

Important Changes to TD Waterhouse Canada Inc. Account Holder Information

Effective January 1, 2013



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NOTIFICATION OF CHANGES TO YOUR TD WATERHOUSE CANADA INC. ACCOUNT AND SERVICES AGREEMENTS AND DISCLOSURE DOCUMENTS

The agreements located in the TD Waterhouse Canada Inc. Account and Services Agreements and Disclosure Documents booklet apply to all TD Waterhouse® accounts, except where otherwise noted. The words "we", "us" and "our" refer to TD Waterhouse Canada Inc. ("TD Waterhouse"), including its divisions, TD Direct Investing, TD Waterhouse Financial Planning, TD Waterhouse Private Investment Advice, and TD Waterhouse Institutional Services - Investment Counsellor channel. The words "you", "your" and "yours" means the client and any other individuals with authority over the client's account.

CASH ACCOUNT AGREEMENT (applies to all accounts)

2. Services – New 2nd paragraph

You will be responsible for all obligations arising out of the account, including those authorized by any person you have appointed as your authorized agent, including all obligations under any trading platform agreement or agreement for access to services provided by third parties available through any trading platform.

3. Joint Account- Amended

If the account opened has more than one owner, all owners collectively and individually agree that each of you (a) will be responsible for any obligations arising out of the account, including those arising under any trading platform agreement or agreement for access to services provided by third parties available through any trading platform, regardless of which joint tenant (co-owner) has entered into those obligations or taken action with respect to the account, and (b) will have authority to act on the account as if the only owner. You agree that we may deliver securities, money or other property relating to the account and Communications of any kind to any one of the joint tenants (co-owners) without notice to any of the others.

5. Payment – New 2nd Paragraph

When you make a deposit by way of cheque or other instrument, you may be restricted from trading with those funds and may also be restricted from moving those funds from your account until the deposit clears. Clearing times vary depending on a number of factors, including the nature of the instrument and where the source of the funds is located. We may, in our sole discretion, permit trading with, or withdrawal of uncleared funds, which determination will be made by us on a case by case basis.

11. Assignment and Account Closing - Amended

You agree that you will not assign this Agreement or the account. TD Waterhouse Canada Inc. may assign the agreement or account to another party, including a company associated or affiliated with TD Waterhouse Canada Inc., after notice to you. You agree to give us seven days notice of any intended cash withdrawal. You agree that if your account is closed by you in the first year of its operation, we may charge a fee to close your account. The fee will be disclosed by us from time to time. You agree to pay the fee.

13. Custodial Services - New

(only applicable to custodial services clients of TD Waterhouse Institutional Services)

The services that we provide to custodial services clients are limited to the holding of securities and other assets in your account with us, the settlement of trades on your behalf, the administration of your account and the provision of account statements to you. All other acts in relation to the purchase and sale of securities for your account are the sole responsibility of your advisor and/or dealer. All trades that we settle in your account with us will be shown on our book of record and in your account statements. It is your responsibility to advise us of any errors, omissions or objections regarding your account statements within 45 days of when we send them to you. Where applicable, our Privacy Code, as set out herein, will apply to your Information with us.

20. Privacy Agreement – Our Commitment To Your Privacy – Amended

SHARING INFORMATION WITHIN TDBG

You may elect or refuse to share Information within TDBG by checking the appropriate box on the TD Waterhouse Account Application or by contacting us in writing. If you elect not to share Information within TDBG, we may still share Information within TDBG to manage our credit and other business risks and operations, and to comply with legal or regulatory requirements. We will not share Information for other purposes. If you elect to share Information, we may share Information, other than health related information, within TDBG for purposes identified above and for the following purposes:

- To manage your total relationship within TDBG, including servicing your accounts and maintaining up to date information about you.
- To allow other businesses within TDBG to tell you about products and services.

MARGIN ACCOUNT AGREEMENT

1. Holding and Pledging of Securities - Amended

All Collateral for your indebtedness to us will be held by us at a location of our choice. Any securities of yours which we hold at any time when you are indebted to us may, without notice to you, be pledged by us as security for any of our indebtedness for more or less than the amount due by you to us. Any such pledge may be made either separately or together with the other securities we hold. We may lend your securities or any part of them either separately or together with other securities we are holding. We may cancel your access to margin in our sole discretion at any time without prior notice to you.

