B2B Bank Investment Loan Application
Distribution Alliance Program

- **100% Investment Loan:** B2B Bank will finance 100% of the investment.
- **3 For 1 Investment Loan:** B2B Bank will lend up to three times the amount pledged, hypothecated and/or assigned.
- **2 For 1 Investment Loan:** B2B Bank will lend up to two times the amount pledged, hypothecated and/or assigned.
- **1 For 1 Investment Loan:** B2B Bank will match the dollar amount pledged, hypothecated and/or assigned.

In order to avoid delays in processing, please:

- complete all client identification information (section 3 and 4) fully and accurately, including employment details
- submit all required documents relating to the loan requirements (see page 12 for checklist)
- if you are the Designated Advisor and also the Borrower, please have another licensed advisor sign authorization section 14 on page 11 of this application

Send all pages of this original completed application to:

B2B Bank, Investment Lending*
199 Bay Street, Suite 600
PO Box 279 STN Commerce Court
Toronto, Ontario M5L 0A2

***Some Distribution Alliance Programs may require original documents to be sent to a different address. Check the details of your specific program.**

®B2B Bank is a registered trademark of B2B Bank.

B2B BANK

Print Form

Reset Form

B2B Bank Investment Loan Application
Distribution Alliance Program

Language preference ☐ English ☐ French

Offer ID: E1047 **EASE #:** _____

1. Designated Advisor information

Dealer number	Dealer name	Email	
Designated Advisor number	Designated Advisor name	Phone ( )	Fax ( )

2. Loan type and details

☐ New Loan OR ☐ Increase existing Loan amount Account number: _____

Loan amount: $
(including existing loan balance if this is a rewrite)

Are you paying out another institution? ☐ Yes (Letter of Direction required) ☐ No

Program:

Distribution Alliance Program: Empire Life

Product type:

☐ Mutual fund
☐ Segregated fund — Guaranteed Minimum Withdrawal Benefit (GMWB)
☐ Segregated fund — Non - GMWB

Loan type:

☐ 100% ☐ 3 For 1 ☐ 2 For 1 ☐ 1 For 1

Margin Call options:

☐ No Margin Call ☐ Margin Call

Repayment options:

☐ Interest Only
☐ Principal and Interest (amortization: _____ months)

3. Primary Borrower information

☐ Mr. ☐ Mrs. ☐ Ms. ☐ Miss

Last name	First name	Initial
Social Insurance Number (optional)	Date of birth (mm/dd/yyyy) / /	Marital status
Home address (street # & name, apt. #) (not only a P.O. Box number)	☐ Homeowner ☐ Room and board ☐ Renter ☐ With parents	Since (yyyy)

City	Province	Postal code	Home phone number ( )	Work phone number ( )
Previous home street address (if at current address for less than two years) (not only a P.O. Box number)				
City	Province	Postal code		

Please provide details of two valid pieces of identification (including one with photo) one of which must be Type 1 identification. Refer to checklist on page 12 for examples of acceptable pieces of identification.

1. ID type: _____ Number: _____ Issued by: _____ Exp. date: / /

2. ID type: _____ Number: _____ Issued by: _____ Exp. date: / /

Have you previously declared bankruptcy? ☐ **Yes** ☐ **No** If "Yes," date of discharge: _____

Employment status (If Self-Employed or Commissioned Sales please enter line 150 from your latest NOA in the Gross personal annual income field)

☐ Employed ☐ Unemployed ☐ Self-Employed ☐ Commissioned Sales ☐ Retired ☐ Student ☐ Other: _____

Employer/Business name			Months of service
Employer/Business street address (not only a P.O. Box number)	City	Province	Postal code

Occupation (nature of work or profession)	Position (title, level, specialization)	Gross personal annual income $	Other income $	Income type
Previous employer/business name if employed at current employer for less than two years				Months of service
Previous employer/business street address (not only a P.O. Box number)	City	Province		Postal code
Previous Occupation (nature of work or profession)	Previous Position (title, level, specialization)			

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817-07-233E (10/01/2015)

EASE #: _____

4. Co-Borrower information

☐ Mr. ☐ Mrs. ☐ Ms. ☐ Miss

Last name	First name	Initial

Social Insurance Number (optional)	Date of birth (mm/dd/yyyy)	Marital status
	/ /	

Home address (street # & name, apt. #) (not only a P.O. Box number)
☐ Same as Primary Borrower

☐ Homeowner ☐ Room and board ☐ Renter ☐ With parents

Since (yyyy)

City	Province	Postal code	Home phone number	Work phone number
			( )	( )

Previous home street address (if at current address for less than two years) (not only a P.O. Box number)

City	Province	Postal code

Please provide details of two valid pieces of identification (including one with photo) one of which must be Type 1 identification. Refer to checklist on page 12 for examples of acceptable pieces of identification.

1. ID type: _____ Number: _____ Issued by: _____ Exp. date: / /

2. ID type: _____ Number: _____ Issued by: _____ Exp. date: / /

Have you previously declared bankruptcy? ☐ **Yes** ☐ **No** If "Yes," date of discharge: _____

Employment status (If Self-Employed or Commissioned Sales please enter line 150 from your latest NOA in the Gross personal annual income field)

☐ Employed ☐ Unemployed ☐ Self-Employed ☐ Commissioned Sales ☐ Retired ☐ Student ☐ Other: _____

Employer/Business name	Months of service

Employer/Business street address (not only a P.O. Box number)	City	Province	Postal code

Occupation (nature of work or profession)	Position (title, level, specialization)	Gross personal annual income	Other income	Income type
		$	$	

Previous employer/business name if employed at current employer for less than two years	Months of service

Previous employer/business street address (not only a P.O. Box number)	City	Province	Postal code

Previous occupation (nature of work or profession)	Previous position (title, level, specialization)

5. Financial details

Assets		Liabilities	Creditor(s)	Monthly payments	Total amount
Residence (est. market value)	$	Mortgage		$	$
Other real estate	$	Other mortgages		$	$
Registered savings	$	Condo fees (if applicable)		$	
Cash/Liquid assets	$	Line(s) of credit		$	$
Other investments	$	Personal loan(s)		$	$
Other	$	Credit card(s)		$	$
Other	$	Other		$	$
Total Assets	**$ 0**	**Total Liabilities**		**$ 0**	**$ 0**
		Net Worth (Assets minus Liabilities)			**$ 0**

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6. Loan Proceeds

The loan proceeds are to be used for the purposes of investment in the following account, which shall be pledged to B2B Bank as lender:

B2B Bank/B2B Bank Dealer Pledged Account no.: _____

☐ Existing account

☐ New account

Account type (refers to the type of ownership of the Pledged Account, not of the loan account.)

☐ Individual

☐ Tenants in Common* (joint account in Quebec)

☐ Joint Tenants with Rights of Survivorship* (not applicable in the province of Quebec)

* If the Pledged Account is joint, the loan must also be joint.

Securities purchased and/or pledged, hypothecated and/or assigned must be on B2B Bank's Investment Loan eligible list. In the event that Securities purchased with the Loan proceeds are not on B2B Bank's Investment Loan eligible list, I/we will bear all liability for losses, fees, and other costs incurred to replace them with Securities on B2B Bank's Investment Loan eligible list, otherwise such Securities will be sold and I/we will be required to pay any deficiency resulting from the Loan exceeding the Net Proceeds of the Securities.

7. Application for and disbursement of Loan

I (and in the case of a Co-Borrower, We) hereby apply for a loan (the "Loan") in the amount and upon the terms and conditions mentioned in the present application form and sections 1 to 32 of the Terms and Conditions of this Agreement (collectively the "Agreement"). I/We hereby authorize and direct B2B Bank (the "Bank"), upon approval of this application, to advance and disburse the Loan proceeds to the Account Administrator, on my/our behalf, or the insurance company and to pay on my account any ancillary fees or commissions. The foregoing authorization is irrevocable except as set forth in sections 14 and 32 of the Terms and Conditions.

I/We authorize the Bank to provide the Account Administrator and/or Insurer with notice of the hypothecation and pledge to the Bank as set forth in these Terms and Conditions or where the Securities for the Loan are Segregated Funds, the Assignment, Hypothecation, Acknowledgement and Direction (collectively, the "Security Documents") signed by me/us in relation to the Loan and to notify the Account Administrator and/or Insurer to accept instruction from me/us in relation to Securities, Contracts and other assets hypothecated and pledged in connection with the Loan and permitted under the Agreement or as permitted under the Security Documents in the case of Segregated Funds. I/We acknowledge that providing and delivering this instruction to the Bank constitutes delivery by me/us to the Account Administrator/Insurer.

I/We authorize the exchange of information with the Account Administrator and/or Insurer pertaining to the insurance policy (the "Insurance Policy") which I/we propose to assign and hypothecate to the Bank in consideration of the Bank advancing the Loan. Such information exchange with the Insurer will contain, but not be limited to, confirming ownership of the Insurance Policy, the death benefit and the cash value of the Insurance Policy, nature of the beneficiary of the Insurance Policy and whether the Insurance Policy has been assigned or hypothecated to another party. The same applies, with any necessary modification, to any premium deposit account or side account existing with respect to the Insurance Policy.

8. Demand note

Pursuant to this Agreement, and upon advancement of the Loan proceeds, for value received, I/we hereby promise to pay on demand to the order of the Bank at 199 Bay Street, Suite 600 PO Box 279 STN Commerce Court Toronto, Ontario M5L 0A2 the amount of _____

_____ dollars ($_____), (the "Principal") with interest thereon at a rate equal to _____ % per annum ☐ above or ☐ below the Prime Rate in effect from time to time (the "Variable Interest Rate") such interest to be calculated daily and payable monthly from the date that the Loan proceeds are advanced, both before and after demand, default or judgement, until payment in full, with interest at the same rate on all overdue interest. On the date hereof, the Prime Rate is _____% per annum. Prime Rate means the annual interest rate announced by the Bank from time to time as being its reference rate then in effect (the "Prime Rate"). The current Prime Rate is available on the Bank's web site, **b2bbank.com** or by calling B2B Bank at 1.800.263.8349. I/We agree that the applicable Variable Interest Rate may, for interest computation purposes, change without notice upon each change in the Prime Rate and I/we acknowledge that the cost of borrowing for the Loan may vary based on changes to that Prime Rate. I/We acknowledge that a written statement by the Bank setting forth the Prime Rate at any specified time shall be conclusive proof of the Prime Rate absent manifest error. I/We hereby waive all delays, days of grace, presentment, notice of non-payment, notice of dishonour, protest, notice of protest and all other formalities with respect hereto. I/We hereby acknowledge that the Bank, in its sole discretion, may at any time demand the full payment of the Loan. Furthermore, and without limiting the generality of the foregoing, the Loan will become immediately repayable on the occurence of any event outlined in paragraph 13 of the Terms and Conditions herein.

