

Personal* Mortgage Package (*Non arm's length)

Included in this package you will find the following:

Product Overview	2
Application Checklist	4
Application for a Personal/Residential Mortgage Loan	5
Personal Statement of Affairs	7
Request for Verification of Employment	9
CWT Declaration of Trust	10
Pre-Authorized Debit Agreement	16
List of Approved Appraisers	17
Fee Schedule	19
Frequently Asked Questions (FAQ's).....	20

Personal Mortgages* in your Self Directed RSP/RIF (*Non Arm's Length Mortgages)

One of the investments which an individual is permitted by CRA to hold in their Canadian Western Trust Company ("CWT") non locked-in Self-Directed RSP/RIF is a mortgage against their own personal residential property. In this scenario, you are lending money to yourself, your spouse (including common-law after 1 year), child, or any other relative either by blood, adoption or marriage. Rental properties and construction mortgages are not acceptable.

The CWT Self-Directed RSP/RIF Plan Personal Mortgage requirements:

- Your CWT Self-Directed RSP/RIF Plan must have a sufficient amount of cash in the account to fund the mortgage and cover any fees due at the time of funding.
- This product allows you to use part or all of your non-locked in RSP/RIF to fund a first or second mortgage. If you and your spouse both have Self-Directed Plans with CWT we will allow funding to be made from both plans for one mortgage document.
- The property you mortgage must be an owner occupied principal or vacation residence in Canada.
- The mortgage you take out is limited to a maximum of 90% of the appraised value of the property, or a lesser amount if stated by CMHC rules. Second mortgages are possible.
- You must meet the usual lending requirement of gross debt service ratio (< 32%), total debt service ratio (< 40%), credit-worthiness and insurability.
- The rate and term of the mortgage must be similar to those generally available in the market based on current Canadian Chartered banks' posted mortgage rates.
- Re-payment may be amortized for up to 30 years, under certain conditions.
- The mortgage must be administered by CWT and insured by CMHC.
- Refinancing loans also qualify.
- In the event that loan payments are not made, CWT is required by law, as trustee for the RSP/RIF, to pursue all standard courses to remedy a default.
- Payments must be made monthly, via Pre-Authorized Payment directly from your bank account.

The Costs:

- Appraisal and legal fees common to any mortgage.
- The mortgage insurer charges a one-time premium for mortgage insurance for up to a possible 30 years. This premium varies between the amount and the type of financing required. Please refer to the CMHC web site for their current premium rates.
- CWT charges a one-time mortgage setup fee, due at time of funding, and an annual mortgage administration fee due at time of payout or on anniversary date of the plan (whichever occurs first). Please refer to the current CWT Fee Schedule.
- A renewal fee at the maturity of the term.
- Please note that all fees apply to each mortgage per planholder.

The Insurer:

Mortgage Insurance is available through the **Canada Mortgage Housing Corporation (CMHC)**, Canada’s national housing agency and Canada’s largest mortgage loan issuer. Insurance fees can be paid directly, or added to the mortgage. For CMHC’s current rates and additional information, please visit their website at www.cmhc-schl.gc.ca.

Timelines - Application to Closing

The following table is provided to allow clients to estimate the amount of time they should allow for the normal processing of applications. **These turnaround times are entirely dependent upon receipt of all required documents properly completed.**

Action	Turnaround Time
Upon completion of the application, client returns application, financial statements and all other documentation required to CWT, attention: Mortgage Department.	Client determines
CWT’s Mortgage Department will review all the documentation to ensure it is complete and correct and that the mortgage requested qualifies under the plans available.	2 business days
Provided everything is in order, the request is forwarded to the insurer for their review / approval.	2 business days
Upon approval from the insurer, CWT’s Mortgage Department will issue our standard commitment letter outlining all the terms and conditions applicable to the mortgage.	Client determines
Upon return of the accepted commitment letter from the applicant, CWT’s Mortgage Department will prepare and forward instructions to your solicitor.	2 business days
Upon receipt of CWT’s instructions to the solicitor, the solicitor will ensure all requirements are fulfilled after which the solicitor will request funding.	2 business days



Application Checklist for a Personal Mortgage* within a CWT Self-Directed RSP/RIF (*Non Arm's Length Mortgages)

You must have a Self-Directed RSP/RIF plan with CWT and sufficient cash assets in your plan to fund the mortgage and cover any CWT fees due at time of funding. If your assets are in investments such as term deposits, bonds, mutual funds, stocks etc. you will be required to liquidate a sufficient amount to cash position prior to the anticipated funding date of the mortgage.

