

SECTION 5 CLIENT ACCOUNTS AND CLIENT REPORTING

Types of Accounts

1. Corporate Accounts

Altimum ensures that the following documentation is received for corporate accounts:

- a) A certified copy of a directors' resolution authorizing the opening of an account.
- b) A list of those who are authorized to provide investment instructions, properly certified in accordance with the directors' resolution; and
- c) A list of the company's signing officers together with specimen signatures.

2. Joint Accounts

Altimum requires the same type of information for each individual who has an interest in a joint account, and ensures that:

- a) If fewer than all of the account holders must give instructions, powers of attorney are on file in favour of those able to give trading instructions.
- b) The joint holders are joint tenants with right of survivorship or tenants in common.

3. Trust Accounts

Altimum/Compliance Officer/Approved Persons ensure that, in the case of formal trusts, a copy of the Trust Agreement is obtained and that all trades are executed by persons authorized under the terms of the Trust Agreement and that each trade is of a type permitted under the terms of the Trust Agreement.

4. Minor Accounts

If an account is opened in the name of a Minor person, Altimum requires an Authorization and Indemnity in Respect of Account Opened By A Minor form, signed by a parent, grandparent, or other adult who will be responsible for the actions of the minor with regard to the operation of the account and the creation of legal contracts. A sample form is in this manual.

5. RRSP Accounts

i) Individual RRSP

For all RRSP's, Altimum ensures that the following type of information is collected:

- a. Type of RRSP, e.g. individual RRSP, spousal RRSP, specified on the Account Application Form.
- b. Amount of initial contribution,
- c. Designation of beneficiary, and
- d. Account holder's signature requesting registration and agreeing to terms of the RRSP.

ii) Spousal RRSP

In addition to the above, Altimum shall collect contributor information, including the contributor's name, address and SIN.

iii) Group RRSP

Altimum ensures that it collect employer information and signature of account holder appointing employer as agent, if applicable together with any other documentation deemed necessary by the Fund Company or the Employer.

6. LIRA Accounts

Altimum/Compliance Officer/Approved Persons:

- a) Ensure that they identify applicable pension legislation governing locked-in assets.
- b) Determine whether account holder has a spouse for pension law purposes.
- c) Obtain spousal waiver if required to do so by pension law.
- d) Obtain a signature on the addendum provisions.

7. RRIF Accounts

For all RRIF's, Altimum collects the following information:

- a) Type of RRIF,
- b) Spouse's date of birth,
- c) Amount of initial transfer,
- d) Source of initial transfer,
- e) Amount and frequency of payments from plan,
- f) Minimum amount calculation,
- g) Date of first payment (subject to tax requirements),
- h) Designation of Beneficiary/Successor Annuitant, and,
- i) Account holder's signature requesting registration and agreeing to terms of RRIF.

8. LIF or LRIF accounts

For locked-in accounts, Altimum must:

- a) Identify applicable pension legislation governing locked-in assets,
- b) Determine whether account holder has spouse,
- c) Obtain spousal waiver if required by pension law to determine what portion of the commuted value of assets being transferred to the LIRA was determined based on gender, if any,
- d) Determine amount and frequency of payments from the plan, subject LIF to maximum restrictions, and,
- e) Obtain signatures on any addendum provisions.

Changes To The Rules For Ontario Locked-In Accounts

Regulation 239/09 under the Pension Benefits Act makes numerous changes to the rules governing locked-in accounts. Locked-in accounts include LIRA's, Old LIF's, New LIF's, and LRIF's.

Key changes to the locked-in account rules

From January 1, 2011 to April 30, 2012, owners of Old LIF's and LRIF's will have a one time opportunity to withdraw in cash or transfer to an RRSP or RRIF up to 50% of the total market value of the assets of the fund.

From January 1, 2010 to December 31, 2009, owners of New LIF's will have a one time opportunity to withdraw in cash or transfer to an RRSP or RRIF an additional 25% of the total market value of the assets of the fund that were transferred into their New LIF account on or before December 31, 2009.

After December 31, 2009, anyone who purchases a New LIF will have a one time opportunity to withdraw in cash or transfer to an RRSP or RRIF up to 50% of the total market value of the assets of the fund.

On or before September 30, 2010 financial institutions are required to give notice of these and other related changes to owners of Old RIF's and LRIF's.

On or before January 1, 2010, financial institutions are required to give notice of these and other related changes to owners of New LIF's.

As of January 1, 2011, all of the rules that govern locked-in retirement accounts (LIRA's) are consolidated into Schedule 3 under the regulation.

Changes that came into effect January 1, 2010

New LIF owners can withdraw or transfer an additional 25% of the assets that were transferred into the account on or before December 31, 2009.

Anyone who purchases a New LIF can withdraw or transfer up to 50% of the assets.

Changes that came into effect January 1, 2011

Owners of Old LIF's or LRIF's can apply to withdraw or transfer 50% of the assets in their account.

Owners of New LIF's will no longer be able to withdraw or transfer an additional 25% of the assets that were transferred into their account on or before December 31, 2009

The rules for determining the maximum annual income payment from an Old LIF or an LRIF will become standardized with the rules under a New LIF: the greater of the investment earnings of the fund in the previous year, or the amount that would be paid using the LIF formula in the regulations

Owners of Old LIF's and LRIF's will no longer be able to transfer assets from those accounts to a locked-in-retirement account (LIRA).

The new Schedule 3 which sets out the LIRA rules comes into effect

Changes that came into effect May 1, 2012

Owners of Old LIF's or LRIF's will no longer be able to withdraw or transfer 50% of the assets in these accounts

For further information and an explanation of forms to be completed please refer to the Financial Services Commission of Ontario website.

9. RESP Accounts

Altimum must ensure that it collects the following information when opening an RESP:

- a) The type of RESP - whether individual or family,
- b) If funds are transferred from another RESP, the date that the RESP was created and the name of the Beneficiaries under the RESP,
- c) Name and address of parent or guardian of each minor beneficiary,
- d) If a family plan, the relationship of beneficiaries to the subscriber,
- e) The designated educational institution, and,
- f) The account holder's signature requesting registration and agreeing to the terms of the RESP.

RESP Regulations

On December 20th, 2002, the Federal Minister of Finance released a package of draft technical amendments to the Income Tax Act that included changes to section 146.1 regarding RESP's.

The following are some of the changes and requirements:

An individual may only be designated as a beneficiary under the plan if their social insurance number is provided to the promoter before designation is made;

An individual may only be designated as a beneficiary under a plan if the individual is resident of Canada;

A contribution to a plan is only permitted if the beneficiary's social insurance number is provided to the promoter before the contribution is made;
A contribution to a plan is only permitted if the beneficiary is resident of Canada when the contribution is made.

These changes have been legislated and came into effect on January 1, 2004.

RESP Changes for 2008

The number of contribution years is extended from 21 years to 31 years.
The deadline for termination of the plan is extended from the 25th anniversary date to the 35th anniversary date.
The beneficiary age limit for contributions to family plans is extended from 21 years to 31 years.
The period for receiving Educational Assistance Payments includes a six-month grace period after the beneficiary ceases to be enrolled in a qualified programme.

10. Registered Tax-Free Savings Accounts (TFSA)

For all TFSA's, Altimum ensures that the following type of information is collected:

- a. Amount of initial contribution,
- b. Designation of beneficiary, and
- c. Account holder's signature requesting registration and agreeing to terms of the TFSA.

Regulations affecting TFSA's

Starting in January 2009, Canadian residents age 18 and older are eligible to contribute up to \$5000 annually to a TFSA, with unused room being carried forward.

1. Contributions will not be deductible.
2. Capital Gains and other investment income will not be taxed.
3. Withdrawals will be tax-free and will create contribution room for future savings.
4. Neither income earned nor withdrawals from it will affect eligibility for federal income-tested benefits and credits such as Canada Child Tax Benefit, Goods and Services tax Credit, Old Age Security Benefits, Guaranteed Income Supplement or Employment Insurance benefits.
5. Contributions to a spouse's or common-law partner's TFSA will be allowed, and TFSA assets will be transferable to the TFSA of a spouse on common-law partner upon death.
6. Qualified investments include the same investments allowed in a RRSP.
7. The \$5000 annual contribution limit will be indexed to inflation in \$500 increments or adjusted as mandated by government legislation.



AUTHORIZATION AND INDEMNITY IN RESPECT OF ACCOUNT OPENED BY A MINOR

I _____, the parent or legal guardian of
(Print full legal name of parent or legal guardian)

_____ the "Minor", whose date of birth is
(Print full legal name of minor)

_____ hereby authorize the Minor to subscribe to any Mutual Fund Company plan for the purchase of units of any of the mutual funds managed by different mutual fund companies, in the minor name. I confirm that:

The Minor's Social Insurance Number is: _____

-OR-

The Minor does not currently have a Social Insurance Number _____

I assume full responsibility for any and all transactions executed by or on behalf of the Minor, including any liability for income taxes attached thereto, and agree to indemnify each of the mutual fund dealer, the mutual fund companies, and any company acting on their behalf, their directors, officers, employees, agents, successors or assigns, and the Funds (collectively, the "Indemnified Parties") for any liability incurred by the Minor, and for any and all actions, liabilities, damages or costs that any of the Indemnified parties may incur as a result of the Fund Companies relying on this authorization to carry out transactions requested by, or on behalf of, the Minor.

Dated at _____, in the Province of _____ this ____ day of _____, 20__

Rep Code

Signature of Parent or Legal Guardian

Name of Witness (Not Representative)

Signature of Witness (Not Representative)

Name of Representative

Signature of Representative

Edith G. Reid | **President & Chief Compliance Officer** | e-mail: edith@altimum.ca

Account Procedures and Supervision Requirements

New Accounts

Altimum must ensure that all new accounts and plans have appropriate documentation upon account opening. Each plan type (account type) such as open account, RRSP, RRIF, etc. requires a separate New Account Application Form. An RESP is considered a separate account altogether, as the client is actually the child who is the beneficiary of the RESP, not the benefactor of the plan. Altimum verifies that the appropriate forms and documentation has been used, and that there are client and advisor signatures and timely Compliance Officer approval within each file.

Opening of Accounts

Definition - a new account is an account, the type of which has not previously been opened by that particular client, or a second account opened of the same type for the same client (except when such account was opened only to accommodate requirements of the computer software system).

For example, if the client had only one, single registered account and then seeks to open a non-registered account or a joint account, such other accounts shall be considered to be new accounts. A client may have several different accounts, e.g. Open, Joint, RRSP, RRIF, RESP, LIRA.

A Trade Order form will be used by Altimum for placing a client's initial trade, as well as for on-going client trades.

Altimum uses the account numbers assigned by the system for its new client accounts. Individual mutual fund accounts are assigned account numbers by each respective mutual fund company.

Altimum has established, in writing, prudent business procedures for servicing its clients. These procedures are set out below. Altimum has also taken appropriate steps for the supervision of such established procedures.

Legislative Reference: OSC Rule 31-505, s. 1.2

Know Your Client Form (KYC, also known as NAAF, or New Account Application Form)

Incorrectly assessing client risk tolerance is one of the most common allegations made in client complaints to the MFDA. Clients often allege the risk tolerance indicated on the KYC form was higher than his or her actual risk tolerance. In some cases, there is a difference between the risk a client is willing or able to take and the return the client expects, which can result in an advisor assessing risk tolerance higher than it should be in an attempt to meet client expectations.

When Altimum obtains a new client, the Approved Person meets with the client and has a detailed discussion to ensure that he or she understands the client's background, situation, investment needs and goals. During the course of these discussions, the Approved Person documents the client's personal information and investment objectives on the KYC to ensure that all key pieces of information are collected in order to facilitate the assessment of trade suitability for initial trade(s), and for any subsequent trades that the client may request. If any of the information on the KYC form is incomplete or incorrect Altimum has the right, or in some cases the obligation, to reject any or all trades.

How Suitability is Assessed at Altimum

The KYC form must be completed or reviewed if already on file for all clients by the Approved Person prior to making any recommendation.

The survey has been designed to review various facts disclosed by the client.

All mutual funds are rated in the system using the risk rating found in the Fund Company's Fundfacts.

Every investment selected must meet the client's stated needs, risk tolerance and investment objectives.

Multiple Client Accounts

Separate KYC forms are required for each separate client account since each separate account might have its own investment objectives. For example, a client may have different risk tolerances, time horizons and investment objectives for his RRSP and his non-registered account.

Therefore one client may have to complete several of the surveys in order to complete enough for each separate account. However, other factors, such as income, age and investment knowledge, must remain the same across accounts for the same client.

Recording Joint Account Suitability

Joint accounts require two different KYC Forms be on file, one for each account holder. This applies to joint RESP's as well. If the second client already has an account with us, a new KYC need not be completed for the second client. Each client must be set up separately in our system, and certain information such as age, investment knowledge, income, and other information specific to each individual must be recorded separately for each individual account holder. Net worth can be collected for each individual KYC to reflect the individual's circumstances or on a combined basis as long as it is clear which method has been used.

Investment objectives, time horizon and risk tolerance, by contrast, should relate to the account and therefore do not need to be collected separately for each individual account holder. In a case where they are different the lowest risk tolerances will apply to the account.

Suitability should not include the spouse's income or assets unless it is a joint account. The Know-Your-Client (KYC) form includes two boxes entitled "Includes Spouse". One pertains to income information on the KYC form and the second pertains to net worth information on the same form. This "Includes Spouse" box for income is never to be used except if the account is joint. This is particularly important if it is a leverage account where the spouse did not co-sign the loan, as the spouse's income must not be used when considering debt service of the loan, but in any event, never tick "Includes Spouse" except for joint accounts as related to income. Even then, income information should be collected for each account on separate KYC's pertaining to separate clients whose account will be recorded as joint.

If the information provided for net worth includes family assets, it is acceptable to tick the "Includes Spouse" box as related to net worth even if the account is not joint, as we do not expect you to determine how much of the net worth is matrimonial assets and could be divided with the spouse. Therefore, if the net worth information provided does include all family assets, then tick "Includes Spouse" even in those instances where it is not a joint account.

If the account is a joint account and the joint applicant is not the spouse, then the boxes must be ticked as related to both income and net worth on each separate KYC. Be sure to use "Joint Applicant" and not "Joint Spouse" in these situations.

Higher Risk Mutual Funds and the resulting Concentration Risk

Higher risk, sector specific mutual funds must receive special attention when assessing risk. Such risk is mitigated by establishing specific guidelines to be adhered to by Approved Persons when building client portfolios. Accordingly, Altimum has established concentration limits relating to energy and precious metals funds.

All funds which could reasonably be categorized as Energy and/or Precious Metals funds are cumulatively limited to 25% of the client's account (or accounts) at Altimum regardless of the risk tolerance for that specific account. In other words, we expect even high-risk accounts to be diversified by sector type.

In the case of an investor with significant investments outside of the firm we will consider approving high risk energy and/or precious metals funds in excess of this parameter but only up to a limit of 10% of the investor's total net investible assets, which would not include real estate holdings. The investor would have to provide a client statement or other documentation to evidence his investments at other firms and the purchase would require the pre-approval of the Compliance Department with sufficient documentation added to the file to support and to evidence the pre-approval, including consideration as to the reliability of the statement or other document establishing the value of the outside financial assets. Additional KYC information may be required to conduct a complete assessment of the suitability of such investments for that client.

Notwithstanding the above, the Compliance Officer shall continue to monitor for concentration risk as related to high risk funds as part of the daily trade supervision process.

Uniformity of KYC information across clients or Investment Objectives in Exact Percentages

The Compliance Officer shall also monitor new and existing accounts as KYC's are submitted or updated, or as accounts are reviewed as part of an ongoing audit, looking for patterns of similar KYC information or exact percentages with regards to investment objectives (such as 63% growth or 44% income) to determine whether the KYC process might not be carried out properly by the Approved Person. In cases where there is a pattern of consistency of KYC information or exact percentages in an Approved Person's client KYC's, the Compliance Officer is to query such instances to ensure that the Approved Person is asking the appropriate questions of the client during the KYC process and completing the forms with the client in a process that considers and reflects their responses to ensure that the Approved Person is not just completing the KYC form to make the client's current holdings look suitable. For example, the KYC might be completed to account for the client's holdings rather than with regard to the client's real needs and objectives. A KYC is a legal document and Altimum needs to be able to count on the KYC information being an accurate reflection of the client's needs and objectives and not a cookie-cutter way to complete paperwork quickly. A KYC which is not completed in consultation with the client and which does not reflect the client's wishes may present regulatory or legal issues later. For more information refer to section entitled "Trading Patterns".

Material Change in Client KYC Information

A material change is defined as any modification to a client's KYC information that can have an affect on the suitability of the client's investments, and would include such things as a change in marital status, employment, net worth, income, risk tolerance, investment objective or time horizon.

A material change would require a new KYC form which would require client and advisor signatures, as well as branch manager approval.

Changing and Updating KYC and Suitability Information

The KYC form and other forms used to review client information and suitability of investment recommendations must be completed prior to or at the time of the first transaction for each new client account. In addition, Client KYC information must be kept current as these documents are relied upon by the Compliance Department to ensure that Approved Persons are making recommendations that are suitable based on the client's changing circumstances.

A change in circumstances may be planned, such as marriage, retirement, or the purchase of a house, or it may come in the form of the loss of health, a job, or a spouse. Accordingly, regular contact with clients is necessary to enquire about their circumstances and to maintain timely, complete and accurate KYC information. MFDA Rule 2.2.1 (Know Your Client) states that each Member and Approved Person shall use due diligence to learn the essential facts relative to each client and to each order or account accepted. Each order accepted or recommendation made, including recommendations to borrow to invest, must be suitable for the client based on the essential facts relative to the client and any investments currently in the account.

It is Altimum's policy that KYC information is to be collected at each client meeting, client authorization must be obtained for KYC updates, and all KYC information must be on a new KYC form for each KYC update. The new form must be dated at the time of the update to assist the Chief Compliance Officer to determine when the information was last updated. The new form must include and document all current KYC information, not just the information being updated. In the event that an Approved Person has already met the client and updated the KYC within the last 36 months, and in the event that the client's circumstances have not changed such that a new KYC would be warranted, a new KYC is not required. The representative is to use a KYC form and print 'no changes' across the face of the form when it accompanies an order or a non-financial change if there is no change in the client's circumstances.

KYC information should be updated every 3 years even when there is no material change in the client's circumstances. The firm's account software will identify accounts where KYC information is stale-dated. Approved Persons are required to regularly review how current the KYC information is that is on file by referring to the account software. Accounts with stale-dated KYC information will be frozen and a new KYC will be required before trades can be processed, except when there is a complete redemption of 100% of the investments in an account, in which case a revised KYC will not be required. However, 100% investments of particular funds would not qualify for this exception if other funds remain in the account, as the suitability and/or balance of investments in the account could be adversely affected thereby requiring either switches in the investments or a new KYC form.

Altimum requires the Approved Person to enter the KYC information into the back office system. It will not permit data to be submitted unless all required areas are complete. The Approved Person must ensure that the paper documents and the electronic information match and that all changes requested by the client have been included. Within 24 hours the Chief Compliance Officer verifies that the KYC information is reasonable and accurate and stamps, signs and dates the paperwork as part of the trade review process.

Information Requirements to Open an Account

The mandatory minimum requirements for approving new accounts are:

1. Account Registration
2. Date of Birth
3. Marital Status
4. Income
5. Spouse's Income
6. Occupation
7. Spouse's Occupation
8. Number of Dependants
9. Social Insurance Number
10. Citizenship
11. Mailing Address
12. Home Telephone Number
13. Bank Account Information, Branch and Account Number
14. Account Type
15. Jurisdiction of Locked-In Plan (if applicable)
16. Leverage Disclosure Document
17. Client's Initials to acknowledge disclosures on application form,
18. Client Identification, either driver's licence, birth certificate, or passport
19. Client Signature on Client Complaint Form
20. Client Signature on completed Financial Needs Analysis and Asset Allocation Survey (Analysis of Investment Suitability)
21. Client Signature on Disclosure of Conflict of Interest, Dual Occupation or Outside Employment form (if applicable to Approved Person)
22. Leverage Request Document (if leverage is requested by the client)
23. Leverage Documentation (if applicable)
24. Fundfacts Receipt and PreTrade Cost Disclosure

Altimum utilizes the following pieces of information in order to appropriately assess whether a trade is suitable for the client:

1. Net Worth
2. Gross Annual Income
3. Investment Knowledge
4. Risk Tolerance
5. Investment Objectives
6. Age

The KYC information helps to establish:

1. The identity of the client
2. The credit worthiness of the client

3. The reputation of the client
4. The general investment needs and objectives of the client; and
5. The suitability of proposed purchases or sales for the client.

Legislative Reference: (OSC Rule 31-505, s. 1.5)

The KYC form is properly completed, with comments, if any, by the client and the Approved Person, and signed by both the client and the Approved Person. The Chief Compliance Officer ensures that the KYC form is appropriately signed and dated by the Approved Person, Altimum, and the client, and is adequately completed. The Chief Compliance Officer shall sign and date the KYC form as evidence of such review and approval.

Any account that does not have the proper KYC information in the file will be frozen immediately in that no purchases or switches can be implemented for those accounts without proper documentation being in place.

KNOW YOUR CLIENT FORM

☐ NEW CLIENT ☐ CLIENT UPDATE

CLIENT INFORMATION

TITLE	_____	LANGUAGE	<input type="checkbox"/> ENGLISH	<input type="checkbox"/> FRENCH
FIRST NAME	_____	LAST NAME	_____	
ADDRESS	_____			
CITY	_____	PROV.	_____	POSTAL CODE _____
COUNTRY	_____	HOME TELEPHONE	_____	
MARITAL STATUS	_____	BUSINESS TELEPHONE	_____ Ext. _____	
DATE OF BIRTH	_____	CELL. TELEPHONE	_____	
S.I.N.	_____	FAX	_____	
E-MAIL	_____	DEPENDANTS	_____	

ID	TYPE	DESCRIPTION	IDENTIFICATION#	ISSUE PLACE	PROVINCE	COUNTRY	DATE
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CITIZENSHIP _____

IDENTIFICATION METHOD _____

FATCA INFORMATION

Are you, the Applicant, a U.S. Citizen or U.S. Resident for U.S. Tax purposes? ☐ YES ☐ NO

If yes, provide, Identification Type	Identification Number
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EMPLOYMENT INFORMATION

EMPLOYER NAME _____ OCCUPATION _____
TYPE OF BUSINESS _____ ADDRESS _____

JOINT/SPOUSE INFORMATION

<input type="checkbox"/> JOINT	<input type="checkbox"/> SPOUSE		
TITLE	_____	LANGUAGE	<input type="checkbox"/> ENGLISH <input type="checkbox"/> FRENCH
FIRST NAME	_____	LAST NAME	_____
ADDRESS	_____		
CITY	_____	PROV.	_____ POSTAL CODE _____
COUNTRY	_____		
MARITAL STATUS	_____	HOME TELEPHONE	_____
DATE OF BIRTH	_____	BUSINESS TELEPHONE	_____ Ext. _____
S.I.N.	_____	CELL. TELEPHONE	_____
E-MAIL	_____	FAX	_____
OCCUPATION	_____	DEPENDANTS	_____

BANKING INFORMATION

BANK NAME	_____	INSTITUTION #	_____
TYPE	_____	ACCOUNT #	_____

Client Name: _____

AML QUESTIONNAIRE

Are you, the Applicant, a politically exposed foreign person?
If yes, Position/Title: _____

☐ YES ☐ NO

FINANCIAL INFORMATION

APPROXIMATE INCOME	NET WORTH	INVESTMENT KNOWLEDGE	INVESTMENT EXPERIENCE
<input type="checkbox"/> Under \$25,000	LIQUID ASSETS <input type="text"/>	<input type="checkbox"/> Novice	<input type="checkbox"/> Bonds
<input type="checkbox"/> \$25,000 - \$49,999	FIXED ASSETS <input type="text"/>	<input type="checkbox"/> Fair	<input type="checkbox"/> Mortgages
<input type="checkbox"/> \$50,000 - \$74,999	LIABILITIES <input type="text"/>	<input type="checkbox"/> Good	<input type="checkbox"/> Stocks
<input type="checkbox"/> \$75,000 - \$99,999	NET WORTH <input type="text"/>	<input type="checkbox"/> Sophisticated	<input type="checkbox"/> Mutual Funds
<input type="checkbox"/> \$100,000 - \$124,999			<input type="checkbox"/> Term Deposits
<input type="checkbox"/> \$125,000 - \$199,999			<input type="checkbox"/> Real Estate
<input type="checkbox"/> \$200,000 - \$999,999			
<input type="checkbox"/> \$1 million and over			
<input type="checkbox"/> Includes Spouse	<input type="checkbox"/> Includes Spouse		You may select more than one option.

Have you, the Applicant, been provided with a leveraging disclosure document in compliance with the rules of regulatory bodies?

☐ YES ☐ NO

Have you, the Advisor, met with the client in person?

☐ YES ☐ NO

Have you, the Advisor, provided the client with the client complaint form?

