repaid in full. The Client hereby grants the Custodian a security interest in the Account as continuing collateral security for the payment of any amount owing by the Client to the Custodian pursuant to the terms of the Account Agreement.

14. Self-Dealing

The Custodian's services to the Client are not exclusive and, subject to the limitations otherwise provided in the Account Agreement on the power and authorities of the Custodian, the Custodian may for any purpose, and is hereby expressly authorized from time to time in its discretion to, appoint, employ, invest in, contract or deal with any individual, firm, partnership, association, trust or body corporate, including without limitation, itself and any partnership, trust or body corporate with which it may directly or indirectly be affiliated or in which it may be directly or indirectly interested, whether on its own account or for the account of another (in a fiduciary capacity or otherwise), without being liable to account therefor and without being in breach of the Account Agreement.

Where the Custodian or a related party benefits from these dealings, no accounting of profits is required to be given to the Client.

Without limiting the generality of the foregoing, the Client hereby authorizes the Custodian to act hereunder notwithstanding that the Custodian or any of its divisions, branches or Affiliates may:

- a) have a material interest in the transaction or that circumstances are such that the Custodian may have a potential conflict of duty or interest including the fact that the Custodian or any of its Affiliates may:
 - i) purchase, hold, sell, invest in or otherwise deal with securities or other property of the same class and nature as may be held in the Client, whether on its own account or for the account of another (in a fiduciary capacity or otherwise);
 - ii) act as a market maker in the securities that form part of the Property to which Instructions relate;
 - iii) provide brokerage services to other clients;
 - iv) act as financial adviser to the issuer of such securities;
 - v) act in the same transaction as agent for more than one client;
 - vi) have a material interest in the issue of securities that form part of the Property;
 - vii) use in other capacities knowledge gained in its capacity as custodian hereunder; and
- b) earn profits from any of the activities listed herein, without being liable to account therefor and without being in breach of the Account Agreement.

15. Standard of Care

In performing its obligations under the Account Agreement, the Custodian will exercise the care, diligence and skill that a person of ordinary prudence would exercise in dealing with property of a similar kind of another person and use all relevant knowledge and skill that the Custodian possesses, or by reason of its business or calling, should possess (the “Standard of Care”).

16. Limitation of Liability

Notwithstanding anything contained in the Account Agreement, the Client acknowledges and agrees that the Custodian shall not be liable for any act or failure to act in the course of or connected to providing services under the Account Agreement or for any loss to or any decrease in value of the Property and the Custodian will only be liable for loss or damages directly caused by or arising from the Custodian breaching the Standard of Care. The Client acknowledges and agrees that, if the Custodian is liable under the Account Agreement, then the Custodian will only be liable to the Client and the Custodian will not be liable for any amount in excess of the Client’s actual loss at the time that the Client discovers the loss, or for any increased loss due to special conditions or circumstances (even if they were known to the Custodian) or for any consequential or special damages, such as loss of reputation, goodwill or business. The Client understands that if any Property is mislaid or lost, the value of the loss to the Client will be determined only by reference to the market value of that Property at the time that the Client discovered the loss.

Without limitation the Custodian shall not be liable for any loss or damage of any nature whatsoever resulting from official action (including nationalization, sequestration and expropriation), currency restrictions or devaluations, acts or threat of war or terrorism, insurrection, revolution or civil disturbance, acts of God, strikes or work stoppages, inability of any depository, clearing or settlement agency or other settlement system to settle transactions, interruptions in postal, telephone, telex and/or other communication systems or in power supply, or any other event or factor beyond the Custodian’s control.

The Client agrees to indemnify and hold the Custodian and its subsidiaries, as well as its officers, directors, employees or agents and those of its subsidiaries (collectively, the “Indemnified Parties”) harmless from and against any and all losses, costs, expenses, damages, claims, actions, demands and other liability of any kind, including legal fees and expenses, which may result from anything the Custodian does or fails to do in connection with the Account Agreement, except to the extent occasioned by the negligence, wilful misconduct or lack of good faith of any Indemnified Party.

17. Privacy

The Custodian may obtain, use and disclose Personal Information in the manner and for the purposes permitted by Applicable Law. For greater certainty it is understood that Personal Information with respect to the Client has been collected by the Client and delivered to the Custodian in order for the Custodian to deliver the services agreed in the Account Agreement. The Custodian will keep Personal Information, provided to it by the Client, confidential and will not disclose it other than as permitted by the Account Agreement or by Applicable Law, or as required by Applicable Law. Provided however that, for greater certainty, the Custodian may disclose Personal Information:

- a) where the Client has provided its prior written authorization;
- b) for the purposes of complying with the requirements of Applicable Law;
- c) to its Representatives who need to know such Personal Information; or
- d) in the event that the Custodian or its Representatives become legally compelled (by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process, by court order of a court of competent jurisdiction or in order to comply with applicable requirements of any stock exchange, government, department or agency or other regulatory authority, or by requirements of any Applicable Law or other legal requirements) to disclose such Personal Information; provided that the Custodian shall provide the Client with prompt written notice of such requirements so that the Client may seek a protective order or other appropriate remedy and/or waive compliance with the terms of the Account Agreement, which waiver may not be unreasonably withheld. In the event that such protective order or other remedy is not obtained, or the Client waives compliance with the provisions hereof, the Custodian agrees to provide only that portion of the Personal Information, which is legally required and to use reasonable commercial efforts to obtain assurances that confidential treatment will be afforded to such Personal Information.

