



Client Agreement and Disclosures Brochure

INTRODUCTION 3

KNOW YOUR CLIENT (“KYC”) INFORMATION 3

DEFINITIONS AND EXPLANATION OF RISK PROFILE..... 3

DEFINITION OF INVESTMENT OBJECTIVES AND TIME HORIZON 4

LEVERAGING DISCLOSURE: BORROWING MONEY TO BUY INVESTMENTS..... 4

JOINT ACCOUNT AGREEMENT DISCLOSURE AND EXPLANATION 5

CLIENT COMPLAINT INFORMATION 6

COMPLAINT HANDLING PROCEDURES 6

PERSONAL INFORMATION STATEMENT (PRIVACY)/AUTHORIZATION/CONSENT 7

 DEFINITIONS 7

 USE OF YOUR PERSONAL INFORMATION 8

 SOCIAL INSURANCE NUMBER 8

 DISCLOSURE OF THE CLIENT’S PERSONAL INFORMATION 8

 AFFILIATED COMPANIES 8

 CONSENT 8

 CORRECTIONS TO PERSONAL INFORMATION 8

 RETENTION OF PERSONAL INFORMATION..... 8

 SERVICE PROVIDERS..... 9

 OTHER PRODUCT OFFERINGS 9

 WITHDRAWING MY CONSENT 9

 SHAREHOLDER COMMUNICATIONS NATIONAL INSTRUMENT 54-101 AUTOMATIC ENROLLMENT 9

BUSINESS CONTINUITY PLANNING..... 9

TELECOMMUNICATIONS CONSENT 9

ELECTRONIC MESSAGE CONSENT..... 10

 CLIENT FACSIMILE AND E-MAIL TRANSMISSION AGREEMENT CONSENT 10

OUTSIDE ACTIVITIES DISCLOSURE 10

WORLDSSOURCE BUSINESS INTERESTS/RESPONSIBILITY AND LIABILITY..... 10

 SEGREGATED FUND CONTRACTS 10

WORLDSSOURCE AS PRINCIPAL DISTRIBUTOR OF MUTUAL FUNDS 11

TRADE OR STYLE NAMES..... 11

EQUITY INTEREST AND RELATED PARTY DISCLOSURE 11

NATURE OF THE ADVISORY RELATIONSHIP 12

ACTING AS PRINCIPAL AND AGENT FOR FEE COLLECTION 12

SUITABILITY PROCESS 12

INVESTMENT PERFORMANCE BENCHMARKS 12

PROCEDURES REGARDING HANDLING OF CASH AND CHEQUES 12

DEALER COMPENSATION 13

 FRONT-END LOAD FUNDS..... 13

 NO LOAD FUNDS 13

 DEFERRED OR LOW LOAD SALES CHARGE FUNDS..... 13

 FEE BASED ACCOUNTS..... 13

 SERVICE FEES (TRAILER COMMISSIONS) 13



OTHER SALES INCENTIVES	13
RULES AND REGULATIONS APPLICABLE	13
SETTLEMENT AND TRANSACTION CHARGES	13
OPERATION OF THE ACCOUNT	14
TEMPORARY HOLDS.....	14
INTENDED USE OF ACCOUNT	14
PAYMENT OF INDEBTEDNESS	14
PLEDGE AND USE OF COLLATERAL	14
ELIMINATION OR REDUCTION OF INDEBTEDNESS	14
TRANSFERS TO OTHER ACCOUNTS	15
ACCOUNT STATEMENTS	15
CONTENT AND FREQUENCY OF REPORTING	15
FEES	15
NOTICES TO YOU	15
CAPACITY (PROVINCE OF QUEBEC)	15
REDEMPTIONS	15
APPROVED/UNAPPROVED FUND COMPANIES	15
INVESTOR’S RESPONSIBILITY	16
TO CLIENTS WHO RESIDE IN THE UNITED STATES OF AMERICA	16
REPORTING INSIDERS	16
COMMISSIONS	16
GOVERNING LAW	16
HEADINGS AND PLURALS	16
ENGLISH LANGUAGE	16
OTHER AGREEMENTS	16
FURTHER ASSURANCES	16
SEVERABILITY	17
SUCCESSORS AND ASSIGNS	17
ACCOUNT CLOSING	17
LIMITED AUTHORIZATION - NOMINEE ACCOUNTS	17
PUREFLEX PROGRAM - NOMINEE ACCOUNTS	17
SYSTEMATIC WITHDRAWALS (AWD/RIF) - NOMINEE ACCOUNTS	18
LOGIC FOR DEFAULT RIF AND AWD PAYMENTS.....	18
CONFLICTS OF INTEREST DISCLOSURE	18
WHY IS THIS DISCLOSURE IMPORTANT FOR YOU TO READ?.....	18
WHAT IS A CONFLICT OF INTEREST?.....	18
CONFLICTS ARISING FROM PROPRIETARY PRODUCTS.....	18
CONFLICTS ARISING FROM THIRD-PARTY COMPENSATION.....	18
CONFLICTS ARISING FROM INTERNAL COMPENSATION ARRANGEMENTS AND INCENTIVE PRACTICES.....	19
CONFLICTS IN FEE-BASED ACCOUNTS.....	19
CONFLICTS WITH ANY OUTSIDE ACTIVITY (oA).....	19
INDIVIDUALS WHO HAVE OUTSIDE ACTIVITIES.....	19



CLIENT PURCHASING PRODUCTS/SERVICES FROM AN ADVISOR OUTSIDE THE NORMAL COURSE OF WORLD SOURCE BUSINESS.....	19
ADVISOR PURCHASING PRODUCTS/SERVICES FROM A CLIENT.....	19
CONFLICTS WITH OUTSIDE BUSINESS INTEREST (OBI)	19
CONFLICTS RELATED TO REFERRAL ARRANGEMENTS	19
FULL CONTROL OR AUTHORITY OVER THE FINANCIAL AFFAIRS OF A CLIENT	20
ADVISOR’S PRODUCT RECOMMENDATIONS TIED TO RECEIPT OF PROMOTIONAL DOLLARS	20
MARKETING MATERIALS WITH MISLEADING OR INACCURATE PERFORMANCE	20
SELF-DIRECTED SAVINGS PLAN DECLARATION OF TRUST (APPLICABLE TO SELF-DIRECTED RSPS).....	20
SELF-DIRECTED RETIREMENT INCOME FUND DECLARATION OF TRUST (APPLICABLE TO SELF-DIRECTED RIFS).....	24
SELF-DIRECTED TAX-FREE SAVINGS ACCOUNT DECLARATION OF TRUST (APPLICABLE TO SELF-DIRECTED TFSAS)	27
INDIVIDUAL EDUCATION SAVINGS PLAN TERMS AND CONDITIONS.....	30
FAMILY EDUCATION SAVINGS PLAN TERMS AND CONDITIONS.....	41

INTRODUCTION

This Client Agreement and Disclosures Brochure contains the terms and conditions of your Worldsource Financial Management Inc. (“Worldsource”) investment account and is part of the account agreement between you (“you” or the “Applicant/Annuitant”) and Worldsource. Please read this document carefully. This Client Agreement and Disclosures Brochure also contains important regulatory disclosures, definitions and explanations of aspects of your Worldsource account. If you have any questions, please contact your Worldsource advisor or us at 1-800-341-1013.

KNOW YOUR CLIENT (“KYC”) INFORMATION

Worldsource is required to maintain accurate and sufficient KYC information in order to support suitability determinations. Without this information, a determination cannot be made as to whether a recommendation is suitable for you and puts your interest first. The KYC process is an ongoing one which does not end after the initial KYC analysis is complete. Worldsource is required to obtain complete KYC information when opening an account, and before trading on your behalf and is required to take reasonable steps to learn the essential facts relative to each client and to each order or account accepted and ensure there is sufficient information to make a suitability determination. Some of these factors such as risk profile, investment objectives and time horizon are described in the following sections below.

DEFINITIONS AND EXPLANATION OF RISK PROFILE

The New Client Application Form (NCAF) or any other update form, evidences your risk profile. Your risk tolerance and your risk capacity are separate considerations that, combined, make up your overall risk profile. Your risk profile reflects the lower of how much risk you willingly can take on (your risk tolerance) and your ability to endure potential financial loss (your risk capacity). The investments that you hold in your account should reflect your risk profile. The investments in your account should not exceed the risk profile for that type of investment that you have stated in your NCAF. The levels of risk are described below:

LOW: Low risk investments demonstrate low volatility and are suitable for investors who are willing to accept lower returns for greater safety of capital or who do not have the ability to endure potential financial loss and may include (but are not limited to) investments such as Guaranteed Investment Certificates, money market mutual funds and mutual funds that have been risk rated as low by the investment fund manufacturer.

LOW TO MEDIUM: Low to Medium risk investments demonstrate a low to medium volatility but a higher volatility than those described above and may include (but are not limited to) bond or balanced funds.

MEDIUM: Medium risk investments demonstrate a medium volatility and are for investors that are looking for moderate growth over a longer period of time and may include (but are not limited to) Canadian, U.S. and certain international and global equity funds.

MEDIUM TO HIGH: Medium to High risk investments demonstrate a medium to high volatility and are suitable for investors that are looking for long term growth that may include (but are not limited to) funds that invest in smaller companies, specific market sectors or geographic areas.

HIGH: High risk investments demonstrate a high volatility and/or structural risks, and are suitable for investors who are growth oriented and can withstand potential (larger) losses and willingly accept significant short term fluctuations in portfolio value in exchange for potentially higher long term returns. Investments may include (but are not limited to) labour-sponsored venture capital funds or funds that invest in specific market sectors or geographic areas such as emerging markets, science and technology, or funds that engage in speculative trading strategies including hedge funds that invest in derivatives, short sell or use leverage. Investments in high risk could result in the loss of part, or all, of your investment.

It is important to note that only one of the above noted risk levels can be selected as your risk profile.



Worldsource and its representatives rely on the risk ratings provided by the mutual fund companies as disclosed in the mutual fund or exchange-traded fund (ETF) prospectus, Fund and ETF Facts document, or investment offering document for non-prospectus investments. You have a responsibility to carefully consider the information found in the Fund and ETF Fact Sheet and/or prospectus or offering documents which outlines the investment objectives, characteristics and risks of the mutual fund, ETF or exempt market product before deciding to invest. Specifically, without minimizing the importance of any section of the Fund and ETF Fact Sheet or prospectus, you have a responsibility to review the section within the Fund and ETF Fact Sheet entitled "Who is the Fund for?" or prospectus entitled "Who Should Invest in this Fund?", which describes either or both of the characteristics of the investor for whom the mutual fund may or may not be an appropriate investment, and the portfolios for which the mutual fund is suited or for which the mutual fund should not be used. You have a responsibility to discuss with your advisor any aspect of the Fund and ETF Fact Sheet and/or prospectus, including a particular mutual fund's investment objectives or risk profile if it does not accord with their own investment objectives or tolerance for risk.

DEFINITION OF INVESTMENT OBJECTIVES AND TIME HORIZON

Your investment objectives are the results you want to achieve when investing, such as safety and capital preservation, income generated by invested capital, and capital growth.

Safety: Your goal is to hold on to, or preserve, your invested capital; you can accept low price volatility over the specified time horizon.

Suitable financial products may include, but are not limited to, Guaranteed Investment Certificates, high interest savings accounts and money market funds.

Income: You want to generate income from your investments now, and you are less concerned with growing your capital.

Suitable financial products for this objective include fixed income and financial products that invest in bonds and dividend paying equity mutual funds.

Growth: This profile focuses exclusively on capital growth; receiving income now is not a requirement.

This type of objective tends to favour having a moderate or higher-risk profile and a longer-term investment time horizon, as a growth objective typically requires a higher portion of equity based financial products.

Speculation: defined as "the act of engaging in risky business transactions that offer a possibility of a large profit." You should only use such capital which, if lost, would not impair your lifestyle.

This objective may lead to holding financial products that have historically demonstrated above-average price volatility and offers both the potential for high or negative rates of return. Such products may have additional risks involving borrowing (leverage), derivatives and other sophisticated investment strategies. Investments satisfying this objective may include sector-specific securities, alternative investments, small market capitalization, as well as other financial products.

Combined Objectives: It is important to note that the above noted investment objectives can be combined such that the apportionment of objectives adds to 100%.

Time Horizon: Is the period from now to when the investor will need to access a significant (40% or more) portion of the money invested. We may need to ascertain the extent to which you wish or need to access all or a portion of your investments to meet your ongoing and short-term expenses and financial obligations or fund major planned expenditures. The length of your time horizon impacts the types of investments that may be suitable for you. Investors with a longer investment time horizon may have a greater degree of flexibility when building a portfolio, whereas a short investment time horizon may mean that conservative investments may be the only suitable option.

LEVERAGING DISCLOSURE: BORROWING MONEY TO BUY INVESTMENTS

PLEASE READ THIS CAREFULLY IF YOU BORROW MONEY TO PURCHASE INVESTMENTS

Regulatory authorities require the delivery of the disclosure information set out below to all investors who open an account, and in particular, to investors considering borrowing money from any source to purchase investments. The purpose of this disclosure is to make investors aware of the HIGH risk involved in borrowing to invest. Using borrowed money to finance the purchase of securities involves greater risk than a purchase using cash resources only. If you borrow money to purchase securities your responsibility to repay the loan, and pay interest as required by its terms, remains the same even if the value of the securities purchased declines. **In simple terms, you are still responsible to pay back your loan, even if your investment has no, or less than anticipated, value.**

Here are some risks and factors that you should consider before borrowing to invest: Is it Right for You?

Borrowing money to invest is risky. You should only consider borrowing to invest if:

- You are comfortable with taking risk.
- You are comfortable taking on debt to buy investments that may go up or down in value.
- You are investing for the long-term.
- You have a stable income.

You should not borrow to invest if:



- You have a low tolerance for risk
- You are investing for a short period of time.
- You intend to rely on income from the investments to pay living expenses.
- You intend to rely on income from the investments to repay the loan. If this income stops or decreases you may not be able to pay back the loan.

You Can End Up Losing Money

- If the investments go down in value and you have borrowed money to invest, your losses would be larger than had you invested using your own money.
- Whether your investments make money or not you will still have to pay back the loan, plus interest. You may have to sell other assets or use money you had set aside for other purposes to pay back the loan.
- If you used your home as security for the loan, you may lose your home.
- If the investments go up in value, you may still not make enough money to cover the costs of borrowing.

Tax Considerations

- You should not borrow to invest just to receive a tax deduction.
- Interest costs are not always tax deductible. You may not be entitled to a tax deduction and may be reassessed for past deductions. You may want to consult a tax professional to determine whether your interest costs will be deductible before borrowing to invest.

JOINT ACCOUNT AGREEMENT DISCLOSURE AND EXPLANATION

Joint Tenants with rights of survivorship ("Joint Tenancy") are not the same as Tenants in Common. In a Joint Tenancy account, upon the death of either of the account holders, the entire interest in the joint account shall be vested in the survivor's account.

In the case of Tenants in Common, in the event of the death of either or any of the account holders, the interest of the deceased account holder shall be vested in the estate of the deceased, and the interests of the surviving account holders shall remain as they were before he co-tenant died.

But in either case, taxes, costs, expenses or other charges becoming a lien against or payable out of the account as the result of the death of the deceased, or through exercise by his or her estate or representative of any rights in the account shall, so far as possible, be deducted from the interest of such deceased. This provision shall not release the estate of the deceased from liability.

In consideration of Worldsource carrying a joint account for the account holders, the account holders jointly and severally agree that each of them shall have authority on behalf of the joint account to; receive demands, notices, confirmations, report statements of accounts and communications of every kind; receive money, securities and property of every kind and to dispose of same; make agreements relating to any of the foregoing matters and to terminate or modify same or waive any of the provisions thereof; generally deal with Worldsource as fully and completely as if they alone were interested in said account, all without notice to the other or others in, or interested in, said account. Worldsource is authorized to follow the instructions of any of the account holders in every respect concerning the said joint account with Worldsource and to make deliveries to any of the account holders, or upon such instructions, of any or all securities in the said joint account and to make payments to any of the account holders, or upon his/her order, of any or all monies at any time or from time to time in the said joint accounts as he/she may order and direct, even if such deliveries and/or payments shall be made to him/her personally, and not for the joint account of the account holders. In the event of any such deliveries of securities or payments of monies to any of the account holders as aforesaid, Worldsource shall be under no duty or obligation to inquire into the purpose or propriety of any such demand for delivery of securities or payment of monies, and Worldsource shall not be bound to see the application or disposition of the said securities and/or monies so delivered or paid to any of the account holders. The authority hereby conferred shall remain in force until written notice of the revocation addressed to Worldsource is delivered to Worldsource's head office.

The liability of the account holders with respect to said account shall be joint and several. As continuing security for the discharge of the obligations under the joint account, the account holders further jointly and severally pledge to Worldsource all property Worldsource may at any time be holding or carrying for any one or more of the account holders. Such pledge to be in addition to and not in substitution of the rights and remedies Worldsource otherwise would have. Provided notice of sale is given, Worldsource shall have the right to sell the property pledged to Worldsource by public or private sale on such terms and conditions as Worldsource may see fit and apply the net proceeds to the payment of any amounts due under this joint account. It is further agreed that in the event of the death of either or any of the account holders, the survivor or survivors shall immediately give Worldsource written notice thereof and Worldsource may, before or after receiving such notice, take such proceeding, require such papers and inheritance or estate tax waivers, retain such portion of and/or restrict transactions in the account as Worldsource may deem advisable to protect Worldsource against any tax, liability, penalty or loss under any present or future laws or otherwise. The estate of any of the account holders who shall have died shall be liable and each survivor shall continue to be liable, jointly and severally, to Worldsource for any net debit balance or loss in said account in any way resulting from the completion of transactions initiated prior to the receipt by Worldsource of the written notice of the death of the decedent or incurred in the liquidation of the account or the adjustment of the interest of the respective parties.

CLIENT COMPLAINT INFORMATION

Clients of a mutual fund, an ETF or exempt market dealer who are not satisfied with a financial product or service have a right to make a complaint and to seek resolution of the problem. MFDA Member Dealers have a responsibility to their clients to ensure that all complaints are dealt with fairly and promptly. If you have a complaint, these are some of the steps you can take:

- Contact your mutual fund dealer. Member firms are responsible to you, the investor, for monitoring the actions of their representatives to ensure that they are in compliance with by-laws, rules and policies governing their activities. The firm will investigate any complaint that you initiate and respond back to you with the results of their investigation within the time period expected of a Member acting diligently in the circumstances, in most cases within three months of receipt of the complaint. It is helpful if your complaint is in writing.
 - By Telephone Toll free at 1-800-341-1013
 - By e-mail at complaints@worldsourcewealth.com
 - In writing by mail to the Chief Compliance Office, Worldsource Financial Management, 625 Cochrane Drive, Suite 700, Markham ON, L3R 9R9

OR/AND
- Contact the Mutual Fund Dealers Association of Canada (“MFDA”), which is the self-regulatory organization in Canada to which your mutual fund dealer belongs. The MFDA investigates complaints about mutual fund dealers and their representatives, and takes enforcement action where appropriate. You may make a complaint to the MFDA at any time, whether or not you have complained to your mutual fund dealer. The MFDA can be contacted:
 - By completing the on-line complaint form at www.mfda.ca
 - By telephone at (416) 361-6332 or toll free at 1-888-466-6332
 - By e-mail at complaints@mfda.ca or in writing by mail to 121 King Street West, Suite 1000, Toronto ON, M5H 3T9 or by fax at (416) 361-9073.

COMPLAINT HANDLING PROCEDURES

Worldsource has procedures in place to handle any written or verbal complaints received from clients in a fair and prompt manner. This is a summary of those procedures, which we provide to new clients and clients who have filed a complaint. We also make them available on our Website at www.worldsourcewealth.com.

The Client Complaint Information Form

We also provide new clients, and clients who complain, with separate information called the [Client Complaint Information Forms \(“CCIF”\)](#) that provides general information about options for making a complaint.

How to File a Complaint with Worldsource

Clients wishing to complain to Worldsource may make their complaint to our head office at 1-800-341-1013. All complaints are forwarded to qualified compliance or supervisory personnel to be handled. We encourage clients to make their complaint in writing or by email to complaints@worldsourcewealth.com where possible. Where clients have difficulty putting their complaint in writing, they should advise us so that we can provide assistance. For confidentiality reasons, we will only deal with the client or another individual who has the client’s express written authorization to deal with us.

Complaint Handling Procedures

We will acknowledge receipt of complaints promptly, generally within five days. We review all complaints fairly, taking into account all relevant documents and statements obtained from the client, our records, our advisors, other staff members and any other relevant source. We will communicate with the relevant parties throughout the investigation via phone, mail, email, fax or any other mutually convenient method. Once our review is complete we provide clients with our response, which will be in writing. Our response may be an offer to resolve your complaint, a denial of the complaint with reasons or another appropriate response. Where the complaint relates to certain serious allegations¹, our initial acknowledgement will include copies of this summary and the CCIF. Our response will summarize your complaint, our findings and will contain a reminder about your options with the Ombudsman for Banking Services and Investments.

We generally provide our response within ninety days, unless we are waiting for additional information from you, or the case is novel or very complicated. In the case of the latter, we will advise you of the anticipated response date. We will respond to communications you send us after the date of our response to the extent necessary to implement a resolution, or to address any new issues or information you provide. Clients may contact us at any time to provide further information or to inquire as to the status of their complaint by contacting the individual handling their complaint.

Settlements

If we offer you a financial settlement we will ask you to sign a release and waiver for legal reasons.



Compensation:

The New SRO does not order compensation or restitution to clients of Members. The new SRO exists to regulate the operations, standards of practice and business conduct of its Members and their representatives with a mandate to enhance investor protection and strengthen public confidence in the Canadian mutual fund industry. If you are seeking compensation, you may consider the following:

- Ombudsman for Banking Services and Investments (“OBSI”): You may make a complaint to OBSI after you have complained to the dealer, at either of the following times:
 - If the dealer’s Compliance Department has not responded to your complaint within 90 days of the date you complained, or;
 - After the dealer’s Compliance Department has responded to your complaint and you are not satisfied with the response. Please note that you have 180 calendar days to bring your complaint to OBSI after receiving the dealer’s response.

OBSI provides an independent and impartial process for the investigation and resolution of complaints about the provision of financial services to clients. OBSI can make a non-binding recommendation that your firm compensate you (up to \$350,000) if it determines that you have been treated unfairly, taking into account the criteria of good financial services and business practice, relevant codes of practice or conduct, industry regulation and the law. The OBSI process is free of charge and is confidential. OBSI can be contacted:

- By telephone in Toronto at (416) 287-2877, or toll free at 1-888-451-4519
- By E-mail at ombudsman@obsi.ca
- Legal Assistance: You may consider retaining a lawyer to assist with the complaint. You should be aware that there are legal time limits for taking civil action. A lawyer can advise you of your options and recourses. Once the applicable limitation period expires, you may lose rights to pursue some claims.
- Manitoba, New Brunswick and Saskatchewan: Securities regulatory authorities in these provinces have the power to, in appropriate cases, order that a person or company that has contravened securities laws in their province pay compensation to a claimant. The claimant is then able to enforce such an order as if it were a judgment of the superior court in that province. For more information, please visit:
 - Manitoba: www.msc.gov.mb.ca New Brunswick: www.nbsc-cvmnb.ca Saskatchewan: www.fcaa.gov.sk.ca
- In Québec:
 - If you are not satisfied with the outcome or with the examination of a complaint, the Autorité des marchés financiers (“AMF”) can examine your complaint and may provide dispute resolution services.
 - If you think you are a victim of fraud, fraudulent tactics or embezzlement, you can contact the AMF to see if you meet the eligibility to submit a claim to the *Fonds d’indemnisation des services financiers* (“Financial Services Compensation Fund”). An indemnity up to \$200,000 can be payable through monies accumulated in the fund for an eligible claim.
 - For more information:
 - Contact the AMF by telephone at (418) 525-0337 (in Québec), or toll free at 1-877-525-0337
 - Visit www.lautorite.qc.ca

PERSONAL INFORMATION STATEMENT (PRIVACY)/AUTHORIZATION/CONSENT

DEFINITIONS

Under this Personal Information Statement section/Authorization/Consent section, the words “I”, “me”, “mine”, “my”, “our”, “us”, “we”, mean you, the client. The word “Worldsource” includes Worldsource Financial Management Inc., your Worldsource advisor and any related issuers who have responsibility for the administration of your account.

Worldsource is required to collect the following personal, financial and other information (collectively, “personal information”) in order to open and operate the Account and to fulfill legal, regulatory and self-regulatory obligations in Canada and in some cases, abroad, and, if necessary, to protect or enforce Worldsource’s rights under this Agreement. This personal information includes, without limitation:

- Information required to establish the Client’s identity (e.g., name, date of birth, citizenship, etc.);
- Information required to establish the Client’s financial situation (e.g., income, marital status, dependents, etc.) and personal background; and
- Information required to comply with tax reporting obligations (e.g., the Client’s social insurance number).

Worldsource may confirm the Client’s personal information at any time during the course of the relationship. Most of the Client’s personal information will be collected directly at the time of account opening. However, Worldsource may collect additional personal information from other sources, including, without limitation, credit reporting agencies, other investment dealers, other financial institutions, from registries, and from other sources, as is necessary to open and operate the Account.



USE OF YOUR PERSONAL INFORMATION

The Client's personal information may be used by Worldsource for the purposes of opening and operating the account and to provide the services requested by the Client. Worldsource may also use the Client's personal information in any other manner that is required or permitted by law or under the rules of any self-regulatory authority in which Worldsource is a member. For greater certainty, the following are examples of the manner in which Worldsource may use the Client's personal information:

- to verify the Client's identity and investigate their personal background;
- to better understand the Client's current and future investment needs and financial situation;
- to determine the Client's eligibility for the products and services that are offered;
- to help better understand the current and future needs of the Client;
- to communicate to the Client any benefit, feature and other information about the products and services held with Worldsource;
- to help better manage business and the relationship Worldsource has with the Client; and
- to protect or enforce Worldsource's rights under this Agreement or to comply with Applicable Rules and Regulations.

SOCIAL INSURANCE NUMBER

If the Client is an individual, Worldsource may collect, use and disclose the Client's SIN for income tax reporting purposes.

DISCLOSURE OF THE CLIENT'S PERSONAL INFORMATION

For the purposes described above, Worldsource may disclose the Client's personal information to other financial institutions, to Worldsource's employees, agents and service providers, who are required to maintain the confidentiality of this information, except in limited circumstances where a service provider (such as a collection agency) may share the Client's personal information with a credit reporting agency and to credit reporting agencies who may share it with others. Such consent is provided when the Client authorizes the opening of the Account with Worldsource. In the event Worldsource's service provider is located outside Canada, the service provider is bound by, and the information may be disclosed in accordance with the laws of the jurisdiction in which the service provider is located.

