

Relationship Disclosure Document

Compliance and Risk Management

December 2025



**LAURENTIAN BANK
SECURITIES**

TABLE OF CONTENTS

LBS Arrangements with Portfolio Managers	3
Nature of the Relationship	3
Accounts, Products and Services	3
Suitability and Know-Your-Client	4
Risks of Investing	4
Account Activity and Reporting	5
Material Conflicts of Interest	5
Fees and Compensation	5
Account Documentation	6
Complaint Handling	6
Trusted Contact Person and Temporary Holds	6
Changes to this Relationship Disclosure Document	7

LBS Arrangements with Portfolio Managers

At Laurentian Bank Securities (LBS), we are an investment dealer registered with the Canadian Investment Regulatory Organization (CIRO). As part of securities law requirements, we are required to provide this Relationship Disclosure Document (RDD). More information related to the RDD is available in the account opening documents provided to you and on the LBS website. At www.lb-securities.ca, several disclosures are linked, including our Best Execution policy, Complaint Handling, Conflict of Interest Statement, and Privacy and Security, and this RDD. Your PM can also assist if you have questions.

Nature of the Relationship

At Laurentian Bank Securities (LBS), we work with independent portfolio managers (PMs) who are registered with the securities regulator in the province or territory where they operate (e.g., OSC, BCSC, AMF). PMs are subject to national standards, including National Instrument 31-103, which governs registration requirements. In this RDD, the functions described in handling your account are not intended to be exhaustive, but only a general disclosure.

Under a formal arrangement, known as a Portfolio Manager-Dealer Member Service Arrangement (PMDSA), LBS provides custody services to your PM, including executing, clearing and settling trades. LBS reserves the right to refuse to accept a particular account or order at its sole discretion for the sole protection of LBS.

LBS also provides back-office services to your PM, including new accounts, transfer management, issuing trade confirmations, statements, tax documents, registered plan administration, corporate actions and entitlements, mutual fund processing, and recordkeeping. LBS is responsible for the custody of your cash and securities only after it comes into LBS' physical possession or control.

LBS does not control, audit or otherwise supervise the activities of your PM or their employees. LBS does not verify information provided by your PM regarding your account or transactions processed for your account, nor undertake responsibility for reviewing the appropriateness or suitability of transactions entered by your PM on your behalf.

In providing services under the PMDSA, LBS may use and rely upon the services of clearing agencies, automatic data processing vendors, proxy processing agents, transfer agents, securities pricing services and other similar organizations.

Accounts, Products and Services

Your PM solely determines the types of accounts, products and services offered to you and any related limits (e.g., whether proprietary products are primarily or exclusively used or other limits on the availability of products or services). Your PM decides the account relationship types they offer, such as advisory and/or managed accounts, guaranteed and/or margin accounts.

Your PM also establishes the types of investment products that may be considered, such as listed stocks, derivatives (i.e., financial contracts whose value comes from another asset, like a stock, exchange traded fund, or index), fixed income products (e.g., bonds, debentures, zero-coupon bonds, guaranteed investment certificates ("GICs")), exchange traded funds, mutual funds, and high interest savings accounts. Generally, there will be no restrictions on your ability to liquidate or resell a security and any exceptions will be explained to you by your PM prior to purchase and noted in the applicable disclosure documentation provided to you.

LBS does not offer any products. Our services entail custody and recordkeeping, securities settlement, payments and cash entry processing, reporting, foreign exchange processing, entitles and corporate action processing, proxy voting, tax reporting and filing, management controls, communication, new account onboarding, business continuity plan and operational risk management, and other additional services and duties as agreed to time to time between LBS and your PM.

If you require further information about products and services, please contact your PM.

Suitability and Know-Your-Client

Before account opening, your PM will ask you a series of questions to understand how best to meet your individual needs. This “Know-Your-Client” (or “KYC”) process ensures your PM is familiar with various factors before making investment recommendations. Your PM is required to have a strong understanding of investment products that are recommended to you and will consider a reasonable range of alternatives, known as “Know-Your-Product” (or “KYP”). In determining suitability of the investments in your account, your PM will consider various factors including your personal and financial circumstances, investment knowledge, investment needs and objectives, investment time horizon and risk profile (your “KYC Information”), as well as the current portfolio composition and risk level of your account. As a result, your PM reserves the right to decline to accept orders to purchase securities if, in his or her opinion, they are not suitable based on your KYC Information.