STATEMENT OF POLICIES

Misuse of Confidential and Insider Information – New 2nd Paragraph

TD Waterhouse or its affiliates may, at times, have material information relating to certain securities which neither the client nor

TD Waterhouse or its affiliates may, under law, use for the benefit of an account.

Conflicts of Interest

a) Business Activities – Amended

Affiliates of TD Waterhouse may participate as a dealer, advisor or member of a selling group in distributions of securities, including securities of related or connected issuers. To avoid any conflicts of interest which may arise, the retail businesses of TD Waterhouse are maintained separately from the corporate finance and research activities of its affiliates. Information barriers are in place to prevent the transfer of material non-public and other confidential client information in order to comply with applicable securities laws and policies.

c) Related Issuer to TD Waterhouse – Amended

The following are related issuers to TD Waterhouse: TD Bank, TD Capital Trust II, TD Capital Trust III, TD Capital Trust IV, TD Split Inc., and TD Ameritrade Holding Corporation.

d) Connected Issuers to TD Waterhouse – Amended

The following are connected issuers to TD Waterhouse:

- 5 Banc Split Inc.
- Big 8 Split Inc.
- Genesis Trust
- Solar Trust
- TMX Group Limited
- York Receivables Trust III

g) Related Canadian Registrants – Amended 2nd Paragraph

TD Securities Inc. ("TDSI") owns an equity interest in TMX Group Limited ("TMX") and has a nominee director serving on the board thereof. As such, TDSI may be considered to have an economic interest in the listing and trading of securities on an exchange owned or controlled by TMX, including the Toronto Stock Exchange, the TSX Venture Exchange and Alpha Exchange, and in the clearing, settlement and depository services provided by The Canadian Depository for Securities and its affiliates. No person or company is required to obtain products or services from TMX or its affiliates as a condition of TDSI or its affiliates continuing to supply a product or service.

h) Dealing with Affiliate: - New 2nd Paragraph

Where TD Waterhouse sells you securities owned by TD Waterhouse or an affiliate (called principal trading), TD Waterhouse will indicate on the trade confirmation that the trade was executed on a principal basis. In most fixed income product transactions, TD Waterhouse or an affiliate may act as principal. TD Waterhouse and related parties receive revenue based, where applicable, on rates established with the issuer (which may be a party related to TD Waterhouse), or on the difference between the price paid by those related parties and by TD Waterhouse, and the price paid by the client. TD Waterhouse may also charge commissions on these transactions. The price paid by a client may include a payment to the advisor, which he or she determines, within guidelines set by TD Waterhouse. The trade

confirmation for each transaction will indicate whether TD Waterhouse acted as principal or agent and, in the case of fixed income product transactions, a stated yield to maturity will be provided to allow a client to assess the competitiveness of the pricing.

i) Corporate Revenue and Representative Income Sources – Amended

TD Waterhouse and parties related to TD Waterhouse may earn revenue from other sources, some of which may be seen as involving a conflict or potential conflict. These sources of revenue include:

- fees paid directly or indirectly by issuers in connection with new issues of shares or other securities;
- fees paid directly or indirectly by issuers of other investment products such as principle protected notes and other structured notes
- fees paid by issuers, offerors or others in connection with takeover bids, corporate reorganizations, solicitation of proxies and other corporate actions;
- fees paid by parties related to TD Waterhouse and others for business referrals to them (also see clause (n));
- mutual fund “trailer fees” paid by mutual fund companies, including those related to TD Waterhouse, which also earn revenue on the sale of the funds. Specific disclosure is provided in the mutual fund’s offering document (e.g. prospectus);
- commissions and “trailer fees” on segregated funds and insurance policies paid by insurance companies, including those related to TD Waterhouse, which also earn revenue on the sale of such products;
- remuneration paid by trading destinations, including electronic communication networks, market makers and exchanges in connection with trades on markets TD Waterhouse directs to such destinations, through its affiliates or directly;
- fees and spreads in connection with any services provided by TD Waterhouse or its affiliates to the client account, or transactions between TD Waterhouse or its affiliates and the client account, including in connection with banking, custody, brokerage, derivatives and foreign exchange transactions (also see section 18 of the Cash Account Agreement) and registered plan administration and trusteeship; and
- fees and spreads in connection with various services provided to, or transactions with, TD Mutual Funds, including in connection with banking, custody, fund accounting and reporting, portfolio valuation, securityholder account maintenance and reporting, brokerage and derivatives transactions.

