

For further clarity, “selling of a mutual fund” includes both a redemption to cash and a redemption that involves a switch into units of another mutual fund in the same fund family.

While many fund companies will charge an early redemption fee if a mutual fund is sold within 90 days of purchase, securities regulators do not specify what period of time constitutes frequent trading but consider that any repeated buying and selling of mutual funds is harmful to other unit holders, and could be perceived as being frequent trading.

Market timing of mutual funds can adversely affect the underlying mutual funds and hence the other unit holders of the fund. Market timing may present risks including, but not limited to, interference with efficient management of a fund’s portfolio, increased brokerage, administrative and transaction costs, generation of taxable capital gains for unit holders, and increased borrowing or holding of cash reserves. All of these may have the effect of leading to a dilution in the unit value or diminished returns for long term unit holders.

TD Waterhouse will not maintain accounts that use mutual fund market timing practices, either through the use of Frequent Trading or Price Arbitrage Trading. If, in a review, it is determined that mutual fund market timing has taken place, steps will be taken to close those client accounts.

This policy does not apply to the buying and selling of money market mutual funds, provided that they trade at a fixed net asset value.

STATEMENT OF POLICIES AND RELATED ISSUERS

d) Connected Issuers to TD Waterhouse – (Amended)

- 5 Banc Split Inc.
- Big 8 Split Inc.
- Canada Trust Income Investments
- Emerald Hedge Fund Trusts
- Emerald Pooled Funds
- Emerald Pooled Fund Trusts
- Emerald Private Capital Investment Trust
- Emergent Diversified Fund Company
- Emergent Funds Genesis Trust
- Lancaster Pooled Funds
- Solar Trust
- TD Banknorth Inc.
- TD Capital Trust
- TD Capital Trust II
- TD Exchange Traded Funds
- TD Harbour Pooled Funds
- TD Life Insurance Company, which sells the following individual Variable Insurance Contracts commonly referred to as Guaranteed Investment Funds:
 - TD Guaranteed Investment Funds
 - TD Guaranteed Investment Portfolios

- TD Managed Assets Program® Portfolios
- TD Mortgage Investment Corporation
- TD Mutual Funds®
- TD Private Funds
- TD Split Inc.
- TD Waterhouse Alternative Investment Funds
- The Individual Variable Insurance Contracts (commonly referred to as the TD Guaranteed Investment Funds II or GIF II) underwritten by Transamerica Life Insurance Company of Canada may invest in the TD Mutual Funds, which are connected issuers

TD WATERHOUSE ELECTRONIC BROKERAGE SERVICES CUSTOMER AGREEMENT

18. j) Access Records

(New) - You agree that TD Waterhouse will maintain records of electronic access to your TD Waterhouse accounts, including, but not limited to, login and logoff times and dates, and confirmation of trading instructions received.

TD WATERHOUSE SELF-DIRECTED RETIREMENT SAVINGS PLAN DECLARATION OF TRUST

3. Your Account

(Amended) - The Trustee will maintain an account in your name which will record the contributions made by you only or you and/or your spouse providing your PLAN is a spousal plan, the investment income credited to your PLAN, the debits for the purchase of qualified investments, and those investments and credits for the sale of investments.

TD WATERHOUSE SELF-DIRECTED RETIREMENT INCOME FUND DECLARATION OF TRUST

20. Transfer Upon Marriage Breakdown

(New) - To the extent and in the manner permitted by Applicable Tax Legislation, the Trustee will make a transfer out of the FUND on behalf of an individual who is your spouse and who is entitled to the amount of the transfer under a decree, an order or a judgment of a competent tribunal, or under a written agreement, that relates to a division of property between you and the individual in settlement of rights that arise out of, or on a breakdown of, your marriage.

All references to “Customer Support Group” have been changed to “Client Support Group”.

For a complete copy
of the amended
*Account and service agreements
and disclosure documents,*
please contact us
at the number on
your TD Waterhouse
account statement



TD Waterhouse Discount Brokerage, TD Waterhouse Financial Planning, TD Waterhouse Institutional Services, TD Waterhouse Private Investment Advice and TD Waterhouse Partner Services are divisions of TD Waterhouse Canada Inc., a subsidiary of The Toronto-Dominion Bank. TD Waterhouse Canada Inc. — Member CIPF.