The Custodian shall hold in confidence all information relating to the Property and the Account Agreement (“Confidential Information”) and may only release such information to others where required by law, where such information was within such party’s possession on a nonconfidential basis prior to it being provided to such party, such information is or becomes generally available to the public, pursuant to Instructions, if applicable, or as otherwise agreed between the parties.

Without limiting this Section 17, the Client agrees that the Custodian may share the Client's information, including Confidential Information, on a need-to-know basis, with its agents, service providers, Affiliates, related companies, subsidiaries, parent companies and their respective parent companies, affiliates, related companies and subsidiaries, for the purposes of marketing, administration, client services, to prevent fraud, to verify the Client's identity and to prevent money laundering. The Custodian will also provide the Client's information, including Confidential Information, to any federal or provincial legal or regulatory body if required by law to do so.

The Client also acknowledges that the Custodian, as a result of providing services to the Client hereunder, including the services contemplated under this Section 17, above, may from time to time be required to transfer, store and process client information, including Confidential Information, outside Canada. The Client further acknowledges and agrees that the contractual or other measures that the Custodian may use to protect such information are subject to the legal requirements of the jurisdiction where such information may be transferred, stored or processed, and that the Custodian may be required by law to disclose client information, including Confidential Information, to the lawful authorities operating within that jurisdiction. The Client further agrees and acknowledges that the Custodian shall in no way be liable or responsible in any way for any damages, costs or expenses whatsoever that the Client may face as a result of the Custodian being legally obligated to disclose any such Client information.

The Client also agrees and acknowledges that it may from time to time be necessary for the Custodian to disclose the Client's information, including Confidential Information, to third parties where the Custodian is compelled by law or on demonstration of a legitimate business interest.

The Custodian's privacy policy may be obtained from the Custodian's website at www.rbcits.com/Legal/p_Privacy.aspx.

18. Problems and Concerns

The Custodian has internal processes specifically designed to address clients' problems and concerns, and the Client may raise any issue by contacting the Custodian. The client can contact the Custodian in person, by telephone, mail, fax or via the internet.

The Client can visit www.rbcits.com for more information on the variety of ways to express a concern.

19. General

A. Assignment

This Agreement shall be binding upon and shall enure to the benefit of the respective heirs, executors, administrators, personal representatives, successors and assigns of the Client and the Custodian. Notwithstanding the foregoing, any trust company resulting from the merger or amalgamation of the Custodian with one or more trust companies and any trust company, which succeeds substantially all of the trust business of the Custodian shall thereupon become successor to the Custodian without any further act or formality. The Custodian may assign its rights and obligations under the Account Agreement to another trust company, which is qualified to provide the service without any further act or formality.

B. Amendment

The Custodian may modify or amend the Account Agreement on thirty (30) days' written notice, which notice may appear on the Client's regular statement of account. The Client will be deemed to have accepted the modification or amendment unless, on receipt of the notice, the Client terminates the Account Agreement in accordance with its terms.

C. Termination

Either the Custodian or the Client may terminate the Account Agreement by giving the other at least thirty (30) days' prior written notice. Upon such termination and subject to any provisions herein contained pertaining to the realization of security hereby granted, and upon presentation of documentary evidence acceptable to it, the Custodian shall assign, pay or deliver the Property to, or to the order of, the Client and the Custodian shall without further act or formality be released from any and all obligations and liabilities arising under the Account Agreement, except reporting matters for tax purposes, if applicable. Notwithstanding the foregoing, the Custodian, upon notice to the Client, is specifically authorized and empowered to reserve from such assignment, payment and delivery of the Property, such sums as the Custodian, acting reasonably, may deem advisable for the payment of its charges, including compensation for services provided under the Account Agreement, disbursements and expenses incurred to the date of termination or such later date as the parties may agree upon, and any taxes which in the reasonable opinion of the Custodian may be exigible against the Property, the Account and/or the Client, including but not limited to, taxes which may be exigible upon the assignment, payment and delivery of the Property or any portion thereof.

Termination of the Account Agreement shall not affect the completion of any Instructions provided prior to the date of termination.

The Client may, at any time, terminate the appointment of the Investment Counsellor, in which event the Client shall have sole responsibility for providing Instructions to the Custodian under the Account Agreement until the Client appoints a successor Investment Counsellor and advises the Custodian of such appointment.

20. Interpretation

A. Headings

The section headings contained in the Account Agreement are for convenience of reference only and are not intended to define or limit the contents of such sections.

B. Interpretation

The provisions of the Account Agreement shall be read with all requisite grammatical changes, if there is more than one Client, or if the Client is a corporation, trust or other non-individual entity.

C. Severability

In the event that any article or section of the Account Agreement is held to be invalid or unenforceable by any court of competent jurisdiction, such invalidity or unenforceability shall not affect the remainder of the provisions hereof, but such part shall be fully severable and the Account Agreement shall be construed and enforced as if such invalid or unenforceable part had never been included herein and the parties agree that they would have signed the Account Agreement without such invalid or unenforceable part included.

D. Governing Law

This Agreement shall be governed and construed in accordance with the governing law stated in the Account Agreement, except to the extent that the laws of the province stated in the Account Agreement would be inconsistent or conflict with the laws of the Province of Ontario with respect to the application of the STA, the PPSA, and Sections 11 and 12 respectively of this Agreement in which case, the laws of the Province of Ontario shall apply with respect thereto.

E. Language of Agreement and Other Documents

The parties have expressly requested that the Account Agreement and all related documents, including notices, be in the English language only. Les parties ont expressément exigé que la présente entente ainsi que tous les documents ou avis y afférents soient rédigés en langue anglaise seulement.