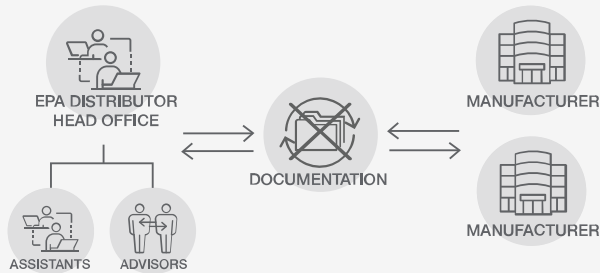


Electronic Processing Agreement (EPA)

The Electronic Processing Agreement (EPA) is a mutual agreement between fund Manufacturers and Distributors that enables a Distributor to send instructions through the Fundserv network without requiring the submission of documentation for eligible client name instructions.



The Problem



Manual handling of e-signed forms



LTAs, signature guarantees and other Manufacturer requirements



Complexity in the secure delivery of documentation



Processing delays or duplication related to documentation problems

The Solution

The Electronic Processing Agreement (EPA) allows for the electronic submission of client name eligible transactions without the need to exchange and process associated paperwork between network participants.

Features

- For the large majority of instructions*, electronic orders sent over the Fundserv network don't require the submission of settlement documents to Manufacturers
- A Documentation Requirement Flag is returned for exceptions where documentation needs to be submitted
- Expanded member and transaction eligibility in V32
- Added an addendum to the Fundserv Contract to universally apply the EPA to all eligible instructions in V33

Benefits

- Increased automation and faster processing times
- Improved operational efficiencies by minimizing document processing and by keeping documents in digital form
- More autonomy for Distributors to manage their documentation without needing to meet various Manufacturer requirements
- Distributors retain documents already obligated by SRO rules



To learn more, visit our [member site](#) or email rm@fundserv.com.

EPA Standards

The following guidelines set out Fundserv's requirements on the proper implementation of the Electronic Processing Agreement adopted by Distributors by minimizing the documentation being sent to Manufacturers for transactions submitted electronically.

Manufacturers may use the Documentation Requirement Flag to indicate which transactions still require documentation to be submitted for specific exceptional cases. Otherwise, documentation should not be sent for most common financial and non-financial instructions being processed through the Fundserv network.



- Do not submit documents ● Submit documents

Purchases, switches, internal transfers, in-cash transfers and external transfers for client name accounts held by Canadian investors

Non-residents or any transaction not submitted electronically through Fundserv

New open, RRSP, TFSA and FHSA account setups (see exceptions)

Open accounts with recipient codes 3, 4 and 5, group RRSPs, and all other remaining account types supported on Fundserv

All non-financial updates
Beneficiary designations/changes if requested by manufacturer

Mutual funds, HISA and liquid alternative products
Segregated funds and non-prospectus funds

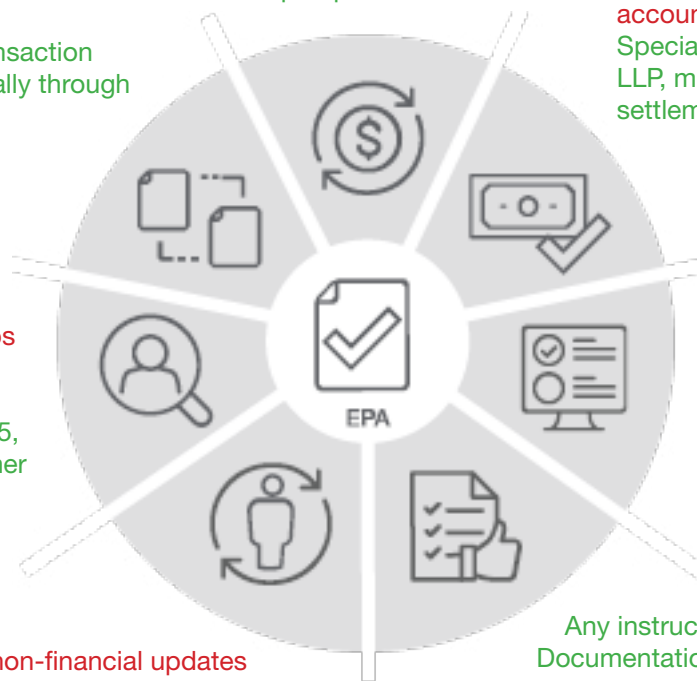
Any redemption amount, including in RRIF accounts or for corporate accounts

Special cases such as HBP/LLP, marriage breakdown, estate settlement, etc.