Worldsource may also disclose the Client's personal information to government, regulatory or self-regulatory authorities as required by any domestic or foreign law or as required or permitted under the by-laws, rules, regulations and notices of any self-regulatory authority of which they are a member or as otherwise permitted by law. Such reporting of the Client's information (including trading related activity) to the foregoing authorities may be made at Worldsource's discretion, without notice, acting reasonably, even in the absence of a specific request or a legal or regulatory requirement to do so. Worldsource is currently a member of the following self-regulatory authorities: New Self-Regulatory Organization of Canada ("New SRO") and the Canadian Investor Protection Fund ("CIPF"). Worldsource may also use the information and share it with related companies and to comply with valid requests for information about the Client from regulators, self-regulatory authorities and other persons who have a right to issue such requests.

AFFILIATED COMPANIES

Worldsource does not disclose the Client's personal information to affiliated companies for non-essential services.

CONSENT

Client consent is required before Worldsource may provide the Client's information to any third parties. The consent that the Client provides to Worldsource with regards to the collection, use and disclosure of their personal information may be cancelled by the Client at any time by providing written notice to Worldsource. Worldsource does not require the Client's consent to the collection, use and disclosure of their personal information where such collection, use and disclosure is reasonably required in the normal course of providing service to the Account, or for the collection of a debt owed to Worldsource by the Client, or to a law enforcement agency, securities regulatory authority or Self-Regulatory Organization, or to legal counsel for the purpose of obtaining advice. By opening the Account at Worldsource, the Client is providing consent to Worldsource to collect, use and disclose their personal information as set out in this CADB.

CORRECTIONS TO PERSONAL INFORMATION

The Client may review the information provided to Worldsource and make corrections to it. Worldsource may request the Client provide corrections in writing. The Client may address corrections, questions or privacy-related complaints to the Designated Privacy Officer, Worldsource securities Inc., 625 Cochrane Drive, Suite 700, Markham ON L3R 9R9.

RETENTION OF PERSONAL INFORMATION

Worldsource may retain the Client's personal information on file after the Client ceases to be a client for as long as Worldsource requires such information, or as long as is demanded by our regulatory requirements. The Client may obtain more information about the privacy policies from the Client's Advisor or by visiting Worldsource's web site at https://www.worldsourcecurities.com/files/live/sites/wsi-new/files/WSI_Public/docs/footer/WSI-PrivacyPolicy.pdf.



SERVICE PROVIDERS

Worldsource may use external and related service providers for services such as printing services, mail services, distribution services, information technology services, administrative services, and marketing services. Worldsource may change service providers or enter into an agreement with new service providers. Where personal information is provided to Worldsource's service providers, to perform the various services they provide, Worldsource will contractually require them to protect the personal information in a manner that is consistent with Worldsource's privacy policies and practices. In the event our service provider is located outside of Canada the recipient of the information is bound by, and the information may be disclosed in accordance with, the laws of the jurisdiction in which the recipient of the information is located.

You acknowledge and agree that Worldsource has entered into a servicing relationship with Fidelity Clearing Canada ULC with respect to the processing of certain trading, clearing and custody services as they relate to the processing of Exchange Traded Funds (ETF) transactions.

OTHER PRODUCT OFFERINGS

From time to time, Worldsource may offer or promote its other financial products, those of its affiliates, and those of select third parties associated with Worldsource. These other financial product offerings could include for example, securities, insurance products, loan and investment products, credit card products and reward programs, which Worldsource believes may be of interest to me. Worldsource will not disclose any of my personal information to other external parties, for the purpose of the other parties marketing their own products directly to me, without my consent.

WITHDRAWING MY CONSENT

Subject to any legal and contractual restrictions described above, I may withdraw my consent to Worldsource's collection, use and disclosure of my personal information, at any time. To do so, I may call Worldsource toll free at 1-800-341-1013 or write to Worldsource Financial Management; 625 Cochrane Drive, Suite 700 Markham, Ontario L3R 9R9. I understand that the withdrawal of certain kinds of consent may be required to process my request.

I may withdraw my consent to use my personal information for the purpose of receiving additional product offerings, at any time. I understand that this will not affect Worldsource's ability to continue to provide me with the services I have requested, but will exclude me from receiving direct target marketing or special offers on other products and services. This will not limit the information Worldsource may send to me from time to time with my statements or information Worldsource provides to me when I contact Worldsource.

Copies of our privacy policy are available through our designated Privacy Officer, at Suite 700, 625 Cochrane Drive, Markham, Ontario, L3R 9R9, via fax at (905) 415-9947 or via email at privacy@worldsourcewealth.com.

SHAREHOLDER COMMUNICATIONS NATIONAL INSTRUMENT 54-101 AUTOMATIC ENROLLMENT

Corporate law and securities legislation require reporting issuers to send to their registered holders information and materials that enable such holders to exercise their right to vote.

You understand you have the right to receive shareholder material from the company which you buy shares into. By signing the New Client Application Form you acknowledge that you do not object to us disclosing your name, address, securities holdings and preferred language of communication (English or French) to issuers of securities you hold with us, and to other persons or companies in accordance with securities law. **If you OBJECT to us forwarding this information, you must notify us in writing.** You understand that if you object we are entitled to charge you the reasonable costs incurred by us to forward security holder material to you in accordance with securities law.

Security holder materials sent to beneficial owners of securities consist of the following materials: proxy-related materials for annual and special meetings; annual reports and financial statements that are not part of proxy-related materials; and materials sent to security holders that are not required by corporate or securities law to be sent. **To opt-out of receiving these materials you must contact us in writing.** You understand that if you opt-out we are entitled to charge you the reasonable costs incurred by us to forward this material to you.

BUSINESS CONTINUITY PLANNING

Worldsource recognizes the importance of a Business Continuity Plan ("BCP"). Together with Advisors, Worldsource has a BCP in place to address significant business disruptions. In the event of a significant business disruption, Worldsource encourages the Client to contact their Advisor. If the Client is unable to get through to their advisor's office, the client should contact the BCP Officer at head office at 1.866.740.7277.

TELECOMMUNICATIONS CONSENT

I hereby expressly consent, notwithstanding that I may have registered on the National Do Not Call List, to be contacted at the telephone numbers provided in Part 2 of the NCAF by Worldsource employees and agents for purposes related to solicitation and the business relationships arising from the account. If I do not wish to be contacted by telephone I may withdraw this consent by notifying Worldsource in writing, addressed to the Compliance Department (Do Not Call List), Suite 700, 625 Cochrane Drive, Markham, Ontario, L3R 9R9.



ELECTRONIC MESSAGE CONSENT

Pursuant to Canada's Electronic Commerce Protection Regulations (Anti-Spam legislation), I consent to receiving electronic messages from Worldsource and/or my Advisor, which may include, but is not limited to, statement or account notifications; however this consent does not extend to electronic messages from third party providers.

CLIENT FACSIMILE AND E-MAIL TRANSMISSION AGREEMENT CONSENT

When you sign the NCAF, you hereby requests and authorize Worldsource Financial Management Inc. and/or its agents ("WFM") to receive instructions and information from time to time ("INSTRUCTIONS") by way of facsimile transmission equipment or electronic mail ("MESSAGE"), and WFM agrees to act on such instructions or rely on such information, subject to the following terms and conditions, (the "Agreement"):

You agree that WFM shall be under no obligation to act upon any INSTRUCTIONS received from you by way of MESSAGE. WFM may, in its sole discretion, refuse to act upon any such INSTRUCTIONS received from you. In the event however, that WFM declines to act as aforesaid, it shall advise you within one (1) business day, and require in the alternative, original written instructions or instructions under any of your existing limited Trading Authorization, if applicable.

You agree to assume full responsibility for all actions taken by WFM in accordance with INSTRUCTIONS purporting or appearing on their face to have been received from you by WFM by MESSAGE. You acknowledge and agree that if any INSTRUCTIONS received by WFM purport or appear that they have been duly signed by you, such INSTRUCTIONS may be treated by WFM as though they had been duly signed by you, or by the authorized signing officer(s) of you with the authority and on behalf of you, notwithstanding that it may later be established that such INSTRUCTIONS were not so signed.

Any Action taken in good faith by WFM under or in connection with any such INSTRUCTIONS shall be binding on you without any liability to WFM.

You further agree that:

- a. You release WFM from any liability or claim from any action or failure to act, execute or not execute INSTRUCTIONS due to MESSAGES not properly received, or for any other reason beyond the control of WFM;
- b. You agree to indemnify and save harmless WFM from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgements, suits, costs, expenses, disbursements or any kind or nature whatsoever which may be imposed upon, incurred by, or served against WFM by reason of any action taken in accordance with INSTRUCTIONS;
- c. You shall retain evidence of your MESSAGE and the INSTRUCTIONS sent until such time as they receive the official trade confirmation and verify the accuracy of the trade executed.

This AGREEMENT shall continue in effect and be binding on the parties, their respective successors and assigns (provided that no party may assign its rights hereunder without notice to the other party) unless terminated by either party by written notice to the other party. On the part of WFM, notice is to be sent to: Worldsource Financial Management Inc., 700-625 Cochrane Drive, Markham, ON, L3R 9R9, Attention: Compliance Department. Notice to the CLIENT will be sent to the registered address on file.

OUTSIDE ACTIVITIES DISCLOSURE

Your Worldsource mutual fund advisor may have outside activities that are separate and distinct from his/her Worldsource activities. These interests are disclosed to you in the Acknowledgement section of the NCAF. The New SRO regulations require that you be provided with complete information concerning these outside activities, including an explanation of who is responsible for each activity. This disclosure will provide you with that information. If you do not fully understand any of the information contained in the disclosure, please ask your financial advisor for clarification.

Worldsource does not supervise or monitor these outside activities. Worldsource makes no representations or warranties and assumes no liability in connection with any outside activities engaged in by your financial advisor. Outside activities include, but are not limited to, the sale of life insurance and segregated funds, Financial Planning activities and tax return preparation services.

WORLD SOURCE BUSINESS INTERESTS/RESPONSIBILITY AND LIABILITY

Provided Worldsource acts in accordance with all applicable securities legislation and New SRO regulations regarding outside activities, including those with respect to conflicts of interest, by approving and disclosing advisors' outside activities and reviewing/monitoring such outside activities for material conflicts of interest with Worldsource's business on an ongoing basis, Worldsource assumes responsibility and liability for "Worldsource Financial Management Inc., Business Interests" only. All other outside activities undertaken by your advisor that are not specifically designated as "Worldsource Business" are not the responsibility of Worldsource. Therefore, Worldsource does not assume any liability for any such activity, provided Worldsource acts in accordance with all applicable securities legislation and New SRO regulations regarding outside activities, including those with respect to conflicts of interest, by approving and disclosing advisors' outside activities and reviewing/monitoring such outside activities for material conflicts of interests with Worldsource's business on an ongoing basis.

SEGREGATED FUND CONTRACTS

Through servicing agreements with life insurance agencies Worldsource is able to report information regarding your transactions in segregated fund contracts in your Worldsource account statements and provide confirmations about these transactions to you on behalf



of the insurer. You hereby authorize Worldsource to act as your exclusive agent in transmitting instructions and premiums to the insurer with respect to transactions in these segregated fund contracts and agree to be bound by the obligations set out in this agreement regarding confirmations, statements and other communications sent to you by Worldsource in respect of segregated fund contracts.

WORLD SOURCE AS PRINCIPAL DISTRIBUTOR OF MUTUAL FUNDS

Encasa Financial Inc. (Encasa) is the program administrator, fund manager and portfolio manager of the Encasa Funds. Encasa is a social purpose mutual fund manufacturer whose business mission from inception in 2002 has been to support the sustainability and affordability of non-profit and co-operative housing in Canada. Encasa has had a responsible investment (RI) policy in place since inception, making it one of the earliest adherents to RI in Canada. This policy aligns with the missions of affordable housing providers in Canada, who seek to support low income households and address social inequities.

The following is the Policy Statement extracted from the RI Policy:

Encasa Financial Inc. recognizes that in conducting its investment management business, there is both a responsibility to provide competitive returns on investments to unitholders while contributing positively to promoting healthy communities, addressing issues of social and economic justice and supporting proper environmental stewardship. These responsibilities are consistent with the mandates of unitholders and the values that propel their business and community activities, and can be achieved simultaneously.

A key element of Encasa's business strategy, from inception, has been to ensure that its funds are low cost or affordable; the MER for the three funds is deliberately maintained below the industry average for comparable funds. In addition, there are no commissions, trailers or referral fees paid by the funds to Worldsource and its agents. Encasa's three proprietary mutual funds include the Encasa Canadian Short-Term Bond Fund, the Encasa Canadian Bond Fund and the Encasa Equity Fund.

TRADE OR STYLE NAMES

Your financial advisor may use, if approved, a trade, business or style name ("name") which is separate and unique from that of Worldsource for the purpose of marketing and in other communications with you. Industry regulations require that this name always be used together with the legal entity name of the sponsoring mutual fund dealer, i.e.; Worldsource Financial Management Inc., in sales communications.

EQUITY INTEREST AND RELATED PARTY DISCLOSURE

Securities laws of the Canadian provinces and territories require securities dealers and advisors, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers, and advisors, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuer of the securities.

Worldsource Financial Management Inc. ("Worldsource"), Worldsource Securities Inc. ("WSI") and IDC Worldsource Insurance Network Inc. ("IDCWIN") are wholly owned indirect subsidiaries of the Fédération des caisses Desjardins du Québec ("FCDQ"), which are part of the Desjardins Group. Worldsource is a mutual fund dealer and a member of the New Self-Regulatory Organization of Canada ("New SRO"), a consolidation of IIROC and the MFDA (formerly the Mutual Fund Dealers Association of Canada ("MFDA")). Worldsource is also an Exempt Market Dealer and a Managing General Agency. WSI is a securities dealer and also a member of the New SRO (formerly the Investment Industry Regulatory Organization of Canada ("IIROC")). IDCWIN is a life insurance Managing General Agency.

Desjardins Group is the leading cooperative financial group in Canada and one of the country's best capitalized financial institutions. Desjardins Group enjoys credit ratings comparable to those of several major Canadian and international banks and is recognized as one of the most stable financial institutions in the world according to The Banker.

Worldsource and its advisors may, from time to time, recommend that you trade in securities of the NEI Funds. The manager of the NEI Funds, Northwest & Ethical Investments L.P. is entirely owned by Aviso Wealth Inc., the shareholder of which is held in equal shares by Desjardins Financial Holding Inc. and a partnership comprised of Canada's five provincial Credit Union Centrals and the CUMIS Group.

Worldsource and its advisors may, from time to time, recommend that you trade in securities of the Desjardins Funds and the Wise ETF Portfolios, which are Desjardins Funds. Worldsource and the Desjardins Funds are both entities of Desjardins Group. Desjardins Investments Inc. is registered as an investment fund manager and acts as such for the Desjardins Funds. Desjardins Investments Inc. and Worldsource are wholly owned indirect subsidiaries of FCDQ.

Worldsource and its advisors may, from time to time, recommend that you trade in principal protected notes issued by the FCDQ. Worldsource and FCDQ are entities of Desjardins Group.



NATURE OF THE ADVISORY RELATIONSHIP

At Worldsource, clients are responsible for making their own investment decisions in consultation with their mutual fund advisor. Your mutual fund advisor is responsible for the advice they provide and for ensuring that it is suitable based on your stated investment needs and objectives, but may not exercise his or her own discretion with respect to your account(s). This is considered “discretionary trading” and is prohibited by the New SRO.

ACTING AS PRINCIPAL AND AGENT FOR FEE COLLECTION

You acknowledge that a portion of the Advisory/Management Fees that are payable pursuant to separate Fee Agreements may represent fees that are contractually payable by you to your Advisor. In these situations, Worldsource will receive said fees in its dual capacity of (i) acting as principal with respect to the portion of the fees that are payable by you to Worldsource; and (ii) acting as agent for your Advisor with respect to receiving the portion of the fees that are contractually payable by you to the Advisor. On behalf of you, Worldsource shall remit to the Advisor its respective portion of the fees.

SUITABILITY PROCESS

Worldsource is required under securities legislation and New SRO Rules to ensure each order accepted, recommendation made or any other investment action taken is suitable for you and in your best interest. An “investment action” includes opening an account for you, purchasing, selling, depositing, exchanging or transferring investment products for your account, and taking any other investment action for you, or making a recommendation or decision to take any such action. An investment action also includes a recommendation or decision to continue to hold investment products, which may be the case, for example, upon a review of your account and the investment products in your account when reassessing suitability pursuant to a suitability trigger event such as:

- when you transfer assets into a Worldsource account,
- when we become aware of a material change in your KYC information,
- when we become aware of change in an investment held in your account,
- when we perform the periodic KYC review which must be no less frequently than once every 36 months, or
- when there is a change in the Worldsource mutual fund advisor responsible for your account.

The obligation to make a suitability determination which extends to the duty to deal fairly, honestly and in good faith, is critical to ensuring investor protection however meeting the suitability determination criteria does not imply a guarantee of any particular client outcome. The suitability determination obligation cannot be satisfied through the provision of disclosure or by obtaining a client waiver either.

Your mutual fund advisor is also required to ensure that the type of account recommended to you is suitable and puts your interest first. In making this determination your advisor must take into consideration factors including compensation options, and the nature of the service offered to you. In addition, your advisor should explain the features and associated costs of different types of accounts that are available to you such as for example fee-based accounts or commission-based accounts.

The suitability determination also involves comparing the characteristics of investments in the account to your KYC information. Your risk profile, investment needs and objectives and investment time horizon must be directly compared against the assets in your account. Before your advisor provides you with recommendations as to which investments to purchase, or if you ask your advisor to buy or sell a security, your advisor will first see if that investment is suitable for you according to their understanding of the most recent information you have provided when you completed the NCAF. That is why keeping your KYC information on the NCAF up to date and accurate is very important.

INVESTMENT PERFORMANCE BENCHMARKS

Comparing your portfolio’s performance to that of an appropriate benchmark is a useful exercise for monitoring purposes. Benchmark comparisons are one of many ways for you to determine if your investment approach is delivering the desired results, or whether changes might be called for. Investment benchmarks are also helpful for developing realistic expectations about returns your portfolio can generate over the long term.

Investment benchmarks usually provide a broad measure of the return generated by specific asset classes over a given period. They are often referred to as reference indices since the most common form of investment benchmark is an index – such as a stock or bond index.

A benchmark must replicate the fund or portfolio you are monitoring as closely as possible for the comparison to be meaningful. Examples of benchmarks would include the S&P/TSX for Canadian Equity Funds, the DEX Universe for Bond Funds and the S&P 500 for U.S. Equity Funds. For a portfolio composed of funds from several different asset classes, the appropriate benchmark would be a blend of indices weighted according to the portfolio’s asset mix.

PROCEDURES REGARDING HANDLING OF CASH AND CHEQUES

Worldsource clients should never make a cheque for investment purposes payable to any financial advisor personally or to their corporation. Cheques should always be made payable to the name of the dealer/financial institution the advisor is registered with: i.e.



Worldsource Financial Management Inc. Worldsource does not permit your mutual fund advisor to accept cash from clients for either the purchase of mutual fund products or certain prospectus exempt securities.

DEALER COMPENSATION

The following information summarizes the various categories of dealer compensation available to distributors of mutual fund securities:

FRONT-END LOAD FUNDS

Funds which are sold on a sales charge basis require the deduction of a sales commission from the amount of your purchase order. The net amount of your investment is then invested in securities of the fund at the net asset value.

NO LOAD FUNDS

Funds which are sold on a no load basis are sold without a commission or sales charge. The net amount of your investment is then invested in securities of the fund at the net asset value and does not require a deduction from the amount of your purchase order at the time of purchase. Note that many no load funds pay service fees.

DEFERRED OR LOW LOAD SALES CHARGE FUNDS

Funds which are sold without a deferred sales charge require no deduction from the amount of your purchase order at the time of purchase, but your investment may be subject to a redemption charge if the securities which you purchased are redeemed within a specified time after purchase. Under the deferred or low load sales charge method of purchase, the distributing dealer receives a sales commission at the time of purchase arranged by the fund sponsor. Note that as of June 2022 the purchase of funds under this option has been discontinued. Investors may continue to hold these funds on an ongoing basis.

FEE BASED ACCOUNTS

A fee based account offers investors an alternative to commission-based advice through a fee-based account where clients pay a transparent fee which is charged to their account monthly. The fee-based account is a non-discretionary program, where your WFM Advisor provides advisory services for an annual fee plus applicable taxes based on the value of assets in your plan, charged monthly in arrears. This service contemplates Cash, F-class, No Load funds and Exchange Traded Funds (ETFs) and other types of (non-embedded fee) investments. Instead of a commission paid at the point of sale ("front-end load"), in a fee based account, clients are charged a fixed transparent fee which is charged to their account. These fees are deducted directly from the mutual fund account instead of being applied to each transaction. Worldsource offers a fee based platform through the PureFlex Program.

SERVICE FEES (TRAILER COMMISSIONS)

The fund sponsor generally pays service fees to a dealer so long as that dealer's Applicant/Annuitant remains invested in the fund. Service fees encourage dealers to provide ongoing services to their Applicant/Annuitant after the date of the purchase, for which no sales commission would otherwise be received. Some fund sponsors do not pay service fees to dealers.

OTHER SALES INCENTIVES

Fund sponsors may provide other sales incentives if allowable under mutual fund sales practices rules. Some incentives that are allowable include: co-operative marketing support, support of dealer educational conferences, continuing education expenses, and non-monetary promotional items of a nominal value.

In performing services on your behalf, Worldsource advisors may be eligible to receive compensation from one or more sources. Your mutual fund advisor can give you a complete explanation of the compensation he or she will receive if you buy units of a particular mutual fund, ETF or exempt market product. In recommending a mutual fund, ETF or exempt market product purchase to you, it is your advisor's responsibility to ensure that the investment selected is suitable for your specific investment objectives, your financial position and the level of risk you are willing to assume, regardless of the nature or source of compensation received from the purchase transaction.

A summary of fund expenses, investor expenses and all dealer compensation including your inability to resell or liquidate a security you have purchased is required to be set out in the Fund and ETF Fact Sheet or on the inside front cover of each fund prospectus, with such items more fully explained in the text of the prospectus. You have an obligation to read the Fund and ETF Fact Sheet and/or prospectus carefully before investing and retain it for future reference, together with all other information pertaining to your investment provided by Worldsource or by the fund.

RULES AND REGULATIONS APPLICABLE

All transactions in Investment Products in the account(s) referenced in the NCAF shall be subject to the constitutions, by-laws, rulings, regulations, customs and usages of the exchanges or markets and their clearing houses, if any, where made and to all laws, regulations and orders of any applicable government or regulatory authorities (all collectively referred to as "Applicable Rules and Regulations").

SETTLEMENT AND TRANSACTION CHARGES

Full and timely settlement will be made for each transaction in investment products for the account(s). You will pay to Worldsource all commissions and other transaction charges in respect of each transaction and interest, calculated daily and compounded monthly, on outstanding indebtedness. Such commissions and other charges shall be at Worldsource's customary rates in the circumstances or as



negotiated from time to time. The interest rate shall be the interest rate designated from time to time by Worldsource to its branches as being its effective rate for determining interest on debt balances in accounts with Worldsource. You waive notice of all changes in such rates.

OPERATION OF THE ACCOUNT

Worldsource has the right, solely for its own protection, to determine at its discretion whether or not any order for a transaction in the account is acceptable and whether to execute said order. Worldsource will credit to the account any interest, dividends or other monies received in respect of Investment Products held in the account, and will debit to the account any amounts owing, including interest, by you to Worldsource pursuant to this Agreement. For greater certainty, Worldsource has the right to deduct withholding taxes and any payments to government authorities arising from payments from a registered plan or an Account that was a registered plan that has been deregistered. Worldsource will maintain a record of receipts and deliveries of Investment Products resulting in positions in the account. You agree to pay any service fees or service charges relating to services provided by Worldsource for the administration of the account. Worldsource reserves the right to close inactive or small balance accounts with balances equal to or less than the account closing fee.

TEMPORARY HOLDS

Worldsource may place a temporary hold on transactions, withdrawals or transfers in circumstances where there is a reasonable belief that there is financial exploitation of a vulnerable client, or where there are concerns about a client's mental capacity to make decisions involving financial matters. Following the placement of a temporary hold we will communicate, as soon as possible, that the hold has been placed and the reasons for doing so. Within 30 days of placing the temporary hold and, until the hold is revoked, within every subsequent 30-day period provide the client with notice of our decision to continue the hold and reasons for that decision.

INTENDED USE OF ACCOUNT

Financial Transactions and Reports Analysis Centre of Canada ("FINTRAC") requires that financial institutions, including Worldsource, record the intended use of each account opened. The following are the intended uses that Worldsource notes for each account type:

- Registered savings plans (individual, spousal, locked in and group) - save for retirement
- Retirement income plans (individual, spousal, locked in) - provide income during retirement
- Registered education savings plans (individual and family) - save for education of a child and/or children
- Tax free savings account - general-purpose account to earn tax-free investment income to more easily meet lifetime savings and spending needs
- Non-registered account - general-purpose investments to earn income and capital gains to meet lifetime savings and spending needs

If the intended use of your account(s) is/are other than what we have noted above, please ensure that you communicate your intended use to your Advisor. This will ensure Worldsource has the necessary records required by FINTRAC to comply with the requirements of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act.

PAYMENT OF INDEBTEDNESS

You will promptly pay all indebtedness when due. For the purposes of this agreement, the term "indebtedness" at any time means all indebtedness of you to Worldsource as set out in any statement of account or other communication sent by Worldsource to you and includes interest on any credit extended to you and the reasonable costs of collection of payment owed to Worldsource, together with legal fees associated therewith. You agree to pay for all the securities purchased on the day of settlement. If you hold segregated funds in your account in nominee name, you irrevocably appoint Worldsource as your attorney for the purposes of making any withdrawals from any segregated funds held in your Worldsource account, required to pay fees or expenses owing in that account.

PLEDGE AND USE OF COLLATERAL

As continuing collateral security, for the payment of any indebtedness which is now or which may in the future be owing by you to Worldsource, you hereby pledge to Worldsource all of your Investment Products and cash, including any free credit balances, which may or hereafter be in any other account in which you have an interest and whether or not any amount owing relates to the Collateral pledged. So long as any indebtedness remains unpaid, you authorize Worldsource without notice, to use at any time or from time to time the Collateral in the conduct of Worldsource business, including the right to; (a) Combine any of the Collateral with property of Worldsource; or (b) use any of the Collateral for making delivery against a sale.

