TD Direct Investing Relationship Disclosure

Welcome to TD Direct Investing. We are committed to providing you with exceptional service, support and a comfortable investing experience to meet your unique needs. Whether you're just starting out or you've been investing for years, we offer educational resources, innovative tools, convenient access and knowledgeable people to help you invest with confidence. TD Direct Investing is a division of TD Waterhouse Canada Inc., a subsidiary of The Toronto-Dominion Bank.

Please review the information provided in this Relationship Disclosure document. It contains important details about the products and services we offer, the features of your account(s) and how it/they operate(s), and our responsibilities to you.

Should there be material changes impacting this Relationship Disclosure information, we will let you know. If you have any questions or if we can be of assistance in any way, please contact us at **1-800-465-5463**. We are ready to assist you.

Products and Services Offered by TD Direct Investing Services

TD Direct Investing provides order execution only accounts as described below.

Products

We offer access to the following investment products:

- Cash equivalents (e.g. T-Bills, high interest savings accounts and money market instruments)
- Fixed income or debt securities (e.g. bonds and debentures)
- Equities (e.g. stocks and warrants)
- Investment funds (e.g. mutual funds and exchange traded funds (ETFs))
- Derivatives (e.g. options)
- Principal protected notes, principal at risk notes, guaranteed investment certificates (GICs)
- Precious metal certificates

For certain types of products (such as principal protected notes, principal-at-risk notes, investment savings accounts and short term GICs) we may offer only TD products. In most circumstances, you will be able to transfer-in and hold products that are not offered by TD Direct Investing. However, you will not be able to make new investments in those products. TD Direct Investing may not allow the transfer-in of certain types of products or may place limits on the amount that can be held in your account. Generally, the investment products available on our trading platform will be able to be readily liquidated or sold. Any exceptions will be noted in your account statement.

For more information on investment products, you can read the investment explanations in the ***Investments at a Glance***, a booklet prepared by the Canadian Securities Administrators (CSA) for financial consumers. This booklet, along with other educational information, is available on the CSA website at securities-administrators.ca (see investor tools).

Embedded Commission Ban

Regulations prohibit TD Direct Investing from accepting trailing commissions for prospectus-qualified mutual funds. TD Direct Investing will only make prospectus-qualified mutual funds without trailing commissions available for purchase in your TD Direct Investing account. You should also not hold prospectus-qualified mutual funds with trailing commissions in your TD Direct Investing account. If you do hold these funds, or transfer them into your account, one of the following actions will be taken:

1. TD Direct Investing or the investment fund manager will switch your fund to a non-trailer paying class or series of the same mutual fund, where the only difference is:

(a) a lower management expense ratio, or

(b) a lower management expense ratio and a difference in distribution policy and/or currency.

Where TD Direct Investing or the investment fund manager switches your fund, it will not result in a taxable disposition to you. You will receive a trade confirmation, which will indicate the class or series into which you were switched. This will also be reflected in your history and on your account statement.

You can learn more about the class or series into which you were switched by referring to the Fund Facts document, which can be found on the mutual fund company's website or sedarplus.ca. **Note:** a copy of the fund facts document will not be delivered unless requested.

2. You will receive a management fee rebate from the in-vestment fund manager equal to the amount of the trailer that would otherwise be paid.

3. You will receive a rebate from TD Direct Investing, at minimum, on a quarterly basis, in the amount of the trailer paid by the investment fund manager to us, if:

   (a) there is no switch available

   (b) you do not receive a management fee rebate, or

   (c) your mutual fund is subject to a deferred sales charge.

To learn more about rebates paid to you by TD Direct Investing, please see the Frequently Asked Questions section on our website.

Account Types and How They Operate
Order Execution Only Account

With our accounts, you can enter orders using our online trading platforms, through the TD app, or over the phone with one of our Investment Representatives. We provide you tools and resources to help you make informed investment decisions and be confident in your investment choices. We do not provide financial, legal, tax or investment advice or recommendations. You are solely responsible for making your own investment decisions and acknowledged that you are comfortable making your own investment decisions when you opened your TD Directing Investing account.

We will consider whether an account with TD Direct Investing will be appropriate for you, based on certain information you provide us in your account application. If you have any concerns about whether a TD Direct Investing account is right for you, please contact a TD Direct Investing representative.

