

Electronic Processing Agreement (EPA) – FAQ

1. What is the Electronic Processing Agreement (EPA)?

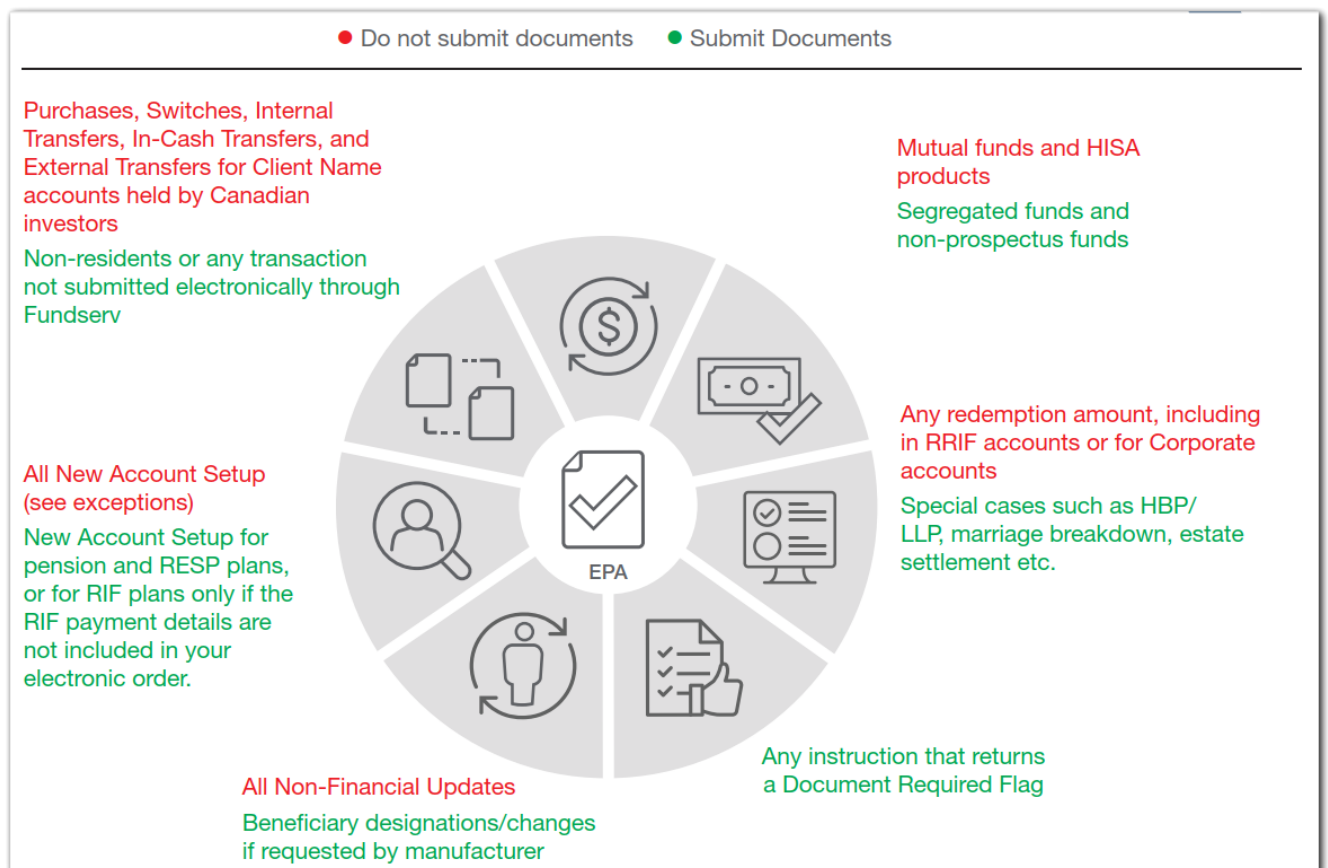
The EPA is a Fundserv initiative which will come into effect on **June 12, 2023**. It is a mutual agreement between manufacturers (fund companies) and distributors (Representatives and head office) that enables the distributors to send instructions through the Fundserv network without requiring the submission of documents for eligible transactions.

