



Master Your Trades.

Disnat is a division of Desjardins Securities.

1170 Peel Street, Suite 105
Montreal, QC H3B 0A9
Tel: 514-842-2685 or 1-800-268-8471

Place de la Cité
2600 Laurier Blvd, Suite 130
Sainte-Foy, QC G1V 4T3
Tel: 418-650-5898 or 1-800-463-1887

ACCOUNT OPENING FORM AND AGREEMENTS

ACCOUNT FOR ORDER EXECUTIONS ONLY

Language of correspondence: French English New account Adding an account to no.: _____ Update to no.: _____

Section 1		Account Type (Please check the appropriate boxes. For all account type, please read Regulation 1 and Agreement 2, and sign section 9, lines 1 and 4.)					
Account type	\$ CA	\$ US	Account no.	Account type		Account no.	
Cash	<input type="checkbox"/>	<input type="checkbox"/>		RRSP (attach VD217)		<input type="checkbox"/>	
Margin: read Agreement 3 and sign section 9, line 2	<input type="checkbox"/>	<input type="checkbox"/>		Fixed term annuity retirement savings plan offered in Quebec only (attach VD217A)		<input type="checkbox"/>	
Margin options: read Agreements 3 and 4 , fill out section 8 and sign section 9, lines 2 and 3	<input type="checkbox"/>	<input type="checkbox"/>		LIRA/Locked-in RRSP/Restricted LSP (attach VD217 and Addendum)		<input type="checkbox"/>	
Short margin: read Agreement 3 and sign section 9, line 2	<input type="checkbox"/>	<input type="checkbox"/>		RRIF (attach VD255)		<input type="checkbox"/>	
Stock Savings Plan II (SSP II) offered in Quebec only	<input type="checkbox"/>			LIF/Restricted LIF (attach VD255 and Addendum)		<input type="checkbox"/>	
				Individual/family RESP (attach VD250 or VD250F)		<input type="checkbox"/>	
				TFSA (Attach VD2058)		<input type="checkbox"/>	

Section 2		Personal Information					
<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. Surname: _____ First name: _____ Marital status: <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Widowed <input type="checkbox"/> Separated <input type="checkbox"/> Divorced <input type="checkbox"/> Living common law <input type="checkbox"/> Civil union							
Or company name: _____ Attn: _____							
Federal Enterprise Number (EN): _____ Quebec Enterprise Number (QEN): _____							
Registration number for tax-exempt organization: _____							
HOME ADDRESS (only Canadian residents can open an account with Disnat)							
Number & street: _____ Apt.: _____							
City: _____ Province: _____ Country: _____ Postal code: _____							
For tax purposes, is the province/country of filing the same as for your residential address? <input type="checkbox"/> Yes <input type="checkbox"/> No; please specify: _____							
MAILING ADDRESS							
<input type="checkbox"/> Same as home address Number & street: _____ Apt.: _____							
City: _____ Province: _____ Country: _____ Postal code: _____							
OTHER INFORMATION AND DEPENDENTS							
Business telephone: _____ Home telephone: _____ E-Mail: _____							
Date of birth (yyyy-mm-dd): ____/____/____ Social insurance number: _____ Number of dependents: _____							
Are you an adult person under the responsibility of an employee of Desjardins Securities or one of its subsidiaries? <input type="checkbox"/> No <input type="checkbox"/> Yes; Name: _____							
Citizenship (If you are a U.S. citizen, please attach form W-9): <input type="checkbox"/> Canadian <input type="checkbox"/> Other (Please specify): _____							
OCCUPATION & EMPLOYER							
Occupation: _____ Employer's name: _____							
Number & street: _____ Suite: _____							
City: _____ Province: _____ Country: _____ Postal code: _____							
Type of business: _____ Are you an employee of Desjardins Securities or a subsidiary? <input type="checkbox"/> No <input type="checkbox"/> Yes							
IDENTIFICATION OF SPOUSE							
Surname (spouse): _____ First name (spouse): _____							
Occupation: _____ Employer's name: _____							
Type of business: _____ Is your spouse an employee of Desjardins Securities or a subsidiary? <input type="checkbox"/> No <input type="checkbox"/> Yes							
FINANCIAL INSTITUTION							
Name of financial institution: _____ Phone number: _____							
Address: _____							
Transit no.: _____ Institution no.: _____ Account no.: _____							

Section 2**Personal Information (suite)****FINANCIAL INFORMATION** (Canadian Dollars) (A+B=C)

Annual revenue from all sources: _____ Approximate net capital assets (A): _____

Approximate net liquid assets (B): _____ Total net worth (C): _____

QUESTIONS – IF THE CLIENT ANSWERS “YES” TO ANY OF THE FOLLOWING QUESTIONS, PLEASE GIVE DETAILS AND/OR ATTACH THE REQUIRED FORM**1. Account holder**a) Do you have other brokerage accounts? No Yes Name of the firm: _____ Type of account: _____b) Do you control the trading in other brokerage accounts? No Yes Name of the firm: _____ Type of account: _____c) Are you a reporting insider (in accordance with the definition available in Article 6 of this application) of a company whose shares are traded on a stock exchange or in over-the-counter markets? No Yes

Name of the company, stock symbol and market: _____

d) Are you a significant shareholder (in accordance with the definition available in Article 6 of this application) of such a company? No Yes

Name of the company, stock symbol and market: _____

e) Are you employed by a securities dealer? (attach employer's authorization) No Yes Name of the firm: _____f) Do you live under the same roof as someone who works for a securities dealer? No Yes Name of the firm: _____

Surname: _____ First name: _____

Politically Exposed Foreign Persons (PEPs)

g) Do you, your spouse, common-law partner, child, mother, father, brother, sister spouse's or common-law partner's mother or father of the client hold or have held an office or a position in or on behalf of a foreign state: (a) head of state or head of government; (b) member of the executive council of government or member of a legislature; (c) deputy minister or equivalent rank; (d) ambassador or attaché or counselor of an ambassador; (e) military officer with a rank of general or above; (f) president of a state-owned company or a state-owned bank; (g) head of a government agency; (h) judge; (i) leader or president of a political party represented in a legislature; or (j) holder of any prescribed office or position covered by the Regulation?

