

AGREEMENT made this day of , 20 .

B E T W E E N:

Name: _____

Address: _____

(“Fund/Manager”)

OF THE FIRST PART

-and-

Investment Industry Regulatory Organization of Canada (IIROC)/Organisme
canadien de réglementation du commerce des valeurs mobilières—OCRCVM

Suite 2000, 121 King Street West,
Toronto, Ontario, M5H 3T9, for and on behalf of its Dealer Members,
as trustee,

(“IIROC”)

OF THE SECOND PART

INTRODUCTION:

1. IIROC is a self-regulatory organization which regulates its Dealer Members in accordance with its rules, forms and other directives and notices (the “Rules”).
2. The Fund/Manager (i) sells and redeems investment products (as defined below) of its own issue to, and/or (ii) provides management, administrative or other services to issuers or distributors of products who deal with, certain Dealer Members and the customers of such Dealer Members from time to time.
3. This Agreement is intended to apply to all investment products ("products"), which shall include (without limitation) securities of every type, mutual funds and investment funds,

annuities and other types of insurance contracts, deposits and deposit liabilities of every type, precious metals and other commodities and other similar investments in whatever form (whether tangible or intangible and whether or not evidenced by any certificate or instrument or book entry).

4. In connection with the activities of the Fund/Manager described in paragraph 2, the Fund/Manager is to be an acceptable segregation location for Dealer Members for the purposes of the Rules in respect of the segregation obligations of the Dealer Members with respect to all products (whether or not constituting securities).

5. The Rules require that the terms upon which any products are held by or deposited with the Fund/Manager for Dealer Members include written provisions to the effect of paragraphs 1(a), (b), (c) and (d) below.

6. As a matter of convenience and to reduce the need for the Fund/Manager to enter into individual written agreements with each Dealer Member with whom it deals, IIROC has agreed to enter into this Agreement as a bare trustee on behalf of such Dealer Members.

IN CONSIDERATION of these premises and other good and valuable consideration received by each of the parties from each of the others, the parties agree as follows:

1. **Terms of Segregation.** The Fund/Manager shall ensure, in respect of any products registered in the name of a Dealer Member and/or held by or deposited with it for the Dealer Member in accordance with the Rules, that, subject to paragraph 1(e),

- (a) no use or disposition of such products shall be made (including any action that could result in the creation of an encumbrance) without the prior written consent of the Dealer Member (which consent may be given by electronic communication which is capable of being retrieved and confirmed);
- (b) certificates or instruments representing such products shall be delivered to the Dealer Member promptly on demand or, when certificates or instruments are not available and the products are represented by book entry by the Fund/Manager, the products shall be able to be transferred either from the Fund/Manager or to the account of any other person maintaining an account at the Fund/Manager promptly on demand;
- (c) the products of the Dealer Member or customers of a Dealer Member shall be held in segregation for the Dealer Member and shall be free and clear of any mortgage, charge, lien, trust, right of retention, claim or other encumbrance of any kind in favour of the Fund/Manager in any capacity, any such encumbrance that may exist or be created despite this prohibition being irrevocably waived; and
- (d) the Fund/Manager shall not, in any capacity, assert any right of set off, consolidation of accounts, combination, compensation, retainer or netting, or assert any other right or counterclaim in any manner that could produce a like or analogous effect, any such right or manner of counterclaim that may exist or arise despite this prohibition being irrevocably waived; provided that

(e) the prohibition of the Fund/Manager in paragraph 1(a) and the requirements of the Fund /Manager in paragraphs 1 (b), (c) and (d) are each subject to the terms, conditions and provisions of:

- (i) the products,
- (ii) any contract between the Fund/Manager and the holder of the products in respect of the sale, issuance, transfer or redemption of the products, and
- (iii) any applicable law or regulatory policy,

and any act or refusal to act by the Fund/Manager in accordance with or permitted by such terms, conditions or provisions shall not be considered to be in breach of this Agreement.

2. Notwithstanding any other agreement or course of dealing between the Dealer Member and the Fund/Manager either before or after the date of this Agreement, all products of the Dealer Member or customers of the Dealer Member that may be held by, recorded with or otherwise left or placed in the possession or under the control of the Fund/Manager from time to time (regardless of the form of holding or recording or any other circumstances, and whether in tangible or intangible form) shall be subject to this Agreement, except only to the extent that the application of this Agreement to a particular product or group of products is expressly excluded by the prior written consent of the Dealer Member (which consent to exclusion may be given by electronic communication which is capable of being retrieved and confirmed).

3. **Trust.** IIROC declares that it holds the benefit of the covenants of the Fund/Manager herein in trust for the Dealer Members and the Fund/Manager acknowledges that each Dealer Member for whom the Fund/Manager is an acceptable segregation location may enforce such covenants directly against the Fund/Manager as if entered into by such Dealer Member itself in connection with the services provided by the Fund/Manager to such Dealer Member. IIROC shall be under no obligation or responsibility of any kind or character to any Dealer Member or customer of a Dealer Member or any person claiming through either of them in respect of this Agreement and, in particular, shall have no obligation, responsibility or duty to see that any covenant herein is carried out and fulfilled or to take any action for the enforcement of this Agreement

4. **Indemnity.** The Fund/Manager shall indemnify and save harmless the Dealer Member against and from any and all losses of the Dealer Member as a result of the failure of the Fund/Manager to return to the Dealer Member any securities or property held by it in accordance with this Agreement, provided that the liability of the Fund/Manager under this paragraph shall be limited to the market value of the securities and property as at the time which it was required to deliver to the Dealer Member the securities and property.

5. **Term.** This Agreement shall remain in full force and effect with respect to any Dealer Member and the Fund/Manager as long as any products are held by or deposited with the Fund/Manager on behalf of such Dealer Member as an acceptable segregation location.

6. **Binding Effect.** This Agreement shall extend to and enure to the benefit of and be binding upon the successors and assigns of the parties hereto and the Dealer Members but shall not be assigned by the Fund/Manager without the prior written consent of IIROC.

7. **English Language.** This Agreement has been drawn up in the English language at the request of the parties. Les parties ont requis que la présente convention soit rédigée en anglais.

8. **Governing Law.** This Agreement shall be governed by the laws of the Province of Ontario.

THE PARTIES have executed this Agreement under the hands of their authorized officers as of the date set out above

(Name of Fund/Manager)

By: _____

By: _____

Type(s) of Products Managed: (eg. Mutual Funds,
Segregated Funds, Guaranteed Investment Certificates,
Other, - with Description) _____

Investment Industry Regulatory Organization of
Canada / Organisme canadien de réglementation du
commerce des valeurs mobilières

By: _____

By: _____

January 2012