

FULLY-PAID SECURITIES LENDING (FPL) PROGRAM FOR RETAIL CLIENTS

FPL Account Request Form

Accountholder Name(s): _____ (“you”)

If either of the below accounts is a joint account, both joint accountholders must sign this form.

Securities Account Number (CDN)*: _____

Securities Account Number (USD)*: _____

(each, a “Securities Account”)

* These accounts will be your designated “source” Securities Accounts for the Fully-Paid Securities Lending Program for Retail Clients offered by Natcan Trust Company. You may select a CDN account and/or a USD account in this form. However, if you select both, both accounts must share the same account “root number” (the six-digit identifier forming the first six digits of the account’s number). If you wish to include other source accounts under different root numbers into the program as well, you must fill out a separate *FPL Account Request Form* for each account root number. For each account root number, only one account type (cash or margin) per currency may be selected for participation in the program. An FPL Account will be opened for each Securities Account included in the program, to provide you with information about securities loan transactions involving securities sourced from that account. Registered accounts (RRSP, RRIF, TSFA, RESP, RDSP, DPSP, etc.) are not eligible for participation in the program.

You have indicated to **[INSERT PM FIRM NAME NAME]** (your “**Portfolio Manager**”) your interest in participating in the fully-paid securities lending program for retail clients offered by Natcan Trust Company (respectively, the “**Program**” and “**NTC**”), an affiliate of National Bank Financial Inc. (through its National Bank Independent Network division, “**NBIN**”, the custodian of your Securities Account). This form contains the essential appointments, authorizations, instructions, confirmations, acknowledgements and/or consents that you must provide in order to participate in the Program.

YOU MUST CAREFULLY READ EACH OF THE FOLLOWING SECTIONS, AND MAKE SURE YOU UNDERSTAND THEM BEFORE SIGNING THE ATTESTATION AT THE END OF THIS FORM.

- 1. Personal and Account Information.** You confirm that you have communicated to your Portfolio Manager any material changes to your personal or account information with respect to the Securities Accounts listed above, including any changes that might be relevant in assessing your eligibility or suitability for the Program as of the date indicated below.
- 2. Securities Available for Loan.** You hereby authorize your Portfolio Manager to provide standing instructions on your behalf, authorizing the loan or recall of any securities made available to the Program in your Securities Account, subject to any maximum account lending ratios or security exclusion instructions communicated by you at Appendix A of this form or via written instructions signed by you and issued through your Portfolio Manager at any other time (collectively, your “**Standing Instructions**”). You are required to keep your Portfolio Manager informed of the securities you want excluded (or re-included) from the program as the composition of your account’s portfolio changes over time.
- 3. Appointment of NTC as your Securities Lending Agent, Collateral Agent and Securities Intermediary for Collateral.** You hereby appoint NTC as your securities lending agent, collateral agent and securities intermediary for collateral delivered under the Program. You specifically direct and authorize NTC:
 - as securities intermediary: with respect to the collateral account you will open with NTC (your “**Collateral Account**”), to receive collateral upon initiation of a loan, hold, manage and control such collateral for your benefit throughout the loan, record your entitlements with respect to such collateral, and redeliver collateral upon termination of the loan; and
 - as securities lending agent and collateral agent: pursuant to the Standing Instructions you have issued through your Portfolio Manager, to arrange for the loan of securities made available in your Securities Account from time to time at NTC’s sole discretion, administer outstanding loans recorded in the FPL Account being opened for you, recall loans, and manage collateral recorded in your Collateral Account.
 - For the sake of clarity, NTC’s authority and discretion is limited to its role as securities lending agent and collateral agent. You acknowledge that NTC is in no way acting in the capacity of a portfolio manager, nor providing advice as to the value of securities or as to the advisability of investing in, purchasing, selling or lending securities. You understand and acknowledge that NTC’s authority and discretion under the Program authorizes it to: (a) negotiate lending fees, and initiate or recall securities loans on your behalf; and (b) evaluate, maintain, manage and control collateral delivered in exchange for the loan of your securities, and exercise on your behalf your rights and obligations with respect to such collateral,

all in accordance with the Securities Lending Agency Agreement signed by your Portfolio Manager on your behalf (the “**SLAA**”) and the industry standard Global Master Securities Lending Agreement signed by NTC on your behalf (the “**GMSLA**”) governing your securities loans under the Program. You moreover specifically grant NTC the requisite authority to execute the GMSLA and any amendments thereto on your behalf. You acknowledge and agree that the GMSLA is binding upon both you and National Bank Financial Inc. (through its Financial Markets division) as the borrower of your loaned securities (the “**Borrower**”). Copies of the SLAA and GMSLA may be viewed by you at any time at <https://www.nbin.ca/repositories/publicsite/pdf/SLAA.pdf> and <https://www.nbin.ca/repositories/publicsite/pdf/GMSLA.pdf>.