9. Repayment options

Upon advancement of the Loan proceeds, although the Loan is repayable on demand, I/we shall, in the manner set out herein, subject to any revised payment schedule and until such time as the Loan is repaid or a demand for repayment is made by the Bank, make monthly payments (the "Instalments") of the lesser of (i) the monthly payment due, and (ii) any and all amounts outstanding pursuant to this Agreement (the "Indebtedness").
The monthly payment due is:

☐ Interest Only Payments $_____

OR

☐ Principal and Interest Payments $_____

Note: The interest will accrue monthly on the Indebtedness. This interest payment is the amount as of the date of the Loan.

Each Instalment shall be due on the _____ day of each calendar month starting on _____ _____, 20_____ (the monthly "Payment Date"). Each Instalment shall be applied first against the monthly payment of interest due on the Loan as of that Payment Date (the "Interest Payment") and the balance, if any, shall be applied against the Principal (the "Principal Payment").

If the Prime Rate increases after the date hereof and the amount of each Instalment to be paid hereunder is insufficient to satisfy the Interest Payment due as of such Payment Date, the amount of the shortfall shall be added to the outstanding Principal and such additional amounts shall bear interest at the Variable Interest Rate and shall form part of the Indebtedness.

In the case of Principal and Interest Payment Loans: At this rate of payment, it is expected that the Indebtedness will be repaid in approximately _____ years in approximately equal monthly payments.

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9. Repayment options (continued)

In the case of Interest Only Payment Loans:
If the Indebtedness is equal to or exceeds:
- in the case of 100% No Margin Call, Interest-Only Loans, 125% of the Net Asset Value of the Securities, or,
- in the case of 1 For 1, 2 For 1, or 3 For 1 No Margin Call, Interest-Only Loans, 100% of the Net Asset Value of the Securities, then this Loan will, at the discretion of the Bank, be converted to a ***principal and interest loan*** with the monthly payments based on interest at the Variable Interest Rate and on an amortization period of twenty (20) years and a term of twenty (20) years, with all other terms and conditions herein to apply. At this rate of repayment, it is expected that the Indebtedness will be repaid in approximately twenty (20) years from the conversion date, in approximately equal monthly payments. However, once the Loan has been converted to a principal and interest payment loan, and after I/we have made three (3) consecutive monthly Principal and Interest Payments and if the Indebtedness does not exceed (i) 125% of the Net Asset Value of the Securities in the case of 100% No Margin Call, Interest-Only Loans, or (ii) 100% of the Net Asset Value of the Securities in the case of 1 For 1, 2 For 1, or 3 For 1 No Margin Call, Interest-Only Loans, I/we may request *in writing* that the Bank revert the Loan to the original repayment modalities as described herein.

In the event of a material adverse change, reasonably anticipated or actual, the Bank may, on written notice to me/us, require me/us to convert the loan from interest-only to a principal and interest loan.

10. Personal pre-authorized debit authorization

I/We agree that whether the Instalments are to be drawn against my/our account at the Bank or at a financial institution other than the Bank, the calculations by the Bank of the Interest Payments will be conclusive for such purpose, absent of error. I/We authorize the Bank to debit on each Payment Date all amounts that may be owing to the Bank pursuant to this Agreement, which may vary from month to month, including, without limitation, the Instalments and fees payable pursuant to this Agreement, and to apply these amounts to my/our Indebtedness. I/We agree that payment shall be made by pre-authorized debits (the "PAD") or electronic withdrawals or in such manner as the Bank may determine. When a PAD initiated on a Payment Date is returned for any reason, I/we authorize the Bank to debit such returned amount prior to the next Payment Date. The PAD shall be drawn against the account held at the financial institution indicated on the attached void personal cheque and I/we authorize the financial institution to deal with this PAD as if it were signed by me/us. **I/We agree to waive the requirement under the Canadian Payments Association Rules to receive a written pre-notification prior to each PAD as set out in the Rules.** I/We represent and warrant that all persons whose signatures are required to sign on this account have signed this agreement. I/We agree to attach to this Agreement a void sample cheque for the Bank's records. I/We acknowledge that providing and delivering this authorization to the Bank constitutes delivery by me/us to the financial institution indicated on my/our cheque. I/We undertake to inform the Bank in writing of any change in the account information provided herein 10 days prior to the next Payment date.
I/We have certain recourse rights if any debit does not comply with this agreement. For example, I/we have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD agreement. I/We may revoke my/our authorization at any time, subject to providing written notice of 30 days. To obtain more information on my/our recourse rights, or to obtain a sample cancellation form or information on my/our right to cancel a PAD Agreement, I/We may contact my/our financial institution or visit **cdnpay.ca**. Revocation of this authorization does not terminate any contract that exists between me/us and the Bank.

Banking information

Financial institution name		Branch address
Bank transit	Institution number	Account number

If the attached cheque is for a joint account in the name of the Borrower(s) and another joint account holder whose signature is required on withdrawals issued against the account, any joint account holder that is not the Borrower or Co-Borrower on this application must sign this authorization immediately below:

_____
Signature of Joint Account Holder

Please attach a void cheque from a personal account imprinted with the name of the applicant(s) here.

If you are providing a pre-authorized debit slip please ensure that it is stamped with a Bank Teller stamp dated within 3 months.

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11. Disclosures

1. Borrowing money to buy mutual funds or segregated funds (leveraging)

Regulatory authorities require notice to investors who consider borrowing money to buy mutual funds or segregated funds, to make investors aware of the risks involved in borrowing to invest.

Mutual funds or segregated funds may be purchased using available cash, or a combination of cash and borrowed money. When you purchase segregated funds, the value of the policy is determined with reference to units of segregated investment funds. If you use cash to pay for your purchase in full, your percentage gain or loss will equal the percentage increase or decrease in the value of your mutual funds or segregated funds. The purchase of mutual funds or segregated funds using borrowed money magnifies the gain or loss on your cash invested. This effect is called leveraging. For example: If $100,000 of mutual funds or segregated funds are purchased and paid for with $25,000 from available cash (your money) and $75,000 from borrowings, and the value of your mutual funds or segregated funds declines by 10% to $90,000, your equity interest (the difference between the value of your mutual funds or segregated funds and the amount borrowed) has declined by 40%, i.e., from $25,000 to $15,000.
As it is apparent that leveraging magnifies gains or losses, it is important that you know that a leveraged purchase of mutual funds or segregated funds involves greater risk than a purchase using your own cash resources only. To what extent a leveraged purchase involves undue risk is a determination to be made on an individual basis by each purchaser, and will vary depending on the circumstances of the purchaser and the mutual funds or segregated funds purchased.

It is also important that you be aware of the terms and arrangements made where a Loan is secured by mutual funds or segregated funds. Using borrowed money to finance the purchase of securities involves greater risk than a purchase using cash resources only. If you borrow money to purchase securities, your responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the securities purchased declines. The lender may require that the amount outstanding on the Loan, relative to the value of the securities, does not rise above an agreed percentage of the market value of the securities. Should this occur, the borrower must either (1) pay down the Loan, (2) sell the funds, or (3) post additional cash or collateral, so as to return the Loan to the agreed percentage relationship. In the example above, the lender may require that the Loan not exceed 75% of the market value of the funds. If the market value of the funds was to fall to $90,000, the Loan/value ratio would go up to 83.3% ($75,000/$90,000 x 100%). The borrower must reduce the Loan to $67,500 (75% of the $90,000) - or provide an additional $10,000 of acceptable collateral to give to the lender. If the borrower does not have additional cash available (or collateral), he must sell funds at a loss to provide money to reduce the Loan.

Money is, of course, also required to pay interest on the Loan. Under these circumstances, investors who leverage their investment are advised to have adequate financial resources available both to pay interest and also to reduce the Loan if the borrowing arrangements require such a payment. No matter what the value of your mutual funds or segregated funds is, you will, in all circumstances, remain liable to reimburse all amounts due on your Loan.

It is important that you understand the risks and rewards of borrowing (leverage) as outlined above, and that you undertake this investment program with that full understanding.

12. Terms and Conditions

The following terms and conditions will apply to the Loan and form an integral part of this Agreement.

1. DEFINITIONS

Where used herein,

1.1 "Account Administrator" means B2B Bank, B2B Bank Financial Services Inc., B2B Bank Securities Services Inc. or B2B Bank Intermediary Services Inc., or such other securities dealer corporation or financial institution with whom I have a Pledged Account in my name.
1.2 "Application" corresponds to sections 1 to 10 of the Agreement.
1.3 "Agreement" means the Application and the Terms and Conditions.
1.4 "Bank" means B2B Bank.
1.5 "Borrower" shall mean the borrower and the co-borrower as the context may require and "I" shall mean I and/or we as the context may require.
1.6 "Contract" is a contract pursuant to which Segregated Funds are offered and which the Borrower has assigned and hypothecated to the Bank as security for repayment of the Indebtedness pursuant to the Assignment, Hypothecation, Acknowledgment and Direction.
1.7 "Dealer" is the Dealer identified in the Application
1.8 "Demand Note" means the demand note identified in section 8 of the Application
1.9 "Designated Advisor" is the dealer or representative whose name appears in section 1 of the Application or as I may direct from time to time to the Bank in writing. I acknowledge that the Designated Advisor is my agent and not the Bank's.
1.10 "Excess Collateral Amount" means from time to time and only for those loans the proceeds of which have, in whole or in part, been used to purchase GMWB Securities:
1.10.1 For a 100% Investment Loan, an amount which could be withdrawn from the then existing Securities such that the ratio of the Loan amount then existing to the Net Proceeds of the Securities after the withdrawal, (the "Post Withdrawal Loan to Value ratio"), is less than or equal to 80%;
1.10.2 For a 3 for 1 Loan, an amount which may be withdrawn from the then existing Securities such that the Post Withdrawal Loan to Value ratio is less than or equal to 67.5%;
1.10.3 For a 2 for 1 Loan, an amount which may be withdrawn from the then existing Securities such that the Post Withdrawal Loan to Value ratio is less than or equal to 66.6%;
1.10.4 For a 1 for 1 Loan, an amount which may be withdrawn from the then existing Securities such that the Post Withdrawal Loan to Value ratio is less than or equal to 50%;
1.11 "Indebtedness" is defined as any and all amounts outstanding pursuant to this Agreement.
1.12 "Insurer" is the life insurance company issuing individual variable insurance contract or individual annuity contract, pursuant to which Segregated Funds are offered.
1.13 "Interest-Only Payment Option Loan" is a Loan where the only current obligation is interest payments and where repayment of principal is deferred.
1.14 "GMWB" means Guaranteed Minimum Withdrawal Benefit.
1.15 "GMWB Securities" means those securities purchased hereunder for which the Borrower receives a guaranteed minimum withdrawal benefit.
1.16 "Leveraging" is when an investor borrows money to purchase Securities. When Leveraging, the purchased Securities are pledged, hypothecated and/or assigned to the lender as collateral.
1.17 "Loan" means the loan between the Bank, as lender, and the Borrower, as more fully described in the Application.
1.18 "Loan Documents" are any pre-printed documents which include this Agreement, the Movable Hypothec (Quebec only), the Pledge Letter or Notice of Investments (if applicable), the Assignment, Hypothecation, Acknowledgement and Direction (for Segregated Funds), the Letter of Direction (if paying out another financial institution), the Letter of Privilege (if applicable), and the Securities Control Agreement (if applicable).
1.19 "Margin" is the level of Securities that must be maintained by the Borrower relative to the outstanding Loan acquired to purchase the Securities.
1.20 "Margin Call" is the demand by the lender that a Borrower deposit additional money or securities sufficient to bring the Loan Margin to the minimum level as prescribed by the Agreement.
1.21 "Net Asset Value (NAV)" means the total value of the assets of a fund, minus any liabilities of the fund. "Net Asset Value per Share (NAVPS)" is a valuation of a mutual fund unit and/or segregated fund unit. The NAVPS is a measure of the total value of the assets of a fund, minus any liabilities

