

**Addendum to the Introducing/Carrying Dealer Agreement**  
Initially made on the [date] day of [month, year (of original agreement)]

**BETWEEN: B2B BANK FINANCIAL SERVICES INC.**  
(the "Carrying Dealer" or "CD")

**AND: [NAME]**  
(the "Introducing Dealer" or "ID")

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**WHEREAS:**

- The CD and ID entered into an introducing/carrying dealer agreement effective [date (of original agreement)]; and
- The CD and ID wish to amend this agreement effective as of [date (current date or proposed effective date)] by deleting Schedule "C" – Available Investments in the original agreement and substituting a new version of Schedule "C" – Available Investments as a result of the inclusion of exchanged traded funds under available investments, as requested by the ID and agreed upon by the CD and ID.

The parties have executed this Addendum to the Introducing/Carrying Dealer Agreement as of the [date] day of [month, year current date].

**B2B BANK FINANCIAL SERVICES INC.**

By: \_\_\_\_\_  
Name: (print) \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: (print) \_\_\_\_\_  
Title: \_\_\_\_\_

**[NAME]**

By: \_\_\_\_\_  
Name: (print) \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: (print) \_\_\_\_\_  
Title: \_\_\_\_\_

## **SCHEDULE "C"**

### **AVAILABLE INVESTMENTS**

#### **1. AVAILABLE INVESTMENTS**

Subject to the terms of this Agreement and any conditions imposed by the CD from time to time, the CD shall offer execution, clearing and settlement services for trades or other dealings for Clients of the ID or, if consented to by the ID, the ID's principal business in investments made available or approved of by the CD from time to time and which may include:

- (a) Mutual funds;
- (b) Labour-sponsored funds;
- (c) GIC's and GIA's;
- (d) Exempt Fixed Income Securities;
- (e) Other approved securities;
- (f) Segregated funds (guaranteed investment funds); and
- (g) Exchange traded funds.

The CD will not be required to effect trades, settle or have other dealings for the ID or Clients except as outlined above.

#### **2. TRADING AND COMPLIANCE RESPONSIBILITY OF THE ID**

Without limiting the generality of the ID's trading and compliance responsibilities in section 6 of the Agreement, the ID:

- (a) acknowledges that there may be registration or other regulatory requirements to trade in exempt securities or investments, which may vary from jurisdiction to jurisdiction;
- (b) acknowledges that it is responsible for making itself aware of the terms of registration and regulatory approvals the CD has obtained from the various provincial and territorial securities commissions that govern the types of securities the CD is permitted to act as carrying dealer for;
- (c) shall be solely responsible for ensuring that the registrations and regulatory approvals obtained by the CD and the ID are appropriate to trade in the securities or investments, including exempt securities, in which the ID wishes to trade on behalf of Clients;

- (d) agrees that if the CD does not have the appropriate registrations and regulatory approvals to trade in the securities or investments, including exempt securities, in which the ID wishes to trade on behalf of Clients, the ID may request the CD take reasonable steps to obtain the appropriate registrations and regulatory approvals subject to the CD's right to refuse to do so in the CD's sole discretion;
- (e) represents and warrants that it has established and agrees that it shall maintain appropriate policies and procedures for addressing and monitoring the suitability of securities or investments including exempt securities for Clients; and
- (f) agrees that it shall conduct appropriate due diligence with respect to the securities or investments, including exempt securities, that the ID sells to Clients.

### **3. FIXED INCOME SECURITIES**

Where the CD executes trades for the ID and its Clients in exempt fixed income securities, the quoted price to the Client includes a mark-up in the case of a purchase and a mark-down in the case of a sale. The mark-up and mark-down represent compensation to the CD and the ID. The ID's mark-up or mark-down may be negotiable with the ID's Client and the CD shall pay such mark-up or mark-down, if applicable, to the ID. The CD has established maximum mark-ups and mark-downs on total CD and ID compensation. The maximum is calculated as a percentage of the par value and will vary depending on the term to maturity and the issuer of the debt security.

### **4. EXCHANGE TRADED FUNDS**

Where the CD executes trades for the ID and its Clients in exchange traded funds that meet the definition of a mutual fund (ETFs), the ID represents and warrants to the CD the following:

- (a) The ID has provided written confirmation to the CD to permit its advisors to trade in ETFs;
- (a) All trading in ETFs by the ID will be in full compliance with applicable securities and laws and rules and regulations of the MFDA including but not limited to MFDA Policy No. 8 *Proficiency Standard for Approved Persons selling Exchange Traded Funds* or equivalent, as applicable;
- (b) The ID shall provide the CD a list of advisors that are authorized to transact in ETFs and agree to advise the CD immediately of any changes to the list of authorized advisors.

Furthermore, where the CD executes trades for the ID and its Clients in exchange traded funds, it may use the facilities of the ETF Trade Support Desk. The ID acknowledges that no individual of the ETF Trade Support Desk is registered in any capacity with any securities regulatory authority or self-regulatory organization and the services provided are administrative in nature only. No member of the ETF Trade Support Desk is permitted to provide any advice or recommendation to the ID or its registered representatives or solicit in any fashion the sale or purchase of any security. If an advisor of the ID or the ID are provided with any advice or recommendation from the ETF Trade Support Desk they shall immediately report such instance to the CD for further review.

## **5. INDEMNIFICATION**

Notwithstanding any other provision, the ID remains responsible for compliance with requirements set out in this Schedule C with respect to its accounts, including reporting requirements. Furthermore, the ID agrees to indemnify and hold harmless the CD from and against any claims, damages, liabilities, losses or expenses (including reasonable lawyer's/attorney's fees and expenses) to which the CD may become subject to (collectively, "Claims") and which are caused by or arise directly or indirectly by reason of (i) failure of the ID to comply with applicable securities laws and rules and regulations of the MFDA including without limitation MFDA Policy 8 or equivalent, as applicable; (ii) the failure to provide a current list of ID advisors permitted to trade in ETFs; and (iii) omissions made the by ID in failing to inform the CD of any breaches of such applicable laws or the suitability of such trades for its clients.