4. **Your Portfolio Manager’s Discretionary Management Services and the SLAA.** Per the investment management agreement you have signed with your Portfolio Manager, you confirm that you have granted your Portfolio Manager discretionary trading authority to manage the investments held in your Securities Account, and hereby confirm that you wish your Portfolio Manager to also act on your behalf (pursuant to your Standing Instructions) with respect to all securities lending activities carried out through your Securities Account, FPL Account and Collateral Account. You specifically authorize your Portfolio Manager to: (a) execute the SLAA and any amendments thereto on your behalf (and agree to be bound by its terms and conditions); and (b) convey to NTC on your behalf all instructions, orders, notices, consents or confirmations in connection with the Program and in relation to your Securities Account, FPL Account and Collateral Account, subject to your Standing Instructions. You understand and acknowledge that your Portfolio Manager (not NBIN nor NTC) is responsible for ensuring your securities lending activities under the Program respect your investment policy statement, and are suitable for you based on your Portfolio Manager’s know-your-client (KYC) and know-your-product (KYP) assessments, as well as your Portfolio Manager’s knowledge of risks inherent to securities lending.
5. **FPL Client Reports and Communications.** You hereby authorize your Portfolio Manager to receive (on your behalf) loan transaction confirmation reports issued by the Borrower (“**Confirmations**”), monthly lending activity and collateral reports issued by NTC (“**NTC Client Reports**”), and any other notices or communications issued by NTC with respect to your participation in the Program (collectively, “**FPL Client Reports and Communications**”). Your Portfolio Manager is responsible for sharing copies of these Confirmations and NTC Client Reports with you. A Confirmation report will be issued by the Borrower on any day on which one of the following activities has occurred with respect to your securities: loan initiation, lending fee recast, loan recall or loan termination. Monthly NTC Client Reports will be issued by NTC, and will provide you with a consolidated view of all of your securities lending activities under the Program during that month, as well as the collateral credited to your Collateral Account with NTC as of the date of the report.
6. **Consent to Electronic Delivery.** You hereby consent to the electronic delivery of all FPL Client Reports and Communications, and acknowledge that although you are entitled to revoke this consent at any time, such revocation may make you ineligible for the Program. You acknowledge that you are providing your consent to electronic delivery of FPL Client Reports and Communications even if you may not have consented to electronic delivery with respect to the account statements and other communications issued with respect to your source Securities Account.
7. **Agent Fees.** The Borrower will pay you lending fees in connection with loans of your securities (the “**Lending Fees**”). You acknowledge that you will pay to NTC fees (the “**Agent Fees**”) equal to a fixed percentage (50%) of these Lending Fees on any loan of your securities, as compensation for its services to you as securities lending agent, collateral agent and securities intermediary for collateral. Out of these Agent Fees, NTC may share a percentage with your Portfolio Manager as compensation for your Portfolio Manager’s responsibilities and the services it provides to you in connection with the Program. This percentage may vary throughout a calendar year (10%-20%), and is determined based on the cumulative year-to-date amount of Lending Fees paid by the Borrower under the Program on loan transactions in relation to which your Portfolio Manager provided its services. You will retain the full remaining balance (50%) of such Lending Fees. Information regarding the dollar amount of Lending Fees and Agent Fees credited to or debited from your Securities Account (including any Agent Fees shared with your Portfolio Manager) will be provided in the account statements for your Securities Account, in your annual fees and compensation report, as well as the monthly NTC Client Reports your Portfolio Manager will deliver to you. Please contact your Portfolio Manager if you would like further details regarding the compensation it receives from NTC under the Program.
8. **FPL Account and Account Statements.** The purpose of the FPL Account is to provide you with information regarding your securities loan transactions, and to help you track which of your securities are currently on loan (from the time they are removed from your Securities Account until equivalent securities are returned to your Securities Account). This information will be incorporated into the account statements for your Securities Account on a monthly basis, and will also be provided to you on a daily basis via the Confirmations described above.
9. **Consent to Sharing of Information.** You hereby expressly consent to the collection, use and disclosure of your personal information and account information relating to your Securities Account, FPL Account and Collateral Account (collectively, your “**Information**”) by and between your Portfolio Manager, NBIN, NTC and their respective affiliates or agents for the sole purposes of the services provided to you under the Program by each such party. This consent will remain valid for as long as you participate in the Program, but you may withdraw or restrict this consent at any time upon thirty (30) days’ written notice to your Portfolio Manager. Your Portfolio Manager is responsible for notifying NBIN and NTC on your behalf of the withdrawal or restriction of your consent. However, you acknowledge that such withdrawal or restriction may limit or preclude NBIN’s and NTC’s ability to provide their services under the Program.
10. **Withdrawal from the Program.** If you wish to withdraw your participation from the Program, you must notify your Portfolio Manager as soon as possible. Your Portfolio Manager is responsible for providing fifteen (15) days prior written notice of your withdrawal to NBIN and NTC. You acknowledge and agree that despite your withdrawal from the Program, NTC and NBIN may