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12. Terms and Conditions (continued)

of the fund, divided by the number of units outstanding.

1.22 "Net Proceeds of the Securities" is, at any time, the amount that the Securities would realize if redeemed, surrendered for cancellation or sold, less any commission and all other related costs that would otherwise be payable.

1.23 "Other Property" means any assets other than Securities and Contract(s) which is pledged and which is designated on the books and records of the Bank as security for the Loan and all claims, present or future, by such Borrower against any person liable upon or for he payment of any of the Security.

1.24 "Pledged Account" means all those Securities, securities entitlements, financial assets and other items and property (or their value) standing to the credit of an account or accounts with an Account Administrator.

1.25 "Secured Obligations" means all of my present and future, direct or indirect indebtedness and liability to the Bank including, but not limited to, the Indebtedness and all other debts, liabilities and obligations, present or future, and all interest, commissions, legal and other costs and expenses.

1.26 "Securities" means all Pledged Accounts, monies, deposits, shares, units of a mutual fund or other issuer, other securities or instruments or insurance contracts and all other property held within or to the credit of the Pledged Account administered by an Account Administrator including:

1.26.1 any and all Securities and other property as may hereafter be delivered to the Bank by me or on my behalf;

1.26.2 all other Securities issued or received in substitution, renewal, addition or replacement of any of the Securities described above, or issued or received on the purchase, redemption, conversion, cancellation or transformation of any such Securities or issued or received by way of dividend, distribution or otherwise to the holder of any such Securities;

1.26.3 any rights attached to the Securities, as well as the benefits and revenues thereof, including the capital thereof, income therefrom, interest, dividends and distributions thereon, accretions thereto and any other proceeds thereof, including proceeds of redemption;

1.26.4 the proceeds of any sale, assignment or other disposition of the Securities, any claim resulting from such a sale, assignment or other disposition, as well as any property acquired in replacement thereof; and

1.26.5 all titles, instruments, documents, records, receipts, invoices and accounts evidencing the Securities or relating thereto and the interest in the Pledged Account.

1.27 "Security" means Securities, Contract(s), Other Property, Pledged Accounts and any other assets pledged for the Loan.

1.28 "Segregated Funds" are segregated funds offered under an individual variable insurance contract or an individual annuity contract, in each case, issued by a life insurance company.

2. LOAN TERMS

The Loan terms are as set out in sections 7, 8, and 9 of the Application which is an integral part of this Agreement. Pursuant to this Agreement and subsequent to the approval of the Loan, the Loan proceeds will be fully advanced to the Pledged Account or, when the Account Administrator is B2B Bank, will be advanced on the date the purchase orders for Securities are executed, or on the date on which the purchases have settled. Following this advance, the interest as provided herein will accrue.

3. REVIEW

I acknowledge that the Bank will review the Loan as frequently as it shall deem necessary and I agree to provide any additional information that it may require.

4. JOINT AND SEVERAL LIABILITY

If more than one person is bound by the Agreement, we shall be jointly and severally liable (in Quebec: solidarily liable) for the total Indebtedness and for the fulfilment of each of the obligations contained herein and in the other Loan Documents.

5. FEES

I agree to pay the cost of registering a security interest or hypothec where applicable under applicable personal (movable) property security legislation on the first Payment Date. I also agree to pay, under applicable personal (movable) property security legislation: a) the cost of renewing the security interest or hypothec where applicable, and b) the cost of discharging the security interest or hypothec where applicable following repayment of the Loan. I further agree to pay all other costs, fees and expenses including, without limitation, legal fees and disbursements, which the Bank may incur in protecting its position and/or any policy or in collecting the Indebtedness. I acknowledge and agree that if any cheques or pre-authorized debits issued by me are returned to the Bank unpaid, the Bank will charge a fee for each cheque or pre-authorized debit so returned (currently $50.00 or any amount published from time to time). All such costs and fees will be paid by me forthwith upon notification. Until paid, they shall be added to and form part of the Indebtedness and shall bear interest at the rates applicable from time to time pursuant to the Demand Note therein.

6. PERSONAL INFORMATION

The Bank collects personal information including certain credit, employment, and other financially-related information ("Personal Information") from its clients, and if necessary, from their surety (guarantor) and other sources, as described below. The Bank makes use of this personal information in the context of activities it generally carries out, including but without limiting the generality of the foregoing: verifying the identity of its clients, opening an account or a loan, understanding the overall financial situation of a client and adequately delivering products and services.

To this end,

6.1 I authorize the Bank, its affiliates and service providers acting on its behalf to:

i) obtain information regarding my solvency or financial situation, as may be required from time to time for the purposes provided herein including the applicant and co-applicant's identification and until full payment of any amount as may be owing to the Bank, from legally authorized persons as well as from any Designated Advisor, personal information agent, any person referred to in credit reports obtained, any financial institution, any mortgage insurer or any other person providing references, from my current or previous employer mentioned in the application, and I authorize such persons to disclose the information requested;

ii) disclose the information it holds on myself to any person authorized by law, Designated Advisor, personal information agent, financial institution, mortgage insurer or any organization duly designated by the Bank according to paragraph 6.3 below, or with my consent, to any person who so requests it;

iii) use my social insurance number for income tax reporting, identification and data-grouping purposes regarding services offered by the Bank;

iv) make my personal information available to its employees, affiliates and services providers who are bound to protect the confidentiality of information.

In granting this authorization, I acknowledge that I am giving the Bank permission to request and access my credit report from credit-reporting agencies.

6.2 You may at all times, without notifying me, assign my account to any person. The assignee may be required by applicable laws to retain my personal information for a certain period of time.

6.3 With a view to benefiting from high-quality service and obtaining all information available regarding the financial products offered by the Bank, its affiliates or any enterprise that has been duly designated by the Bank, I authorize the Bank, its affiliates and any enterprise duly designated by the Bank to make use of the information it holds in my regard in order to communicate any background documentation, advertisement or information to me. I understand that the employees and authorized representatives of the Bank and its affiliates will use my personal information only to the extent that such personal information is necessary or useful for the performance of their duties. I am entitled to request that the Bank refrain from using the information for the purposes set out in this paragraph at any time by providing written notice to the Bank. The Bank will not refuse to provide the services described herein, in the event that I am entitled to them, even if I have revoked my authorization regarding the use of this personal information.

6.4 In the case of services rendered by the Bank from a foreign country, I understand that the Bank may be required to disclose my personal information to regulatory authorities in the foreign jurisdiction, as per applicable laws;

6.5 I authorize the Bank to disclose and share information in cases of fraud, inquiry, or breach of any financing agreement with competent authorities.

6.6 I authorize the Bank to disclose and share information with other financial institutions when inter-bank communication is required to prevent or

SEE OVERLEAF

12. Terms and Conditions (continued)

control fraud, during inquiries for breach of any financing agreement, or any statutory violation.

6.7 Any file with which I am concerned will be kept at the appropriate department at the Bank. The Bank will allow me to examine information to which I am entitled by law, and I may obtain a copy of such information upon payment of amounts charged by the Bank and upon written request to the Bank.

7. REPAYMENT

I may repay all or part of the Indebtedness at any time before demand, without incurring any penalty.

8. NO LIFE INSURANCE

I acknowledge that the Bank has not offered life insurance coverage in respect of the Loan, and waive the right to be offered any such insurance, or to purchase such insurance, if offered.

9. SECURITY INTEREST AND REDEMPTION

9.1 As collateral security for repayment of the Secured Obligations, I hereby mortgage, pledge, hypothecate and grant a security interest standing in first priority in favour of the Bank in all of the Securities and the Pledged Account or Accounts, together with any additional securities the Bank may subsequently require, and all proceeds, dividends, interest and other distributions or allocations by the issuer of those Securities. Where appropriate, I give consent and authorize the Bank to register a security interest or hypothec or to hold the Securities in the Bank's name until the Loan is fully repaid and consent to the Bank placing the Securities in the custody of a third party designated by the Bank. In the case of Segregated Funds, I have provided or shall provide to the Bank at its request, an irrevocable assignment and direction in favour of the Bank of every such segregated fund (hereinafter an "Assignment, Hypothecation, Acknowledgement and Direction") and in Quebec only a Movable Hypothec.

9.2 A security interest is also given by me in any Contracts as security for the payment and performance by me of the Secured Obligations;

9.3 I agree that the Bank has the right to retain money standing to my credit with the Bank or in a Pledged Account, in full or partial payment of the Secured Obligations;

9.4 If default is made in payment or performance of the Secured Obligations, the Bank, to the extent permitted by law, without notice, demand for payment or any other formality (all of which, to the extent permitted by law, are hereby waived), may sell by public or private sale or otherwise deal with the Security in such manner as it thinks fit and may hold the proceeds in lieu of any Security and appropriate the same on account of such parts of the Secured Obligations as the Bank thinks fit. All costs and expenses incurred by the Bank in respect of the Security and the realization thereof shall be added to the Indebtedness and shall be a first charge upon the moneys received.