Please include the following items with your application:

- A completed and signed CWT New Account Application Form (for new CWT Self-Directed RSP/RIF plans).
- If transferring assets into CWT SDRSP/RIF, complete a CWT Transfer Authorization for Registered Investments. (Please note that it may take 4 – 6 weeks for funds to be transferred over to CWT)
- A completed and signed CWT Pre-Authorized Debit form (see attached form).
- A completed and signed Application for Residential Mortgage Loan (see attached form).
- A signed CWT Declaration of Trust. (BC properties only).
- A Personal Statement of Affairs (see attached form) is required from every borrower, co-signer or guarantor of the mortgage.
- Verification of income:
 - From your employer, a completed & signed Request for Verification of Employment form (form attached) as well as pay stubs and / or previous years' T4.
 - If self employed, a copy of your income tax return for the previous three (3) years as well as the Notice of Assessment.
 - If employed by a firm which the applicant or spouse either owns or controls, financial statements for the firm for the previous three (3) years as well as the Notice of Assessment.
- If a new home purchase - a copy of the interim agreement and a current appraisal report including photographs of the property. CWT accepts any appraiser with either Accredited Appraiser Canadian Institute ("AACI") or Canadian Residential Appraiser ("CRA") designation.
- Copy of the purchase agreement if there is a sale involved.
- If refinancing
 - A payout statement from current lender(s).
 - A copy of the current assessment and property tax notices.
 - State of Title Certificate.
 - A current appraisal report including photographs of the property or you may select "Full Service" from the insurer (see above insurer fees). **Please Note** that appraisal reports must be **within a 12 month period** and must specify they are prepared for CWT for financing purposes. Please see attached list of CWT approved list of appraisers. CWT accepts any appraiser with either AACI or CRA designation. Assessments are not accepted.
- A current survey certificate or Title Insurance (cost of which is paid by the planholder).
- Copy of home insurance.

All transactions require the services of a lawyer and you may retain a lawyer of your choice. Please provide CWT with the full name, address, phone and fax number of the lawyer you have appointed.

At this time, the application process will be reviewed and the loan underwritten for approval by CWT. A personal credit check will then be sent to CMHC for approval. Once approved, CWT will issue a Commitment Letter to you for your review and signature(s). On receipt of your signed commitment letter, CWT will instruct your lawyer to securitize the mortgage and funds will be disbursed upon registration (interim report).



Application for a Personal/Residential Mortgage Loan

Applicant Details:

Last Name: First Name: Address: City: Prov: Postal Code: Phone #:

Guarantors Details:

Last Name: First Name: Address: City: Prov: Postal Code: Phone #:

Type and purpose of financing:

Required Financing: Amount: \$ Term: years Amortization: years

Interest Rate: % per annum, compounded semi-annually;

OR %

Repayment will occur on the first day of each month.

Description of Security:

Civic Address:

Municipality:

Legal Description:

Current Assessment: Land: \$ Improvements: \$ Total: \$

Age: years Zoning: Lot Size: X

Gross Property Tax: \$ Arrears (if any): Roll No.:

Date of Purchase: Purchase Price: \$ Cash Equity: \$

Financing: \$ Estimated Current Marketing Value: \$

Current mortgage/debt owing:

1st mortgage payable to: Balance: \$

2nd mortgage payable to: Balance: \$

Application for Personal/Residential Mortgage Loan

I (we) the applicant(s) declare that all statements contained herein are complete and true to the best of my (our) knowledge. I (we) understand and agree to the following terms and conditions.