Upon opening your account, your PM will request information from you related to your KYC Information, which will be used to assess the suitability of investments recommended and orders accepted. When recommendations are provided or investment decisions are made for you, your PM puts your interests first, acts in your best interest, and ensures that any investment action taken, or recommendation made to you, is suitable for your investment portfolio, including when:

- i. securities are received into or delivered out of your account by way of deposit, withdrawal or transfer;
- ii. your PM becomes aware of a change in your KYC Information that could result in your account not meeting the suitability requirements;
- iii. your PM becomes aware of a significant change in a security in your account that could result in your account not meeting the suitability requirements;
- iv. your PM conducts a periodic review of your KYC Information; and
- v. there is a change of the PM responsible for your account.

Your PM will review your KYC Information no less frequently than once every 36 months for advisory accounts and every 12 months for managed accounts.

Other events, such as significant market fluctuations, may not result in a review of the suitability of your existing investments. Please contact your PM if you wish to review the suitability of your investments at any time.

You will be provided with a copy of your KYC Information with the Account Authorization form and when there are any significant changes to the information. Please review these documents carefully to ensure that all of the KYC Information recorded is accurate before signing the form.

If there is a significant change to your KYC Information – such as your employment status, marital status, income or financial resources, investment objectives, investment time horizon or risk profile – at any time after you open your account, please tell your PM about these changes so that your records can be kept up to date and your PM can continue to provide suitable advice.

Risks of Investing

It is important to know that the value of individual securities (unless specified) is not guaranteed, the value of securities and your investment portfolio can fluctuate, and you could lose part or all of the value of any investment.

Unlike bank accounts or GICs, your stocks, bonds, mutual funds, ETFs and derivatives are not covered by the [Canada Deposit Insurance Corporation](#) (“CDIC”) or another deposit insurer. The [Canadian Investor Protection Fund](#) (“CIPF”) protects eligible client assets, such as securities, cash balances, and other eligible property held by a CIPF member in the event of the firm’s insolvency, subject to specific limits and conditions, but the CIPF does not insure against investment losses resulting from loss of value of securities.

If you purchase CDIC eligible deposits in your investment account, however, CDIC coverage, subject to limits, would apply to those deposits if the issuing institution becomes insolvent.

Account Activity and Reporting

You will receive an account statement from LBS after the end of each month when there has been any activity in your account (other than interest or dividend entries) during the month. You will receive an account statement after the end of each quarter, whether there has been any activity in your account, if you have held any cash or investments in your account during the quarter. A trade confirmation will be provided to your PM each time you purchase or sell a security, other than transactions resulting from systematic plans (e.g., dividend reinvestment or pre-authorized purchases or sales of securities on a systematic basis), for which no trade confirmation is generated.

Your statements will show the adjusted cost base of securities held in your account. If the securities were purchased elsewhere and transferred into your account, the cost base shown will be based on the information, if any, provided when the securities were received by us, and we cannot guarantee the accuracy of that information.

You will receive a report with respect to the performance of your account annually, including account percentage return information. In addition, you will receive a Statement of Disclosure of Services Fees/Charters for Clients of Portfolio Managers from your PM.

You may assess the performance of your investments by comparing them to an investment performance benchmark in the industry. Benchmarks show the performance over time of a select group of securities. There are many different benchmarks. When choosing a benchmark, it is important to select one that reflects your actual investments. For example, the S&P/TSX 60 Index follows the share prices of the largest companies listed on the Toronto Stock Exchange. This index would be a good benchmark for assessing the performance of a Canadian equity fund that invests only in large Canadian companies. It would be a poor benchmark if your investments are diversified in other products, sectors or geographic areas.

We do not provide benchmark comparisons in our client account reporting, as each client account is unique and many clients do not hold a combination of investments that are directly comparable to a benchmark. Also, clients often deposit money to, or withdraw money from, their accounts over the course of a year, making comparison to a benchmark, which does not account for those changes, less meaningful.

Please speak with your PM if you have questions about the performance of your portfolio or which benchmark(s) in the industry might be appropriate for you. We do not provide our own investment performance benchmarks.