9.5 The Bank shall not be obligated to pursue or exhaust its recourse against me or any other person or persons or against any other security it may hold before realizing on or otherwise dealing with the Security in such manner as the Bank shall in its sole discretion see fit. The Bank may compromise, grant extensions, take and give up some or all of the Security, and otherwise deal with me and others and the Security as it sees fit, without prejudice to any of its rights in respect of the Security.

9.6 The Bank shall not be bound to realize any of the Security or to allow any of the Security to be sold and shall not be responsible for any loss occasioned by any sale or failure to sell or enforce any of the Security. The Bank shall not be bound to perform any act to prevent prescription thereof nor to protect any of the Security from depreciating in value or becoming worthless.

9.7 The Bank is solely entitled to but not bound or required to collect, both before and after default under this Agreement any interest, dividends, distributions, income, revenue or cash proceeds from redemption of the Security.

9.8 The Bank shall have the right but not be bound or required to exercise any option or right to which the holder of any of the Securities may be entitled, and any advance made for such purpose shall be payable by me to the Bank forthwith upon demand.

9.9 The Bank may have any of the Securities registered in its name or in the name of its nominee and shall be entitled but not bound or required to vote the Securities at any meeting whether general or special at which the holder thereof is entitled to vote, to give an instrument or instruments of proxy for such purpose to such person or persons as it sees fit and generally to exercise all of the rights of a holder of the Securities. The Bank shall not be responsible for any loss occasioned by the exercise or non-exercise of any such rights.

9.10 Each signing officer of the Bank is hereby appointed the irrevocable attorney by me, with full power of substitution in the premises, both before and after a default, to endorse and or transfer the Security or any of them to the Bank or its nominees, provided, that I shall, at the request of the Bank and at my expense, execute all such transfers, instruments and other writings as may be reasonably required, with all such powers of sale and other powers as may be necessary or desirable for the better vesting in the Bank, or such person or persons as it may direct, all or any of the Security. The Bank and its nominees are hereby empowered to exercise all rights and powers and to perform all acts of ownership in respect of the Security to the same extent as you might do, including without limitation the ability to execute documents for the purpose of the redemption of the Security and requiring the proceeds thereof to be paid to the Bank, and I shall forthwith repay on demand all consequent outlay and expense with interest.

9.11 This Agreement and the Security and Pledged Account(s) transferred, hypothecated, pledged and assigned hereunder are in addition to and not in substitution for any other security held by the Bank and shall not operate as a merger of any simple contract debt or suspend the fulfillment of, or affect the rights, remedies and powers of the Bank in respect of the Secured Obligations or any other security held by the Bank for the fulfillment thereof.

9.12 I acknowledge and agree that to the extent that the Account Administrator possesses the Security on behalf of and as agent for the Bank, it also does so to the extent that possession thereof is necessary to perfect any security interest or hypothec in such Security under any applicable law.

9.13 I shall forthwith deliver to the Bank any such certificate coming into my possession, and until such delivery, shall hold such certificate as trustee (in Quebec, mandatary) for the Bank. Any such certificate coming into the possession of the Bank may be placed into the Pledged Account and registered in the name of the Bank or in the name of its nominee

9.14 I shall also take whatever steps the Bank requires to enable the Bank to obtain control of any investment property forming part of the Security, including having any security registered in the name of the Bank or its nominee

9.15 The hypothec which is granted in this Agreement constitutes a pledge of the Security which are delivered to, or are now in the possession of, the Account Administrator or over which the Account Administrator has effective control pursuant to this Agreement or otherwise, as well as a pledge of any of the Security which may in the future be delivered to, or held by, the Account Administrator or over which the Account Administrator has effective control pursuant to this Agreement or otherwise.

9.16 In the event the Net Asset Value of the Securities exceeds the outstanding Indebtedness, I will only be entitled to redeem the Securities in accordance with the Bank's usual practice in effect at such time, which may be modified from time to time.

9.17 In the case of Loans the proceeds of which have, in whole or in part, been used to purchase GMWB Securities, the Borrower shall be entitled, and subject to the terms of such Securities and this Agreement, to redeem from the Securities any amount up to the Excess Collateral Amount.

9.18 Segregated fund policies or principal protected notes or any other investment product with a principal guarantee feature or other guaranteed benefits could be surrendered by the Bank to repay the Loan. I cannot depend on any principal repayment guarantees or other guaranteed benefits until such time as all conditions for the payment of such guarantees or benefits are satisfied. Any early surrender made by the Bank to repay the Loan may affect guarantees, which may result in a loss of original invested capital and/or other guaranteed benefits, including but not limited to guaranteed minimum withdrawal benefits, and may have tax consequences.

9.19. Where a Pledged Account is held at an Account Administrator that is not the Bank, I further specifically agree to the terms and conditions of the Securities Control Agreement attached as Schedule A hereto which will form part of this Agreement.

10. RESTRICTIONS AND REQUIREMENTS OF SECURITIES AND OTHER PLEDGED ASSETS

10.1 The Securities shall not be released until the Indebtedness is repaid in full. Except as permitted in this section 10, I may not, without the prior written consent of the Bank:

i) terminate, transfer or make a withdrawal from the Securities (unless authorized by the Bank); or

12. Terms and Conditions (continued)

ii) transfer, mortgage, hypothecate, pledge, assign, create a security interest in or in any way diminish the value of the Securities and other pledged assets. In the event that the Loan is in default in any respect, any proceeds from the sale or redemption of the Securities may, at the option of the Bank, be immediately applied against the Indebtedness.

10.2 I acknowledge and agree that the Bank shall at all times be entitled but not bound or required to freeze or postpone the transfer, redemption or diminishment of the Securities until such time as the Indebtedness is repaid in full or alternative arrangements, acceptable to the Bank, are made and confirmed in writing. I hereby irrevocably authorize the Account Administrator to send a copy of my account statements to the Bank and to disclose any instructions it may receive from me in contravention of the foregoing and to act in accordance with substituted instructions from the Bank. Upon request, I agree to sign specific directions to any Account Administrator appointed by the Bank or any affiliate of the Bank to this effect.

11. DIVIDENDS/DISTRIBUTIONS

The Bank may allow me to receive dividends or distributions in the form of cash, if this is permitted by the Account Administrator. If applicable, the Bank may, in its sole discretion, prevent, suspend, discontinue or otherwise disallow any cash payment of dividends or distributions to the Borrower (and Co-Borrower, if applicable) and apply such payments to pay down my Loan. I irrevocably authorize the Account Administrator to accept instructions from the Bank in this regard. If the Bank chooses to permit such payments to the Borrower (and Co-Borrower, if applicable) following a period during which they are disallowed, such payments to me may be initiated or resumed only following approval of a written request to the Bank made through my Designated Advisor.

12. INVESTMENTS

(a) Actions of a Dealer

The Bank and its affiliates, shall not be responsible for and shall not be held liable for the actions or representations of a Dealer in respect of this Agreement or any Securities purchased with any advanced under the Loan. A Dealer is not a partner, joint venturer or agent of the Bank and none of them are authorized or have any ability to bind or create any liability for the Bank. I acknowledge that my obligation to repay the Loan and other amounts required under this Agreement is an obligation to the Bank, separate and independent from my relationship with a Dealer, without the right of set-off for any defence based on advice received from a Dealer or any third party. The Bank is entitled to accept and act on any notice, authorization, or other communication that it believes in good faith to be given by me or my Dealer on my behalf. The Bank is under no obligation to verify that my Dealer is properly authorized to act as my agent or is otherwise authorized to act on my behalf.

(b) Independent Advice

I acknowledge that I have not received any advice from the Bank including investment advice or leverage advice and that the Bank has no obligation to provide leverage disclosure to me. Further, I acknowledge that I have received, or had opportunity to receive independent advice with respect to my investments, my Loan, the suitability to of the investments and the Loan, of leveraging such investments and in respect of all tax issues related to the investments and the Loan.

(c) No Endorsement of Investments

The Bank and its affiliates make no representation, warranty, recommendation, advice, guarantee or endorsement, express or implied, oral or written, with respect to the investments or any other assets that I previously purchased or intend to purchase with any advance under the Loan. The Bank is not responsible for and shall not be liable for any loss or damage or other consequences that I may suffer or incur as a direct or indirect result of receiving any advance under the Loan.

13. EVENTS OF DEFAULT

In the absence of an earlier demand by the Bank, I agree that the Indebtedness will be repaid in full upon my death or on the occurrence of any of the following events ("Events of Default"):

13.1 I fail to fulfill my obligations under this Agreement, or under any of the other Loan Documents, including but not limited to, the Assignment, Hypothecation, Acknowledgement and Direction; or

13.2 in the case of a 2 For 1 Loan, or 1 For 1 Loan for which "Margin Call" has been selected, the outstanding Loan is greater than 85% of the Net Asset Value of the Securities and, following written notification of that fact by the Bank (the "Margin Call"), I fail to immediately provide the Bank with sufficient repayment of the Indebtedness, and/or otherwise provide security acceptable to the Bank so as to reduce the Loan proportion (calculated with reference to the Securities and to such additional security) to no more than 85% as of the date when such payment or additional security is received by the Bank; or

13.3 in the case of a 3 For 1 Loan for which "Margin Call" has been selected, the outstanding Loan is greater than 95% of the Net Asset Value of the Securities and, following written notification of that fact by the Bank (the "Margin Call"), I fail to immediately provide the Bank with sufficient repayment of the Indebtedness, and/or otherwise provide security acceptable to the Bank so as to reduce the Loan proportion (calculated with reference to the Securities and to such additional security) to no more than 95% as of the date when such payment or additional security is received by the Bank; or

13.4 in the case of a 100% Investment Loan for which "Margin Call" has been selected, the outstanding Loan is greater than 120% of the Net Asset Value of the Securities and, following written notification of that fact by the Bank (the "Margin Call"), I fail to immediately provide the Bank with sufficient repayment of the Indebtedness, and/or otherwise provide security acceptable to the Bank so as to reduce the Loan proportion (calculated with reference to the Securities and to such additional security) to no more than 120% as of the date when such payment or additional security is received by the Bank; or

13.5 upon the occurrence of any change in my financial situation which, in the Bank's sole discretion, might affect my ability to repay the Indebtedness; or

13.6 I am insolvent or have become bankrupt or made a proposal under the Bankruptcy and Insolvency Act or under any similar legislation; or

13.7 any of the Securities are terminated, cancelled, surrendered or rendered void for any reason whatsoever; or

13.8 the Bank believes on reasonable grounds that the Securities will decline speedily in value; or

13.9 any representation or warranty that I make herein, or in the other Loan Documents, or in any document or certificate provided at any time to the Bank in connection therewith, is incorrect or misleading in any material respect; or

13.10 in the case of Segregated Funds, any Assignment, Hypothecation, Acknowledgment and Direction and any movable Hypothec in Quebec is invalid or does not rank in first priority against third parties.