ELIMINATION OR REDUCTION OF INDEBTEDNESS

If; (a) you fail to pay any indebtedness when due; or (b) before any settlement date or you fail to comply with any other requirement contained in the Agreement; then, in addition to any other right or remedy to which Worldsource is entitled, Worldsource Financial Management Inc. may at any time or from time to time without notice or demand to you:

(A) apply monies held to the credit of you in any other account with Worldsource to eliminate or reduce indebtedness; (B) sell, contract to sell or otherwise dispose of any or all of the Investment Products held by Worldsource for you and apply the net proceeds there from to eliminate or reduce indebtedness; (C) cancel any outstanding orders. Such rights may be exercised separately, successively or concurrently.



Worldsource shall not be required by this agreement to exercise any such rights nor shall it be required to exercise any right prior to exercising any other right. The failure to exercise any or all of such rights or the granting of any indulgence shall not in any way limit, restrict or prevent Worldsource from exercising such rights at any subsequent time and shall not limit, reduce or discharge any indebtedness or part thereof. Any such sales or purchases for the account may be made upon any exchange or market or at a public or private sale upon such terms and in such a manner as Worldsource deems advisable. If demand is made or notice given to you by Worldsource, it shall not constitute a waiver or any of Worldsource's rights to act hereunder without demand or notice. Any and all expenses (including any legal expense) reasonably incurred by Worldsource in connection with exercising any right may be charged to the account. You shall remain liable to Worldsource for any deficiency remaining following the exercise by Worldsource of any or all of the foregoing rights and agrees that the rights which Worldsource is entitled to exercise pursuant to this section are reasonable and necessary for its protection having regard to the nature of securities markets, including in particular, their volatility.

TRANSFERS TO OTHER ACCOUNTS

Worldsource may at any time, or from time to time, take any monies or Investment Products in the account and any proceeds from the sale or other disposition of such Investment Products to pay or cover any obligations you may have to Worldsource including obligations in respect of any other account with Worldsource, whether such account is a joint account or is an account guaranteed by you.

ACCOUNT STATEMENTS

You have a responsibility to promptly review every confirmation, statement or other communication sent by Worldsource for accuracy and to ensure they reflect the transaction instructions delivered to your financial advisor. Every confirmation, statement or other communication sent by Worldsource to you shall be deemed to have been acknowledged as correct, approved and consented to by you unless Worldsource shall have received written notice to the contrary within thirty days after it is sent to you.

CONTENT AND FREQUENCY OF REPORTING

Worldsource is mandated by the new SRO to deliver client statements on at least a quarterly basis. As such, you are not able to opt out of receiving your statements.

Worldsource will deliver trade confirmations promptly after each trade. However, trade confirmations may not be sent where the manager of a mutual fund, ETF or exempt market product sends the required information. Also, where a client enrolls in a systematic trading account, on a monthly or more frequent basis, Worldsource may send a confirmation for the initial purchase only.

FEEES

Worldsource may at any time, or from time to time, take any monies or Investment Products in the account and any proceeds from the sale or other disposition of such Investment Products to pay or cover any fees or charges that may be applicable by you to Worldsource, including but not subject to transfer fees and returned items. Worldsource may impose or revise fees or charges with 60 days' written notice to you prior to the imposition or revision of the fee or charge. The current fee schedule can be obtained by contacting Worldsource or through your financial advisor.

NOTICES TO YOU

Any notice or communication to you may be given by prepaid mail, e-mail or facsimile to any address of record for you with Worldsource or may be delivered personally to any such address of record, and shall be deemed to have been received, if mailed, on the second business day after mailing or, if sent by e-mail or facsimile, on the day sent or, if delivered, when delivered. Nothing in this section shall be interpreted as requiring Worldsource to give any notice to you which is not otherwise required to be given by Worldsource.

CAPACITY (Province of Quebec)

You, if a married woman, represent that you are not a "married woman not separate as to property" under the laws of the Province of Quebec (if you are, your husband must also sign this agreement). You, if a corporation, represent that you have the power and capacity to enter into this agreement and to effect the transactions contemplated herein and that the execution and delivery of the agreement have been duly authorized.

REDEMPTIONS

We will only accept a redemption request from you for a chosen fund, ETF or exempt market product if the initial purchase of that investment has both settled with the fund company and been confirmed in your account.

APPROVED/UNAPPROVED FUND COMPANIES

We will only transact purchase orders for approved fund companies (as communicated by us). For holdings of unapproved fund companies, we will only accept redemption requests and requests for transfers within a family of funds. In addition, we do not guarantee: a) timely payment of distributions b) next available net asset value, or c) fixed settlement dates.

All of the above will be executed only when communicated to us by the applicable fund company (i.e. redemption proceeds from unapproved fund companies will only be deposited to your account when received from the applicable fund).



INVESTOR'S RESPONSIBILITY

Although we will make every effort to inform you of applicable trading details, it is your responsibility to fully review the Fund and ETF Fact Sheet and/or Fund Prospectus and take note of all applicable fees (i.e. management fees, early redemption penalties, commissions (front or deferred loads) and other applicable charges). Additionally, for illiquid or restricted for resale securities we will advise you of such restrictions prior to the recommendation of this investment. You make also read this information in the Fund Fact Sheet, Offering Memorandum or prospectus documentation.

Investments are not guaranteed. Mutual Fund, ETF and other investment values change frequently and past performance may not be repeated. Your investment returns may be impacted by management expense fees, other ongoing fees, operating charges or transaction charges including their compounding effect over time.

Exempt Market Products such as hedge funds, limited partnerships, principal protected notes etc., are sold according to the specific information contained in the offering documents associated with the investment. Certain additional disclosures may also be required.

Investors should take interest in and carefully consider the information and disclosures contained in the offering document(s) pertaining to each investment recommended by their financial advisor. Investors should pay particular attention to the investment objectives and risk characteristics for each investment they agree to make.

TO CLIENTS WHO RESIDE IN THE UNITED STATES OF AMERICA

Worldsource has received a Limited Registration exemption to deal with Clients in certain conditions. As part of this exemption, Worldsource and applicable Client Accounts are not subject to the full regulatory requirements of any U.S. securities law or regulation.

REPORTING INSIDERS

You will from time to time advise us if you acquire a controlling interest in, or otherwise become a Reporting Insider of any publicly traded company.

COMMISSIONS

We reserve the right to charge fees or commissions which are not noted in the fund company's prospectus or Fund and ETF Facts Sheet. All such fees will be communicated in writing.

GOVERNING LAW

This agreement shall be governed, with respect to each separate account in all respects by the laws of the jurisdiction where the Worldsource office is located which services that particular account.

HEADINGS AND PLURALS

The headings used in this Agreement are for convenience of reference only and shall not in any way affect its interpretation. In this Agreement, where the singular is used it shall include the plural and vice versa. Where the masculine is used it shall include the feminine.

ENGLISH LANGUAGE

It is the express wish of the parties that the agreement and all documents, notices and other communications relating to the operation of the account are in English. Les parties souhaitent expressément que la présente Convention et tous les documents, avis et autres communications pertinents à l'exploitation du régime, soient rédigés en anglais.

OTHER AGREEMENTS

This Agreement shall be construed in conjunction with any other agreements between Worldsource and you in connection with the Account, provided that, to the extent necessary, the terms and provisions of this Agreement shall supersede the terms and provisions of all other agreements with Worldsource, whether or not referred to herein, except that this Agreement in no way limits or restricts any other rights which Worldsource may have under any other agreement or agreements with you. None of the terms and conditions of this Agreement may be waived or changed by you without agreement in writing signed by you and a director or officer of Worldsource. This Agreement may be amended at any time by Worldsource provided Worldsource gives you written notice of the amendment.

By conducting any transaction in your Account following notification of an amendment to this Agreement, you will be deemed to have accepted the amendment as of the effective date set out in the notice or its date of delivery, whichever is earlier.

If any Applicable Rules and Regulations are enacted, made, amended or otherwise changed with the result that any term or condition of this Agreement is, in whole or in part, invalid, then such term or condition will be deemed to be varied or superseded to the extent necessary to give effect to such Applicable Rules and Regulations. Any term or condition of this Agreement which notwithstanding any such variation is invalid shall not invalidate the remaining terms.

FURTHER ASSURANCES

You shall do all acts or things and execute and deliver all documents or instruments as are necessary or desirable to give effect to all Transactions in Securities for the Account executed by Worldsource pursuant to this Agreement.



SEVERABILITY

In the event any term or provision of this Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by a court of competent jurisdiction, the remaining terms and provisions of this Agreement shall remain in full force and effect.

SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective heirs, executors, administrators, successors and assigns, as the case may be. You agree that you will not assign this Agreement without Worldsource's written approval.

ACCOUNT CLOSING

Worldsource may at its sole discretion terminate this Agreement and require that you close or transfer your Account(s) to another dealer within a reasonable time limit, as determined by Worldsource. If you fail to do so, Worldsource may, without notice to you, deliver your account assets to you or liquidate your account(s), pay all outstanding payments owed to Worldsource and forward any balance to you. You acknowledge that the liquidation of your account(s) may result in significant tax and other consequences to you. You accept full responsibility for such consequences and hereby waive any claim or right you have or may have against Worldsource with respect to the termination of this Agreement and the closure, transfer or liquidation of your account(s).

LIMITED AUTHORIZATION - NOMINEE ACCOUNTS

You authorize Worldsource to enter into (a) purchases, (b) switches within the same fund family, (c) redemptions, (d) setup and modification of Pre-Authorized Cheque (PAC) plans, and (e) Systematic Withdrawal Plan (SWP), and Automatic Withdrawal (AWD) plans for Non-registered and TFSA accounts only on behalf of you, the Applicant/Annuitant. Set up and Modification of SWP's and AWD's on registered accounts must include client written authorization.

Non-registered (Cash) and TFSA accounts - You authorize Worldsource to withdraw money from the Cash or TFSA account and direct the proceeds to any of the following:

- Cheque payable to the accountholder using current address on file with Worldsource;
- EFT to account holder's bank account on file at Worldsource or provide pre-encoded void cheque of account holder;
- Financial Institution for the benefit of the account holder, using account information previously provided;
- Worldsource in Trust for the account holder;
- The Trustee of the account holder's registered account (e.g.: RRSP, RIF, etc.) with Worldsource

However, Worldsource and its representatives are prohibited from completing any such transactions on your behalf without in each case obtaining specific authorization from you (i.e. discretionary applicable fees, commissions or charges payable to Worldsource and the relevant Fund Company as a result of those transactions.) You further acknowledge that in providing instructions to Worldsource pursuant to this authorization, you have the same rights and obligations as you would have had if you provided written instructions to Worldsource. This authorization is valid until revoked in writing by you, addressed to Worldsource at Suite 700, 625 Cochrane Drive, Markham, Ontario, L3R 9R9.

This authorization is not intended to be a Continuing Power of Attorney for Property within the meaning of and governed by the Substitute Decisions Act (Ontario), or any similar power of attorney legislation in any of the provinces or territories of Canada. The execution of this authorization shall not replace, supersede or terminate any such Continuing Power of Attorney for Property. Unless otherwise specifically provided, this authorization is not intended to supersede or replace any other power of attorney granted by you to anyone other than Worldsource. Until revoked, this authorization is authorized for use with respect to all current and future accounts operated in your name.

PUREFLEX PROGRAM - NOMINEE ACCOUNTS

The PureFlex Program is a non-discretionary program where your Worldsource Mutual Fund Advisor provides investment advice and commission-free trades, for an annual fee based on the value of the assets in your account, charged monthly. The PureFlex service contemplates F-Class and No Load Funds that do not pay a service fee, only, in an effort to allow the Account to be administered by the Worldsource Mutual Fund Advisor and Worldsource Head Office. The fee for the service is an agreed upon amount, determined by the Client(s) and the Worldsource Mutual Fund Advisor.

Clients can choose to have the fees paid in one of three ways:

- 1) EFT from your selected bank account
- 2) Redeemed from a selected fund within the account
- 3) Redeemed using the following default logic:
 - I. CCA (Cash) for any amount available
 - II. Money market with the highest market value
 - III. Canadian Fund with the highest market value
 - IV. Foreign Fund with the highest market value

US Dollar Denominated Funds are not eligible for the program. Worldsource reserves the right to remove any account from the program with 60 days' notice if the asset level drops below minimum thresholds. In the event you close your Worldsource PureFlex Account and it



is transferred from Worldsource, the monthly fee will continue to be effective until the transfer is complete. Worldsource does not offer tax consultation or advice. All, or part, of the fee may be tax deductible for a Nominee Non-Registered account. Please consult with a Tax Professional for a review of your particular situation.

SYSTEMATIC WITHDRAWALS (AWD/RIF) - NOMINEE ACCOUNTS

For Self-Directed Registered Income Funds (RIF) annuitants are required to withdraw a minimum amount every year as instructed by Canada Revenue Agency (CRA). If no instructions are provided, to facilitate the payment of this minimum on an annual basis, Worldsource will set up a recurring annual payment to be made to the annuitant every December 15th. The payment will be issued to the annuitant and the subsequent tax receipt mailed within the first 60 days of the following year. The payment will be made by redeeming assets within the account using the logic outlined below for selecting an investment to redeem.

Occasionally investments selected to redeem for RIF and AWD payments may become depleted. When that occurs Worldsource will implement the default logic below in order to ensure payment to the client continues. Notification will be made to the advisor of record and upon receipt of new instructions Worldsource will modify the payment going forward. The default logic used is outlined as follows.

LOGIC FOR DEFAULT RIF AND AWD PAYMENTS

1. CCA (Cash) for any amount available
2. Money market with the highest market value
3. Canadian Fund with the highest market value
4. Foreign Fund with the highest market value

CONFLICTS OF INTEREST DISCLOSURE

There is a requirement for your Advisor and Worldsource to address material conflicts in your (the client's) best interest or avoid them altogether. Worldsource is required to identify, manage and disclose material conflicts, including those related to proprietary products and compensation or sales incentives.

WHY IS THIS DISCLOSURE IMPORTANT FOR YOU TO READ?

It is important for you, (the client), to read this disclosure so that you may understand:

1. What conflicts, if any, exist?
2. How Worldsource will address the conflicts of interest in your best interest.

WHAT IS A CONFLICT OF INTEREST?

The most basic way to identify a conflict is to ask, "Is there any way in which an advisor or Firm can handle this relationship to his or her benefit that may be to the detriment of me (the client)?"

While this broad question oversimplifies the concept, it serves as the foundation upon which we can identify conflicts of interest.

To ensure fairness to you, Worldsource has adopted policies and procedures to help identify and manage conflicts of interest that may exist between you, Worldsource and/or its related companies, and your Advisor. In general, Worldsource deals and manages conflicts by:

- **Avoiding** conflicts that are prohibited by law, as well as conflicts that cannot be effectively addressed in your best interest.
- **Controlling** through means, such as physically separating different business functions and restricting the internal exchange of information.
- **Disclosing and providing to you information about the conflicts**, enabling you to assess independently their significance when evaluating recommendations, and other actions taken by Worldsource.

Following are the material conflicts of interest that Worldsource has identified as existing or might occur in the future; and how Worldsource and your Advisor will address the conflicts in your best interest.

If, when reading these noted material conflicts of interest, you have questions or find they are not clear to you, please discuss with your Advisor.

CONFLICTS ARISING FROM PROPRIETARY PRODUCTS

Advisors selling securities and products of Worldsource and related or connected issuers of Worldsource

Advisors will not receive hidden or additional compensation for selling Worldsource products or shares or products of related/connected issuers. All fees and commissions will be disclosed to you in advance of your decision to proceed with a recommendation. Related and connected issuer information can be found in the Related Party Disclosure section of this document.

CONFLICTS ARISING FROM THIRD-PARTY COMPENSATION

Product and Services have differing levels of compensation, such as sales commissions, and "trailer" fees which are received from third parties and based on the products sold

Your Advisor is required to make suitable investment recommendations along with comparable securities for you to consider. This includes a review of a reasonable number of comparable securities before making a recommendation to you. The comparison will include a review of product features, fees, charges and advisor compensation.



CONFLICTS ARISING FROM INTERNAL COMPENSATION ARRANGEMENTS AND INCENTIVE PRACTICES

Advisor Payout Levels

Your Advisor's compensation is based entirely on commission/fee revenue generated for Worldsource. Payout levels are independent of the product or service provided to you (proprietary or non-proprietary). Worldsource does not have sales targets.

Advisor Incentive to join Worldsource

Worldsource may offer a transitioning allowance to facilitate the transfer of an advisor's book of business to Worldsource. This is an industry-standard practice. An account may not be transferred without a client's authorization. When an Advisor is transferring a client's account to Worldsource and is aware that mutual funds may be redeemed as part of the transfer, they would be expected to advise the client that deferred sales charges may apply on the redemption. If the client requests further information with respect to the fees and charges that may apply on the transfer, the Advisor may direct the client to the relinquishing dealer.

CONFLICTS IN FEE-BASED ACCOUNTS

Compensation for selling products and services to the client that is paid for by the client

Your Advisor will offer you a choice between a transaction-based account and a fee-based account and will recommend the one that is appropriate for you based on how you expect to use the account, as well as the service(s) you wish to receive and your personal preferences.

Fees and commissions for your applicable account(s) will vary depending on whether you have chosen a transaction-based account or a fee-based account. Your Advisor will review these with you, as noted in the section titled "Fee-based Accounts" and "Service fees/Trailer Commissions". *Products that pay a trailing fee to Worldsource will be excluded from the fee-based account calculation.*

CONFLICTS WITH ANY OUTSIDE ACTIVITY (OA)

When Worldsource approves an OA for an advisor, there is a review to determine whether it creates a conflict of interest with current and/or future clients. If the answer is yes, Worldsource will contact all existing clients of the advisor in writing and provide disclosure and options for transferring their accounts. Based on the internal terms and conditions applied, new clients will either, not be allowed to open an account with the advisor or will be provided with a disclosure. Non-conflicting OA's related to financial services are disclosed to you at the time of account opening via the New Client Application Form (NCAF) as well as when you update your Know Your Client (KYC) Information.

INDIVIDUALS WHO HAVE OUTSIDE ACTIVITIES

Outside Activities

Internal policies and procedures are in place at Worldsource regarding the review and approval of these activities. Once approved, advisors must follow strict procedures to ensure sufficient disclosure is made to clients so that any conflict is addressed in the client's best interest. Non-Worldsource Financial Management Inc. outside activities and other conflicts of interest are disclosed to you by your Advisor. If you do not fully understand any of the information contained in the disclosure, please ask your Advisor for clarification. **Worldsource does not supervise or monitor these outside activities.** Worldsource makes no representations or warranties and assumes no liability in connection with any outside activities engaged in by your financial Advisor. Outside activities include, but are not limited to, the sale of life insurance products, financial planning activities and tax return preparation services.

CLENT PURCHASING PRODUCTS/SERVICES FROM AN ADVISOR OUTSIDE THE NORMAL COURSE OF WORLDSOURCE BUSINESS

When Worldsource approves an OA for an advisor that may create or result in a conflict of interest that cannot be addressed in your best interest, Worldsource will not permit your Advisor to solicit you for this OA.

ADVISOR PURCHASING PRODUCTS/SERVICES FROM A CLIENT

If, as a client, you offer products or services in which your Advisor partakes, please note that your Advisor is not permitted to ask you to increase your investments in exchange for purchasing your products and services.

CONFLICTS WITH OUTSIDE BUSINESS INTEREST (OBI)

When an advisor is a shareholder of an investment management company and recommends the investment to clients

In any instance where your Advisor is a shareholder of an investment management company, approved as an OBI, he/she will disclose this information to you in detail. Additionally, any recommendation of investment made to you must include a reasonable number of comparable alternatives so that you may make an informed decision on whether or not to proceed. Any investment recommendation made by your Advisor must be made in your best interest.

CONFLICTS RELATED TO REFERRAL ARRANGEMENTS

Securities-related referral arrangements

Worldsource and your Advisor may have a conflict between its financial interest and your interest in a referral to another company for investment management services that you have requested, or your Advisor suggested. Though your Advisor may have made this



introduction believing it to be in your best interest, you are under no obligation to proceed with the referral arrangement. Your Advisor will provide you with a specific Referral Disclosure Document that will allow you to make an appropriate decision.

Non-securities-related such as banking and mortgage services

Worldsource and your Advisor may have a conflict between its financial interest and your interest in a referral to another company for non-securities-related services, such as tax services, banking or mortgage services. Though your Advisor may have made this introduction believing it to be in your best interest, you are under no obligation to proceed with the referral arrangement. In situations where your Advisor is receiving compensation for your referral, your Advisor will provide you with a specific Referral Disclosure Document that will allow you to make an appropriate decision.

FULL CONTROL OR AUTHORITY OVER THE FINANCIAL AFFAIRS OF A CLIENT

Advisor as Power of Attorney (POA)

Unless you are related to your Advisor, as defined by the Income Tax Act (Canada), your Advisor is not permitted to have full or partial control over your financial affairs. This specifically means that, unless related to you, your Advisor may not accept from you or act upon for you as a:

- Power of Attorney or Trading Authorization
- Trustee or Executor
- Trustee or Executor of your Estate

Additionally, your Advisor is required to obtain approval from Worldsource when acting in this capacity for a related individual.

ADVISOR'S PRODUCT RECOMMENDATIONS TIED TO RECEIPT OF PROMOTIONAL DOLLARS

The Canadian Securities Administrators rules/regulations adopted as National Instrument 81-105, Section 5.6 allows mutual fund companies to provide advisors with non-monetary benefits of a promotional nature and of minimal value, and to engage in business promotion activities that result in advisors receiving a non-monetary benefit. However, these non-monetary benefits must not improperly influence the investment advice given by advisors to their clients.

When your Advisor recommends an investment to you, regulations restrict your Advisor (Worldsource and employees) from asking for or accepting remuneration or gifts from a fund company or a member of the mutual fund company organization in connection with the recommendation.

At Worldsource, advisors are required to report any receipt of remuneration or gifts from a fund company that is greater than \$100. In addition, Worldsource receives reports from fund companies of remuneration or gifts that they have provided to advisors to ensure adherence with acceptable dollar limits.

MARKETING MATERIALS WITH MISLEADING OR INACCURATE PERFORMANCE

Worldsource policies require the review and approval of all marketing material used with clients to ensure fair representation of information and performance.

SELF-DIRECTED SAVINGS PLAN DECLARATION OF TRUST (Applicable to Self-Directed RSPs)

Canadian Western Trust Company, a trust company incorporated under the laws of Canada (the "Trustee"), hereby declares that it agrees to act as Trustee for the annuitant named in the New Client Application Form (NCAF) (the "Annuitant"), and the Worldsource Self-Directed Retirement Savings Plan (the "Plan") upon the following terms and conditions:

- 1) **Registration:** The Trustee will apply for registration of the Plan under the provisions of the Income Tax Act (Canada) (the "Act") and any applicable provincial income tax legislation relating to retirement savings plans as designated from time to time in writing by the Annuitant (the Act and such provincial income tax legislation being hereinafter collectively referred to as "Applicable Tax Legislation").
- 2) **Common-Law Partner and Common Law Partnership:** Any reference to "spouse" contained in the Declaration of Trust or in the Application means "spouse or common-law partner" and any reference to "marriage" contained in the Declaration of Trust or in the Application means "marriage or common-law partnership".
- 3) **Contributions:** The Trustee shall accept only such payments of cash and other transfers of property acceptable to it as may be directed by the Annuitant or the Annuitant's spouse or common-law partner, or by the employer (the "Sponsor") named on the application and permitted by the Applicable Tax Legislation, the same together with any income there from constituting a trust fund (the "Fund") to be used, invested and held subject to the terms hereof. The Sponsor shall be solely responsible for ensuring that any payments or transfers into the Plan which are requested by the Annuitant or, where applicable, the Annuitant's spouse or common-law partner, are paid to the Trustee.
- 4) **Investment:** The Plan shall be invested and reinvested by the Trustee, on the direction of the Annuitant, in such investments as the Trustee shall make available from time to time; provided that such investments are qualified investments for trusts governed by retirement savings plans. The Trustee may, but need not, require any such direction in writing. In the absence of a direction from the Annuitant as to the investment of any cash balances forming part of the Fund from time to time, the Trustee will allow interest on such balances at such rate and will credit interest at such time as the Trustee, in its sole discretion, may determine.



- 5) **Annuitant's Account:** The Trustee will maintain an account in the name of the Annuitant showing all contributions made to the Plan and all investment transactions made at the direction of the Annuitant. The Trustee shall forward to the Annuitant, in respect of each year, a statement showing all contributions and investment transactions made and all income and expenses earned or incurred during such period.
- 6) **Income Tax Receipts:** The Trustee shall provide the Annuitant with appropriate information slips, in prescribed form, by the end of February of each year. Such information slips shall show the total of all payments made from the Fund during the preceding calendar year, to enable the Annuitant to report such payments in the Annuitant's income tax return. Also, on or before March 31 of each year, the Trustee shall furnish the Annuitant or the Annuitant's spouse or common-law partner with a receipt or receipts showing contributions by the Annuitant or the Annuitant's spouse or common-law partner during the preceding calendar year and within 60 days thereafter.
- 7) **Withdrawals and Transfers Out:** The Annuitant may, upon providing appropriate authorization at any time before the commencement of retirement income, request that the Trustee pay to the Annuitant all or any part of the assets held under the Plan. The Plan property may be transferred to a registered pension plan for the benefit of the transferor, or to the Annuitant's registered retirement savings plan or registered retirement income fund as stipulated in paragraph 146 (16) (a) of the Act. All or part of the property held in connection with the Plan may be transferred to a spouse or common-law partner or former spouse or common-law partner who is living separate and apart and is entitled to the amount under a decree, order or judgment of a competent tribunal or under a written agreement that relates to a division of property in settlement of rights arising out of, or on the breakdown of, their marriage or common-law partnership in accordance with paragraph 146 (16) (b) of the Act. The Trustee may liquidate any investments held under the Plan to the extent deemed necessary to pay out or transfer the amounts requested. Amounts paid or transferred will be in accordance with Applicable Tax Legislation and may be reduced by any tax withholding required thereunder, related fees or costs.
- 8) **Refund of Contributions:** It is the responsibility of the Annuitant or the Annuitant's spouse or common-law partner to ensure that no contribution exceeds the maximum permitted deduction under the Applicable Tax Legislation. The Trustee shall, upon written application of the Annuitant or the Annuitant's spouse or common-law partner, refund to that applicant an amount as defined in paragraph 146(2)(c.1) of the Act. The Trustee may liquidate investments held under the Plan to the extent deemed necessary for that purpose.
- 9) **Retirement Income**
 - a) The value of the plans maintained by the Trustee for the Annuitant shall be invested, used and applied by the Trustee for the purposes of providing a retirement income to the Annuitant in accordance with subsection 146(1) of the Act.
 - b) The Annuitant will, upon 90 days written notice to the Trustee, specify the date for the commencement of a retirement income, which date shall not be later than the end of the calendar year in which the Annuitant attains age 71, or such other age as prescribed by the Act (such date being referred to herein as "maturity").
 - c) Any retirement income purchased by the Trustee shall, at the option of the Annuitant, be:
 - I. an annuity payable to the Annuitant for the Annuitant's life (or, if the Annuitant so designates, to the Annuitant for the lives jointly of the Annuitant and the Annuitant's spouse or common-law partner and to the survivor of them for his or her life) commencing at maturity and with or without a guaranteed term not exceeding such period of time calculated in accordance with the formula set out in paragraph (ii) immediately below;
 - II. an annuity commencing at maturity payable to the Annuitant, or to the Annuitant for his life and to his spouse or common-law partner after his death, for a term of years equal to 90 minus either the age in whole years of the Annuitant at the maturity of the Plan, or, where the Annuitant's spouse or common-law partner is younger than the Annuitant and the Annuitant so elects, the age in whole years of the Annuitant's spouse or common-law partner at the maturity of the Plan; or
 - III. a Registered Retirement Income Fund established in accordance with the provisions of the Act and regulations there under and any successor legislation or regulations
 - d) Except as otherwise provided or permitted under the Applicable Tax Legislation, any annuity so acquired shall pay equal annual or more frequent periodic payments that:
 - I. may be integrated with the Old Age Security Pension;
 - II. may be increased in whole or in part in accordance with the Consumer Price Index or at such other rate not exceeding 4% per annum as may be specified under the terms of such annuity;
 - III. are (1) fixed, or (2) varied in accordance with the earnings of the invested amount;
 - IV. shall provide for full or partial commutation and shall provide for equal annual or more frequent periodic payments following any partial commutation;
 - V. shall not provide for the aggregate of the periodic payments in a year after the death of the Annuitant to exceed the aggregate of the payments in a year before the Annuitant's death;

in its absolute discretion for the purposes of paying such fees and other amounts. The Annuitant will be provided with a minimum of sixty (60) days' notice of any change to such fees and other charges.