 No Yes, the account opening is conditioned to Disnat approval. Please contact us for more details.**2. Other person(s)**a) Does another person have authorization to trade in this account? (Attach D204 or D240) No Yes Name: _____b) Does another person guarantee this account? (Attach D243) No Yes Name: _____c) Does another person have a financial interest in this account? (Attach VD2051) No Yes Name: _____**3. Is the account a joint account?** No Yes: Attach D201 for each account holder and D207**4. Intended use of the account** cash management investments other (specify): _____**Section 3****Investment knowledge**What is the client's level of investment knowledge? Nil Limited Good High**Section 4****How did you learn about our services?** Referred by a Desjardins Caisse Internet Trade show Seminar Relative/friend: Surname: _____ First name: _____ Advertising (Please specify): _____ Other (Please specify): _____**Section 5****Direct deposit authorization**

I hereby authorize Disnat Online Brokerage, also known as Disnat, a division of Desjardins Securities Inc., to proceed, on my request, with direct deposits to my following account, for which I attach a cancelled cheque. Desjardins Securities Inc is a member of the Canadian Investor Protection Fund (CIPF).

 No Yes (Please attach a cancelled cheque)Transit number Institution number Account number

Section 6**Collection and use of a client's personal information**

Subject to the needs of the activities described in the third paragraph below, Desjardins Securities does not share its clients' personal information with other components of the Desjardins Group, unless the client has specifically authorised this sharing of information by signing the "Desjardins Consent". This document allows the components of the Desjardins Group with which the client already maintains a business relationship to maintain a comprehensive picture of his/her financial situation. The "Desjardins Consent" and the accompanying leaflet entitled "Desjardins Consent, I benefit!" are available in Desjardins Caisses Populaires.

The collection and use of personal information by Desjardins Securities is subject to its Policy on protection of personal information (the "Policy"), which complies with applicable laws. You can obtain more information on the Policy, and obtain a copy of it, from your Desjardins Securities representative.

A client's personal information is used for services such as data processing, the preparation or sending of statements, and claim processing. It may be disclosed for such purposes to our agents and sub-contractors, to other authorized persons of components of the Desjardins Group and to providers of services. The client's personal information may be disclosed to self-regulatory organizations.

Subject to the requirements provided in the applicable laws and in accordance with its Policy, Desjardins Securities only collects, uses and discloses personal information

on its clients for the following purposes: a) to establish a client's profile; b) to understand a client's needs; c) to evaluate a client's credit; d) to take security measures, if required; e) to determine if the products and services purchased by a client meet the client's needs; f) to recommend products and services that better meet the client's needs; g) to establish and manage the products and services that meet these needs; h) to provide the client with the products and services purchased; i) to comply with securities industry standards related to the "know your customer" rule; j) to comply with laws in general and tax laws in particular, the latter requiring that a client's social insurance number be indicated on the tax slips prepared for the purposes of complying with said laws and with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act; k) to comply with foreign laws, if required; l) to engage in marketing activities; m) to detect and prevent fraud.

I acknowledge having read the foregoing and authorize the collection, use and disclosure of my personal information in the manner set forth in this consent and in *Desjardins Securities Inc.'s Policy on protection of personal information*; said information shall be kept as long as Desjardins Securities requires it for the purposes set forth herein, even if I no longer do business with Desjardins Securities.

Section 7**Regulation concerning communication with beneficial owners of securities of a reporting issuer**

I acknowledge having read and understood the explanations concerning the Regulation respecting communication with beneficial owners of securities of a reporting issuer as well as the consent to the electronic delivery of documents overleaf, which form an integral part of this document. I further recognize that the choices indicated below will apply to all securities held in my account(s) at Disnat, unless otherwise specified by me.

Part 1: Disclosure of beneficial ownership information (tick one of the following boxes)¹

I CONSENT I DO NOT CONSENT to Disnat disclosing my name, mailing address, e-mail address, securities holdings and preferred language of communication to the issuers of said securities or other persons or companies, in accordance with applicable securities legislation.

1. If you DO NOT CONSENT the communication of your personal details, all documents you receive as the real owner of securities will be sent to you by Disnat. Reasonable charges may apply and will be debited directly from your account.

Part 2: Receipt of documents by security holders (tick one of the boxes below)²

I WISH to receive ALL security holder materials sent to beneficial owners of securities;

I DO NOT WISH to receive ANY documents for security holders sent to the beneficial owners of the securities: a) proxy-related documents for annual or extraordinary meetings; b) financial statements and annual reports that are not part of proxy-related materials; and c) materials sent to security holders that applicable corporate regulations or securities legislation do not require be sent. (Even if I decline to receive these types of materials, I understand that a reporting issuer or other person or company is entitled to send me these materials at its own expense.)

I WISH to receive ONLY proxy-related documents sent regarding extraordinary meetings.

2. These instructions do not apply to any individual request you present or have presented to a reporting issuer concerning the sending of interim financial statements. Moreover, in some circumstances, instructions you provide on the customer response form will not apply to the annual reports or to the financial statements of an investment fund if they are not part of proxy-related documents. An investment fund is also authorized to obtain express instructions from you on the sending of its annual reports and financial statements; if you provide such instructions, the instructions given on this form regarding financial statements will not apply.

Part 3: Consent to the electronic delivery of documents (tick one of the following boxes)

I WISH to receive the documents listed in Part 2 by electronic delivery in accordance with the terms set out in the consent to the electronic delivery of documents.

My e-mail address is: _____

I DO NOT WISH to receive the documents listed in Part 2 by electronic delivery, in accordance with the terms set out in the consent to the electronic delivery of documents.

Section 8**Section concerning an option account (Please read the attached Agreements 2, 3 and 4)**

1. Do you have an options account with another securities dealer? No Yes (Please specify): _____

2. Do you have experience in trading derivatives: No Yes Number of years of experience: _____ Strategy type(s) (see below): 1 2 3 4

Type of trades anticipated:

1) Purchasing puts and calls	<input type="checkbox"/> Yes <input type="checkbox"/> No
2) Sale of covered options	<input type="checkbox"/> Yes <input type="checkbox"/> No
3) Spread trading	<input type="checkbox"/> Yes <input type="checkbox"/> No
4) Sale of uncovered options	<input type="checkbox"/> Yes <input type="checkbox"/> No

Designated Registered Options restrictions

Regular account	Registered plan
Code 1 _____	Code 1 _____
Code 2 (includes Code 1) _____	Code 2 (includes Code 1) _____
Code 3 (includes Codes 1 and 2) _____	
Code 4 (includes Codes 1, 2 and 3) _____	

I received the "Risk Disclosure Statement"* on _____

Date

*The document is available separately. The terms can also be found in Article 5 of this application.

Section 9**Signatures** (Your signature is required for each of the applicable lines below.)**1. SIGNATURE REQUIRED FOR ALL TYPES OF ACCOUNTS**

I have read and understood Section 6 regarding the collection and use of a client's personal information.

Signature _____

Date _____

2. SIGNATURE REQUIRED FOR THE OPENING OF A MARGIN ACCOUNT (Please read the attached Agreements 2 and 3)

I request that a margin account be opened and accept the conditions in the Margin Account Agreement and the General Account Agreement at the end of this form. I understand that executing operations in a margin account necessarily involves the borrowing of funds.

