

ELECTRONIC PROCESSING AGREEMENT

Terms and Conditions

Each customer of Fundserv agrees with Fundserv and each other customer of Fundserv to the terms and conditions set out in these Electronic Processing Agreement Terms and Conditions, which provide for electronic processing of Specified Instructions using the Network. These Electronic Processing Agreement Terms and Conditions are in addition to the terms and conditions in the Customer Contract and the terms and conditions set out in the Customer Contract relating to Fundserv and the use of the Network also apply to each Distributor and each Manufacturer when they each use the Network to send and act upon Specified Instructions.

PREAMBLE:

1. Fundserv and each of its customers agree that it is desirable that Specified Instructions are processed electronically using the Network in accordance with Fundserv Standards, but that certain terms and conditions must be adhered to in respect of such processing.
2. Each Distributor obtains instructions from its clients and creates, retains and maintains records concerning those instructions, which may be in electronic form in accordance with applicable laws, before using the Network in accordance with Fundserv Standards to electronically place the Specified Instructions. Upon reasonable request, the Distributor will provide the Manufacturer with access to the records of the Distributor relating to the Specified Instructions.
3. Each Manufacturer processes the Specified Instructions in accordance with the Fundserv Standards.
4. Each Distributor and each Manufacturer acknowledges that they have interests in the records concerning each applicable Specified Instruction, given their respective duties to the clients, the Funds and, where applicable, the trustees of registered tax plans.
5. These terms and conditions are referred to herein as the Electronic Processing Agreement Terms and Conditions (the "EPA Terms and Conditions").

DEFINITIONS:

Terms used in the EPA Terms and Conditions that are defined in the Fundserv Customer Contract shall have the same meaning in the EPA Terms and Conditions as are provided for in the Fundserv Customer Contract. The following terms used in the EPA Terms and Conditions shall have the following meaning:

- (a) "Documentation" means any documentation and records in whatever form or medium, related to the Specified Instructions, including, without limitation, instructions, order entry forms, electronic transfer of funds instructions, application forms and such other documentation and records as may be required in order to meet applicable In Good Order Requirements.

- (b) "EPA Schedule" means the list of EPA Eligible Transaction Types developed by Fundserv for the EPA Terms and Conditions, as the same may be amended from time to time by Fundserv and posted and available to customers of Fundserv on the Fundserv website.
- (c) "Imaged Documentation" means copies of any Documentation that, if used as evidence in a court of law in the province of Ontario, would meet the applicable standards of evidence for that court of law;
- (d) "Specified Instructions" means those categories of non-financial instructions and trade instructions that are set out in the EPA Schedule.

EPA Terms and Conditions

1. PROCESSING AND DOCUMENTATION

- 1.1 Specified Instructions. Each Distributor will process a Specified Instruction electronically through the Network using the currently accepted and approved industry standard formats for Specified Instructions.
- 1.2 Authorized Persons. Each Distributor will restrict electronic transmission of Specified Instructions to authorized persons at its head office and branch offices, including any sub-branch offices. A Manufacturer may rely on any such person who transmits a Specified Instruction electronically pursuant to the EPA Terms and Conditions as being an authorized person of the Distributor without further investigation or inquiry.
- 1.3 Distributor Obligations respecting Documentation. A Distributor will not process a Specified Instruction electronically through the Network unless and until the Distributor has in its safe possession all Documentation with respect to such Specified Instruction in accordance with all Applicable Laws applicable to the Distributor. By electronically processing a Specified Instruction through the Network in accordance with the EPA Terms and Conditions, the Distributor certifies to the applicable Manufacturer that it has complied with the EPA Terms and Conditions with respect to that Specified Instruction and represents and warrants that it has obtained the instructions from its client to carry out the Specified Instruction and is electronically transmitting those instructions as agent for its client to the Manufacturer who will process the Specified Instruction once received through the Network. The Distributor acknowledges that it is not acting as the agent of the Manufacturer in processing any Specified Instruction through the Network, except that it may be acting as the Manufacturer's agent for the limited purposes of enabling the Manufacturer to meet its obligations as administrator to the trustee of any registered tax plan or TFSA.
- 1.4 Distributor Responsibility for Instructions and other Matters. A Distributor will be responsible for ensuring that all instructions or trades constituting a Specified Instruction, all instructions given to a Manufacturer and all actions of the Distributor related to a Specified Instruction, comply with all regulation, policies and practices that apply to those instructions and trades and other actions, including those that apply to the Distributor, as agent for the client, and also to the Manufacturer, as the manager of the applicable Funds and the administrator to the trustee of any registered tax plan or TFSA. Without limiting the generality of the foregoing, the Distributor shall:
 - (a) Be responsible for ensuring that the Specified Instructions are consistent with the Documentation retained by the Dealer and the client's instructions.

