



**TD Canada Trust**  
**Loan and Security Agreement for Investment Loans**  
**Provided By TD Investment Lending Services**

*(Loan Application For All TD Investment Loan Programs must be signed and attached)*

## Acknowledgement

In consideration of the Loan as defined in the Loan and Security Agreement, being the "Agreement" you (as defined in the Agreement) acknowledge and agree that:

- (i) The Toronto-Dominion Bank (the "Bank") is exclusively a lender, and is not your financial advisor;
- (ii) you have not requested, and the Bank has not given or made, or authorized any other person or entity to do so:
  - a. any advice, recommendation, or other information or any representation, warranty, guarantee, endorsement, or other assurance whatsoever with respect to the Collateral (as defined in the Agreement);
  - b. the suitability or advisability of the investment by you in the Collateral;
  - c. the income you may derive from or any tax consequences which may result from the Collateral;
- (iii) the Bank has not in any way endorsed or promoted the Collateral. The Bank's evaluation of your credit application is not an assessment or representation by the Bank as to the merits of the investment in the Collateral or the advisability of the investment for you and is not considered that way by you;
- (iv) you have made that decision of how to use the proceeds of the Loan independently of the Bank. You have made your decision without influence or reliance on or need for advice or information from the Bank and without placing any trust or confidence in the Bank as to the use of the Loan proceeds or the wisdom or merits of any transaction or investment, including the investment in the Collateral;
- (v) you have voluntarily assumed all risks in respect of the use of the proceeds of the Loan and the investment in the Collateral;
- (vi) the Bank will not be liable for any damage or loss that you may suffer or incur as a result of you acquiring any of the Collateral or incurring the Loan to acquire any of the Collateral;
- (vii) you shall be responsible for the Obligations even if:
  - a. the Advisor (as set out in the Loan Application) or Dealer (as set out in the Loan Application) shall make any misrepresentations relating to the Collateral;
  - b. the Advisor or Dealer shall violate any law in connection with the sale of the Collateral;
  - c. the value of the Collateral declines; or
  - d. there is any dispute between you and the Advisor or Dealer relating to the Collateral;
- (viii) the Advisor and the Dealer are not a partner, joint venturer or agent of the Bank;
- (ix) the Advisor and the Dealer are not authorized and have no ability to make any representations on behalf of the Bank or to bind or create any liability for the Bank, and you have not relied on any such representations, if made;
- (x) the Bank is not the agent of the Advisor or the Dealer;
- (xi) the Bank assumes no responsibility for the validity, accuracy or completeness of any representations which you may have received from the Advisor and the Dealer or for any of the acts and omissions of the Advisor and Dealer;
- (xii) all of the terms and conditions of the Loan have been arranged directly between the Bank and you;
- (xiii) there is no understanding or collateral agreement relating to the Loan;
- (xiv) your Obligations (as defined in the Agreement) with respect to the Loan are your personal responsibility, are independent of any agreements that you have or may enter into with the Dealer or Advisor in connection with the Collateral, and will be free of any claim, set off, right or compensation or defence that you may have against the Dealer or Advisor;
- (xv) you are responsible for providing all of the information required by the Insurance Company (as set out in the Agreement) in a timely manner;
- (xvi) the Bank shall not be responsible for any loss incurred by you as a result of the Insurance Company's delay or refusal to accept the policy application and/or to issue the Policy (as defined in the Agreement);
- (xvii) the Bank may deliver a copy of the Agreement to the Insurance Company or mutual fund issuer, as applicable.

## Customer Resolution Process

If you have a problem or concern you may call us toll free at 1-800-450-3935 or email us at [TDINVTLN@td.com](mailto:TDINVTLN@td.com). For a more detailed overview of our complaint process visit us at [www.td.com](http://www.td.com).

**Financial Consumer Agency of Canada (FCAC)** - If you have a complaint regarding a potential violation of a consumer protection law, a public commitment, or an industry code of conduct, you can contact the FCAC in writing at: 6th Floor, Enterprise Building, 427 Laurier Ave. West, Ottawa, Ontario K1R 1B9. The FCAC can also be contacted by telephone at 1-866-461-3222 (en français 1-866-461-2232) or through its website at [www.fcac-acfc.gc.ca](http://www.fcac-acfc.gc.ca). Please note the FCAC does not become involved in matters of redress or compensation.