Signature _____

Date _____

3. SIGNATURE REQUIRED FOR THE OPENING OF AN OPTIONS ACCOUNT (Please read the attached Agreements 2, 3 and 4)

I request the opening of an options account and accept the conditions in the Options Account Agreement at the end of this form. I understand that such an account involves risks, and I have received and read a copy of the Risk Disclosure Statement regarding options contracts.

Signature _____

Date _____

4. SIGNATURE REQUIRED FOR ALL TYPES OF ACCOUNTS - DISCLOSURE AND ACKNOWLEDGEMENT

Disclosure and acknowledgement: Disnat solely provides an order execution service. Disnat does not and will not provide any recommendations to its clients and will not be responsible for making a suitability determination of trades when accepting orders from a client. As client of Disnat, I acknowledge and agree that I alone am responsible for my investment decisions and that Disnat does not and will not consider my financial situation, investment knowledge, investment objectives or risk tolerance when accepting orders from me. I represent and warrant to Disnat that I have the required investment knowledge and appropriate experience to make my own investment decisions and that I have the financial capacity and risk tolerance to sustain any trading losses or losses of anticipated profits that may arise from my investment decisions.

I declare that I have read and understood not only each of the clauses on this form but also Agreements 2, 3 and 4 appropriate for the types of account I wish to open, and I agree that I am bound by these clauses, which form an integral part of this agreement. I recognize that Disnat has expressly referred me to these clauses and has provided me with adequate explanations as to the nature and scope of such clauses.

I acknowledge and warrant to Disnat that I have fully understood the disclosure made by Disnat in the above paragraph.

I declare that all information indicated on this form is accurate, and I pledge to advise Disnat promptly of any change related to the above. I authorize Disnat to conduct any credit enquiry it may consider appropriate.

I confirm having understood that Disnat is a division of Desjardins Securities inc. Desjardins Securities is a separate entity from the Fédération des Caisses populaires Desjardins du Québec and more specifically from each of the Desjardins Caisses populaires even if, in some cases, the latter are located at the same address and share offices. In addition, I understand that Desjardins Securities Investment Advisors perform their duties solely for Desjardins Securities.

Signature _____

Date _____

Verification under the Internal Revenue Service (IRS) regulations and the Proceeds of Crime (Money Laundering) and Terrorist Financing Act**Please attach :**

- a legible **copy** of an official photo identification document
- a cheque payable to Disnat to cover your initial deposit (a minimum of \$1,000)

Section 10**Reserved for caisse Desjardins advisor / Disnat representative**

Please note that an account can not be opened until all original documents have been received.

VERIFICATION OF IDENTITY under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and under Internal Revenue Service (IRS) regulations

Client met in person (original, unexpired identification documents):

Driver's licence ¹ Passport Health insurance card ¹⁻²

Document number: _____ Expiration date: ____/____/____

1. Indicate the issuing province: _____

2. Not accepted in Ontario, Manitoba or Prince Edward Island.

Client NOT met in person (two (2) identification documents are required, including one (1) Equifax):

Equifax (attach Equifax verification document) Date requested: ____/____/____

PLUS one (1) of the following three choices:

Personal cheque to be cashed (minimum of \$25; attach a copy to the form and deposit it at the branch)

Check bank references Date requested: ____/____/____

Contact: _____ Telephone No: (____) _____ - _____

Certification (photocopy of sworn identification document)

To meet IRS requirements, please attach a legible copy of a valid government photo identification document.

Representative name: _____; RE no.: _____

Name of the Caisse (if applicable): _____

Transit no.: _____ Institution no.: _____

Name of the contact at the Caisse: _____

Comments:

Signatures (Reserved for Disnat)

Branch Manager

Name _____ Date _____

Credit Manager

Name _____ Date _____

Registered Options Principal

Name _____ Date _____

Credit: _____ Options: _____

Disnat is a division of Desjardins Securities Inc. Desjardins Securities Inc. is a member of the Investment Industry Regulatory Organization of Canada (IIROC) and a member of the Canadian Investor Protection Fund (CIPF).

1. Regulation concerning communication with the beneficial owners of securities of a reporting issuer - Explanations

Part 1 — COMMUNICATION OF INFORMATION ON REAL OWNERSHIP

Securities laws allow a reporting issuer, as well as other persons and corporations, to send documents related to the reporting issuer's internal affairs directly to beneficial owners of its securities if these owners do not oppose having personal details, meaning their names, postal addresses, e-mail addresses, securities held and preferred language (hereafter designated as "personal details") communicated to the reporting issuer or to other persons or corporations.

You have no obligation to **CONSENT** to the disclosure of your personal details to the reporting issuer. Securities legislation limits the use of your personal details by a reporting issuer to matters affecting its internal affairs.

If you **CONSENT** to the communication of your personal details, please tick the first box in Part 1 of Section 7 of this form. You will have no costs to pay when receiving documents sent to holders of securities.

If you **DO NOT CONSENT** to the communication of your personal details, please tick the second box in Part 1 of Section 7 of this form. In this case, all documents you receive as the real owner of securities will be sent to you by Disnat. Reasonable charges may apply, and will be debited directly from your account. **In either case, please provide us with your e-mail address.**

Part 2 — RECEIVING DOCUMENTS FOR HOLDERS OF SECURITIES

For any security you hold in your account, you have the right to receive proxy-related documents sent by a reporting issuer to registered holders of its securities in preparation for meetings, enabling you to receive, in particular, all information required to exercise voting rights related to your securities or to have these rights exercised, in accordance with the instructions, at these meetings.

beneficial owners who are opposed to the communication of their personal details will not receive these documents unless they or the reporting issuer assume the cost.

In addition, reporting issuers can send the beneficial owners other documents intended for holders of securities, although they are not obliged to do so.

Under securities laws, you have the right to refuse to receive the three types of documents intended for holders of securities indicated hereafter:

- Proxy-related documents, including annual reports and financial statements, sent in preparation for a meeting of securities holders;
- Annual reports and financial statements that are not part of proxy-related documents;
- Documents that the reporting issuer or another person or corporation sends to holders of securities and that corporate law or securities laws do not require to be sent to registered holders of securities.

If you **WISH** to receive **ALL** documents sent to beneficial owners of securities, please tick the first box in Part 2 of the Section 7 of this form. If you **DO NOT WISH** to receive the three above-mentioned types of documents, please tick the second box in Part 2 of Section 7 of this form. If you **WISH** to receive **ONLY** proxy-related documents concerning extraordinary meetings, please tick the third box in Part 2 of Section 7 of this form.