14. CLAUSE OF FORFEITURE OF BENEFIT OF THE TERM

(For Quebec Residents Only) Before availing itself of any clause of forfeiture of benefit of the term, the Bank must send you a notice in writing and a statement of account.

Within 30 days following receipt of the notice and the statement of account, you may:

(i) either remedy the fact that you are in default; or

(ii) present a motion to the court to have the terms and conditions of payment prescribed in this Agreement changed. It is in your interest to refer to sections 73, 74, 76, 91, 93, 104 to 110 and 116 of the Consumer Protection Act (R.S.Q., c. P-40.1) and, where necessary, to communicate with the « Office de la protection du consommateur ».

15. SET-OFF

At any time that I am in default of any Secured Obligations under this Agreement or otherwise, the Bank may, to the extent permitted by law, without notice to me or any other person, any notice being expressly waived by me, set-off and compensate any and all deposits and other assets, held by the Bank or any affiliate of the Bank, against and on account of my Secured Obligations hereunder notwithstanding that any of them are contingent or unmatured.

16. RECORDS

My Loan outstanding shall be evidenced by account records maintained by the Bank. The records shall constitute, in the absence of manifest error,

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12. Terms and Conditions (continued)

conclusive evidence of my indebtedness to the Bank in respect of the Loan outstanding and all related details. The failure of the Bank to correctly record any such amount or date shall not, however, adversely affect my obligation to pay amounts due to the Bank in accordance with this Agreement.

17. REPRESENTATIONS, WARRANTIES, AND COVENANTS
In order to induce the Bank to make the Loan, I represent and warrant to the Bank that:
17.1 the Loan Documents, and any other related documents are enforceable against me in accordance with their respective terms;
17.2 I will be the owner of each of the Securities and will have a good right and title in each of the Securities with full power to assign or hypothecate the same to the Bank free and clear of any claims or interests whatsoever;
17.3 I will not pledge, make an assignment or hypothecation of any of the Securities, will not enter into an agreement to pledge, assign or hypothecate any of the Securities to a third party, will not appoint or designate an irrevocable beneficiary of any of the Securities, and if any beneficiary of the Securities is named or designated it shall in all cases be named or designated expressly as a revocable beneficiary (except that it may not designate as a revocable beneficiary its married or civil union spouse, its descendants, its ascendants or beneficiaries of the family class);
17.4 all Personal Information set out herein or provided to the Bank is true and complete;
17.5 the Securities are not being purchased for a Registered Retirement Savings Plan or any other Tax Deferral Plan under the Income Tax Act (Canada) or the Income Tax legislation of any province.

18. WAIVER
The Bank's failure or delay in exercising any of its rights under the Loan Documents shall not be deemed to constitute a waiver thereof nor shall it render the Bank liable to me in any way. No waiver of any breach of any provision of the Loan Documents will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.

19. LIABILITY
In addition to any of its rights otherwise stated in the present Agreement, the Bank shall not be responsible for any loss incurred by me in exercising or not exercising any of the rights conferred upon the Bank by the Loan Documents. The Bank is not responsible for the investments purchased with the proceeds of the Loan and the Bank does not in any way guarantee the performance of those investments.

20. AGREEMENT
The rights and obligations under the Loan Documents, as applicable, will enure to the benefit of the Bank and its successors and assigns and be binding upon me and my heirs, executors, administrators, representatives, successors and assigns. The rights of the Bank under the Loan Documents may be assigned by the Bank without my prior written consent. However, I shall not be entitled to assign my obligations thereunder without the Bank's prior written consent, which consent may be arbitrarily withheld.

21. INVALIDITY
Each provision of the Loan Documents shall apply to the full extent permitted by law, and the invalidity, in whole or in part, of any provision shall not affect the remainder of any such provision or any other provision herein, which will continue in full force and effect.

22. GOVERNING LAW
The Loan Documents shall, for all purposes, be governed by and construed in accordance with the laws of the province where I reside and the laws of Canada applicable therein. I hereby attorn to the jurisdiction of the courts of the province where I reside (and as for the Province of Quebec, the judicial district of Montreal) with respect to any dispute arising out of the Loan Documents or any documents related to the transaction contemplated therein.

23. ENTIRE AGREEMENT
The Loan Documents constitute the entire agreement between the parties hereto with respect to the subject matter hereof and cancel and supersede any prior understandings and agreements between the parties with respect to the said subject matter. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, expressed or implied, between the parties except as expressly set forth in the Loan Documents or in the documents referred to therein.

24. AMENDMENTS
(Not applicable in the province of Quebec) The Bank may, in its sole discretion, amend or supplement any of the terms and conditions contained in this agreement following at least thirty (30) days written notice to me/us at my/our last known address and setting out the changes to be implemented. If, after thirty (30) days following the mailing of the notice, I/we have not repaid the loan, I/we will be deemed to have accepted the changes described in the written notice.
(Applicable in the province of Quebec only) The Bank may, at its sole discretion, amend or supplement any provisions contained in this agreement dealing in any manner whatsoever with fees, personal information, events of default, security interest and rights of redemption, following at least thirty (30) days written notice to me/us at my/our last known address setting out the changes to be implemented and the coming into force of each proposed change.
If any such amendment entails an increase in my/our obligations and/or reduces the Bank's obligations, I/we will have the option of repaying the loan and sending the Bank a notice to that effect no later than thirty (30) days after the amendment in question comes into force.

25. EXTENDED MEANING
In the Loan Documents, words importing the singular number shall include the plural and vice versa, and words importing any gender shall include all genders.

26. NOTICES
All notices, requests, consents, acceptances, elections, waivers and other communications contemplated by the Loan Documents shall be in writing, and shall be effective immediately on transmittal if by facsimile, or at the time of sending if sent by the Bank by electronic means of delivery, or, if mailed by registered or ordinary mail, postage prepaid, five days after the postmark date, or otherwise on personal receipt thereof. Any notices to be sent to me shall be sent to any of the respective addresses and numbers set out above. Any notices to be sent to the Bank shall be sent to the Bank's address as set out elsewhere in this Agreement.

27. LANGUAGE
I have requested that the Loan Documents be drawn up in the English language only. Les parties ont expressément exigé que ce contrat ainsi que tous les documents et avis émis en vertu des présentes ou s'y rattachant soient rédigés en anglais seulement.

28. CLIENT AUTHORIZATION
I hereby authorize the Bank to provide copies of statements and other information regarding my account to my Designated Advisor. I acknowledge and agree that any notice to my Designated Advisor will be deemed to be notice to me. I hereby recognize that I am solely and entirely responsible for (a) the choice of investments held in my account, (b) the choice and qualification for tax purposes of any investment held in my account, and, (c) the choice of my Designated Advisor. I confirm that the Bank has not made any representation to me in connection with any such choices and I undertake to indemnify and save the Bank harmless from any actions, suits, costs and/or damages that may be made against it arising out of its actions in connection with any instructions given by me or my Designated Advisor.

29. ACKNOWLEDGEMENT
I acknowledge having read, understood and received a copy of this Agreement. I have been given the opportunity to obtain legal advice with respect to all of the Loan Documents before executing them and I agree to be bound by the terms thereof. I further understand and agree that this Agreement will not constitute a binding obligation on the part of the Bank unless and until Loan proceeds are advanced by the Bank. I also understand and agree that the Bank shall not be responsible for any loss incurred by me as a result of the Bank's delay or refusal to accept my application for the Loan or to make the Loan available.

30. IMPORTANT NOTICE
While the Bank does not involve itself in the choice of investments, the investment strategy, or in the decision to borrow, borrowers are strongly advised to insist on getting the information they need to make informed decisions. In particular, borrowers should, prior to investing:

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12. Terms and Conditions (continued)

30.1 obtain information on the investment itself, the eligibility of the investment for tax purposes, the risk associated with the investment and the ability to recover their capital;

30.2 review the investment objectives of any investment they have chosen to ensure that they meet their financial needs. If borrowers have any questions or doubts about a particular investment they should seek further advice from their Designated Advisor or other qualified and independent professional. The Bank does not authorize its employees to provide advice to borrowers in connection with their investments, and does not authorize any other person to do so on its behalf. The Bank will execute any order it receives from a borrower or his Designated Advisor without making any further inquiries in connection with the appropriateness of the investment;

30.3 if they invest in mutual funds, stocks or bonds, obtain a prospectus, offering memorandum or other prescribed documentation describing the chosen investment prior to or at the time they make their investment; and

30.4 if they invest in segregated funds, obtain an information folder or other prescribed documentation describing the chosen investment prior to the time they make their investment.

STATEMENTS OF DISCLOSURE REGARDING COST OF BORROWING

31. It is agreed that separate Statements of Disclosure regarding the Cost of Borrowing in connection with this Loan will be sent by mail or by fax or electronic means, after the disbursement of the Loan, and I hereby consent to any of such forms of communication.

32. For Quebec only:

Clauses required under the Consumer Protection Act:

(Contract for the Loan of money)

(1) You may cancel this Agreement without charge within two (2) days following that on which each party takes possession of a duplicate of this Agreement.

To cancel this Agreement, you must:

(a) return the money to the Bank if you received the money at the time each party took possession of a duplicate of the Agreement;

(b) send a notice in writing to that effect, or return the money to the Bank if the money was not returned to you at the time each party took possession of a duplicate of this Agreement. This Agreement is cancelled, without further formality, as soon as you return the money or forward the notice.

(2) If you use the money to make full or partial payment for the purchase of goods, you may, if the Bank and the vending merchant regularly work together with a view to the granting of Loans of money to consumers, plead against the Bank any ground of defense that you may urge against the vending merchant.

(3) You may pay, in whole or in part, the amount of your obligation before maturity.
The balance due is equal at all times to the sum of the balance of net capital and credit charges computed in accordance with the Act and the General Regulation made under the Act.

(4) You may, once a month and without charge, request a statement of account from the Bank; the latter must furnish you with the statement of account or forward it to you as soon as possible but at the latest within ten (10) days of the receipt of the request.

In addition to the statement of account prescribed above, if you wish to pay the balance of your obligation before maturity, you may, at all times and without charge, request a statement of account from the Bank; the latter must furnish you with the statement of account or forward it to you as soon as possible but at the latest within ten (10) days of the receipt of the request.