**English Language (for Customers in Quebec)** The parties confirm that it is their express wish that this Agreement and all amendments and other documents related thereto be drawn up in English. Les parties confirment leur volonté que la présente convention ainsi que toute modification y afférente et tout autre document s'y rattachant soient rédigés en langue anglaise.

**Applicant Information:****Date of Agreement:** \_\_\_\_\_

Name \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

Address \_\_\_\_\_

City: \_\_\_\_\_ Prov: \_\_\_\_\_ P Code: \_\_\_\_\_

City: \_\_\_\_\_ Prov: \_\_\_\_\_ P Code: \_\_\_\_\_

*Sections A and C are applicable to Blended Payment Loan Agreement.**Sections B and C are applicable to Interest-Only Payment Loan Agreement.***A. BLENDED PAYMENTS****INFORMATION BOX:** This is a summary only. Full details are set out below this box.

<b>Principal Amount</b>	\$ _____
<b>Annual Interest Rate</b>	_____ % as of today Variable rate per year. Interest is charged and calculated on a daily basis and payable on each Payment Due Date.
<b>Determination of Interest</b>	Your interest rate is expressed as today's TD Prime Rate* plus a rate variance.  Your interest rate is the <b>TD Prime Rate</b> + _____ %  As of (date), _____ the <b>TD Prime Rate</b> is _____ %  Your interest rate will vary automatically if and when the TD Prime Rate varies.  *TD Prime Rate means the floating annual interest rate announced from time to time by The Toronto-Dominion Bank as its reference rate of interest for the determination of interest rates that it will charge to customers of varying degrees of creditworthiness for Canadian dollar loans made by it in Toronto, Ontario and that we publish from time to time as a point of reference.
<b>Annual Percentage Rate</b>	_____ % The interest rate for a whole year (annualized) and assuming the interest rate does not change.
<b>Term</b>	_____ <b>months</b> The term of the loan is open which means you can pay down all or a portion of your Principal Amount at any time without paying compensation.
<b>Date of Advance</b>	It is assumed, subject to the Bank's approval of the Loan, that the Principal Amount will be advanced on the <b>fourth (4th) business day from the Date of this Agreement.</b>  Interest will be calculated and charged from this date on. The Bank will confirm in writing the Date of Advance after the Loan has been funded.

**INFORMATION BOX:** This is a summary only. Full details are set out below this box.

<b>Payments</b>	\$ _____ on the _____ of every month and the same day after that. Your payment includes payment toward both principal and interest.
<b>Amortization Period</b>	_____ months. Based on the current terms and conditions, your Loan will take this amount of time to pay in full.
<b>Prepayment Privilege</b>	You may prepay all or any part of your Principal Amount without paying compensation.
<b>Prepayment Charges</b>	<b>Not applicable.</b>
<b>Default Insurance</b>	<b>Not applicable</b>
<b>Other fees</b>	Returned or Refused Payment due to insufficient funds: <b>\$42.00</b>

The following information respecting your TD Investment Lending loan (the "**Loan**") must be read together with the Terms and Conditions which follow, and together they form the agreement applicable to your Loan (this agreement as it may be amended in writing from time to time is referred to herein as the "**Agreement**").

**Principal and Term**

Principal Amount of the Loan (the "*Principal Amount*"): \$ \_\_\_\_\_.

The Principal Amount will be advanced on: Fourth (4th) business day from the Date of Agreement (the "**Date of Advance**")

Term of Loan: \_\_\_\_\_

Amortization Period of Loan\*: \_\_\_\_\_

\*Subject to rounding up to the next month.

**Interest Rate:**

Interest on the Principal Amount is calculated at:

Variable Annual Interest Rate:	TD Prime Rate	% per annum (TD Prime Rate today)
	+	% per annum (the " <b>Spread</b> " today)
	=	% per annum (Variable Annual Interest Rate today).

Your cost of borrowing, being the total amount of interest payable over the Term of the Loan will be \$ \_\_\_\_\_, which, if expressed as an annual percentage rate, is \_\_\_\_\_%. This amount assumes that you make no prepayments, and that TD Prime Rate does not change from the rate in effect at the Date of Agreement.