Note 1:

Even if you do not wish to receive the three above-mentioned types of documents, the reporting issuer or other persons or corporations have the right to send them to you at their expense. These documents will be sent to you through our intervention if you do not wish your personal details to be communicated to the reporting issuers.

Note 2:

Even if you do not wish to receive the three above-mentioned types of documents, there are other documents that securities laws forbid you to refuse.

Part 3 — CONSENT FOR ELECTRONIC TRANSMISSION OF DOCUMENTS

In consenting to receive documents by e-mail, you confirm to us in this regard that:

- You have read and understood the terms of this consent;
- You have a computer and an Internet connection meeting the required minimums;
- You are aware that we will send you notices and documents within the stipulated time at the e-mail address you have provided to us and that you are responsible for checking your e-mail on a regular basis so that you can consult these documents in timely fashion;
- You are responsible for advising us, in compliance with the RESPONSIBLE section herein, of any change in your e-mail address;
- We will have no obligation to send you a paper version of the documents, unless you take the opportunity to revoke your consent in compliance with paragraph f) below or to obtain, free of charge, the paper version of any document sent by e-mail, if your request is in compliance with the RESPONSIBLE section herein (although in some circumstances this possibility may not apply);
- You are aware that you are not obliged to consent to e-mail transmission of documents and that, if you so consent, you can, at any time, revoke this consent through a notice that must be sent to us in compliance with the RESPONSIBLE section herein; and
- You are aware that, in some circumstances, we may have to transmit documents in their paper version, despite your consent to the e-mail transmission of documents.

If you **WISH** to receive by email **ALL** security holder-related documents and that are sent to the beneficial owners, please tick the first box in Part 3 of the Section 7 of this form.

If you **DO NOT WISH** to receive by email security holder-related documents and that are sent to the beneficial owners, please tick the second box in Part 3 of the Section 7 of this form.

QUESTIONS

If you have any questions, or wish to change your instructions, please contact one of our customer service representatives at the phone number or the address shown on your account statement. You can also contact us by e-mail at disnat@vmd.desjardins.com.

2. General Account Agreement

NOTICE: WHEN USED IN THIS AGREEMENT, THE WORDS "UNDERSIGNED" AND "CLIENT" MEAN THE CLIENT SIGNATORY OF THE ACCOUNT OPENING FORM ATTACHED TO THIS AGREEMENT.

In consideration of the fact that you, **Disnat**, agree to act, subject to the terms and conditions of this Agreement, as agent for the Undersigned, the Undersigned agrees to the following:

1. Legal capacity and Identification. The Client is of legal age and legally able to be bound by this Agreement. Disnat shall provide to the Client an account number that must be used each time a transaction order is given by him (her).

2. Role of Disnat. The role of Disnat shall consist exclusively to act as agent of the Client with respect to the execution of purchase and sale transaction orders of securities (the "securities") or of other orders with respect to such securities. The Undersigned acknowledges that Disnat does not provide advice to its clients and represents and warrants to Disnat that he (she) has all the required knowledge, relevant experience and financial capacity to make his (her) own choices of investments and that he (she) will consult, every time it will be necessary or appropriate to consult, his (her) own fiscal, accounting, legal and investment advisors. The Undersigned finally acknowledges that Disnat does not provide any warranty with respect to the quality or value of any securities.

3. Rules governing securities transactions. All securities transactions shall be subject to the constitution, by-laws, regulations, customs and usages of the Exchange or market (and, if applicable, of the clearing house), where they are executed and of the applicable self-regulatory bodies. Transactions that are not executed on an Exchange or market are subject to the broker's usages for such type of transactions, including settlement procedures. These transactions shall also be subject to all applicable provincial laws and regulations, and to all policies and decisions of all applicable regulatory authorities. The Client further recognizes that the provisions of the documents referred to in this Section 3 constitute a minimum standard in the brokerage industry and that Disnat may, at its sole discretion, subject such transactions to more restrictive standards. Disnat may refuse to process clients' trading instructions whenever deemed necessary for its protection or for any other valid reason, according to Disnat's discretion.

4. Instructions. Disnat is authorized to act in accordance with any order or instruction that it believes, in good faith, has originated from the Client. The Client agrees that all its telephone conversations with Disnat be registered and he (she) agrees that the contents of such registration may be used in order to prove any instructions or orders. The Client is responsible for noting the date and time and the name of the representative to whom he (she) speaks.

5. Registration, securities keeping and free credit balance. The Client's securities may, at the discretion of Disnat, be registered in the name of Desjardins Securities Inc. or in the name of an agent designated by Disnat. The Client authorizes Disnat to entrust the keeping of his (her) securities, of any distribution with respect to such securities and of any proceeds of sale of such securities with The Canadian Depository for Securities Ltd. or with any other depository having similar functions. The Client acknowledges that the securities may be represented by certificates or other documents other than those representing them when acquired. The Client shall give prior notice to Disnat if he (she) wishes that any securities held for him (her) be withdrawn, and Disnat shall deliver to the Client such securities within a reasonable delay if they may be registered in the Client's name. The Client may not withdraw securities if he (she) is in default of his (her) obligations pursuant to this Agreement or if insolvent or bankrupt. The Client agrees to pay to Disnat administrative fees in accordance with the rates and terms in force from time to time and acknowledges having been informed of the current rates and terms. Any free credit balances held by Disnat in an account of the Client represents funds payable on request that, even if they are accounted for in the books of Disnat in regular manner, are not segregated and may be used by Disnat in the normal course of its business. By default, securities are kept in the account and funds generated through transactions or through interest or dividend payments will be kept as credits in the account.

6. Confirmation slips and statements of accounts. The Undersigned undertakes to examine carefully, upon receipt, all confirmation slips and statements of accounts sent by Disnat, and to notify Disnat, in writing, of any mistake, omission or objection to any such information, at the earliest possible occasion, but no later than ten (10) days following the date of such confirmation slips or within forty-five (45) days following the date of any statement of account, as the case may be, to the following address: Compliance Department, Disnat, division of Desjardins Securities Inc., 1170 Peel Street, Suite 300, Montreal, Quebec H3B 0A9, or to any other address that Disnat may make known to him (her). At the expiry of the above-mentioned delays, the Undersigned shall be deemed to have confirmed and ratified all trades mentioned in the confirmation slips and statements as well as the full and accurate character of the information thereby confirmed, and he (she) recognizes that no recourse can be taken against Disnat regarding trades or information thereby confirmed. The Undersigned acknowledges that the market value of the securities indicated in these statements of account is provided to Disnat by sources that appeared to it to be reliable. However, Disnat makes no representation or warranty with respect to the accuracy of such information. The Undersigned acknowledges that such market value will fluctuate according to market conditions and other economic factors. Thus, the Client acknowledges that Disnat makes no representation or warranty that such market value will be maintained or that it will increase.