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EASE #: _____

13. Borrower(s) authorization

I/We acknowledge that, prior to signing below:

1. All Personal Information set out herein or provided to the Bank is true and complete;
2. I/We have read, understood, and agree to be bound by all the Terms and Conditions contained in this Agreement;
3. I/We have not received any advice from the Bank with regards to my/our investments or my/our investment strategy, and I/we acknowledge that the Bank acts solely in the capacity of lender and Loan administrator;
4. I/We acknowledge the risks involved in borrowing to invest (leveraging);
5. I/We have obtained a duly completed copy of this Agreement and I/we have been given sufficient time to become aware of its terms and scope;
6. I/We understand that the Securities purchased with the Loan proceeds are not guaranteed by the Bank nor are they insured by the Canada Deposit Insurance Corporation or by any other government deposit insurer;
7. I am/we are aware that the value of the Securities is subject to market fluctuation, and that borrowed monies must be repaid regardless of the performance of the Securities purchased;
8 I/We acknowledge that I am/we are aware that there is no agency relationship or mandate between my/our advisor and the Bank;
9. I/We confirm that the Loan is intended for my/our own use and is not to be used by a third party or for the benefit of a third party;
10 I/We are aware that the Bank has or will enter into a control agreement with the Account Administrator hereunder and that a copy of that control agreement will be available to me on request;
11. I/We undertake to advise B2B Bank in writing of any change to the information in this application;
12. I/We authorize B2B Bank to share updates to my/our mailing and home addresses, home, work and fax numbers, and Dealer/Advisor information with affiliates of B2B Bank to update their records;
13. (For applications submitted through EASE) I/We gave permission for B2B Bank to request and access my/our credit report from credit-reporting agencies at or before the time this application was submitted through EASE.
14. (Applicable to Co-Borrowers only) If the term "borrower" designates more than one (1) individual, each borrower has the option of receiving any notice or statement required by law separately. Each borrower accepts that any notice or statement pertaining to the loan, and any renewal or amendment thereof, be forwarded to them by B2B Bank at the address stipulated on the first page. Any notice or statement thus forwarded will be considered sent to all borrowers. A borrower can at any time request to have the documents forwarded to an alternative address by contacting Client Services at 1.800.263.8349.

☐ Initials of Co-Borrower (initial only one)

I hereby acknowledge having read and understood the foregoing paragraph and I agree that only one (1) copy of the notices or statements pertaining to the loan will be forwarded to the current address or mailing address stated in section 3 (Primary Borrower information) of the application.

OR

☐ Initials of Co-Borrower (initial only one)

No, I hereby wish to have an additional copy of any notice or communication pertaining to the loan sent to me separately at the address shown in section 4 (Co-Borrower information) of the application.

Signature of Borrower _____ Date (mm/dd/yyyy) _____

Signature of Co-Borrower _____ Date (mm/dd/yyyy) _____ B2B Bank Authorized Representative _____

14. Advisor Acknowledgement

Do not complete this section if you are both the Designated Advisor and the Borrower - please have another licensed advisor sign this section.

I hereby certify that:

1. I know the Borrower(s);
2. I have personally met with the Borrower(s) indicated in section 3 and, if applicable, section 4;
3. I have seen the original identification records indicated in section 3 and, if applicable, section 4;
4. I have witnessed the Borrower(s) sign above;
5. I have taken all reasonable measures to ascertain the validity of the information provided;
6. To the best of my knowledge the information provided on this application form and supporting Loan documentation is accurate;
7. There is no agency relationship or mandate between myself and the Bank;
8. I confirm that I am duly licensed to distribute the product the Borrower wishes to purchase in the jurisdiction where the Borrower resides.
9. (For applications submitted through EASE) the Borrower(s) gave permission for B2B Bank to request and access his/her credit report from credit-reporting agencies at or before the time this application was submitted through EASE.

Advisor Name (print) _____ Signature of Advisor _____ Date (mm/dd/yyyy) _____

Dealer # _____ Advisor # _____

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Investment Loan Application Requirements Checklist

Investment Loan documentation requirements

Documentation

	Distribution Alliance Program
For all Investment Loans	
Original, completed and signed B2B Bank Investment Loan Application	✓
Void cheque from a personal account imprinted with the applicants name. Bank Teller stamp required for pre-authorized debit slip dated within 3 months	✓
Letter of Direction (if paying out another financial institution)	✓
Proof of assets	For 100% Loans greater than $100K. Upon request for 100% Loans under $100K and for 3 For 1, 2 For 1 and 1 For 1 Loans.
Proof of income Salaried income ▪ Recent pay stub or Notice Assessment Commissioned income ▪ Last two years' Notice of Assessment Self-employed income ▪ Last two years' Notice of Assessment and Financial Statements	For 100% Loans greater than $100K. Upon request for 100% Loans under $100K and for 3 For 1, 2 For 1 and 1 For 1 Loans.
Securities control agreement not required if your Dealer is a MGA If your Dealer is not an Introducing Dealer for B2B Bank Dealer Services, please obtain a securities control agreement from your Dealer	✓
Securities Control Agreement (Schedule A) ▪ Not required if your Dealer is a Managing General Agency ▪ If your Dealer is not an Introducing Dealer for B2B Bank Financial Services Inc. B2B Bank Securities Services Inc., or B2B Bank Intermediary Services Inc., please contact Client Services at 1.800.263.8349 to determine whether a securities control agreement is available for your Dealer	✓
For all Segregated Fund Investment Loans	
Movable Hypothec on Insurance Policy or an Annuity Contract transacted by an Insurer (for Quebec residents only)	✓
Original Assignment, Hypothecation, Acknowledgement and Direction	✓
Original, completed and signed Application for an Insurance policy/contract	✓
Notice of Investments and/or cheque payable to B2B Bank (if paying out another financial institution or if pledging collateral on 3 For 1, 2 For 1 and 1 For 1 Loans).	✓

Personal identification requirements checklist

Details of **two** pieces of **valid** identification are required for each applicant for **personal** accounts.
Each application must clearly indicate the ID type, unique ID number, issuer, and the expiration date (if applicable).

When a new account is being opened, details of the following are required:
- One piece of Type 1 Documentation and one piece of Type 2 Documentation
  OR
- Two pieces of Type 1 Documentation

Type 1 Documentation

- Driver's Licence issued in Canada
- Passport
- Certificate of Indian Status - issued by Government of Canada
- Canadian Permanent Residence Card
- Quebec Health Card (with photo ID and expiration date)
- Identification Card - issued by the Province (not available in Quebec)

[Note: Health Cards in Quebec must be offered by clients - they cannot be requested]

Type 2 Documentation

- Certificate of Canadian Citizenship or Naturalization
- Provincial Health Card (without photo ID and/or expiry date)
- Birth Certificate - issued in Canada only (by the Government, Church issue not accepted)
- Social Insurance Card - issued by Government of Canada
- Major Credit Card (bearing the name of the applicant and their signature)
- College/University Student ID Card (bearing the name of the applicant, signature and photograph)
- Firearms Licence - issued federally with photo ID
- NEXUS Card (bearing the applicant's name, passport number and photograph)
- CNIB Card
- Canadian Forces Identification Card (bearing individuals name, photo and expiration date)

[Note: Health Cards are not acceptable identification for Manitoba, Ontario, Nova Scotia or Prince Edward Island]

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817-07-233E (10/01/2015)

EASE #: _____

SECURITIES CONTROL AGREEMENT

NOTE: (1) not required if your Dealer is a Managing General Agency; (2) if your Dealer is not an Introducing Dealer for B2B Bank Financial Services Inc., B2B Bank Securities Services Inc., or B2B Bank Intermediary Services Inc., please contact Client Services at 1.800.263.8349 to determine whether a securities control agreement is available for your Dealer.

Schedule A
Section 9.19

SECURITIES CONTROL AGREEMENT

A M O N G:

B2B Bank
(hereinafter called the "Secured Party")

AND:

_____

_____

(hereinafter called the "Client")

AND:

B2B Bank Financial Services Inc.,
B2B Bank Securities Services Inc., and
B2B Bank Intermediary Services Inc.
(hereinafter called the "Company")

WHEREAS the Client is, or will become, the owner of certain securities, securities entitlements, financial assets and other items and property held in an account or accounts with the Company (the "Accounts");

WHEREAS the Secured Party has, or will have, under the terms of a hypothec, pledge or security agreement (the "Security Agreement") granted by the Client pursuant to an investment loan application dated on or about the date hereof, a security interest in the Accounts and all securities, securities entitlements, financial assets and other items and property (or their value) standing to the credit of the Accounts from time to time and other rights and benefits accruing to or arising in connection with such property and the Accounts ("Account Property");

1. (a) In this Agreement, "Company" means:
   (i) B2B Bank Financial Services Inc., for so long as an Account is held by B2B Bank Financial Services Inc.;
   (ii) B2B Bank Securities Services Inc., for so long as an Account is held by B2B Bank Securities Services Inc.; and
   (iii) B2B Bank Intermediary Services Inc., for so long as an Account is held by B2B Bank Intermediary Services Inc.
   (b) If the term "Client" designates more than one person, each person is bound by this Agreement and each person shall be jointly and severally liable for the fulfilment of each of the obligations contained herein.
2. Custody of Account
   (a) The Company represents and warrants to the Secured Party and the Client that:
      (i) all the Client's Accounts are "securities accounts" within the meaning of the Securities Transfer Act (Ontario) or any similar legislation in any other relevant jurisdiction and have been established in the name of the Client; and
      (ii) except for the claims and interest of the Secured Party and the Client in the Accounts and the Account Property the Company does not know of any claim or interest in the Accounts or the Account Property and has not entered into any agreement with any person other than the Secured Party and the Client relating to the Accounts or the Account Property under which it has agreed to comply with entitlement orders or other orders of the person or any other person.
3. Exchange of Information
   (a) The Client acknowledges and agrees that the Secured Party and the Company may, between themselves, exchange any credit or financially related information they may have about the Client for the purpose of carrying out the provisions of this Agreement.
4. Obligations of the Company
   (a) The Company shall, subject to the provisions of this Agreement, hold the Accounts in accordance with its agreement with the Client. In holding the Accounts, the Company acknowledges the security interest granted in the Accounts and the Account Property to the Secured Party under the Security Agreement and will:
      (i) not advance any margin or other credit to the Client or the Accounts nor lend, pledge, hypothecate, or dispose of any Account Property except as permitted by the criteria set out in Schedule "A" to this Agreement (the "Criteria");
      (ii) subordinate all security interests, liens, encumbrances, claims and rights of set-off it may have, now or in the future, against the Accounts or the Account Property other than in connection with the payment of the Company's customary fees, commissions and other charges pursuant to its agreement with the Client;
      (iii) not allow any Account Property to be removed from the Accounts if the effect would be to reduce the market value of the Account Property remaining in the Accounts to be below the outstanding balance of the investment loan secured by the Security Agreement;
      (iv) retain the proceeds of any transaction, whether securities, securities entitlements, other financial assets or cash, in the Accounts;
      (v) ensure that the cash balance in the Accounts is not in debit, except for debits on an intra-day basis due to timing discrepancies on trades and receipt of proceeds;
      (vi) ensure that all security certificates held in the Accounts are either (i) in bearer form or (ii) in registered form in a freely negotiable form and are not registered or recorded in the name of the Client, payable to the order of the Client or specially endorsed to the Client by an effective endorsement;
      (vii) ensure that all uncertificated securities held in the Account are not registered or recorded in the name of the Client or an agent for the Client (other than the Company) in the register or records of the issuer;
      (viii) not enter into any agreement with any other person relating to the Accounts or the Account Property under which it will agree to comply with entitlement orders or other orders or instructions of the other person or any other person;
      (ix) promptly inform the Secured Party and the Client if any person asserts any lien, encumbrance or other claim against any of the Accounts or any of the Account Property; and
      (x) provide the Secured Party with all trade confirmations and monthly statements which are produced for the Accounts, which describe the Account Property, the market value of the Account Property and the amount of any cash balances in the Account.