**Payment Information**

(a) Periodic Payment Date\*: \_\_\_\_\_

(b) First Payment Due Date: \_\_\_\_\_

(c) Last Payment Due Date: \_\_\_\_\_

(d) Periodic Payment Amount: \_\_\_\_\_

(e) Total Number of Periodic Payments: \_\_\_\_\_

(f) Total Amount of all payments (d) x (e)\*\*: \$ \_\_\_\_\_

\*Based on the assumed Date of Advance.

\*\*This amount, which is subject to rounding, may change if TD Prime Rate changes from the rate in effect today.

## B. INTEREST ONLY PAYMENTS

The following information respecting your TD Investment Lending loan (the "**Loan**") must be read together with the Terms and Conditions which follow, and together they form the agreement applicable to your Loan (this agreement as it may be amended from time to time is referred to herein as the "**Agreement**").

### Principal:

Principal Amount of the Loan (the "**Principal Amount**"): \$\_\_\_\_\_.

The Principal Amount will be advanced on: Fourth (4th) business day from the Date of Agreement (the "**Date of Advance**")

### Interest Rate:

Interest on the Principal Amount is calculated at:

Variable Annual Interest Rate:	TD Prime Rate	% per annum (TD Prime Rate today)
	+	% per annum (the " <b>Spread</b> " today)
	=	% per annum (Variable Annual Interest Rate today).

### Payment:

You agree to pay the Loan as follows:

- (a) Periodic Payment Date: the 21st of each month
- (b) First Payment Due Date: the 21st of \_\_\_\_\_ (insert month).
- (c) Periodic Payment Amount: the accrued interest on the Principal Amount

If you have a 100% No Margin Call Demand Loan and the Obligations are greater than 120% of the Net Asset Value, then the Bank may add 0.50% to your annual rate of interest

If you have a 3-for-1 No Margin Call Demand Loan or a 100% No Margin Call Demand Loan, and the Obligations are greater than 125% of the Net Asset Value, then the Bank may require that you repay the Loan in blended principal and interest payments based on a 20 year term and amortization, with interest charged at the then current variable annual interest rate for blended payment loans.

## C. ADDITIONAL TERMS

**The Bank may demand repayment of the Loan at any time.**

### Default Charges

If you fail to pay a Periodic Payment Amount on a Payment Due Date, you must:

- reimburse us for the full amount of all legal costs (on a solicitor and own client basis) and other expenses which we incur to collect the amount that you owe to us
- pay us \$42.00 (or such other amount as we notify you from time to time) with respect to each cheque or other payment instrument that you have used to make a payment but that was dishonoured (the above are collectively referred to herein as "**Default Charges**").

### Security Interest/Pledge

You acknowledge and agree that you are granting to us a Security Interest and, when Quebec law applies, a pledge, to secure the Obligations, in all Collateral included in the account(s) described as:

- (a) Account # \_\_\_\_\_ held by \_\_\_\_\_ (the "Collateral Account"), OR
- (b) Policy # \_\_\_\_\_ (the "Policy") held by \_\_\_\_\_ (the "Insurance Company").

You waive any right you may have to receive a copy of any financing statement, verification statement or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

### Direction to Pay Funds

By signing below, you direct us to disburse the Principal Amount to purchase the Collateral, and to pay any fees or commissions incurred in connection with the acquisition of the Collateral. The Collateral, unless it is a Policy, will be recorded in the Collateral Account.

## Signatures

If more than one person signs this Agreement as an Applicant, each is liable both individually and collectively as a group for payment of the Obligations.

Your signature below means that:

- the information that you provided in this Agreement is complete and correct.
- you understand and accept this Agreement.
- you agree to the Acknowledgement set out on page 1, which Acknowledgement shall form part of this Agreement.
- you have received a completed copy of this Agreement.

Witness X \_\_\_\_\_ Applicant X \_\_\_\_\_ Date \_\_\_\_\_

Witness X \_\_\_\_\_ Applicant X \_\_\_\_\_ Date \_\_\_\_\_

The Toronto-Dominion Bank \_\_\_\_\_ Date \_\_\_\_\_

## Third Party Statement *(Must be signed for both "Yes" and "No" response.)*

Will this Loan (as defined below) be used for or on the behalf of a Third Party\* (person or business)?

(check applicable box)  Yes  No

If "YES", please provide the following details about the Third Party: (i) Name, (ii) Address, (iii) Occupation, and (iv) Relationship to you, (v) Date of Birth.