Where applicable, TD Waterhouse receives commissions, fees and other compensation as set out in the Commission Schedules and the Statements of Disclosure of Rates and Fees, trade confirmations and managed account agreements provided to clients.

TD Waterhouse offers a variety of pricing options including fee-based and managed accounts and no-load mutual funds which are intended to reduce the conflicts associated with commission-based pricing.

TD Waterhouse may receive various forms of compensation, including trailing commissions from issuers or other parties, which

may include affiliates of TD Waterhouse. Such compensation may vary depending on the product, service or issuer, including where the issuer is an affiliate or a connected issuer to TD Waterhouse or the product or service is provided by an affiliate.

Representatives of TD Waterhouse may be compensated by a base salary, a percentage of sales commissions, spreads, and trailer fees received by TD Waterhouse, a percentage of referral fees received by TD Waterhouse or through a combination of these payments. In addition, representatives may receive compensation based upon the value and/or types of assets under administration, a bonus based upon a number of performance criteria and compensation based on a client's purchase of products or services from parties related to TD Waterhouse and others (see also clause (n)).

j) Allocation of New Issues - New

TD Waterhouse may not make available each new issue of securities by prospectus to each of its clients. Clients to whom a new issue is made available provide TD Waterhouse with expressions of interest. Demand for these issues is compared by TD Waterhouse to its allotment of the issue to determine the manner of allocation, in its sole discretion. Generally, if expressions of interest cannot be satisfied in full, TD Waterhouse will apportion the issue to all clients that expressed an interest using such method of allocation as determined by TD Waterhouse, in its sole discretion, including on a *pro rata* basis.

k) Side by Side Management of Different Types of Accounts – Amended

Investment advice may be provided to a variety of different accounts including, but not limited to, accounts containing long-short positions and other alpha strategies that pay performance-based fees. A potential conflict exists where TD Waterhouse or an affiliate acts as a portfolio manager, the portfolio manager could hold the same security short in one portfolio and long in another portfolio. Investment decisions are made and securities traded based on the investment objectives, strategy, guidelines and other relevant factors of each account. Certain of TD Waterhouse's or an affiliate's portfolio managers manage these performance-based fee accounts alongside accounts that do not pay performance-based fees. Due to the different fee structures of various accounts, there may be a perceived incentive to favour a performance based fee account over a non-performance based fee account.

n) Referral Fee Disclosure – Amended

The client may have been referred to TD Waterhouse by an employee within TD Bank Group ("TD"), who may or may not be registered to provide investment advice. The purpose of this referral is to better align the client's investment needs with the TD entity that can provide the specific services or products requested. This referral is pursuant to arrangements among TD Waterhouse, TD Bank, The Canada Trust Company, TD Investment Services Inc., TD Waterhouse Private Investment Counsel Inc., TD Asset Management Inc., and First Nations Bank of Canada. A referral fee based upon a percentage of the transferred assets may be paid by TD Waterhouse to the referring employee and/or his/her employer.

Where TD Waterhouse refers the client to certain of the above-referenced entities, TD Waterhouse and/or an employee of

TD Waterhouse may receive a referral fee as a one-time flat fee (currently \$250.00, but subject to change), or a one-time fee based upon a percentage of the referred assets or annual fee earned, or the payment may be a fee paid over a limited period of time based on a percentage of the value of the assets in the client's account or annual fee earned on the client's account, or such other factors as may be determined from time to time.

The amount of any referral fee will not affect any fees paid or payable by the client.

A brief description of a number of TD Bank Group entities and the nature of the services which each provides are set out below:

- TD Bank provides personal, private and commercial banking services.
- The Canada Trust Company is registered as a trust company across Canada and provides trusteeship and estate administration services.
- TD Investment Services Inc. is registered as a mutual fund dealer and sells TD Mutual Funds through dealing representatives located in TD Canada Trust branches and call centres and through the internet.
- TD Waterhouse Private Investment Counsel Inc. is registered as a portfolio manager and exempt market dealer. It provides investment management services for both individual and institutional clients.
- TD Asset Management Inc. is registered as a portfolio manager, investment fund manager, exempt market dealer and commodity trading manager. It provides discretionary investment management services to institutional clients and investment funds and non-discretionary investment management services to client-directed service accounts.