- 15 **Amendment:** The Trustee may, from time to time at its discretion, amend this Declaration of Trust with the concurrence of the authorities administering the Applicable Tax Legislation by giving 30 days' notice in writing to the Annuitant, provided, however, that any such amendments shall not have the effect of disqualifying the Plan as a registered retirement savings plan within the meanings of the Applicable Tax Legislation.
- 16 **Notices:** You may give us instructions by personal delivery, fax or postage prepaid mail (or by such other means as we or the Agent may accept), properly sent to the Agent or to any other address that we designate. We may give you any notice, statement, receipt or other communication by postage prepaid mail, sent to the address recorded in your application or to any subsequent address you provide us. Our notices to you will be deemed to have been given on the second business day after mailing
- 17 **Liability:** The Trustee will exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility of a non-qualified investment being acquired or held by the registered retirement savings plan. The Trustee shall not be liable for any tax payable in respect of any non-qualified investment by the Annuitant or by the trust established hereunder and the Annuitant acknowledges and assumes the sole responsibility in respect of the foregoing. The Trustee shall not otherwise be liable for the making, retention or sale of any investment or reinvestment as herein provided or for any loss or diminution of the assets comprising the Fund. The Annuitant, where required or requested will provide the Trustee with such information as it may require in order to value assets being acquired or held by the Plan.
- 18 **Proof of Age:** The statement of the Annuitant's date of birth on the application for the Plan shall constitute a certification by the Annuitant and an undertaking to furnish such further evidence of proof of age as may be required for the provision of a retirement income.
- 19 **No Advantage:** The Annuitant or a person with whom the Annuitant does not deal at arm's length may not receive an advantage that is conditional on the existence of the Plan, other than:
 - a. benefit;
 - b. amounts included in the deceased Annuitant's income or included in the income of the RRSP trust for year that the trust lost its exempt status due to the death of the last Annuitant;
 - c. the payment or allocation of any amount to the Plan by the Trustee;
 - d. an advantage from life insurance in effect on December 31, 1981; or
 - e. an advantage obtained from administrative or investment services provided for the Plan.
- 20 **Replacement of Trustee:** The Trustee, upon giving the Agent at least 90 days written notice or immediately if the Agent is for any reason incapable of acting in accordance with this Declaration of Trust, may resign, and the Agent, upon giving the Trustee at least 90 days written notice or immediately if the Trustee is for any reason incapable of acting as Trustee hereunder, may remove the Trustee as the Trustee of the Plan, provided that a successor Trustee has been appointed by the Agent in writing. If the Agent fails to designate a successor Trustee within 60 days after it has received notice of the Trustee's intended resignation, the Trustee may appoint its successor Trustee. Such successor Trustee shall within 90 days of its appointment give written notice of its appointment to the Annuitant. A successor Trustee shall have the same power, rights and obligations as the Trustee. The Trustee shall execute and deliver to the successor Trustee all conveyances, transfers and further assurances as may be necessary or desirable to give effect to the appointment of the successor Trustee. Any successor Trustee shall be a corporation resident in Canada and authorized under the laws of the province of residence of the Annuitant indicated in the application to carry out its duties and responsibilities as Trustee under the Plan. Subject to the requirements of Canada Revenue Agency, any corporation resulting in the merger, consolidation or amalgamation to which the Trustee is a party or which purchases all or substantially all of the trust business of the Trustee shall be the successor Trustee hereunder without the execution of any other instrument or document except notice to the Agent and to the Annuitant.
- 21 **Assignment by Agent:** The Agent may assign its rights and obligations hereunder to any other corporation resident in Canada, approved by the Canada Revenue Agency and any other applicable authority, and authorized to assume and discharge the obligations of the Agent under the Plan, provided that such corporation shall execute any agreement which is necessary or advisable for the purpose of assuming such rights and obligations and further provided that no such assignment may be made without prior written consent of the Trustee, which consent may not be unreasonably withheld.
- 22 **Heirs, Executors and Assigns:** The terms of this Declaration of Trust shall be binding upon the heirs, executor, administrators and assigns of the Annuitant and upon the respective successors and assigns of the Trustee and Agent.
- 23 **Proper Law:** This Declaration of Trust will be governed by and construed in accordance with the laws of Ontario (and with respect to any Lock-in addendum to the Plan containing provision required by the laws of a province, in accordance with the laws of such province), the Applicable Tax Legislation and any other laws of Canada, which may be applicable.
- 24 **English Language:** The parties hereto have requested that the Plan be established in English. Les parties ont demandé que le régime soit rédigé en anglais.

SELF-DIRECTED RETIREMENT INCOME FUND DECLARATION OF TRUST (Applicable to Self-Directed RIFs)

Canadian Western Trust Company, a trust company incorporated under the laws of Canada (the “Trustee”), hereby declares that it agrees to act as Trustee for the applicant who is the annuitant for purposes of Subsection 146.3(1) of the Act (the “Annuitant”) named in the NCAF (the “Application”) for the Worldsource Self-Directed Retirement Income Fund (hereinafter referred to as the “Fund”) upon the following terms and conditions:

1 Registration: The Trustee will apply for registration of the Fund under the provisions of the Income Tax Act (Canada) (the “Act”), and any applicable provincial income tax legislation relating to retirement income funds as designated in the Annuitant’s address on the Application (the Act and such provincial income tax legislation being hereinafter individually or collectively referred to as the “Applicable Tax Legislation”).

2 Common-Law Partner and Common-Law Partnership: Any reference to “spouse” contained in the Declaration of Trust or in the Application means “spouse or common-law partner” and any reference to “marriage” contained in the Declaration of Trust or in the Application means “marriage or common-law partnership”.

3 Appointment of Agent:

a) The Annuitant authorizes the Trustee to delegate to (Worldsource) the following duties under the Fund:

- i. to receive the transfer of funds to the Annuitant’s Fund;
- ii. to provide the Annuitant with payments under the Fund in accordance with the Applicable Tax Legislation;
- iii. to invest and reinvest the assets of the Fund;
- iv. to hold all or any portion of the assets of the Fund in safekeeping;
- v. to maintain Fund records and accounting properly to the Annuitant for the assets of the Fund;
- vi. to provide the Annuitant with statements of account for the Fund at reasonable intervals;
- vii. to prepare any forms required by the Applicable Tax Legislation; and,
- viii. such other duties under the Fund as the Trustee in its sole discretion may determine.

b) Notwithstanding such delegation, the Trustee shall remain ultimately responsible for the administration of the Fund pursuant to the provision of this Declaration of Trust. The Annuitant also authorizes the Trustee to, and the Trustee may, pay the Agent all or a portion of the administration fees paid by the Annuitant to the Trustee hereunder and shall reimburse the Agent for its reasonable out-of-pocket expenses in performing the duties and responsibilities delegated to the Agent by the Trustee and charge the Annuitant’s account therefore.

4 Transfers to the Fund: The Trustee shall accept only such transfers of cash or of assets in a form acceptable to it, which are “qualified investments” for registered retirement income funds within the meaning of the Act, as may be directed by or on behalf of the Annuitant to be transferred to the Trustee to be held in the Annuitant’s Fund, provided that such cash or assets may only be transferred from:

- a) either a registered retirement income fund or a registered retirement savings plan under which the Annuitant is the annuitant; or
- b) the Annuitant to the extent only that the amount of consideration was an amount described in subparagraph 60(l)(v); or
- c) either a registered retirement savings plan or a registered retirement income fund where the spouse or former spouse of the Annuitant was the annuitant, where the Annuitant and the spouse or former spouse are living separate and apart and the transfer is made under a decree, order or judgment of a competent tribunal, or under a written separation agreement, relating to a division of property between the Annuitant and the spouse or former spouse in settlement of rights arising out of, or on the breakdown of, their marriage; or
- d) a registered pension plan pursuant to subsection 147.1(1) of the Act under which the Annuitant is a member; or
- e) a registered pension plan pursuant to subsection 147.3(5) and (7) of the Act;
- f) a provincial pension plan in circumstances to which subsection 146(21) of the Act applies; or
- g) a DPSP in accordance with subsection 147 (19).

5 Investments:

- a) The Trustee shall, on the directions of the Annuitant, invest the assets of the Fund as the same are constituted from time to time and shall keep the same invested in any investments which have been acquired by the Fund pursuant to any such directions, provided that the Trustee may in its discretion decline to make any particular investment if the proposed investment and related documentation do not comply with the Trustee’s requirements which may be modified from time to time, and further provided that the Trustee may retain in cash such portion the Fund as it in its sole discretion deems advisable for the administration of the Fund. The Trustee may require the Annuitant to provide such documentation in respect of any investment or proposed investment as the Trustee in its sole discretion deems necessary in the circumstances.
- b) All brokerage fees, commissions and other expenses incurred in connection with the making of any investment shall be paid from the Fund. Pending investment of the property of the Fund that is in the form of cash, the Trustee shall pay interest to the Fund thereon on such terms and at such rates as it may from time to time establish.

c) Without restricting the generality of the foregoing, it shall be the sole responsibility of the Annuitant to choose the investments of the Fund, provide valuations to support the fair market value of the investments that are not publically traded on a recognized stock exchange within the meaning of the Applicable Tax Legislation and to determine whether any investments should be purchased, sold or retained by the Trustee as part of the Fund. The Trustee and the Agent shall not be responsible for any loss suffered by the Annuitant or by any beneficiary under the Fund as a result of the purchase, sale or retention of any investment. Notwithstanding the foregoing, it shall be the joint responsibility of the Annuitant and the Trustee to provide appropriate documents supporting the fair market value of the investments that are not publically traded on a recognized stock exchange within the meaning of the Applicable Tax Legislation.

- 6 **Annuitant's Account:** The Trustee will maintain an account in the name of the Annuitant showing all transfers to and payments from the Fund and all investment transactions made at the direction of the Annuitant. The Trustee shall forward to the Annuitant, at least annually, a statement showing all such transfers and payments and investment transactions made and all income earned and expenses incurred during such period.
- 7 **Income Tax Information:** The Trustee shall provide the Annuitant with appropriate information slips, in prescribed form, by the end of February of each year. Such information slips shall show the total of all payments made from the Fund during the preceding calendar year, to enable the Annuitant to report such payments in the Annuitant's income tax return.
- 8 **Payments from the Fund:**
- a. Subject to the terms of the Declaration of Trust and the Applicable Tax Legislation, the whole of the Fund shall be used and applied by the Trustee only for the provision of payments to the Annuitant or, if applicable, to the surviving spouse as follows:
 - i. In each year commencing not later than the first complete calendar year after the Fund is established, the Trustee shall make one or more payments the aggregate of which shall be not less than the minimum amount as defined in subsection 146.3(1) of the Act, and not more than the value of the Fund immediately before any payment.
 - b. All payments must be included in and will be taxed as the Annuitant's income in the year of receipt. Tax shall be withheld on all payments by the Trustee in accordance with the Act. The Trustee reserves the right to liquidate the assets of the Fund, in its absolute discretion to meet payment obligations of the Fund.
 - c. For the purposes of valuing the Fund for this Section 8, the Trustee shall include the assets forming part thereof at their net asset value.
 - d. No payment required to be made in accordance with the provisions hereof may be assigned in whole or in part.
 - e. The Trustee shall be discharged from all further duties and liabilities hereunder immediately following the making of the final payments as required hereunder.
 - f. At the direction of the Annuitant, and in accordance with paragraph 146.3(2)(e) of the Act the Trustee shall transfer all or part of the property held in connection with the Fund together with all information necessary for the continuance of the Fund to any person who has agreed to be a carrier of another registered retirement income fund of the Annuitant, provided that the Trustee shall retain sufficient property of the Fund in order that the minimum amount for the calendar year shall be paid to the Annuitant in the year.
 - g. The Trustee shall transfer all or part of the property held in connection with the Fund to a spouse or common-law partner or former spouse or common-law partner who is entitled to the amount under a decree, order or judgment of a competent tribunal or under a written agreement that relates to a division of property in settlement a breakdown of marriage or common-law partnership in accordance with subsection 146.3(14) of the Act.
- 9 **Death of the Annuitant:** In the event of death of the Annuitant prior to the making of the final payment as provided in Section 8 hereof, the Trustee shall, upon receipt of satisfactory evidence of such death, realize the interest of the Annuitant in the Fund. Subject to the deduction of all proper charges including income tax, if any, required to be withheld, the proceeds of such realization shall be held by the Trustee for payment to the beneficiary, if any, designated pursuant to Section 10 hereof, or to the legal personal representatives of the Annuitant, upon such beneficiary or representatives furnishing the Trustee with such releases and other documents as may be required or as counsel may advise, unless the Annuitant's spouse has been designated specifically as the successor annuitant of the Annuitant as provided for in Section 10 hereof, or by will, in which case the Trustee shall continue the payments to the Annuitant's spouse in accordance with the provision of Section 8 hereof, upon such spouse providing the Trustee with such documents as may be required or as counsel may advise. Once the funds have been paid out based on the appropriate documentation the Trustee shall have no further duty or liability to your heirs, executors, administrators or legal representatives.
- 10 **Designation of Successor Annuitant or Beneficiary:** The Annuitant, if domiciled in a jurisdiction in which, according to applicable law, a participant in a retirement income fund may validly designate a beneficiary or a successor annuitant other than by will, may by an instrument in writing in a form prescribed by the Trustee and delivered to the Trustee prior to the death of the Annuitant, designate his spouse as successor annuitant or any person as beneficiary to be entitled to receive the value of the Annuitant's property in the Trust Fund on the death of the Annuitant. In the case of such a designation, the spouse only shall be deemed to be the successor annuitant



or, any person, including the spouse, shall be deemed to be the designated beneficiary of the Annuitant, as the case may be, unless there is no such successor annuitant or designated beneficiary at the date of death of the Annuitant in which instance, all proceeds of the Fund shall be paid to the Annuitant's estate. The Annuitant shall by instrument in writing in a form prescribed by the Trustee and delivered to the Trustee prior to the death of the Annuitant, be entitled to revoke such designation.

- 11 **Voting Rights:** The voting rights attached to any securities registered in the name of the Trustee and credited to the Annuitant's plans shall be exercised by the Trustee by proxy given in favour of the management of any company, corporation, fund or other entity in question. However, the Annuitant may, by written notice received by the Trustee at least forty-eight hours prior to any meeting, request the Trustee to authorize the Annuitant to act as the Trustee's representative for the purpose of exercising the voting rights attached to the securities registered in the name of the Trustee and credited to the Annuitant's plan, at any meeting of security holders, whereupon the Trustee shall give such authorization to the Annuitant.
- 12 **Ownership:** The Trustee may hold any investment in its own name, in the name of its nominee, in bearer form or in such other name as the Trustee may determine. The Trustee may generally exercise the power of an owner with respect to any securities registered in the name of the Trustee and credited to the Annuitant's plan, including the right to vote or give proxies as herein provided and to pay any assessment, taxes or charges in connection therewith or the income or capital gains derived there from.
- 13 **Delegation:** The Trustee shall be entitled to employ such person or persons including, but not limited to, lawyers and auditors as the Trustee may determine and shall be entitled to pay their fees and expenses from the trust. The Trustee may rely and act upon information and advice furnished by such person or persons or refrains from acting thereon and shall not be liable to the Annuitant as a result of so acting or refraining from so acting.
- 14 **Trustee's Compensation:** The Trustee will be entitled to such reasonable fees and other charges as it may establish from time to time for the Fund and to reimbursement for disbursements and expenses reasonably incurred by it in performing its duties hereunder. All such fees and other amounts (together with any goods and services tax or other taxes applicable thereto, other than penalties and taxes for which the Trustee is liable under the Applicable Tax Legislation) will, unless paid directly to the Trustee be charged against and deducted from the assets of the Fund in such manner as the Trustee determines, and the Trustee may realize assets of the Fund in its absolute discretion for the purposes of paying such fees and other amounts. The Annuitant will be provided with a minimum of sixty (60) days' notice of any change to such fees and other charges.
- 15 **Amendment:** The Trustee may, from time to time at its discretion, amend the Declaration of Trust with the concurrence of the authorities administering the Applicable Tax Legislation by giving 30 days' notice in writing to the Annuitant; provided, however, that any such amendments shall not have the effect of disqualifying the Fund as a registered retirement income fund within the meaning of the applicable Tax Legislation.
- 16 **Notices:** You may give us instructions by personal delivery, fax or postage prepaid mail (or by such other means as we or the Agent may accept), properly sent to the Agent or to any other address that we designate. We may give you any notice, statement, receipt or other communication by postage prepaid mail, sent to the address recorded in your application or to any subsequent address you provide us. Our notices to you will be deemed to have been given on the second business day after mailing
- 17 **Limitation of Liability:**
 - i. The Trustee will exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility of a non-qualified investment being acquired or held by the registered retirement income fund.
 - ii. Notwithstanding any other provisions hereof, the Trustee (including, for greater certainty, the Agent) will not be liable in its personal capacity for or in respect of:
 - a. any taxes or interest which may be imposed on the Fund under Applicable Tax Legislation (whether by way of assessment, reassessment or otherwise) or for any other charge levied or imposed by any governmental authority upon or in respect of the Fund, as a result of the purchase, sale or retention of any investment including, without limiting the generality of the foregoing, non-qualified investments, other than taxes and penalties imposed on the Trustee arising from its personal liability, including without limitation, arising from its administrative error, under Applicable Tax Legislation; or
 - b. any loss suffered or incurred by the Fund, the Annuitant or any beneficiary under the Fund caused by or resulting from the Trustee acting or declining to act upon instruction given to it, whether by the Annuitant, a person designated by the Annuitant or any person purporting to be the Annuitant, unless caused by the Trustee's dishonesty, bad faith, wilful misconduct, gross negligence or reckless disregard.
 - iii. The Annuitant, his legal personal representative and each beneficiary under the Fund will at all times, indemnify and save harmless the Trustee and the Agent in respect of any taxes, interest, penalties, or other governmental charges which may be levied or imposed on the Trustee in respect of the Fund or any losses incurred by the Fund (other than losses for which the Trustee is liable in accordance herewith) as a result of the acquisition, retention or transfer of any investment or as a result of payments out of the Fund made in accordance with these terms and conditions or as a result of the Trustee acting or declining to act upon any instructions given to it by the Annuitant. The Annuitant, where required or requested will provide the Trustee with such information as it may require in order to value assets being acquired or held by the Fund.

- 18 **Proof of Age:** The statement of the Annuitant's date of birth on the Application for the Fund shall constitute a certification by the Annuitant and an undertaking to furnish such further evidence of proof of age as may be required for the provision of a retirement income.
- 19 **No Benefit or Loan:** No benefit or loan that is conditional in any way on the existence of the Fund may be extended to the Annuitant or to any person with whom the Annuitant does not deal at arm's length other than those benefits or loans which may be permitted from time to time under the Applicable Tax legislation.
- 20 **Life Income Fund:** If, due to Fund assets having been transferred into the Fund from a pension plan or other locked-in registered retirement savings plan, the Annuitant has duly completed, signed and delivered an instrument in the form of a locking-in addendum for a life income fund or locked-in retirement income fund, approved by the Trustee, then such locking-in addendum shall be deemed to be part of the Declaration of Trust. In the event of a conflict, the provisions of such locking-in addendum and the provisions of applicable pension laws referred to therein shall take precedence over any conflicting provisions hereof, or of any beneficiary designation made with respect to the Fund. Provided that no provision of the Declaration of Trust shall be interpreted to be in conflict with the requirements of the Applicable Tax legislation. The Annuitant agrees to be bound by the terms and conditions set out in the locking-in addendum forming part of this Declaration of Trust.
- 21 **Replacement of Trustee:** The Trustee, upon giving the Agent at least 90 days written notice or immediately if the Agent is for any reason incapable of acting in accordance with Section 3 hereof, may resign, and the Agent, upon giving the Trustee at least 90 days written notice or immediately if the Trustee is for any reason incapable of acting as Trustee hereunder, may remove the Trustee as the Trustee of the Fund, provided that a successor trustee has been appointed by the Agent in writing. If the Agent fails to designate a successor trustee within 60 days after it has received notice of the Trustee's intended resignation, the Trustee may appoint its successor trustee. Such successor trustee shall within 90 days of its appointment give written notice of its appointment to the Annuitant. A successor trustee shall have the same power, rights and obligations as the Trustee. Subject to the requirements of paragraph 146.3(2)(e) of the Act, The Trustee shall execute and deliver to the successor trustee all conveyances, transfers and further assurances as may be necessary or desirable to give effect to the appointment of the successor trustee. Any successor trustee shall be a corporation resident in Canada and authorized under the laws of the province of residence of the Annuitant indicated in the Fund application to carry out its duties and responsibilities as Trustee under the Fund. Subject to the requirements of the Canada Revenue Agency, any corporation resulting in the merger, consolidation or amalgamation to which the Trustee is a party or which purchases all or substantially all of the trust business of the Trustee shall be the successor trustee hereunder without the execution of any other instrument or document except notice to the Agent and to the Annuitant.
- 22 **Assignment by Agent:** The Agent may assign its rights and obligations hereunder to any other corporation resident in Canada approved by the Canada Revenue Agency and any other applicable tax or other authorities, and authorized to assume and discharge the obligations of the Agent under the Fund, provided that such corporation shall execute any agreement which is necessary or advisable for the purpose of assuming such rights and obligations and further provide that no such assignment may be made without prior written consent of the Trustee, which consent may not be unreasonably withheld.
- 23 **Heirs, Executors and Assigns:** The terms of this Declaration of Trust shall be binding upon the heirs, executor, administrators and assigns of the Annuitant and upon the respective successors and assigns of the Trustee and Agent.
- 24 **Proper Law:** This Declaration of Trust will be governed by and construed in accordance with the laws of Ontario (and with respect to any locking-in addendum to the Fund containing provision required by the laws of a province, in accordance with the laws of such province), the Applicable Tax Legislation and any other laws of Canada, which may be applicable.
- 25 **English Language** The parties hereto have requested that the Fund be established in English. Les parties ont demandé que le régime soit rédigé en anglais.

SELF-DIRECTED TAX-FREE SAVINGS ACCOUNT DECLARATION OF TRUST (Applicable to Self-Directed TFSA's)

Canadian Western Trust Company is a trust company incorporated under the laws of Canada. (The words "us", "our" and "we" are also used in this Declaration of Trust to refer to Canadian Western Trust Company.) "You" (the account "Holder") are the person who has completed the New Client application form (the "NCAF"). Within this Declaration of Trust we use the word "Agent" when referencing "agent for the trustee". We agree to act as trustee for your WFM Tax-Free Savings Account (the "TFSA"), created pursuant to the Application and this Declaration of Trust in accordance with the terms and conditions set out below:

- 1 **Registration:** We will file an election to register the TFSA under the *Income Tax Act* (Canada) (the "Act") and any applicable income tax legislation of a province of Canada (collectively, "Applicable Tax Legislation"). If registered, the TFSA will be a "qualifying arrangement" and you will be known for the purposes of the Applicable Tax Legislation as the "Holder" of the TFSA.
- 2 **Purpose of the TFSA:** The primary purpose of the TFSA is to accumulate and invest funds for savings and investment purposes. The TFSA will be maintained for the exclusive benefit of you as the Holder, in accordance with the provisions of subsection 146.2(2)(b) of the Act, except as provided under sections 16, 17 and 21.
- 3 **Compliance:** The TFSA shall, at all times, comply with all relevant provisions of Applicable Tax Legislation. You are bound by the terms and conditions imposed under Applicable Tax Legislation.
- 4 **Contributions:** Deposits to the TFSA made by you according to this Declaration of Trust and the Applicable Tax Legislation will be called the "Contributions". Only you may make Contributions to the TFSA. Contributions may be cash, mutual funds or other property. We will hold the Contributions and any income or gains from them, in trust for you. We will invest and reinvest such income or gains

accumulated in accordance with the instructions provided by you. These amounts, together with any amounts transferred to the TFSA under section 11 below, will be called the "TFSA Assets". We are not responsible for determining whether the aggregate of all Contributions made by you to the TFSA in respect of a year exceeds the maximum amount that is permitted to be contributed to the TFSA in respect of the year.