Material Conflicts of Interest

We take reasonable steps to identify and respond to any real, potential or apparent material conflicts of interest in your best interest. We assess conflicts of interest according to materiality, likelihood, and their impact on service delivery to address and/or disclose the conflict in a timely manner. Please refer to the LBS website at www.lb-securities.ca for our Conflict-of-Interest Disclosure Statement.

Fees and Compensation

As part of managing the relationship with you, your PM is responsible to inform you of all benefits received and fees and charges associated with your account and with purchasing, holding or selling a security by type of investment product, including expenses and any ongoing fees, including relating to the general operation of your account.

The investment expenses and account service fees and charges will affect the returns on the investments in your account by reducing such returns in proportion to such fees and charges. Over time, similar to the compounding effect of performance returns, the compounding effect of these fees and charges will affect how your portfolio grows. Contact your PM for any related questions.

Account Documentation

Upon completing your account opening form, your PM will provide you with a copy of the form along with the additional disclosures required. Depending on the account type(s) you select, the disclosures may entail, for example:

- The Account Opening Agreement
- Privacy Protection Notice
- Regulations Concerning Communication with Beneficial Owners of Securities of a Reporting Issuer
- Explanations of the Limitation of Benefits Articles and Treaty Statement
- Joint Account Agreement
- Margin Account Agreement
- Option Trading Agreement
- Relevant Registered Plans Declaration of Trust
- Relevant Locked-in Addenda, where applicable

As part of opening an investment account, we recommend that you review the following [CIRI Official Brochures](#):

- How CIRI Protect Investors
- Strip Bonds and Strip Bond Packages Information Statement
- CIRI Complaints Brochure

Additionally, the [CDIC brochure](#) will apply if you purchase eligible deposits protected by CDIC.

You will also find the [CIPF brochure](#) at the end of this document.

Complaint Handling

At account opening, your PM will provide you with complaint handling procedures and brochures. If you have a problem or concern regarding your PM's handling of your account, please contact your PM for resolution.

If you have an LBS related complaint, please refer to our Complaint Handling procedure on our website at www.lb-securities.ca or send your complaint to us at

Laurentian Bank Securities Inc.
c/o Compliance Department
1360 René-Lévesque Boulevard West (Suite 620)
Montreal, Quebec H3G 0E8
Tel: 514.350.2982
Email: plaintes@vmbi.ca

Trusted Contact Person and Temporary Holds

When you open an account (other than a business account), you will be asked if you would like to provide the name and contact information for a trusted contact person and your consent to contact the trusted contact person in certain circumstances. A trusted contact person is generally someone your PM can contact to confirm or make inquiries about possible financial exploitation, or if he or she has concerns about your mental capacity as it relates to your ability to make financial decisions ("Trusted Contact Person"). Financial exploitation generally means the use or control of, or deprivation of the use or control of, a financial asset through undue influence, unlawful conduct or another wrongful act. Your Trusted Contact Person may also be asked to confirm your current

contact information if we cannot reach you after multiple attempts, or to confirm the name and contact information of a legal guardian, if any. You can replace or revoke your Trusted Contact Person at any time.

If there is reason to believe that you are in a vulnerable position and are being financially exploited or that you are experiencing diminished mental capacity which may affect your ability to make financial decisions relating to your account(s) with us, a temporary hold will be placed on a particular transaction and the trusted contact person will be notified. A vulnerable position includes where an illness, impairment, disability or aging-process limitation places you at risk of financial exploitation. If a temporary hold is placed on a particular transaction, you will also be provided with notice, either written or verbal, explaining the reasons for the temporary hold, and at least every 30 days thereafter until the temporary hold is revoked. Your PM may also contact your Trusted Contact Person about a temporary hold.

Changes to this Relationship Disclosure Document

If there are significant changes to this Relationship Disclosure Document, we will notify you and update it on our website at www.lb-securities.ca. You can also obtain our latest Relationship Disclosure Document from your PM.



Canadian Investor Protection Fund

Canadian Investor Protection Fund



What does CIPF do for investors?

CIPF is a compensation fund that provides protection (within certain limits) if property being held by a member firm on a customer's behalf is missing (i.e., not returned to the customer) following the member firm's insolvency.

Member firms are (i) investment dealers and/or (ii) mutual fund dealers that are members of the Canadian Investment Regulatory Organization (CIRO) which oversees all investment dealers and mutual fund dealers in Canada. Lists of CIPF member firms are available at www.cipf.ca.

