

Important Information and Reminders for your TD Waterhouse Canada Inc. account(s)

June 2025

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TD Wealth

About this notification

Please read the summary of information we have provided in this notification. If you have questions or need assistance, please contact your planner or your financial planning team.

Q&A: Account Grouping

1. What is Account Grouping?

Account Grouping is the linking of accounts for the purpose of establishing account fee rates. In other words, it gives clients the opportunity to bring down their fee rates by joining two or more of their accounts together or by joining their account(s) with others. Speak to your planner or financial planning team for more details on Account Grouping.

2. Who is eligible to participate in Account Grouping?

Account Grouping is available for Fee-Based and Strategic Managed Portfolios (SMP) accounts in TD Wealth Financial Planning, including TD Wealth Financial Planning Direct. The fee rate for each of those types of accounts is usually scaled according to the value of the assets in a single account. Account Grouping can lower the fees for a single account by allowing a client to take advantage of the scaled rate for the combined assets of the accounts in the Account Group.

An Account Group consists of (a) two or more of a client's accounts or (b) a client's account(s) and the accounts of eligible family members and their related entities. Eligible family members are a client and their parents, grandparents, children, and grandchildren, and any of their spouses or common-law partners. A corporation is eligible to join an Account Group if one of its officers, directors, or majority beneficial owner is an eligible family member. A trust is eligible to join an Account Group if the trust's settlor, trustee, or named beneficiary is an eligible family member. Accounts for corporations and trusts are currently not supported at TD Wealth Financial Planning Direct.

Eligibility for an Account Group will be determined at the time of the Account Group's creation, and when changes are made to the Account Group. The members of an Account Group must reside in the same province and have the same planner. Speak to your planner or financial planning team for more details on who can group their accounts.

3. Why can't clients with accounts other than Fee-Based and SMP participate?

Clients with accounts which are not Fee-Based or SMP pay fees to the manager of the mutual funds held in their accounts. A portion of these fees are paid to TD Wealth Financial Planning for the services provided. Fees for each series of a mutual fund are fixed, not scaled, so combining accounts would not affect client rates. If you don't have a Fee-Based or SMP account, ask your planner whether switching your accounts to Fee-Based or SMP can help you take advantage of Account Grouping savings.

4. How can I participate in Account Grouping?

New and existing Fee-Based and SMP clients can sign up for Account Grouping by completing the necessary Account Grouping paperwork with their planner or financial planning team. Clients who do not have Fee-Based or SMP accounts will need to open one of those account types or convert existing accounts to those account types. Each member of an Account Group must agree to participate. Please speak to your planner or financial planning team to discuss the terms of account grouping and your eligibility to participate.

5. Will my account information be shared with other members of my Account Group?

No information about account activity is directly shared between different members of an account group. Billing information and account reporting, as well as all other communications are sent to clients individually. However, when clients sign up to an account group, they will be able to see the names and account numbers of the other members of the account group on the documentation. Also, because fees are determined by combining the holdings of group members, individual members may have some awareness of the value of their Account Group's combined holdings. Talk to your planner or financial planning team about how we protect your personal information.

Fund Facts for Systematic Investment Plans

When you purchase a new mutual fund, we will provide you with a copy of the Fund Facts to help inform your investment decisions. The Fund Facts includes details about that fund's holdings, risk factors, past performance, and costs. For any subsequent purchase of the same fund made through a systematic investment plan (SIP), no Fund Facts will be provided unless you request for them, or TD has opted to deliver additional copies. To order Fund Facts at no cost to you, the following options are available:

- Contact your planner or your financial planning team by mail at the address noted on your TD Wealth Financial Planning account statement or by phone.
- Contact 1-866-646-7888 and request the Fund Facts.
- Email a Fund Facts request to td.waterhouse@td.com.
- Submit an online request for Fund Facts to sedarplus.ca.

Please note: You will not have a right of withdrawal for subsequent purchases under your SIP but will continue to have the right of action for damages or rescission if there is a misrepresentation in the prospectus, annual information form, Fund Facts or financial statements for mutual fund purchases made through your SIP account.

You may also terminate your SIP at any time.

Disclosure Requirement for Discretionary Beneficiaries of Trusts

For trusts classified as Passive Non-Financial Entities (NFEs), please be reminded the Canada Revenue Agency (CRA) requires your financial institution (TD) to obtain certain information when a distribution is made to a discretionary beneficiary in any given year. This ensures that the beneficiary is properly identified and disclosed as a controlling person, in compliance with tax reporting obligations.

For more information on these requirements, please visit the [Enhanced Financial Account Information Reporting webpage](#) on the Government of Canada's website.

This serves as a reminder of the information needed when a distribution is made to a **discretionary beneficiary**:

- If a discretionary beneficiary receives a distribution in any given year, an updated **RC519 – Declaration of Tax Residence for Entities** must be completed and submitted. This form is available at <https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/rc519.html>.
- The addition or removal of controlling persons, including discretionary beneficiaries, is considered a **change in circumstance**. In such cases, a new and updated tax residency declaration **within 30 days** of the change must be submitted.

Please drop-off the completed forms at any TD Canada Trust branch.

Leverage Risk Disclosure and Significant Shareholder Information

Important Information about Leverage Risk

Securities law requires us to remind you that 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 Reminders for Insiders and Significant Shareholders

To maintain a level playing field for all investors, you are reminded that 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.

You are also reminded that if you are an insider or significant shareholder, you are required to disclose your status when placing trades on any Canadian exchange or market for equities and options issued by, or related to, the company with which you are associated.

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 you or the other person is an insider or a significant shareholder of the issuer's securities.

This requirement also applies to accounts where, as an insider/significant shareholder, you have a financial interest in, and/or a beneficial ownership interest in, an account. Insiders and significant shareholders must contact their planner or their financial planning team 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 planner or your financial planning team.

The information contained herein has been provided by TD Wealth Financial Planning and is for information purposes only. The information has been drawn from sources believed to be reliable. The information does not provide financial, legal, tax or investment advice. Particular investment, tax, or trading strategies should be evaluated relative to each individual's objectives and risk tolerance. TD Wealth Financial Planning is a division of TD Waterhouse Canada Inc., a subsidiary of The Toronto-Dominion Bank. TD Wealth Financial Planning Direct is a service offering from TD Wealth Financial Planning, a division of TD Waterhouse Canada Inc.

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