

DISCLOSURE OF DEPOSIT TYPE INSTRUMENTS REGULATIONS COMPLIANCE BULLETIN**Notice To Deposit Brokers****On The Sale Of Deposit Type Investments From November 1, 2011**

TO: CLIENT NAME DEPOSIT BROKERS
FROM: NICOLE KOTSIFAS, BUSINESS DEVELOPMENT MANAGER
DATE: October 24th, 2011.

Effective November 1, 2011, new DEPOSIT TYPE INSTRUMENTS REGULATIONS (DTIR) come into force. All Issuers of Guaranteed Investment Certificates and Term Deposit Receipts products are subject to these regulations including those issued by Home Trust Company. A copy of the regulations is available at <http://laws.justice.gc.ca/eng/regulations/SOR-2011-98/FullText.html> or <http://www.gazette.gc.ca/rp-pr/p2/2011/2011-04-13/html/sor-dors98-eng.html#k>. The Regulations require that specific information be disclosed both orally and in writing to the client when entering into an investment agreement either:

In Person:

- Both oral and written disclosure at or before entering into the agreement
(A copy of an approved application given to the client will meet the written disclosure requirement)

By Telephone:

- Oral disclosure at that time with written disclosure to follow "without delay"
(The Dealer/Broker Confirmation document will meet the written disclosure requirement)

Written or Electronic Applications:

- Written disclosure to be sent "without delay" that includes a contact number
(The Dealer Confirmation document will meet the written disclosure requirement)

Accordingly, a confirmation will continue to be sent by Home Trust directly to the dealer/broker that includes a summary of the investment details. Dealer/Brokers will be responsible for forwarding the confirmation to their clients "without delay".

Simply stated, the oral and written disclosures must include:

- The Issuer Name
- Any charges or fees in respect of the instrument
- The dates on which the investment period begins and ends.
- Notice that the investment may not be redeemed prior to maturity with the exception of a cashable* GIC.
- The annual rate of interest
- When interest will be calculated and paid
- That the investment cannot be cancelled
- That the investment is eligible for CDIC insurance coverage
- Investments with 'auto-roll' instructions at maturity must disclose the automatic issuance of a new investment, the interest rate, the term and any fees related to its issuance or cancellation and the cancellation period.

**Variable Rate disclosure requirements have not been included as Home Trust Company does not offer Variable Rate investments.

The following is a generic example of an oral disclosure for a fixed rate investment purchase:

You are purchasing a GIC/STD from _____ (*insert FI name*) in the amount of \$ _____ which is effective as of _____ (*issue date*) for a term of _____ (*years/ days*) at an interest rate of _____% with interest calculated and paid _____ (*Annually/ Semi-Annually/Quarterly/ Monthly/ Annually Compounded/ At Maturity*) with a maturity date of _____. Should the maturity date fall on a non-business day, the maturity date will be moved to the next business day. This investment is _____ (*(Non-Redeemable) or (Redeemable after _____ days with interest paid at the contract rate)*) This investment _____ (*is/is not*) eligible for insurance coverage with the Canada Deposit Insurance Corporation (CDIC) At maturity the investment proceeds will (*be repaid to you or the investment will be automatically renewed for _____ (state term) at the posted rate on that date.*)

There are no fees associated with the purchase and or maintenance of this GIC. OR There are fees associated with the purchase and maintenance of this investment and the fees are (*state fees*). The applicable fee schedule is attached.

REQUIRED APPLICATION DETAILS

With the implementation of the DTI Regulations specific information must be contained on the application in order for it to qualify as the written disclosure when meeting face to face with a client.