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Notification of changes to your TD Waterhouse *Account and service agreements and disclosure documents,* effective November 1, 2005

CASH ACCOUNT AGREEMENT

16. Currency Exchange

Paragraph 1 (Amended) - If you make a trade involving a security which is denominated in a currency other than the currency of the account in which the trade is to settle, a conversion of currency may be required. In all such transactions and at any time a conversion of currency is made, we will act as principal with you in converting the currency at rates established or determined by us or parties related to us. We and the parties related to us may earn revenue, in addition to the commission applicable to such a trade, based on the difference between the applicable bid and ask rates for the currency and the rate at which the rate is offset either internally, with a related third party, or in the market. The charge to you and the revenue earned by us and parties related to us may be higher when a transaction requires more than one currency conversion or when the currency is not commonly traded. Conversion of currency, if required, will take place at the trade date unless otherwise agreed.

Paragraph 2 (New) - Where a transaction with a mutual fund company involves a currency conversion, the company may charge you for the conversion. Where the company is not a member of the TD Bank Financial Group, neither we nor any party related to us earns any revenue in connection with such conversions. Where the company is a member of the TD Bank Financial Group, it may earn revenue in connection with such conversions as described herein, but we do not.

17. Fixed Income Products

Paragraph 1 (Amended) - In most fixed income product transactions, we may act as principal. We and parties related to us receive revenue based, where applicable, on rates established with the issuer (which may be a party related to us), or on the difference between the price paid by those related parties and by us, and the price you pay. We may also charge commissions on these transactions.

19. Beneficial Owner Communication – Your Rights as a Securityholder

(Amended) – Replaced with the following
When you purchase securities through TD Waterhouse, the securities are held for you in electronic form and are not registered in your name, though you are the beneficial owner. This practice allows you to place and settle trades much faster. As the beneficial owner of securities, you have the right to choose to:

- Receive all securityholder materials sent to beneficial owners, including: proxy-related materials for securityholder meetings, annual reports and financial statements that are not part of proxy-related materials, and other materials sent to securityholders that are not required by corporate or securities law to be sent; or
- Receive only proxy-related materials that are sent in connection with a special meeting; or
- Decline to receive all securityholder materials.

However, even if you decline to receive these materials, a reporting issuer or other person or company is entitled to send these materials to you at their expense.

Securities regulations allow reporting issuers or other persons or companies to send materials related to the affairs of the reporting issuer directly to the beneficial owners. If you agree to share your personal information including your name, address, electronic mail address, the number of shares or units you hold in your TD Waterhouse account, and your preferred language of communication, the issuer or other person or company will send the materials directly to you and will pay all delivery costs.

If you do not agree to share your information, TD Waterhouse, on behalf of the issuer or other person or company, will forward the materials to you and you may be responsible to pay the delivery costs. Please refer to the Statement of Disclosure of Rates and Fees for details.

At TD Waterhouse, we encourage you to take advantage of your rights as a securityholder. The decision is yours. You can change your instructions at any time by writing to us.

20. Our Commitment to Your Privacy

(Amended) - Replaced with the following

In this Section, the TD Bank Financial Group (“TDBFG”) means The Toronto-Dominion Bank and its subsidiaries, which provide deposit, investment, loan, securities, trust, insurance and other products or services. Each subsidiary is a separate, affiliated corporation. We are such an affiliate. The word “*Information*” means personal, financial and other details about you that you provide to us and we obtain from others, including through the products and services you use.

You acknowledge, authorize and agree as follows:

COLLECTING AND USING YOUR INFORMATION

At the time you begin a relationship with us and during the course of our relationship, we may collect Information including:

- Details about you and your background, including your name, address, date of birth, occupation and other identification, all of which are required under law;
- Transaction records that reflect your business dealings with and through us; and
- Your financial preferences and activities.

We may collect Information from you and from sources outside our organization including from:

- Government agencies and registries, law enforcement authorities and public records;
- Credit reporting agencies;
- Other financial institutions and lenders;
- Other service providers with whom you make service arrangements;
- References you have provided; and
- Persons authorized to act on your behalf under a power of attorney or other legal authority.

You authorize those sources to give us the Information.

We will limit the collection and use of Information to the minimum we require to serve you as our customer and to administer our business, including:

- To evaluate and process your application and transactions;
- To verify your identity and provide you with ongoing service;
- To analyze your financial needs and activities to help us serve you better;
- To help protect you and us against fraud and error;
- To help manage and assess our risks, operations and relationship with you; and
- To comply with applicable laws and requirements of regulators, including self-regulatory organizations.