A referral fee may also be paid if clients have been referred to TD Waterhouse by a person or entity outside of TD. The referral arrangement will be set out in a written agreement which will be entered into in advance of any referrals being made. In this case, details of how the referral fee is calculated and paid and to whom it is paid will be provided to the client.

o) Outside Business Activities - New

At times, individuals may participate in outside business activities such as serving on a board of directors, participating in community events or pursuing personal outside business interests.

TD Waterhouse has policies in place which require individuals to avoid situations where a conflict of interest may arise.

Fairness Policy - Amended

(a) Ensure that he/she deals fairly with all accounts when making investment recommendations, or taking investment action.

(b) Use his/her best efforts to mitigate any conflict of interest between himself/herself, TD Waterhouse and clients in rendering advice with respect to investment opportunities, and disclose any related material conflict of interest.

TD WATERHOUSE ELECTRONIC BROKERAGE SERVICES CLIENT AGREEMENT FOR ACTIVE TRADER ACCOUNTS

ACCESS TO, USE OF AND TERMINATION OF SERVICES – Clause 2 - Amended

2. In order to use the Services, your application must be accepted by us, in our sole discretion. One criterion for acceptance is your Trading History. In order to continue to use the Services, you must maintain a level of trading activity acceptable to us. The minimum acceptable trading level is 30 completed trades over each three month period that you use the Services. Trades on all accounts linked to your Active Trader Connect ID will be considered in determining if you meet the acceptable level of trading activity. Such determination will be made by us each month based on your trailing three month total, beginning with your first full month of access to the Services.

Further, in order to continue to use the Services, your trading activity must be consistent with the nature of the Services intended for retail investors. Multiple buys and sells of the same security, and on the same day, which consistently remove liquidity from the market may be deemed to be inconsistent with the Services and we reserve the right, in our sole discretion, to terminate your access at any time on notice to you.

TD WATERHOUSE SELF-DIRECTED RETIREMENT SAVING PLAN DECLARATION OF TRUST

Clause 4 - Contributions - Amended

e) Without restricting the generality of the foregoing, it will be your sole responsibility to choose the investments of the PLAN, and to determine whether any investment should be purchased, sold or retained by the Trustee as part of the PLAN. The Trustee shall exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that the PLAN holds a non-qualified investment. Other than as heretofore stated, it will be your responsibility to determine whether any investment is or remains a qualified investment within the meaning of Applicable Tax legislation. Neither the Trustee nor the Agent, as defined herein, will be liable to you if: (i) any investment in the PLAN results in additional taxes or penalties imposed by Applicable Tax Legislation, or (ii) any such investment produces losses of any nature whatsoever for the PLAN whether or not the Trustee or Agent has communicated to you any information the Trustee or Agent may have received, or any judgment the Trustee or Agent may have formed, with respect to the foregoing at any particular time. Should the PLAN become liable for any taxes, interest or other penalties under Applicable Tax Legislation, you authorize the Trustee to redeem sufficient securities and/or deposits, as required, in the PLAN to pay for such liability. Notwithstanding the above, the Trustee is not entitled to charge against and deduct from the assets in the PLAN any charges, taxes or penalties imposed on the Trustee under Applicable Tax Legislation.

TD WATERHOUSE SELF-DIRECTED RETIREMENT INCOME FUND DECLARATION OF TRUST

Clause 4 - Transfers to the FUND- Amended

g) a specified pension plan in circumstances to which subsection 146(21) of the Act applies;