\*A "Third Party" is anyone other than you, the Bank or its affiliates, who would exert control over or receive financial benefits from the Loan

Witness X \_\_\_\_\_ Applicant X \_\_\_\_\_ Date \_\_\_\_\_

Witness X \_\_\_\_\_ Applicant X \_\_\_\_\_ Date \_\_\_\_\_

## Terms and Conditions

### Definitions

In this Agreement,

**"Amortization Period"** means the number of months specified beside "Amortization Period of Loan" under the heading "Principal and Term".

**"Business Day"** means any day other than Saturday, Sunday or any day on which The Toronto-Dominion Bank is not open for business in Ontario.

**"Collateral"** means (i) the property in the Collateral Account or the Policy, including the surrender and redemption rights under life insurance policies, (ii) Proceeds, including without limitation, negotiable instruments, bills, commercial paper, securities, or monies given or paid following a sale, repurchase, conversion, cancellation, distribution or any other dealing with any of the above property, (iii) all replacements, renewals and substations of any of the above property, and (iv) all fruits and revenues (including dividends and interest) arising from the above property.

**"Collateral Accounts"** means the accounts described under the heading "Security Interest/Pledge".

**"Current Rate"** means the Variable Annual Interest Rate that is in effect today and specified under the heading "Interest".

**"Net Asset Value"** means the amount that the Collateral would realize if redeemed or sold at such time, less the amount equal to the commission and other costs, if any, that would be incurred on a redemption or sale

**"Obligations"** means all your present and future indebtedness and liability to us, whether direct or indirect, absolute or contingent, whenever incurred, including, without limitation, your obligations under this Agreement, existing indebtedness, future advances, costs and expenses and the performance of all your other obligations towards us.

**"Payment Due Date"** means each Periodic Payment Date during the Payment Period.

**"Payment Period"** means the period of time that begins on the First Payment Due Date set out under the heading "Payment Information" and, if applicable, ends on the later of the Last Payment Due Date set out under the heading "Payment Information".

**"Periodic Payment Amount"** means the amount of each periodic payment specified as such under the heading "Payment Information".

**"Periodic Payment Date"** means the day specified as such under the heading "Payment Information".

**"Principal Amount"** means the amount specified as such under the heading "Principal and Term" or "Principal", as applicable.

**"Proceeds"** means all property in any form derived directly or indirectly from any use or dealing with Collateral or that indemnifies or compensates the Collateral destroyed or damaged.

**"Securities"** means all securities, instruments, commercial paper and mutual fund units held in the Collateral Account, and all replacements and substitutions thereof.

**"Security Interest"** means both a security interest as defined under applicable personal property security legislation and, in the case of any insurance, an assignment thereof.

**"TD Prime Rate"** means the floating annual interest rate announced from time to time by The Toronto-Dominion Bank as its reference rate of interest for the determination of interest rates that it will charge to customers of varying degrees of creditworthiness for Canadian dollar loans made by it in Toronto, Ontario.

**"Term"** means, if applicable, the number of months specified beside "Term of Loan" under the heading "Principal and Term".

**"Variable Annual Interest Rate"** means the aggregate interest rate specified beside such term under the heading "Interest", as adjusted for any change in TD Prime Rate. **"We"**, **"our"**, **"us"** and the **"Bank"** refers to The Toronto-Dominion Bank.

"You" and "your" refers to the Applicant(s) named above.

### 1. Promise to Pay

You will repay to us the Principal Amount and interest thereon in accordance with this Agreement.

### 2. Periodic Payment

You will pay us the Periodic Payment Amount on each Payment Due Date (including the Last Payment Due Date if the Term is the same as the Amortization Period), subject to the following provisions:

- If applicable, if the Variable Annual Interest Rate increases above the Current Rate, we may increase the Periodic Payment Amount without prior notice to you, but we will give you notice of any increase afterwards. If we do not increase the Periodic Payment Amount, you will be required to continue to pay the current Periodic Payment Amount on each Periodic Payment Date until the Principal Amount and accrued interest thereon have been paid in full. This could result in the Principal Amount not being repaid in full by the Last Payment Due Date, but if that were to happen, you will then immediately and without demand pay us such unpaid Principal Amount.
- If applicable, if the Variable Annual Interest Rate decreases below the Current Rate, the same Periodic Payment Amount will continue to be payable unless you request in writing that we decrease the Periodic Payment Amount to reflect such lower Variable Annual Interest Rate.