- 5 **Investments:** TFSA Assets will be invested and reinvested from time to time in accordance with your investment instructions or those of your assigns as set out in section 21 (if applicable). Investment instructions must comply with requirements imposed by us, or the Agent, in our sole discretion. Your TFSA will not be limited to investments authorized by law governing the investments of property held in trust other than the investment rules imposed by the Act for a TFSA. We will only act on your instructions if they are in a form acceptable to us and are accompanied by related documents as required by us, in our sole discretion. We may accept and act on any investment instructions, which we believe, in good faith, to be given by you. It is your responsibility to ensure all investments held in the TFSA are qualified investments under the Applicable Tax Legislation. If we do not have any instructions from you at the time we receive a cash Contribution, we will deposit your cash Contribution in an interest bearing account. We will not be responsible for any loss resulting from the sale or other disposition of any investment forming part of the TFSA Assets. No one other than the Holder or the Trustee shall have rights under the Account relating to the amount and timing of Distributions.
- 6 **Non-Qualified Investments and Excess Contributions:** The Trustee will exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility of a non-qualified investment being acquired or held by the TFSA. However, if the Account acquires an investment that is a non-qualified investment for a TFSA, or if property held in the Account becomes a non-qualified investment for a TFSA, it is the responsibility of the holder to file an income tax return and pay the applicable tax under Part XI.01 of the Act. It is also the responsibility of the Account to determine whether there is an excess TFSA amount (as defined under the Act) of the Account at any time in a year. If there is an excess TFSA amount, it is the responsibility of the Account to file an income tax return and pay the applicable tax under Part XI.01 of the Act. If the TFSA becomes liable for any Charges, you will be deemed to have authorized us to sell or withdraw any of the TFSA Assets and obtain a fair market value that we, in our sole discretion, consider appropriate to pay any Charges to the TFSA and we will issue notice to you as prescribed under the Act in respect of any such transaction. We will not be liable for any loss or income taxes incurred as it pertains to the collection of unpaid Charges. It is your responsibility to provide appropriate documents supporting the fair market value of TFSA Assets not publicly traded on a recognized stock exchange within the meaning of Applicable Tax Legislation. Furthermore, we may deem TFSA Assets as worthless and remove them from the TFSA if you cannot provide documents supporting their fair market valuation as we may impose. We will not be liable for any Charges imposed on you or the TFSA under Applicable Tax Legislation or by any provincial or federal regulatory authorities related to the removal of TFSA Assets from the TFSA.
- 7 **Accounting:** We, or the Agent, will maintain records relating to the TFSA reflecting the following:
 - a. Contributions to the TFSA;
 - b. Name, amount and cost of investments purchased or sold by the TFSA;
 - c. Purchases and sales of investments we hold for you in the TFSA;
 - d. Any income or loss earned or incurred by the TFSA;
 - e. Withdrawals, transfers and any other payments from the TFSA; and
 - f. The balance of the TFSA.
- 8 **Statements:** We will issue statements for the TFSA at least once annually or more frequently as determined by us, in our sole discretion. Should there occur full or partial nonpayment of fees referred to in section 14 hereof, we may, in our sole discretion, cease the issue of statements for the TFSA.
- 9 **Withdrawals:** Upon receipt of your written instructions to withdraw all or a part of the TFSA Assets, or the written instructions of your assigns under section 21, we will pay you or your assigns as the case may be an amount less any related fees or costs. Prior to us processing your written instructions, you will ensure sufficient cash is in the TFSA to cover the amount requested or you will withdraw an investment(s) in-kind, equal to the fair market value at the time of the transaction. We will issue notice to you as prescribed under the Act in respect of any such transaction. Once the withdrawal is issued and notice provided, we no longer have any further liability or duty to you for the TFSA Assets that you have withdrawn.
- 10 **Refunds of Excess Contributions:** You may send us written instructions to refund an amount to reduce the taxes otherwise payable under Part XI.01 of the Act relating to Contributions that exceed the limits permitted under Applicable Tax Legislation. Prior to us processing your written instructions, you will ensure sufficient cash is in the TFSA to cover the amount requested or we will refund an investment in-kind equal to the fair market value at the time of the transaction. We will issue notice to you as prescribed under the Act in respect of any such transaction. Once the refund is issued and the notice provided, we no longer have any further liability or duty to you for the TFSA Assets that have been refunded.
- 11 **Transfers to the TFSA:** You may request a transfer of amounts to the TFSA from another tax-free savings account or any other source permitted under Applicable Tax Legislation or other applicable law. We may, in our sole discretion, refuse to accept the property into the TFSA for any reason whatsoever and you authorize us to transfer out of the TFSA to you, without notice any property of the TFSA we believe is not or may not be a qualified investment. The terms and conditions of the TFSA will be subject to any additional terms or conditions that may be required to complete the transfer according to applicable law.

- 12 **Transfers from the TFSA:** You, or your assigns under section 21 (if applicable), may request a transfer of all or part of the TFSA Assets to a tax free savings account that is registered under Applicable Tax Legislation under which you are the Holder. All transfer requests may be subject to tax under Applicable Tax Legislation and any other related fees or costs. We will process your transfer request within a reasonable period of time after we have received all completed documents as required by us and applicable law. Once the transfer is issued, we no longer have any further liability or duty to you for the TFSA Assets transferred.
- 13 **Transfers for Division of Property:** You may request a transfer of all or part of the TFSA Assets to a tax-free savings account or under which your spouse or common-law partner (within the meaning of Applicable Tax Legislation) is the holder if the transfer is made under the terms of a decree, order or judgment of a competent tribunal, or of a written separation agreement, that relates to the division of property between you and your spouse or common-law partner or former spouse or common-law partner in settlement of rights arising out of or on the breakdown of your marriage or common-law partnership. Any transfer requests may be subject to any tax under Applicable Tax Legislation and any other related fees or costs. We will process your request within a reasonable period of time after we have received all completed documents as required by applicable law and us. Once the transfer is issued, we no longer have any further liability or duty to you for the TFSA Assets transferred.
- 14 **Fees:** We may charge you or the TFSA fees for services we provide to you or the TFSA from time to time in accordance with our current fee schedule. We will give you a minimum of sixty (60) days' notice of any change in our fees. We are entitled to reimbursement from you or the TFSA for all our fees, disbursements, expenses (including taxes, interest and penalties) and any other charges reasonably incurred by us in connection with the TFSA. We are entitled to deduct our unpaid fees, disbursements, expenses and any other charges from the TFSA Assets and where insufficient cash is available, you authorize us to sell or withdraw any of the TFSA Assets and obtain a fair market value that we, in our sole discretion, consider appropriate to collect unpaid fees, disbursements, expenses and any other charges. We will issue notice to you as prescribed in the Act in respect of any withdrawals from the TFSA Assets and we will not be liable for any loss or income tax incurred as such loss or tax pertains to the collection of any unpaid fees, disbursements, expenses and any other charges.
- 15 **Social Insurance Number:** The social insurance number that you provide on the Account Application shall be deemed a certification by you of its truth and you give us your undertaking to provide additional evidence if we require the proof of its validity
- 16 **Designation of Successor Holder / Beneficiary:** Where effective under applicable provincial law, you may designate one or more beneficiaries of the Arrangement after your death, in accordance with the following and paragraph 17:
- a. **Successor Holder:** You may at any time designate an individual who is your spouse or common-law partner to receive all of your rights in the Assets after your death, in which case provided that such individual remains your spouse or common-law partner at the time of your death, he or she will become the holder of the Assets; or
 - b. **Beneficiary of TFSA Assets:** You may designate one or more beneficiary(ies) to receive the TFSA Assets, less any applicable taxes and any fees or expenses payable under this declaration.

You may make, change or revoke a beneficiary designation by providing us with a written instruction in a form acceptable to us. When the TFSA Assets or the proceeds from the TFSA Assets have been distributed to your designated beneficiary, even though the designation may be invalid as a testamentary instrument, we will be fully discharged of any liability under this Declaration of Trust.

- 17 **Death of a TFSA Holder:** In the event of your death, if you had not designated that your spouse or common-law partner become successor holder in accordance with sub-paragraph 16 (a) above (or you had so designated but your spouse or common-law partner predeceased you), we will, upon receipt of satisfactory evidence of your death and any other documents as it pertains to your death prior to proceeding with a request to distribute the TFSA Assets or the proceeds from the TFSA Assets less any tax under the Applicable Tax Legislation and any other related fees or costs. If you have designated more than one beneficiary under your TFSA, we will distribute TFSA Assets as designated by you. If we cannot establish a valid designation of beneficiary or beneficiaries, we will distribute the TFSA Assets to your estate. Once the TFSA Assets are transferred or the proceeds of the sale of the TFSA Assets are paid, we no longer have any further liability or duty to your heirs, executors, administrators or legal representatives.
- 18 **Proof of Age:** Your statement of your date of birth in your application will be deemed to be a certification of your age and your undertaking to provide any further evidence or proof of age that may be required for the purpose of determining eligibility to enter into a TFSA. A TFSA is not considered a qualifying TFSA (as defined in section 146.2(1) of the Act) unless the holder is at least 18 years of age when the arrangement is entered into.
- 19 **Ownership and Voting Rights:** The TFSA Assets will be held in our name, the Agent's name, bearer form or any other name that we determine. The voting rights attached to securities held under the TFSA and credited to your account may be exercised by you and for this purpose, you are hereby appointed as our agent and attorney to execute and deliver proxies and/or other instruments mailed by us to you according to applicable laws.
- 20 **Notices:** You may give us instructions by personal delivery, fax or postage prepaid mail (or by such other means as we or the Agent may accept), properly sent to the Agent or to any other address that we designate. We may give you any notice, statement, receipt or other communication by postage prepaid mail, sent to the address recorded in your application or to any subsequent address you provide us. Our notices to you will be deemed to have been given on the second business day after mailing.
- 21 **Restrictions and Security for Indebtedness:** Where the Holder uses his or her interest or right in the Account as security for a loan or other indebtedness, the Holder shall be responsible for ensuring that the terms and conditions of the loan or other indebtedness are terms and conditions that persons dealing at arm's length with each other would have entered into, and it can be reasonably

concluded that none of the main purpose for that use is to enable a person, other than the Holder, or a partnership to benefit from the exemption for tax of any amount under the Account. The Trustee is prohibited from borrowing money or other Property for the purposes of the Account.

- 22 **Amendments:** We may, from time to time, in our sole discretion, amend the terms of the TFSA and this Declaration of Trust, providing that such amendments shall not disqualify the TFSA as a qualifying arrangement within the meaning of Applicable Tax Legislation. We will obtain approval from the necessary provincial and federal authorities if any amendments are made and as required. We will provide you with thirty (30) day notice of any amendments unless it is made for the purpose of satisfying a requirement imposed by the Tax Laws.
- 23 **Delegation of Duties:** Without limiting our responsibility as Trustee of the TFSA, we may appoint agents and may delegate to our agents the performance of administrative and any other duties required under the TFSA and Declaration of Trust. We may engage accountants, brokers, lawyers or others for their advice and services and may rely on them for the same. We may pay to any agent or advisor a fee under the provisions of this Declaration of Trust but we will not be liable for any acts, omissions or negligence of any of our agents or advisors so long as we have acted in good faith. We acknowledge that we are ultimately responsible for the administration of the TFSA.
- 24 **Liability of Canadian Western Trust Company:**
- i) The Trustee and Agent will exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility of a nonqualified investment being acquired or held by the TFSA.
 - ii) Notwithstanding any other provisions hereof, the Trustee (including, for greater certainty, the Agent) will not be liable in its personal capacity for or in respect of any taxes or interest which may be imposed on the TFSA under Applicable Tax Legislation (whether by way of assessment, reassessment or otherwise) or for any charge levied or imposed by any governmental authority upon or in respect of the TFSA, as a result of the purchase, sale or retention of any investment including, without limiting the generality of the foregoing, non-qualified investments, other than taxes, penalties, interest or for any charge levied or imposed by any governmental authority upon or in respect of the TFSA on the Trustee arising from its personal liability, including without limitation, arising from its administrative error, under Applicable Tax Legislation: or any loss suffered or incurred by the Annuitant, the TFSA, or any beneficiary under the TFSA caused by or resulting from the Trustee acting or declining to act upon instruction given to it, whether by the Holder, a person designated by the Holder or any person purporting to be the Holder, unless caused by the Trustee's dishonesty, bad faith, willful misconduct, gross negligence or reckless disregard.
 - iii) The Holder, his or her legal personal representative, and each beneficiary under the TFSA will at all times, indemnify and save harmless the Trustee in respect of any taxes, interest, penalties or other governmental charges which may be levied or imposed on the Trustee in respect of the TFSA or any losses incurred by the TFSA (other than taxes, interest, penalties or other governmental charges or losses for which the Trustee is liable in accordance herewith) as a result of the acquisition, retention or transfer of any investment or as a result of payments out of the TFSA made in accordance with these terms and conditions or as a result of the Trustee acting or declining to act on any instruction given to it by the Holder. The Holder, where required or requested, will provide the Trustee or Agent with such information as it may require in order to value assets being acquired or held by the TFSA.
- 25 **Indemnification:** You, your heirs, executors, administrators, legal representatives or assigns and each beneficiary under the TFSA will at all times indemnify the Trustee, its directors, officers, employees and agents and their respective heirs, executors, administrators, personal representatives, successors, assigns and our agents directly and out of the TFSA Assets for any taxes, interest, penalties or charges levied or imposed on us in respect of the TFSA, costs incurred in performing our duties under this Declaration of Trust or any losses incurred by the TFSA as a result of any loss or diminution of the TFSA Assets, purchases, sales, or retention of any investments, payments or distributions out of the TFSA made according to these terms and conditions, or acting or declining to act on any instructions given to us, whether by you, a person designated by you or any person purporting to be you or the person designated by you.
- 26 **Successor Trustee:** We may resign as Trustee of the TFSA and be discharged from all duties and liabilities under this Declaration of Trust by giving you and the Agent sixty (60) days written notice. The Agent may remove us as trustee by giving you and us 60 days written notice, or such shorter notice as we may accept. Upon giving or receiving such notice of our removal or resignation, the Agent will within the notice period appoint a successor trustee authorized under the Tax Laws and any other applicable law (the "Successor Trustee"). If a Successor Trustee is not found within such notice period, we and/or the Agent may apply to a court of competent jurisdiction for the appointment of a Successor Trustee. Upon our resignation we will provide the successor trustee with all conveyances, transfers and further assurances that may be required to give effect to the appointment of the successor trustee.
- 27 **Governing Law:** The terms of the TFSA will be construed, administered and enforced according to the laws of the Province of British Columbia and the federal laws of Canada applicable in British Columbia.
- 28 **Binding:** The terms of this Declaration of Trust will be binding on your heirs, executors, administrators or legal representatives and permitted assigns and our successors and assigns.

INDIVIDUAL EDUCATION SAVINGS PLAN TERMS AND CONDITIONS

The application (the "Application") and these terms and conditions constitute a contract for the establishment of a Worldsource Financial Management Inc. Individual Education Savings Plan (the "Plan") between Worldsource Financial Management Inc. (the "Promoter") and

the Subscriber(s) named in the Application as of the date of the Application (the "Contract") under which the Promoter will pay educational assistance payments to further the beneficiary's post-secondary education. The parties agree as follows:

1. **Definitions:** For the purposes of this Contract, the following terms shall have the following meanings:
 - a. **"Accumulated Income Payment(s)"** means any amount paid out of this Plan, other than a payment described in any of paragraphs (a) and (c) to (e) of the definition of trust in subsection 146.1(1) of the Tax Act, to the extent that the amount so paid exceeds the fair market value of any consideration given to the Plan for the payment of the amount;
 - b. **"Applicable Legislation"** means all provincial and federal legislation governing the Plan, the Plan Assets and the parties hereto including, without limitation, the *Income Tax Act* (Canada) (the "Tax Act"), the Department of Human Resources Development Act (Canada), the Canada Education Savings Act (Canada) (the "CES Act"), and securities legislation. Any reference to Applicable Legislation shall be deemed to include all such statutes and any regulations, policies, rules, orders or other provisions thereunder, all as may be amended, re-enacted or replaced from time to time;
 - c. **"Beneficiary"** means the individual designated in the Application by the Subscriber(s) to whom, or on whose behalf, Educational Assistance Payments are agreed to be paid, provided such individual qualifies under the Applicable Legislation and the Plan at the time such payments are made;
 - d. **"Canada Learning Bond"** means a Canada Learning Bond as described in the CES Act;
 - e. **"Capital Investments"** at any time means an amount net of the amount of Government Funded Benefit refunds as provided in section 7, not exceeding the lesser of:
 - i. the value of the Plan Assets at that particular time; and
 - ii. the aggregate of all Contributions made to the Plan up to that time eligible for refund at that time under the Applicable Legislation;
 - f. **"CES Grant"** means a Canada Education Savings Grant as described in the CES Act;
 - g. **"Contribution(s)"** means any amount contributed to the Plan by or on behalf of each Subscriber in respect of the Beneficiary from time to time or by way of a lump sum payment, other than Government Funded Benefits, and subject to the RESP Lifetime Limit, and in such minimum amounts permitted by the Promoter. Contribution(s) also include direct transfers from another education savings plan that has not made any Accumulated Income Payments prior to such transfers and subject to such other conditions imposed in accordance with the Applicable Legislation and the Plan. For greater certainty, an amount may be contributed by payment of cash into the Plan as well as by way of transfer of securities acceptable to the Promoter, in its sole discretion, provided that the registered ownership of such securities has been changed to reflect ownership by the Plan;
 - h. **"Designated Provincial Program"** means a program administered pursuant to an agreement entered into under section 12 of the CES Act or a program established under the laws of a province to encourage the financing of children's post-secondary education through savings in education savings plans;
 - i. **"Educational Assistance Payment(s)"** means any amount, other than a Refund of Contributions, paid under this Plan in accordance with the Applicable Legislation, to or for the Beneficiary, to assist the Beneficiary to further the Beneficiary's education at a post-secondary school level;
 - j. **"ESDC"** shall mean the Department of Employment and Social Development Canada;
 - k. **"Government Funded Benefits"** means collectively CES Grants, Canada Learning Bonds, and any other payments made to the Plan under the CES Act or under a Designated Provincial Program or any other program that has a similar purpose to a Designated Provincial Program and that is funded, directly or indirectly, by a province (other than an amount paid into the plan by a Public Primary Caregiver in its capacity as Subscriber under the plan);
 - l. **"Minister"** means the Minister designated for the purpose of the CES Act;
 - m. **"Plan Assets"** means all Contributions and Government Funded Benefits paid to the Plan in respect thereof, together with the income and gains derived from the investments and reinvestments thereof, less any losses of any investment or reinvestment, less any fees and administration expenses of the Promoter and the Trustee paid out of the Plan, and less any Government Funded Benefit refunds required by the Applicable Legislation. For greater certainty, Plan Assets includes all investments held from time to time by or on behalf of the Trustee in accordance with the Plan as well as amounts transferred pursuant to the Applicable Legislation from other registered education savings plans, if any;
 - n. **"Post-Secondary Educational Institution"** has the meaning ascribed to such term in subsection 146.1(1) of the Tax Act which defines a postsecondary educational institution as:
 - i. an educational institution in Canada that is a university, college or educational institution designated by the lieutenant governor in council of a province as a specified educational institution under the Canada Student Loans Act, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, or designated by the Minister of Education of the Province of Québec for the purposes of *An Act respecting financial assistance for education expenses*; or
 - ii. an educational institution in Canada that is certified by the Minister of Human Resources and Skills Development to be an educational institution providing courses, other than courses designed for university credit, that furnish a person with skills for, or improve a person's skills in, an occupation; or

- iii. an educational institution outside Canada that provides courses at a post-secondary school level and that is
 - A. a university, college or other educational institution at which a beneficiary was enrolled in a course of not less than 13 consecutive weeks; or
 - B. a university at which a beneficiary was enrolled on a full-time basis in a course of not less than three consecutive weeks;
- o. **"Public Primary Caregiver"** has the meaning ascribed to such term in subsection 21(6) of the CES Act, which defines a public primary caregiver of a beneficiary under an education savings plan in respect of whom a special allowance is payable under the *Children's Special Allowances Act*, as the department, agency or institution that maintains the beneficiary, or the public trustee or public curator of the province in which the beneficiary resides;
- p. **"Qualifying Educational Program"** has the meaning ascribed to such term in subsection 146.1(1) of the Tax Act which defines a qualifying educational program as a program at a post-secondary school level of not less than three consecutive weeks duration that requires that each student taking the program spend not less than ten hours per week on courses or work in the program.
- q. **"Refund of Contributions"** at any time means:
 - i. a refund of a Contribution that had been made at a previous time, if the Contribution was made:
 - A. otherwise than by way of a transfer from another registered education savings plan; and
 - B. into the Plan by or on behalf of a Subscriber under this Plan,
 - ii. a refund of an amount that was paid at a previous time into the Plan by way of a transfer from another registered education savings plan, where the amount would have been a refund of contributions under the other plan if it had been paid at the previous time directly to a subscriber under the other plan;
- r. **"RESP Lifetime Limit"** means the lifetime limit for Contributions to all registered education savings plans in respect of a person designated as a beneficiary under such plans pursuant to subsection 204.9(1) of the Tax Act;
- s. **"Specified Educational Program"** has the meaning ascribed to such term in subsection 146.1(1) of the Tax Act which defines a specified educational program as a program at a post-secondary level of not less than three consecutive weeks duration that requires each student taking the program to spend not less than 12 hours per month on courses in the program;
- t. **"Specified Plan"** refers to a Plan for a disabled person and means a specified plan as defined in subsection 146.1(1) of the Tax Act;
- u. **"Subscriber(s)"** means at any time either an individual (other than a trust) or an individual (other than a trust) and the spouse or common-law partner of such individual who is/are named as such in the Application, or the Public Primary Caregiver of a Beneficiary, and in particular:
 - i. each individual or Public Primary Caregiver with whom the Promoter entered into the Plan;
 - ii. another individual or another Public Primary Caregiver who, before that time, under a written agreement, acquired a Public Primary Caregiver's rights as a Subscriber under the Plan;
 - iii. an individual who, before that time acquired a Subscriber's rights under the Plan pursuant to a decree, order or judgment of a competent tribunal, or under a written agreement, relating to a division of property between the individual and a Subscriber under the Plan in settlement of rights arising out of, or on the breakdown of, their marriage or common-law partnership; or
 - iv. after the death of a Subscriber under the Plan who is an individual described in (i) or (iii), any other person (including the estate of the deceased individual) who acquires the individual's rights as a Subscriber under the Plan or who makes Contributions into the Plan in respect of the Beneficiary;

but does not include an individual or Public Primary Caregiver whose rights as a Subscriber under the Plan had, before that time, been acquired by an individual or Public Primary Caregiver in the circumstances described in paragraph (ii) or (iii) above; and
- v. **"Trustee"** means Canadian Western Trust Company or such other corporation, resident in Canada and licensed or otherwise authorized under the laws of Canada or of a province to carry on in Canada the business of offering to the public its services as a trustee, pursuant to paragraph 146.1(2)(a) of the Tax Act, which has been appointed by the Promoter to irrevocably hold the Plan Assets for the purpose(s) set forth in subsection 2(b).

2. Purposes of the Plan:

- a. The Plan is offered by the Promoter to provide Educational Assistance Payments to the Beneficiary and to enable the Beneficiary to benefit from the Government Funded Benefits. The Plan does not allow for the payment to the Beneficiary unless the Beneficiary meets the prerequisites as set forth in paragraph 146.1(2)(g.1) of the Tax Act and otherwise in the Applicable Legislation. Contributions are not deductible by the Subscriber from income for tax purposes and are not taxable when returned to the Subscriber (or as the Subscriber may direct pursuant to subsection 7(b)). Provided that the Plan qualifies as a registered education savings plan under the Applicable Legislation, net income and net realized capital gains (including capital appreciation) earned on investments of Contributions and Government Funded Benefits will not be included

in computing the Subscriber's income. Educational Assistance Payments made, and Government Funded Benefits paid, to or on behalf of the Beneficiary are included in computing the Beneficiary's income. However, where a Subscriber directs, pursuant to subsection 7(b) that part or all of the Contributions be paid to the Beneficiary, such payments are not included in computing the income of the Beneficiary.

- b. In consideration of receipt by the Promoter of Contributions and the fees and charges set out in section 17, and subject to repayment of Government Funded Benefits as required by the Applicable Legislation, the Promoter agrees to pay, or cause to be paid, the Educational Assistance Payments and to arrange for the Plan Assets to be irrevocably held in trust by the Trustee pursuant to the Plan for one or more of the purposes set out in paragraphs 9(a)(i) to (vi).

3. Registration of the Plan:

The Promoter shall apply for registration of the Plan as a registered education savings plan under the Tax Act in prescribed form and containing prescribed information, and shall apply for registration of the Plan as a registered education savings plan under any other appropriate Applicable Legislation in the province in which each Subscriber resides. The Promoter shall provide each Subscriber with notification of such registration. Each Subscriber acknowledges that for the purposes of such registration the Promoter is relying on the correctness and completeness of all information provided in the Application signed by the Subscriber(s). The Promoter will also attend to the timely application for Government Funded Benefits on behalf of each Subscriber who has instructed the Promoter to apply for Government Funded Benefits on the application form referred to in subsection 5(c) and who has provided the Promoter with the requisite social insurance numbers and undertakings. The social insurance numbers obtained for a purpose related to an application for Government Funded Benefits will not be knowingly used, communicated or allowed to be communicated for any other purpose.

4. Social Insurance Number:

- a. Subparagraph 146.1(2)(g.3)(i) of the Tax Act permits an individual to be designated as a Beneficiary only if the individual's Social Insurance Number is provided to the promoter before the designation is made and the individual is resident in Canada when the designation is made, or the designation is made in conjunction with a transfer of property into the plan from another registered education savings plan under which the individual was a Beneficiary immediately before the transfer.
- b. Subparagraph 146.1(2)(g.3)(ii) of the Tax Act permits a Contribution to the Plan in respect of an individual who is a Beneficiary only if the individual's Social Insurance Number is provided to the Promoter before the Contribution is made and the individual is resident in Canada, or where the Contribution is made by way of a transfer from another registered education savings plan under which the individual was a Beneficiary immediately before the transfer.
- c. Paragraph 146.1(2.3)(a) of the Tax Act does not require an individual's Social Insurance Number to be provided in respect of a Contribution to the Plan, if the Plan was entered into before 1999. Such Contributions continue to be ineligible for Government Funded Benefits, and the Social Insurance Number exception is relevant only for an existing Beneficiary under such plans.
- d. Paragraph 146.1(2.3)(b) of the Tax Act does not require an individual's Social Insurance Number to be provided in respect of a designation of a non-resident individual as a Beneficiary under the plan, if the individual was not assigned a Social Insurance Number before the designation is made.

5. Contributions:

- a. Each Subscriber may make Contributions in respect of the Beneficiary in such amounts and at such times as the Subscriber designates, subject to:
 - i. any minimum amounts established by the Promoter from time to time by written notice to each Subscriber;
 - ii. the RESP Lifetime Limit;
 - iii. no Contribution being made to the Plan by or on behalf of a Subscriber after the 31st calendar year (35th calendar year in the case of a Specified Plan) following the calendar year in which the Plan is entered into; and
 - iv. such other restrictions as may be set out in the Applicable Legislation from time to time.