☐ YES ☐ NO

Accountant: _____

Lawyer: _____

STATEMENT DELIVERY: ☐ Mail ☐ E-Mail ☐ Electronic Delivery ☐ Other _____

INVESTMENT INFORMATION PLAN: _____ TYPE: _____

INVESTMENT OBJECTIVE	SECONDARY OBJECTIVE	TIME HORIZON	RISK TOLERANCE
Safety %	<input type="checkbox"/> Tax Savings	<input type="checkbox"/> < 1 year	Very Low %
Income %	<input type="checkbox"/> Retirement Savings	<input type="checkbox"/> 1 to <3 years	Low %
Growth %	<input type="checkbox"/> Child Education	<input type="checkbox"/> 3 to <5 years	Low to Medium %
Speculation %	<input type="checkbox"/> Estate Planning	<input type="checkbox"/> 5 to <10 years	Medium %
	<input type="checkbox"/> Savings	<input type="checkbox"/> 10 to <20 years	Medium to High %
		<input type="checkbox"/> 20+ years	High %

In order to assist you in understanding what the above risk tolerance and investment objective terms mean and how the criteria relates to specific investments, please refer to the information set out in this Know Your Client Form entitled Know Your Client Definitions.

Does anyone other than you, the Applicant, have any financial interest in this account?

☐ YES ☐ NO

Client Name: _____

Does anyone other than you, the Applicant, have trading authority in this account? (If yes, attach a completed Trading Authorization) ☐ YES ☐ NO

Is this a leveraged plan/account? ☐ YES ☐ NO

Intended use for plan: _____

Are you acting on the instructions of another individual/entity when conducting or authorizing transactions for this plan? ☐ YES ☐ NO

3rd Party Interest (Acting on 3rd party instructions)

Name	SIN/BN	ID(other)	DOB	Relationship	Occupation	Principal Business	Place of Incorporation
-----	-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----	-----

Are there any other individuals/entities authorized to give instructions on this plan? ☐ YES ☐ NO

3rd Party Interest (Authorized to give instructions)

Name	SIN/BN	ID(other)	DOB	Relationship	Occupation	Principal Business	Place of Incorporation
-----	-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----	-----

REPRESENTATIVE COMMENTS AND SPECIAL INSTRUCTIONS:

SIGNATURES

Client Name _____ Signature _____ Date _____

Joint Client Name _____ Signature _____ Date _____

Representative Name _____ Signature _____ Date _____

Compliance Officer Name _____ Signature _____ Date _____

Branch Manager Name (approval for new account) _____ Signature _____ Date _____

Client Name: _____

KNOW YOUR CLIENT DEFINITIONS

TIME HORIZON

The time horizon information provided by you under the Investment Information – Plan section of this Know Your Client Form is intended to document the period from now to when you will need to access a significant portion of the money you invest in your plan.

RISK TOLERANCE

The risk tolerance information provided by you under the Investment Information – Plan section of this Know Your Client Form is intended to document your willingness to assume risk and should reflect the relative type(s) of investments you wish to hold in your account. Definitions for the risk tolerance terms are provided below.

Very Low	The very low risk rating applies to investors who are risk averse and are willing to accept lower returns in order to preserve their principal. Investments under the lowest risk rating include assets with low volatility including cash and equivalents, Canada Savings Bonds, and non-indexed GICs
Low	The low risk rating applies to investors who are willing to accept lower returns in order to preserve their principal. Investments under the low risk rating include investments with low volatility including money market mutual funds or equivalents.
Low to Medium	The low-medium risk rating applies to investors who are seeking a balance between safety and return on their investment. Investments under the low-medium risk rating include investments with a low to medium volatility and may include bond or balanced mutual funds.
Medium	The medium risk rating applies to investors who are seeking moderate growth over a longer period of time. Investments under the medium risk rating include investments with medium volatility and may include blue chip and mid cap equity funds such as Canadian dividend, Canadian equity, U.S. equity, and certain international equity mutual funds.
Medium to High	The medium-high risk rating applies to investors who are seeking long-term growth. Investments under the medium-high risk rating include investments with medium to high volatility and may include mutual funds that invest in smaller companies such as Canadian small cap equity funds, and mutual funds that invest in specific market sectors or geographic areas.
High	The high risk rating applies to investors who are growth oriented and are willing to accept significant short-term fluctuations in portfolio value in exchange for potentially higher long-term returns. Investments under the high risk rating include investments with high volatility and may include labour-sponsored venture capital funds, funds that invest in specific market sectors or geographic areas such as emerging markets, science and technology, and precious metals, or funds that engage in speculative trading strategies including hedge funds that invest in derivatives, short sell or use leverage.

INVESTMENT OBJECTIVES

The investment objective information provided by you under Investment Information – Plan section of this Know Your Client Form is intended to document the result you desire from your investments and should reflect the relative type(s) of investments you wish to hold in your plan. Definitions for the investment objective terms are included below.

Safety	Investors seeking safety have an objective to preserve their principal investment and are less concerned with capital appreciation. Investors seeking safety of principle should be invested in securities that provide a guaranteed investment/par value at maturity such as cash, GICs, and money market and government debt instruments.
Income	Investors seeking income have an objective to generate current income from their investments and are less concerned with capital appreciation. Investors seeking income should be invested in securities that will generate a regular stream of income such as income paying debt instruments including bonds or money market funds.
Growth	Investors seeking growth have an objective to achieve capital appreciation from their investments and are less concerned with generating current income or preserving the safety of their principle. Investments in equities including Canadian dividend, Canadian equity, U.S. equity, certain international equity and Canadian small cap equity funds are generally appropriate for investors seeking growth and capital appreciation.
Speculation	Investors seeking to speculate have an objective to achieve maximum short-term or long-term gain and are willing to take on a high level of risk in exchange for the return they hope to achieve. Large weightings in sector and specialized funds such as emerging markets, science and technology, and precious metals, and investments that engage in venture capital and speculative trading strategies such as labour-sponsored venture capital funds and hedge funds are generally appropriate for investors seeking to speculate.

Investor Privacy Notice

As an organization that collects, uses and discloses personal information, **Altimum Mutuals Inc.** is subject to the federal *Personal Information Protection and Electronic Document Act* (or by similar laws in the provinces of Alberta, British Columbia and Quebec), effective January 1st, 2004. In complying with these laws, it is important that Altimum Mutuals Inc. provides you with information so that you may fully understand the purposes for which your personal information is collected.

Over the course of your relationship with **Altimum Mutuals Inc.** and your investment funds advisor, personal information will be collected in order to administer your mutual fund account. This information typically includes your financial information and investment objectives, in addition to your current investments, banking information and your social insurance number. This information allows for but is not limited to the buying and selling of mutual funds on your behalf, in addition to providing you with reporting and the administration of your account in a compliant and regulatory manner.

At times, **Altimum Mutuals Inc.** may be required to provide this information to mutual fund companies in which you invest, self-regulatory organizations, securities regulators, law enforcement agencies and to companies that perform services on our behalf. These organizations, like **Altimum Mutuals Inc.** are bound and must comply with the same federal/provincial privacy act(s). **Altimum Mutuals Inc. does not disclose your information to any other organization(s) to use for their own purposes and in particular will never sell or trade your personal information.**

The purposes for which we collect, use and disclose your personal information are central to our being able to provide you with our services. Should you have objections to the collection and disclosure of your personal information, as listed in the foregoing, **Altimum Mutuals Inc..** will no longer be in a position to provide you with these services. Therefore, by maintaining your account with **Altimum Mutuals Inc..** we will consider that you have consented to our collecting, using and disclosing your personal information.

In representing **Altimum Mutuals Inc.** your investment funds advisor is acting on behalf of the mutual fund dealer, **Altimum Mutuals Inc.** Your investment funds advisor may also be licensed to sell other products and, therefore may wish to provide you with advice and services in that other capacity. Should they do so, your investment funds advisor will communicate with you directly regarding any additional use or disclosure of your personal information.

If you wish to review or make changes to your personal information you may do so by making a written request to:

**Privacy Officer,
Altimum Mutuals Inc.,
94 Barbican Trail,
St. Catharines, ON L2T 4A8**

Should you have any questions or concerns regarding the use of your personal information we encourage you to speak with your investment funds advisor. Alternatively, you may contact the designated Privacy Officer at:

**Altimum Mutuals Inc., 94 Barbican Trail, St. Catharines, ON L2T 4A8
(905) 680-8544**

DISCLOSURE OF CONFLICT OF INTEREST, DUAL OCCUPATION OR OUTSIDE EMPLOYMENT

In the event that your Representative engages in a dual occupation or other employment outside Altimum, MFDA rules require that disclosure be provided to the client.

Such activity may include employment, business activities, or contractual relationships. In each of these instances the Representative is agreeing to use his or her services or professional expertise to benefit a third party in exchange for direct or indirect financial gain for the Representative or for his or her family.

Definitions:

“Dual Occupation” is defined as a remunerated or fee-for-service activity undertaken by a Representative acting as an employee, a principal, or an agent other than in the normal course of business of the member, where a client might have a perception that the Representative was acting on behalf of the member. Activities undertaken with a mortgage broker’s license, or with a life insurance license, including activities undertaken for Altimum Insurance Agencies Ltd., (which is a separate entity from Altimum Mutuals Inc.) would be an example of “dual occupation.”

“Outside Employment” is defined as any remunerated or fee-for-service activity undertaken by a Representative acting as an employee, a principal, or an agent other than in the normal course of business of Altimum Mutuals Inc. where the client would not likely have a perception that the Representative was acting on behalf of the member. Income tax return preparation or accounting services, or any other employment in a role other than that of a financial advisor would be examples of “outside employment.”

Altimum Mutuals Inc. does not assume responsibility and liability for any and all business undertaken by your Representative that is considered “outside employment”. The following disclosure must be made to third parties when a Representative engages in a dual occupation or outside employment. A copy is to be filed with the Compliance Department of Altimum Mutuals Inc.

1). I propose to engage in the following dual occupation or outside employment. (e.g life insurance sales, income tax preparation, financial planning, mortgage brokerage).

a) _____ b) _____ c) _____ d) _____

I hereby disclose that I am contracted with the following companies (life agencies, mortgage brokers, etc.)

a) _____ b) _____

c) _____ d) _____

I am contracted to do business with the following companies (life insurance companies, banks, etc.)

a) _____ b) _____

c) _____ d) _____

e) _____ f) _____

g) _____ h) _____

2). I hereby confirm that this does not constitute business of Altimum Mutuals Inc.

3). I hereby confirm that this is not the responsibility of Altimum Mutuals Inc.

4). I will update this disclosure promptly if my circumstances change.

5) I confirm that the answers on this form are accurate to the best of my knowledge.


Rep Signature _____ Rep Code 7767- _____ Date _____

BY SIGNING BELOW I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THIS FORM.

Client Signature _____ Client Name _____ Date _____

Joint Signature _____ Joint Name _____ Date _____

Compliance Officer Approval (Signature) _____ Date _____



Sign up for the E-delivery of your Quarterly Statement and make a difference. The Environment is in your hands.

Did you know that you have the option to receive an email notification when your statement is available for online viewing? Consider these advantages when considering the *Altimum Mutuals Inc.* electronic statement delivery service:

Fast, easy access: You can access up to 7 years worth of account history and activity all online for fast and easy retrieval (try that with your current binder of paper statements many clients keep).

Secure: The notification is sent to the email address you provide. You never need to worry that your statement will be misdirected, lost or damaged in the mail.

No paper: When you choose paperless delivery, you'll be simplifying your life and reducing paper and clutter. This is the "green" solution for many conscientious clients.

E-delivery Consent Form – Terms of Use

TO:

Consent to Electronic Delivery of Documents in accordance with National Policy 11 -201

I have read and understand the "Consent to Electronic Delivery of Document" and hereby provide you with my consent to electronic delivery of the documents listed below, in lieu of receiving such documents by mail, all in accordance with the following terms, conditions and instructions:

Explanation of Electronic Documents

1. The following documents are covered by this consent:

Client Account Statements in accordance with MFDA and Securities Regulation Requirements

Account Statements – Annual and Quarterly Statement of My Account (Confidential)

This consent agreement will also cover documents as they become available provided:

- *Altimum Mutuals Inc.* is permitted, by law to provide the document electronically
- *Altimum Mutuals Inc.* advises me by electronic mail or notice on the Web site that a document has been added
- My consent profile is updated to Include any additional documents

I acknowledge that I am not required to consent to electronic delivery of documents and that by electing to receive the documents electronically; I will no longer receive them by regular mail. However, I may receive, at no cost, a paper copy of any documents delivered electronically, by contacting us at:

Altimum Mutuals Inc., Monday to Friday from 9:00 a.m. to 5:00 p.m. EST at (905) 680-8544 or 1-877-366-7343.

I understand that I will be provided with a paper copy of any documents delivered electronically, if electronic delivery fails.

Customer Responsibilities

This consent agreement will also cover other documents as they become available provided:

- I will have obtained a valid W.accessUserID and password from *Altimum Mutuals Inc.* prior to using this feature
- I will use this UserID and password to gain access to a secure area on the Dealer Web Site;
- I am solely responsible for retrieving and viewing documents after being notified via email by *Altimum Mutuals Inc.* that my documents are ready; and
- I am responsible for informing *Altimum Mutuals Inc.* of any changes to my email address – which I can update through W.access “My Info”

Technical Requirements

To ensure secure transmission of customer information and maintain in confidence the clients personal information we use 128 bit (SSL) encryption technology. In addition appropriate firewalls and other security measures have been input into place.

- In order to retrieve the documents, I will have the following hardware/services:
 - Internet Access;
 - An Internet capable personal computer; and
 - A valid Internet email address
- In order to retrieve documents and view documents, I will have the following software:
 - Adobe Reader 9.0 or higher. Click on the link the download and install Adobe Reader FREE - <http://get.adobe.com/reader>
 - Internet Explorer 9

Revoking this Understanding

I have the option of revoking this consent through the “My Info” section within W.access and selecting the electronic delivery “unsubscribe” option. By clicking on the “I agree” option below, I acknowledge that I will receive all Documents electronically through W.access.

I have read and understand the “Consent to Electronic Delivery of Document” and hereby provide you with my consent to electronic delivery of the documents listed above. Please send all notifications to the email address below.

E-mail Address

User ID

Temporary Password

Signature

Date

Altimum Mutuals Inc.

Fundfacts Receipt and Pre-Trade Cost Disclosure

The companies who manage Mutual Funds for you have designed forms which summarize key points about the funds you are purchasing, including investment objectives, past performance, suitability, and fees, called a Fundfacts Document. A Mutual Fund Dealer such as Altimum Mutuals Inc. has a responsibility to deliver a Fundfacts document for each fund that you wish to purchase before the Dealer accepts the purchase instructions. The purpose of this document is to have you acknowledge receipt of the Fundfacts documents and to acknowledge that you understand any fees and charges prior to you purchasing the funds.

A. I acknowledge having received Fundfacts documents for each of the following funds:

- a) _____
- b) _____
- c) _____
- d) _____
- e) _____
- f) _____

(for additional funds, use a separate Confirmation of Receipt document)

I acknowledge that there may be fees or costs charged by the product manufacturer or the plan trustee depending on the investment product. There may also be fees charged at the time that I withdraw money or close my account, including Deferred Sales Charges (DSC fees) in certain cases. My representative has explained these fees to me and I have understood and accepted them. I understand that prior to the acceptance of any order in my account that would trigger such fees I shall be advised of any sales charges, service charges or any other fees that might be charged in respect of such transaction and my representative is required by Altimum Mutuals Inc. to keep a record of that disclosure.

B. With regard to my purchase today I understand and acknowledge the following fees or charges:

1. DSC fees in the event of early redemption (if applicable) would be applied according to the following schedule:

Fund a)	Fund b)	Fund c)	Fund d)	Fund e)	Fund f)
In year 1 ____%	In year 1 ____%	In year 1 ____%	In year 1 ____%	In year 1 ____%	In year 1 ____%
In year 2 ____%	In year 2 ____%	In year 2 ____%	In year 2 ____%	In year 2 ____%	In year 2 ____%
In year 3 ____%	In year 3 ____%	In year 3 ____%	In year 3 ____%	In year 3 ____%	In year 3 ____%
In year 4 ____%	In year 4 ____%	In year 4 ____%	In year 4 ____%	In year 4 ____%	In year 4 ____%
In year 5 ____%	In year 5 ____%	In year 5 ____%	In year 5 ____%	In year 5 ____%	In year 5 ____%
In year 6 ____%	In year 6 ____%	In year 6 ____%	In year 6 ____%	In year 6 ____%	In year 6 ____%
In year 7 ____%	In year 7 ____%	In year 7 ____%	In year 7 ____%	In year 7 ____%	In year 7 ____%
In year 8 ____%	In year 8 ____%	In year 8 ____%	In year 8 ____%	In year 8 ____%	In year 8 ____%

2. Trailer fees (if applicable) would be paid to my dealer as follows:

At the rate of ____% for ____ years

At the rate of ____% indefinitely thereafter.

BY SIGNING BELOW I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THIS FORM.

Client Signature _____ Name _____ Date _____

Joint Client/Guarantor's Signature _____ Name _____ Date _____

Rep Signature _____ Rep Code 7767 _____ Date _____

Compliance Officer Approval (Signature) _____ Date _____

ALTIMUM RESIDENCY AND CITIZENSHIP DECLARATION FOR NON-REGISTERED ACCOUNTS

Definitions: PEP Politically Exposed Person
PEFP Politically Exposed Foreign Person
PEDF Politically Exposed Domestic Person
HIO Head of an International Organization
TIN Tax Identification Number, the equivalent of a SIN (or SSN in the U.S.)

PART 1

1. Are you a resident of a country outside of Canada or the United States?

If yes, specify country _____

TIN number _____

2. Are you a U.S. citizen or a U.S. connected person?

____ Yes ____ No

If so, you are because: (Check all that apply.)

____ U. S. Citizenship

____ Place of Residence in the U.S.

____ U. S. birthplace

____ I am a child of a U. S. citizen, my parents(s) is/are U. S. citizens.

If you have answered yes, please provide your Social Security Number or Individual Taxpayer Identification Number here:

SSN/TIN number _____

3. Are you:

____ A citizen of Canada ____ A landed Immigrant ____ Neither one

4. Please answer the following question: (For Joint Accounts, each account holder must sign a separate form).

Are you or a member of your immediate family (spouse or common law partner, mother or father, child, brother, sister, half-brother or half-sister, or spouse's or common-law partner's mother or father) a person who holds or has held one of the following offices or positions in or on behalf of either Canada or a foreign country: head of state or government; a member of the executive council of government or member of a legislature; a deputy minister (or equivalent); an ambassador or an ambassador's attache or counselor; a military general (or higher rank); a president of a state owned company or bank; a head of a government agency, a judge, a leader or president of a political party in a legislature, or the Head of an International Organization? (Collectively known as a Politically Exposed Person, or PEP.)

____ Yes ____ No

5. Client address _____ City _____ Province ____ Postal Code _____

PART 2 (ADVISOR NOTE: If the answer in Part 1 above is 'Yes' the client must complete Part 2.)

A. Is the client personally a PEP? PEDF? HIO? ____ Yes ____ No If so, which? _____ Proceed to Question C.

B. Is a family member of the client a PEP? ____ Yes ____ No If yes, state the family relationship _____

C. What is the relevant Office or Position? _____

D. What country? _____

E. What is the source of funds for deposit to this account? _____

Please submit all relevant documentation to Altimum Mutuals Inc. Compliance

FOR JOINT ACCOUNTS EACH PERSON MUST SIGN A SEPARATE DECLARATION

BY SIGNING BELOW I DECLARE THAT THE ABOVE IS TRUE AND ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THIS FORM.

Client Signature _____ Client Name _____ Date _____

Rep Signature _____ Rep Code 7767 _____ Date of Determination _____

Compliance Officer Approval (Signature) _____ Date _____



Declaration of Tax Residence for Individuals – Part XVIII and Part XIX of the Income Tax Act

- If you are an individual and you are planning to open a financial account or if you already have a financial account with a Canadian financial institution, it may ask you to fill out this or a similar form. For more information, see *How to fill out the form* on page 2.
- Canadian financial institutions are required under Part XVIII and Part XIX of the *Income Tax Act* to collect the information you provide on this form to determine if they have to report your financial account to the Canada Revenue Agency (CRA). The CRA may share this information with the government of a foreign jurisdiction that you are resident of for tax purposes. In the case of the United States, the CRA may also share the information with that country's government if you are a U.S. citizen. You can ask your financial institution if it reported your financial account to the CRA and what information it gave.
- Each account holder of a joint account has to fill out a declaration of tax residence form.
- Fill in all sections of this form that apply to you. If you do not have all the necessary information when you fill out the form, you may be given up to 90 days to give the missing information to your Canadian financial institution. If you do not give the missing information to your financial institution within the specified time frame, it may have to report your financial account to the CRA.
- If you need help with your tax residency information for this form, see Income Tax Folio, S5-F1-C1, *Determining an Individual's Residence Status*, which you can find on the CRA website.

Section 1 – Identification of account holder

Last name		First name and initial(s)		Date of birth	Year	Month	Day
Policy/account number assigned by the financial institution							
Permanent residence address							
Apartment number – street number and name				City			
Province, territory, state, or sub-entity		Country or jurisdiction		Postal or ZIP code			
Mailing address (only if different from the permanent residence address)							
Apartment number – street number and name				City			
Province, territory, state, or sub-entity		Country or jurisdiction		Postal or ZIP code			

Section 2 – Declaration of tax residence

Tick (✓) all of the options that apply to you.

☐ **I am a tax resident of Canada.** If you ticked this box, give your social insurance number.

☐ **I am a tax resident or a citizen of the United States.** If you ticked this box, give your taxpayer identification number (TIN) from the United States. If you do not have a TIN from the United States, have you applied for one?

☐ **I am a tax resident of a jurisdiction other than Canada or the United States.** If you ticked this box, give your jurisdictions of tax residence and taxpayer identification numbers. If you do not have a TIN for a specific jurisdiction, give the reason using one of these choices:

Reason 1: I will apply or have applied for a TIN but have not yet received it.
Reason 2: My jurisdiction of tax residence does not issue TINs to its residents.
Reason 3: Other reason.

For this form, "other reason" is enough. However, you still have to tell your financial institution the specific reason.

Jurisdiction of tax residence	Taxpayer identification number	If you do not have a TIN, choose reason 1, 2, or 3.

Section 3 – Certification

I certify that the information given on this form is correct and complete. I will give my financial institution a new form within 30 days of any change in circumstances that causes the information on this form to become incomplete or inaccurate.

Name (print)

Signature

Date _____
Year Month Day

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions, and foreign governments to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source at cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html, Personal Information Bank CRA PPU 005.

(Vous pouvez obtenir ce formulaire en français à arc.gc.ca/formulaires.)

How to fill out the form

Section 1 – Identification of account holder

Use Section 1 to identify the account holder. Sometimes the account holder's address may be different from the mailing address. If this is the case, give both addresses.

The **account holder** is the person listed or identified as the holder of the financial account by the financial institution that maintains the account. But, when a person other than a financial institution holds a financial account for the benefit of or for another person as an agent, custodian, nominee, signatory, investment advisor, or intermediary, they are not considered the account holder. In such cases, the account holder is the person for whom the account is held.

If a trust or an estate is listed as the holder of a financial account, the trust or the estate is the account holder, not the trustee or the liquidator. Similarly, if a partnership is listed as the holder of a financial account, the partnership is the account holder, not the partners in the partnership. In such cases, fill out Form RC519, *Declaration of Tax Residence for Entities – Part XVIII and Part XIX of the Income Tax Act*.

An account holder also includes any person who can access the cash value or designate a beneficiary under a cash value insurance contract or an annuity contract.

The **policy/account number** is the number your financial institution assigned to you. For example, enter the number assigned to you (such as a bank account number or insurance policy number) in this box. When you fill out this form as a controlling person of an entity, enter the policy or account number assigned to the entity, not your personal number. If you do not have such a number, leave this box blank.

Section 2 – Declaration of tax residence

Use Section 2 to identify the account holder's tax residence and taxpayer identification number. If the account holder does not have such a number, give the reason.

Generally, an individual will be a **tax resident** of a jurisdiction if, under the laws of that jurisdiction, they pay or should be paying tax there because of their domicile, residence, or a similar criterion.

Individuals who are tax residents in more than one jurisdiction can rely on the tie-breaker rules in tax conventions (when they apply) to resolve cases of dual tax residence.

For more information on tax residency, talk to your tax adviser or go to oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/#d.en.347760.

A **taxpayer identification number**, often referred to by its abbreviation TIN, is a unique identifier made of letters or numbers that the jurisdiction assigns to an individual. The jurisdiction uses the TIN in administering its tax laws to identify the individual. Enter the TIN in its official format. For more details about acceptable TINs, go to oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/#d.en.347759.

If you do not have a TIN from the United States, you have 90 days to apply for one and 15 days after you receive it to give it to your financial institution.

Reasons that fall under "Reason 3: **Other reason**" for not having a TIN include not being eligible to receive one. However, if you are eligible to receive a TIN but you do not have one, you have 90 days to apply for one through your jurisdiction of residence. You have 15 days after you receive it to give it to your financial institution.

Section 3 – Certification

Make sure you fill in and sign Section 3 before you give this form to your Canadian financial institution.