- 1) I (we) have not been refused a loan on this security, nor are any payments of any encumbrance thereon in arrears.
- 2) Appraisal fees and legal expenses are to be borne by the applicant(s) whether or not loan is completed. These costs may, at the discretion of CWT, be deducted from the holdings deposit or from the first advance of the loan proceeds.
- 3) Fire and supplemental insurance as provided for in the mortgage to the full insurable value of the property is to be assigned to CWT, or CWT may affect the insurance it requires and deduct the cost from the loan proceeds. (Unless this application is for a loan on a condominium property).
- 4) A survey certificate or letter, prepared by a duly qualified land surveyor, may be required.
- 5) Disbursement of loan proceeds will be made at the sole discretion of CWT and its solicitor. Interest shall be computed on the dates to be named in the mortgage and shall be charged from the date(s) cheques are issued.
- 6) Pursuant to Section 18 of the Condominium Act, the power of voting in any meeting of the Strata Corporation will be pledged and assigned to the mortgage in respect to the mortgage property.
- 7) A non-refundable set-up fee will be deducted from your account at time of funding (refer to the current CWT fee schedule for details).

All statements of fact herein are true and correct. CWT is entitled to cancel the loan and require repayment of all advances, if any misstatement is discovered. Notwithstanding anything herein contained or any verbal representations, the terms and conditions of CWT's standard mortgage form are to apply.

I (we) consent to CWT obtaining such credit reports and other information as CWT may deem necessary at any time in connection with this application and to the disclosure of any credit information concerning that undersigned to any credit reporting agency or to any person or corporation with whom the undersigned has or proposed to have financial dealings.

DATED AT _____ this _____ day of _____, 20_____

Witness

Applicant

Witness

Applicant

Witness

Guarantor

Witness

Guarantor

Personal Statement of Affairs
(Separate statement required for each applicant/guarantor)

Employment past 10 years:

Current Employer: _____ Position: _____ Yrs: _____
 Employer Address: _____
 Previous Employer: _____ Position: _____ Yrs: _____
 Previous Employer: _____ Position: _____ Yrs: _____

Income (Current and previous 2 years):

Year	Salary/Commissions	Dividend/Interest	Business	Rental (net)	Other	Total
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

Financial:

<p><u>Assets</u></p> <p>Cash on Deposit _____ Marketable stocks and Bonds _____ Other accounts receivable _____</p> <p style="text-align: center;"><u>Liquid Assets</u> _____</p> <p>Real Estate Owned _____ Business Interests _____ Mortgages Receivable _____ RRSP's _____ Automobile (s) _____ Cash Value of Life Ins. Policies _____ Household and Personal effects _____ Other: _____</p> <p style="text-align: right;">Other Assets _____ Total Assets _____</p>	<p><u>Liabilities</u></p> <p>Overdrafts _____ Loans with banks, credit unions etc. _____ Income tax due _____ Property Tax due _____ Other accounts Payable _____</p> <p style="text-align: center;"><u>Current Liabilities</u> _____</p> <p>Mortgages on Real Estate Owned _____ Other Term Loans _____</p> <p>Other : _____ Other: _____ Other: _____</p> <p style="text-align: right;">Other Liabilities _____ Total Liabilities _____ Net Worth (Assets less Liabilities) _____</p>
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PLEASE NOTE: A MORE DETAILED STATEMENT MAY BE REQUIRED

Guarantees and contingent liabilities

If you guarantee any loans other than shown above, what is the total amount of these guarantees? \$ _____

Are there any suits or judgments either outstanding or pending against you? yes no

Have you ever declared bankruptcy? yes no

Are any of your assets involved in a marriage or separation agreement? yes no

Applicant Signature: _____

Personal Statement of Affairs
(Co-applicant statement required for each applicant/guarantor)

Employment past 10 years:

Current Employer: _____ Position: _____ Yrs: _____
 Employer Address: _____
 Previous Employer: _____ Position: _____ Yrs: _____
 Previous Employer: _____ Position: _____ Yrs: _____

Income (Current and previous 2 years):

Year	Salary/Commissions	Dividend/Interest	Business	Rental (net)	Other	Total
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