Each Subscriber agrees that he/she is responsible for ensuring that the total of all Contributions made in respect of the Beneficiary, other than Contributions made to the Plan by way of transfer from other registered education savings plans, will not exceed the RESP Lifetime Limit imposed by the Applicable Legislation from time to time. Each Subscriber acknowledges that any failure to abide by the RESP Lifetime Limit will give rise to penalties and/or taxes as provided in the Applicable Legislation, and each Subscriber agrees he/she is solely responsible for the payment of such penalties and/or taxes and for the completion of all resulting required tax reporting.

- b. In the case of Contributions in kind, the value of such Contributions will be an amount equal to the fair market value of such Contributions at the time of payment into the Plan. Where such fair market value is not readily determinable, in the opinion of either the Trustee or the Promoter, a Subscriber shall provide written evidence satisfactory to the Trustee or the Promoter, as applicable, establishing such fair market value and the Contribution shall only be accepted by the Promoter once such satisfactory evidence of fair market value has been so provided and the registered ownership of such property has been changed to reflect ownership by the Plan.
- c. In the event a Subscriber wishes to apply for Government Funded Benefits, the Subscriber shall make such application in a form and manner acceptable to the Minister and to the Promoter, which form the Promoter shall provide to the Subscriber(s) prior

to, or immediately upon, completion of the Application. The Promoter shall ensure that the Government Funded Benefits paid to the Plan are administered, invested, and paid out of the Plan strictly in accordance with the terms of this Contract, the Applicable Legislation, and the agreements referred to in section 25.

- d. Each Subscriber undertakes to inform the Promoter of any change in circumstances of the Beneficiary (including any change of the Beneficiary or in the residency status of the Beneficiary) upon the Subscriber making a Contribution or a request for an Educational Assistance Payment to be made to or on behalf of the Beneficiary.

6. Refund of Contributions:

Upon written notice in the form required by the Promoter and subject to such reasonable requirements as the Promoter may impose and to the Applicable Legislation which requires the Promoter to repay Government Funded Benefits in certain circumstances, each Subscriber shall be entitled to:

- a. at any time, from time to time, receive a Refund of Contributions in an amount not exceeding the Capital Investments (less all applicable fees and charges); or
- b. direct, in the manner prescribed by the Promoter, that all or any part of the Refund of Contributions in an amount not exceeding the Capital Investments (less all applicable fees and charges) be paid to the Beneficiary. The Promoter will identify to the Canada Revenue Agency the payments to the Beneficiary that are attributable to such Refunds of Contributions.

Where the Plan has two Subscribers, the written instructions must be signed by both Subscribers. When a Refund of Contributions is made, a corresponding refund of Government Funded Benefits will also be made pursuant to section 7. Each Subscriber acknowledges that such Refunds of Contributions may result in restrictions on future Government Funded Benefits in respect of the Beneficiary under the Plan.

7. Refund of Government Funded Benefits:

Refunds of Government Funded Benefits will be made when and as required by the Applicable Legislation, including on:

- a. a withdrawal of Contributions for non-educational purposes;
- b. a payment pursuant to paragraphs 9(a)(iii) or (v);
- c. certain transfers from the Plan to another registered education savings plan;
- d. revocation of the Plan's registration;
- e. termination of the Plan; and
- f. certain replacements of the Beneficiary.

Refunds of Government Funded Benefits will also be made when any Government Funded Benefits were paid into the Plan in error.

8. Investments

- a. The Promoter shall ensure that the Plan Assets are held, invested, and reinvested strictly in accordance with the instructions of the Subscriber received by the Promoter from time to time, industry standards, the terms and conditions of this Contract, and the Applicable Legislation. When the Plan has two Subscribers, the Promoter may act upon the instructions received from either Subscriber. In the event that no direction is provided as to the immediate investment of any cash held as part of the Plan Assets, the Promoter shall, by the next business day following receipt thereof, place on deposit with the Trustee, all such cash, and the Trustee shall allow interest on such amounts on such terms and conditions as it may reasonably determine from time to time.
- b. Ownership of the Plan Assets shall, at all times, be vested solely in the Trustee in its capacity as trustee of the Plan and the Subscriber(s) shall have no interest in the Plan Assets other than as set forth herein. The Trustee (or its permitted agents) may exercise the rights and powers of an owner with respect to all securities held by it for the Plan, except that the right to vote and give proxies in respect thereof shall be exercised by the Subscriber(s). For this purpose the Subscriber(s) is hereby appointed as agent and attorney of the Trustee to execute and deliver proxies and/or other instruments mailed by the Trustee, or the Promoter on its behalf, to each Subscriber in accordance with the Applicable Legislation. Where the Plan has two Subscribers, the written instructions must be signed by both Subscribers.
- c. The Subscriber(s) shall be responsible for obtaining all necessary information concerning investments, including determining whether investments should be purchased, sold, or retained by the Promoter as part of the Plan and to ensure the eligibility and qualification of such investments as qualified investments for a registered education savings plan in accordance with the definition of "qualified investments" in subsection 146.1(1) of the Tax Act and under any other governing provisions of the Applicable Legislation, and that such investments do not give rise to penalties and/or taxes of any kind. Each Subscriber acknowledges that such investments may produce losses of any nature whatsoever for the Plan and any failure to comply with the Applicable Legislation will result in penalties and/or taxes and each Subscriber agrees that he/she is solely responsible for such losses and for the payment of such penalties and/or taxes and for any resulting tax reporting relating thereto, whether or not the Promoter has communicated to the Subscriber(s) any information the Promoter may have received, or any judgment the Promoter may have formed, with respect to the forgoing at any particular time. Each Subscriber acknowledges that any failure to comply with the Applicable Legislation may also result in revocation of the Plan by the Canada Revenue Agency.

9. Withdrawals

- a. Upon receipt of a written direction from the Subscriber (jointly in the case of two Subscribers), in such form as the Promoter shall prescribe and subject to such reasonable requirements as the Promoter may impose and to the Applicable Legislation, the Promoter shall permit withdrawals from the Plan (to the extent of the Plan Assets after deducting any fees and expenses of the Trustee and the Promoter or other amounts owing under section 17, any refunds of Government Funded Benefits as provided in section 7 and any withholding taxes under the Applicable Legislation):
- i. to make Educational Assistance Payments to or on behalf of the Beneficiary who is either:
 - A. enrolled as a student in a Qualifying Educational Program at a Post-Secondary Educational Institution; or
 - B. at least 16 years of age and enrolled as a student in a Specified Educational Program at a Post-Secondary Educational Institution; and either:
 - C. has satisfied the condition in subparagraph (A) above, and
 - I. has satisfied such condition throughout at least 13 consecutive weeks in the 12-month period that ends at the time of such payment; or
 - II. the total of the payment and all other educational assistance payments made under all registered education savings plans of the Promoter to or for the Beneficiary in the 12-month period before the payment does not exceed \$5,000 or such greater amount as the Minister approves in writing with respect to the Beneficiary; or
 - D. has satisfied the condition in subparagraph (B) above and the total of the payment and all other educational assistance payments made under all registered education savings plans of the Promoter to or for the Beneficiary in the 13-week period before the payment does not exceed \$2,500 or such greater amount as the Minister approves in writing with respect to the Beneficiary; provided that the Subscriber(s) confirms in writing, as part of this written direction, the residency of the Beneficiary.

At the Subscriber's request (jointly, in the case of two Subscribers) and upon receipt of the requisite supporting documentation, the Promoter will apply to the Minister for an approval to pay the Beneficiary an amount higher than provided in subparagraph 9(a)(i)(C) or (D). When an Educational Assistance Payment is made to the Beneficiary, the payment will include Government Funded Benefits in accordance with, and up to a maximum amount permitted by, the Applicable Legislation.

- ii. as a Refund of Contributions (pursuant to section 6);
- iii. to, or to a trust in favour of, a designated educational institution in Canada referred to in subparagraph 118.6(1)(a)(i) of the Tax Act, which is an educational institution in Canada that is a university, college or other educational institution designated by the Lieutenant Governor in Council of a province as a specified educational institution under the Canada Student Loans Act, designated by an appropriate authority under the Canada Student Financial Assistance Act, or designated by the Minister of Education of the Province of Québec for the purposes of An Act respecting financial assistance for education expenses;
- iv. for the repayment of Government Funded Benefits;
- v. to make Accumulated Income Payments if:
 - A. the payment is made to, or on behalf of, a Subscriber who is a resident in Canada when the payment is made;
 - B. the payment is not made jointly to, or on behalf of, more than one Subscriber; and
 - C. any of:
 - I. the payment is made after the 9th year that follows the year in which the Plan was entered into and each individual (other than a deceased individual) who is or was a Beneficiary under the Plan attained 21 years of age before the payment is made, and is not, when the payment is made, eligible under the Plan to receive an Educational Assistance Payment;
 - II. the payment is made in the 35th year (40th year in the case of a Specified Plan) following the year in which the Plan is entered into; or
 - III. each individual who was a beneficiary under the plan is deceased when the payment is made.

Where the Beneficiary suffers from a severe and prolonged mental impairment that prevents, or can reasonably be expected to prevent, the Beneficiary from enrolling in a Qualifying Educational Program at a Post-Secondary Educational Institution, at the Subscriber's request (jointly, in the case of two subscribers) and upon receipt of the requisite supporting documentation, the Promoter will apply to the Minister of National Revenue for approval to waive the requirements set out in clause 9(a)(v)(C)(I) hereof. The Plan shall terminate before March 1st of the year following the year in which the first Accumulated Income Payment was made out of the Plan; and

- vi. to a trust that irrevocably holds property transferred to it pursuant to a registered education savings plan for any of the purposes set out in subsection 2(b) and paragraphs 9(a)(i) to (vi) as permitted by the Applicable Legislation. The effective date of such a transfer from the Plan to a registered education savings plan shall be determined in accordance with section 10. For greater certainty, no payments will be made out of the Plan when the fair market value of the Plan Assets is less than the aggregate amount of all the Government Funded Benefits into the Plan less any Government

Funded Benefits paid out of the Plan, unless the payment is an Educational Assistance Payment made to or on behalf of the Beneficiary and the whole payment is attributable to Government Funded Benefits. The Promoter shall determine whether any condition precedent to the payment of an Educational Assistance Payment has been satisfied and such determination shall be final and binding on the Subscriber(s), the Beneficiary and to any and all other persons who may be eligible to receive moneys pursuant to the Plan.

- b. Each Subscriber acknowledges and understands that the Applicable Legislation requires the repayment by the Beneficiary of any Government Funded Benefits received by the Beneficiary in excess of the maximum amount prescribed by the Applicable Legislation. An individual who is a beneficiary under more than one registered education savings plan shall be solely responsible for ensuring that any Government Funded Benefit payments he or she received in excess of the maximum amount prescribed by the Applicable Legislation is repaid as required. The Promoter shall provide the Beneficiary with notice of this obligation.
- c. Notwithstanding paragraph (a)(i) above, an Educational Assistance Payment to or on behalf of the Beneficiary may be made at any time in the six-month period following the particular time at which the Beneficiary ceases to be so enrolled if the payment would have complied with the requirements of paragraph (a)(i) had the payment been made immediately before such particular time. Further, an Educational Assistance Payment made in accordance with this subsection (c) but not in accordance with paragraph (a)(i) will be deemed, for the purposes of applying paragraph (a)(i) at and after that time, to have been made before the particular time referred to in this subsection (c) above.
- d. This Plan may be treated as a Specified Plan, in which case a term of this Plan is that, at all times after the end of the 35th year after the Plan was entered into, no other individual may be designated as a beneficiary.

10. Transfers

The Subscriber may, at any time, request in writing (jointly in the case of two Subscribers) that the Trustee, or the Promoter on the Trustee's behalf, transfer monies (including Government Funded Benefits) into and out of the Plan from and to another registered education savings plan. Transfers will be made even if they result in repayments of Government Funded Benefits or restrictions on future Government Funded Benefits in respect of the Beneficiary under the Plan.

In accordance with subsection 146.1(6.1) of the Tax Act, any registered education savings plan receiving a transfer will be deemed to have been entered into on the day that is the earlier of the day on which the registered education savings plan receiving the transfer (the "Transferee Plan") was entered into, and the day on which the registered education savings plan from which the transfer was made (the "Transferor Plan") was entered into. In accordance with paragraph 146.1(2)(i.2) of the Tax Act, the Plan will not accept a transfer from a registered education savings plan after the registered education savings plan has made an Accumulated Income Payment. In accordance with subsection 204.9(5) of the Tax Act each Contribution made to a Transferor Plan, by or on behalf of a Subscriber prior to a transfer will be deemed to have been made by the Subscriber in respect of the Beneficiary under the Transferee Plan, and the amount of the transfer will be deemed to have been withdrawn from the Transferor Plan, unless one of the following conditions are met:

- a. the Beneficiary under the Transferee Plan was, immediately before the transfer, the Beneficiary under the Transferor Plan; or
- b. a parent of the Beneficiary under the Transferee Plan was a parent of an individual who was, immediately before the particular time, the Beneficiary under the Transferor Plan and
 - i. the Transferee Plan is a plan that allows more than one beneficiary under the plan at any one time, or
 - ii. in any other case, the Beneficiary under the Transferee Plan had not attained 21 years of age at the time the Transferee Plan was entered into;

If the conditions set out in either (a) or (b) above are not met, the transfer may cause an over contribution to the Transferor Plan. Each Subscriber under the Transferor Plan will be deemed to be a Subscriber under the Transferee Plan for the purposes of the over contribution tax payable as a result of a transfer, in accordance with subsections 204.9(5) and 204.91(1) of the Tax Act.

11. Tax Treatment of Accumulated Income Payments:

There shall be included in computing a Subscriber's income for a taxation year each Accumulated Income Payment received in the year. Each Subscriber further understands that if the person receiving the Accumulated Income Payment:

- a. is an original Subscriber; or
- b. has acquired the rights of a Subscriber pursuant to a decree or order of a competent tribunal, or under a written agreement, relating to a division of property between the individual and a Subscriber under the Plan for the settlement of rights as a result of marriage or common-law partnership breakdown;

all or part of such payment may be rolled over without payment of tax to a registered retirement savings plan ("RRSP") of a Subscriber or a spousal or common-law partner's RRSP of a Subscriber, as permitted by the Applicable Legislation subject to the Subscriber's available RRSP contribution room and the limits set out in section 204.94 of the Tax Act.

12. Beneficiary:

- a. Each Subscriber acknowledges and agrees that there can only be one person designated as the Beneficiary under the Plan at any time. A Subscriber may designate and revoke the designation of the Beneficiary and designate another person as the Beneficiary by written notice (jointly in the case of two Subscribers) in a form acceptable to the Promoter. If more than one

such instrument is delivered to the Promoter, the one bearing the latest execution date will govern. The Subscriber can be the Beneficiary of the Plan.

- b. The Promoter shall, within 90 days after an individual becomes the Beneficiary under the Plan, notify the individual (or, where the individual is under 19 years of age at that time and either ordinarily resides with a parent of the individual or is maintained by a Public Primary Caregiver of the individual, that parent or Public Primary Caregiver) in writing of the existence of the Plan, and the name and address of each Subscriber of the Plan.

13. Subscriber's Account and Statements:

In accordance with Applicable Legislation, the Promoter shall maintain separate trust accounts in trust for the Subscriber(s) (the "Accounts") which will record and reflect:

- a. Contributions to, and withdrawals from, the Plan and the date the Promoter received the Contributions, as well as whether such payments attracted payment or repayment of Government Funded Benefits;
- b. the particulars of any investment transactions made and any investments held by the Plan;
- c. the value of the Plan Assets;
- d. fees, costs and charges paid from the Plan Assets;
- e. all CES Grants, Canada Learning Bonds and other Government Funded Benefits paid into and out of the Plan, as well as the portion of Educational Assistance Payments paid to or on behalf of the Beneficiary that is attributable to CES Grants, Canada Learning Bonds and other Government Funded Benefits paid into the Plan;
- f. all transfers received into and/or paid out of the Plan;
- g. all investment income, gains and losses, earned or incurred by the Plan and all Accumulated Income Payments made to each Subscriber;
- h. all the amounts paid to or on behalf of the Beneficiary as an Educational Assistance Payment, and the date of payment;
- i. all amounts paid to, or in trust in favour of Designated Educational Institutions, or any other amounts paid to each Subscriber or at the Subscriber's direction pursuant to paragraphs 9(a)(ii) and (v), the date of payment and the recipient; and
- j. any other information the Trustee or the Promoter may decide or may be required to keep by the Applicable Legislation and the agreements between the Promoter and the Trustee, respectively, and the Minister or ESDC, from time to time.

The Promoter will issue to each Subscriber a transaction statement indicating any transaction made during the previous month and, at least annually, will provide a statement of the Accounts which shall provide the information set out above as at the date of the statement. This and any other information related to the Plan will be provided to, and be open to inspection or audits by, the Minister of National Revenue, the Minister, and ESDC, from time to time, as required by the Applicable Legislation and the agreements between the Trustee or the Promoter, respectively, and the Minister or ESDC, from time to time.

14. Appointment of Trustee:

The Promoter shall ensure that a corporation resident in Canada which is licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as trustee, pursuant to paragraph 146.1(2)(a) of the Tax Act, is appointed as Trustee of the Plan pursuant to Applicable Legislation, to act as trustee of the Plan Assets and irrevocably hold the Plan Assets for the purposes set forth in subsection 2(b). The Promoter shall be ultimately responsible for the Plan and the payment of the Educational Assistance Payments.

15. Delegation:

The ultimate responsibility for the Plan Assets shall rest with the Trustee. Without in any way detracting from the ultimate responsibility of the Trustee for the Plan Assets, the Trustee may, and each Subscriber expressly authorizes the Trustee to, delegate to the Promoter, its successors and assigns as the sole agent of the Trustee certain powers, authorities and duties in respect of the Plan Assets as the Trustee and the Promoter may determine from time to time. To the extent that the Trustee has delegated the performance of all or a portion of the activities of the trust regarding the Plan Assets to the Promoter, such delegation shall be deemed to be in the best interests of the trust, the Subscriber(s), and the Beneficiary. The Trustee shall notify the Minister or ESDC of the appointment of an agent in accordance with the terms of the agreement between the Trustee and the Minister or ESDC, as applicable. The Promoter may, and each Subscriber expressly authorizes the Promoter to, delegate certain Promoter responsibilities to an agent of the Promoter or third party.

16. Replacement of Trustee:

The Trustee may resign at any time as trustee upon ninety (90) days' prior written notice to the Promoter, or such other period of notice as the Promoter may accept or the Applicable Legislation may dictate. The Promoter may request the resignation of the Trustee by providing ninety (90) days' prior written notice to the Trustee, or such other period of notice as the Trustee may accept or the Applicable Legislation may dictate.

Upon issuing or receiving notice of removal or resignation of the Trustee, respectively, the Promoter shall within the notice period referred to herein appoint by instrument in writing a successor trustee (the "Successor Trustee") that is a corporation resident in Canada which is licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as a trustee, pursuant to paragraph 146.1(2)(a) of the Tax Act. In the event that the Promoter fails

to appoint a Successor Trustee within the applicable notice period, the Trustee may appoint a Successor Trustee that is a corporation resident in Canada which is licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as trustee, pursuant to paragraph 146.1(2)(a) of the Tax Act. The party appointing the Successor Trustee undertakes to require the Successor Trustee to enter into an agreement with the Minister or ESDC, as applicable, upon its appointment as Successor Trustee, or within a reasonable time thereafter.

The Trustee will notify the Canada Revenue Agency and the Minister or ESDC prior to its resignation or removal and prior to the appointment of a Successor Trustee in accordance with the terms of the agreement between the Trustee and the Minister or ESDC, as applicable. The Promoter will notify the Minister or ESDC prior to effecting the Trustee's removal hereunder in accordance with the terms of the agreement between the Promoter and the Minister or ESDC, as applicable.

Effective upon the resignation or removal of the Trustee in accordance with the foregoing terms, and subject to the Trustee's receipt of all fees and expenses then owing to the Trustee and the Trustee's receipt of such acknowledgments, assurances, and receipts as may be reasonable for the Trustee to request with respect to the transfer of the Plan Assets to the Successor Trustee, the Trustee shall execute and deliver to the Successor Trustee all conveyances, transfers, and further assurances as may be reasonable to give effect to the appointment of the Successor Trustee, and the Successor Trustee will thereupon agree to be bound by the terms hereof (in which case all references herein to "the Trustee" will include the Successor Trustee). However, the Trustee will not transfer any Government Funded Benefits in the Plan to the Successor Trustee until such time as the Successor Trustee has entered into an agreement with the Minister or ESDC, as applicable, and the Trustee has been reimbursed for any costs arising from the retention by the Trustee of the Government Funded Benefits in the Plan.

Notice of the replacement of the Trustee hereunder will be given by the Promoter to each Subscriber. In the event that a trust governed by the Plan is terminated and a new trust is established, the Plan Assets shall be used for one or more of the purposes set out in subsection 2(b).

Notwithstanding any other provision of this Agreement, any trust company resulting from the merger, amalgamation or continuation of the Trustee or succeeding to substantially all of the trusteeship business of the Trustee (whether by sale of such business or otherwise) shall thereupon automatically become the Successor Trustee hereunder without further act or formality.

17. Fees and Expenses:

- a. The Trustee and the Promoter shall be entitled to reasonable fees and other charges in such amounts as may be fixed by the Trustee and/or Promoter, as applicable, from time to time, provided that the Promoter shall give at least sixty (60) days' prior notice to each Subscriber of a change in the amount of such fees and charges. In addition, the Promoter shall be entitled to earn normal brokerage commissions on investment and reinvestment transactions processed by the Promoter.
- b. In addition to the foregoing, the Trustee and the Promoter shall also be entitled to reasonable fees for any exceptional services which either is required to perform hereunder, commensurate with the time and responsibility involved.
- c. All fees of the Trustee and the Promoter shall be either charged to the Accounts or if a Subscriber has so instructed the Promoter in writing, billed to the Subscriber directly. All out-of-pocket expenses reasonably incurred by the Trustee and the Promoter in the administration of the Plan and the Plan Assets (such as certificate fees, postage, delivery charges, etc.) and other disbursements and expenses (including all taxes and Government Funded Benefit refunds) shall be charged to the Accounts.
- d. Fees related to the Plan (such as investment counsel fees charged by the Trustee directly to a Subscriber) are not deductible to the Subscriber. Fees related to the Plan Assets (such as broker commissions and mutual fund service charges) are considered expenses of the Plan, and as such reduce the Plan Assets available under the Plan for Refund of Contributions, Educational Assistance Payments, Accumulated Income Payments, and payments to, or to a trust in favour of, a designated educational institution in Canada referred to in paragraph 118.6(1)(a) of the Tax Act.
- e. Notwithstanding anything contained herein, the Promoter is empowered to realize or cause to be realized from time to time, sufficient investments to permit it to pay any amounts which a Subscriber or the Plan is required to pay (including pursuant to a court order), or which is levied or assessed pursuant to the Applicable Legislation, or for payment of the fees and administration expenses of the Trustee and the Promoter. Any such sale shall be made at such price or prices as the Promoter may, in its sole discretion, determine and the Promoter shall not be responsible for any loss occasioned thereby.

18. Limitation of Liability:

- a. The Trustee will exercise the care, diligence, and skill of a reasonably prudent person to minimize the possibility of a non-qualified investment being acquired or held by the Plan.
- b. Notwithstanding any other provisions hereof and unless caused by or resulting from the dishonesty, bad faith, willful misconduct, gross negligence or reckless disregard on the part of the Trustee or the Promoter, the Trustee and the Promoter, and their respective employees, officers, and directors shall have no liability hereunder in respect of:
 - i. any taxes or interest which may be imposed on the Plan under Applicable Tax Legislation (whether by way of assessment, reassessment or otherwise) or for any other charge levied or imposed by any governmental authority upon or in respect of the Plan, as a result of the purchase, sale or retention of any investment including, without limiting the generality of the foregoing, non-qualified investments, other than taxes and penalties imposed on the Trustee arising

from its personal liability, including without limitation, arising from its administrative error, under Applicable Tax Legislation;

- ii. any loss suffered or incurred by the Plan, by a Subscriber or by the Beneficiary of the Plan caused by or resulting from the Trustee acting or declining to act upon instruction given to it, whether by the Subscriber(s), the Beneficiary, a person designated by the Subscriber(s) or by the Beneficiary, or any person purporting to be a Subscriber or a Beneficiary, unless caused by the Trustee's dishonesty, bad faith, wilful misconduct, gross negligence or reckless disregard;
- iii. the receipt and time of receipt of any Government Funded Benefits;
- iv. any refunds of Government Funded Benefits that may be required by the Applicable Legislation;
- v. any costs which the Trustee or the Promoter incur in the performance of their duties hereunder or under the Applicable Legislation; or
- vi. any loss or damages or tax liability suffered or incurred by the Plan, by a Subscriber or by the Beneficiary under the Plan as a result of a breach of the agreement between the Trustee or the Promoter, respectively, and the Minister or ESDC, as applicable, or the Applicable Legislation or payments or distributions out of the Plan made in accordance with these terms and conditions.

In this regard, the Trustee and the Promoter may reimburse themselves for, or may pay, any such Government Funded Benefit refunds, taxes, or costs out of the capital or the income, or partly out of the capital and partly out of the income, of the Plan as the Trustee or the Promoter, in their absolute discretion, deem expedient.

- c. Each Subscriber acknowledges and agrees that all investments of the Plan Assets are held at the risk of the Subscriber(s), and that the Trustee and the Promoter shall not be responsible for any damages, loss or decrease in the value thereof. The Promoter may rely upon any statement or writing received from a Subscriber believed by the Promoter to be genuine and shall be under no duty to make any investigation or enquiry with respect thereto.
- d. The Subscriber(s), their legal personal representative, and the Beneficiary under the Plan will at all times, indemnify and save harmless the Trustee and the Promoter in respect of any Government Funded Benefit refunds, taxes, interest, penalties, or other governmental charges which may be levied or imposed on the Trustee in respect of the Plan or any losses incurred by the Plan (other than losses for which the Trustee is liable in accordance herewith) as a result of the acquisition, retention or transfer of any investment or as a result of payments out of the Plan made in accordance with these terms and conditions or as a result of the Trustee acting or declining to act upon any instructions given to it by a Subscriber or the Beneficiary.

The foregoing indemnification of the Trustee and the Promoter and the limitations of liability of the Trustee and the Promoter shall survive the termination of the Plan.

19. Amendment of the Plan:

Upon at least thirty (30) days' written notice to each Subscriber, with the written consent of the Trustee and in accordance with Applicable Legislation, the Promoter may from time to time amend the Plan with the concurrence of relevant taxation and other regulatory authorities having jurisdiction over the Plan, provided that such amendment does not have the effect of disqualifying the Plan for acceptance as a registered education savings plan within the meaning of the Applicable Legislation or disqualifying the Beneficiary as recipient of Government Funded Benefits according to the Applicable Legislation. However, if the Plan must be amended to ensure the Plan continues to comply with the Applicable Legislation as amended from time to time, the Promoter is not required to give the Subscriber(s) prior notice of such amendments to the Plan and such amendments will be effective immediately after they have been made.