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5. Obligations of the Client
   (a) The Client acknowledges and agrees that:
      (i) All transactions in the Accounts shall comply with the Criteria;
      (ii) If any transaction occurs in the Accounts that does not comply with the Criteria, the Client will be deemed to be in default under the Security Agreement, and the Secured Party will be entitled to exercise all of their rights under the Security Agreement and this Agreement;
      (iii) The Criteria may be changed only with the written consent of the Secured Party;
      (iv) To the extent that any conflict or potential conflict exists or may exist between the terms of this Agreement and the terms of any other agreement(s) the Client has entered into with the Company, the terms of this Agreement will prevail; and
      (v) The Client will not enter into any other agreement or arrangement, which is to similar effect as this Agreement, with any other firm, person or corporation.
      (vi) The Client agrees that all certificated or uncertificated securities or instruments or any other financial asset credited to the Account will be registered or recorded in the name of or payable to the order of the Company or the Secured Party only or endorsed to the Company, the Secured Party or in blank and in no case will any security or instrument credited to the Account be registered or recorded in the name of the Client, payable to the order of the Client or specially endorsed to the Client.
6. Agreements of Client and Company
   (a) The Client and the Company agree with each other and the Secured Party that each item of Account Property is a "financial asset" as defined in the Securities Transfer Act (Ontario) or similar legislation in any other relevant jurisdiction.
   (b) The Client and the Company agree that, regardless of any provision in any other agreement relating to the Accounts, the Company's jurisdiction is Ontario for purposes of the Securities Transfer Act (Ontario) or similar legislation in any other relevant jurisdiction.
   (c) The Company will not be liable to the Client for complying with a Notice of Exclusive Control.
7. Rights of Secured Party
   (a) Except as otherwise provided in the Agreement and until such time as the Company receives a notice in writing stating that the Secured Party is exercising a right of exclusive control over the Accounts ("Notice of Exclusive Control"), the Company will continue to act in accordance with orders originated by the Client.
   (b) In the event that the Secured Party gives a Notice of Exclusive Control to the Company, the Company will after receiving the Notice of Exclusive Control act only on an order or instruction directing transfer or redemption or other activity (an "Entitlement Order") it receives from the Secured Party in connection with the Account and the Account Property, notwithstanding the provisions of any agreement it may have with the Client. The Company will not act on an Entitlement Order relating to the Accounts or the Account Property given by any other person, including the Client.
   (c) The Client, by execution of this Agreement, irrevocably consents to the Company acting on Entitlement Orders of the Secured Party even if they are in conflict with the rights afforded to the Client (e.g. termination) under any other agreement(s) the Client has entered into with the Company. The Company will have no obligation or right to (i) determine whether or not an event of default exists under the Security Agreement or any other agreement between the Secured Party and the Client, or (ii) investigate the circumstances under which the Secured Party are entitled to give any Entitlement Orders or Notice of Exclusive Control. If an Entitlement Order given by the Client conflicts with an Entitlement Order given by the Secured Party the Company will comply with the Entitlement Order given by the Secured Party.
   (d) The Secured Party may revoke any Notice of Exclusive Control by delivering a written notice to the Company that they have ceased to require exclusive control over the Accounts and the Account Property (a "Notice of Cessation of Control") pursuant to the Notice of Exclusive Control. Upon the Company receiving a Notice of Cessation of Control, the Client will have those rights with respect to the Accounts and the Account Property as it had prior to the delivery of the relevant Notice of Exclusive Control and, after it has had a reasonable opportunity to comply, and until such time as it receives another Notice of Exclusive Control, the Company will act on instructions from the Client with respect to the Accounts and the Account Property as though it had not received a Notice of Exclusive Control.
   (e) The Company will be entitled to rely upon any Entitlement Order, Notice of Exclusive Control or Notice of Cessation of Control that it reasonably believes to be from the Secured Party.
8. Termination of Agreement
   (a) This Agreement may be terminated at any time by the Secured Party or the Company on thirty days' notice in writing to the other parties to this Agreement. In the event of termination by the Company, the Company will not transfer any Account Property without the written agreement of the Secured Party but may continue to hold the Accounts and any Account Property pursuant to the terms of this Agreement. Notwithstanding any termination rights afforded to the Client in any other agreement with the Company, the Client may terminate this Agreement only with the written agreement of the Secured Party, in which case the Company may deal with the Accounts and the Account Property as directed by the Client.
   (b) The Client acknowledges that until the Secured Party consent in writing to the termination of this Agreement upon the Client's request, the Company will continue to hold the Accounts and the Account Property pursuant to the terms of this Agreement.
9. Limit on the Company's Obligations
   (a) The Secured Party acknowledges that:
      (i) the Company is not a guarantor of the Client;
      (ii) the Company is only bound to cause the Account Property to be held in the Accounts, and to hold the Accounts and the Account Property pursuant to the terms of its Agreement with the Client and its obligations under this Agreement, and to otherwise comply with its obligations under this Agreement and its agreement with the Client;
      (iii) the Company does not make any guarantee, representation or warranty about the value of or the performance of any Account Property;
      (iv) the value of the Account Property may decrease;
      (v) the Company has no responsibility to determine whether any transaction in the Account complies with the Criteria; and,
      (vi) subject as provided herein, the Company may be obliged to comply with claims made by third parties.
10. Costs
   (a) The Client agrees to pay all fees, costs and outlays claimed or incurred by the Company and the Secured Party with respect of this Agreement and the arrangements created by it.
11. Indemnification
   (a) The Secured Party agrees to indemnify and hold harmless the Company from any loss, cost, damage or expense which it may suffer or incur as a result of complying with any instructions or directions given to it by the Secured Party under the terms of this Agreement.
12. Addresses of Parties
   (a) Statements and notices required or permitted to be given hereunder shall be delivered by personal delivery or by first class prepaid mail to the Client at the Client's address then current in the records of the Secured Party, and to the other parties at the following addresses:
   For the Secured Party:
   B2B Bank
   199 Bay Street, Suite 600
   PO Box 279 STN Commerce Court
   Toronto, Ontario M5L 0A2
   Fax: 416.865.5790
   Attention: Vice-President, Operations

   For (any) of the Company:
   B2B Bank Dealer Services
   199 Bay Street, Suite 610

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PO Box 35 STN Commerce Court
Toronto, Ontario M5L 0A3
Fax: 416.865.5790
Attention: Vice-President, Operations

(b) Any of the parties to this Agreement may change its address by notice in writing given to the other parties as provided in this Agreement. Except as otherwise expressly provided herein, any notice, order, instruction, request or other communication required or permitted to be given under this Agreement shall be in writing and deemed to have been properly given when delivered in person, by fax or by email when or upon receipt of notice sent by certified or registered mail, return receipt requested, postage prepaid, addressed to the party at the address set forth next to such party's name above.

13. Governing Law
    (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
14. Language (for Quebec only):
    (a) The parties hereto have expressly requested that this Agreement and all other documents relating thereto be drawn up in the English language. Les parties aux présentes ont expressément demandé que cette convention et tout les documents qui s'y rapportent soient rédigés en langue anglaise.
15. This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing and delivering one or more counterparts.
16. The terms of this Agreement shall be binding upon, and shall enure to the benefit of, the parties hereto and their respective successors or heirs and personal representatives. This Agreement may not be assigned, otherwise than by operation of law, without the prior consent of the non-assigning parties provided that this Agreement may be assigned by the Secured Party to any successor of the Secured Party under its security agreement with the Client.

This Agreement is dated the _____day of _____, 20____.

_____	_____
Witness	(the "Client")
_____	_____
(print name)	(print name)
_____	_____
Witness	(the "Client")
_____	_____
(print name)	(print name)

_____
B2B Bank

_____
On behalf of:
B2B Bank Financial Services Inc.,
B2B Bank Securities Services Inc., and
B2B Bank Intermediary Services Inc.

SCHEDULE A to the Securities Control Agreement
"CRITERIA"

- Trades of Account Property and in the Accounts are permitted provided that: (i) such trades are in accordance with the account agreements as between the Company and the Client; and (ii) such trade would not reduce the market value of the Account Property remaining in the Accounts to an amount below the outstanding balance of the investment loan secured by the Security Agreement.
- The Company shall not advance any margin or other credit to the Client nor permit any lending, pledge, or hypothecation of, any Account Property.

Assignment, Hypothecation, Acknowledgement and Direction

EASE #: _____

TO: **B2B Bank**

AND TO: **The Empire Life Insurance Company (the "Life Company")**

Unless otherwise stated, all capitalized terms herein have the same meaning as in the B2B Bank Investment Loan Application (the "Loan Application") completed by the undersigned.

WHEREAS:

a) the undersigned is the owner of the Contract/Policy Number_____(the "Current Policy") issued by the Life Company; and/or
b) the undersigned has submitted an application (the "Policy Application") identified by Application No. _____ to the Life Company for the purchase of a life insurance policy or for the purchase of a non registered variable annuity contract (as the case may be, the "Purchased Policy"); and
c) the undersigned has agreed to execute this Assignment, Hypothecation, Acknowledgement and Direction as continuing collateral security to B2B Bank and/or confirm and acknowledge the hypothec granted to B2B Bank as security, for the repayment of all present and future indebtedness or liability of the undersigned to B2B Bank pursuant to the Current Policy, the Loan Application and/or the Purchased Policy, upon it being issued, (collectively the "Obligations") as the case may be.