- (b) Use the most current application forms supplied to the Distributor by the Manufacturer when opening a Manufacturer sponsored registered tax plan or TFSA.
 - (c) If transmitting to the Manufacturer information relating to electronic transfers of funds, transmit information that is in accordance with the instructions received from the Distributor's client and the Distributor's responsibilities to its clients, and that instructs the Manufacturer to transfer money only to the client's bank account and not to any third party.
- 1.5 Distributor Responsibility for Duplicate Instructions. Unless specifically requested to do so by the Manufacturer, a Distributor will not send Documentation to the Manufacturer in respect of any Specified Instruction. If this requirement is not complied with for any reason and the Manufacturer duplicates an order as a result of receiving Documentation in addition to the electronic transmission of trades with respect to a Specified Instruction, the Distributor will accept liability for any losses incurred by the client, the Funds or the Manufacturer and will pay the amount of such losses to the Manufacturer.
- 1.6 Maintenance of Documents by Distributor. A Distributor will maintain, retain and otherwise deal with all Documentation submitted, prepared or otherwise obtained or created in connection with the Specified Instructions as required by Applicable Laws and the EPA Terms and Conditions, including, for greater certainty, the obligation to retain Documentation to document the client's instructions regarding electronic transfers of funds by the Distributor and the Manufacturer. Each of the Distributor and the Manufacturer has an ownership interest in and to the Documentation retained by the Distributor. For greater certainty and without limitation, all processing forms, application forms, including registered tax plan applications, TFSA applications, or letters of direction and electronic transfer of funds directions that document a Specified Instruction by a client is Documentation in which the Manufacturer has an interest for the purposes of the EPA Terms and Conditions.
- 1.7 Manufacturer Obligations. A Manufacturer will process the Specified Instructions in accordance with Applicable Laws, the standard settlement cycle and the electronic instructions, including instructions as to electronic transfers of funds, it receives through the Network from the Distributor as agent for its client. The Manufacturer will acknowledge receipt of instructions to carry out the Specified Instructions by means of an electronic response in the currently accepted and approved industry standard format.
- 1.8 Processing Errors. Each Manufacturer and each Distributor shall be responsible for processing errors made by it in respect of any Specified Instruction. Those processing errors will be corrected in accordance with any agreement between the applicable Manufacturer and Distributor and in accordance with Applicable Laws and accepted industry standards. For greater certainty, any instruction received by a Manufacturer from a Distributor relating to an electronic transfer of funds to a bank account other than the bank account of the applicable client will be considered to be a processing error made by the Distributor.
- 1.9 Applicable Laws. Each Manufacturer and each Distributor shall comply with the laws, rules and regulations that apply to it in the processing of the Specified Instructions and in maintaining, retaining, accessing or otherwise dealing with the Documentation, including laws governing privacy, electronic funds transfers, record retention, anti-money laundering and anti-terrorist financing and taxation. In particular, among other things, a Distributor will

comply with the client identification and verification and transaction monitoring obligations that apply to it in the processing of the Specified Instructions under anti-money laundering and anti-terrorist financing and taxation laws.

2. Compliance and Documentation

2.1 Distributor Compliance. A Distributor shall notify the applicable Manufacturer, in writing, as soon as practicably possible, if the Distributor

- (a) has been informed by its applicable regulator, including any self-regulatory organization, that its policies and procedures regarding creation, maintenance and retention of Documentation and processing of Specified Instructions does not comply with Applicable Laws, including regulations, rules and policies of an applicable self-regulatory organization or
- (b) becomes aware that any of the Documentation or Specified Instructions processed pursuant to the EPA Terms and Conditions were created or processed, as the case may be, negligently or fraudulently by any employee, representative or agent of the Distributor.