Clause 5 - Investments - Amended

d) Without restricting the generality of the foregoing, it will be your sole responsibility to choose the investments of the FUND, and to determine whether any investment should be purchased, sold or retained by the Trustee as part of the FUND. The Trustee shall exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that the FUND holds a non-qualified investment. Other than as heretofore stated, it will be your responsibility to determine whether any investment is or remains a qualified investment within the meaning of Applicable Tax Legislation. Neither the Trustee nor the Agent, as defined herein, will be liable to you if: (i) any investment in the FUND results in additional taxes or penalties imposed by Applicable Tax Legislation, or (ii) any such investment produce losses of any nature whatsoever for the FUND whether or not the Trustee or Agent has communicated to you any information the Trustee or Agent may have received, or any judgment the Trustee or Agent may have formed, with respect to the foregoing at any particular time. Should the FUND become liable for any taxes, interest or other penalties under Applicable Tax Legislation, you authorize the Trustee to redeem sufficient securities and/or deposits, as required, in the FUND to pay for such liability. Notwithstanding the above, the Trustee is not entitled to charge against and deduct from the assets in the FUND any charges, taxes or penalties imposed on the Trustee under Applicable Tax Legislation

IMPORTANT INFORMATION REGARDING LEVERAGE RISK

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.

IMPORTANT NOTICE FOR INSIDERS AND SIGNIFICANT SHAREHOLDERS

TD DIRECT INVESTING

In an effort to maintain a level playing field for all investors, Canadian securities industry regulations require insiders and significant shareholders of publicly traded companies to disclose their status when opening a brokerage account and advise of any changes of status as they occur.

In addition, insiders and significant shareholders are required to disclose their status when placing trades on equities and options issued by, or related to, the company with which they are associated, when the trades are entered on any Canadian exchange or market.

The same declaration requirement applies if you have trading authority or power of attorney on another person's account and are placing trades on his or her behalf, and either you or the other person is an insider or a significant shareholder of the issuer's securities. This requirement also applies to accounts where an insider/ significant shareholder has a financial interest.

TD Direct Investing clients who are insiders of publicly traded companies can declare their status when placing orders on WebBroker or the TD Waterhouse Active Trader platform. These orders cannot be placed through TeleMax or TalkBroker; however you can place orders through an Investment Representative and indicate insider/significant shareholder status. There are restrictions that apply to the sale of securities on the TSX when one is a significant shareholder.

At TD Direct Investing, we value and appreciate your business. If you have questions, or to update your information regarding your insider or significant shareholder status, including whether you are a reporting insider, please call an Investment Representative at 1-800-465-5463. We would be pleased to assist you, anytime, 24 hours a day, seven days a week. Thank you for choosing TD Direct Investing.

TD WATERHOUSE PRIVATE INVESTMENT ADVICE

In an effort to maintain a level playing field for all investors, Canadian securities industry regulations require insiders and significant shareholders of publicly traded companies to disclose their status when opening a brokerage account and advise of any changes of status as they occur.

In addition, insiders and significant shareholders are required to disclose their status when placing trades on securities issued by, or related to, the company with which they are associated, when the trades are entered on any Canadian exchange or market.

The same declaration requirement applies if you have trading authority or power of attorney on another person's account and are placing trades on his or her behalf, and either you or the other person is an insider or a significant shareholder of the issuer's securities. This requirement also applies to accounts where an insider/significant shareholder has a financial interest.

Insiders and significant shareholders must contact their Investment Advisor and disclose their connection to the company before placing any such orders.

At TD Waterhouse, we value and appreciate your business. For further information, or to update your information with regard to your insider or significant shareholder status, including whether you are a reporting insider, please call your Investment Advisor.

TD WATERHOUSE FINANCIAL PLANNING

In an effort to maintain a level playing field for all investors, Canadian securities industry regulations require insiders and significant shareholders of publicly traded companies to disclose their status when opening a brokerage account and advise of any changes of status as they occur.

In addition, insiders and significant shareholders are required to disclose their status when placing trades on securities issued by, or related to, the company with which they are associated, when the trades are entered on any Canadian exchange or market.

The same declaration requirement applies if you have trading authority or power of attorney on another person's account and are placing trades on his or her behalf, and either you or the other person is an insider or a significant shareholder of the issuer's securities. This requirement also applies to accounts where an insider/significant shareholder has a financial interest.

Insiders and significant shareholders must contact a TD Waterhouse

Registered Representative and disclose their connection to the company before placing any such orders.

At TD Waterhouse, we value and appreciate your business. For further information, or to update your information with regard to your insider or significant shareholder status, including whether you are a reporting insider, please call your Financial Planner.

For a complete copy of the amended TD Waterhouse Canada Inc. Account and Services Agreements and Disclosure Documents, please contact us at the number on your account statement



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