All error corrections done electronically for open, RRSP, RRIF, TFSA and FHSA accounts

Error corrections for other account types

Any instruction that returns a Documentation Requirement Flag



Notes

- Documentation should not be submitted to Manufacturers for eligible instructions. If documents are sent, they may be ignored as the order will have been processed by the Manufacturer using the information in the electronic instruction.
- The EPA is applicable to orders where all the necessary data needed by the Manufacturer to fulfill the instruction is sent electronically through the Fundserv network. In the event that the Manufacturer does not have all required information or there is a regulatory obligation to have a copy of the instructions, they are required to return a Documentation Requirement Flag along with the wire order number to indicate that backup documentation needs to be submitted.

EPA Quick Reference Sheet

PRODUCT TYPE	Mutual funds, HISA and liquid alternative products only		
	Excluded from the EPA: All other product types including segregated funds		
GENERAL NOTE	Trades not supported on the Fundserv network are not applicable to the EPA Documentation and/or instructions sent to the Manufacturer, which are not requested by them via the Documentation Requirement Flag, may be ignored		
FORM TYPE	ACCOUNT TYPE	EPA ELIGIBLE?	
		✓ Do not send documentation ✗ Send documentation	
1. Account opening	RRSP	✓	
	Group RRSP	✗	
	TFSA	✓	
	FHSA	✓	
	Open	Individual	✓
		Joint	✓
	All other remaining open plan registrations	✗	
2. Purchases	RRSP	✓	
	Group RRSP	✗	
	TFSA	✓	
	FHSA	✓	
	Open	Individual	✓
		Joint	✓
	All other remaining open plan registrations	✗	
	Excluded from the EPA: <ul style="list-style-type: none"> Purchases with Contribution/Withdrawal codes <ul style="list-style-type: none"> J - 60J Pension transfer L - 60L Transfer on death 		
3. Commission rebate purchases	All account types	✓	
4. Redemptions	RRIF	✓	
	RRSP	✓	
	Group RRSP	✓	
	TFSA	✓	
	FHSA	✓	
	Open	Individual	✓
	Joint	✓	
	All other remaining open plan registrations	✓	
	Note: All client name RRIF redemptions placed over the Fundserv network are to be redeemed from the excess of minimum.		
	Excluded from the EPA: <ul style="list-style-type: none"> Home Buyers' Plan (HBP) Lifelong Learning Plan (LLP) Marriage breakdown Estates 		
5. Switches	All account types	✓	
6. Transfers • Internal • External • In-cash transfers (ICT)	RRSP	✓	
	Group RRSP	✓	
	TFSA	✓	
	FHSA	✓	
	Open	Individual	✓
		Joint	✓
	All other remaining open plan registrations	✓	
	Note: Refer to the EPA Eligible Transaction Types for more details on allowable transfers based on Account Designation		
7. Non-financial updates (NFU)	All account types	✓	
	Note: <ul style="list-style-type: none"> Accounts without beneficiary information may require documentation to be sent to the Manufacturer Updates to existing beneficiaries are excluded in their entirety 		
8. Error corrections	RRSP	✓	
	Group RRSP	✗	
	RRIF	✓	
	TFSA	✓	
	FHSA	✓	
	Open	Individual	✓
	Joint	✓	
	All other remaining open plan registrations	✗	
	Note: <ul style="list-style-type: none"> As-of-trade (AOT) and reversal (REV) transactions are applicable to purchases, EPA eligible internal transfers and switches only. Cancel of a contracted order (CAX) transactions are applicable to purchases, redemptions and ICTs 		