need to retain in their records or archives certain Information collected and used for the purposes of the Program, in order to comply with applicable regulatory and internal compliance record-keeping requirements and obligations.

11. **Independent Tax Advice.** You confirm that you have sought or will seek independent counsel regarding the tax consequences of participating in the Program. You acknowledge that neither your Portfolio Manager, NTC nor NBIN provide tax, legal or accounting advice, and that you solely are responsible for assessing the tax impacts of your participation in the Program.
12. **No CIPF Coverage.** You acknowledge that the Canadian Investor Protection Fund (“CIPF”) does not provide coverage with respect to securities loan transactions, and that your securities therefore will not be protected by CIPF while on loan. An FPL Account is neither a “securities account” nor a “customer” account within the meaning of CIPF’s coverage policy. Loaned securities shown in your FPL Account are not held by your Portfolio Manager or NBIN for your accounts while on loan. Your sole protection with respect to loaned securities will be your entitlements to the collateral held for you benefit by NTC as your agent and securities intermediary under the GMSLA, and NTC’s indemnity under the SLAA.
13. **SLAA and Information and Risk Disclosures.** You confirm that your Portfolio Manager has explained to you the risks inherent to securities lending and your rights and obligations under the SLAA; and that you have carefully read and understood the *Natcan Fully-Paid Securities Lending Package for Retail Clients* provided to you with this *FPL Account Request Form*, and accept the risks disclosed in that document as well as all other risks inherent to securities lending as described to you by your Portfolio Manager. You further confirm that you have either read and understood the SLAA signed on your behalf by your Portfolio Manager or have been informed of your right to request a copy thereof and have waived that right. In either case, you hereby accept and agree to be bound by the terms and conditions of SLAA, a copy of which can be viewed by you at any time at <https://www.nbin.ca/repositories/publicsite/pdf/SLAA.pdf>.

IN SIGNING BELOW, YOU ATTEST THAT YOU HAVE READ, UNDERSTOOD AND ACCEPTED EACH OF SECTIONS OF THIS FORM, AND REQUEST THAT AN FPL ACCOUNT BE OPENED FOR THE PURPOSES OF YOUR PARTICIPATION IN THE PROGRAM.

YOU ALSO ATTEST THAT YOU ACCEPT ALL OF THE RISKS INHERENT TO SECURITIES LENDING AS DESCRIBED BY YOUR PORTFOLIO MANAGER AND IN THE NATCAN FULLY-PAID SECURITIES LENDING PACKAGE FOR RETAIL CLIENTS.

<p>_____</p> <p>Accountholder (or Authorized Representative) Name</p> <p>_____</p> <p>Signature</p>	<p>_____</p> <p>Accountholder (or Authorized Representative) Name</p> <p>_____</p> <p>Signature</p>
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For individuals: If any of the Securities Accounts designated in this form are joint accounts, both joint accountholders must sign this form.

For legal entities: If you are signing on behalf of a legal entity accountholder, you certify that you are a duly authorized representative of the Accountholder with respect to each of the appointments, authorizations, instructions, confirmations, acknowledgements and/or consents contained in this form.

Date

[INSERT PORTFOLIO MANAGER FIRM NAME], in its capacity as the Portfolio Manager.

The undersigned hereby attests that they are an authorized representative of the Portfolio Manager.

Name & Title: _____

Signature: _____