### 3. How We Apply Your Payments

We will apply each of your payments first to accrued interest, then to the outstanding Principal Amount and then to any Default Charges not yet billed to you. If Quebec law applies, such payments may be applied without having to comply with the provisions of the Civil Code of Quebec pertaining to imputation of payment.

### 4. Payments on Your Loan

If you have not authorized us to debit an account with the amounts that you owe to us under this Agreement, you may make payments to us by cash, cheque or any other method that is acceptable to us. Payments are to be made at The Toronto-Dominion Bank at 55 King Street West, 28th floor, Toronto, Ontario, M5K 1A2. If there are insufficient funds in the account you have designated for payments or if any other payment that you make to us is not sufficient to pay the amount that you owe to us at such time and you do not make alternative payment arrangements with us, we may charge any amount that you owe to us or apply the balance, if any, of any accounts that you have with us, TD Mortgage Corporation, TD Pacific Mortgage Corporation or The Canada Trust Company, to satisfy any of your Obligations under this Agreement.

### 5. Interest

Interest is charged and calculated on a daily basis on the unpaid Principal Amount commencing on the Date of Advance at the Variable Annual Interest Rate that is in effect on each day, until the Principal Amount has been paid in full, and is payable on each Payment Due Date. We calculate interest daily on the basis of a year of 365 days including February 29 in a leap year, with the result that the annual interest rate that we charge during a yearly period that includes February 29 will be equal to the Variable Annual Interest Rate in effect on each day in that yearly period multiplied by 366 and divided by 365.

This results in slightly more interest being charged in such period, but when converted to an annual rate that is rounded to the nearest 1/8th of 1 percent, the effective annual interest rate for such yearly period will be the same as the rate that we have disclosed to you. Interest will continue to be payable by you at the applicable interest rate after:

- if applicable, the Last Payment Due Date if you have not paid the unpaid balance of the Principal Amount and accrued interest on that date
- we demand payment of the Loan
- we obtain a judgment against you

If your Periodic Payment Date falls on a day in any month that is not a Business Day, any payment transaction will be completed on the next Business Day. This will result in additional interest being charged.

### 6. Prepaying Your Loan

You may prepay all or any part of the unpaid balance of the Principal Amount without any charge or penalty. If you prepay part of the Principal Amount, you must continue to pay the Periodic Payment Amounts on the Payment Due Dates until you have repaid the balance of the Principal Amount in full.

### 7. Payment Upon Demand

You agree that we have the right to demand immediate repayment at any time of the unpaid balance of the Principal Amount and all unpaid interest, costs and fees and you agree that we shall then have the right at any time to enforce all security that you have granted to us under, or as contemplated in, this Agreement to secure your Obligations, by any method permitted by applicable law, including, without limitation:

- (i) the seizure and possession of the Collateral (it being understood, if already in our possession, that you will be deemed to have surrendered it);
- (ii) the sale or other disposition of the Collateral;
- (iii) the acquisition, directly or indirectly, of the Collateral;
- (iv) in the case of any Policy, the exercise of any rights available to you thereunder, including, without limitation, the surrender of such Policy;
- (v) the appointment of any person, including any one of our employees, as a receiver or agent on your behalf to realize upon any or all of the Collateral; and
- (vi) taking any other action deemed necessary to carry into effect the provisions of this Agreement, including the exercise of any other legal right or remedy available.

We shall be at liberty to invest any monies or instruments received or held by us in pursuance of this Agreement or deposit them in a non-interest bearing account without having to comply with any limitations or restrictions prescribed by law concerning the investment of property of others. We shall not in any way be responsible for any misconduct or negligence on our part or on the part of any receiver or agent appointed pursuant to section 7(v) above, except for gross negligence.

### 8. Security

#### (i) Pledge of Securities:

You assign and pledge (or, if you reside in Quebec, grant a moveable hypothec with delivery) and grant a Security Interest in the Collateral to and in favour of the Bank including in:

- a. all the Securities which are now and may be hereafter recorded in the Collateral Account,
- b. all Proceeds,
- c. all securities or other property into which any of the Securities or Proceeds may be converted, changed, reclassified, subdivided or consolidated,
- d. all dividends, income or other distributions, whether paid or distributed in cash, securities or other property, in respect of the Securities and Proceeds,
- e. all other property, including choses in action, now or hereafter relating in any way to any of the Securities and Proceeds.