2.2 Imaged Documentation. A Distributor shall provide an applicable Manufacturer with an Imaged Documentation or other certified copy of Documentation reasonably acceptable to the Manufacturer:

- (a) with respect to a Specified Instruction pending settlement, within one business day; and
- (b) with respect to a settled Specified Instruction, within ten calendar days

in both cases, of the Distributor's receipt of any request by the Manufacturer for the Documentation relating to the applicable Specified Instruction, so as to enable the Manufacturer to process the Specified Instruction or to enable the Manufacturer to answer questions about, or review its processing of the Specified Instruction. If the Distributor is unable to supply Imaged Documentation or other certified copy of the Documentation reasonably acceptable to the Manufacturer, then the Distributor shall provide the Manufacturer with the original of the Documentation.

2.3 Access By Manufacturer.

- (a) In the event a Manufacturer or the Funds undergo regulatory inspection, review, litigation, investigation, supervision or audit or other authorized requests to produce documents, each applicable Distributor will comply with any reasonable requests of the Manufacturer for access to the Documentation to the extent necessary to allow the Manufacturer to meet the demands of such regulatory inspection, review, litigation, investigation, supervision or audit.
- (b) The access to the Documentation contemplated in this Section 2.3 will be subject to any reasonable security and privacy policies and procedures of the Distributor. The Distributor acknowledges that its privacy policies and procedures do not restrict the Manufacturer from having access to the Documentation for the purposes of this Section 2.3.

3. INDEMNITY

3.1 Distributor's Indemnity A Distributor who sends a Specified Instruction to a Manufacturer through the Network where the Manufacturer has acted upon the Specified Instruction in accordance with the EPA Terms and Conditions, shall defend, indemnify, and hold harmless the Manufacturer, its affiliates, and its and their respective managers, directors, officers, agents and employees (collectively, the "Indemnified Parties") at the Distributor's sole expense against any and all proceedings, demands, actions, causes of action, assessments, orders, settlements, suits, claims, debts, or liabilities against the Indemnified Parties, including, but not limited to, costs and solicitors' fees, and amounts paid in settlement arising out of or in connection with: (a) any claim arising as a result of a breach or alleged breach of the EPA Terms and Conditions by the Distributor; (b) any claim arising from or related to any injury to persons, damage to property, loss of use of property or fidelity, or crime loss related to that Specified Instruction sent or delivered by the Distributor; and (c) any claim arising from acting upon or responding to the Specified Instruction by the Manufacturer.

3.2 Manufacturer's Indemnity A Manufacturer who receives and acts upon a Specified Instruction that is otherwise in good order, and that was sent or delivered by a Distributor through the Network in accordance with the EPA Terms and Conditions, shall defend, indemnify, and hold harmless the Distributor, its affiliates, and its and their respective managers, directors, officers, agents, and employees (collectively, the "Indemnified Parties") at the Manufacturer's sole expense against any and all proceedings, demands, actions, causes of action, assessments, orders, settlements, suits, claims, debts, or liabilities against the Indemnified Parties, including, but not limited to, costs and solicitors' fees, and amounts paid in settlement arising out of or in connection with any claim arising as a result of a breach or alleged breach of the EPA Terms and Conditions by the Manufacturer.

4. Fundserv Has No Responsibility

- 4.1 Each Distributor and each Manufacturer who sends, receives or acts on Specified Instructions, as the case may be, acknowledges that Fundserv takes no responsibility for reliance on the EPA Terms and Conditions by either the Distributor or the Manufacturer. The EPA Terms and Conditions were developed by Fundserv in consultation with an industry working group consisting of Distributors and Manufacturers. The EPA Terms and Conditions are intended to facilitate a standardized approach to sending and processing Specified Instructions using the Network. Accordingly, each such Distributor and Manufacturer confirms to Fundserv that it has sought its own legal advice as to Applicable Laws that apply to Specified Instructions, as applicable, and agrees that in no circumstances will it hold Fundserv responsible in respect of its reliance on the EPA Terms and Conditions.