

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

TO: BROKER DEALER/NOMINEE 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 The 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 Confirmation document can be used to 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 can be used to meet the written disclosure requirement)

Accordingly a confirmation must be sent by Dealer/Broker Trustee directly to the client.

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.
- 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
- The investment cannot be canceled
- That the investment is eligible for CDIC insurance coverage
- * In the event of a cashable redemption (post 30 days), proceeds will be principal plus interest accrued at the proscribed rate to the redemption date.
- 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 does not offer Variable Rate investments.

The following is an 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 may be moved to the next business day. This investment is _____ ((Non-Redeemable) or (Redeemable after _____ days with interest paid at the contract rate for the period held))

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 for 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.

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.