**(ii) Assignment of Policy:**

You hereby assign and pledge to and grant a Security Interest in (or, if you reside in Quebec, grant a moveable hypothec with delivery on) the Collateral, specifically the Policy, to and in favour of the Bank, including:

- a. all the right, title, and interest in and to the Policy, all benefits and advantages in connection with the Policy, all money which is now or shall hereafter become due or payable under the Policy, any prepaid premiums on the Policy and interest thereon, the benefit of prepaid premiums and the right to receive any such monies not used or applied in payment of premiums,
- b. all securities or other property in any form derived directly or indirectly from any use or dealing with the Policy,
- c. all income or other distributions, whether paid or distributed in cash, securities or other property, in respect of the Policy,
- d. all other property, including choses in action, now or hereafter relating in any way to the Policy, and
- e. all proceeds of the property described in this subsection 8 (ii) , all to be held by the Bank as collateral security for the Obligations.

**(iii) General:**

The attachment of the Security Interest has not been postponed and the Security Interest shall attach to any particular Collateral as soon as you have rights in such Collateral. The Security Interest secures payment, performance and satisfaction of the Obligations. The Bank may, at its discretion, place the Collateral in the custody of a third party designated by the Bank, and you consent and authorize the Bank to register the Collateral or the Collateral Account in the name of the Bank or one of its nominees until the Obligations are paid in full.

**(iv) Notice of Assignment:**

By delivery of a copy of this Agreement to the issuer of the Collateral ("Issuer"), the Bank and you hereby advise the Issuer that you have obtained a Loan from the Bank, which Loan and related Obligations are secured by an assignment of the Collateral. The Issuer will not be responsible for the adequacy or legal effect of the assignment. The Issuer is hereby directed to record and recognize the Bank's interest in the Collateral in its books and records and, except in the case of assignment of cash surrender value of a Policy, to provide the Bank with a daily statement of the current value of the Collateral including without limitation the value of all investments and cash held within the Collateral. The Issuer is also hereby directed:

- (i) to honour and act only upon any redemption, surrender or liquidation instructions received from the Bank (and not from you) from time to time with respect to the Collateral or its underlying investments without inquiring whether the Bank has a right to issue such instructions, and
- (ii) that upon your death, that any benefit payable under a Policy shall first be paid to the Bank, in an amount sufficient to satisfy the amount due to the Bank hereunder. The directions contained herein may only be waived or altered with the written consent of both you and the Bank.

**(v) Costs and Expenses:**

You agree to pay the costs and expenses we incur to enforce this Agreement, and to repossess, maintain, preserve, sell or otherwise realize upon the Collateral, including, without limitation, all fees and expenses of any receiver or agent that is appointed. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses) incurred by us to do any of the above or to

defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of or our right to enforce this Agreement. You will pay legal fees on a solicitor and own client basis.

**(vi) Free and Clear:**

You represent and warrant to us that you are the owner of, and agree that you will keep, the Collateral free from any mortgage, lien, charge, Security Interest, prior claims, taxes, assessments or encumbrance of any kind, unless we agree otherwise in writing. You will not sell, give away, part with possession of (except for the pledge, if any, granted in our favour) or otherwise dispose of any part of the Collateral, without our prior written consent.

**(vii) Power of Attorney:**

You irrevocably appoint us as your attorney or our nominee with full power of substitution and appointment, to fill in any blanks on this Agreement, including without limitation, the Insurance Company policy number for the Policy, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement, and to exercise all of your rights with respect to the Collateral with the right to sue in your name and to take proceedings in your name. You declare that this Power of Attorney is given for value and that it may be exercised during any subsequent legal incapacity on my part. You agree to pay us any costs we incur in exercising these rights.

**(viii) Dealing with the Collateral:**

We may take and give up any security or modify or abstain from perfecting or taking advantage of any of the security granted in our favour and otherwise deal with any of the Collateral as we shall see fit (to the extent permitted by applicable law), without prejudice to your liability or to our rights under this Agreement or at law.

**(ix) Non-Substitution:**

The pledge and the Security Interest contemplated or granted herein are in addition to and not in substitution for any other security now or hereafter held by us.