Type of controlling person

Fill in this section **only** if you are filling out this form as a controlling person of an entity.

Controlling persons of an entity are the natural persons who exercise direct or indirect control over the entity. Generally, whether any person exercises control over an entity is determined in a way similar to how beneficial owners are identified for Canada's *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.

For example, a person is generally considered a controlling person of a corporation if they directly or indirectly own or control 25% or more of the corporation. When no natural person is identified as exercising control of the corporation, a director or senior official of the corporation is considered the controlling person.

In the case of a trust, controlling persons include its settlors, trustees, protectors (if any), beneficiaries (or class of beneficiaries), and any other natural persons exercising ultimate effective control over the trust.

A settlor, trustee, protector, or beneficiary of a trust may be an entity. If so, to determine the trust's controlling persons you have to look through the entity's chain of control or ownership to identify the natural persons exercising ultimate effective control over the entity. You then have to report those you find as controlling persons of the trust. Financial institutions may apply this requirement in a way similar to how beneficial owners are identified for Canada's *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.

In the case of a legal arrangement other than a trust, controlling persons are persons in equivalent or similar positions.

Type of controlling person*

* Enter the description that best describes the type of controlling person:

- 1) Direct owner of a corporation or other legal person
- 2) Indirect owner of a corporation or other legal person (through an intermediary)
- 3) Director or senior official of a corporation or other legal person
- 4) Settlor of a trust
- 5) Trustee of a trust
- 6) Protector of a trust
- 7) Beneficiary of a trust
- 8) Other controlling person of a trust
- 9) Equivalent to a settlor of a legal arrangement other than a trust (e.g. partnership)
- 10) Equivalent to a trustee of a legal arrangement other than a trust (e.g. partnership)
- 11) Equivalent to a protector of a legal arrangement other than a trust (e.g. partnership)
- 12) Equivalent to a beneficiary of a legal arrangement other than a trust (e.g. partnership)
- 13) Other controlling person of a legal arrangement other than a trust (e.g. partnership)



Declaration of Tax Residence for Entities – Part XVIII and Part XIX of the Income Tax Act

- If you are an entity and you are planning to open a financial account or if you already have a financial account with a Canadian financial institution, it may ask you to fill out this or a similar form. For more information on how to fill out this form, see the General information section at the end of the form. You will also find in that section the definitions of terms we use on the form.
- Canadian financial institutions are required under Part XVIII and Part XIX of the *Income Tax Act* to collect the information you provide on this form to determine if they have to report your financial account to the Canada Revenue Agency (CRA). The CRA may share that information with the government of a foreign jurisdiction that a person identified on this form is a resident of for tax purposes. In the case of the United States, the CRA may also share the information with that country's government if the person is a U.S. citizen. You can ask your financial institution if it reported your financial account to the CRA and what information it gave.
- For this form, an entity includes a corporation, a partnership, a trust, an association, a fund, a joint venture, an organization, a syndicate, or a foundation. If you are a sole proprietorship, fill out Form RC518, *Declaration of Tax Residence for Individuals – Part XVIII and Part XIX of the Income Tax Act*.
- Each account holder of a joint account has to fill out a declaration of tax residence form.
- Fill in all sections of this form that apply to you and the Annex if required. If you do not have all the necessary information when you fill out the form, you may be given up to 90 days to give the missing information to your Canadian financial institution. If you do not give the missing information to your financial institution within the specified time frame, it may have to report your financial account to the CRA.
- If you need help with your tax residency information for this form, see Residency of a corporation at cra.gc.ca/tx/nnrstdnts/bsnss/bs-rs-eng.html or Income Tax Folio, S6-F1-C1, *Residence of a Trust or Estate*, which you can find on the CRA website.

Section 1 – Identification of account holder

Legal name of the entity		Jurisdiction of incorporation or organization
Policy/account number assigned by the financial institution		
Permanent residence address		
Suite number – street number and name		City
Province, territory, state, or sub-entity	Country or jurisdiction	Postal or ZIP code
Mailing address (only if different from permanent residence address)		
Suite number – street number and name		City
Province, territory, state, or sub-entity	Country or jurisdiction	Postal or ZIP code

Section 2 – Declaration of tax residence

Tick (✓) all of the options that apply to the entity.

- ☐ **The entity is a tax resident of Canada.** If the entity is a trust, give its trust account number. Otherwise, give its business number.

Business number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Trust account number

T-																			
----	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

- ☐ **The entity is a tax resident of the United States.**

- ☐ **The entity is a tax resident of a jurisdiction other than Canada or the United States.** If you ticked this box, give the entity's jurisdictions of tax residence and taxpayer identification numbers (TIN).

If the entity does not have a TIN for a specific jurisdiction, give the reason using one of these choices:

Reason 1: The entity will apply or has applied for a TIN but has not yet received it.

Reason 2: The entity's jurisdiction of tax residence does not issue TINs to its residents.

Reason 3: Other reason.

For this form, "other reason" is enough. However, you still have to tell your financial institution the specific reason.

Jurisdiction of tax residence	Taxpayer identification number	If the entity does not have a TIN, choose reason 1, 2, or 3.

(Ce formulaire est disponible en français.)

Annex – Controlling persons

Identify the entity's controlling persons. Attach a separate list if you need to enter the information of more than two controlling persons. Or you can include a separate Form RC518, *Declaration of Tax Residence for Individuals – Part XVIII and Part XIX of the Income Tax Act*, for each controlling person. Make sure to give the type of controlling person for each controlling person on your list or forms.

Controlling person 1

Last name	First name and initial(s)	Date of birth	Year	Month	Day

Type of controlling person

Permanent residence address

Apartment number – street number and name		City
Province, territory, state, or sub-entity	Country or jurisdiction	Postal or ZIP code

Mailing address (only if different from the permanent residence address)

Apartment number – street number and name		City
Province, territory, state, or sub-entity	Country or jurisdiction	Postal or ZIP code

Declaration of tax residence

Tick (✓) all of the options that apply to you.

☐ **The controlling person is a tax resident of Canada.** If you ticked this box, give the controlling person's social insurance number.

Social insurance number (SIN)

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☐ **The controlling person is a tax resident or a citizen of the United States.** If you ticked this box, give the controlling person's taxpayer identification number (TIN) from the United States.

TIN from the United States

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If the controlling person does not have a TIN from the United States, has that person applied for one?

☐ Yes ☐ No

☐ **The controlling person is a tax resident of a jurisdiction other than Canada or the United States.** If you ticked this box, give the controlling person's jurisdictions of tax residence and TINs. If the controlling person does not have a TIN, choose reason 1, 2, or 3, as described in Section 2.

Jurisdiction of tax residence	Taxpayer identification number	If the person does not have a TIN, choose reason 1, 2, or 3.

Controlling person 2

Last name	First name and initial(s)	Date of birth	Year	Month	Day

Type of controlling person

Permanent residence address

Apartment number – street number and name		City
Province, territory, state, or sub-entity	Country or jurisdiction	Postal or ZIP code

Mailing address (only if different from the permanent residence address)

Apartment number – street number and name		City
Province, territory, state, or sub-entity	Country or jurisdiction	Postal or ZIP code

Declaration of tax residence

Tick (✓) all of the options that apply to you.

☐ **The controlling person is a tax resident of Canada.** If you ticked this box, give the controlling person's social insurance number.

Social insurance number (SIN)

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☐ **The controlling person is a tax resident or a citizen of the United States.** If you ticked this box, give the controlling person's taxpayer identification number (TIN) from the United States.

TIN from the United States

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If the controlling person does not have a TIN from the United States, has that person applied for one?

☐ Yes ☐ No

☐ **The controlling person is a tax resident of a jurisdiction other than Canada or the United States.** If you ticked this box, give the controlling person's jurisdictions of tax residence and TINs. If the controlling person does not have a TIN, choose reason 1, 2, or 3, as described in Section 2.

Jurisdiction of tax residence	Taxpayer identification number	If the person does not have a TIN, choose reason 1, 2, or 3.

General information

How to fill out the form

Section 1 – Identification of account holder

Use Section 1 to identify the account holder. Sometimes the address of an account holder may be different from its mailing address. If this is the case, give both addresses.

The **account holder** is the person listed or identified as the holder of the financial account by the financial institution that maintains the account. But, when a person other than a financial institution holds a financial account for the benefit of or for another person as an agent, custodian, nominee, signatory, investment advisor, or intermediary, they are not considered the account holder. In such cases, the account holder is the person for whom the account is held.

If a trust or an estate is listed as the holder of a financial account, the trust or the estate is the account holder, not the trustee or the liquidator. Similarly, if a partnership is listed as the holder of a financial account, the partnership is the account holder, not the partners in the partnership.

An account holder also includes any person who can access the cash value or designate a beneficiary under a cash value insurance contract or an annuity contract.

The **policy/account number** is the number your financial institution assigned to the entity. For example, enter the number assigned to the entity (such as a bank account number or an insurance policy number) in this box. If you do not have such a number, leave this box blank.

Section 2 – Declaration of tax residence

Use Section 2 to identify the entity's tax residence and taxpayer identification number. If the entity does not have such a number, give the reason.

Generally, an entity will be a **tax resident** of a jurisdiction if, under the laws of that jurisdiction, it pays or should be paying tax there because of its domicile, residence, place of management or incorporation, or a similar criterion. For this form:

- a partnership, a limited partnership, or a similar legal arrangement is considered to reside in the jurisdiction where its place of management is located;
- a trust is considered to reside in the jurisdiction where its place of management and control is located; and
- an entity that is a "United States person" is a tax resident of the United States.

Entities that are tax residents in more than one jurisdiction can rely on the tie-breaker rules in tax conventions (when they apply) to resolve cases of dual tax residence.

For more information on tax residency, talk to your tax adviser or go to oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/#d.en.347760.

A **taxpayer identification number**, often referred to by its abbreviation TIN, is a unique combination of letters or numbers that a jurisdiction assigns to an individual or entity. The jurisdiction uses the TIN in administering its tax laws to identify the individual or entity. Enter the TIN in its official format. For more details about acceptable TINs, go to oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/#d.en.347759.

Reasons that fall under "Reason 3: **Other reason**" for not having a TIN include not being eligible to receive one. However, if you are eligible to receive a TIN but you do not have one, you have 90 days to apply for one through your jurisdiction of residence. You have 15 days after you receive it to give it to your financial institution.

Section 3 – Entity classification

Use Section 3 to identify what type of entity the account holder is.

In Section 3.1, identify if the entity is a financial institution and whether it has a global intermediary identification number (GIIN). A GIIN is a unique identifier the Internal Revenue Service of the United States issues to financial institutions. Reasons for not having a GIIN include being a deemed compliant foreign financial institution or a non-participating foreign financial institution.

A **financial institution** is a custodial institution, a depository institution, an investment entity, or a specified insurance company. An entity that is a tax resident of Canada can classify itself as a financial institution only if it is a Canadian financial institution. However, an entity that is a prescribed non-reporting financial institution in Canada can classify itself as a financial institution even if it is not a Canadian financial institution.

Use Section 3.2 to determine whether the financial institution is a type of investment entity that needs to identify its controlling persons in the Annex. An entity has to fill out the Annex if it resides in a non-participating jurisdiction and is an entity described in paragraph b) of the definition of investment entity.

Use Sections 3.3 and 3.4 to determine if an entity, other than a financial institution, has to identify its controlling persons in the Annex.

Section 4 – Certification

Make sure you complete the Annex where applicable, and fill in and sign Section 4 before you give this form to your Canadian financial institution.

Annex – Controlling persons

Use the Annex to identify the controlling persons of the entity.

Controlling persons of an entity are the natural persons who exercise direct or indirect control over the entity. Generally, whether a person exercises control over an entity is determined in a way similar to how beneficial owners are identified for Canada's *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.

For example, a person is generally considered to control a corporation if they directly or indirectly own or control at least 25% of the corporation. If no individual is named as controlling the corporation, the director or senior official of the corporation is considered the corporation's controlling person.

In the case of a trust, controlling persons include its settlors, trustees, protectors (if any), beneficiaries (or class of beneficiaries), and any other natural persons exercising ultimate effective control over the trust.

A settlor, trustee, protector, or beneficiary of a trust may be an entity. If so, to determine the trust's controlling persons you have to look through the entity's chain of control or ownership to identify the natural persons exercising ultimate effective control over the entity. You then have to report those you find as controlling persons of the trust. Financial institutions may apply this requirement in a way similar to how beneficial owners are identified for Canada's *Proceeds of Crime (Money Laundering) and Terrorist Financial Act*.

In the case of a legal arrangement other than a trust, controlling persons are persons in equivalent or similar positions.

Enter the description that best describes the type of controlling person:

- 1) Direct owner of a corporation or other legal person
- 2) Indirect owner of a corporation or other legal person (through an intermediary)
- 3) Director or senior official of a corporation or other legal person
- 4) Settlor of a trust
- 5) Trustee of a trust
- 6) Protector of a trust
- 7) Beneficiary of a trust
- 8) Other controlling person of a trust
- 9) Equivalent to a settlor of a legal arrangement other than a trust (e.g. partnership)
- 10) Equivalent to a trustee of a legal arrangement other than a trust (e.g. partnership)
- 11) Equivalent to a protector of a legal arrangement other than a trust (e.g. partnership)
- 12) Equivalent to a beneficiary of a legal arrangement other than a trust (e.g. partnership)
- 13) Other controlling person of a legal arrangement other than a trust (e.g. partnership)

Definitions

Active non-financial entity

An active non-financial entity is an entity other than a financial institution that meets at least one of the following criteria:

- a) Less than 50% of the entity's gross income for the preceding fiscal year is passive income and less than 50% of the assets the entity held during the preceding fiscal year are assets that produce or are held to produce passive income.
- b) The stock of the entity is regularly traded on an established securities market or the entity is related to an entity whose stock is regularly traded on an established securities market.
- c) The entity is a governmental entity, an international organization, a central bank, or an entity wholly owned by one or more of the above.
- d) Substantially all of the activities of the entity are made up of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a financial institution. But, an entity does not qualify for this status if the entity functions (or presents itself) as an investment fund. Examples of an investment fund include a private equity fund, a venture capital fund, a leveraged buyout fund, and any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes.
- e) The entity is a start-up and is not yet operating a business and has no operating history, but it is investing capital into assets with the intention of operating a business other than the business of a financial institution. This is as long as the entity does not qualify for this exception later than 24 months after the date it was first organized.
- f) The entity is in liquidation and was not a financial institution in the past five years. And, it is in the process of liquidating its assets or is reorganizing with the intention of continuing or restarting operations in a business other than the business of a financial institution.
- g) The entity mainly engages in financing and hedging transactions with, or for, related entities that are not financial institutions. It does not provide financing or hedging services to an entity that is not a related entity. This is as long as the group of any such related entities is mainly engaged in a business other than the business of a financial institution.

Active non-financial entity (continued)

- h) The entity is a non-profit entity that meets all of the following requirements:
- i) It is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes. Or, it is established and operated in its jurisdiction of residence and is a professional organization, business league, chamber of commerce, labour organization, agricultural or horticultural organization, civic league, or an organization operated exclusively to promote social welfare.
 - ii) It does not have to pay income tax in its jurisdiction of residence.
 - iii) It has no shareholders or members who have a proprietary or beneficial interest in its income or assets.
 - iv) The laws of the entity's jurisdiction of residence that apply or the entity's formation documents do not allow any of the entity's income or assets to be distributed to, or applied for the benefit of, a private person or non-charitable entity other than in line with the entity's charitable activities, as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property the entity bought.
 - v) The laws of the entity's jurisdiction of residence that apply or the entity's formation documents require that, as soon as the entity is liquidated or dissolved, all of its assets will be distributed to a governmental entity or other non-profit entity. Or, they will be handed over to the government of the entity's jurisdiction of residence or one of its political subdivisions.
- i) The entity is organized in a United States territory and all of the owners of the payee are tax residents of that United States territory.

Canadian financial institution

A Canadian financial institution is an entity that resides in Canada or a foreign entity that has a branch in Canada. The entity can be any of these:

- a) an authorized foreign bank within the meaning of section 2 of the *Bank Act* in respect of its business in Canada, or a bank that act applies to
- b) a cooperative credit society, a savings and credit union, or a caisse populaire regulated by a provincial act
- c) an association regulated by the *Cooperative Credit Associations Act*
- d) a central cooperative credit society, as defined in section 2 of the *Cooperative Credit Associations Act*, or a credit union central or a federation of credit unions or caisses populaires that is regulated by a provincial act other than one enacted by the Government of Quebec
- e) a financial services cooperative regulated by *An Act respecting financial services cooperatives*, R.S.Q., c. C-67.3 or by *An Act respecting the Mouvement Desjardins*, S.Q. 2000, c. 77
- f) a life company or a foreign life company that the *Insurance Companies Act* applies to, or a life insurance company regulated by a provincial act
- g) a company the *Trust and Loan Companies Act* applies to
- h) a trust company regulated by a provincial act
- i) a loan company regulated by a provincial act
- j) an entity authorized under provincial law to deal in securities or any other financial instruments or to provide portfolio management, investment advice, fund administration, or fund management services
- k) an entity that is presented or promoted to the public as a collective investment vehicle, mutual fund, exchange traded fund, private equity fund, hedge fund, venture capital fund, leveraged buyout fund, or similar investment vehicle that is established to invest or trade in financial assets and is managed by an entity referred to in j) above
- l) an entity that is a clearing house or clearing agency
- m) a department or an agent of the Crown or of a province that accepts deposit liabilities

Investment entity

There are two types of entities that can be considered an investment entity:

- a) an entity that mainly carries on the business of one or more of the following activities or operations for a customer:
 - i) trading in money market instruments (such as cheques, bills, certificates of deposit, and derivatives); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading;
 - ii) individual and collective portfolio management; or
 - iii) investing in, administering, or managing financial assets or money for other persons.
- b) An entity the gross income of which is mainly from investing, reinvesting, or trading in financial assets. The entity is managed by another entity that is a depository institution, a custodial institution, a specified insurance company, or the first type of investment entity described in a) above.

Passive non-financial entity

A passive non-financial entity is an entity that is:

- a) not a financial institution or an active non-financial entity;
- b) an investment entity described in paragraph b) of the definition of investment entity; or
- c) not a withholding foreign partnership nor a withholding foreign trust under United States Treasury Regulations.

Related entity

An entity is considered to be related if one entity controls the other or if the two entities are under common control (the "related entity group"). Control means direct or indirect ownership of:

- a) in the case of a corporation, more than 50% of the votes and value;
- b) in the case of a trust, an interest as a beneficiary in the trust with a fair market value that is greater than 50% of the fair market value of all interests as a beneficiary in the trust.
- c) in the case of a partnership, interest as a member in the partnership that entitles the member to more than 50% of the income or loss of the partnership, or of the assets (after deducting any liabilities) if the partnership were to stop existing; and

In the case of two entities that are investment entities described in paragraph b) of the definition of investment entity, the two entities are considered related entities if they are under common management and such management has to meet the due diligence obligations of the investment entities.

Specified United States person

A specified United States (U.S.) person is a U.S. person, other than any of the following:

- a) a corporation the stock of which is regularly traded on one or more established securities markets
- b) a corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. *Internal Revenue Code* as a corporation described in a) above
- c) the United States or any wholly owned agency or instrumentality of the United States
- d) a state of the United States, a U.S. territory, a political subdivision of any of the foregoing, or a wholly owned agency or instrumentality of any one or more of these
- e) an organization that does not have to pay tax under section 501(a) of the U.S. *Internal Revenue Code* or an individual retirement plan as defined in section 7701(a)(37) of the U.S. *Internal Revenue Code*
- f) a bank as defined in section 581 of the U.S. *Internal Revenue Code*
- g) a real estate investment trust as defined in section 856 of the U.S. *Internal Revenue Code*
- h) a regulated investment company as defined in section 851 of the U.S. *Internal Revenue Code* or an entity registered with the U.S. Securities and Exchange Commission under the U.S. *Investment Company Act of 1940*
- i) a common trust fund as defined in section 584(a) of the U.S. *Internal Revenue Code*
- j) a trust that does not have to pay tax under section 664(c) of the U.S. *Internal Revenue Code* or that is described in section 4947(a)(1) of the U.S. *Internal Revenue Code*
- k) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or one of its states
- l) a broker as defined in section 6045(c) of the U.S. *Internal Revenue Code*
- m) a tax-exempt trust under a plan that is described in section 403(b) or section 457(b) of the U.S. *Internal Revenue Code*

United States person

A United States (U.S.) person is any of the following:

- a) a U.S. citizen or an individual who resides in the United States
- b) a partnership or corporation organized in the United States or under the laws of the United States or any State thereof
- c) a trust, if
 - i) a court in the United States would have the authority under applicable law to deliver orders or judgments about substantially all issues regarding the administration of the trust, and
 - ii) one or more U.S. persons have the authority to control all the trust's major decisions
- d) the estate of a person that is a citizen or resident of the United States

SUMMARY OF ALTIMUM MUTUALS INC. COMPLAINT HANDLING PROCEDURES

Altimum Mutuals Inc. has procedures in place to handle any written or verbal complaints received from clients in a fair and prompt manner. This is a summary of those procedures, which we provide to new clients, clients who have filed a complaint and that we also make available on our website at altimum.ca.

The Client Complaint Information Form

We also provide new clients and clients who complain with a separate document called the *Client Complaint Information Form* ("CCIF") that provides general information about their options for making a complaint.

How to File a Complaint with Altimum Mutuals Inc.

Clients wishing to complain to Altimum Mutuals Inc. may make their complaint to our head office by contacting Edith Reid, who is the Chief Compliance Officer. All complaints are forwarded to qualified compliance or supervisory personnel to be handled. We encourage clients to make their complaint in writing or by email (see note 1) where possible. Where clients have difficulty putting their complaint in writing, they should advise us so that we can provide assistance. For confidentiality reasons, we will only deal with the client or another individual who has the client's express written authorization to deal with us.

Complaint Handling Procedures

We will acknowledge receipt of complaints promptly, generally within five days. We review all complaints fairly, taking into account all relevant documents and statements obtained from the client, our records, our Financial Advisors, other staff members and any other relevant source. Once our review is complete we provide clients with our response, which will be in writing if the complaint was made in writing. Our response may be an offer to resolve your complaint, a denial of the complaint with reasons or another appropriate response. Where the complaint relates to certain serious allegations (see note 2), our initial acknowledgement will include copies of this summary and the CCIF. Our response will summarize your complaint, our findings and will contain a reminder about your options with the Ombudsman for Banking Services and Investments.

We will generally provide our response within ninety days, unless we are waiting for additional information from you, or the case is novel or very complicated.

We will respond to communications you send us after the date of our response to the extent necessary to implement a resolution or to address any new issues or information you provide.

Settlements

If we offer you a financial settlement, we may ask you to sign a release and waiver for legal reasons.

Contacting Altimum Mutuals Inc.

Clients may contact us at any time to provide further information or to inquire as to the status of their complaint by contacting Edith Reid at (905) 680-8544 or at 94 Barbican Trail, St. Catharines, ON L2T 4A8

BY SIGNING BELOW I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THIS FORM.

Client Signature _____ Client Name _____ Date _____

Joint Signature _____ Joint Name _____ Date _____

Rep Signature _____ Rep Code 7767 _____ Date _____

Compliance Officer Approval (Signature) _____ Date _____

1 Clients who choose to communicate by email should be aware of possible confidentiality issues regarding internet communications.

2 As defined in the Policies of the Mutual Fund Dealers Association of Canada of which Altimum Mutuals Inc. is a Member.

MUTUAL FUND DEALERS ASSOCIATION OF CANADA
Client Complaint Information Form

Clients of a mutual fund dealer who are not satisfied with a financial product or service have a right to make a complaint and to seek resolution of the problem. MFDA Member dealers have a responsibility to their clients to ensure that all complaints are dealt with fairly and promptly. If you have a complaint, these are some of the steps you can take:

- Contact your mutual fund dealer. Member firms are responsible to you, the investor, for monitoring the actions of their representatives to ensure that they are in compliance with by-laws, rules and policies governing their activities. The firm will investigate any complaint that you initiate and respond back to you with the results of their investigation within the time period expected of a Member acting diligently in the circumstances, in most cases within three months of receipt of the complaint. It is helpful if your complaint is in writing.