Fractional Shares (also known as partial shares)

TD Direct Investing allows you to buy and sell certain stock and exchange traded funds in fractional share quantities, also referred to as partial shares. A partial or fractional share is when you own less than one whole share of a

security. Our fractional share offering allows you to invest based on a dollar value or based on share quantity (full share quantity or fractional share quantity), and to sell based on share quantity. When you invest based on a dollar value, the share quantity to be purchased will be rounded down to five decimal places and this may result in a difference between the requested dollar value and the actual amount of the executed dollar value trade. We record the quantity of fractional shares traded or held in your account to five decimal places.

For more information on fractional share trading please see our *Fractional Shares Disclosure – For TD Direct Investing and TD Easy Trade™ (a service of TD Direct Investing)* page at td.com/DIFractionalShares.

Stock Lending Income Program

TD Direct Investing allows you to enroll your cash account in its stock lending income program (the "SLI Program"). The SLI Program is a securities lending program that allows you to earn passive income when you give us permission to lend out securities that you have fully purchased (i.e., not on margin). We earn income in connection with lending your securities, and you will be paid a percentage of the income we earn. In order to participate in the SLI Program, you will be required to enter into a Stock Lending Income Agreement with us. The SLI Program is only available to individual or corporate clients. Loaned securities under the SLI Program are not eligible for Canadian Investor Protection Fund (CIPF) coverage for the duration of the loan. However, we will set aside 100% or more of the market value of securities borrowed in the form of cash collateral kept in trust for you. Additionally, you may choose to identify securities in your account that you wish to have excluded from the SLI Program, or set a limit on the total dollar value of securities you are willing to lend under the SLI Program. When you loan securities under the SLI Program, you will temporarily lose voting rights for these securities, until such time as the securities are returned to you. You may sell loaned securities, terminate a loan or recall some or all of your loaned securities at any time by giving us notice before 4:00 p.m. ET on any business day.

Fees and How They Are Calculated

The fees you pay are set out in the *Commission Schedule and Statement of Disclosure of Rates and Fees* document provided to you at the time of account opening. This information can also be found on our website at td.com/directinvesting.

The cost of trade commissions, account maintenance fees, fees and expenses charged within investment products like mutual funds, as well as other costs can impact the performance of your portfolio. When considering the fees charged to your account, you should note that a fee charged to your investment account will compound over time as a deduction to the overall value of your account.Every dollar taken out of your account to cover fees is one less dollar left to invest in your account to compound and grow over time.

Investment Suitability

Order-execution accounts

TD Direct Investing does not advise you on the suitability of your investments or transactions, and will not be responsible for making a suitability determination. In particular, TD Direct Investing will not consider your current financial situation, investment knowledge, investment objectives and time horizon, risk tolerance, your account's investment portfolio composition and risk level, or other similar factors. TD Direct Investing does not advise you on whether any investment products and account types offered through TD Direct Investing are appropriate.

An account with TD Direct Investing is intended for investors who are comfortable making their own investment decisions and taking responsibility for their investments. If you are looking for investment advice, you should not open a TD Direct Investing account. Please contact us if you would like to open an account with another TD Waterhouse Canada Inc. division which offers investment advice.

Borrowing to Invest

Using borrowed money to finance the purchase of securities involves greater risk than a purchase using cash resources only.

You should note that 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.

An investment strategy that uses borrowed money could result in far greater losses than an investment strategy that does not use borrowed money. There may also be tax consequences to you if assets in your account must be sold in order to meet any obligations to repay the borrowed money or any interest owing.

If you move

If you move outside of Canada, it could affect our ability to serve you or your representatives. Our Investment Representatives must comply with the rules and regulations that are specific to where clients and their representatives reside. This limits our ability to provide services abroad. Similarly, some investments can only be sold to investors in particular countries. Please contact one of our Investment Representatives about how our ability to offer products and services may be affected by your move.

Our Reporting To You

Trade Confirmations

When you buy or sell securities, a trade confirmation will be sent to you electronically or by mail, whichever you prefer, within two business days of the trade date.