Aside from the personal information, broker and issuer information details already required on an application, in order to meet the DTI Regulations an application must now contain:

- ISSUE DATE
- MATURITY DATE
- TERM
- ANNUAL INTEREST RATE
- PAYMENT FREQUENCY
- WHETHER THE INVESTMENT IS REDEEMABLE PRIOR TO MATURITY AND IF SO THE IMPACT ON THE INTEREST PAYABLE
- CANCELLATION PERIOD FOR THE APPLICATION IF/WHEN APPLICABLE
- ANY CHARGES IN RESPECT TO THE INSTRUMENT
- CDIC ELIGIBILITY
- FOR AUTO-RENEWAL OPTIONS- CONFIRM AUTORENEWAL AND
 - WHETHER THE RATE IS FIXED
 - THE INVESTMENT PERIOD
 - ANY CHARGES RELATED TO ITS ISSUANCE OR CANCELLATION
 - CANCELLATION PERIOD AFTER THE RENEWAL

EACH APPLICATION SHALL INDICATE WHETHER THE TRANSACTION WAS CONDUCTED:

- IN PERSON
- VIA THE TELEPHONE
- VIA MAIL OR ELECTRONIC MEANS***

***** When dealing with clients via electronic means, such as e-mail, expressed written consent from the client is required prior to accepting any instructions.**

ACCOUNT OPENING PURPOSE - REQUIRES OPTION "INVESTMENT ACCOUNT OR OTHER"

CURRENT APPROVED CLIENT DECLARATION

BY SIGNING THIS APPLICATION I/WE CONSENT TO THE COLLECTION OF THE PERSONAL INFORMATION CONTAINED IN THIS FORM BY MY/OUR DEPOSIT BROKER AND OR THE FINANCIAL INSTITUTION. I/ WE CONSENT TO THE USE, RETENTION AND DISCLOSURE OF OUR PERSONAL INFORMATION AS IS REASONABLY REQUIRED IN CONNECTION WITH THE ESTABLISHMENT AND MAINTENANCE OF AN ACCOUNT IN MY/OUR NAME, TO MEET LEGAL AND REGULATORY REQUIREMENTS AND FOR STATISTICAL, AUDIT AND SECURITY PURPOSES IN THE MANNER SET OUT IN THE FINANCIAL INSTITUTIONS PUBLISHED PRIVACY POLICY. I/ WE HAVE READ THE ABOVE PARAGRAPH AND HEREBY GIVE MY/OUR CONSENT TO THE COLLECTION USE, AND DISCLOSURE OF THE PERSONAL INFORMATION DESCRIBED THEREIN. WHERE INVESTMENTS ARE REGISTERED TO TWO OR MORE PERSONS AND THE WORDS "AND/OR", "& OR" OR "OR" APPEAR BETWEEN THE NAMES OF THE REGISTERED OWNERS, INTEREST AND PRINCIPAL MAY BE PAID TO OR TO THE ORDER OF ANY ONE OF THEM AND THE RECEIPT OF SUCH PAYMENT SHALL BE A VALID DISCHARGE. THE DEPOSIT BROKER MAY TAKE INSTRUCTIONS FROM OR DEAL WITH, ANY JOINT OWNER ON ALL MATTERS CONCERNING THE INVESTMENT.

I/ WE CONFIRM THAT THE INFORMATION PROVIDED IS TRUE AND ACCURATE. I/WE ACKNOWLEDGE THAT THE DETAILS OF THE INVESTMENT HAVE BEEN FULLY EXPLAINED AND ACKNOWLEDGE RECEIPT OF A COPY OF THIS APPLICATION WITH THE INVESTMENT DETAILS. WHERE A FEE SCHEDULE IS APPLICABLE I ACKNOWLEDGE RECEIPT OF THE SCHEDULE.