- Contact the Mutual Fund Dealers Association of Canada ("MFDA"), which is the self-regulatory organization in Canada to which your mutual fund dealer belongs. The MFDA investigates complaints about mutual fund dealers and their representatives, and takes enforcement action where appropriate. You may make a complaint to the MFDA at any time, whether or not you have complained to your mutual fund dealer. The MFDA can be contacted:

- By completing the on-line complaint form at www.mfda.ca
- By telephone in Toronto at (416) 361-6332, or toll free at 1-888-466-6332
- By e-mail at complaints@mfda.ca¹
- In writing by mail to 121 King Street West, Suite 1000, Toronto, ON M5H 3T9 or by fax at (416) 361-9073

Compensation:

The MFDA does not order compensation or restitution to clients of Members. The MFDA exists to regulate the operations, standards of practice and business conduct of its Members and their representatives with a mandate to enhance investor protection and strengthen public confidence in the Canadian mutual fund industry. If you are seeking compensation, you may consider the following:

- Ombudsman for Banking Services and Investments ("OBSI"): You may make a complaint to OBSI after you have complained to the dealer, at either of the following times:

- If the dealer's Compliance Department has not responded to your complaint within 90 days of the date you complained, or;
- After the dealer's Compliance Department has responded to your complaint and you are not satisfied with the response. **Please note that you have 180 calendar days to bring your complaint to OBSI after receiving the dealer's response.**

- OBSI provides an independent and impartial process for the investigation and resolution of complaints about the provision of financial services to clients. OBSI can make a non-binding recommendation that your firm compensate you (up to \$350,000) if it determines that you have been treated unfairly, taking into account the criteria of good financial services and business practice, relevant codes of practice or conduct, industry regulation and the law. The OBSI process is free of charge and is confidential. OBSI can be contacted:

- By telephone in Toronto at (416) 287-2877, or toll free at 1-888-451-4519
- By e-mail at ombudsman@obsi.ca

- Legal Assistance: You may consider retaining a lawyer to assist with the complaint. You should be aware that there are legal time limits for taking civil action. A lawyer can advise you of your options and recourses. Once the applicable limitation period expires, you may lose rights to pursue some claims.

- Manitoba, New Brunswick and Saskatchewan: Securities regulatory authorities in these provinces have the power to, in appropriate cases, order that a person or company that has contravened securities laws in their province pay compensation to a claimant. The claimant is then able to enforce such an order as if it were a judgment of the superior court in that province. For more information, please visit:

Manitoba: www.msc.gov.mb.ca
New Brunswick: www.nbsec-cvmnb.ca
Saskatchewan: www.fcaa.gov.sk.ca

- Québec:

- If you are not satisfied with the outcome or with the examination of a complaint, the Autorité des marchés financiers ("AMF") can examine your complaint and may provide dispute resolution services.
- If you think you are a victim of fraud, fraudulent tactics or embezzlement, you can contact the AMF to see if you meet the eligibility to submit a claim to the *Fonds d'indemnisation des services financiers* ("Financial Services Compensation Fund"). An indemnity up to \$200,000 can be payable through monies accumulated in the fund for an eligible claim.
- For more information:
 - Contact the AMF by telephone at (418) 525-0337 (in Quebec) or toll free at 1-877-525-0337.
 - Visit www.lautorite.qc.ca.

BY SIGNING BELOW I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THIS FORM.

Client Signature _____ Client Name _____ Date _____

Joint Signature _____ Joint Name _____ Date _____

Rep Signature _____ Rep Code 7767 _____ Date _____

Compliance Officer Approval (Signature) _____ Date _____

¹ You may wish to consider issues of internet security when sending sensitive information by standard e-mail.

Leverage and Regulatory Disclosures Document

The Leverage and Regulatory Disclosures Document must be presented and discussed with each new account (not just each new client) even if the client is not borrowing money to invest or even if they have already signed one related to a different account.

The disclosure document must also be signed by the client each time a client is borrowing money to invest. This includes RRSP loans.

A sample of this document follows.

LEVERAGE AND REGULATORY DISCLOSURES AND BENCHMARK INFORMATION

LEVERAGE DISCLOSURE

Risk of Borrowing to Invest *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.*

Here are some risks and factors that you should consider before borrowing to invest: Is it Right for You?

I. Borrowing money to invest is risky. You should only consider borrowing to invest if:

- You are comfortable with taking risk.
- You are comfortable taking on debt to buy investments that may go up or down in value.
- You are investing for the long-term.
- You have a stable income.

2. You should not borrow to invest if:

- You have a low tolerance for risk
- You are investing for a short period of time.
- You intend to rely on income from the investments to pay living expenses.
- You intend to rely on income from the investments to repay the loan. If this income stops or decreases you may not be able to pay back the loan.

3. You Can End Up Losing Money:

- If the investments go down in value and you have borrowed money, your losses would be larger than had you invested using your own money.
- Whether your investments make money or not you will still have to pay back the loan plus interest.
- You may have to sell other assets or use money you had set aside for other purposes to pay back the loan.
- If you used your home as security for the loan, you may lose your home.
- If the investments go up in value, you may still not make enough money to cover the costs of borrowing.

4. Tax Considerations:

- You should not borrow to invest just to receive a tax deduction.
- Interest costs are not always tax deductible. You may not be entitled to a tax deduction and may be reassessed for past deductions. You may want to consult a tax professional to determine whether your interest costs will be deductible before borrowing to invest.
- If you are considering borrowing to invest, your advisor should discuss with you the risks of doing so.

RELATIONSHIP DISCLOSURE

By signing this Client Authorization I acknowledge that I have been informed of and understand the following:

Nature of the Advisory Relationship

I understand and agree that I must confirm every order placed by completion and submission of all appropriate forms to Altimum Mutuals Inc. in order to process my trading instructions.

I understand that I am responsible for making investment decisions although I may rely on the advice given by my Representative and that my Representative is responsible for the advice and ensuring that it is suitable for me based on my investment objectives and risk tolerance as stated on my KYC forms as they relate to each individual account.

Suitability of Orders Accepted and Recommendations Made

I acknowledge that all transactions in this account are subject to the Rules of the Mutual Fund Dealers Association (MFDA) and securities legislation and that Altimum Mutuals Inc. must ensure that each recommendation made is suitable in relation to my investment objectives, risk tolerance, investment knowledge and other personal circumstances.

The obligation to make a suitability determination applies to trades proposed by me whether or not a recommendation is made by my Representative.

Other circumstances may trigger an assessment of the suitability of investments, including:

- When assets are transferred into an account
- When there is a material change to my personal information
- When there is a change of advisors

KYC Terms

I acknowledge that I have received a copy of the KYC form and am aware of and accept the basis on which Altimum Mutuals Inc. and my Representative have assessed the suitability of my investments. My representative has explained this to me and I understand the various categories of risk and investment objectives on that form, including those that I have selected as best representing my personal investment objectives and desired level of risk.

Nature of the Products and Services Offered

I acknowledge and understand that Altimum Mutuals Inc. is a Mutual Fund Dealer and as such, Altimum Mutuals Inc. is not responsible for the activities of agents except for the sale of Mutual Funds. Altimum Mutuals Inc. only offers Mutual Funds for sale.

Compensation, Fees, Charges and Reference to Other Sources of Information

I acknowledge that Altimum Mutuals Inc. may receive a commission at the time of sale of an investment and may receive an ongoing commission (a 'trailer fee') for as long as I own the investment. I am aware of the details as described in the prospectus. I understand that I can speak to my advisor for more information about the nature of any fees or compensation paid to Altimum Mutuals Inc. and may refer to the prospectus provided by the advisor for more specific product disclosures with respect to fees and costs. My representative has explained these charges to us with specific reference to the prospectus.

I acknowledge that there may be other fees or costs charged by the product manufacturer or the plan trustee depending on the investment product. There may also be fees charged at the time that I withdraw money or close my account, including Deferred Sales Charges (DSC fees) in certain cases. My representative has explained these fees to me and I have understood and accepted them. I understand that prior to the acceptance of any order in my account that would trigger such fees I shall be advised of any sales charges, service charges or any other fees that might be charged in respect of such transaction and my representative is required by Altimum Mutuals Inc. to keep a record of that disclosure.

Content and Frequency of Reporting

All accounts held by Altimum Mutuals Inc. are held in Client Name at the fund company, bank, or trust company. A quarterly Account Statement will be provided by Altimum Mutuals Inc. The Account Statement will record the type of account, the account number, the period covered by the statement, the name of the advisor servicing the account, the name, address and telephone number of Altimum Mutuals Inc., all deposits and withdrawals or charges to the account, the quantity and description of each security purchased, sold or transferred, and the dates of each transaction. An annual Account Statement will be sent instead of the fourth quarter statement and will include a Cost and Compensation Report together with a Performance Report and this Annual Statement will cover the entire year including all transactions in the 12 month period.

Personal Information

I have received and understood the Altimum Investor Privacy Notice and given Altimum Mutuals Inc. my personal information with informed consent and with an understanding of the intended uses and disclosures of the information.

Procedure Regarding Handling of Cash and Cheques

I acknowledge that cheques are never to be made payable to my representative and that my representative is not allowed to accept cash for the purchase of securities or the payment of fees. Altimum Mutuals Inc. does not handle cash or engage in cash transactions. All cheques are to be made payable to the mutual fund company from which I am purchasing securities, or to the Trustee if a registered plan is held by an intermediary, such as B2B Bank. Such intermediaries will deduct their additional fees directly from my account with them.

Investment Performance Benchmarks

Investment Performance Benchmarks ("benchmarks") are used to compare the relative performance of a specific portfolio (for example, mine) against the performance of a pre-determined, structured portfolio or index (or a group of them) with similar or identical risk/return characteristics and similar or identical categories of investment for the purpose of comparing how well my portfolio managers are performing against those standardized measurements.

Benchmarks often do not include fees in their calculation so the results may not be directly comparable. A portfolio manager is considered by many to be doing very well if he can match the performance of the benchmark after taking fees into account. On the other hand, some portfolio managers purposely invest without regard for the benchmark, in the belief that they may be able to outperform it by varying their investment holdings so as not to include many of the same holdings as these pre-determined portfolios or indices. I acknowledge that I understand the foregoing discussion about portfolio benchmarks.

Altimum Mutuals Inc. has advised me that it does not provide benchmark information at this time, but that this information is often made available by the fund groups for the specific funds in which I have invested, and that my representative can assist me to obtain this information about investment performance benchmarks.

BY SIGNING BELOW, I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THIS FORM AND AGREE THAT I WILL NOTIFY ALTIMUM MUTUALS INC. IN WRITING OF ANY MATERIAL CHANGE TO MY PERSONAL INFORMATION

A copy of this form is required for each account, not for each client, so each client may have to sign several forms.

Client Signature _____ Name _____ Date _____

Joint Client/Guarantor's Signature _____ Name _____ Date _____

Rep Signature _____ Rep Code 7767 _____ Date _____

Compliance Officer Approval (Signature) _____ Date _____

Trade Order Forms

In addition to completing the New Account Application and pertinent disclosures, the Approved Person completes the Trade Order Form with all appropriate investment instructions, and ensures that both Altimum and the client sign and date the form.

Where a person other than the account holder is entitled to give instructions, e.g. the spouse of the account holder, a power of attorney in favour of the individual able to give trading instructions is obtained by Altimum and maintained in the client's file. More information can be found in the section entitled Powers of Attorney. However, with respect to Altimum and its Approved Persons having trade authorization on a client's account, the Approved Person is directed to the section entitled Limited Trading Authorizations.

Purchase applications are now required to show the purpose of the investment, the source of funds, acknowledgement of receipt of the FundFacts document, and acknowledgement of any fees or charges, including trailer fees. Therefore only the most recent versions of these forms are to be used.

Policy regarding the completion of New Account Applications and Trade Order Forms:

1) New Account Applications and Trade Order Forms are Legal Documents.

We do not allow any deletions, scratch-outs, error corrections or other changes on New Account Applications or on Trade Order Forms. If you make an error, mark the form void and do a new one over from the beginning. Every New Account Application and Trade Order Form must be perfectly completed when it is sent to us, or else it may not be accepted for processing.

2) Trade Order Forms are Accounting Documents

Trade Order Forms are Accounting Documents and must be clearly legible. They have to be able to be read by various people in our company and at the Fund Groups, and may be scrutinized by the Regulators at the MFDA. Therefore, they must be neatly written and perfectly legible or else they may be refused.

Faxes must also arrive in perfectly legible form or they will not be processed and the order must be cancelled to avoid the possibility of error. Approved Persons are required to ensure that their fax machine submits perfectly legible copies at the receiving end.

It is preferred that representatives send orders as attachments through Altimum's secure, encrypted email service.

Purchase Request

Purpose of Investment _____ Source of Funds _____

KYC Update

Always attach a new KYC update unless the KYC on file is correct, has been completed within the last 12 months and is on the currently prescribed forms.

Is a new KYC attached to this purchase request? Yes _____ or No _____

Fundfacts Receipt and Pre-Trade Cost Disclosure

The companies who manage Mutual Funds for you have designed forms which summarize key points about the funds you are purchasing, including investment objectives, past performance, suitability, and fees, called a Fundfacts Document. A Mutual Fund Dealer such as Altimum Mutuals Inc. has a responsibility to deliver a Fundfacts document for each fund that you wish to purchase before the Dealer accepts the purchase instructions. The purpose of this document is to have you acknowledge receipt of the Fundfacts documents and to acknowledge that you understand any fees and charges prior to you purchasing the funds.

A. I acknowledge having received Fundfacts documents for each of the following funds:

1) _____ 2) _____ 3) _____

(for additional funds, use a separate Fundfacts Receipt document)

I acknowledge that there may be fees or costs charged by the product manufacturer or the plan trustee depending on the investment product. There may also be fees charged at the time that I withdraw money or close my account, including Deferred Sales Charges (DSC fees) in certain cases. My representative has explained these fees to me and I have understood and accepted them. I understand that prior to the acceptance of any order in my account that would trigger such fees I shall be advised of any sales charges, service charges or any other fees that might be charged in respect of such transaction and my representative is required by Altimum Mutuals Inc. to keep a record of that disclosure.

B. With regard to my purchase today I understand and acknowledge the following fees or charges:

1. DSC fees in the event of early redemption (if applicable) would apply according to the following schedule:

In year 1 _____ %	In year 2 _____ %
In year 3 _____ %	In year 4 _____ %
In year 5 _____ %	In year 6 _____ %
In year 7 _____ %	In year 8 _____ %

2. Trailer fees (if applicable) would be paid to my dealer as follows:

At the rate of _____ % for _____ years

At the rate of _____ % indefinitely thereafter.

Account type: Non-Registered _____ RRSP _____ Spousal RRSP _____ RRIF _____ LIRA _____ LIF _____
 LRIF _____ RESP _____ TFSA _____ GRSP _____ other _____

Jurisdiction of Locked In Plan: _____ (Locking-in Agreement Required)

Leveraged Plan YES _____ or NO _____ Intermediary Plan (Such as B2B) YES _____ or NO _____

	Fund Group	Fund Code	Fund Account Number	Amount	ISC	DSC	LL	Wire Order Number
1					%			
2					%			
3					%			

BY SIGNING BELOW I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THIS DOCUMENT

Client Signature _____ Client Name _____ Date _____

Joint Client Signature _____ Joint Client Name _____ Date _____

Rep Signature _____ Rep Code 7767- _____ Rep Name _____ Date _____

Compliance Officer Signature _____ Date _____



KNOW YOUR CLIENT FORM

☐ NEW CLIENT ☐ CLIENT UPDATE

CLIENT INFORMATION

TITLE _____ LANGUAGE ☐ ENGLISH ☐ FRENCH
FIRST NAME _____ LAST NAME _____
ADDRESS _____
CITY _____ PROV. _____ POSTAL CODE _____
COUNTRY _____ HOME TELEPHONE _____
MARITAL STATUS _____ BUSINESS TELEPHONE _____ Ext. _____
DATE OF BIRTH _____ CELL. TELEPHONE _____
S.I.N. _____ FAX _____
E-MAIL _____ DEPENDANTS _____

ID TYPE	DESCRIPTION	IDENTIFICATION#	ISSUE PLACE	PROVINCE	COUNTRY	DATE
---------	-------------	-----------------	-------------	----------	---------	------

CITIZENSHIP _____

IDENTIFICATION METHOD _____

FATCA INFORMATION

Are you, the Applicant, a U.S. Citizen or U.S. Resident for U.S. Tax purposes? ☐ YES ☐ NO

If yes, provide, Identification Type _____ Identification Number _____

EMPLOYMENT INFORMATION

EMPLOYER NAME _____ OCCUPATION _____
TYPE OF BUSINESS _____ ADDRESS _____

JOINT/SPOUSE INFORMATION

☐ JOINT

☐ SPOUSE

TITLE _____ LANGUAGE ☐ ENGLISH ☐ FRENCH
FIRST NAME _____ LAST NAME _____
ADDRESS _____
CITY _____ PROV. _____ POSTAL CODE _____
COUNTRY _____ HOME TELEPHONE _____
MARITAL STATUS _____ BUSINESS TELEPHONE _____ Ext. _____
DATE OF BIRTH _____ CELL. TELEPHONE _____
S.I.N. _____ FAX _____
E-MAIL _____ DEPENDANTS _____
OCCUPATION _____

BANKING INFORMATION

BANK NAME _____ INSTITUTION # _____
TYPE _____ ACCOUNT # _____

Client Name: _____

AML QUESTIONNAIRE

Are you, the Applicant, a politically exposed foreign person?
If yes, Position/Title: _____

☐ YES ☐ NO

FINANCIAL INFORMATION

APPROXIMATE INCOME	NET WORTH	INVESTMENT KNOWLEDGE	INVESTMENT EXPERIENCE
<input type="checkbox"/> Under \$25,000	LIQUID ASSETS <input type="text"/>	<input type="checkbox"/> Novice	<input type="checkbox"/> Bonds
<input type="checkbox"/> \$25,000 - \$49,999	FIXED ASSETS <input type="text"/>	<input type="checkbox"/> Fair	<input type="checkbox"/> Mortgages
<input type="checkbox"/> \$50,000 - \$74,999	LIABILITIES <input type="text"/>	<input type="checkbox"/> Good	<input type="checkbox"/> Stocks
<input type="checkbox"/> \$75,000 - \$99,999	NET WORTH <input type="text"/>	<input type="checkbox"/> Sophisticated	<input type="checkbox"/> Mutual Funds
<input type="checkbox"/> \$100,000 - \$124,999			<input type="checkbox"/> Term Deposits
<input type="checkbox"/> \$125,000 - \$199,999			<input type="checkbox"/> Real Estate
<input type="checkbox"/> \$200,000 - \$999,999			
<input type="checkbox"/> \$1 million and over			
<input type="checkbox"/> Includes Spouse	<input type="checkbox"/> Includes Spouse		You may select more than one option.

Have you, the Applicant, been provided with a leveraging disclosure document in compliance with the rules of regulatory bodies?

☐ YES ☐ NO

Have you, the Advisor, met with the client in person?

☐ YES ☐ NO

Have you, the Advisor, provided the client with the client complaint form?

☐ YES ☐ NO

Accountant: _____

Lawyer: _____

STATEMENT DELIVERY: ☐ Mail ☐ E-Mail ☐ Electronic Delivery ☐ Other _____

INVESTMENT INFORMATION PLAN: _____ TYPE: _____

INVESTMENT OBJECTIVE	SECONDARY OBJECTIVE	TIME HORIZON	RISK TOLERANCE
Safety %	<input type="checkbox"/> Tax Savings	<input type="checkbox"/> < 1 year	Very Low %
Income %	<input type="checkbox"/> Retirement Savings	<input type="checkbox"/> 1 to <3 years	Low %
Growth %	<input type="checkbox"/> Child Education	<input type="checkbox"/> 3 to <5 years	Low to Medium %
Speculation %	<input type="checkbox"/> Estate Planning	<input type="checkbox"/> 5 to <10 years	Medium %
	<input type="checkbox"/> Savings	<input type="checkbox"/> 10 to <20 years	Medium to High %
		<input type="checkbox"/> 20+ years	High %

In order to assist you in understanding what the above risk tolerance and investment objective terms mean and how the criteria relates to specific investments, please refer to the information set out in this Know Your Client Form entitled Know Your Client Definitions.

Does anyone other than you, the Applicant, have any financial interest in this account?

☐ YES ☐ NO

Client Name: _____

Does anyone other than you, the Applicant, have trading authority in this account? (If yes, attach a completed Trading Authorization) ☐ YES ☐ NO

Is this a leveraged plan/account? ☐ YES ☐ NO

Intended use for plan: _____

Are you acting on the instructions of another individual/entity when conducting or authorizing transactions for this plan? ☐ YES ☐ NO

3rd Party Interest (Acting on 3rd party instructions)

Name	SIN/BN	ID(other)	DOB	Relationship	Occupation	Principal Business	Place of Incorporation
-----	-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----	-----

Are there any other individuals/entities authorized to give instructions on this plan? ☐ YES ☐ NO

3rd Party Interest (Authorized to give instructions)

Name	SIN/BN	ID(other)	DOB	Relationship	Occupation	Principal Business	Place of Incorporation
-----	-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----	-----

REPRESENTATIVE COMMENTS AND SPECIAL INSTRUCTIONS:

SIGNATURES

Client Name Signature Date

Joint Client Name Signature Date

Representative Name Signature Date

Compliance Officer Name Signature Date

Branch Manager Name (approval for new account) Signature Date

Client Name: _____

KNOW YOUR CLIENT DEFINITIONS

TIME HORIZON

The time horizon information provided by you under the Investment Information – Plan section of this Know Your Client Form is intended to document the period from now to when you will need to access a significant portion of the money you invest in your plan.

RISK TOLERANCE

The risk tolerance information provided by you under the Investment Information – Plan section of this Know Your Client Form is intended to document your willingness to assume risk and should reflect the relative type(s) of investments you wish to hold in your account. Definitions for the risk tolerance terms are provided below.

Very Low	The very low risk rating applies to investors who are risk averse and are willing to accept lower returns in order to preserve their principal. Investments under the lowest risk rating include assets with low volatility including cash and equivalents, Canada Savings Bonds, and non-indexed GICs
Low	The low risk rating applies to investors who are willing to accept lower returns in order to preserve their principal. Investments under the low risk rating include investments with low volatility including money market mutual funds or equivalents.
Low to Medium	The low-medium risk rating applies to investors who are seeking a balance between safety and return on their investment. Investments under the low-medium risk rating include investments with a low to medium volatility and may include bond or balanced mutual funds.
Medium	The medium risk rating applies to investors who are seeking moderate growth over a longer period of time. Investments under the medium risk rating include investments with medium volatility and may include blue chip and mid cap equity funds such as Canadian dividend, Canadian equity, U.S. equity, and certain international equity mutual funds.
Medium to High	The medium-high risk rating applies to investors who are seeking long-term growth. Investments under the medium-high risk rating include investments with medium to high volatility and may include mutual funds that invest in smaller companies such as Canadian small cap equity funds, and mutual funds that invest in specific market sectors or geographic areas.
High	The high risk rating applies to investors who are growth oriented and are willing to accept significant short-term fluctuations in portfolio value in exchange for potentially higher long-term returns. Investments under the high risk rating include investments with high volatility and may include labour-sponsored venture capital funds, funds that invest in specific market sectors or geographic areas such as emerging markets, science and technology, and precious metals, or funds that engage in speculative trading strategies including hedge funds that invest in derivatives, short sell or use leverage.

INVESTMENT OBJECTIVES

The investment objective information provided by you under Investment Information – Plan section of this Know Your Client Form is intended to document the result you desire from your investments and should reflect the relative type(s) of investments you wish to hold in your plan. Definitions for the investment objective terms are included below.

Safety	Investors seeking safety have an objective to preserve their principal investment and are less concerned with capital appreciation. Investors seeking safety of principle should be invested in securities that provide a guaranteed investment par value at maturity such as cash, GICs, and money market and government debt instruments.
Income	Investors seeking income have an objective to generate current income from their investments and are less concerned with capital appreciation. Investors seeking income should be invested in securities that will generate a regular stream of income such as income paying debt instruments including bonds or money market funds.
Growth	Investors seeking growth have an objective to achieve capital appreciation from their investments and are less concerned with generating current income or preserving the safety of their principle. Investments in equities including Canadian dividend, Canadian equity, U.S. equity, certain international equity and Canadian small cap equity funds are generally appropriate for investors seeking growth and capital appreciation.
Speculation	Investors seeking to speculate have an objective to achieve maximum short-term or long-term gain and are willing to take on a high level of risk in exchange for the return they hope to achieve. Large weightings in sector and specialized funds such as emerging markets, science and technology, and precious metals, and investments that engage in venture capital and speculative trading strategies such as labour-sponsored venture capital funds and hedge funds are generally appropriate for investors seeking to speculate.

Submitting Client Trades

Approved Persons have one business day to submit client trades.

Trades must be sent by the Altimum secure, encrypted email as a separate attachment or faxed to Head Office for processing and/or processed by the Approved Person within that period of time. We do not accept orders through Dropbox.

For further information you may refer to MFDA Member Regulation Notice MR-0025.

Handling and Delivery of Cheques and Orders

We are concerned that if Approved Persons drop something off in the mailbox it may be picked up by one of these couriers. Therefore we have instituted the following corporate policies regarding deliveries:

1. Call us to be sure that we are home and are aware of a pending delivery so that we can make suitable arrangements with you to receive it in person.
2. If we are not at home when you are delivering paperwork, leave the package in a sealed and appropriately labeled envelope in the mailbox and advise us by telephone, text or email that you have done so. However, be aware that if you leave something at this office and no one is here to receive it, it is your responsibility if it is lost. We will accept responsibility only if we physically receive it in person.
3. We cannot pick up or accept deliveries except at our office.

Investment Instructions

For every mutual fund investment which the client requires, Altimum receives either:

1. Written instructions signed by the client, or
2. Verbal instructions from the client, which the client provides under a signed Limited Trading Authorization, and which verbal instructions Altimum documents in the client's file, or maintains electronically by client.