20. Assignment by the Promoter:

The Promoter may assign its rights and obligations hereunder to any other entity resident in Canada to carry out the duties and obligations of the Promoter under the Plan provided that the assignee agrees to enter and enters into an agreement with the Minister or ESDC, as applicable (in which case all references herein to "the Promoter" will include the assignee), and, prior to effecting the assignment, the Promoter notifies the Minister or ESDC in accordance with the terms of the agreement between the Promoter and the Minister or ESDC, as applicable, and the Promoter advises the Canada Revenue Agency of the assignment of the Promoter's rights and obligations to another entity. Notice of this assignment will be given by the Promoter to each Subscriber. However, the Promoter shall remain ultimately responsible for the administration of the Plan and paying, or causing to be paid, the Education Assistance Payments. The Promoter shall continue to perform such administrative services in respect of the Plan as are required hereunder and as it determines necessary from time to time.

21. Successors:

Subject to any provision herein to the contrary, the Plan shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, administrators, and personal representatives. For greater certainty and subject to the provisions of the Applicable Legislation, the entity resulting from an amalgamation, merger or reorganization of the Promoter shall become the Promoter hereunder. Notwithstanding the aforementioned, prior to the effective date of any amalgamation, merger or reorganization, as the case may be, the Promoter shall notify the Canada Revenue Agency and make any amendments to the Plan that may be required by the Canada Revenue Agency as a result of the amalgamation, merger or reorganization of the Promoter.

22. Notices:



Any notice, statement or receipt given by the Trustee or the Promoter to a Subscriber or the Beneficiary shall be considered sufficient if delivered personally or mailed postage prepaid and addressed to the Subscriber or the Beneficiary at the address shown on the Application or to such other address as the Subscriber or the Beneficiary may designate in writing to the Promoter from time to time, for such purpose, and shall be deemed to have been received at the time of personal delivery to the Subscriber or the Beneficiary, as the case may be, or three (3) business days after mailing. Any notice given by a Subscriber to the Trustee or the Promoter shall be considered sufficient if delivered personally or mailed postage prepaid to the Trustee or the Promoter, respectively, at its office in Vancouver or Toronto, respectively, and shall be deemed to have been received by the Trustee or the Promoter, respectively, when actually received by it. In addition to other notices required hereunder, the Promoter shall notify each Subscriber forthwith upon receipt by the Promoter of any assignment or notice of involuntary assignment, seizure, garnishment or any process of law or execution or notice in respect of any of the Plan Assets.

23. Termination Date:

The Subscriber(s) shall designate in the Application the termination date of the Plan (the "Termination Date"), which shall not be later than the last day of the thirty-fifth (35th) year following the year in which the Plan is entered into. The Plan may be terminated at such earlier date as agreed upon in writing by the Subscriber(s) and the Promoter and shall terminate on an earlier date as prescribed by the Applicable Legislation from time to time. The Promoter shall provide each Subscriber with notice of the not less than three (3) months prior to the Termination Date, except when the Termination Date of the Plan has been changed by the Subscriber(s) to a date that is less than six (6) months from the time the designation notice is received by the Promoter. At the Termination Date, subject to Applicable Legislation and the terms of any direction from the Subscriber (jointly, in the case of two Subscribers) given to the Promoter prior to the Termination Date pursuant to section 10 hereof, the Promoter shall pay to, or to a trust in favour of, the educational institution designated by the Subscriber(s) an amount equal to the Plan Assets less any Contributions remaining in the Plan, less any unpaid taxes, penalties or other charges imposed under the Applicable Legislation, less any Government Funded Benefits, and less any unpaid fees, charges and/or expenses of the Trustee or the Promoter hereunder (the "Designated Educational Institution Payment Amount"). The Promoter shall liquidate any Contributions remaining in the Plan and place the proceeds on deposit with the Trustee in the name of the Subscriber (or, where the Plan has two Subscribers, in the name of both Subscribers jointly) and the Trustee shall allow interest on such amount on such terms and conditions as it may reasonably determine from time to time, until it receives such direction. The Trustee shall be entitled to collect fees for the administration of the deposit account directly from the account. If no educational institution was designated by the Subscriber(s), the Trustee, in its sole discretion, shall designate the educational institution and the Promoter shall pay the Designated Educational Institution Payment Amount to, or to a trust in favour of, such designated educational institution.

24. Valuation:

The Promoter will determine the value of the Plan Assets from time to time in accordance with applicable industry practices and such valuation shall be conclusive for all purposes hereof. The Subscriber(s), where required or requested, will provide the Promoter with such information as it may require in order to value assets being acquired or held by the Plan.

25. Promoter and Trustee Agreements:

The Trustee and the Promoter may, and each Subscriber expressly authorizes the Promoter and the Trustee, respectively, to enter into, amend, extend, and terminate an agreement between the Trustee and the Promoter, respectively, and the Minister and ESDC, as applicable, in order to provide each Subscriber with access to the Government Funded Benefits pursuant to the Applicable Legislation.

26. Information Slips:

The Promoter will provide each Subscriber, the Beneficiary, and other applicable persons with such information regarding amounts paid to or from the Plan and other transactions of the Plan as is required to be provided under the Applicable Legislation to enable such persons to complete their respective income tax returns. The Promoter will also file with the Minister of National Revenue any returns required by the Applicable Legislation such as an information return regarding the investments of the Plan.

27. Proof of Information:

Each Subscriber certifies that the information provided to the Promoter in respect of the Plan is correct and undertakes to provide the Promoter with further proof of any information relating to the Plan as may be required.

28. Governing Law:

The Plan shall be governed, construed, and administered in accordance with the laws of the Province of Ontario and of the federal laws of Canada applicable therein. If a conflict arises between the provisions of the laws of Ontario and those of the Tax Act, the provisions of the Tax Act shall govern.

29. Access to File (for use in Québec only):

The Subscriber(s) understands that the information contained in the Application shall be maintained in a file at the Promoter's place of business. The object of this file is to enable the Trustee, the Promoter, and their respective agents or representatives to access the Application, answer any questions a Subscriber or the Beneficiary may have regarding the Application and the file in general, manage the account, and follow any instructions received by a Subscriber on an ongoing basis. Subject to the Applicable Legislation,



the personal information contained in this file may be used by the Trustee or the Promoter to make any decision relevant to the object of the file and only the Trustee's or the Promoter's employees, agents, representatives, and any other persons required for the execution of the Trustee's or the Promoter's duties and obligations or any other persons expressly authorized in writing by the Subscriber(s) may have access to the file. Furthermore, each Subscriber understands that his/her file will be kept at the Promoter's place of business and that the Subscriber(s) and the Beneficiary are entitled to consult their file at the same address and, when applicable, to have it corrected.

FAMILY EDUCATION SAVINGS PLAN TERMS AND CONDITIONS

The application attached (the "**Application**") and these terms and conditions constitute a contract for the establishment of a Worldsource Financial Management Inc. Family Education Savings Plan (the "**Plan**") between Worldsource Financial Management Inc. (the "**Promoter**") and the Subscriber(s) named in the Application as of the date of the Application (the "**Contract**") under which the Promoter will pay educational assistance payments to further the beneficiary's post-secondary education. The parties agree as follows:

1. **Definitions:** For the purposes of this Contract, the following terms shall have the following meanings:
 - a. "**Accumulated Income Payment(s)**" means any amount paid out of this Plan, other than a payment described in any of paragraphs (a) and (c) to (e) of the definition of trust in subsection 146.1(1) of the Tax Act, to the extent that the amount so paid exceeds the fair market value of any consideration given to the Plan for the payment of the amount;
 - b. "**Applicable Legislation**" means all provincial and federal legislation governing the Plan, the Plan Assets and the parties hereto including, without limitation, the Income Tax Act (Canada) (the "Tax Act"), the Department of Human Resources Development Act (Canada), the Canada Education Savings Act (Canada) (the "CES Act"), and securities legislation. Any reference to Applicable Legislation shall be deemed to include all such statutes and any regulations, policies, rules, orders or other provisions thereunder, all as may be amended, re-enacted or replaced from time to time;
 - c. "**Beneficiary(ies)**" means the individual or individuals designated in the Application by the Subscriber(s) to whom, or on whose behalf, Educational Assistance Payments are agreed to be paid, provided such individual qualifies under the Applicable Legislation and the Plan at the time such payments are made;
 - d. "**Canada Learning Bond**" means a Canada Learning Bond as described in the CES Act;
 - e. "**Capital Investments**" at any time means an amount net of the amount of Government Funded Benefit refunds as provided in section 7, not exceeding the lesser of:
 - i. the value of the Plan Assets at that particular time; and
 - ii. the aggregate of all Contributions made to the Plan up to that time eligible for refund at that time under the Applicable Legislation;
 - f. "**CES Grant**" means a Canada Education Savings Grant as described in the CES Act;
 - g. "**Contribution(s)**" means any amount contributed to the Plan by or on behalf of each Subscriber in respect of the Beneficiary(ies) from time to time or by way of a lump sum payment, other than Government Funded Benefits, and subject to the RESP Lifetime Limit, and in such minimum amounts permitted by the Promoter. Contribution(s) also include direct transfers from another education savings plan that has not made any Accumulated Income Payments prior to such transfers and subject to such other conditions imposed in accordance with the Applicable Legislation and the Plan. For greater certainty, an amount may be contributed by payment of cash into the Plan as well as by way of transfer of securities acceptable to the Promoter, in its sole discretion, provided that the registered ownership of such securities has been changed to reflect ownership by the Plan;
 - h. "**Designated Provincial Program**" means a program administered pursuant to an agreement entered into under section 12 of the CES Act or a program established under the laws of a province to encourage the financing of children's post-secondary education through savings in education savings plans;
 - i. "**Educational Assistance Payment(s)**" means any amount, other than a Refund of Contributions, paid under this Plan in accordance with the Applicable Legislation, to or for a Beneficiary, to assist the Beneficiary to further the Beneficiary's education at a post-secondary school level;
 - j. "**ESDC**" shall mean the Department of Employment and Social Development Canada;
 - k. "**Government Funded Benefits**" means collectively CES Grants, Canada Learning Bonds, and any other payments made to the Plan under the CES Act or under a Designated Provincial Program or any other program that has a similar purpose to a Designated Provincial Program and that is funded, directly or indirectly, by a province (other than an amount paid into the Plan by a Public Primary Caregiver in its capacity as Subscriber under the Plan);
 - l. "**Minister**" means the Minister designated for the purpose of the CES Act;
 - m. "**Plan Assets**" means all Contributions and Government Funded Benefits paid to the Plan in respect thereof, together with the income and gains derived from the investments and reinvestments thereof, less any losses of any investment or reinvestment, less any fees and administration expenses of the Trustee and the Promoter paid out of the Plan, and less any Government Funded Benefit refunds required by the Applicable Legislation. For greater certainty, Plan Assets includes all investments held from time to time by or on behalf of the Trustee in accordance with the Plan as well as amounts transferred pursuant to the Applicable Legislation from other registered education savings plans, if any;

- n. **"Post-Secondary Educational Institution"** has the meaning ascribed to such term in subsection 146.1(1) of the Tax Act which defines a postsecondary educational institution as:
- i. an educational institution in Canada that is a university, college or educational institution designated by the lieutenant governor in council of a province as a specified educational institution under the Canada Student Loans Act, designated by an appropriate authority under the Canada Student Financial Assistance Act, or designated by the Minister of Education of the Province of Québec for the purposes of An Act respecting financial assistance for education expenses; or
 - ii. an educational institution in Canada that is certified by the Minister of Employment and Social Development to be an educational institution providing courses, other than courses designed for university credit, that furnish a person with skills for, or improve a person's skills in, an occupation; or
 - iii. an educational institution outside Canada that provides courses at a post-secondary school level and that is
 - A. a university, college or other educational institution at which a beneficiary was enrolled in a course of not less than 13 consecutive weeks; or
 - B. a university at which a beneficiary was enrolled on a full-time basis in a course of not less than three consecutive weeks;
- o. **"Public Primary Caregiver"** has the meaning ascribed to such term in subsection 21(6) of the CES Act, which defines a public primary caregiver of a beneficiary under an education savings plan in respect of whom a special allowance is payable under the Children's Special Allowances Act, as the department, agency or institution that maintains the beneficiary, or the public trustee or public curator of the province in which the beneficiary resides;
- p. **"Qualifying Educational Program"** has the meaning ascribed to such term in subsection 146.1(1) of the Tax Act which defines a qualifying educational program as a program at a post-secondary school level of not less than three consecutive weeks duration that requires that each student taking the program spend not less than ten hours per week on courses or work in the program.
- q. **"Refund of Contributions"** at any time means:
- i. a refund of a Contribution that had been made at a previous time, if the Contribution was made
 - A. a refund of a Contribution that had been made at a previous time, if the Contribution was made
 - B. into the Plan by or on behalf of a Subscriber under this Plan, or
 - ii. a refund of an amount that was paid at a previous time into the Plan by way of a transfer from another registered education savings plan, where the amount would have been a refund of contributions under the other plan if it had been paid at the previous time directly to a subscriber under the other plan;
- r. **"RESP Lifetime Limit"** means the lifetime limit for Contributions to all registered education savings plans in respect of a person designated as a beneficiary under such plans pursuant to subsection 204.9(1) of the Tax Act;
- s. **"Specified Educational Program"** has the meaning ascribed to such term in subsection 146.1(1) of the Tax Act which defines a specified educational program as a program at a post-secondary level of not less than three consecutive weeks duration that requires each student taking the program to spend not less than 12 hours per month on courses in the program;
- t. **"Subscriber(s)"** means at any time either an individual (other than a trust) or an individual (other than a trust) and the spouse or common-law partner of such individual who is/are named as such in the Application, or the Public Primary Caregiver of a Beneficiary, and in particular:
- i. each individual or Public Primary Caregiver with whom the Promoter entered into the Plan;
 - ii. another individual or another Public Primary Caregiver who, before that time, under a written agreement, acquired a Public Primary Caregiver's rights as a Subscriber under the Plan;
 - iii. an individual who, before that time acquired a Subscriber's rights under the Plan pursuant to a decree, order or judgment of a competent tribunal, or under a written agreement, relating to a division of property between the individual and a Subscriber under the Plan in settlement of rights arising out of, or on the breakdown of, their marriage or common-law partnership; or
 - iv. after the death of a Subscriber under the Plan who is an individual described in (i) or (iii), any other person (including the estate of the deceased individual) who acquires the individual's rights as a Subscriber under the Plan or who makes Contributions into the Plan in respect of a Beneficiary;
- but does not include an individual or Public Primary Caregiver whose rights as a Subscriber under the Plan had, before that time, been acquired by an individual or Public Primary Caregiver in the circumstances described in paragraph (ii) or (iii) above; and
- u. **"Trustee"** means Canadian Western Trust Company or such other corporation, resident in Canada and licensed or otherwise authorized under the laws of Canada or of a province to carry on in Canada the business of offering to the public its services as a trustee, pursuant to paragraph 146.1(2)(a) of the Tax Act, which has been appointed by the Promoter to irrevocably hold the Plan Assets for the purpose(s) set forth in subsection 2(b).

2. Purposes of the Plan:

- a. The Plan is offered by the Promoter to provide Educational Assistance Payments to the Beneficiary(ies) and to enable the Beneficiaries to benefit from the Government Funded Benefits. The Plan does not allow for the payment to a Beneficiary unless the Beneficiary meets the prerequisites as set forth in paragraph 146.1(2)(g.1) of the Tax Act and otherwise in the Applicable Legislation. Contributions are not deductible by the Subscriber from income for tax purposes and are not taxable when returned to the Subscriber (or as the Subscriber may direct pursuant to subsection 7(b)). Provided that the Plan qualifies as a registered education savings plan under the Applicable Legislation, net income and net realized capital gains (including capital appreciation) earned on investments of Contributions and Government Funded Benefits will not be included in computing the Subscriber's income. Educational Assistance Payments made, and Government Funded Benefits paid, to or on behalf of a Beneficiary are included in computing the Beneficiary's income. However, where a Subscriber directs, pursuant to subsection 7(b) that part or all of the Contributions be paid to some or all of the Beneficiaries, such payments are not included in computing the income of such Beneficiary.
- b. In consideration of receipt by the Promoter of Contributions and the fees and charges set out in section 17, and subject to repayment of Government Funded Benefits as required by the Applicable Legislation, the Promoter agrees to pay, or cause to be paid, the Educational Assistance Payments and to arrange for the Plan Assets to be irrevocably held in trust by the Trustee pursuant to the Plan for one or more of the purposes set out in paragraphs 9(a)(i) to (vi).

3. Registration of the Plan:

The Promoter shall apply for registration of the Plan as a registered education savings plan under the Tax Act in prescribed form and containing prescribed information, and shall apply for registration of the Plan as a registered education savings plan under any other appropriate Applicable Legislation in the province in which each Subscriber resides. The Promoter shall provide each Subscriber with notification of such registration. Each Subscriber acknowledges that for the purposes of such registration the Promoter is relying on the correctness and completeness of all information provided in the Application signed by the Subscriber(s). The Promoter will also attend to the timely application for Government Funded Benefits on behalf of each Subscriber who has instructed the Promoter to apply for Government Funded Benefits on the application form referred to in subsection 5(c) and who has provided the Promoter with the requisite social insurance numbers and undertakings. The social insurance numbers obtained for a purpose related to an application for Government Funded Benefits will not be knowingly used, communicated or allowed to be communicated for any other purpose.

4. Social Insurance Number:

- a. Subparagraph 146.1(2)(g.3)(i) of the Tax Act permits an individual to be designated as a Beneficiary only if the individual's Social Insurance Number is provided to the Promoter before the designation is made and the individual is resident in Canada when the designation is made, or the designation is made in conjunction with a transfer of property into the Plan from another registered education savings plan under which the individual was a Beneficiary immediately before the transfer.
- b. Subparagraph 146.1(2)(g.3)(ii) of the Tax Act permits a Contribution to the Plan in respect of an individual who is a Beneficiary only if the individual's Social Insurance Number is provided to the Promoter before the Contribution is made and the individual is resident in Canada, or where the Contribution is made by way of a transfer from another registered education savings plan under which the individual was a Beneficiary immediately before the transfer.
- c. Paragraph 146.1(2.3)(a) of the Tax Act does not require an individual's Social Insurance Number to be provided in respect of a Contribution to the Plan, if the Plan was entered into before 1999. Such Contributions continue to be ineligible for Government Funded Benefits, and the Social Insurance Number exception is relevant only for existing Beneficiaries under such plans.
- d. Paragraph 146.1(2.3)(b) of the Tax Act does not require an individual's Social Insurance Number to be provided in respect of a designation of a non-resident individual as a Beneficiary under the Plan, if the individual was not assigned a Social Insurance Number before the designation is made.

5. Contributions:

- a. Each Subscriber may make Contributions in respect of the Beneficiary(ies) in such amounts and at such times as the Subscriber designates, subject to:
 - i. any minimum amounts established by the Promoter from time to time by written notice to each Subscriber;
 - ii. the RESP Lifetime Limit;
 - iii. no Contribution being made to the Plan by or on behalf of a Subscriber after the 31st calendar year following the calendar year in which the Plan is entered into; and
 - iv. such other restrictions as may be set out in the Applicable Legislation from time to time. No Contributions may be made to the Plan in respect of Beneficiaries who are thirty-one (31) years old or older, other than Contributions made by way of, or following a, transfer from another registered education savings plan that allows more than one beneficiary at any one time or otherwise in accordance with the Applicable Legislation.

Each Subscriber agrees that he/she is responsible for ensuring that the total of all Contributions made in respect of the Beneficiary, other than Contributions made to the Plan by way of transfer from other registered education savings plans, will not exceed the RESP Lifetime Limit imposed by the Applicable Legislation from time to time. Each Subscriber acknowledges that any failure to abide by the RESP Lifetime Limit will give rise to penalties and/or taxes as provided in the Applicable

Legislation, and each Subscriber agrees he/she is solely responsible for the payment of such penalties and/or taxes and for the completion of all resulting required tax reporting.

- b. In the case of Contributions in kind, the value of such Contributions will be an amount equal to the fair market value of such Contributions at the time of payment into the Plan. Where such fair market value is not readily determinable, in the opinion of either the Trustee or the Promoter, a Subscriber shall provide written evidence satisfactory to the Trustee or the Promoter, as applicable, establishing such fair market value and the Contribution shall only be accepted by the Promoter once such satisfactory evidence of fair market value has been so provided and the registered ownership of such property has been changed to reflect ownership by the Plan.
- c. In the event a Subscriber wishes to apply for Government Funded Benefits, the Subscriber shall make such application in a form and manner acceptable to the Minister and to the Promoter, which form the Promoter shall provide to the Subscriber(s) prior to, or immediately upon, completion of the Application. The Promoter shall ensure that the Government Funded Benefits paid to the Plan are administered, invested, and paid out of the Plan strictly in accordance with the terms of this Contract, the Applicable Legislation, and the agreements referred to in section 25. At the time a Contribution is made into the Plan, the Contribution will be allocated first to Beneficiaries who qualify to receive Government Funded Benefits, up to the amount eligible to receive the maximum Government Funded Benefits, then equally among the Beneficiaries eligible to receive Contributions.
- d. Each Subscriber undertakes to inform the Promoter of any change in circumstances of a Beneficiary (including any change of a Beneficiary or in the residency status of a Beneficiary) upon the Subscriber making a Contribution or a request for an Educational Assistance Payment to be made to or on behalf of a Beneficiary.

6. Refund of Contributions:

Upon written notice in the form required by the Promoter and subject to such reasonable requirements as the Promoter may impose and to the Applicable Legislation which requires the Promoter to repay Government Funded Benefits in certain circumstances, each Subscriber shall be entitled to:

- a. at any time, from time to time, receive a Refund of Contributions in an amount not exceeding the Capital Investments (less all applicable fees and charges); or
- b. direct, in the manner prescribed by the Promoter, that all or any part of the Refund of Contributions in an amount not exceeding the Capital Investments (less all applicable fees and charges) be paid to the Beneficiary(ies). The Promoter will identify to the Canada Revenue Agency the payments to the Beneficiary(ies) that are attributable to such Refunds of Contributions.

Where the Plan has two Subscribers, the written instructions must be signed by both Subscribers. When a Refund of Contributions is made, a corresponding refund of Government Funded Benefits will also be made pursuant to section 7. Each Subscriber acknowledges that such Refunds of Contributions may result in restrictions on future Government Funded Benefits in respect of a Beneficiary under the Plan.

7. Refund of Government Funded Benefits:

Refunds of Government Funded Benefits will be made when and as required by the Applicable Legislation, including on:

- a. a withdrawal of Contributions for non-educational purposes;
- b. a payment pursuant to paragraphs 9(a)(iii) or (v);
- c. certain transfers from the Plan to another registered education savings plan;
- d. revocation of the Plan's registration;
- e. termination of the Plan; and
- f. certain replacements of a Beneficiary.

Refunds of Government Funded Benefits will also be made when any Government Funded Benefits were paid into the Plan in error.

8. Investments:

- a. The Promoter shall ensure that the Plan Assets are held, invested, and reinvested strictly in accordance with the instructions of the Subscriber received by the Promoter from time to time, industry standards, the terms and conditions of this Contract, and the Applicable Legislation. When the Plan has two Subscribers, the Promoter may act upon the instructions received from either Subscriber. In the event that no direction is provided as to the immediate investment of any cash held as part of the Plan Assets, the Promoter shall, by the next business day following receipt thereof, place on deposit with the Trustee, all such cash, and the Trustee shall allow interest on such amounts on such terms and conditions as it may reasonably determine from time to time
- b. Ownership of the Plan Assets shall, at all times, be vested solely in the Trustee in its capacity as trustee of the Plan and the Subscriber(s) shall have no interest in the Plan Assets other than as set forth herein. The Trustee (or its permitted agents) may exercise the rights and powers of an owner with respect to all securities held by it for the Plan, except that the right to vote and give proxies in respect thereof shall be exercised by the Subscriber(s). For this purpose the Subscriber(s) is hereby appointed as agent and attorney of the Trustee to execute and deliver proxies and/or other instruments mailed by the Trustee, or the Promoter on its behalf, to each Subscriber in accordance with the Applicable Legislation. Where the Plan has two Subscribers, the written instructions must be signed by both Subscribers.

- c. The Subscriber(s) shall be responsible for obtaining all necessary information concerning investments, including determining whether investments should be purchased, sold, or retained by the Promoter as part of the Plan and to ensure the eligibility and qualification of such investments as qualified investments for a registered education savings plan in accordance with the definition of "qualified investments" in subsection 146.1(1) of the Tax Act and under any other governing provisions of the Applicable Legislation, and that such investments do not give rise to penalties and/or taxes of any kind. Each Subscriber acknowledges that such investments may produce losses of any nature whatsoever for the Plan and any failure to comply with the Applicable Legislation will result in penalties and/or taxes and each Subscriber agrees that he/she is solely responsible for such losses and for the payment of such penalties and/or taxes and for any resulting tax reporting relating thereto, whether or not the Promoter has communicated to the Subscriber(s) any information the Promoter may have received, or any judgment the Promoter may have formed, with respect to the forgoing at any particular time. Each Subscriber acknowledges that any failure to comply with the Applicable Legislation may also result in revocation of the Plan by the Canada Revenue Agency.

9. Withdrawals:

- a. Upon receipt of a written direction from the Subscriber (jointly in the case of two Subscribers), in such form as the Promoter shall prescribe and subject to such reasonable requirements as the Promoter may impose and to the Applicable Legislation, the Promoter shall permit withdrawals from the Plan (to the extent of the Plan Assets after deducting any fees and expenses of the Trustee and the Promoter or other amounts owing under section 17, any refunds of Government Funded Benefits as provided in section 7 and any withholding taxes under the Applicable Legislation):
- i. to make Educational Assistance Payments to or on behalf of a Beneficiary who is either:
 - A. enrolled as a student in a Qualifying Educational Program at a Post-Secondary Educational Institution; or
 - B. at least 16 years of age and enrolled as a student in a Specified Educational Program at a Post-Secondary Educational Institution; and either:
 - C. has satisfied the condition in subparagraph (A) above, and
 - I. has satisfied such condition throughout at least 13 consecutive weeks in the 12-month period that ends at the time of such payment; or
 - II. the total of the payment and all other educational assistance payments made under all registered education savings plans of the Promoter to or for the Beneficiary in the 12-month period before the payment does not exceed \$5,000 or such greater amount as the Minister approves in writing with respect to the Beneficiary; or
 - D. has satisfied the condition in subparagraph (B) above and the total of the payment and all other educational assistance payments made under all registered education savings plans of the Promoter to or for the Beneficiary in the 13-week period before the payment does not exceed \$2,500 or such greater amount as the Minister approves in writing with respect to the Beneficiary; provided that the Subscriber(s) confirms in writing, as part of this written direction, the residency of the Beneficiary.