2. What is impacted by the EPA?

The EPA impacts client-name accounts only. There are no changes for nominee and intermediary accounts.

3. How does this impact my day-to-day activities?

A large number of transactions for which documents needed to be sent to fund companies will no longer require transmission effective June 12, 2023:



Source: image provided by Fundserv

4. What is eligible to the EPA?

Below are the types of instructions which will no longer require documents to be sent to fund companies:

Type of Instruction	Eligibility
Account applications	All account types (except RESPs, RDSPs and pension plans)
Purchases	Open accounts (including corporate accounts), RRSPs, TFSAs and FHSAs
Switches	All account types
Internal transfers between 2 fund companies	All account types specified in Administrative Procedure # 39 – <i>Internal Cash Transfer</i> . This applies to the sell side only.
Redemptions	Open accounts (including corporate accounts), RRSPs, TFSAs, FHSAs and RRIFs.
Non-financial updates	All account types

5. What is not eligible to the EPA?

- Segregated funds
- GICs
- All transactions for non-residents
- Account application forms for RESPs, RDSPs and RRIFs if they include systematic payment instructions
- Beneficiary designations (when requested by the fund company)
- Particular cases such as HBPs, marriage breakdowns, estates, etc.
- Redemptions on registered plans with a specific withholding tax percentage

6. For non-eligible transaction types, are there changes to paperwork or signature requirements?

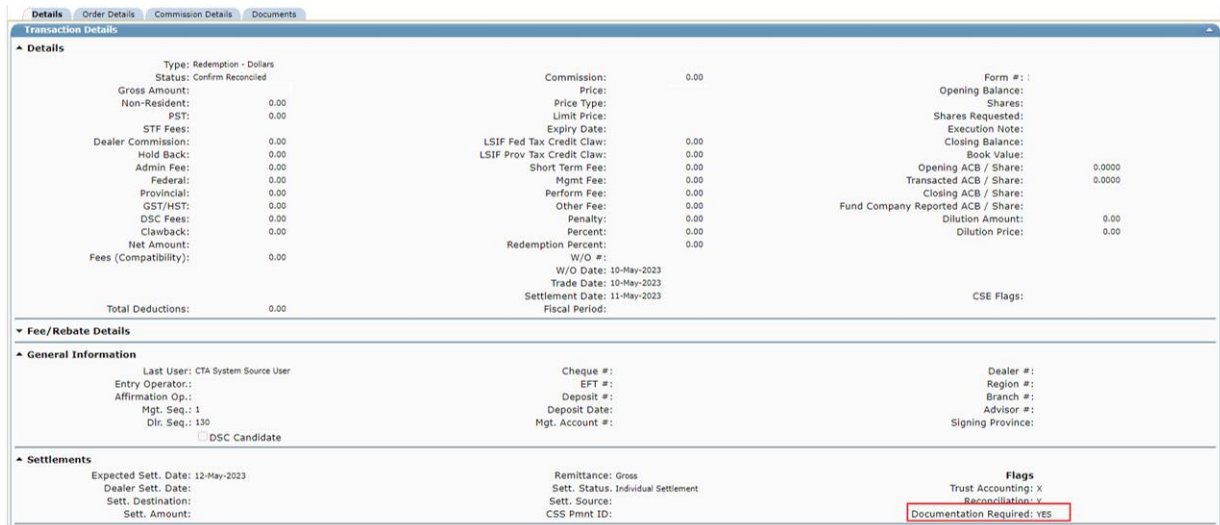
No. When sending documents to fund companies, the client’s signature and signature guarantee are still mandatory unless there is a limited trading authorization on file (when applicable). Documents must be sent to fund companies before 4 p.m. (ET) on the day of the trade.