7. Transactions settlements. Notwithstanding the conditions respecting the operation of a margin account, the Client must pay to Disnat all securities purchased for him (her) and deliver all securities sold for him (her) that are not already held on behalf of the Client by Disnat or a mandatory at the latest on the date fixed for the settlement of the transaction. If the Client does not pay for the securities or if he (she) does not deliver the securities

involved, Disnat may, at its sole discretion, execute the transaction in the manner that it deems appropriate. The Client must then pay to Disnat all damages, costs and fees incurred by Disnat to execute the transaction or any debit that may result from it.

8. Commissions. The Client must pay to Disnat transaction fees pursuant to the rates and terms in force from time to time at Disnat. The Client acknowledges to have been informed of the current rates and terms. The Client recognizes that Disnat may receive commissions, maintenance fees or other forms of remuneration from third parties in connection with certain transactions involving the purchase, holding or sale for the Client's account of securities such as units or shares in mutual funds, bonds, or newly issued securities sold by Disnat or Desjardins Securities Inc as underwriter or trader for account. In addition, when Disnat or Desjardins Securities Inc. has acted as principal in a trade, particularly with regard to fixed-income securities, it may also receive further compensation, including a profit from the spread between buying and selling rates.

9. Currency conversion. In any transaction requiring currency conversion, Disnat may earn, in addition to brokerage fees, income from the conversion. In any such transaction, Disnat acts as principal and uses a competitive conversion rate based on market buying and selling rates for the currency, with "currency conversion" and "income" included as separate parts. Any currency conversion is conducted at the rate in effect on the day of the transaction.

10. Principal transactions. Disnat or Desjardins Securities Inc. may execute, on behalf of the Client, transaction orders as principal. The Client agrees to ratify any operation concerning his (her) accounts for which Disnat or Desjardins Securities Inc acts as principal for the execution of any purchase or sale orders or any other orders, and agrees to pay the applicable transactions fees.

11. Client's indebtedness. Notwithstanding the modalities respecting the operations of a margin account, any indebtedness of the Client to Disnat pursuant to this Agreement for transactions made on his (her) behalf by Disnat or otherwise and any payment made by Disnat on behalf of the Client must be paid to Disnat on demand, unless another payment date is set out under this Agreement. These amounts shall bear interest from the date when they are payable or, in the case of a payment made by Disnat, from the date of such payment. Any amount due by the Client pursuant to this Agreement, and the interests thereof, may be charged to the Client's accounts.

If the Client has other accounts with Disnat, the Client authorizes Disnat to transfer, if Disnat deems it necessary, any credit in such other account to any accounts governed by this Agreement, when the balance in any such accounts is on the debit side. Disnat is also authorized to credit the proceeds of any sale and any other sum held by Disnat on behalf of the Client upon any indebtedness of the Client; Disnat may make any choice with respect to such credits. Any conversion from a currency to another currency must be made with the exchange rate in force at the date of conversion. In case of any transfer from an account of the Client to any other accounts governed by this Agreement, Disnat may convert the amount to be transferred in Canadian dollars.

12. Control, Pledge and Moveable Hypothec with Delivery and Security Interest

a) Control Agreement (An Act respecting the transfer of securities and the establishment of security entitlements). The Client hereby consents that Disnat be the registered holder of all securities and security entitlements deposited by the Client with Disnat or credited to it in one or more securities accounts maintained by Disnat on behalf of the client pursuant to this Agreement and acknowledges that Disnat will be the appropriate person thereof. It further consents and acknowledges that this Agreement shall constitute for all purposes a control agreement in respect of all such securities and security entitlements within the meaning of the foregoing statute.

b) Pledge and Moveable Hypothec with delivery (applicable in Québec). All securities, security entitlements and all other security and instruments, credit balances, monies held or other prosperity in which the Client has an interest at any time and of which Disnat, or any other person authorized by this Agreement to hold and receive the same on deposit in a securities account or otherwise is the holder, depository, securities intermediary and registered holder at any time, as well as all distributions with respect to such property and all proceeds of sale of such property (collectively, the Secured Property) are pledged and hypothecated with delivery in favour of Disnat as security for the performance of all present and future obligations of the Client pursuant to this Agreement. Disnat may give written proof to those who hold the control agreements or to third parties; Disnat also may make the necessary transfer with any appropriate clearing house in order to acquire possession of the Secured Property against third parties.

c) Pledge and Security Interest (applicable in any provinces where Disnat transacts business, except Québec). All securities, security entitlements and all other security, instruments, credit balances, monies or other property in which the Client has an interest at any time and of which Disnat or any other person authorized by this Agreement to hold and receive the same on deposit in a securities account or otherwise, is the holder, depository, securities intermediary and registered holder at any time, as well as all distributions with respect to such property and all proceeds of sales of such property (collectively, the Secured Property) shall be held by Disnat as security, pledge and collateral, and the Client hereby encumbers such Secured Property in favour of Disnat as a security, pledge and as collateral for the discharge of all present or future obligations of the Client pursuant to this Agreement.

d) Default. If the Client fails to perform any of his/her obligations under this Agreement or becomes insolvent or bankrupt, Disnat may, in its sole discretion, sell by mutual agreement or otherwise all or part of the Secured Property or take it in payment of the obligations of the Client under this Agreement and exercise any other rights provided by the law or by this Agreement, the whole without any notice to the client or to any other person or without any delay prescribed by the law or by this agreement. Such rights of Disnat may be exercised together or separately and in the order that Disnat may decide at its sole discretion. Disnat may credit the proceeds resulting from the exercise of its recourses in payment of any obligations of the Client; Disnat may make any choice with respect of such credits.

13. Responsibility and exceptional circumstances. Disnat shall not be liable with respect to any losses that the Client may realize in his (her) accounts, his (her) securities transactions or with respect to any delay in the receipt or execution of any orders of transactions or to transfer securities or balances from an account of the Client to a third-party, for any reason whatsoever, except in the case of intentional fault or gross negligence. Disnat has no obligation and no liability with respect to the exercise of any rights to vote, to subscribe,

to convert or any other rights attached to the securities held in the accounts of the Undersigned or with respect to the exercise of an option. Also, Disnat shall not be liable for any losses resulting from restrictions made by a public authority, or by a decision of an Exchange or a market, from a halt of the transactions, from abnormal or unusual activities in the markets, from war, strike and any other independent circumstances or any acts of God. This agreement shall be governed and construed in accordance with the laws of the Canadian province or territory where the Client resides.