It will contain the details of the transaction including but not limited to:

- Security name, marketplace and dates
- Amount paid by you for a purchase or paid to you on a sale
- Amount of any commission, spread, charge or fee applied

Account Statements

You will receive an account statement:

- Monthly, if activity occurs in your account (excluding interest and dividend payments) in the preceding month or upon request
- Quarterly, whether or not there has been activity in your account

Each statement for the reporting period will include but is not limited to:

- Your name, address, account type and account number
- Telephone numbers for TD Direct Investing
- Book cost and market value of all holdings in the account
- Activity that occurred in the account for the reporting period
- Account performance and personal rates of return since the date you opened your account or January 1, 2012, whichever was later and for 1, 3, 5 and 10 -year periods, as applicable

Annual Report on Charges and Other Compensation

Each year, you will receive a report, for the 12 months ended December 31st which will set out the following:

- The fees and charges related to the operation of your account
- The amount of any trailing commission received by us in relation to securities held in your account
- Any compensation, other than trailing commission, received by us from an issuer of securities or another dealer or adviser

Investment Benchmarks

Investment benchmarks generally provide a broad measure of the return generated by specific asset classes over a given period. An Investment Benchmark can be used as a standard against which the performance of a security or investment portfolio can be measured. The most common form of investment benchmark is an index – such as a stock or bond index. Some common broad-based market benchmarks include the S&P/TSX Composite Index, FTSE Canada Universe Bond Index, and the S&P 500 Index.

Measuring the return of your portfolio against appropriate benchmarks can be an effective way of assessing the relative performance of your investments.

We do not provide you with benchmarks in your performance report.

Conflicts of Interest

TD Direct Investing and its representatives must act fairly, honestly and in good faith with you and our other clients. We may have conflicts of interest in providing you with services. These conflicts may be actual conflicts of interest or you may perceive that we have a conflict of interest. Either way, we disclose the material conflicts of interest we have identified and cannot avoid, how they could impact you and how we work to address those conflicts in your best interests.

For more information, please see our *Conflicts of Interest Statement*. The most current version is available at our website td.com/tdwcoi.

Trusted Contact Person and Temporary Holds – *For Clients who are individuals*

Canadian securities laws require us to ask you for the name and contact information for a person that you trust and who is familiar with your personal circumstances ("Trusted Contact Person" or "TCP"), so that we may contact your TCP to assist us in protecting your financial interests and assets in certain circumstances. You must immediately let us know of any change in your TCP's contact information and you can change your TCP at any time by contacting us and completing our TCP change process. You are not required to provide us with the name and contact information of a TCP but if you do, you confirm to us that your TCP is aware that you will give us this information and your TCP has agreed to act in this capacity.

We may contact your TCP if we notice signs of financial exploitation or if you exhibit signs of diminished mental capacity which we believe may affect your ability to make financial decisions relating to your account(s). We may also contact your TCP to confirm your contact information if we are unsuccessful in contacting you after repeated attempts, particularly if our failure to contact you is unusual. We may also ask the TCP to confirm the name and contact information of a legal representative such as an attorney under a power of attorney. Unlike a legal representative, a Trusted Contact Person has no authority to make decisions about your account. We will not accept instructions on your account from the Trusted Contact Person unless they are also your legal representative.

We may stop or refuse transactions on your account or even place a hold on your account, including in the circumstances noted below, until we have taken the steps necessary to ensure that we have complied with our legal and regulatory obligations in respect of your account. We may share our concerns with our affiliates, including any actions we may take.

If we reasonably believe that you are vulnerable and are the subject or target of financial exploitation or that you are experiencing diminished mental capacity which may affect your ability to make financial decisions, we may place a temporary hold on your account or a particular transaction. We will provide you with a verbal or written notice of the temporary hold and the reasons for placing the hold. We will regularly review the facts around placing the temporary hold to assess whether the temporary hold should continue. We may contact your TCP to discuss our reasons for placing or lifting the temporary hold and seek the TCP's assistance to resolve the matter.

Other Helpful Information

We look forward to serving you. Our focus is on establishing open communication to build and maintain a strong relationship. Yet we know that misunderstandings and mistakes may occur. If you have a complaint, please let us know. A summary of our ***Client Problem Resolution Process*** is included for your reference in the *TD Waterhouse Canada Inc. Account and Services Agreements and Disclosure Documents* booklet provided to you at the time of account opening.

Checklist of Documents

When you open an account, we provide you with copies of the following documents for your account:

1. TD Waterhouse Canada Inc. Account and Services Agreements and Disclosure Documents
2. TD Waterhouse Canada Inc. Conflicts of Interest Statement
3. This Relationship Disclosure Document
4. Commission Schedule and Statement of Disclosure of Rates and Fees
5. Strip Bond Disclosure Document
6. Canadian Investor Protection Fund (CIPF) Brochure
7. How to Make A Complaint
8. How CIRO Protects Investors

Thank you for choosing TD Direct Investing. Our Investment Representatives are pleased to assist by calling **1-800-465-5463**. We look forward to helping you achieve your financial goals, now and in the years to come.

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