Leverage Trades

The Approved Person must advise the Chief Compliance Officer in writing when trading is happening in Leveraged Accounts, which require an additional level of scrutiny. This applies to redemptions as well as to purchases. In addition, the Approved Person is required to indicate these accounts as such on both the Account Application Form when setting up the new account and on the Trade Order for each trade as well as in the appropriate section on the back office system. See Leverage Redemption Procedure.

Leverage Redemption Procedure

Here is a checklist to ensure that redemptions from assigned accounts flow smoothly.

1. Client discusses the matter with the Approved Person and the Approved Person makes a general recommendation as to which funds or how many units might be redeemed.
2. The Approved Person checks with the bank to determine exact amounts or exact numbers of units that are available to be redeemed and reports back to the client. At this point the bank will not take any action because it is their policy that they do not act upon instructions from the Approved Person, but only from Altimum.
3. Based on this information about free units, excess margin, etc., the client signs a redemption order that has been prepared by the Approved Person which specifies a specific dollar amount or a specific number of units for each specific fund.
4. The Approved Person gives the original copy of that order signed by the client to the Chief Compliance Officer at Altimum and specific written instructions that the shares are assigned at the bank. The Approved Person is not to make any addition or change to the order once it is signed by the client, as it is a legal document. Any changes that do appear must be initialled by the client.
5. The Chief Compliance Officer may telephone the fund group to establish a specific representative to handle the paperwork involved with the redemption and may telephone the bank to confirm that such units or amounts will be released contingent upon receipt of the correct paperwork.
6. The bank does not act upon instructions from the Approved Person so the Chief Compliance Officer must fax the redemption request to the bank in order that a letter of release can be prepared for the shares to be redeemed. Leverage account redemptions are not to be placed with the fund group by wire order.

7. One day later the Chief Compliance Officer will confirm with the Bank that the letter is ready for delivery to the fund group upon request. The Chief Compliance Officer shall then fax the order to the fund group together with clear instructions that a letter of release is available from the bank and is to be requested of the bank by the fund group.
8. The Chief Compliance Officer shall follow up with the fund group within three business days to ensure that the letter of release from the bank has been received and that the trade has been processed.

For more information on Leverage, see the Leverage section of this manual.

Trades under a Limited Trading Authorization

The Approved Person is required to inform the Chief Compliance Officer whenever trades are processed using a Limited Trading Authorization. The Approved Person is required to indicate these accounts as such on both the Account Application Form when setting up the new account and on the Trade Order as well as in the appropriate section on the back office system.

For more information see the section entitled Accepting Orders Without a Signature.

Transmittal of Purchase Orders and Trade Cut-off Time.

Altimum ensures that all transactions are processed accurately, in a timely fashion, and suitably, with complete and proper documentation, including a standard purchase order, in paper format.

Altimum ensures that all purchase orders that are received in good order are transmitted from its Head Office to the respective principal distributor for the fund companies/trust companies on the same day as the order is initiated if received either electronically or by courier prior to 11:00 a.m. (NI 81-102, s. 9.1(2)), or the next business day if the order is received after 11:00 a.m. or on a non-business day. (NI 81-102, s. 9.1(3) and (4)).

Altimum transmits orders, without charge to the investor (NI 81-102, S. 9.1(1)).

Approval of the trade may take longer if a trade inquiry is issued by Altimum. If there is a delay, the Approved Person will be notified. See the section entitled Trade Supervision and Review.

Settlement of Trades

Payment to Mutual Fund

Altimum does not maintain a Client Trust Account. Altimum's policy is that all clients must make their cheques for the purchase of mutual fund securities payable directly to the respective Mutual Fund Company or Trust Company if acting as intermediary. Altimum

ensures that all trade orders are accompanied by the appropriate settlement cheque from the client before transmitting the purchase order. Altimum monitors that sales of mutual fund securities are being settled on a timely basis by following up with the respective Mutual Fund companies and Trust companies as necessary.

Altimum ensures that payment for the purchase of Mutual Fund Securities (client cheques) is received by the Mutual Fund on or before the settlement date, which is currently no later than the second business day after the date that the issue price is determined (NI 81-102, s. 9.4(1)). Altimum does wire orders to some fund companies. If Altimum has a fax agreement with the fund company, then the original investment instructions are retained by Altimum under the terms of the fax agreement and a copy is faxed to the Fund Company or Trust Company. If there is no fax agreement, the original is sent by courier to the Fund Company or Trust Company and a photocopy is kept on file by Altimum.

Redemptions of Mutual Fund Securities

Payment of Redemption Proceeds

All redemption proceeds are to be paid by cheque directly to the client, deposited electronically by the Mutual Fund Company into a bank account belonging to the client, or reinvested in accordance with the client's instructions. Redemption cheques, if issued, are either mailed directly to the client's address or sent to Altimum's office, at the client's request, for pick up by the client.

Redemption Procedures

Except in those instances where a redemption is being done under a Limited Trading Authorization, fund companies require that Altimum provide them with a fax copy of written instructions, signed by the client, and signature guaranteed by Altimum.

Altimum is aware that if Altimum does not transmit a redemption order to the Manager or Principal Distributor on time, the Manager cannot backdate the redemption (or backward price) the redemption. (NI 81-102, S. 10.2(5))

Signature Guarantees

Signature Guarantees are generally required by mutual fund companies for deregistrations of registered accounts, redemptions, change of account registrations, changes of Dealer or Approved Person responsible for the account, and switches.

Only an Officer or Director of Altimum can execute a Signature Guarantee. That individual verifies clients' signatures by comparing them to client signatures already in client files or by relying upon an Approved Person witnessing the signature. A special stamp has been designed whereby an Approved Person can witness a client signature and the Officer or Director of Altimum can then execute it.



Account # _____ Account Type _____

Redemption Request:**For identification of the account to be redeemed at the fund group:**

Client Name _____ Client SIN # _____ Client Birthdate _____ (Month, Day, Year)

KYC Update

Always attach a new KYC update unless the request is for a full redemption of the entire Altimum account (eg. TFSA, RRSP) OR the KYC on file has been completed within the last 12 months and is on the currently prescribed forms. In the case of a partial redemption, the suitability of the remaining funds in the account may not match the client's investment objectives, requiring a new KYC or signed trade documents to execute switches to restore the original balance to the account.

Is a new KYC attached to this redemption request? Yes _____ or No _____

	Fund Group	Fund Code	Fund Account Number	Gross Amount	Net Amount	Units	Free Units	% of Fund	Wire Order Number
1								%	
2								%	
3								%	
4								%	
5								%	
6								%	

Settlement Instructions

- ☐ Cheque payable to Special Payee
- ☐ Deposit to client account (Please attach void cheque):
- ☐ Mail cheque to (complete if different than registered address):
- ☐ ICS cheque to Advisor:

Comments and Details:

Special Instructions**Purpose of Redemption****Disclosure of Fees and Charges**

I have been advised by the representative (Circle one)

- 1) that there are no fees, such as DSC charges or intermediary fees associated with the attached redemption.
- or
- 2) that there will be DSC charges and/or other fees associated with this transaction, which total approximately \$ _____

*This record will be retained for review by the MFDA to certify that DSC fees and other charges were disclosed to the client at the time of the acceptance of the redemption order.***BY SIGNING BELOW I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THIS DOCUMENT**

Client Signature _____ Client Name _____ Date _____

Joint Client Signature _____ Joint Client Name _____ Date _____

Signature Guarantee (for amounts in excess of \$5,000.00) _____ Date Submitted to Head Office _____

Rep Signature _____ Rep Code 7767- _____ Rep Name _____ Date _____

Compliance Officer Signature _____ Date _____

Disclosure of Fees and Charges

Please note that if the Altimum redemption form is not used, such as in the case of an RESP redemption, or a redemption of an estate account or an intermediary account, the following form must be used to disclose redemption fees.

Alternatively a redemption document can be completed and attached to the RESP request, or the request for a redemption from a locked-in account due to financial hardship, shortened life expectancy, or to settle an estate, or in fact any time that a redemption document would seem not to be required.

Any redemption fees not properly disclosed on the redemption document or a fee disclosure document will be charged to the representative and refunded to the client. We have to be able to confirm that the redemption fees were disclosed, either through one form or the other. For that reason it is always a good idea to include the Altimum redemption request together with any other forms that might be required to close an account. Alternatively, we will accept the following form instead.

A statement of this type is now required with all redemptions.

1) I hereby certify that there are no fees, such as DSC charges or intermediary fees, associated with the attached redemption.

OR (Circle one)

2) I hereby certify that I have explained the DSC charges and all other fees, which total approximately \$_____ to the client before accepting the attached redemption transaction.

Date

Client Name

Fund Name or Code

Fund Account Number

Representative Signature

This record will be retained for review by the MFDA to certify that DSC fees and other charges were disclosed to the client at the time of the acceptance of the redemption order.

Compliance Officer Signature

Date _____

Redemption may trigger suitability update

A redemption may cause an account to not have the same risk characteristics after processing the redemption. For example, an account with a balance of 50% bonds and 50% equities might match the client's indicated risk profile, but if the equities decline and the client decides to redeem everything from the bonds to meet a current expenditure, the account is likely to no longer meet the client's risk profile. For that reason a KYC update should accompany each redemption unless either it is a full redemption of the account or the Approved Person has conducted a risk review and determined that the redemption will not alter the account's risk profile sufficiently to put it offside.

The form to conduct a revised KYC is the same form as used for a new client, except that the Approved Person is to tick the box indicating that it is a client update. The form follows.



KNOW YOUR CLIENT FORM

☐ NEW CLIENT ☐ CLIENT UPDATE

CLIENT INFORMATION

TITLE	_____	LANGUAGE	<input type="checkbox"/> ENGLISH	<input type="checkbox"/> FRENCH
FIRST NAME	_____	LAST NAME	_____	
ADDRESS	_____			
CITY	_____	PROV.	_____	POSTAL CODE
COUNTRY	_____	HOME TELEPHONE	_____	
MARITAL STATUS	_____	BUSINESS TELEPHONE	_____	Ext.
DATE OF BIRTH	_____	CELL. TELEPHONE	_____	
S.I.N.	_____	FAX	_____	
E-MAIL	_____	DEPENDANTS	_____	

ID TYPE	DESCRIPTION	IDENTIFICATION#	ISSUE PLACE	PROVINCE COUNTRY	DATE
---------	-------------	-----------------	-------------	------------------	------

CITIZENSHIP _____
IDENTIFICATION METHOD _____

FATCA INFORMATION

Are you, the Applicant, a U.S. Citizen or U.S. Resident for U.S. Tax purposes? ☐ YES ☐ NO

If yes, provide, Identification Type _____ Identification Number _____

EMPLOYMENT INFORMATION

EMPLOYER NAME _____ OCCUPATION _____
TYPE OF BUSINESS _____ ADDRESS _____

JOINT/SPOUSE INFORMATION

<input type="checkbox"/> JOINT	<input type="checkbox"/> SPOUSE			
TITLE	_____	LANGUAGE	<input type="checkbox"/> ENGLISH	<input type="checkbox"/> FRENCH
FIRST NAME	_____	LAST NAME	_____	
ADDRESS	_____			
CITY	_____	PROV.	_____	POSTAL CODE
COUNTRY	_____	HOME TELEPHONE	_____	
MARITAL STATUS	_____	BUSINESS TELEPHONE	_____	Ext.
DATE OF BIRTH	_____	CELL. TELEPHONE	_____	
S.I.N.	_____	FAX	_____	
E-MAIL	_____	DEPENDANTS	_____	
OCCUPATION	_____		_____	

BANKING INFORMATION

BANK NAME _____ INSTITUTION # _____
TYPE _____ ACCOUNT # _____

Client Name: _____

AML QUESTIONNAIRE

Are you, the Applicant, a politically exposed foreign person?
If yes, Position/Title: _____

☐ YES ☐ NO

FINANCIAL INFORMATION

APPROXIMATE INCOME	NET WORTH	INVESTMENT KNOWLEDGE	INVESTMENT EXPERIENCE
<input type="checkbox"/> Under \$25,000	LIQUID ASSETS <input type="text"/>	<input type="checkbox"/> Novice	<input type="checkbox"/> Bonds
<input type="checkbox"/> \$25,000 - \$49,999	FIXED ASSETS <input type="text"/>	<input type="checkbox"/> Fair	<input type="checkbox"/> Mortgages
<input type="checkbox"/> \$50,000 - \$74,999	LIABILITIES <input type="text"/>	<input type="checkbox"/> Good	<input type="checkbox"/> Stocks
<input type="checkbox"/> \$75,000 - \$99,999	NET WORTH <input type="text"/>	<input type="checkbox"/> Sophisticated	<input type="checkbox"/> Mutual Funds
<input type="checkbox"/> \$100,000 - \$124,999			<input type="checkbox"/> Term Deposits
<input type="checkbox"/> \$125,000 - \$199,999			<input type="checkbox"/> Real Estate
<input type="checkbox"/> \$200,000 - \$999,999			
<input type="checkbox"/> \$1 million and over			
<input type="checkbox"/> Includes Spouse	<input type="checkbox"/> Includes Spouse		You may select more than one option.

Have you, the Applicant, been provided with a leveraging disclosure document in compliance with the rules of regulatory bodies?

☐ YES ☐ NO

Have you, the Advisor, met with the client in person?

☐ YES ☐ NO

Have you, the Advisor, provided the client with the client complaint form?

☐ YES ☐ NO

Accountant: _____

Lawyer: _____

STATEMENT DELIVERY: ☐ Mail ☐ E-Mail ☐ Electronic Delivery ☐ Other _____

INVESTMENT INFORMATION PLAN: _____ TYPE: _____

INVESTMENT OBJECTIVE	SECONDARY OBJECTIVE	TIME HORIZON	RISK TOLERANCE
Safety %	<input type="checkbox"/> Tax Savings	<input type="checkbox"/> < 1 year	Very Low %
Income %	<input type="checkbox"/> Retirement Savings	<input type="checkbox"/> 1 to <3 years	Low %
Growth %	<input type="checkbox"/> Child Education	<input type="checkbox"/> 3 to <5 years	Low to Medium %
Speculation %	<input type="checkbox"/> Estate Planning	<input type="checkbox"/> 5 to <10 years	Medium %
	<input type="checkbox"/> Savings	<input type="checkbox"/> 10 to <20 years	Medium to High %
		<input type="checkbox"/> 20+ years	High %

In order to assist you in understanding what the above risk tolerance and investment objective terms mean and how the criteria relates to specific investments, please refer to the information set out in this Know Your Client Form entitled Know Your Client Definitions.

Does anyone other than you, the Applicant, have any financial interest in this account?

☐ YES ☐ NO

Client Name: _____

Does anyone other than you, the Applicant, have trading authority in this account? (If yes, attach a completed Trading Authorization) ☐ YES ☐ NO

Is this a leveraged plan/account? ☐ YES ☐ NO

Intended use for plan: _____

Are you acting on the instructions of another individual/entity when conducting or authorizing transactions for this plan? ☐ YES ☐ NO

3rd Party Interest (Acting on 3rd party instructions)

Name	SIN/BN	ID(other)	DOB	Relationship	Occupation	Principal Business	Place of Incorporation
-----	-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----	-----

Are there any other individuals/entities authorized to give instructions on this plan? ☐ YES ☐ NO

3rd Party Interest (Authorized to give instructions)

Name	SIN/BN	ID(other)	DOB	Relationship	Occupation	Principal Business	Place of Incorporation
-----	-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----	-----

REPRESENTATIVE COMMENTS AND SPECIAL INSTRUCTIONS:

SIGNATURES

Client Name _____ Signature _____ Date _____

Joint Client Name _____ Signature _____ Date _____

Representative Name _____ Signature _____ Date _____

Compliance Officer Name _____ Signature _____ Date _____

Branch Manager Name (approval for new account) _____ Signature _____ Date _____

Client Name: _____

KNOW YOUR CLIENT DEFINITIONS

TIME HORIZON

The time horizon information provided by you under the Investment Information – Plan section of this Know Your Client Form is intended to document the period from now to when you will need to access a significant portion of the money you invest in your plan.

RISK TOLERANCE

The risk tolerance information provided by you under the Investment Information – Plan section of this Know Your Client Form is intended to document your willingness to assume risk and should reflect the relative type(s) of investments you wish to hold in your account. Definitions for the risk tolerance terms are provided below.

Very Low	The very low risk rating applies to investors who are risk averse and are willing to accept lower returns in order to preserve their principal. Investments under the lowest risk rating include assets with low volatility including cash and equivalents, Canada Savings Bonds, and non-indexed GICs
Low	The low risk rating applies to investors who are willing to accept lower returns in order to preserve their principal. Investments under the low risk rating include investments with low volatility including money market mutual funds or equivalents.
Low to Medium	The low-medium risk rating applies to investors who are seeking a balance between safety and return on their investment. Investments under the low-medium risk rating include investments with a low to medium volatility and may include bond or balanced mutual funds.
Medium	The medium risk rating applies to investors who are seeking moderate growth over a longer period of time. Investments under the medium risk rating include investments with medium volatility and may include blue chip and mid cap equity funds such as Canadian dividend, Canadian equity, U.S. equity, and certain international equity mutual funds.
Medium to High	The medium-high risk rating applies to investors who are seeking long-term growth. Investments under the medium-high risk rating include investments with medium to high volatility and may include mutual funds that invest in smaller companies such as Canadian small cap equity funds, and mutual funds that invest in specific market sectors or geographic areas.
High	The high risk rating applies to investors who are growth oriented and are willing to accept significant short-term fluctuations in portfolio value in exchange for potentially higher long-term returns. Investments under the high risk rating include investments with high volatility and may include labour-sponsored venture capital funds, funds that invest in specific market sectors or geographic areas such as emerging markets, science and technology, and precious metals, or funds that engage in speculative trading strategies including hedge funds that invest in derivatives, short sell or use leverage.

INVESTMENT OBJECTIVES

The investment objective information provided by you under Investment Information – Plan section of this Know Your Client Form is intended to document the result you desire from your investments and should reflect the relative type(s) of investments you wish to hold in your plan. Definitions for the investment objective terms are included below.

Safety	Investors seeking safety have an objective to preserve their principal investment and are less concerned with capital appreciation. Investors seeking safety of principle should be invested in securities that provide a guaranteed investment/par value at maturity such as cash, GICs, and money market and government debt instruments.
Income	Investors seeking income have an objective to generate current income from their investments and are less concerned with capital appreciation. Investors seeking income should be invested in securities that will generate a regular stream of income such as income paying debt instruments including bonds or money market funds.
Growth	Investors seeking growth have an objective to achieve capital appreciation from their investments and are less concerned with generating current income or preserving the safety of their principle. Investments in equities including Canadian dividend, Canadian equity, U.S. equity, certain international equity and Canadian small cap equity funds are generally appropriate for investors seeking growth and capital appreciation.
Speculation	Investors seeking to speculate have an objective to achieve maximum short-term or long-term gain and are willing to take on a high level of risk in exchange for the return they hope to achieve. Large weightings in sector and specialized funds such as emerging markets, science and technology, and precious metals, and investments that engage in venture capital and speculative trading strategies such as labour-sponsored venture capital funds and hedge funds are generally appropriate for investors seeking to speculate.

For redemptions over \$20,000, the company encourages the Approved Person to have the client request that their bank execute the signature guarantee.

Altimum transmits clients' redemption orders the same day as received from the client, either electronically, or by fax if a fax agreement exists with the Mutual Fund Company. (NI 81-102, s. 10.2(2))

In those instances where a client has signed a Limited Trading Authorization, the client can call Altimum with their redemption instructions, or email the request to Altimum. The representative will be required to complete a Record of Client Contact form to accompany the order. See the section on Limited Trading Authorizations for a sample.

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Account Supervision

Licensing

The Chief Compliance Officer ensures that Approved Persons are appropriately licensed for products which they are offering to the public. For example, the Chief Compliance Officer ensures that Labour Sponsored funds are assigned to only those Approved Persons who have the proper courses and licenses in place to be able to give advice on Labour Sponsored Funds and checks orders to ensure that Approved Persons are not trading products within Altimum for which they are not licensed.

Paper Copies are Reviewed

The Chief Compliance Officer conducts a daily trade review using hard copies of the trading documentation. Suitability is determined with reference to the paper copies, not the electronic back office system. However, Altimum requires that the Approved Persons maintain the electronic version of the KYC for each client account so that the computations of suitability made by the system can be functional.

Trade Suitability

Altimum's Approved Persons must ensure that all trades are suitable for clients. The Approved Persons are aware that they must ensure that all trades meet the requirements of the client's KYC information, thereby determining that all trades are suitable investments.

As well, Altimum's Chief Compliance Officer must also ensure that all mutual fund trades for its clients are in keeping with those clients' KYC information.

MFDA Rule 2.2.1 requires Members and their Approved Persons to use due diligence to ensure that each order accepted or recommendation made for any account of a client is suitable for the client and in keeping with the client's investment objectives.

Trade Supervision and Review

Accounts at Altimum are automatically frozen after each trade and each Approved Person is under close supervision with the result that the Compliance Officer approves each individual trade. As a result, trades are restricted in accounts if the KYC information is not appropriate for the trade. On new accounts, orders will therefore not be processed until the Chief Compliance Officer has approved a KYC form for the account and all forms are in order. On existing accounts, a suitability review is required of the Approved Person before a trade takes place. Where there has been a significant decrease in the client's risk tolerance, time horizon, income or net worth, or if the client now has a shorter time frame or desires more conservative investments, a new KYC document is required. If a new KYC document is necessary to reflect such changes in the client's circumstances or changes to the risk rating within the account as a result of the trade, then such document must be filed with the trade. Furthermore, the representative is required to change the information on the back office system. The Chief Compliance Officer will then review it, thereby ensuring that the information on the system matches that on the paperwork, and document the review and approval using the Compliance Stamp, authorized signature, and date.

The Chief Compliance Officer will review the KYC for accuracy and completeness and to ensure that the information on it matches the system. Again, it is up to the Approved Person to make the necessary changes in the system and the role of the Chief Compliance Officer is to check them for accuracy, not to actually make the changes. If signatures are missing, or if the expiry date of the client identification (such as the Driver's License) is missing, or if any forms are missing, incomplete or inaccurate in some other way, the Chief Compliance Officer is entitled to reject the trade and to notify the Approved Person of the rejection.

All leveraged accounts are to be approved using a separate process outlined in the section on leverage and are therefore to be approved or declined before being presented as trades to the Chief Compliance Officer.

Non-Financial Changes

Material Changes

The KYC form must be completed again when there is a material change in the client's circumstances. Material changes would include any information that would reasonably be expected to result in changes to the stated risk tolerance, time horizon and investment objectives as well as any situation that would have significant impact on net worth or income of the client (for example a job loss, long term illness, or new debt financing).

a) Changing and Updating Suitability Information

The KYC form together with the Financial Information and Investment Information portions of that form must be completed prior to or at the time of the first transaction for each new client account.

The Chief Compliance Officer also ensures that the Approved Person, in consultation with the client, updates the KYC form regularly, that is, whenever client circumstances change. The form is dated at the time of update to assist the Chief Compliance Officer in determining when the form was last updated. No new purchases or switches will be allowed if the KYC information on file is not current to within twelve months of the last update. However, if the client has not brought changes to the attention of the Approved Person as a result of the request to do so on the bottom of the annual client statement, the KYC form is deemed to be correct and up-to-date.

The KYC form is pre-populated with the latest information that is on the system and a client signature is required unless the purchase is being made with a Limited Trading Authorization. This gives the client an opportunity to review all of the information that is on file and to make appropriate changes every time they are adding to their account. If the Approved Person is electronically entering the information, the system will not allow him or her to submit the input to the Chief Compliance Officer on the system until all required areas have been completed. The KYC form is to be updated whenever there is a material change in the client's information. This is in addition to the reminders on the annual client statements to update KYC information if necessary.

Once the Approved Person has made changes to the information on the form, the account requires the approval of the Chief Compliance Officer. The Chief Compliance Officer monitors KYC changes and may request supporting documentation and verify that the supporting documentation matches with the paperwork. The Chief Compliance Officer shall include his or her signature and the date of the review and approval together with the Compliance Stamp on trade instructions as evidence of review and approval. This will be done within one day of the order being placed on the system as part of the trade review process.

The Chief Compliance Officer shall rely on the paper documents rather than the electronic input when approving changes to the Survey. However, it requires Approved Persons to ensure that the paper documents and the electronic version of the survey match and that all changes requested by the client have been entered into the system before the trade is submitted to the Chief Compliance Officer for approval.

The Chief Compliance Officer or her alternate shall review every trade before processing.

Material changes to Client Records May Trigger Required KYC and Suitability Reviews

Often a request by a client to make a change to documents that are already on file is an indication of important change or changes in a client's circumstances. For example, a change of banking information or a change of name are two examples of changes that might not be considered by the Approved Person to necessitate a KYC and suitability review, when in fact such changes could indicate a change in employment or marital status, which might predicate a change in the client's risk tolerance or investment objectives. Or perhaps the client merely wants more conservative investments, or wishes to change their time horizon. Perhaps their income or net worth has changed since the last review. In any of these circumstances, a new suitability assessment would be required, but the Approved Person would never have known if they had not initiated a suitability review when meeting the client even in those instances where there was no trade. Therefore, Approved Persons are required to review the KYC and suitability with the client every time new account documents are filed with Head Office whether or not a trade is involved. At a minimum, where there is a material change in the client's circumstances, a new KYC and suitability review will be required.