Financial:

<u>Assets</u>	<u>Liabilities</u>
Cash on Deposit _____	Overdrafts _____
Marketable stocks and Bonds _____	Loans with banks, credit unions etc. _____
Other accounts receivable _____	Income tax due _____
	Property Tax due _____
	Other accounts Payable _____
Liquid Assets _____	Current Liabilities _____
Real Estate Owned _____	Mortgages on Real Estate Owned _____
Business Interests _____	Other Term Loans _____
Mortgages Receivable _____	
RRSP's _____	Other : _____
Automobile (s) _____	Other: _____
Cash Value of Life Ins. Policies _____	Other: _____
Household and Personal effects _____	
Other: _____	
Other Assets _____	Other Liabilities _____
Total Assets _____	Total Liabilities _____
	Net Worth (Assets less Liabilities) _____

PLEASE NOTE: A MORE DETAILED STATEMENT MAY BE REQUIRED

Guarantees and contingent liabilities

If you guarantee any loans other than shown above, what is the total amount of these guarantees? \$ _____

Are there any suits or judgments either outstanding or pending against you? yes no

Have you ever declared bankruptcy? yes no

Are any of your assets involved in a marriage or separation agreement? yes no

Applicant Signature: _____

Request For Verification of Employment

(If self-employed, then three years of tax returns)

To: _____
Name of Employer _____ Date _____

Address

Name of Employee (in full): _____

I have made an application for a mortgage to Canadian Western Trust Company.

Please forward confirmation of my employment to them for their confidential use. A space for your reply is provided in the lower portion of this form, but you may use any method of reply convenient to you.

Your prompt consideration to this request will be sincerely appreciated.

Signature of employee

Present address

Employer's Verification

Attention: _____
_____ date

Name of Employee: _____

The following is furnished to you in strict confidence for the purpose of considering a mortgage application and at the request of the employee named above.

Length of time employed: _____ Present position: _____

Present annual base salary: \$ _____

Bonus: \$ _____ Commissions: \$ _____

Name of Employer: _____

Address of Employer: _____

Signature of Employer

Canadian Western Trust Company Self-directed Retirement Savings Plan Declaration of Trust

Annuitant Name: _____

Plan #: _____

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 annuitant as well as "planholder") are the person who has completed the application form (the "Application") to which this Declaration of Trust is attached. Within this Declaration of Trust we use the word "agent" when referencing "agent for the trustee" and "Agent" when referencing "Agent for employee of group plan" We agree to act as trustee for your self-directed Retirement Savings Plan (the "RSP") created pursuant to the Application and this Declaration of Trust (the "Plan") in accordance with the terms and conditions set out below:

1. Registration: We will apply to register the Plan 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 Plan will be an "RRSP" and you will be known for the purposes of the Applicable Tax Legislation as the "Annuitant" of the Plan.

2. Purpose of the Plan: The primary purpose of the Plan is to accumulate and invest funds in order to provide retirement income to you.

3. Compliance: The Plan 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 Plan that are made by you or, where applicable, by your spouse or common-law partner, according to this Declaration of Trust and the Applicable Tax Legislation will be called the "Contributions". Contributions may be cash, securities, 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 Plan under section 12 below, will be called the "Plan Assets". No Contributions to the Plan may be made after the Maturity Date defined in section 18 below. The trustee is not responsible for determining whether the aggregate of all Premiums contributed by you, your spouse or common-law partner or former spouse or common-law partner to the Plan in respect of a year exceeds the maximum amount that is permitted to be contributed by the relevant contributor to the Plan in respect of the year.

5. Investments: Plan assets will be invested and reinvested from time to time in accordance with your investment instructions, which must comply with requirements imposed by us in our sole discretion. Your Plan can not be limited to investments authorized by law governing the investments of property held in trust other than the investment rules imposed by the Tax Act for an RRSP. 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. At any time, it is your sole responsibility to ensure all investments held in the Plan are qualified investments under the Applicable Tax Legislation. We may be entitled to a fee for any cash deposited in an account at Canadian Western Bank or for any investments made with Canadian Western Bank or, if requested by you, another financial institution, and if so, such a fee shall accrue to us. 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 with us or Canadian Western Bank.