14. Errors or omissions. Disnat will not be held responsible for errors or omissions affecting an order or its execution related to the purchase, sale, execution or expiry of options or any connected matter, unless the error or omission was caused by flagrant negligence or bad faith on the part of Disnat.

15. Securities professional. Any person who is an employee, officer or director of Disnat or DSI, and any person working in any capacity in the securities industry, as well as a spouse of the above or a relative living under the same roof as the above, is considered a professional.

16. Miscellaneous. All notices, documents and communications to the Clients may be sent to his (her) address mentioned in the Client's Account Application Form and Agreements attached or to any other address that the Client may signify to Disnat. Such notices, documents and communications shall be deemed to have been received the third (3rd) business day after mailing or on the date of delivery in person or by messenger.

Disnat may amend the provisions of this Agreement by means of a thirty-day (30) notice in writing given to the Client, and such amendment shall be considered to have been accepted upon by the Client if he (she) continues to make transactions with Disnat thereafter. This Agreement shall remain in effect until its termination by means of a written notice filled out by the Client and duly accepted by Disnat, or by means of a written notice given to the Client by Disnat.

This Agreement shall take effect to the benefit of Disnat and of the Client as well as his (her) respective heirs, estate executors, succession administrators, legatees, liquidators or successors, as the case may be, and it shall also be binding on them. The Client cannot assign this Agreement and the rights and obligations resulting therefrom.

This Agreement is governed by, and must be interpreted in compliance with, the laws of the Canadian province or territory where the Client resides.

The monies kept in the securities accounts and the securities sold by Disnat, except notice to the contrary, are not insured in whole or in part by the Canada Deposit Insurance Corporation, the Régie de l'assurance-dépôts du Québec or by another public fund of deposit insurance fund, and are not guaranteed in whole or in part by Disnat, Desjardins Securities Inc., Desjardins Caisses or other components of the Desjardins Group.

The Client's accounts are covered, in case of insolvency of the dealer by the Canadian Investor Protection Fund up to certain specific limits. A brochure explaining the conditions and limits of the coverage is available on request.

The invalidity or unenforceability of a provision shall not affect any other provision of this Agreement, which shall be construed as if the invalid provision had been omitted. The provisions of this Agreement shall be considered as distinct and supplementary to any other provisions contained in the Margin Account Agreement and Options Account Agreement attached to this Agreement.

3. Margin Account Agreement

NOTICE: WHEN USED IN THIS AGREEMENT, THE WORDS "UNDERSIGNED" AND "CLIENT" MEAN THE CLIENT SIGNATORY OF THE ACCOUNT OPENING FORM ATTACHED TO THIS AGREEMENT.

In consideration of the fact that you, **Disnat**, are acting for the Undersigned as a broker and/or as an agent for the purchase or sale of securities, the Undersigned agrees to the following:

1. All transactions shall be subject to the constitution, rules, regulations, customs and usages of the Exchange or market (and its clearing house, if any) where they are executed by you or your agents, and to all laws, regulations and orders of any governmental or regulatory authority that may be applicable. Trades will also be subject to the regulations of the Investment Industry Regulatory Organization of Canada (IIROC). Disnat may refuse to process clients' trading instructions whenever deemed necessary for its protection or for any other valid reason, according to Disnat's discretion.

2. The Undersigned declares that he (she) is at least eighteen (18) years old and that every time it will be so requested, he (she) agrees to give you additional security for any indebtedness which the Undersigned could have with you.

3. Control, Pledge and Moveable Hypothec with Delivery and Security Interest

a) Control Agreement (An Act respecting the transfer of securities and the establishment of security entitlements). The Client hereby consents that Disnat be the registered holder of all securities and security entitlements deposited by the Client with Disnat or credited to it in one or more securities accounts maintained by Disnat on behalf of the client pursuant to this Agreement and acknowledges that Disnat will be the appropriate person thereof. It further consents and acknowledges that this Agreement shall constitute for all purposes a control agreement in respect of all such securities and security entitlements within the meaning of the foregoing statute.

b) Pledge and Moveable Hypothec with delivery (applicable in Québec). All securities, security entitlements and all other security and instruments, credit balances, monies held or other prosperity in which the Client has an interest at any time and of which Disnat, or any other person authorized by this Agreement to hold and receive the same on deposit in a securities account or otherwise is the holder, depository, securities intermediary and registered holder at any time, as well as all distributions with respect to such property and all proceeds of sale of such property (collectively, the Secured Property) are pledged and hypothecated with delivery in favour of Disnat as security for the performance of all present and future obligations of the Client pursuant to this Agreement. Disnat may give written proof to those who hold the control agreements or to third parties; Disnat also may make the necessary transfer with any appropriate clearing house in order to acquire possession of the Secured Property against third parties.

c) Pledge and Security Interest (applicable in any provinces where Disnat transacts business, except Québec). All securities, security entitlements and all other security, instruments, credit balances, monies or other property in which the Client has an interest at any time and of which Disnat or any other person authorized by this Agreement to hold and receive the same on deposit in a securities account or otherwise, is the holder, depository, securities intermediary and registered holder at any time, as well as all distributions with respect to such property and all proceeds of sales of such property (collectively, the Secured Property) shall be held by Disnat as security, pledge and collateral, and the Client hereby encumbers such Secured Property in favour of Disnat as a security, pledge and as collateral for the discharge of all present or future obligations of the Client pursuant to this Agreement.

d) Default. If the Client fails to perform any of his/her obligations under this Agreement or becomes insolvent or bankrupt, Disnat may, in its sole discretion, sell by mutual agreement or otherwise all or part of the Secured Property or take it in payment of the obligations of the Client under this Agreement and exercise any other rights provided by the law or by this Agreement, the whole without any notice to the client or to any other person or without any delay prescribed by the law or by this agreement. Such rights of Disnat may be exercised together or separately and in the order that Disnat may decide at its sole discretion. Disnat may credit the proceeds resulting from the exercise of its recourses in payment of any obligations of the Client; Disnat may make any choice with respect of such credits.

4. Disnat shall have the right, occasionally and without notice to the Undersigned, to lend all securities held by Disnat for the Undersigned either to itself as broker and/or agent or to others; to use said securities to borrow money and to include these amongst guarantee granted for his general borrowings; to give and re-give in guarantee, either separately or with your own securities or those of others or in such manner and for such amount and for such purposes as Disnat may deem advisable and to deliver these to cover sales carried out for other accounts without retaining in its possession or under its control securities of like kind and amount.

5. Whenever and as often as you deem it necessary for your protection, and without demand or notice to the Undersigned, you may, either on an exchange or commodity market or by private sale, purchase any securities which would be "short" in the account of the Undersigned and sell any securities which you are holding for or on account of the Undersigned and, moreover, you may cancel any outstanding orders. The net proceeds of any operation, after commissions, shall be applied against the Undersigned's debt to you without prejudice to the Undersigned's liability for the payment of any balance remaining due.

