

## Financial Planning

# Important information for TD Waterhouse Canada Inc. Account Holders – Effective: January 1, 2019

At TD Wealth Financial Planning, we are committed to providing you with information, updates and reminders to help you invest with confidence.

### Statement changes

Effective December 31, 2018, in accordance with securities regulatory guidance, we have changed how we display and track the Book Cost for the positions in your account:

- We now refer to Book Value on your client reporting as “Book Cost.”<sup>1</sup>
- We have replaced Non-Determined (N/D) or Not Available (N/A) values with the market values of the security positions as at December 31, 2018, where market values are available. We had previously inserted Non-Determined (N/D) or Not Available (N/A) values for only a few securities – we displayed book values for most securities.

Note: Although the calculation methodology for Book Cost and Book Value are different, the value listed in the Book Cost column for most security positions is equivalent to the book value of the security position. However, these values may not always match particularly when certain tax elections are made on some securities. The Book Cost listed on your statements and in WebBroker can be helpful for determining gains and losses, but it should not be relied upon for tax purposes. As per the disclaimers on our reporting documents, we encourage you to review your statements and trade confirmations to determine your book values for tax reporting.

<sup>1</sup>“Book Cost” means: (i) In the case of a long security position, the total amount paid for the security, including any transaction charges related to the purchase, adjusted for reinvested distributions, returns of capital and corporate actions; or (ii) In the case of a short security position, the total amount received for the security, net of any transaction charges related to the sale, adjusted for any distributions (other than dividends), returns of capital and corporate actions.

For questions regarding these changes, or any other inquiries you may have, please contact your Financial Planner.

## TD Waterhouse Canada Inc. Account and Services Agreement and Disclosure Documents (ASA)

### Statement of Policies

**Conflicts of Interest - Clause p)** – Has been deleted and replaced with the following:

**“Shared Premises:** TD Waterhouse Canada Inc. (TDWCI) may have a location in a premises that is shared with The Toronto-Dominion Bank or its subsidiaries, including TD Canada Trust branches where it conducts its activities. Transactions you make at those locations which are governed by the terms of this agreement are between you and TDWCI, an investment dealer. By entering into this agreement with TDWCI you are dealing with a separate organization whose products and services may differ from those associated with other entities, including TD Waterhouse Insurance Services Inc., The Toronto-Dominion Bank, The Canada Trust Company, TD Investment Services Inc. and/or TD Waterhouse Private Investment Counsel Inc. The investment products sold by TDWCI are generally market priced and may fluctuate in value, based on market conditions. Unless we advise you otherwise with respect to a particular investment product, investment products sold by TDWCI are not insured by the Canadian Deposit Insurance Corporation or any other government deposit insurer and are not guaranteed.”

### Electronic Brokerage Services Client Agreement

**Clause 5** - Has been deleted and replaced with the following:

“Notwithstanding any other term and condition herein or any other agreement applicable to the account, neither TD Bank Group nor the Information Providers will be liable or responsible for any loss caused, directly or indirectly, by any breach of contract, tort (including negligence), or otherwise, arising out of:

- Any interruption of or deficiency in any data, information or other aspect of the Services as a result of any act or omission including without limitation communications or power failure, equipment or software malfunction,
- The delayed access or inability to access your account or the Services for any reason including periods of increased volume or market activity or to allow for systems maintenance, updates, or for any other cause, or
- The availability, access, accuracy, completeness, timeliness or correct sequencing of the Services, any information or data received using the Services, or for any decision made or action taken by you in reliance upon the Services or information or data received using the Services, or for interruption of any aspect of the Services for any reason
- The accuracy or timeliness of any quotation Information provided through the Services.”