CURRENT BROKER REPRESENTATIVE DECLARATION

UNLESS OTHERWISE STATED ABOVE, I, AS AUTHORIZED REPRESENTATIVE OF THE DEPOSIT BROKER ACCEPTING THIS TRANSACTION, HAVE TAKEN REASONABLE MEASURES AND CERTIFY THAT (i) I HAVE NO REASON TO BELIEVE THAT THE ACCOUNTHOLDER(S) ARE ACTING ON BEHALF OF A THIRD PARTY OR IF SO HAVE PROVIDED THE REQUIRED INFORMATION ON AN ATTACHED THIRD PARTY FORM (ii) THE ACCOUNTHOLDER(S) ABOVE ARE NOT POLITICALLY EXPOSED FOREIGN PERSONS OR IF SO HAVE PROVIDED THE INFORMATION ON AN ATTACHED PEPF FORM (iii) THE INTENT OF THIS ACCOUNT IS FOR SAVING/INVESTMENT UNLESS OTHERWISE INDICATED, FOR THE SOLE USE OF THE APPLICANTS (S) LISTED ABOVE (iv) CASH HAS NOT BEEN ACCEPTED AS A SOURCE OF FUNDS FOR THIS INVESTMENT AND (v) I HAVE FULLY EXPLAINED THE TERMS AND CONDITIONS OF THIS INVESTMENT WITH THE INDICATED FINANCIAL INSTITUTION. (VI) I HAVE ADVISED THE CLIENT(S) LISTED ABOVE, ON BEHALF OF THE ISSUER, OF ALL RELEVANT DISCLOSURES AS PER THE DEPOSIT TYPE INSTRUMENTS REGULATIONS.

THE RDBA 'GUARANTEED INVESTMENT APPLICATION' HAS BEEN UPDATED TO MEET THE NEW REGULATIONS INCLUDING THE REVISED CLIENT AND BROKER DECLARATIONS AND WILL BE ACCEPTED BY HOME TRUST COMPANY.

Disclosure of Fees Effective November 1st, 2011

Home Trust Company Schedule of Fees

Re-registration	Charge
Re-registration or Transfer of Ownership	\$25 administration fee per investment
Internal Re-registration or Split	\$10 administration fee per investment
Reporting	Charge
One Time Reconciliation/ Trial Balance Report (Requests By Auditors Or Third Party)	\$50
Research	Charge
Research At Broker's/Client Request	\$25/Hour Minimum \$50
Redemption Requests Below Minimum	Charge
1 Year Cashable after 30 or 90 Days	\$25 administration fee will apply for redemptions under \$5000

Re-registration or Transfer of Ownership

An example of a re-registration or transfer of ownership would include an account changing from ABC Inc. in trust for 12345 Bob Smith for \$100,000 in a 2 year investment at a rate of 3% to DEF Inc in trust for 67890 Bob Smith for \$100,000 in a 2 year investment at a rate of 3% with maturity dates remaining unchanged. Reasons for these re-registrations result from clients changing dealers.

Internal Re-registration or Split

An example of an internal re-registration or split would include an account changing from ABC Inc. in trust for 12345 Bob Smith for \$100,000 in a 2 year investment at a rate of 3% to ABC Inc. in trust for 67890 Bob Smith for \$100,000 in a 2 year investment at a rate of 3% with maturity dates remaining unchanged. Reasons for these re-registrations result from internal product changes, estate, marital break down, financial hardship, income spitting, CDIC concerns or financial advisor change etc.

Or in the case of a split

ABC Inc. in trust for 12345 Bob Smith for \$100,000 in a 2 year investment at a rate of 3% changes to ABC Inc. in trust for 54321 Bob Smith for \$50,000 in a 2 year investment at a rate of 3% and ABC Inc. in trust for 67890 Linda Smith for \$50,000 in a 2 year investment at a rate of 3% with maturity dates remaining unchanged. Reasons for these re-registrations result from internal product changes, estate, marital break down, financial hardship, income spitting or CDIC concerns etc.

Reporting

For one time reconciliation reports that need to be produced for auditors or sale of a business a \$50 charge will apply.

Research

Brokers or clients requesting research that is more than 1 year old will be charged \$25 per hour, minimum \$50 fee.

Redemption Requests Below Minimum For 1 Year Cashables After 30 or 90 Days

Minimum investment is \$5000, Minimum redemption is \$5000. Redemption requests for less than \$5000 will be subject to a \$25 administration fee.