MFDA Rule 2.2.1(a) requires KYC information to be up-to-date at the time of a trade.

b) Reporting Changes of Client Information

Altimum does not maintain template forms for every type of change of which a client may wish to make Altimum aware. For example, there is no template form for a name change, nor is there one for a change of banking. In each instance, the client must use a letter of direction which can be created for the purpose by the Approved Person.

Such changes will not be made without proper authorization from the client.

Change of Name

For a name change, Altimum must receive a letter of direction from the client to be forwarded to the fund group and kept on file. Both the client's former signature and the client's current signature must be provided at the close of the letter of direction and both signatures must be witnessed by the Approved Person as evidence that he saw the client sign the letter and then signature guaranteed by Altimum.

Change of Address

The Chief Compliance Officer requires a client signature in order to process a change of address. Our system is designed such that when an Approved Person wants to notify a fund group of a client's change of address, the Approved Person does so by having the client sign the Change of Address form and giving that form to the Chief Compliance Officer for review and approval.

When using a Change of Address form, the first page of a KYC document should be attached to further identify the client. In addition, the change of address may be the result of a change in circumstances, requiring a new KYC form in any event.

The Chief Compliance Officer signs and dates the Change of Address form as evidence of review and changes the address on our system. Our system notifies the fund group electronically through Fundserv so that the client's address on our system matches the address on file at the fund group.

Holding mail for a client is not permitted by Altimum, regardless of the circumstances or the brevity of their absence.

Change of Banking Information

For a change in banking information, Altimum must receive a letter of direction signed by the client (or clients, if it is a joint account) together with a new sample void cheque or similar form from the bank. Each signature on the letter of direction must be witnessed by the Approved Person as evidence that he saw the client(s) sign the letter and then the letter of direction is to be presented to Altimum to guarantee the signature(s). Altimum will then forward the letter of direction, duly guaranteed, together with the void cheque or similar, to the fund group and keep a copy on file. Approved Persons are not to notify fund groups of changes in banking information on client accounts directly, and are not to do so except by following this procedure.

Timeliness of Changes to Client Information

All KYC amendments and updates as well as other changes to client information must be submitted to Head Office immediately for approval within regulatory guidelines.

Accuracy of Changes

The Chief Compliance Officer checks with the Fund Companies and Trust Companies to ensure that any client changes submitted by Altimum e.g. change of address, change of account number, change of name, etc. have been accurately amended.

c) Electronic Monitoring of Non-Financial Changes

When Approved Persons make changes to non-financial information in the account, a report is generated. The Chief Compliance Officer checks this report, called FNA Reports, in the back office system each day and therefore is aware when paperwork reflecting a change of suitability information or a change of address is forthcoming from an Approved Person.

It is important to note that Approved Persons are required to send the new form electronically to the Chief Compliance Officer so that it can be approved within one day of it being amended, which is consistent with MFDA requirements. Therefore, although Approved Persons are permitted to change client suitability information on the electronic system themselves, the process has controls and restrictions such that the Chief Compliance Officer is aware of, and must approve, the process.

CHANGE OF CUSTOMER ADDRESS:

Please change the address on my account to the following:

Street: _____

City: _____ Province: _____ Postal Code: _____

Home Phone: _____ Bus. Phone: _____ e-mail address _____

Date of Move _____

BY SIGNING BELOW I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THIS FORM.

Client Signature _____ Client Name _____ Date _____

Joint Signature _____ Joint Name _____ Date _____

Rep Signature _____ Rep Code 7767 _____ Date _____

Compliance Officer Approval (Signature) _____ Date _____

LETTER OF DIRECTION

Client Name: _____

Client Address: _____

Date: _____

Fund Company Address: _____

Re: Change of Banking Information RE: Account # _____

Dear Sirs;

Please accept this letter as your full and sufficient authority to change my banking information.

I have attached a sample void cheque for you to have on file.

If you have any questions or need more information please refer to my advisor or call Altimum Mutuals at 905-680-8544.

Thank you for looking after this for me.

Sincerely,

Client Name

Signature Guarantee

Daily Trade Supervision.

On a daily basis, when conducting trade supervision, the Compliance Officer shall review the New Account Applications, Trade Order Forms, a report that highlights changes that have been made to KYCs that require approval, a Suitability screen which is generated for each account to monitor suitability electronically, and the Assets Under Administration report. The day after the clients' trades are transmitted to the Fund Companies or the respective Trust Companies, the Chief Compliance Officer reviews all trade blotters for the previous day, which show all trades submitted by Altimum. Altimum requires that all trades be reviewed except for PAC's under \$1000/month. No other trades are processed without the review of the Chief Compliance Officer or her designated alternate.

The Chief Compliance Officer shall include her signature and the date of the review and approval together with the Compliance Stamp on trade instructions as evidence of her review.

The Chief Compliance Officer particularly scrutinizes

- 1) Initial trades in new accounts
- 2) Trades in exempt securities, which are not permitted at Altimum
- 3) Leveraged trades in open accounts
- 4) Trades over \$1000 in moderate-high or high risk investments
- 5) Trades in accounts operating under a Power of Attorney for family members of Approved Persons

In cases where suitability information is not complete or outdated, the accounts will be restricted from trading, except to allow for redemptions.

Reasonableness

The approval of new accounts and updates will include the objective review of the account information submitted. For example, a 75 year-old client with a long term time horizon and high risk tolerance will be flagged for follow-up to assess whether the KYC information is accurate. Similarly, it would not be reasonable for a senior client with a low income and/or a low net worth to have an objective of aggressive growth.

Altimum's policy is that any account where a client is 65 or over will be queried if the client has a risk tolerance over moderate and a time horizon that is either shorter than the DSC schedule or longer than that required to enable at least 30% of the account to be invested for income if income is a requirement of the account going forward (such as a RRIF account), or more if income is an investment objective. Neither a balanced fund nor a dividend fund shall be used to satisfy a requirement for income.

Likewise, a TFSA with a short time horizon (such as 1 to 3 years) should be invested for income, not growth, as there is no assurance that growth can be achieved or sustained over a short time period.

Finally, a growth objective in a RRIF or LIF should initiate an inquiry from the Compliance Department as these accounts are intended for retirement income.

Consistency

The account information will be reviewed for inconsistencies. For example, a client with a “speculative”, “aggressive growth” or “high risk” investment objective should not also have a “low” risk tolerance. Such an account should also not have a short term time horizon.

Occasionally it may be appropriate to have the client sign a note to file acknowledging that he wishes to have his account vary from the above recommendations. However, it should be noted that Approved Persons are expected to make suitable recommendations based upon the client’s actual circumstances and should not document account information solely to support their recommendations. Any such note signed by the client is to accompany the KYC information or sent to Head Office in response to a query by the Compliance Department so as to appear in the Head Office client files.

It should be noted that accounts will also be reviewed as part of the Approved Person’s Compliance Review and where the Approved Person has a significant number of client accounts with the same or very similar account information the Approved Person will be required to gather new KYC information, or, at a minimum, such documentation as would be required to support the KYC.

New Account Approvals

The KYC form must be completed prior to or at the time of the first transaction for each new client account. If the Approved Person is electronically entering the information, the back office system will not allow him or her to submit the input to the Chief Compliance Officer on the system until all required areas have been completed.

New accounts are reviewed for accuracy, completeness, and suitability and approved by the Chief Compliance Officer immediately prior to the initial trade, once all relevant information has been collected and documented, and all signatures and dates obtained. The Chief Compliance Officer shall review the KYC forms. If all of the new account requirements are in order, the new account will be authorized by the Chief Compliance Officer by 4:00 p.m. on the day of receipt provided that such information is received by the Chief Compliance Officer before 11:00 a.m. Otherwise, it will be approved the next business day if everything is in order. Opening account approval is evidenced by the Chief Compliance Officer’s signature and the date. Original account opening documents are retained in the client’s file. The KYC forms must be updated whenever there is a material change in the client’s information.

Change of Approved Person

When there is a change of Approved Persons, the new Approved Person of record must verify the information on the account application and the KYC form to ensure it is current.

Inquiry and Resolution

The Chief Compliance Officer will refuse to approve a purchase or a switch transaction where there is any missing information on the Trade Order Form or the KYC form until the information is obtained from the client. The Chief Compliance Officer will maintain evidence of all trade orders queried, the responses received and the ultimate resolution in the form of a spreadsheet log to be used when reps are contacted regarding suitability of trades, trading activity, and other account problems.

Rejected Trade Query

In the case where the Chief Compliance Officer will not approve a trade, a Rejected Trade Query will be sent to the Approved Person by email, fax, or mail. An attempt will also be made to contact the Approved Person by telephone in order to resolve the issue as quickly as possible.

Unless the situation can be rectified immediately, the trade is dead and it is up to the Approved Person to resubmit the trade, having corrected the deficiencies that caused the trade to be rejected in the first place. It is the responsibility of the Approved Person to follow up on any rejected or incomplete new account applications. Altimum does not hold trades waiting for paperwork to be corrected or documents to be received.

A response is required with a resolution that may include rebalancing the account, without cost to the client, to make it consistent with the client's KYC information, or obtaining a new KYC form where the trade was suitable but the KYC information was outdated. Although the trade is rejected, the client is unaware of that fact, so it is expected that the Approved Person will contact the client and correct the deficiency within 24 hours. The order could then be placed again. Redemption orders will not be subject to these restrictions but switches and purchases will be, and accounts will be frozen after a redemption order is placed if the KYC information is not satisfactory.

The Chief Compliance Officer will consider the reasonableness of the KYC update or other response once it is received together with the Trade Order Form. For example, if there has been a short time frame since the last update or the KYC information has changed drastically, it is possible that the update is only being made to justify an unsuitable trade.

If a response is not forthcoming and the Approved Person is not co-operative, and if the situation warrants, Altimum may withhold the Approved Person's commissions until the situation is resolved. (See the section entitled Discipline.)

If an Approved Person has an inordinate number of trade orders being queried it may raise concerns regarding the Approved Person's competency or understanding of Altimum's internal policies, a meeting with the Approved Person may be required in order to provide further training, or at least to review the seriousness of the issue.

Trading Patterns

Some representatives have many of their clients in similar portfolios or with an identical appetite for a particular level of risk. An indicator for this activity is if an approved person has almost all of his clients indicating a growth objective. This is a warning sign as it is likely to mean that the representative is not identifying unique needs and objectives of the clients and can indicate that clients' desires are not being met. A typical book of business, on the other hand, would include clients with an income objective or a combination of the two, and might also include some younger clients with a more aggressive objective. The compliance officer will query those representatives where their book of business demonstrates an undue uniformity of investment objectives or risk tolerance across clients.

Similarly, KYC's that use precise amounts, such as 27% growth and 73% income, might indicate that the KYC is being completed to match the existing portfolio instead of assessing the client's needs and creating a unique portfolio for them after completion of the KYC.

Any of these situations should cause the KYC to be queried as to why he is making such a recommendation, why is he using this approach, and why is there no documented rationale for these decisions on the part of the client? If not satisfactory answer is provided then the advisor will be required to recollect the KYC information and to submit the revised KYC for approval. If the query by the Compliance Officer is not rectified satisfactorily, then the account will be frozen.

See also the section entitled "Uniformity of KYC Information Across Clients or Investment Objectives in Exact Percentages."

The following is a non-exhaustive sample of items subject to inquiry:

- Trading activity overly concentrated in too few funds;*
- Trading activity inconsistent with market conditions, and inconsistent with client profile;*
- Excessive switches between funds or fund families;*
- Unexplained decrease or increase in activity in a particular account;*
- Large number of deposits and withdrawals, especially in personal accounts;*
- Suitability of mutual fund switches, KYC information or Recommendations;*
- Changes in investment pattern of a particular account;*
- Overall suitability versus the client's age, income needs or investment objectives;*
- Apparent market timing activity.*



REJECTED TRADE QUERY

Rep Name _____ 7767 _____ RE: Client Name _____ Client Account # _____ Date _____

This order or account application form is being returned to you because of a deficiency. We may not have on file a valid KYC for your client noted above, or the trade ticket has an error on it.

IF the KYC information on file is stale dated or missing one or more requirements, please have the client sign an updated KYC.

The Know Your Client ("KYC") is an essential component in ensuring that your business practice conforms to regulatory requirements. Maintaining meticulous records of KYC information protects both you and your clients, as it supports and confirms your effort to ensure the suitability of recommended trades. KYC information must be specific to your clients' individual accounts.

Within the next 5 business days, please review the account and the KYC and respond with the corrective actions taken. As you are aware, accounts are frozen when trading is attempted without a complete KYC.

Here are some of the common problems that might apply to this account. Some of these may have been circled to bring your attention to specific issues.

- 1) Leverage Disclosure Document needed for every ACCOUNT.
- 2) Please specify the fund company on the trade order.
- 3) Please specify the fund company account number on the order.
- 4) Specify whether the purchase is DSC, LL, or FE.
- 5) Trade or current investments not suitable or suitability review not included with purchase or partial redemption.
- 6) Investment knowledge must be in line with proposed investment, or is not in line on the account.
- 7) KYC on the system does not match KYC on the paperwork or was not posted to system.
- 8) Rep signature missing.
- 9) Client signature missing.
- 10) Client cheque has an error or is post-dated
- 11) Order is post-dated, or intended to go through at a later date.
- 12) Fund has not been approved for sale and is not on system.
- 13) Order has not been properly entered on our system.
- 14) Wrong type of form used, i.e. Trade Order Form used to open account.
- 15) Client signature date will be more than 4 days prior to trade date at fund company.
- 16) Signature guarantee not in order.
- 17) Account Opening documents are missing or not current.
- 18) DSC disclosure document required for this DSC trade.
- 19) No date stamp on order for when it left sub-office.
- 20) Whiteout or scratch-out of client information without client approval.
- 21) No evidence that client is aware of DSC fees on the redemption order.
- 22) This includes a non-current version of the required forms.
- 23) First page missing.
- 24) Missing MRS form or missing B2B Trust form.
- 25) DSC duration is longer than client's investment time horizon.

Other _____

Thank you for your prompt attention to this matter. A copy of this letter will be maintained in your personnel file.

Sincerely,

Edith Reid
Chief Compliance Officer

Compliance Stamp and Date

Edith G. Reid | President & Chief Compliance Officer | e-mail: edith@altimum.ca

Prohibited Activity

The Chief Compliance Officer will review commission reports looking specifically for the prohibited trading activity and questionable trading activity as outlined in MFDA Member Regulation Notice MR-0065, such as redemptions and repurchases of the same fund, redemptions and repurchases of funds within the same fund family processed as a redemption and repurchase rather than as a switch, and other activity which might have been initiated to generate a DSC commission. The Chief Compliance Officer will be responsible for providing evidence of a review of the trading activity, evidencing a comparison of commissions generated by each Approved Person against the Approved Person's Assets Under Administration, and documenting such trades on the Questionable Trades report.

For more information, see the section entitled Market Timing, Switches and Transfers of Mutual Funds, Prohibited and Questionable Trades.

Excessive Trading:

Altimum defines "excessive" trading as switching the same dollars between funds more frequently than four times per year in the same account. A client may want to switch between money market and equity funds because they are nervous about the market, but if they switch more frequently than four times per year they are probably trying to time the market, and we do not consider mutual funds to be appropriate investments for such a strategy. The MFDA requires dealers to conduct regular reviews of client accounts to ensure that there are no market timing activities.

Trend Analysis

The back office system generates several reports including the Monthly Commissions Over \$1500 report, the DSC Purchase after DSC Redemption report, the Redemption with Fee report, and the Two-Sided with Fee/Commission report.

The Chief Executive Officer shall review the commission statements monthly and review the Monthly Commissions Over \$1500 report listing commissions for any particular client that amount to more than \$1500 gross to determine trends in trading activities including churning, and frequent and excessive trading. The reviewer shall review the trades to determine whether any such trends exist. This report shall include comments about those trades that are identified in the report to reflect inquiries made or investigations performed by the reviewer and exceptions related to the factors indicated above shall be noted.

With regard to the other reports, if they indicate that a client has been unfairly treated (such as being required to pay a DSC fee on a redemption that a client had not been informed of at the time that the order was taken to redeem the fund) or if a trade was generated for no other apparent reason than to generate a commission, the commission or the DSC fee will be charged to the representative and paid to the client. Other disciplinary action may be taken if believed by the Compliance Officer to be warranted.

The Chief Executive Officer and the Chief Compliance Officer shall each sign and date the completed reports. These monthly reports shall be completed within one week of the MFDA financial filing for the subject month.

The Chief Executive Officer shall also review each Approved Person's Assets Under Administration quarterly throughout the fiscal year and shall generate a report reflecting all increases and decreases of 20% or more from the same period the year before which will be considered exceptions that need to be reviewed. The reviewer shall then make inquiries or review circumstances related to the Approved Person's business that account for the exceptions and note them on the report, together with the results of any investigation or inquiry sparked by the discovery of the exception. The Chief Executive Officer and the Chief Compliance Officer shall each sign the completed report. The quarterly reviews shall be completed within one week of the MFDA financial filing for the last month of the subject quarter.

The Chief Executive Officer shall also generate a Commission Report on a quarterly basis and review it for trends that might indicate churning or frequent or excessive trading and shall generate a report reflecting all increases and decreases of 20% or more from the same period the year before which will be considered exceptions that need to be reviewed. The reviewer shall then make inquiries or review circumstances related to the Approved Person's business that account for the exceptions and note them on the report, together with the results of any investigation or inquiry sparked by the discovery of the exception. The Chief Executive Officer and the Chief Compliance Officer shall each sign the completed report.

Timely Approval of Trades, KYC Updates and other account information changes

Altimum must abide by regulations which require next day approval of KYC's and KYC changes, orders, address changes and changes of banking information.

Our objective at Altimum will be to approve them on the same day (particularly for orders) and in any event not later than the next business day. This means that KYC updates, etc. have to be received in Head Office not later than the next day after the Approved Person receive them from the client. In order to satisfy this requirement, Altimum has implemented the following policies and procedures:

1. Approved Persons must sign and date forms, including KYC updates and suitability updates, etc. to record the date when the Approved Person received the paperwork from the client or in the mail.
2. Approved Persons must forward the paperwork by scanning, faxing, or delivering it to Head Office upon receipt.
3. It is not necessary to send the originals by expresspost, but they must be delivered or mailed by regular mail after having been scanned or faxed so that we have originals in our records. It is not sufficient to leave us with only the faxed or scanned copies. It is also not sufficient to keep these in a sub-branch until there are sufficient to mail a number of them at once. We require them to be mailed immediately after they have been sent electronically.

4. This policy applies to redemptions, T2033 transfers and all other documents as well, such as change of name, changes of banking information, etc. Documents are not to be mailed without having first been scanned or faxed, even if there is no transaction in the account as the one-day requirement for approval is consistent whether or not there is a financial transaction connected to the change of information.
5. The Chief Compliance Officer will approve them immediately upon receipt of the scanned or faxed copy and date them accordingly. The date when the documents are approved will be tested to ensure that it is not more than one day after the date when the representative received the originals from the client, as determined by the date put on the document by the Approved Person and the date that the e-mail or faxed document was received by Head Office.
6. Scanning is to be routinely used instead of faxing, which is to be used only in emergencies and preferably after hours, because faxing ties up the fax machine when orders, KYC changes, etc. must be faxed out to the fund companies. We cannot have the fax machine tied up with incoming faxes during business hours when it is required to be used for outgoing faxes. Fund companies will only accept faxes, not scanned e-mails, and the fax machine must be kept available for this purpose. Scans must be sent by Altimum's secure, encrypted Outlook email.
7. Approved Persons are to copy all scanning, including orders, T2033's, and KYC/banking/address changes, etc. to both the Chief Executive Officer as well as to the Chief Compliance Officer so that in the event that one is out of the office when it comes in, the other is also aware of the order, the KYC change or whatever is being sent by the Approved Person.
8. Date stamps are to be used to evidence when documents are received by the Approved Person.
9. The scanned copy or the faxed copy will record the date and time when documents are received at Head Office.
10. The Compliance Officer will record her approval of the transaction or document and will date her approval as well so that timeliness of approval can be verified.
11. Any delay which falls outside of the scope of the regulations must be accounted for with notes from whoever was responsible for the delay, whether it was the Approved Person or the Compliance Officer, to evidence reasons for apparent delays and any corrective actions to be taken in future to avoid such delays.

If there is a monetary loss to the client, then the Approved Person must make the client whole.

Supervision of Redemptions

Redemptions are reviewed to identify possible outside business activity where money may be leaving Altimum for potentially inappropriate or unauthorized purposes, potential churning where the money is being parked or held pending reinvestment. They are also reviewed to assess the impact and appropriateness of redemption charges where applicable.

They are also reviewed to assess suitability in terms of the redemption's impact on the composition of the remaining portfolio. For example, a client may have a balanced objective and hold a combination of fixed income and equity mutual funds. If the client redeemed out the income portion of his or her portfolio, the remaining portfolio of equity mutual funds would be inconsistent with the client's balanced investment objective.

Review of Trades Involving Leverage

The Chief Compliance Officer shall pay particular attention to reviewing trading activity that involves borrowed money. The Chief Compliance Officer shall maintain a record of having reviewed and approved trades in open leveraged accounts by recording such trades as approved on the Questionable Trades Report form as specified in the section, Leveraged Mutual Fund Sales.

Random Sampling

The Chief Compliance Officer reviews random samples of client plans to find any that might be missing KYC information, such as risk tolerance, time horizon, and investment objective, so that these accounts can be updated accordingly.

Suitability Obligations for Unsolicited Orders

If the Approved Person is placing his own order on the system, he or she must indicate whether a trade was unsolicited. MFDA Rule 5.1(b) requires Members to keep an adequate record of each order, and of any other instruction, given or received for the purchase or sale of securities, whether executed or unexecuted.

The Member and its Approved Persons are to use due diligence to ensure that each order accepted or recommendation made for any account of a client is suitable for the client and in keeping with the client's investment objectives. The obligation to make a suitability determination is found in MFDA rule 2.2.1 and applies to all proposed trades, whether or not a recommendation is made.

In the event that the Member or one of its Approved Persons receives an order which it determines is unsuitable for the client based on the information provided on the KYC form or on the basis of the client's investment objectives, the Member must so advise the client before executing the order and provide appropriate cautionary advice. A record of such advice to the client must be kept on file and a record of each order, or any other instruction, given or received for the purchase or sale of securities, whether executed or unexecuted, must also be kept on file.

Approved Persons are not to undertake a trade for a client if it is not in keeping with the client's KYC information. If the client's information has changed, the KYC form must be updated to reflect this. He or she will discuss with the client and amend the client's KYC information accordingly, or, if the client refuses to amend the KYC information, the Approved Person must refer the unsuitable, unsolicited trade to the Chief Compliance Officer for his or her approval before proceeding with the trade. If the client's KYC information has not changed and the proposed trade is deemed to be unsuitable in light of the information on the KYC form, the record of the order must include, at a minimum, evidence that:

1. The transaction was unsolicited
2. A suitability review was performed, and
3. The client was advised that the proposed transaction was unsuitable.

In this instance the Approved Person must also refer such an unsuitable, unsolicited trade to the Chief Compliance Officer for his or her approval before proceeding with the trade. The Member is not obligated to accept a purchase order from a client that is determined by the Chief Compliance Officer to be unsuitable.

Eligibility of Trades/Accounts in Lower MER Funds

Approved persons are required to be aware of programs offered by fund companies that enable qualifying clients to purchase a lower MER fund based on the size of their account and/or being able to combine family accounts to meet particular thresholds. It is required that determination as to whether a client is eligible for such a program is made prior to trade execution to ensure that clients do not pay unnecessarily higher management fees.

The Compliance Department will frequently monitor trades and client holdings on an ad-hoc basis to look for instances where this policy is not being followed. Additionally, Approved Persons will be queried during Approved Person audits to determine whether they are aware of any clients who qualify but are not taking advantage of these provisions. Approved Persons are to be aware that if they have failed to make such programs available for their clients, they may be required to compensate the client for the excess management fee that was unnecessarily charged to the client's account for the length of time that the program was available to but not utilized by the client.

Transfer of Client Accounts

Consent

Altimum intends to maintain a long-lasting relationship with its clients, and to see that clients are well-serviced at all times. This will encourage clients to remain with Altimum, where they will receive excellent service, and not transfer out to other dealers. Altimum understands that a client is a client of Altimum and not the Approved Person.

Accordingly, an account should not be transferred without the prior written consent of the client.

However, in the event that a client wishes to transfer to another dealer, Altimum will ensure that:

- 1 The client provides written authorization for such transfer,
- 2 When Altimum receives such written authorization from the client, Altimum will act diligently and promptly in order to facilitate the transfer of the client's account to another dealer in an orderly and timely manner,
- 3 Altimum will ensure the client assets and account transfer are processed in a timely manner,
- 4 Altimum will draw up a sample letter to be signed by the client consenting to the transfer of his/her accounts to another dealer,
- 5 Altimum will draw up a sample letter to the mutual fund company requesting the transfer of the client's accounts to another dealer.