NOW THEREFORE, for the mutual premises contained herein and for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the undersigned):

1. the undersigned hereby irrevocably assigns and hypothecates to B2B Bank, and hereby confirms and acknowledges that it has hypothecated in favour of B2B Bank: (i) the Current Policy, (ii) the undersigned's rights under the Policy Application and/or (iii) the Purchased Policy, upon it being issued, as the case may be, in each case together with all right, title and interest therein, as continuing security for the payment of the Obligations. The Current Policy and the Purchased Policy are collectively referred to as the "Policies".

2. The undersigned acknowledges that:

   (a) B2B Bank is irrevocably entitled to ask for, sue for, recover and receive all monies due or payable or which may hereafter become due or payable under the Policies and give valid receipts, releases and discharges therefor. In case any dispute shall arise as to the amount due or payable under the terms of the Policies, B2B Bank shall be at liberty in its discretion to compromise, settle and/or adjust any such amount as B2B Bank shall see fit, provided that B2B Bank acts reasonably in the exercise of such discretion;

   (b) the undersigned will do all such acts and execute all such documents that are from time to time reasonably required by B2B Bank to be done or executed or to keep the Policies in force and/or to more validly assign, hypothecate and transfer the Policies to B2B Bank according to the true intent and meaning of this document;

   (c) if an Event of Default occurs or B2B Bank demands for payment of the Indebtedness, B2B Bank may, to the extent it deems advisable or appropriate, without advance notice or any other formality and without exhausting any of its other rights, recourses or remedies, do any one or more of the following, all of which rights, recourses and remedies will be enforceable successively, concurrently, or both: (a) sell and absolutely dispose of the Policies and the full benefit and advantage thereof at such price and upon such terms as B2B Bank shall see fit; (b) surrender the Policies and receive Cash Surrender Value thereof as B2B Bank may be able to obtain; (c) exercise any option or options given under the terms of the Policies; (d) surrender the Policies for a paid up policy in the name of B2B Bank; (e) surrender the Policies and accept in lieu thereof any other Policy which B2B Bank may see fit to accept, such substituted Policy to be in favour of B2B Bank or such other person as B2B Bank shall elect; or (f) realize upon the Policies or the right, title and interest of the undersigned therein, in such other manner as may seem to B2B Bank advisable; all without liability to B2B Bank for having done so, including, without limitation, liability for the negligence of any agent, mandatary or solicitor employed by B2B Bank.

   The above rights, recourses and remedies shall be in addition to any right, recourse or remedy provided by law or equity. B2B Bank shall be entitled to apply against the Obligations any and all proceeds received by it through the exercise of its rights, recourses and remedies. If such application of proceeds fails to satisfy the Obligations outstanding, the undersigned will be liable to pay any deficiency to B2B Bank forthwith on demand. B2B Bank may apply any proceeds realized toward the repayment of the Obligations and any reasonable ancillary costs of collection and enforcement as B2B Bank in its sole discretion may see fit;

   (d) the undersigned hereby irrevocably constitutes and appoints any officer or agent or mandatary of B2B Bank as the undersigned's true and lawful attorney in the undersigned's name and on behalf of the undersigned from time to time, to endorse and assign, hypothecate and transfer to B2B Bank the Policies and to sign, execute and deliver any document necessary to enable B2B Bank to obtain any monies or other value to be realized from the Policies or payable thereunder;

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(e) the undersigned irrevocably authorizes the persons holding the below positions with B2B Bank, including any authorized agents or mandataries of such persons, as the undersigned's true and lawful attorney to fill in the Purchased Policy Number in this Assignment, Hypothecation, Acknowledgement and Direction and any other B2B Bank documents:

Trust_____ **(title of position)**_____

The undersigned agrees that failure to fill in any policy numbers in this Assignment, Hypothecation, Acknowledgement and Direction, or any other documents relating to this Assignment, Hypothecation, Acknowledgement and Direction, shall not affect B2B Bank's rights under this Assignment, Hypothecation, Acknowledgement and Direction or any of B2B Bank's Documents; and

(f) this Assignment, Hypothecation, Acknowledgement and Direction is in addition to and not in substitution for any other security now or hereafter held by B2B Bank and this Assignment, Hypothecation, Acknowledgement and Direction is a continuing agreement and security that will remain in full force and effect until terminated by B2B Bank in the manner set out herein.

3. THE UNDERSIGNED IRREVOCABLY DIRECTS THE LIFE COMPANY TO:

(a) pay all monies payable under the Policies including, without limitation, upon (i) surrender of the Policies, (ii) maturity of the Policies, or (iii) death of the insured under the Policies, to, or to the direction of, B2B Bank; and take and act upon any instructions from B2B Bank with regard to any and all matters relating to the Policies as if the instructions had been given by the undersigned, without requiring B2B Bank to prove that it is entitled to take any such action. The Life Company shall not, nor shall any other interested person, be bound to enquire into the state of the account between B2B Bank and the undersigned or to see to the application or use of any monies paid by the Life Company to B2B Bank in respect of the Policies. Without limiting any of the foregoing, B2B Bank shall have the effective control of the Policies and shall have the sole authority to collect all claims under the Policies and B2B Bank is irrevocably authorized to do so;

(b) not make any of the following changes to the Policies without the prior written consent of B2B Bank:

(i) redemption, surrender or liquidation of the Policies or withdrawal or transfer of monies out of the Policies;
(ii) conversion of the Policies;
(iii) registration of the Policies under the ITA or the income tax legislation of any province as a retirement savings plan, retirement income fund, deferred profit-sharing plan or any other plan or fund accepted for registration under the ITA or the income tax legislation of any province;
(iv) termination of the Policies; and
(v) transfer of ownership of the Policies, except for the collateral assignment or hypothecation to B2B Bank effected by this Assignment, Hypothecation, Acknowledgement and Direction (or under any movable hypothec in favour of B2B Bank);

(c) to register B2B Bank in the books and records of the Life Company (and its agents and mandataries) as collateral assignee and hypothecary creditor of the Policies; and

(d) provide to B2B Bank a daily statement of the current value of the Policy including, without limitation, the value of all investments and cash held within the Policy.

4. The undersigned hereby irrevocably agrees not to assign or hypothecate the Policies in favour of any person, other than B2B Bank and undertakes that, if it names or designates any beneficiary of the Policy, such beneficiary shall be required in all cases to be named or designated expressly as a revocable beneficiary (except that it may not designate as a revocable beneficiary its married or civil union spouse, its descendants, its ascendants or beneficiaries of the family class).

5. This irrevocable Assignment, Hypothecation, Acknowledgement and Direction shall remain in full force and effect until such time as an executed satisfaction piece has been delivered by B2B Bank to the Life Company.

THE UNDERSIGNED REPRESENTS AND WARRANTS TO B2B BANK THAT:

The Policies are good, valid and subsisting life insurance policies or non registered variable annuity contracts; they are fully paid up and in force; they have not been forfeited, assigned (other than to B2B Bank), hypothecated (other than to B2B Bank), terminated or otherwise disposed of or rendered void or voidable; the undersigned is the owner of the Policies; the undersigned has not named or designated any beneficiary of the Policy, other than beneficiaries which were named or designated expressly as revocable beneficiaries and which are not its married or civil union spouse, descendants, ascendants or beneficiaries of the family class; and the undersigned has good right and title and full power to assign and hypothecate the Policies to B2B Bank as herein set forth free and clear of any claims whatsoever.

SIGNED, SEALED AND DELIVERED in the presence of:

_____
Witness

_____ _____
Name of Borrower Signature of Borrower

_____ _____
Name of Co-borrower (if applicable) Signature of Co-borrower (if applicable)

Date of Execution:_____

Notice of Investments

EASE #: _____

To: **B2B Bank**

Insurance Contract Account Number: _____

Pledged Account Number: _____

Introducing Dealer Cross-Reference Number (if applicable): _____

I have today agreed to apply for an investment loan from B2B Bank for the purpose of purchasing an insurance contract, and allocating the premiums to the purchase of segregated funds.

As a condition to obtaining the Loan, I have assigned or hypothecated and granted a security interest in all of my right, title and interest in and to the Insurance Contract to B2B Bank including, without limitation, the value of such Insurance Contract based on the following fund investments:

(please specify the **exact** dollar value or unit amount)

Fund code*:_____ Amount ($/units) _____

Fund code*:_____ Amount ($/units) _____

Fund code*:_____ Amount ($/units) _____

Fund code*:_____ Amount ($/units) _____

Fund code*:_____ Amount ($/units) _____

*Funds pledged must belong to the same fund family as the purchases and Distribution Alliance Program selected.

Additional instructions: _____

Yours truly,

_____	_____	_____
Borrower Signature	Date (dd/mm/yyyy)	Signature Guarantee
_____	_____	_____
Co-Borrower Signature	Date (dd/mm/yyyy)	Signature Guarantee

Letter of Direction

EASE #: _____

Check the appropriate box:

☐ My Investment Loan at your institution will be paid in full by B2B Bank.

☐ I want to repay my RSP Loan at your institution.

Section 1 – To be completed by the client. All information is MANDATORY.

Borrower name

Co-Borrower name

RSP / Investment Loan account number

Name of financial institution

Address

City | Province | Postal code

Contact name

( ) Telephone number | ( ) Fax number

Section 2 – Borrower instructions to transferring institution.

Upon receipt of funds to repay the loan detailed in Section 3, please execute the following.

☐ Please forward the mutual fund or segregated fund collateral to B2B Bank or one of the following subsidiaries designated by B2B Bank: B2B Bank Financial Services Inc., B2B Bank Securities Services Inc., or B2B Bank Intermediary Services Inc.

☐ Please proceed with the enclosed Transfer Authorization for Registered Investments form.

Date (mm/dd/yyyy) | Borrower Signature | Co-Borrower Signature

Section 3 – To be completed by relinquishing institution and faxed to B2B Bank at 1.866.941.7711.

RSP/Investment Loan account number

Principal balance outstanding, as at M D Y (a) $ _____

Accrued interest (b) $ _____

Any other amount owing (including fees & penalties) (c) $ _____

Total (a+b+c) $ **0.00**

Per diem rate of interest $ _____

Next payment due date M D Y $ _____

Current market value of above RSP (if applicable) $ _____