DISCLOSING YOUR INFORMATION

We may disclose Information as follows:

- In response to a court order, search warrant or other valid demand or request;
- To meet requests for information from regulators, including self-regulatory organizations of which we are a member or participant, to satisfy legal and regulatory requirements applicable to us;
- To suppliers, agents and other organizations that perform services for us or on our behalf. These entities may be located in other jurisdictions or countries and may be subject to disclosing Information in response to valid demands or requests for such Information from governments, regulators, courts and law enforcement authorities in those jurisdictions or countries;
- When we buy or sell parts of our businesses; and
- To help us collect a debt or enforce an obligation owed to us by you.

SHARING INFORMATION WITHIN TDBFG

You may elect or refuse to share Information within TDBFG by checking the appropriate box on the TD Waterhouse Account Application or by contacting us in writing.

If you so elect, we may share Information, other than health-related information, within TDBFG where permitted by law, for the following purposes:

- To manage your total relationship within TDBFG, including servicing your account, as well as our business risks and operations;
- To comply with legal or regulatory requirements; and
- To allow other businesses within TDBFG to tell you about their products and services. If you prefer, you may choose not to have us share your Information in this way.

ADDITIONAL COLLECTIONS, USES AND DISCLOSURES

Social Insurance Number (SIN) - We will ask for your SIN for revenue reporting purposes. This is required by the Income Tax Act (Canada). When you provide us with your SIN, we may also use it for secondary purposes as an aid to identify you to keep your Information separate from that of other customers with a similar name, including through the credit granting process. You may choose not to have us use your SIN as an aid to identify you with credit reporting agencies.

Credit Consent - For a margin account, we will obtain reports about you from credit reporting agencies at the time of your application and on an ongoing basis to review and verify your creditworthiness and/or establish credit and hold limits. Once you have such an account with us, we may from time to time disclose your Information to other lenders and credit reporting agencies seeking such Information, which helps establish your credit history and supports the credit granting and processing functions. If you prefer, you may choose not to have us conduct a credit check in order to assess an application for credit. Once you have a margin account with us, you may not withdraw your credit consent.

Marketing Purposes - We may also use your Information for marketing purposes, including to:

- Better understand your financial needs and activities so that we may tell you (by mail, telephone and/or e-mail) about other products and services, including those of our affiliates and third parties we select, that may be of interest to you;
- Determine your eligibility to participate in contests, surveys or promotions, and to conduct and administer contests that you enter; and
- Conduct research and surveys to assess your satisfaction with us as a customer, and to develop products and services to meet your needs.

With respect to these marketing purposes, if you prefer you may choose not to have us contact you. This does not include information about offers that we provide or enclose with your written or electronic account statements, that we may tell you about in person, that may come to your attention indirectly or inadvertently, or that may relate to regulatory requirements.

MORE INFORMATION AND OPT-OUT CHOICES

You may obtain our Privacy Code – “*Protecting Your Privacy*” – and review your options for refusing or withdrawing your consent for any of the opt-out choices described above, including your option not to be contacted about offers of products or services, by contacting your branch or by calling us at 1-866-567-8888.

21. Other Sources of Revenue

(New)

We and parties related to us may earn revenue from other sources including:

- fees paid directly or indirectly by issuers in connection with new issues of shares or other securities;
- fees paid by issuers, offerors or others in connection with takeover bids, corporate reorganizations, solicitation of proxies and other corporate actions;
- mutual fund “trailer fees” paid by mutual fund companies, including those related to us, which also earn revenue on the sale of the funds; and
- remuneration paid by US market-makers and exchanges in connection with trades on the US markets we direct to them, which trades are governed by US regulatory requirements, including the requirement that such orders be executed at a price equal to or better than the national best bid or best offer, as applicable. TD Waterhouse directs all Canadian trades to the market through its affiliate, TD Securities Inc. and pays for such services. TD Securities Inc. may earn revenue on such trades. TD Waterhouse receives no remuneration from exchanges or market-makers for Canadian trades.

22. Miscellaneous – Renumbered from Clause 21

MARGIN ACCOUNT AGREEMENT

3. Obligation to Maintain Margin:

Paragraph 3 (New) - If you are short any security or hold a security that creates a short position, you are liable to us for all consequences and expenses resulting from that position, including but not limited to the expenses incurred by us and by third parties for which we are responsible to buy in the security or to exercise any corporate action election.

MUTUAL FUND TRADING AGREEMENT

11. Market Timing Policy

(New) - This policy addresses issues with regard to unacceptable mutual fund trading activity, specifically the market timing of mutual funds. The Canadian securities industry has identified mutual fund market timing as practices that include:

- *Frequent Trading*, defined as the frequent buying and selling of mutual fund units; and
- *Price Arbitrage Trading*, defined as buying and selling of mutual fund units in order to exploit inefficiencies in the pricing of mutual funds.