Transfers of Approved Persons

Occasionally an Approved Person may leave Altimum to go with another Dealer. However, bulk transfers of client assets will not be allowed under the MFDA Regulations, which provide that 'no account transfer shall be effected by a Member without the written authorization of the client holding the account. If an account transfer is authorized by a client, the delivering member and the receiving member shall act diligently and promptly in order to facilitate the transfer of the account in an orderly and timely manner.'

The Approved Person and Altimum acknowledge that both parties each have a fiduciary responsibility to inform clients in writing of the Approved Person's resignation or termination and the proposed transfer of his or her accounts. Rule 2.12.2

Approved Persons shall have 30 days after resignation or termination of their contract with Altimum to recommend an alternative dealer to clients assigned to his or her Approved Person code as of the date of termination, during which time the Chief Compliance Officer or the Chief Executive Officer shall continue to service the clients while their accounts remain with the company. After 30 days, the Chief Compliance Officer shall appoint an Altimum Approved Person to whom such accounts as remain with Altimum Mutuals Inc. will be assigned.

Altimum will ensure that any registered individuals who will be involved in the transfer process receive training on Altimum's policies and procedures on account transfers, and subsequently, on any changes or new developments. Currently, the Chief Compliance Officer will be responsible for processing requests to transfer client accounts to another dealer. As all accounts are in client name or in the name of an intermediary, that duty entails forwarding the request to the appropriate institution for processing. Requests to forward accounts in nominee name will be returned with a message that we are a client name dealer and are not able to transfer accounts as nominee.

Upon receiving client accounts from another dealer, Altimum will ensure that the new account opening procedures are performed for all client accounts transferred from another dealer and that accounts are frozen with no trading permitted until such information, including Know Your Client information, has been received for such accounts as wish to place trades.

Change of Dealer

Altimum is aware that where the client wishes to change dealers (whether to a different Approved Person at a new dealer or to follow an Approved Person who has changed dealers), the new dealer should be entitled to trailer fees generated by the mutual fund securities held by the client. In such case, Altimum would arrange for the client to sign a letter addressed to the Manager of the applicable mutual funds directing it to pay the trailer fee to the new dealer. The new dealer will ensure that a copy of the letter is sent to the former dealer.

Registered Account Transfers

Altimum is aware that the transfer of accounts may also entail the transfer of a registered plan. For example, as part of the transfer of the assets, it may be appropriate to transfer the assets in a self-administered registered plan provided through the former dealer to a self-administered registered plan provided through the new dealer. Altimum is further aware that regardless of whether the client is moving his or her business from one dealer to another dealer, it may sometimes be appropriate for a client to change registered plans. For example, a client that has a registered plan set up through a mutual fund manager, which could be limited to holding securities of mutual funds managed by the manager, may want to transfer the assets to a self-administered registered plan offered by his or her dealer or financial institution, which allows a broader choice of allowable investments.

Altimum is aware that to transfer such assets, a Form T2033 or similar form or authorization letter must be provided to the trustee of the existing plan.

Timing of Transfer

Altimum's Compliance Officer is aware that it is not appropriate for Altimum, from whom the client's assets are being transferred, to delay transferring assets. Therefore

Altimum as relinquishing dealer should ensure that the transfers are effected within a reasonable time.

Amounts owing to Former Dealer

Altimum's Compliance Officer is aware that there are circumstances under which the relinquishing dealer may be entitled to take appropriate action under law, including under any contract with the client, in connection with any amounts owed by the client to the relinquishing dealer. This may include refusing to transfer such securities and/or redeeming them. In these circumstances, the relinquishing dealer should seek legal advice.

Bulk Transfers

If a terminated Approved Person transfers to another registered dealer, and providing the terminated Approved Person is not indebted to Altimum, the business of that Approved Person will be transferred upon receipt of client requests to do so. MFDA rules do not permit bulk transfers.

Confidentiality of Client Information

Altimum will not transfer confidential client information without the prior written consent of the client. The transfer of confidential client information without the prior express consent of the client violates securities law and may also violate confidentiality provisions of federal and privacy legislation. Therefore, Altimum does not consider a negative confirmation to be an acceptable form of client authorization. Under a negative confirmation, clients would be informed that their accounts are being transferred to another mutual fund dealer unless they contact their Approved Person or their current mutual fund dealer to confirm their disagreement.

Transfers-In

Certain institutions, such as banks, often require original signatures on T2033's. Our usual practice is to fax T2033's. The Altimum Head Office can mail T2033's to the relinquishing institution if requested to do so by the Approved Person, but they will be mailed proof-of-delivery with a signature required, at the Approved Person's expense. Postage will be deducted from the Approved Person's commission statement.

New accounts must be set up by the Approved Person on the back office system prior to sending the T2033 or Change of Dealer/Agent Change Form to fund companies.

It is the Approved Person's responsibility to follow up with the relinquishing institutions regarding T2033's for their clients.

Refer to account opening requirements to set up new accounts.

The issue of client confidentiality is further discussed in the section, Personal Information Protection and Electronic Documents Act.

94 Barbican Trail
St. Catharines Ontario L2T 4A8
Phone: (905) 680-8544
Fax: (905) 680-8546

Altimum Mutuals Inc.

Fax

Change of Dealer/Representative

Please accept this letter as your full and sufficient authority to change the Dealer and Representative codes on my accounts as follows:

New Dealer Name: **Altimum Mutuals Inc.** Dealer Number: **7767**

Representative Name: _____ Rep Code: _____

Representative Signature: _____

Altimum Mutuals Inc. Compliance Officer Signature: _____

PLEASE USE A DIFFERENT SHEET FOR EACH FUND COMPANY

Fund Company: _____

	Account Type:	Legend:
Account Numbers: _____	A B C D E F G H I J K	A Non-Registered
_____	A B C D E F G H I J K	B Joint Non-Registered
_____	A B C D E F G H I J K	C Non Registered Trust
_____	A B C D E F G H I J K	D RRSP
_____	A B C D E F G H I J K	E Spousal RRSP
_____	A B C D E F G H I J K	F RRIF
_____	A B C D E F G H I J K	G Spousal RRIF
_____	A B C D E F G H I J K	H LIF
_____	A B C D E F G H I J K	I LRIF
_____	A B C D E F G H I J K	J RESP
_____	A B C D E F G H I J K	K LIRA

Client Name: _____ S.I.N. # _____

Client Signature _____

Joint Client Name _____ S.I.N. # _____

Joint Client Signature _____

Date: _____

Phone (905) 680-8544

Fax (905) 680-8546

Toll Free 1-877-366-7343

Errors and Exceptions

Trading Errors

Following the same procedures as with the sale of mutual fund securities, Altimum downloads the trade blotters the next day, which show the previous day's redemption orders transmitted to the fund companies and the respective intermediaries.

Altimum's Chief Compliance Officer checks the trade blotter information to the original trade order used to input the trade to determine accuracy and completeness of the transaction. If any rejections or errors exist, the errors must immediately be corrected on behalf of the client. The Chief Compliance Officer researches the reasons for such rejections or errors and promptly corrects such errors, or alternatively communicates with the respective Approved Person, fund company or intermediary and, once the appropriate information is received, makes the appropriate amendments by re-submitting the required information to the fund company or intermediary to ensure that such errors are rectified.

The Chief Compliance Officer reviews and signs off on all error reports generated from Fundserv to ensure that all errors are addressed and fixed appropriately.

Request for Letter of Indemnity (LOI)

If an Approved Person requests an error correction, they shall complete a Request for Letter of Indemnity, a sample of which is on the next page, and record how the error was made and whose fault it was.

An Approved Person shall complete a Request for Letter of Indemnity for each separate incident for which an LOI is required. The reason for each letter of Indemnity will be noted on the document, together with the resolution of the incident. Additional documentation, such as meeting notes, copies of application forms, statements of account and copies of a deceased's will may be referred to in determining whether a Letter of Indemnity is appropriate depending upon the circumstances and in determining whether the request will be approved.

The Chief Compliance Officer shall review such requests to ascertain fault and shall retain a log of LOI requests and their resolution. The Chief Compliance Officer shall review such requests to ascertain fault and shall retain a log of all Letters of Indemnity requests and their resolution. Each request for a Letter of Indemnity must be approved by the Chief Compliance Officer.

Only the Chief Compliance Officer or the Alternate Compliance Officer may approve requests for Letters of Indemnity and write the resulting Letters of Indemnity. The Chief Compliance Officer will review the log on a weekly basis to determine whether any such issues are still outstanding. Copies of Letters of Indemnity together with the approved Request for Letter of Indemnity are kept in a separate Letters of Indemnity file at Head Office. Copies of each document are also kept in each client's file for which a Letter of Indemnity was issued.

ALTIMUM MUTUALS INC. REQUEST FOR LETTER OF INDEMNITY (LOI)

Representative Name: _____ **7767-** _____

Supplier & Account #: _____ **Date of Error:** _____

Client Name: _____ **Client Phone:** _____

Describe what happened that requires an LOI to be issued (use more sheets if required):

Describe what should have happened (use more sheets if required):

Who do you believe is at fault?:

Representative

Compliance Officer

Client _____ %
Rep _____ %
Dealer _____ %
Courier _____ %
Supplier _____ %
Fund Company _____ %
FundServ _____ %
Intermediary _____ %

Client _____ %
Rep _____ %
Dealer _____ %
Courier _____ %
Supplier _____ %
Fund Company _____ %
FundServ _____ %
Intermediary _____ %

Explanation:

After discussion, Representative agrees with Compliance Officer (circle one): YES NO

Is there going to be a financial adjustment? \$ _____ or NONE _____

Estimated Loss _____

The Representative hereby agrees to pay Altimum Mutuals Inc. in full, within five business days of receipt of invoice, to cover their portion of the LOI expense attributable to this report.

Representative Signature

Date

Compliance Officer Signature

Date

Final Loss \$ _____ **Loss Collected (Amount) (if applicable) \$** _____

Compliance Officer Final Review (to close file)

Date When File Closed

Unauthorized Redemption Requests

Altimum does not submit a redemption request to the fund company or intermediary unless the client is aware of such request and has properly authorized the request. In this way the Chief Compliance Officer seeks to ensure that there are no unauthorized redemption requests.

Follow-up

As with the Sale of Mutual Fund Securities, Altimum follows up, by way of telephone communication or evidence of completed trade (on the trade blotter) to ensure timely settlement of redemption transactions.

Accepting Orders Without a Signature

When orders are accepted without a client signature, the Approved Person is either relying upon a Limited Trading Authorization, a Power of Attorney, or doing discretionary trading. There is no other alternative. The difference is between that of a permitted activity and a prohibited activity.

A. Discretionary Trading

Altimum Mutuals Inc. does not permit its Approved Persons to engage in any form of discretionary trading of client accounts. Discretionary trading requires enhanced licensing with the Securities Commission and is never allowed with a mutual funds license. It is a very serious offense.

Pre-signed Forms and Alterations to Forms

All forms must be completed prior to having the client's signature. Blank signed forms must not be used. Blank pre-signed forms are often an indication of the client having authorized the Approved Person to engage in discretionary trading. Retaining blank client pre-signed forms, such as pre-signed blank cheques, pre-signed transaction requests, and the like, is strictly prohibited. Likewise information on legitimately completed and signed forms is not to be subsequently altered or removed, and signatures are not to be cut out from other documents and then used to create photocopies that appear to have been signed by the client. Modification to a form which has already been signed by a client is fraud, unless the client initials the changes, and can result in a criminal investigation and criminal charges. Altimum Mutuals Inc. will only use forms that are duly executed by the client after information on the form has been properly completed.

It is contrary to MFDA requirements for Approved Persons to obtain pre-signed forms from clients. In circumstances where an Approved Person retains pre-signed forms from their client to execute future trades, such a practice would be deemed to be a serious prohibited sales practice as it may suggest that the Approved Person may be engaging in

discretionary trading practices and this practice has resulted in numerous regulatory investigations into discretionary trading. The MFDA has required that the discovery of pre-signed forms must be reported to their Enforcement Department, which may result in regulatory action and/or ultimately termination for cause.

B. Power of Attorney

No one is to accept an appointment as a Power of Attorney over a client's account. The MFDA regulations make this clear when they say that no Approved Person shall accept or act upon a general power of attorney or other similar authorization from a client in favour of Altimum or the Approved Person.

However, there is one exception, and a condition attached to it. The regulations continue by saying that, notwithstanding the provisions of the paragraph above, an Approved Person may accept or act upon a general power of attorney or similar authorization from a client in favour of the Approved Person where such client is an immediate family member (spouse, parent or child) of the Approved Person and provided that an Approved Person other than the Approved Person holding the general power of attorney must be the Approved Person of record on the account. The Approved Person named in the Power of Attorney cannot both hold the account under their code and also exercise the Power of Attorney.

As per MFDA Rule 2.3.1(b) Altimum will assign the account to the Chief Compliance Officer or his or her delegate when an account is operated under a Power of Attorney to ensure that an Approved Person other than the Approved Person holding the general POA is to be the Approved Person on the account. Regardless of who is assigned to the account by the Chief Compliance Officer, each trade made pursuant to a general POA will be reviewed by the Chief Compliance Officer.

Approved Persons are required to inform the Chief Compliance Officer of any situations in which they have been appointed Power of Attorney in order to comply with this regulation. Approved Persons will also be asked whether they have been appointed Power of Attorney during branch and sub-branch audits.

For further information you may refer to MFDA Member Regulation Notice MR-0031.

C. Limited Trading Authorizations

In some instances, Altimum uses Limited Trading Authorizations. For the convenience of some clients, a number of clients have requested that they sign a limited trading authorization, giving Altimum authority to place trade orders for them, upon verbal instructions from them for each trade. A sample is reproduced at the end of this section.

A Limited Trading authorization does not constitute permission to do discretionary trading. A Limited Trading Authorization allows the Approved Person to transact business on behalf of his/her Client without obtaining an original signature. The Client

must, however, consent to every order placed and must confirm same by telephone, fax, mail or e-mail to the Approved Person prior to the order being placed or executed.

Altimum does not permit discretionary trades wherein the Approved Person has trading control and discretion as to which product, amount, price, timing, and other instructions. In short, Approved Persons are not allowed to use their discretion when placing trades. (See Discretionary Trading above.)

Policies Regarding Limited Trading Authorizations

Altimum's policies on Powers of Attorney and Trading Authorizations include the following:

- 1 Altimum has appointed a designated Chief Compliance Officer (Edith Reid),
- 2 Altimum uses a standard Limited Trading Authorization (April 2005 Version). This is the most current Limited Trading Authorization Form,
- 3 The scope and duration of the Trading Authorization is set out on the standard Trading Authorization Form,
- 4 The Chief Compliance Officer and Approved Persons can execute a Limited Trading Authorization with a client,
- 5 Supervision and monitoring of Limited Trading Authorizations,
- 6 Consequences of using a Limited Trading Authorization to conduct discretionary trading on behalf of clients,
- 7 Consequences of processing transactions directly with fund managers and bypassing Altimum's processing procedures.

The Chief Compliance Officer will effect the process of having such clients fully execute and sign Altimum's standard form of Limited Trading Authorization. Neither Altimum nor the Approved Person may use the authority granted by the Limited Trading Authorization (LAF) to instruct a Fund Company to open a new account for an investor. It can, however, be used for all purchases, switches and redemptions on all current and future accounts (once opened) held in the name of the Investor or Investors.

When all Limited Trading Authorizations have been fully executed and signed by both Altimum and the client, the Chief Compliance Officer will submit certified copies of the Limited Authorizations bearing the original signature of Altimum to each respective fund company, give a copy to each client, and retain a copy at Altimum's office in each client's file.

The original dealer signature on the Limited Trading Authorization to the fund companies will be the signature of the Chief Compliance Officer, Edith Reid or an alternate compliance officer.

Altimum will use these executed Limited Trading Authorizations to execute purchases, redemptions and switches on the clients' behalf, only upon specific instructions from each client for each trade. Such client instructions may be given by:

1. Electronic means, such as e-mail
2. Telephone
3. Facsimile
4. Written instructions delivered to the Fund Company in any manner by Altimum.

Altimum will follow its usual procedures for processing these trade transactions. That is, Altimum ensures that the same procedures as used for trades without Limited Trading Authorizations are also used for trades that are executed with the use of Limited Trading Authorizations. The Chief Compliance Officer (or alternate) monitors trades executed under a Limited Trading Authorization to ensure they are suitable and to ensure the client's prior consent was obtained. Altimum's policy is that prior consent/instructions must be obtained from each client for each trade.

Client signatures on Limited Trading Authorizations are verified and signature guaranteed by the designated Compliance Officer or alternate. Clients' specific instructions will be accurately recorded either electronically or handwritten with a copy maintained electronically and/or a copy placed in the client's file. Such recorded instructions will include:

- 1 The date the instructions are given.
- 2 The particulars of the securities to be purchased or redeemed.
- 3 In the case of redemptions, instructions as to where the proceeds of the redemptions are to be sent or whether they are to be reinvested.

Record of Client Contact

A Record of Client Contact form has been designed for this purpose and appears at the end of this section.

Confirming Instructions

All instructions will be confirmed to the client through the normal trade confirmation process.

In some cases, it may be appropriate for Altimum to also confirm the client's instructions, for example, by fax.

Altimum will advise clients to check their trade confirmations to ensure the transactions correspond to their instructions, and that if they have any questions, they should contact the Chief Compliance Officer.

Maintaining Instructions

As noted above, Altimum will maintain copies of clients' instructions or a Record of Client Contact Form for trades executed under a Limited Trading Authorization. Altimum will retain such records for a minimum of seven years or such longer period as Altimum typically retains client records.

Clients' Understanding

Altimum will ensure that the clients understand that by signing a Limited Trading Authorization, he or she is not granting discretionary trading authority to Altimum or to the Approved Person and, accordingly, there will not be any trading in the client's account without the specific authorization of the client.

Altimum will ensure that Altimum and the client understand fully the information contained in the Limited Trading Authorization Form as follows:

1. The "Investor Authorization" and "Types of Transactions" and "Signature" and "Date" sections of the Limited Authorization will be completed before the Limited Authorization is signed and dated by the Chief Compliance Officer
2. In the "Witness to Investor Signature" section, the signature of the client will be witnessed.
3. The Signature Guarantee section will be signed and appropriately completed by the Chief Compliance Officer.

The Compliance Officer will review the Limited Trading Authorizations to ensure that the client has fully completed the Limited Trading Authorization, that the client and the Approved Person have signed the Limited Trading Authorization, and that the client's signature has been guaranteed. Once this review is complete, the Chief Compliance Officer will sign the Limited Trading Authorization where indicated.

Altimum will send or fax a copy of the Limited Trading Authorization bearing the original signature of Altimum, to the client, and the original will be retained by Altimum. Altimum will also provide a certified copy of the Limited Trading Authorization bearing an original signature certification by Altimum to each fund company necessary to effect the client's instructions. The copy will be provided by the Chief Compliance Officer to the Fund Company on the first transaction on behalf of the client.

The copy will be certified as a true copy of the original by the Chief Compliance Officer, who acts on behalf of Altimum.

Altimum will use one executed Limited Trading Authorization as sufficient to enable Altimum to effect a client's instructions on any number of separate accounts and for both non-registered accounts and for registered accounts, such as RRSP's, RRIF's, etc. on which the client is the annuitant or the agent of the annuitant.

When Altimum presents the Limited Trading Authorization to the client for discussion and signature, Altimum will ensure that the "General Provisions" appear on the reverse of the form and are not detachable from the Limited Authorization. The client's copy of the Limited Authorization will include the "General Provisions" on the reverse.

Altimum will retain the original Limited Trading Authorization signed by the client and Altimum at Altimum's Head Office for a period of not less than seven years from the date of the last transaction which was completed in reliance upon the Limited Trading Authorization.

Altimum will provide a fund company with access to the original Limited Trading Authorization, or an imaged version of the original, upon reasonable notice, in order that the fund company may verify its existence or to satisfy any inquiries from the client, regulatory authorities or other parties which the fund company reasonably believes are entitled to access to such material.

A completed form Record of Client Contact, a sample of which appears at the end of this section, must be completed and submitted to Altimum by the Approved Person every time that a Limited Trading Authorization is acted upon.

A. Investor/s Information

1. Name of Investor

S.I.N. (optional/for identification)

2. Name of Investor

S.I.N. (optional/for identification)

Address (Single address for all joint account holders or for an individual account holder)

B. Investor/s Authorization

1. I/We authorize

Altium Mutuals Inc.

(Name of the Dealer)

(the "Dealer") to give instructions on my/our behalf to the fund company or companies that I/we have selected (each a "Fund Company") and to sign any relevant documents associated with (a) purchases, (b) switches, and (c) redemptions for me/us in accordance with my/our specific instructions for each transaction. This Limited Authorization is intended to create a simple form of limited agency. It does not give the Dealer unlimited authority or the right to conduct discretionary trading on my behalf. In the case of joint account holders we acknowledge that the Dealer will only execute transactions on our behalf in accordance with the standing authorization instructions in place on our joint account at the time of each trade which will be binding on all joint account holders.

2. Until revoked pursuant to the provisions of Section C below, this Limited Authorization is authorized for use with respect to all current and future accounts serviced through the Dealer with a Fund Company: (a) conducted in my name (if this limited authorization is granted by an individual only), or (b) conducted in our joint names (if this limited authorization is granted by joint account holders).
3. I/We authorize the Dealer to provide copies of this Limited Authorization and/or the Instruction Confirmation Notice ("ICN") which relates to this Limited Authorization to a Fund Company for the purpose of executing authorized transactions on my/our behalf with the Fund Company.
4. The instructions provided to my/our Dealer under the authority of this Limited Authorization shall have the same validity as if I/we had provided signed written instructions to my/our Dealer through the registered representative of the Dealer ("Dealer Representative" referred to in Section E below or an alternate designated by the Dealer) or the Fund Company.
5. I/We acknowledge that I/we am/are liable to the Dealer and the Fund Company for all fees and commissions applicable to any transactions executed on my/our behalf as set out in the current prospectus of the mutual fund concerned. For joint accounts each of the joint account holders is jointly and severally liable for such fees and commissions.
6. Under my/our authority my/our Dealer can give instructions to a Fund Company to pay the proceeds of a redemption to ANY of:
 - me/us at my/our address currently on file with the Fund Company unless otherwise advised in writing;
 - my/our financial institution using account information provided to my/our Dealer (name, branch, account #);
 - the trustee of my/our registered plan/s (e.g. RRSP, RRIF, etc.);
 - the trustee of my/our spousal or common law partner registered plan/s (e.g. RRSP);
 - my/our Dealer in trust;
 - another dealer in trust;
 - another Fund Company in trust.
7. This Limited Authorization does not revoke any other Limited Authorization or power of attorney that I/we may have granted to another dealer or person/s, whether signed individually or jointly with any other person/s and whether executed prior to or subsequent to the date of this Limited Authorization, unless it specifically revokes it.
8. I/We agree that this Limited Authorization and all documents relating thereto be drawn up in the English language only. J'accepte/nous acceptons que la présente autorisation limitée et tous les documents s'y rapportant soient rédigés en anglais seulement.

C. Expiration of Limited Authorization

This Limited Authorization, and the ability to utilize the ICN, will continue indefinitely and will expire immediately upon the occurrence of any of the following events:

- receipt by the Dealer of written notice of revocation from me/us of this Limited Authorization (in the case of a joint account, notice of revocation can be given by any of the joint account holders);
- the signature by me/us of another Limited Authorization in favour of the same Dealer;
- the Dealer Representative leaving the Dealer;
- a change in my/our Dealer or Dealer Representative for my/our account/s;
- the Dealer or Dealer Representative ceasing to be authorized to engage in business by their respective governing regulatory authorities;
- bankruptcy of the Dealer, the Dealer Representative, or any account holder;

- the death of an account holder (whether of an individual account or any one of the joint account holders) or the death of the Dealer Representative;
- written notice to, or receipt of, evidence by the Dealer of the mental incapacity of an account holder (whether of an individual account or any one of the joint account holders) or the mental incapacity of the Dealer Representative.

The Dealer Representative referred to in this section is the individual referred to in Section E below.

D. Investor/s Acknowledgement and Consent

I/We acknowledge that I/we have read and understand the provisions of this Limited Authorization and the Additional Information which is part of this form. I/We consent to the use of my/our personal information for administrative and processing purposes.

Investor Signature	Date
Witness	Signature guarantee (if applicable)
Investor Signature	Date
Witness	Signature guarantee (if applicable)

Note: The Dealer Representative may witness the signature/s of the Investor/s, but he/she may not guarantee the signature/s of the Investor/s.

E. Dealer Representative Confirmation and Acknowledgement

I, the undersigned, _____
(Dealer Representative)

confirm: (a) that I am the Dealer Representative on record for the Investor/s named in section A above; (b) that I have reviewed the provisions of this Limited Authorization and the Additional Information at the end hereof with the Investor/s and acknowledge that I am bound by its terms. In the case of a joint account I will only implement instructions given to me in accordance with the standing authorization instructions applicable to the joint account at the time of each trade.