**Clause 8** – The following sentences have been deleted:

“IN NO EVENT WILL WE BE LIABLE TO YOU OR TO OTHERS FOR ANY DAMAGES, DIRECT, INDIRECT, CONSEQUENTIAL OR SPECIAL, INCLUDING WITHOUT LIMITATION ALL LOSSES, COSTS, EXPENSES, LOSS OF PROFITS, LOSS OF BUSINESS REVENUE OR FAILURE TO REALIZE EXPECTED SAVINGS ARISING FROM OR OUT OF THE EXISTENCE, FURNISHING OR FUNCTIONING OF THE SERVICE AS PROVIDED FOR IN THIS AGREEMENT. Neither TD nor any other party will be held liable for the accuracy or timeliness of any quotation Information provided through the Services.”

**Clause 9** – The following new clause 9 has been inserted:

“Notwithstanding any other term and condition herein or any other agreement applicable to the account, we shall not have any liability to you for any direct, indirect, consequential, incidental or any similar damages including, without limitation, all losses, costs, expenses, loss of profits, loss of revenue or failure to realize expected savings arising from or out of the existence, furnishing, or functioning of the



Services, or any act or omission in connection with your accessing the account or the Services. By agreement, you unconditionally waive any right you may have to claim or recover any such damages, even if you have informed us of the possibility or likelihood of such damages.”

Clauses 10 to 19 have been renumbered.

Clause 13 – The following sentence has been removed:

“You also agree that the Services may periodically be unavailable to you in order to allow for maintenance and updates.”

## TD Wealth Financial Planning Commission Schedule and Statement of Disclosure of Rates and Fees

Material amendments have been made to the **TD Wealth Financial Planning Commission Schedule and Statement of Disclosure of Rates and Fees document**. The major changes are summarized below. Fees relating to equities and fixed income securities have changed. The new prices are set out below and are effective 31 March 2019.

### Commission Schedule

#### Canadian Over The Counter (O.T.C.) Bonds and Money Market Securities

Commissions (including those below), if any, for Bonds, Strip Coupons, GICs, T-Bills and other Fixed Income and Money Market securities are included in the quoted prices. Minimum purchase amounts vary by security.

#### Canadian Bonds – Effective March 31, 2019

| Years to Maturity   | Commission            |
|---------------------|-----------------------|
| Less than 2 years   | \$0.25/100 or 25 bps* |
| Between 2 & 5 Years | \$0.40/100 or 40 bps  |
| Over 5 Years        | \$0.75/100 or 75 bps  |

\*Basis point (BPS) refers to a common unit of measure for interest rates and other percentages in finance.

One basis point is equal to 1/100th of 1%, or 0.01%, or 0.0001.

#### Canadian/US Money Market Instruments – Effective March 31, 2019

| Days to Maturity | Commission |
|------------------|------------|
| 30 days          | \$0.05/100 |
| 60 days          | \$0.10/100 |
| 90 days          | \$0.15/100 |
| 120 days         | \$0.20/100 |
| 180 days         | \$0.30/100 |
| 270 days         | \$0.45/100 |
| 365 days         | \$0.60/100 |

(per unit of 100)

Commissions for transactions denominated in U.S. dollars (USD) are priced in USD.

#### U.S. and Exchange-Traded Bonds – Effective March 31, 2019

| Years to Maturity   | Commission           |
|---------------------|----------------------|
| Less than 2 years   | \$0.25/100 or 25 bps |
| Between 2 & 5 Years | \$0.40/100 or 40 bps |
| Over 5 Years        | \$0.75/100 or 75 bps |

Commissions for transactions denominated in U.S. dollars (USD) are priced in USD.

#### Canadian and USD Equities – Effective March 31, 2019

CDN and USD \$9.99 flat per trade

Commissions for transactions denominated in U.S. dollars (USD) are priced in USD.

## Important Information about 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.

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.

## Important Notice for Insiders and Significant Shareholders

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 to disclose any changes of status as they occur.

Insiders and significant shareholders are also 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 their 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 Financial Planner and disclose their connection to the company before placing any such orders.

We value your business. To learn more, or to update your information with regard to your insider or significant shareholder status, including whether you are a reporting insider, please contact your Financial Planner.