7. How quickly can I see if a transaction I processed requires documents to be sent to fund companies?

- A. Investia’s Transaction Processing Grid is up to date and available on the Advisor Centre. It displays all the transaction types and if documents should be sent to the fund companies or not.
- B. The following report, available in Univeris under “Reports/ Trading / Daily Transaction Activity”, displays a flag indicating if a document is required:

Client No.	Client Name	Plan Adm.	Mgt. Code	Investment	Fund Load	Trans. Type	Contribution / Withdrawal Type	W/O No. / W/O Status	Amount	Rep. Code	User Doc. Req.	Comm. %
High Interest Savings Account												
May 04, 2023 09:57:50 AM	INV SDOPEN					Switch In - Percent	Contribution General		100.000%		USERNA YES	0.000%

C. In the transaction details, a flag is also added if the documentation should be sent to fund companies:



Transaction Details			
Details			
Type: Redemption - Dollars	Commission: 0.00	Form #:	
Status: Confirm Reconciled	Price:	Opening Balance:	
Gross Amount:	Price Type:	Shares:	
Non-Resident: 0.00	Limit Price:	Shares Requested:	
PST: 0.00	Expiry Date:	Execution Note:	
STF Fees:	LSIF Fed Tax Credit Claw: 0.00	Closing Balance:	
Dealer Commission: 0.00	LSIF Prov Tax Credit Claw: 0.00	Book Value:	0.0000
Hold Back: 0.00	Short Term Fee:	Opening ACB / Share:	0.0000
Admin Fee: 0.00	Mgmt Fee: 0.00	Transacted ACB / Share:	
Federal: 0.00	Perform Fee: 0.00	Closing ACB / Share:	
Provincial: 0.00	Other Fee: 0.00	Fund Company Reported ACB / Share:	
GST/HST: 0.00	Penalty: 0.00	Dilution Amount:	0.00
DSC Fees: 0.00	Percent: 0.00	Dilution Price:	0.00
Clawback: 0.00	Redemption Percent: 0.00		
Net Amount:	W/O #:		
Fees (Compatibility): 0.00	W/O Date: 10-May-2023		
	Trade Date: 10-May-2023		
	Settlement Date: 11-May-2023		
Total Deductions: 0.00	Fiscal Period:	CSE Flags:	
Fee/Rebate Details			
General Information			
Last User: CTA System Source User	Cheque #:	Dealer #:	
Entry Operator.:	EFT #:	Region #:	
Affirmation Op.:	Deposit #:	Branch #:	
Mgt. Seq.: 1	Deposit Date:	Advisor #:	
Dir. Seq.: 130	Mgt. Account #:	Signing Province:	
<input type="checkbox"/> DSC Candidate			
Settlements			
Expected Settle Date: 12-May-2023	Remittance: Gross	Flags	
Dealer Settle Date:	Settle Status: Individual Settlement	Trust Accounting: X	
Settle Destination:	Settle Source:	Reconciliation: Y	
Settle Amount:	CSS Pmnt ID:	Documentation Required: YES	

The flag will be “Yes” if the document(s) should be sent to the fund company and blank if no documents are required.

8. What about beneficiary designations?

On registered plans held by clients outside of Quebec, beneficiaries must be designated in Univeris under the “Plans / Related Parties” section prior to the first trade being processed in the plan.

Any time that there is no beneficiary indicated under “Related Parties” the system will display “Estate” as the designation. Subsequent changes/additions to beneficiaries must be sent to fund companies.

9. With the EPA in place, do I still have to document my clients’ instructions?

Yes! And all your documents must always be sent to Investia’s Imaging system on the day of entry in Univeris.

10. What about client-name PACs and AWDs?

For the moment, client-name systematic instruction forms or account application forms with PAC/AWD instructions must be faxed to the fund companies for the setup or modification of a client-name PAC/AWD.