At the Subscriber's request (jointly, in the case of two Subscribers) and upon receipt of the requisite supporting documentation, the Promoter will apply to the Minister for an approval to pay the Beneficiary an amount higher than provided in subparagraph 9(a)(i)(C) or (D). When an Educational Assistance Payment is made to the Beneficiary, the payment will include Government Funded Benefits in accordance with, and up to a maximum amount permitted by, the Applicable Legislation.

- ii. as a Refund of Contributions (pursuant to section 6);
- iii. to, or to a trust in favour of, a designated educational institution in Canada referred to in subparagraph 118.6(1)(a)(i) of the Tax Act, which is an educational institution in Canada that is a university, college or other educational institution designated by the Lieutenant Governor in Council of a province as a specified educational institution under the Canada Student Loans Act, designated by an appropriate authority under the Canada Student Financial Assistance Act, or designated by the Minister of Education of the Province of Québec for the purposes of An Act respecting financial assistance for education expenses;
- iv. for the repayment of Government Funded Benefits;
- v. to make Accumulated Income Payments if:
 - A. the payment is made to, or on behalf of, a Subscriber who is a resident in Canada when the payment is made;
 - B. the payment is not made jointly to, or on behalf of, more than one Subscriber; and
 - C. any of:
 - I. the payment is made after the 9th year that follows the year in which the Plan was entered into and each individual (other than a deceased individual) who is or was a Beneficiary under the Plan attained 21 years of age before the payment is made, and is not, when the payment is made, eligible under the Plan to receive an Educational Assistance Payment;
 - II. the payment is made in the 35th year following the year in which the Plan is entered into; or
 - III. each individual who was a beneficiary under the plan is deceased when the payment is made.

Where the Beneficiary suffers from a severe and prolonged mental impairment that prevents, or can reasonably be expected to prevent, the Beneficiary from enrolling in a Qualifying Educational Program at a Post-Secondary Educational Institution, at the Subscriber's request (jointly, in the case of two subscribers) and upon receipt of the requisite supporting documentation, the Promoter will apply to the Minister of National Revenue for approval to waive the requirements set out in clause 9(a)(v)(C)(I) hereof. The Plan shall terminate before March 1st of the year following the year in which the first Accumulated Income Payment was made out of the Plan; and

- vi. to a trust that irrevocably holds property transferred to it pursuant to a registered education savings plan for any of the purposes set out in subsection 2(b) and paragraphs 9(a)(i) to (vi) as permitted by the Applicable Legislation. The effective date of such a transfer from the Plan to a registered education savings plan shall be determined in accordance with section 10. For greater certainty, no payments will be made out of the Plan when the fair market value of the Plan Assets is less than the aggregate amount of all the Government Funded Benefits into the Plan less any Government Funded Benefits paid out of the Plan, unless the payment is an Educational Assistance Payment made to or on behalf of the Beneficiary and the whole payment is attributable to Government Funded Benefits. The Promoter shall determine whether any condition precedent to the payment of an Educational Assistance Payment has been satisfied and such determination shall be final and binding on the Subscriber(s), the Beneficiary and to any and all other persons who may be eligible to receive moneys pursuant to the Plan.
- b. Each Subscriber acknowledges and understands that the Applicable Legislation requires the repayment by the Beneficiary of any Government Funded Benefits received by the Beneficiary in excess of the maximum amount prescribed by the Applicable Legislation. An individual who is a beneficiary under more than one registered education savings plan shall be solely responsible for ensuring that any Government Funded Benefit payments he or she received in excess of the maximum amount prescribed by the Applicable Legislation is repaid as required. The Promoter shall provide the Beneficiary with notice of this obligation.
- c. Notwithstanding paragraph (a)(i) above, an Educational Assistance Payment to or on behalf of the Beneficiary may be made at any time in the six-month period following the particular time at which the Beneficiary ceases to be so enrolled if the payment would have complied with the requirements of paragraph (a)(i) had the payment been made immediately before such particular time. Further, an Educational Assistance Payment made in accordance with this subsection (c) but not in accordance with paragraph (a)(i) will be deemed, for the purposes of applying paragraph (a)(i) at and after that time, to have been made before the particular time referred to in this subsection (c) above.

10. Transfers:

The Subscriber may, at any time, request in writing (jointly in the case of two Subscribers) that the Trustee, or the Promoter on the Trustee's behalf, transfer monies (including Government Funded Benefits) into and out of the Plan from and to another registered education savings plan. Transfers will be made even if they result in repayments of Government Funded Benefits or restrictions on future Government Funded Benefits in respect of the Beneficiary under the Plan.

In accordance with subsection 146.1(6.1) of the Tax Act, any registered education savings plan receiving a transfer will be deemed to have been entered into on the day that is the earlier of the day on which the registered education savings plan receiving the transfer (the "Transferee Plan") was entered into, and the day on which the registered education savings plan from which the transfer was made (the "Transferor Plan") was entered into. In accordance with paragraph 146.1(2)(i.2) of the Tax Act, the Plan will not accept a transfer from a registered education savings plan after the registered education savings plan has made an Accumulated Income Payment. In accordance with subsection 204.9(5) of the Tax Act each Contribution made to a Transferor Plan, by or on behalf of a Subscriber prior to a transfer will be deemed to have been made by the Subscriber in respect of the Beneficiary(ies) under the Transferee Plan, and the amount of the transfer will be deemed to have been withdrawn from the Transferor Plan, unless one of the following conditions are met:

- a. a Beneficiary under the Transferee Plan was, immediately before the transfer, a Beneficiary under the Transferor Plan; or
- b. a parent of a Beneficiary under the Transferee Plan was a parent of an individual who was, immediately before the particular time, a Beneficiary under the Transferor Plan and
 - i. the Transferee Plan is a plan that allows more than one Beneficiary under the Plan at any one time, or
 - ii. in any other case, the Beneficiary under the Transferee Plan had not attained 21 years of age at the time the Transferee Plan was entered into.

all or part of such payment may be rolled over without payment of tax to a registered retirement savings plan ("RRSP") of a Subscriber or a spousal or common-law partner's RRSP of a Subscriber, as permitted by the Applicable Legislation subject to the Subscriber's available RRSP contribution room and the limits set out in section 204.94 of the Tax Act.

11. Tax Treatment of Accumulated Income Payments:

There shall be included in computing a Subscriber's income for a taxation year each Accumulated Income Payment received in the year. Each Subscriber further understands that if the person receiving the Accumulated Income Payment:

- a. is an original Subscriber; or
- b. has acquired the rights of a Subscriber pursuant to a decree or order of a competent tribunal, or under a written agreement, relating to a division of property between the individual and a Subscriber under the Plan for the settlement of rights as a result of marriage or common-law partnership breakdown;



all or part of such payment may be rolled over without payment of tax to a registered retirement savings plan ("RRSP") of a Subscriber or a spousal or common-law partner's RRSP of a Subscriber, as permitted by the Applicable Legislation subject to the Subscriber's available RRSP contribution room and the limits set out in section 204.94 of the Tax Act.

12. Beneficiary:

- a. Each of the Beneficiaries must be related to a living Subscriber or have been related to a deceased original Subscriber by blood relationship or adoption as defined in the Applicable Legislation and be under the age of twenty-one (21) at the time they are designated as a Beneficiary or, immediately before his or her designation, the Beneficiary was a beneficiary under a registered education savings plan that allowed more than one beneficiary at any one time. A Subscriber may designate and revoke the designation of the Beneficiary and designate another person as the Beneficiary by written notice (jointly in the case of two Subscribers) in a form acceptable to the Promoter. If more than one such instrument is delivered to the Promoter, the one bearing the latest execution date will govern. The Subscriber can be a Beneficiary of the Plan.
- b. The Promoter shall, within 90 days after an individual becomes the Beneficiary under the Plan, notify the individual (or, where the individual is under 19 years of age at that time and either ordinarily resides with a parent of the individual or is maintained by a Public Primary Caregiver of the individual, that parent or Public Primary Caregiver) in writing of the existence of the Plan, and the name and address of each Subscriber of the Plan.

13. Subscriber's Account and Statements:

In accordance with Applicable Legislation, the Promoter shall maintain separate trust accounts in trust for the Subscriber(s) (the "Accounts") which will record and reflect:

- a. Contributions to, and withdrawals from, the Plan, the Beneficiary on whose behalf these payments were made, and the date the Promoter received the Contributions, as well as whether such payments attracted payment or repayment of Government Funded Benefits;
- b. the particulars of any investment transactions made and any investments held by the Plan;
- c. the value of the Plan Assets;
- d. fees, costs, and charges paid from the Plan Assets;
- e. all CES Grants, Canada Learning Bonds, and other Government Funded Benefits paid into and out of the Plan, as well as the portion of Educational Assistance Payments paid to or on behalf of a Beneficiary that is attributable to CES Grants, Canada Learning Bonds, and other Government Funded Benefits paid into the Plan;
- f. all transfers received into and/or paid out of the Plan;
- g. all investment income, gains, and losses, earned or incurred by the Plan and all Accumulated Income Payments made to each Subscriber;
- h. all the amounts paid to or on behalf of a Beneficiary as an Educational Assistance Payment and the date of payment;
- i. all amounts paid to, or in trust in favour of, Designated Educational Institutions, or any other amounts paid to each Subscriber or at the Subscriber's direction pursuant to paragraphs 9(a)(ii) and (v), the date of payment, and the recipient; and
- j. any other information the Trustee and the Promoter may decide or may be required to keep by the Applicable Legislation and the agreements between the Trustee or the Promoter, respectively, and the Minister or ESDC, from time to time.

The Promoter will issue to each Subscriber a transaction statement indicating any transaction made during the previous month and, at least annually, will provide a statement of the Accounts which shall provide the information set out above as at the date of the statement. This and any other information related to the Plan will be provided to, and be open to inspection or audits by, the Minister of National Revenue, the Minister, and ESDC, from time to time, as required by the Applicable Legislation and the agreements between the Trustee or the Promoter, respectively, and the Minister or ESDC, from time to time.

14. Appointment of Trustee:

The Promoter shall ensure that a corporation resident in Canada which is licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as trustee, pursuant to paragraph 146.1(2)(a) of the Tax Act, is appointed as Trustee of the Plan pursuant to Applicable Legislation, to act as trustee of the Plan Assets and irrevocably hold the Plan Assets for the purposes set forth in subsection 2(b). The Promoter shall be ultimately responsible for the Plan and the payment of the Educational Assistance Payments.

15. Delegation:

The ultimate responsibility for the Plan Assets shall rest with the Trustee. Without in any way detracting from the ultimate responsibility of the Trustee for the Plan Assets, the Trustee may, and each Subscriber expressly authorizes the Trustee to, delegate to the Promoter, its successors and assigns as the sole agent of the Trustee certain powers, authorities, and duties in respect of the Plan Assets as the Trustee and the Promoter may determine from time to time. To the extent that the Trustee has delegated the performance of all or a portion of the activities of the trust regarding the Plan Assets to the Promoter, such delegation shall be deemed to be in the best interests of the trust, the Subscriber(s), and the Beneficiary(ies). The Trustee shall notify the Minister or ESDC of the appointment of an agent in accordance with the terms of the agreement between the Trustee and the Minister or ESDC, as applicable. The Promoter may, and each Subscriber expressly authorizes the Promoter to, delegate certain Promoter responsibilities to an agent of the Promoter or third party.

16. Replacement of Trustee:

The Trustee may resign at any time as trustee upon ninety (90) days' prior written notice to the Promoter, or such other period of notice as the Promoter may accept or the Applicable Legislation may dictate. The Promoter may request the resignation of the Trustee by providing ninety (90) days' prior written notice to the Trustee, or such other period of notice as the Trustee may accept or the Applicable Legislation may dictate.

herein, appoint by instrument in writing a successor trustee (the "Successor Trustee") that is a corporation resident in Canada which is licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as a trustee, pursuant to paragraph 146.1(2)(a) of the Tax Act. In the event that the Promoter fails to appoint a Successor Trustee within the applicable notice period, the Trustee may appoint a Successor Trustee that is a corporation resident in Canada which is licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as trustee, pursuant to paragraph 146.1(2)(a) of the Tax Act. The party appointing the Successor Trustee undertakes to require the Successor Trustee to enter into an agreement with the Minister or ESDC, as applicable, upon its appointment as Successor Trustee, or within a reasonable time thereafter.

The Trustee will notify the Canada Revenue Agency and the Minister or ESDC prior to its resignation or removal and prior to the appointment of a Successor Trustee in accordance with the terms of the agreement between the Trustee and the Minister or ESDC, as applicable. The Promoter will notify the Minister or ESDC prior to effecting the Trustee's removal hereunder in accordance with the terms of the agreement between the Promoter and the Minister or ESDC, as applicable.

Effective upon the resignation or removal of the Trustee in accordance with the foregoing terms, and subject to the Trustee's receipt of all fees and expenses then owing to the Trustee and the Trustee's receipt of such acknowledgments, assurances, and receipts as may be reasonable for the Trustee to request with respect to the transfer of the Plan Assets to the Successor Trustee, the Trustee shall execute and deliver to the Successor Trustee all conveyances, transfers, and further assurances as may be reasonable to give effect to the appointment of the Successor Trustee, and the Successor Trustee will thereupon agree to be bound by the terms hereof (in which case all references herein to "the Trustee" will include the Successor Trustee). However, the Trustee will not transfer any Government Funded Benefits in the Plan to the Successor Trustee until such time as the Successor Trustee has entered into an agreement with the Minister or ESDC, as applicable, and the Trustee has been reimbursed for any costs arising from the retention by the Trustee of the Government Funded Benefits in the Plan.

Notice of the replacement of the Trustee hereunder will be given by the Promoter to each Subscriber. In the event that a trust governed by the Plan is terminated and a new trust is established, the Plan Assets shall be used for one or more of the purposes set out in subsection 2(b).

Notwithstanding any other provision of this Agreement, any trust company resulting from the merger, amalgamation or continuation of the Trustee or succeeding to substantially all of the trusteeship business of the Trustee (whether by sale of such business or otherwise) shall thereupon automatically become the Successor Trustee hereunder without further act or formality.

17. Fees and Expenses:

- a. The Trustee and the Promoter shall be entitled to reasonable fees and other charges in such amounts as may be fixed by the Trustee and/or Promoter, as applicable, from time to time, provided that the Promoter shall give at least sixty (60) days' prior notice to each Subscriber of a change in the amount of such fees and charges. In addition, the Promoter shall be entitled to earn normal brokerage commissions on investment and reinvestment transactions processed by the Promoter.
- b. In addition to the foregoing, the Trustee and the Promoter shall also be entitled to reasonable fees for any exceptional services which either is required to perform hereunder, commensurate with the time and responsibility involved.
- c. All fees of the Trustee and the Promoter shall be either charged to the Accounts or if a Subscriber has so instructed the Promoter in writing, billed to the Subscriber directly. All out-of-pocket expenses reasonably incurred by the Trustee and the Promoter in the administration of the Plan and the Plan Assets (such as certificate fees, postage, delivery charges, etc.) and other disbursements and expenses (including all taxes and Government Funded Benefit refunds) shall be charged to the Accounts.
- d. Fees related to the Plan (such as investment counsel fees charged by the Trustee directly to a Subscriber) are not deductible to the Subscriber. Fees related to the Plan Assets (such as broker commissions and mutual fund service charges) are considered expenses of the Plan, and as such reduce the Plan Assets available under the Plan for Refund of Contributions, Educational Assistance Payments, Accumulated Income Payments, and payments to, or to a trust in favour of, a designated educational institution in Canada referred to in paragraph 118.6(1)(a) of the Tax Act.
- e. Notwithstanding anything contained herein, the Promoter is empowered to realize or cause to be realized from time to time, sufficient investments to permit it to pay any amounts which a Subscriber or the Plan is required to pay (including pursuant to a court order), or which is levied or assessed pursuant to the Applicable Legislation, or for payment of the fees and administration expenses of the Trustee and the Promoter. Any such sale shall be made at such price or prices as the Promoter may, in its sole discretion, determine and the Promoter shall not be responsible for any loss occasioned thereby.

18. Limitation of Liability:

- a. The Trustee will exercise the care, diligence, and skill of a reasonably prudent person to minimize the possibility of a non-qualified investment being acquired or held by the Plan.

- b. Notwithstanding any other provisions hereof and unless caused by or resulting from the dishonesty, bad faith, willful misconduct, gross negligence or reckless disregard on the part of the Trustee or the Promoter, the Trustee and the Promoter, and their respective employees, officers, and directors shall have no liability hereunder in respect of:
- i. any taxes or interest which may be imposed on the Plan under Applicable Tax Legislation (whether by way of assessment, reassessment or otherwise) or for any other charge levied or imposed by any governmental authority upon or in respect of the Plan, as a result of the purchase, sale or retention of any investment including, without limiting the generality of the foregoing, non-qualified investments, other than taxes and penalties imposed on the Trustee arising from its personal liability, including without limitation, arising from its administrative error, under Applicable Tax Legislation;
 - ii. any loss suffered or incurred by the Plan, by a Subscriber or by a Beneficiary of the Plan caused by or resulting from the Trustee acting or declining to act upon instruction given to it, whether by the Subscriber(s), a Beneficiary, a person designated by the Subscriber(s) or by a Beneficiary, or any person purporting to be a Subscriber or a Beneficiary, unless caused by the Trustee's dishonesty, bad faith, willful misconduct, gross negligence or reckless disregard;
 - iii. the receipt and time of receipt of any Government Funded Benefits;
 - iv. any refunds of Government Funded Benefits that may be required by the Applicable Legislation;
 - v. any costs which the Trustee or the Promoter incur in the performance of their duties hereunder or under the Applicable Legislation; or
 - vi. any loss or damages or tax liability suffered or incurred by the Plan, by a Subscriber or by a Beneficiary under the Plan as a result of a breach of the agreement between the Trustee or the Promoter, respectively, and the Minister or ESDC, as applicable, or the Applicable Legislation or payments or distributions out of the Plan made in accordance with these terms and conditions.
- In this regard, the Trustee and the Promoter may reimburse themselves for, or may pay, any such Government Funded Benefit refunds, taxes, or costs out of the capital or the income, or partly out of the capital and partly out of the income, of the Plan as the Promoter or the Trustee, in their absolute discretion, deem expedient.
- c. Each Subscriber acknowledges and agrees that all investments of the Plan Assets are held at the risk of the Subscriber(s), and that the Trustee and the Promoter shall not be responsible for any damages, loss or decrease in the value thereof. The Promoter may rely upon any statement or writing received from a Subscriber believed by the Promoter to be genuine and shall be under no duty to make any investigation or enquiry with respect thereto.
- d. The Subscriber(s), their legal personal representative, and each Beneficiary under the Plan will at all times, indemnify and save harmless the Trustee and the Promoter in respect of any Government Funded Benefit refunds, taxes, interest, penalties, or other governmental charges which may be levied or imposed on the Trustee in respect of the Plan or any losses incurred by the Plan (other than losses for which the Trustee is liable in accordance herewith) as a result of the acquisition, retention or transfer of any investment or as a result of payments out of the Plan made in accordance with these terms and conditions or as a result of the Trustee acting or declining to act upon any instructions given to it by a Subscriber or a Beneficiary.

The foregoing indemnification of the Trustee and the Promoter and the limitations of liability of the Trustee and the Promoter shall survive the termination of the Plan.

19. Amendment of the Plan:

Upon at least thirty (30) days' written notice to each Subscriber, with the written consent of the Trustee and in accordance with Applicable Legislation, the Promoter may from time to time amend the Plan with the concurrence of relevant taxation and other regulatory authorities having jurisdiction over the Plan, provided that such amendment does not have the effect of disqualifying the Plan for acceptance as a registered education savings plan within the meaning of the Applicable Legislation or disqualifying a Beneficiary as recipient of Government Funded Benefits according to the Applicable Legislation. However, if the Plan must be amended to ensure the Plan continues to comply with the Applicable Legislation as amended from time to time, the Promoter is not required to give the Subscriber(s) prior notice of such amendments to the Plan and such amendments will be effective immediately after they have been made.

20. Assignment by the Promoter:

The Promoter may assign its rights and obligations hereunder to any other entity resident in Canada to carry out the duties and obligations of the Promoter under the Plan provided that the assignee agrees to enter and enters into an agreement with the Minister or ESDC, as applicable (in which case all references herein to "the Promoter" will include the assignee), and, prior to effecting the assignment, the Promoter notifies the Minister or ESDC in accordance with the terms of the agreement between the Promoter and the Minister or ESDC, as applicable, and the Promoter advises the Canada Revenue Agency of the assignment of the Promoter's rights and obligations to another entity. Notice of this assignment will be given by the Promoter to each Subscriber. However, the Promoter shall remain ultimately responsible for the administration of the Plan and paying, or causing to be paid, the Education Assistance Payments. The Promoter shall continue to perform such administrative services in respect of the Plan as are required hereunder and as it determines necessary from time to time.

21. Successors:



Subject to any provision herein to the contrary, the Plan shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, administrators, and personal representatives. For greater certainty and subject to the provisions of the Applicable Legislation, the entity resulting from an amalgamation, merger or reorganization of the Promoter shall become the Promoter hereunder. Notwithstanding the aforementioned, prior to the effective date of any amalgamation, merger or reorganization, as the case may be, the Promoter shall notify the Canada Revenue Agency and make any amendments to the Plan that may be required by the Canada Revenue Agency as a result of the amalgamation, merger or reorganization of the Promoter.

22. Notices:

Any notice, statement or receipt given by the Promoter or the Trustee to a Subscriber or the Beneficiary(ies) shall be considered sufficient if delivered personally or mailed postage prepaid and addressed to the Subscriber or the Beneficiary(ies) at the address shown on the Application or to such other address as the Subscriber or the Beneficiary(ies) may designate in writing to the Promoter from time to time, for such purpose, and shall be deemed to have been received at the time of personal delivery to the Subscriber or the Beneficiary(ies), as the case may be, or three (3) business days after mailing. Any notice given by a Subscriber to the Trustee or the Promoter shall be considered sufficient if delivered personally or mailed postage prepaid to the Trustee or the Promoter, respectively, at its office in Vancouver or Toronto, respectively, and shall be deemed to have been received by the Trustee or Promoter, respectively, when actually received by it. In addition to other notices required hereunder, the Promoter shall notify each Subscriber forthwith upon receipt by the Promoter of any assignment or notice of involuntary assignment, seizure, garnishment or any process of law or execution or notice in respect of any of the Plan Assets.

23. Termination Date:

The Subscriber(s) shall designate in the Application the termination date of the Plan (the "Termination Date"), which shall not be later than the last day of the thirty-fifth (35th) year following the year in which the Plan is entered into. The Plan may be terminated at such earlier date as agreed upon in writing by the Subscriber(s) and the Promoter and shall terminate on an earlier date as prescribed by the Applicable Legislation from time to time. The Promoter shall provide each Subscriber with notice of the not less than three (3) months prior to the Termination Date, except when the Termination Date of the Plan has been changed by the Subscriber(s) to a date that is less than six (6) months from the time the designation notice is received by the Promoter. At the Termination Date, subject to Applicable Legislation and the terms of any direction from the Subscriber (jointly, in the case of two Subscribers) given to the Promoter prior to the Termination Date pursuant to section 10 hereof, the Promoter shall pay to, or to a trust in favour of, the educational institution designated by the Subscriber(s) an amount equal to the Plan Assets less any Contributions remaining in the Plan, less any unpaid taxes, penalties or other charges imposed under the Applicable Legislation, less any Government Funded Benefits, and less any unpaid fees, charges, and expenses of the Trustee or the Promoter hereunder (the "Designated Educational Institution Payment Amount"). The Promoter shall liquidate any Contributions remaining in the Plan and place the proceeds on deposit with the Trustee in the name of the Subscriber (or, where the Plan has two Subscribers, in the name of both Subscribers jointly) and the Trustee shall allow interest on such amount on such terms and conditions as it may reasonably determine from time to time, until it receives such direction. The Trustee shall be entitled to collect fees for the administration of the Plan directly from the Plan. If no educational institution was designated by the Subscriber(s), the Trustee, in its sole discretion, shall designate the educational institution and the Promoter shall pay the Designated Educational Institution Payment Amount to, or to a trust in favour of, such designated educational institution.

24. Valuation:

The Promoter will determine the value of the Plan Assets from time to time in accordance with applicable industry practices and such valuation shall be conclusive for all purposes hereof. The Subscriber(s), where required or requested, will provide the Promoter with such information as it may require in order to value assets being acquired or held by the Plan.

25. Promoter and Trustee Agreements:

The Trustee and the Promoter may, and each Subscriber expressly authorizes the Trustee and the Promoter, respectively, to enter into, amend, extend, and terminate an agreement between the Trustee and the Promoter, respectively, and the Minister and ESDC, as applicable, in order to provide each Subscriber with access to the Government Funded Benefits pursuant to the Applicable Legislation.

26. Information Slips:

The Promoter will provide each Subscriber, the Beneficiary(ies), and other applicable persons with such information regarding amounts paid to or from the Plan and other transactions of the Plan as is required to be provided under the Applicable Legislation to enable such persons to complete their respective income tax returns. The Promoter will also file with the Minister of National Revenue any returns required by the Applicable Legislation such as an information return regarding the investments of the Plan.

27. Proof of Information:

Each Subscriber certifies that the information provided to the Promoter in respect of the Plan is correct and undertakes to provide the Promoter with further proof of any information relating to the Plan as may be required.

28. Governing Law:

The Plan shall be governed, construed, and administered in accordance with the laws of the Province of Ontario and of the federal laws of Canada applicable therein. If a conflict arises between the provisions of the laws of Ontario and those of the Tax Act, the provisions of the Tax Act shall govern.



29. Access to File (for use in Québec only):

Each Subscriber understands that the information contained in the Application shall be maintained in a file at the Promoter's place of business. The object of this file is to enable the Trustee, the Promoter, and their respective agents or representatives to access the Application, answer any questions a Subscriber or a Beneficiary may have regarding the Application and the file in general, manage the account, and follow any instructions received by a Subscriber on an ongoing basis. Subject to the Applicable Legislation, the personal information contained in this file may be used by the Trustee or the Promoter to make any decision relevant to the object of the file and only the Trustee's or the Promoter's employees, agents, representatives, and any other persons required for the execution of the Trustee's or the Promoter's duties and obligations or any other persons expressly authorized in writing by the Subscriber(s) may have access to the file. Furthermore, each Subscriber understands that his/her file will be kept at the Promoter's place of business and that the Subscriber(s) and the Beneficiary(ies) are entitled to consult their file at the same address and, when applicable, to have it corrected.