What does CIPF cover?

CIPF COVERS:

■ Missing property - This is property held by a member firm on your behalf that is not returned to you following the firm's insolvency. Missing property can include:

- cash and cash equivalents
- securities
- commodity and futures contracts
- segregated funds

A “security” is a type of financial instrument. Examples of securities include: bonds, GICs (guaranteed investment certificates), shares or stock of a company, units or shares of an investment fund such as mutual fund or an ETF (exchange-traded fund), and units of limited partnerships.

CIPF DOES NOT COVER:

- • Losses resulting from any of the following:
 - a drop in the value of your investments for any reason
 - investments not suitable for you
 - fraudulent or other misrepresentations made to you
 - misleading information given to you
 - important information not disclosed to you
 - poor investment advice
 - the insolvency or default of the company or organization that issued your security
- Securities held directly by you, where you have received the share certificate or other ownership documentation for the investment. CIPF coverage does not apply since the member firm is not holding this property for you.
- Mutual funds registered in your name and held directly at the mutual fund company.
- Customer accounts held at a mutual fund dealer if the office serving you is located in Québec, unless the member firm is also registered as an investment dealer.
- Crypto assets held by a member firm on your behalf that are missing at the time of the member firm's insolvency.
- Other exclusions identified in the CIPF Coverage Policy, available at www.cipf.ca.

AM I ELIGIBLE FOR CIPF PROTECTION?

■ If you meet the 3 points of eligibility below, you are eligible for CIPF protection:

1. **Eligible Customer:** Customers of an insolvent member firm are generally eligible, unless they are in the list of ineligible customers in the CIPF Coverage Policy. Ineligible customers include a director of the firm or an individual who contributed to the firm's insolvency.
2. An **Eligible Account** must be:
 - Used for transacting securities or commodity and futures contracts business, and
 - Fully disclosed in the records of the member firm, which would normally be shown by receipts, contracts and statements that have been issued to you by the member firm.

A mutual fund dealer account located in Québec is not an eligible account, unless the member firm is also registered as an investment dealer. Accounts are considered to be located in Québec if the office serving the customer is located in Québec. Mutual fund dealer customers with accounts in Québec are encouraged to contact their advisor for information about the coverage available for these accounts.

3. **Eligible Property:** may include cash and cash equivalents, securities, commodity and futures contracts, and segregated funds held by a member firm, but excludes crypto assets.

HOW DOES COVERAGE WORK?

■ If a customer bought one hundred shares of Company X at \$50 per share through a member firm, and the share value on the day of the member firm's insolvency was \$30, CIPF's objective would be returning the one hundred shares to the customer because that's the property in the customer's account at the date of insolvency. If the one hundred shares are missing from the account, CIPF would provide compensation based on the value of the missing shares on the day of the firm's insolvency. In this example, that's \$30 per share.

WHAT ARE THE COVERAGE LIMITS?

■ CIPF will provide compensation for the value of the missing property as at the date of insolvency, up to the limits prescribed in the CIPF Coverage Policy. For an individual holding an account or accounts with a member firm, the limits on CIPF protection are generally as follows:

1. \$1 million for all general accounts combined (such as cash accounts, margin accounts, FHSAs and TFSAs), plus
2. \$1 million for all registered retirement accounts combined (such as RRSPs, RRIFs, LIRAs and LIFs), plus
3. \$1 million for all registered education savings plans (RESPs) combined where the client is the subscriber of the plan.

The limits of coverage for other types of clients are outlined on CIPF's website. All coverage by CIPF is subject to the terms and conditions of the CIPF Coverage Policy and Claims Procedures, available at www.cipf.ca.

Your Partner in Investor Protection



LAURENTIAN BANK
SECURITIES INC.

1360, RENÉ-LÉVESQUE
BOULEVARD WEST
SUITE 6208
MONTRÉAL, QUÉBEC
H3G 0E8

Check the Member Directory
on CIPF's website to confirm
you are dealing with a CIPF
member firm.



Canadian Investor Protection Fund

For more information on CIPF,
please visit www.cipf.ca or call
toll-free at 1.866.243.6981
or 416.866.8366 or e-mail
info@cipf.ca.