**(x) Acknowledgment and Waiver:**

Even if we fail to properly perfect the Security Interest, or the pledge when Quebec law applies, you will continue to be liable to pay us the Periodic Payment Amount and any other Obligations that you owe to us under this Agreement.

**(xi) Valuation of Collateral:**

We may, at any time and without giving you notice, change the value of any of the Collateral for purposes of valuing them as security for your Loan.

**(xii) Margin Rates:**

If you have a 2-for-1 Demand Loan as set out in the Loan Application, you are required to maintain sufficient Collateral in the Collateral Account on a mark-to-market basis, from time to time, in an amount such that the outstanding Principal Amount and accrued interest do not exceed the market value of the Collateral calculated using the margin rate(s) we have determined. We may change any margin rate at any time without notice to you.

**(xiii) 100% No Margin Call loans**

If you have a 100% No Margin Call Demand Loan as set out in the Loan Application, you understand and agree that:

- (a) the Bank will review the ratio of the Obligations to the Net Asset Value (the "LTVR") on a regular basis;
- (b) if, at any time, the LTVR exceeds 120%, the Bank may immediately increase your Variable Annual Interest Rate by 0.50% per annum;
- (c) if, at any time, the LTVR exceeds 125%, the Bank may change your Periodic Payment Amount to the Blended Principal and Interest payment amount based on a 20 year amortization at the then Variable Annual Interest Rate, effective on the date set out in the notice sent to you.

- (d) After a change contemplated under (b) or (c) above, the Bank will continue to review the LTVR on a regular basis and if the LTVR returns to below 120%, the Bank will:
- (i) immediately reduce your Variable Annual Interest Rate by 0.50% per annum; and
  - (ii) if applicable, change the Periodic Payment Amount to the Interest Only payment amount effective on your next regular Periodic Payment Date.

**(xiv) Voting Rights and other rights attached to Securities:**

We may, if we deem it useful to protect our rights in and to the Securities forming part of the Collateral, register ourselves as a nominee on our behalf in the issuer's appropriate registers as the holder of such Securities, in which case:

- (a) all voting rights and any other right attached to such Securities shall be exercised by us or on our behalf; and
- (b) we may collect revenues, dividends and capital distributions and, at our option, shall either hold them as Collateral or apply them in reduction of the Obligations.

**(xv) Continuing Security:**

The pledge and the Security Interest contemplated or granted herein shall be a continuing security which shall remain in full force and effect despite the repayment from time to time or the whole or of any part of the Obligations; it shall remain in full force until the execution of a final release by us.

**9. Providing Information**

You agree to provide us with additional personal financial information as we may request from time to time.

**10. Changing this Agreement and Non-Waiver**

We have the right to change the Spread or to increase your Periodic Payment Amount in certain circumstances. Otherwise, this Agreement will only be amended by terms set out in writing to which we and you both agree. A change in the TD Prime Rate, which affects the Variable Annual Interest Rate, is not an amendment to the terms of this Agreement that requires your consent. Any breach by you of this Agreement may only be waived by us in writing. Such waiver by us does not mean that any subsequent breach is also waived.

**11. Communication**

It is your responsibility to provide us with your current address and to notify us when it changes. We will notify you about cost of borrowing disclosure matters in the manner as you may direct from time to time. We will notify each of you about all other matters by communication with any one of you. Communication with any one of you will serve as notice to all. We will send communications, including notices, by ordinary, uninsured mail to the last address you provided. We may use other means, including hand delivery, to communicate with you if necessary. If mailed, information is deemed to be received by you five (5) days after mailing. If delivered, information is deemed to be received by you when delivered or left at the last address you provided.

**12. Continuing Effectiveness of this Agreement**

We may assign the Loan, with or without the benefit of this Agreement, to any other financial institution or other entity or person without your consent, but you may not assign this Agreement without our consent. This Agreement is also binding upon and benefits our successors and your permitted assigns, heirs and personal representatives.

**13. Governing Law**

This Agreement shall be governed by, and construed in accordance with, the laws of the province in which you reside as set out in the address above.

**14. Eligible Dealers/Advisors**

You acknowledge and agree that if you change your Dealer or Advisor to a dealer or advisor that is not acceptable to the Bank in its sole discretion, the Bank may demand immediate repayment of the unpaid balance of the Principal Amount and all unpaid interest, costs and fees as set out in section 7 of this Agreement.