6. Orders accepted by Disnat are valid until they have been either executed or cancelled, provided that the orders placed are valid only on the day when they are placed, unless Disnat specifies and accepts a longer period. Disnat will not accept orders for which the Client has not indicated precisely the security, the quantity, the amount and the time when the order is to be placed and the rate (which may be quoted as "market rate", which is the rate that can be obtained on the market where the order is to be executed at the time the order reaches the market). Disnat is not responsible for the price at which a market order is executed. All orders placed by the Client and accepted by Disnat bind the Client from the time of the execution. Disnat will send a written confirmation to the Client soon after execution. If the Client does not receive the written confirmation, or receives it late, the Client is in no way released from his/her obligation under this Agreement to settle all operations on the settlement date or to maintain coverage as is set out hereafter.

7. If the Undersigned does not promptly transmit to you securities sold on his (her) order, you may, without being bound to do so, borrow said securities, and the Undersigned shall reimburse all losses, damages, costs or expenses suffered or incurred by you, through such borrowing or through your failure to complete delivery of said securities.

8. You shall not be bound to deliver to the Undersigned the same securities or certificates received from the Undersigned or for his account but you may deliver other securities of like kind and amount.

9. The account hereby opened shall be operated as a current account and it will not be necessary that sums of moneys appearing from time to time to the credit of the Undersigned be kept separate from your own sums of money.

10. Debit balances of the accounts of the Undersigned shall be charged with interest at a rate that you may fix, from time to time, without prior notification, and are payable at any time.

11. The Undersigned agrees to pay commissions for the execution of any order to sell or to buy securities on behalf of the Undersigned at the brokerage fee established by you, from time to time, without prior notification. In addition, the Undersigned agrees to pay any administrative fees that you may establish, from time to time, for the services rendered to the Undersigned.

12. Except as otherwise directed in writing by the Undersigned, all securities carried by you for his (her) account may, at your discretion, be kept at any of the places where you operate an office.

13. All notices and communications to the Undersigned may be effectively transmitted to the Undersigned by regular mail at his last address registered in your books.

14. This Agreement shall cover any accounts held by you for the Undersigned or for his (her) account and all transactions hereafter made as well as those carried out beforehand and still outstanding, and none of its provisions shall be deemed to be waived or modified by you except by written agreement signed by you.

15. The provisions of this Agreement shall take effect not only to the benefit of and be binding on you and the Undersigned but also to his (her) respective successors, assigns and legal representatives. This Agreement is governed by, and must be interpreted in compliance with, the laws of the Canadian province or territory where the Client resides.

16. The Undersigned acknowledges that his financial situation and his (her) solvability are essential aspects on which you based your decision to grant to his (her) margin loans. Consequently, the Undersigned hereby authorizes you, as long as a margin account in his (her) name will be opened with you, to obtain any information that you might think advisable for the analysis of the Undersigned financial situation and solvability from any financial institution, personal information agents, employer, landlord or any other person and, to that effect, authorizes you to give copy of this authorization to any such person.

4. Options Account Agreement

NOTICE: WHEN USED IN THIS AGREEMENT, THE WORDS "UNDERSIGNED" AND "CLIENT" MEAN THE CLIENT SIGNATORY OF THE ACCOUNT OPENING FORM ATTACHED TO THIS AGREEMENT.

In consideration of the fact that you, Disnat, are acting for the Undersigned as a broker and/or an agent for the purchase, sale and/or endorsement of puts and/or calls, or variations thereof, the Undersigned agrees as follows:

1. The Undersigned recognizes that as of the date of the account opening, he has received and read the documentation provided by the various Clearing Corporations for Options as well as all other documents that have been transmitted to the Undersigned. The Undersigned is fully aware of the risks described in these documents and understands the information contained therein. Disnat may refuse to process clients' trading instructions whenever deemed necessary for its protection or for any other valid reason, according to Disnat's discretion.

2. The Undersigned understands the special risks pertaining to trading in uncovered options contracts and thereby declares to have adequate financial resources to sustain any such transactions in which the Undersigned participates.

3. It is further agreed that any orders to sell the securities mentioned in the preceding paragraph, given by the Undersigned and through anyone else acting on the Undersigned's behalf may be refused by you at your discretion, and the Undersigned shall not hold you liable for any loss that he may sustain due to your refusal to permit the sale of said securities during such periods. It is further agreed that you shall maintain a register of dates of execution orders for the sales of options transacted by your customers in order to permit you to allocate the exercise notices on a "first in, first out" method.

4. Orders accepted by Disnat are valid until they have been either executed or cancelled, provided that the orders placed are valid only on the day when they are placed, unless Disnat specifies and accepts a longer period. Disnat will not accept orders for which the Client has not indicated precisely the security, the quantity, the amount and the time when the order is to be placed and the rate (which may be quoted as "market rate", which is the rate that can be obtained on the market where the order is to be executed at the time the order reaches the market). Disnat is not responsible for the price at which a market order is executed. All orders placed by the Client and accepted by Disnat bind the Client from the time of the execution. Disnat will send a written confirmation to the Client soon after execution. If the Client does not receive the written confirmation, or receives it late, the Client is in no way released from his (her) obligation under this Agreement to settle all operations on the settlement date or to maintain coverage as is set out hereafter.

5. The Undersigned agrees, in connection with options transactions, to comply with the provisions of the By-Laws and Rules of the various Clearing Corporations, options and Exchange where these options are traded. The Undersigned further agrees to respect the position limits of the Clearing Corporations for Options concerned with the transactions initiated by the Undersigned. In addition, the Undersigned shall not exercise a long position in any options contract if the Undersigned, acting alone or in concert with others, directly or indirectly, has or will have exercised within any five (5) consecutive days, aggregate long positions in excess of the limits described in this paragraph.

6. The Undersigned agrees that maximum limits may be set on short position and that during the last ten (10) days to expiration, operations may be conducted only in cash and that, moreover, Clearing Corporations for Options may enact other rules affecting existing subsequent transactions.

7. The Undersigned agrees that, if he (she) fails to make payment of any moneys due to you, you may sell any other securities held in any account of the Undersigned and apply the proceeds of such sale to any debt of the Undersigned to you. Any and all expenses incurred by you in connection with the foregoing may be charged to the account of the Undersigned and shall be fully reimbursed by the Undersigned.

8. The Undersigned agrees to inform you beforehand or concurrently of any such options contract conducted through any other broker, seller, individual or other entity. In the event that you incur any liability by virtue of the fact that the Undersigned has failed to notify you, the Undersigned agrees to indemnify you to the extent of such liability.