Dealer Representative Signature	Date
7767-	
Dealer Representative Code	

F. Dealer Acknowledgement and Indemnity

We, the undersigned _____
(the Dealer appointed under Section B above)

hereby acknowledge and accept the authority given under this Limited Authorization to take instructions from the Investor/s named in Section A above and to implement and convey such instructions to the Fund Company concerned on behalf of the Investor/s. We agree to indemnify the Fund Company and the mutual funds concerned against any and all claims, liabilities, damages or costs, including legal fees, that may arise as a result of the Fund Company acting on instructions provided under the authority of this Limited Authorization. We also agree to indemnify the Investor/s, the Fund Company and the mutual funds concerned against any and all claims, liabilities, damages or costs, including legal fees, that may arise as a result of us or any of our dealer representatives providing any instructions which are not authorized by, or in accordance with, the Investor/s instructions. We agree that delivery of a copy of this Limited Authorization or the ICN to a Fund Company, shall be binding on us and shall constitute a warranty by us to the Fund Company and the mutual funds concerned that this Limited Authorization is current and enforceable at the time of such delivery. We also undertake to retain a record of all instructions received by us from the Investor/s for subsequent review by a Fund Company, the Investor/s or the appropriate securities regulatory authorities. This agreement is binding on us and on our successors. Through the use of the logo and reference of The Investment Funds Institute of Canada ("IFIC") at the foot of each page of this Limited Authorization we warrant that it is identical to the Limited Authorization form approved for use by IFIC.

Altimum Mutuals Inc.

Signature of authorized Officer of Dealer	Dealer Name
7767	94 Barbican Trail
Dealer Code	Dealer Address
	St. Catharines, ON L2T 4A8
Name	Date
Title	

Additional Information

1. By signing this Limited Authorization, you are authorizing the Dealer to arrange for the execution on your behalf, on all current and future accounts that you conduct with the Dealer (either as individual or by the same joint account holders) of orders for: (a) purchases, (b) switches or (c) redemptions of mutual fund securities as set out in the current prospectus of the mutual fund concerned.
2. This Limited Authorization allows your Dealer to relay your instructions to a Fund Company. Your Dealer and its representatives may not authorize any transactions on your behalf without your prior specific instructions in each case.
3. Your Dealer is required to keep a record of your instructions for each transaction in your file. We recommend that you also keep a record of all instructions you give to your Dealer.
4. You should ensure that the trade confirmations that you receive correspond to your instructions.
5. When you provide instructions to your Dealer for the purchase of securities you must clearly indicate the purchase option you have selected as set out in the current prospectus of the mutual fund concerned.
6. When you give your Dealer instructions for the redemption of any mutual fund securities, you must also include details of how the proceeds should be dealt with. The options for payment are set out in paragraph 6 of section B of the Limited Authorization.
7. A Fund Company or your Dealer may, in its sole discretion, refuse to process trade instructions given under the authority of this Limited Authorization.
8. For information on the privacy policies and procedures of the Fund Company and Dealer please contact them directly.

Bankruptcy of Dealer:

1. In the event that your Dealer becomes bankrupt, you may experience significant delays in accessing your securities and you may not receive their full value.
2. Should your Dealer go bankrupt, a trustee in bankruptcy (the "trustee") will determine whether your securities are "customer name securities" under the *Bankruptcy and Insolvency Act* (the "Act"). If your securities are determined to be customer name securities, the trustee will so advise you and, provided you are not indebted to your Dealer, the trustee is obliged to deliver your securities to you.
3. If your securities are not considered to be customer name securities under the Act, the securities will be placed in a pool together with those of other similar investors and shared proportionately among all of you.
4. Under the Act, "customer name securities" refers to securities held in your name by the Dealer, or in the Dealer's name held on your behalf and registered in your name, or which are in the process of being registered in your name. This does not include securities that are registered in your name which, by endorsement or otherwise, are in negotiable form. It is currently unclear whether by signing this Limited Authorization you will render your securities "negotiable" or "endorsed", thereby causing them to lose their status as "customer name securities".

Fees and Commissions:

1. You may have to pay a commission to your Dealer for any orders for purchase/s or switch/es. This commission may be negotiable.
2. Charges may also apply to redemptions depending on the purchase option you originally selected.

The trade instructions conveyed to the Fund Company with this ICN are given under the authority and upon the terms and conditions of the Limited Authorization Form ("LAF") signed by the following parties:

Investor Signature

Date

Print Name

Investor Signature

Date

Print Name

Dealer Representative Signature

Date

7767 -

Print Name

Dealer Representative Code

Dealer Signature

Print Name

Date

The above parties agree that the Dealer may send a copy of this ICN to a Fund Company in lieu of providing it with a copy of the complete LAF concurrently with the trade instructions of the Investor/s. By providing a copy of this ICN to a Fund Company, the Dealer warrants to the Fund Company that the LAF is current and enforceable at the time of such delivery and that it has not been revoked, replaced or amended. The Dealer undertakes to provide the Fund Company with a copy of the signed LAF if so requested. The parties agree that the trade instructions submitted together with a copy of this ICN will have the same force and effect as if a copy of the LAF had accompanied such trade instructions.

Edith G. Reid / President and Chief Compliance Officer

94 Barbican Trail, St. Catharines, ON L2T 4A8 / tel. (905) 680-8544 fax (905) 680-8546 e-mail: edith@altimurn.ca

RECORD OF CLIENT CONTACT
ALTIMUM MUTUALS INC.

CLIENT MAILING ADDRESS: Dear Client,

. As part of our commitment to serving you better, we
_____ are pleased to provide you with this summary of the
. recent contact that you had with one of our Financial
_____ Advisors. If the information recorded is incorrect or
. different than your recollection, or if you have any
_____ questions, please call us immediately.

ALTIMUM MUTUALS INC.

FINANCIAL ADVISOR NAME _____ DATE OF CONTACT _____

CLIENT LOCATION _____ TIME _____

METHOD OF CONTACT:

_____ TELEPHONE _____ LETTER _____ E-MAIL _____ APPOINTMENT _____ CASUAL MEETING

CONTACT WAS INITIATED BY: _____ FINANCIAL ADVISOR _____ CLIENT

NAME OF SECURITY DISCUSSED: _____

ACCOUNT NUMBER AT FUND GROUP (IF PRESENTLY OWNED) _____

PURPOSE OF CALL, COMMENTS, RECOMMENDATIONS: _____

PROPOSED BENEFIT TO REPRESENTATIVE: _____

RISKS TO CLIENT: _____

ADVISOR RECOMMENDATION..... (Circle) HOLD BUY SELL SWITCH AMOUNT _____

CLIENT INSTRUCTIONS..... (Circle) HOLD BUY SELL SWITCH AMOUNT _____

HAS THE CLIENT RECEIVED A COPY OF THE CURRENT FUNDFACTS FORM IF PURCHASING
UNITS?

_____ YES _____ NO

HAS THE CLIENT AUTHORIZED THE ADVISOR TO RELY ON THE LIMITED TRADING
AUTHORIZATION ON FILE INSTEAD OF A CURRENT SIGNATURE FOR THIS TRADE? IF SO,
ATTACH A PHOTOCOPY OF THE FORM.

_____ YES _____ NO

ENCLOSED: _____ A PROSPECTUS _____ AN OFFERING MEMORANDUM _____ A RESEARCH REPORT

FINANCIAL ADVISOR SIGNATURE DATE COMPLIANCE OFFICER SIGNATURE DATE

CLIENT REPORTING

Client Statements

Altimum's computer accounting system can generate two different types of client reports. One is called the Financial Statement on the computer screen and prints a report called Statement of Mutual Fund Account. It is the official statement. The other, called a Portfolio Summary, is not an official statement of account.

Statement of Mutual Fund Account

Altimum sends statements of account to its clients on a quarterly basis. Statements are mailed approximately four weeks after the end of the quarter. Altimum will not rely on any other Approved Person or any other entity to satisfy this requirement.

Altimum is required to send a Statement of Account to each client at least once every 3 months which shows the number and market value at the date of purchase or redemption of securities purchased or redeemed during the period since the date of the last statement sent and showing the total market value of all securities held by the client at the date of the statement. This is in keeping with Section 123(5) of the Regulation to the Ontario Securities Act and National Instrument 31-103.

Contents of Client Statements

Altimum sends Statements of Account to its clients at least once every twelve months which contain the following information:

1. The type of account
2. The account number
3. The date the statement was issued
4. The period covered by the statement
5. The name of the Approved Person(s) servicing the account
6. The name, address and telephone number of the Member
7. The quantity and description of each fund purchased, sold or transferred and the dates of each transaction
8. All debits and credits to cash (Altimum does not hold cash in client accounts and therefore does not report it on the statements)
9. For automatic, contractual payment plan transactions, the date the plan was initiated, a description of the security and the initial payment amount made under the plan (Altimum does not have any contractual payment plans under its administration to report).

Additionally, annual client statements, prepared as of December 31st each year, must include personalized rates of return for the client's accounts and disclosure of all dealer fees incurred by the client or received by the dealer for servicing the client's account in the preceding year, including trailer fees and DSC fees which could be payable upon redemption of the account. Legislative Reference: NI 31-103

Only transactions executed by Altimum Mutuals Inc. may appear on the statements that Altimum prepares for distribution to its clients as required pursuant to Rule 5.5.3.

It is the responsibility of the Approved Person to report information changes, such as change of address, to the Chief Compliance Officer immediately upon learning of them throughout the year. The Chief Compliance Officer requires notification of a client's change of address in writing signed by the client. The correct procedure and form are outlined in the section entitled Client Accounts. When the address is changed on the system the fund group is immediately notified electronically by the system. Periodically The Chief Compliance Officer will be asked for a new address by a fund group that has received returned mail addressed to the client. The Chief Compliance Officer will follow these up with the Approved Person, or use such other means as he or she believes is necessary, to ensure that the Company has the correct client address on the system, together with a client signature to support the change of address.

The result is that the Approved Persons and the Chief Compliance Officer work together to maintain the accuracy of the addresses on the client statements throughout the year so that there is not a concern about the accuracy of the addresses just prior to mailing the statements.

Review of Client Statements Prior to Mailing

Accounts are reconciled for the period covered by the statements and the Chief Compliance Officer signs off on that reconciliation before statements are produced. The Chief Compliance Officer must then review a sampling of client statements prior to mailing. A spreadsheet is kept as evidence of that review. It includes statements from every Approved Person and checks the following information:

1. Is the statement type and title correct?
2. Is the time period correct?
3. Does the account statement include the transaction history?
4. If the letter is pre-addressed, does the name match that on the statement?
5. Has a PDF file of those statements been kept for future reference?
6. Have the accounts been reconciled as of statement date to ensure that the information matches the fund group's information?
7. Are transactions executed by Altimum Mutuals Inc. the only transactions appearing on the statement of account?

File Retention

PDF files of all client statements and covering letters are retained for future reference so that in the event of a client inquiry, Altimum can look at exactly the same information as the client. The Chief Compliance Officer and the Chief Executive Officer sign and date a printed copy of the excel spreadsheet as evidence of that review.

Additionally, the Approved Persons are also permitted to review the Statements of Account for completeness and accuracy prior to mailing to clients if they choose to do so.

Issues or Questions Regarding Client Statements

If a client has issues or questions regarding the Statement of Account, the Sales Approved Person or the Chief Compliance Officer addresses the client's concerns, questions or issues to ensure proper resolution.

Portfolio Summaries

Approved Persons may provide consolidated 'Statement of Mutual Fund Account' to clients in addition to, but not in place of, the account statements required to be sent by Altimum Mutuals Inc. to clients as per MFDA Rule 5.3. These 'Statement of Mutual Fund Account' are considered 'client communication' under MFDA Rule 2.8.

Therefore 'Statements of Mutual Fund Account' must meet the following standards:

1. They must include a prominently displayed disclaimer that they are not official account statements and that they are supplemental to the legal entity statements delivered to the client for each account with Altimum Mutuals Inc. or by other entities where the transaction occurred or the positions are held.
2. They must clearly identify the legal entity at which each transaction occurred or which is holding each asset or money balance.
3. There must be a statement explaining that the MFDA's Investor Protection Corporation does not necessarily apply to all the positions disclosed and that the client should refer to the Altimum Mutuals Inc. official account statement to determine which client assets are eligible for coverage.
4. There must be a statement to the effect that Altimum Mutuals Inc. cannot verify that the information relating to the financial service products that are not offered through or held by Altimum Mutuals Inc. are accurate.

As with all other client communications, 'Statement of Mutual Fund Account' must be approved by Altimum Mutuals Inc. prior to being sent to clients. Copies of approved statements will be kept on file at Head Office with the dated stamp of the Chief Compliance Officer as with any other client communication, and a stamped copy will be given back to the Approved Person for their advertising file.

Those printed directly from the Altimum Mutuals Inc. back office system do not need to be pre-approved.

Altimum believes that Approved Persons should not have to send statements of account to clients other than those generated by the system. If Approved Persons generate their own statements of account the risk of error or wilful misrepresentation of a client's investment balances increases dramatically, and so does the risk which that Approved Person creates for Altimum.

The Chief Compliance Officer takes the generation of client statements very seriously.

Altimum Mutuals Inc. will ask Approved Persons whether they are sending statements to clients other than those which have been generated by the back-office system or approved by the Chief Compliance Officer when their branch or sub-branch is audited and will take disciplinary action against any Approved Persons who are sending statements to clients which have not been pre-approved by the Chief Compliance Officer. Such action may include termination.

If you wish to generate your own statements of account it is required that you submit a format to the Chief Compliance Officer for discussion purposes to facilitate the final approval of the actual statements when you want to send them out. However, note that the agreement of the Chief Compliance Officer as to the format of the proposed statements does not constitute approval of the actual statements. Only actual statements of account with relevant, timely information that meets the MFDA requirements and can be verified independently by the Chief Compliance Officer will be approved, and the approval process will be necessary each quarter or as often as statements are sent that are not generated from our system.

For further information you may refer to MFDA Member Regulation Notice MR-0024.

Reporting of Off-Book Holdings

Off-book holdings do not appear on Financial Statements of Account.

Specific Rules in accordance with CRM2 Requirements and MFDA Rule 5

Delivery of Account Statements

Altimum shall, in a timely manner, send an account statement to each client at least once every three months in accordance with the provisions of MFDA rule 5, reproduced below.

Content of Account Statement

Each account statement must contain the following information:

a. General Information.

- i. the type of account;
- ii. the account number;
- iii. the period covered by the statement;
- iv. the name of the Approved Person(s) servicing the account, if applicable;
- v. the name, address and telephone number of Altimum; and
- vi. as applicable, the definition of “book cost” or “original cost”, as set out under Rules 5.3(1)(a) and (h).

b. Account Activity

for each transaction made for or in respect of the client, in an account at Altimum, during the period covered by the statement:

- i. the date of the transaction;
- ii. the type of transaction;
- iii. the total value of the transaction;

for each transaction that is a purchase, sale or transfer made for the client, in an account at Altimum, during the period covered by the statement:

- iv. the name of the investments;
- v. the number of investments; and
- vi. the price per investment.

c. Market Value and Cost Reporting

for all investments in an account at Altimum:

- iv. as at the beginning of the period for which the statement is made:
 - A. the total market value of all cash and investments in the account; and
- v. as at the end of the period for which the statement is made:
 - A. the name and quantity of each investment in the account;
 - B. the market value of each investment in the account and, if applicable, a notification to the client that there is no active market for the investment and that its value has been estimated. Where a value cannot be reliably determined, Altimum must include the following notification or a notification that is substantially similar: “*Market value not determinable.*”
 - C. the cost of each investment position presented on an average cost per unit or share basis or on an aggregate basis, and determined as at the end of the

applicable period. Where market value is used to determine the cost of an investment position, disclosure of that fact must be provided in the account statement;

- D. the total cost of all investment positions;
 - E. the total market value of each investment position in the account;
 - F. any cash balance in the account;
 - G. the total market value of all cash and investments in the account; and
 - H. disclosure in respect of the party that holds or controls each investment and a description of the way it is held.
- d. **Deferred Sales Charges.** Each account statement must disclose which securities may be subject to deferred sales charges if they are sold
- e. **MFDA IPC Coverage.** Each account statement must include disclosure, as established by the MFDA IPC, respecting MFDA IPC coverage.

Report on Charges and Other Compensation

1. **Content of Report on Charges and Other Compensation.** For each 12 month period, Altimum must deliver to a client a report on charges and other compensation containing the following information, except that the first report delivered after a client has opened an account may cover a period of less than 12 months:
- a. the Altimum's current operating charges which might be applicable to the client's account;
 - b. the total amount of each type of operating charge related to the client's account paid by the client during the period covered by the report, and the total amount of those charges;
 - c. the total amount of each type of transaction charge related to the purchase or sale of securities paid by the client during the period covered by the report, and the total amount of those charges;
 - d. the total amount of the operating charges reported under subsection (b) and the transaction charges reported under subsection (c);
 - e. the total amount of each type of payment, other than a trailing commission, that is made to Altimum or any of its Approved Persons by a securities issuer or another registrant in relation to registerable services to the client during the period covered by the report, accompanied by an explanation of each type of payment;
 - f. if Altimum received trailing commissions related to securities owned by the client during the period covered by the report, the following notification or a notification that is substantially similar:
*"We received \$[amount] in trailing commissions in respect of securities you owned during the 12-month period covered by this report.
Investment funds pay investment fund managers a fee for managing their funds.
The managers pay us ongoing trailing commissions for the services and advice we provide you. The amount of the trailing commission depends on the sales charge option you chose when you purchased the fund. You are not directly charged the trailing commission or the management fee. But, these fees affect you because they reduce the amount of the fund's return to you. Information about*

management fees and other charges to your investment funds is included in the prospectus or fund facts document for each fund.”

2. The information required to be reported under subsection 5.3.3(1) must be delivered in a separate report on charges and other compensation for each account of the client;
3. Altimum may provide a report on charges and other compensation that consolidates into a single report the required information for more than one of a client’s accounts if the following apply:
 - a. the client has consented in writing; and
 - b. the consolidated report specifies which accounts it consolidates.
4. **Consolidated Reporting for Same Accounts.** Where a consolidated report on charges and other compensation is sent to the client pursuant to Rule 5.3.3(3) and a consolidated performance report is sent to the client pursuant to Policy No. 7 (Performance Reporting), General Requirements, subsection (2), both consolidated reports must consolidate information for the same accounts.
5. **Disclosure of Compensation Not Reported.** Where Altimum receives compensation or other payments in respect of an investment that is not a security, during the period covered by the report, Altimum must either:
 - i. disclose the information required under Rule 5.3.3(1) in respect of the investment; or
 - ii. indicate that compensation or payments received related to the investment have not been included in the report on charges and compensation being provided to the client.

Performance Report

Altimum must deliver a performance report, in respect of all investments required to be reported under Rule 5.3.2, to a client every 12 months, except that the first report delivered after Altimum first makes a trade or transfer for a client may be sent within 24 months after that trade or transfer. The performance report must include:

- i. the annual change in the market value of the client’s account for the 12-month period covered by the report;
- ii. the cumulative change in the market value of the account, since the account was opened;
- iii. the amount of the annualized total percentage return for the client’s account calculated net of charges, using a money-weighted rate of return calculation method generally accepted in the securities industry, provided for 1, 3, 5 and 10 year periods and since account inception; and

must otherwise meet the requirements set out under Policy No. 7 (Performance Reporting).

Delivery of Report on Charges and Other Compensation and Performance Report

1. A report under Rule 5.3.3 – Report on Charges and Other Compensation and a report under Rule 5.3.4 – Performance Report must include information for the same 12 month period and the reports must be delivered together in one of the following ways:
 - a. combined with the account statement required to be delivered under Rule 5.3.1;

- b. accompanying the account statement required to be delivered under Rule 5.3.1; or
 - c. within 10 days after the delivery of the account statement required to be delivered under Rule 5.3.1.
2. Subsection (1) does not apply in respect of the first report under Rule 5.3.3 – Report on Charges and other Compensation and the first report under Rule 5.3.4 – Performance Report for a client.

Production and Distribution of Account Statements, Performance Reports and Compensation Reports

Account Statements will be issues quarterly except for the fourth quarter. The annual year-end statements shall include all information for the entire year and shall supersede the fourth quarter statement.

The Performance and Compensation Reports will accompany the year-end statements. Such reports and year-end statements shall be produced for the entire calendar year and not just for the final quarter.

After inspection for accuracy and completeness by the Chief Compliance Officer or the Chief Executive Officer they shall be mailed to the clients' homes or made available to clients electronically if they have authorized electronic delivery.

Policies Regarding Fee-Based Accounts and Fee-Based Account Statements

Altimum has established several policies regarding fee-based accounts. Our intention is to make a fee-based account advantageous for the client. Fees charged in excess of fees negotiated between the client and the fund group, a practice known in the industry as 'double-dipping', is expressly forbidden. Altimum will review statements of fee-based accounts before sending them to clients to:

- 1) verify that the fee is charged to the client by the fund group only,
- 2) verify that the Approved Person is not charging a fee on top of that disclosed fee,
- 3) verify that the fee is not greater than an equivalent fee charged to a trailer fee type of account,
- 4) ascertain that the fee is reasonable in the circumstances,
- 5) verify that the account is not an intermediary account such as a B2B account whereby additional trustee fees could accrue to the account in addition to what was agreed to by the client.

Rates of Return

In addition to complying with the requirements in MFDA Rule 2.8.2, MFDA Rule 2.8.3. states that any client communication (including client statements of account) containing or referring to a rate of return regarding a specific account or group of accounts must be based on an annualized rate of return and must explain the methodology used to calculate such rate of return in sufficient detail and clarity to reasonably permit the client to understand the basis for the rate of return.

Notwithstanding the provisions of the previous paragraph, where an account has been open for less than 12 months, the rate of return shown must be the total rate of return since account opening.

When the Rate of Return is included in printing client account statements, as it is on the annual statement, the following document outlining how the rate of return has been calculated will also be printed automatically. It is mandatory that this document is also provided to the client if the Approved Person provides the client with the account statement showing the rate of return.

RATE OF RETURN CALCULATION PERSONAL RATE OF RETURN

The personal rate of return found in your statement is a time-weighted rate of return that uses your portfolio's daily market values whenever a cash flow occurs. The daily valuation time-weighted rate of return is the most accurate method to calculate returns. The Investment Funds Institute of Canada (IFIC) stated in IFIC Bulletin #21 Revised (October 2000) that, as of June 30, 2003, the daily evaluation methodology is the only preferred formula.

The formula for the time-weighted rate of return with daily valuation is as follows:

$$R = (MVE/MVB) - 1$$

where: MVE is the market value of the portfolio at the end of the current period before any cash flows in the period but including any income (reinvested distributions) in the current period, and MVB is the market value of the portfolio at the end of the previous period (which is the beginning of the current period) and includes any cash flows and any accrued income to the end of that previous period.

The daily or sub-period returns are geometrically linked together to arrive at the month's rate of return.

The linking formula is $(1 + S1) \times (1 + S2) \times \dots (1 + Sn) - 1$

SAMPLE CALCULATION: Market value, beginning of the month = \$50,000

10th of month contribution = \$2,500

Value of account before cash flow = \$50,200

Value of account after cash flow = \$52,800

20th of month, contribution = \$2,500

Value of account before cash flow = \$52,700

Value of account after cash flow = \$55,250

Market value, end of month = \$55,400

$R(1-10) = (50,200/50,000) - 1 = 0.0040$ or 0.40% $R(10-20) = (52,700/52,800) - 1 = -0.0019$ or -0.27% $R(20-30) = (55,400/55,200) - 1 = 0.0027$ or 0.27% $R_m = (1 + .0040) \times (1 + -.0019) \times (1 + .0027) - 1 = 0.0048$ or 0.48%

Thus, the rate of return for the sample one-month period is 0.48%

Trade Confirmations

Altimum relies on the fund companies and intermediaries to send trade confirmations to Altimum's clients.

If a client has not received his or her trade confirmation, the Approved Person and the Chief Compliance Officer will investigate the reasons for this with the fund company or intermediary, and ensure that the client receives the appropriate trade confirmation .

CHANGE OF REGISTERED APPROVED PERSONS

A change of Approved Person may be authorized, in writing, by:

The client

The resigning Approved Person

The Chief Compliance Officer

The new Approved Person must establish the client as new by completing the Account Application and the KYC and all other appropriate documents that form the account opening documents. The Approved Person must also review the client's portfolio to ensure that the information on the KYC is up-to-date. The account will be frozen until that process is complete.

Termination/Resignation of Approved Persons

Upon receiving a signed notification of resignation from the Approved Person, Altimum Mutuals Inc. will within five business days notify the securities commissions of the termination by filing a Notice of Termination in the prescribed form through the NRD. Altimum Mutuals Inc. will also notify the MFDA within five business days of the termination of employment where the notice of termination filed with the applicable securities commission discloses information regarding unresolved client complaints, internal discipline matters or restrictions for violations of regulatory requirements.

Upon termination or resignation of an Approved Person the clients will be notified that their Approved Person has terminated his or her relationship with Altimum Mutuals Inc. The clients will also be notified that their accounts have been transferred to an Approved Person in a supervisory capacity.

For more information refer to MFDA Member regulation Notice MR-0027.