9. The Undersigned recognizes that in view of the trading procedures on the various Exchanges, it may happen that a Market Maker representing you may be on the other side of the transaction and that accordingly you may be indirectly, and without prior knowledge, acting as a principal.

10. The Undersigned agrees that the mailing of the confirmation of a transaction or a statement on your part shall be considered as having been received, and if the undersigned does not register a formal complaint within ten (10) days from the mailing in question, he shall be considered as having ratified the transaction.

11. This Agreement shall benefit to your successors and assigns and shall be binding on the Undersigned, his (her) heirs, testamentary executors, administrators and assigns. This agreement is governed and construed in accordance with the laws of the Canadian province or territory where the Client resides.

12. In the event that the Undersigned has signed a Margin Account Agreement with us, the stipulations in this Agreement and the information contained in the annexed Options Contract Account Application Form previously accepted by the Undersigned must be considered as an integral part of this Margin Account Agreement and supplementary to the Margin Account Agreement between the Undersigned and you. All terms and conditions contained in the above stated Margin Account Agreement, exception being made of what is specifically amended by the present Agreement, shall remain effective with respect to all open commitments in puts and calls now carried for the account of the Undersigned as well as for options contracts hereafter made.

13. Upon the purchase by the Undersigned of an option contract, notice of the Undersigned's intent to exercise such option must be given at our office no later than 3:30 p.m. on the last trading day. Failure to timely give such notice will constitute an abandonment of such option, in which event the option could be sold for the Undersigned at your own discretion or acquired by you for your own personal account without any liability or responsibility on your part to the Undersigned. Without any exception, the Undersigned recognizes that

you have no duty or obligation to exercise an option belonging to the Undersigned without specific instructions from the Undersigned to that effect. Moreover, the Undersigned recognizes and agrees that DISNAT may correct any error or omission related to orders.

5. Risk Disclosure Statement

Risk Disclosure Statement for Futures and Options. This brief statement does not disclose all of the risks and other significant aspects of trading in futures and options. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Trading in futures and options is not suitable for many members of the public. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

Futures

1. Effect of «Leverage» or «Gearing». Transactions in futures carry a high degree of risk. The amount of initial margin is small relative to the value of the futures contract so that transactions are «leveraged» or «geared». A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit: this may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with the firm to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss and you will be liable for any resulting deficit.

2. Risk-reducing Orders or Strategies. The placing of certain orders (e.g. «stop-loss» order, where permitted under local law, or «stop-limit» orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Strategies using combinations of positions, such as «spread» and «straddle» positions may be as risky as taking simple «long» or «short» positions.

Options

3. Variable Degree of Risk. Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarize themselves with the type of option (i.e. put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options must increase for your position to become profitable, taking into account the premium and all transactions costs.

The purchaser of options may offset or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a future, the purchaser will acquire a futures position with associated liabilities for margin (see the section on Futures above). If the purchased options expire worthless, you will suffer a total loss of your investment which will consist of the option premium plus transaction costs. If you are contemplating purchasing deep-out-of-the-money options, you should be aware that the chance of such options becoming profitable ordinarily is remote.

Selling («writing» or «granting») an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavorably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a future, the seller will acquire a position in a future with associated liabilities for margin (see the section on Futures above). If the option is «covered» by the seller holding a corresponding position in the underlying interest or a future or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited. Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability for margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transactions costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

Additional Risks Common to Futures and Options

4. Terms and Conditions of Contracts. You should ask the firm with which you deal about the terms and conditions of the specific futures or options which you are trading and associated obligations (e.g., the circumstances under which you may become obligated to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restriction on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

5. Suspension or Restriction of Trading and Pricing Relationships. Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any contract or contract month because of price limits or «circuit breakers») may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate / offset positions. If you have sold options, this may increase the risk of loss. Further, normal pricing relationships between the underlying interest and the future, and the underlying interest and the option may not exist. This can occur when, for example, the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge «fair» value.

6. Deposited Cash and Property. You should familiarize yourself with the protections accorded money or other property you deposit for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as your own will be prorated in the same manner as cash for purposes of distribution in the event of a shortfall.

7. Commission and Other Charges. Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

8. Transactions in Other Jurisdictions. Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. Before you trade you should enquire about any rules relevant to your particular transactions. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the firm with which you deal for details about the types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

9. Currency Risks. The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

10. Trading Facilities. Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and / or member firms. Such limits may vary; you should ask the firm with which you deal for details in this respect.

11. Electronic Trading. Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all. Your ability to recover certain losses which are particularly attributable to trading on a market using an electronic trading system may be limited to less than the amount of your total loss.

12. Off-exchange Transactions. In some jurisdictions, and only then in restricted circumstances, firms are permitted to effect off-exchange transactions. The firm with which you deal may be acting as your counterparty to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should familiarize yourself with applicable rules.

6. Definitions

Insider

Under National Instrument 55-104 Insider Reporting Requirements and Exemptions, a reporting insider is defined as being:

- the CEO, CFO, COO and the directors of the reporting issuer, of a Major subsidiary(1) of the reporting issuer, of a Significant Shareholder(2) of the reporting issuer or of any post-conversion(3) Significant Shareholder;
- a person or company responsible for a principal business unit, division or function of the reporting issuer or of a Major subsidiary;
- a Significant Shareholder or a post-conversion Significant Shareholder;
- a management company that provides significant management or administrative services to the reporting issuer or a Major subsidiary of the reporting issuer, every director of the management company, every CEO, CFO and COO of the management company, and every Significant Shareholder of the management company;
- an individual who performs functions similar to those described above;
- the reporting issuer itself, if it has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security; and
- any other insider who:
 - i) in the ordinary course receives or has access to information as to material facts or material changes concerning the reporting issuer before the material facts or material changes are generally disclosed; and
 - ii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of the reporting issuer.

(1) A Major subsidiary is a subsidiary of an issuer whose assets are 30% or more of the consolidated assets of this issuer, or whose revenues are 30% or more of the consolidated revenue of the issuer.

(2) A Significant Shareholder under NI 55-104 is a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, of securities of an issuer carrying more than 10 per cent of the voting rights attached to all the issuer's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person or company as underwriter in the course of a distribution. Post-conversion ownership of securities is also taken into consideration for identification as a Significant Shareholder.

(3) «Post-conversion» ownership is considered if the securities are convertible within a 60-day timeframe.

Significant Shareholder

Under IIROC's Universal Market Integrity Rules (UMIR), a Significant Shareholder is a person (including a corporation or incorporated organization) holding separately, or in combination with other persons, more than 20 per cent of the outstanding voting securities of an issuer.