6. Non-Qualified Investments: You are solely responsible for any tax, interest or penalties (collectively, the "Charges") imposed under Applicable Tax Legislation or by any other provincial or federal regulatory authorities as it pertains to the investments in the Plan. If the Plan becomes liable for any Charges, you will be deemed to have authorized us to sell or withdraw any of the Plan Assets and obtain a fair market value that we, in our sole discretion, consider appropriate to pay any Charges to the Plan. We will issue an income tax receipt for any de-registration of Plan Assets and we will not be liable for any loss or income taxes incurred as it pertains to the collection of unpaid Charges. It is your sole responsibility to provide appropriate documents supporting the fair market value of Plan Assets not publicly traded on a recognized stock exchange within the meaning of Applicable Tax Legislation. Furthermore, we may deem Plan Assets as worthless and remove them from the Plan if you can not provide documents supporting their fair market valuation as we may impose. We will not be liable for any Charges imposed on you or the Plan under Applicable Tax Legislation or by any provincial or federal regulatory authorities related to the removal of Plan Assets from the Plan.

7. Accounting: We will maintain records relating to the Plan reflecting the following:

- Contributions to the Plan;
- Name, amount and cost of investments purchased or sold by the Plan;
- Purchases and sales of investments we hold for you in the Plan;
- Any income or loss earned or incurred by the Plan;
- Withdrawals, transfers and any other payments from the Plan; and
- The balance of the Plan.

8. Statements: We will issue statements for the Plan at least once annually or more frequently as determined by us, in our sole discretion. Should there occur full or partial non-payment of fees referred to in Clause 17 hereof, we may, in our sole discretion, cease the issue of statements for the Plan.

9. Income Tax Receipts: As required under Applicable Tax Legislation, we will send you or, where applicable, your spouse or common-law partner, a receipt for income tax filing purposes. Your income tax receipt will report Contributions we have received, payments we have made to you and tax we have withheld. It is your sole responsibility to ensure you do not exceed the maximum allowable contributions permitted each year under Applicable Tax Legislation.

10. Withdrawals: Upon receipt of your written instructions to withdraw all or a part of the Plan Assets before the Maturity Date, we will pay you an amount less any tax under Applicable Tax Legislation and any other related fees or costs. Prior to us processing your written instructions, you will ensure sufficient cash is in the Plan 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. Once the withdrawal is issued, we no longer have any further liability or duty to you for the Plan Assets that you have withdrawn.

11. Refunds of Excess Contributions: You or where applicable, your spouse or common-law partner, may send us written instructions to refund an amount to reduce the taxes otherwise payable under Part X.1 of the Income Tax Act (Canada) 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 Plan 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. Once the refund is issued, we no longer have any further liability or duty to you for the Plan Assets that have been refunded.

12. Transfers to the Plan: You may request a transfer of amounts to the Plan from another "RRSP", Registered Pension Plan ("RPP") or any other source permitted under Applicable Tax Legislation or other applicable law. The trustee may, in its sole discretion refuse to accept the property into the Plan for any reason whatsoever and authorizes to transfer out of the Plan to the Annuitant, without notice, any property of the Plan the trustee believes is not or may not be a Qualified Investment. The terms and conditions of the Plan will be subject to any additional terms or conditions that may be required to complete the transfer according to applicable law.

13. Transfers from the Plan: You may request a transfer of all or part of the Plan Assets to a RRSP or a Retirement Income Fund ("RIF") that is registered under applicable Tax Legislation under which you are the Annuitant. You may also request a transfer to a RPP for your benefit (if permitted by the provider). 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 Plan Assets transferred.

14. Transfers for Division of Property: You may request a transfer of all or part of the Plan Assets to a RRSP or a RIF under which your spouse or common-law partner (within the meaning of Applicable Tax Legislation) is the Annuitant 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 Plan Assets transferred.

15. Locked-In Plan Assets: If locked-in Plan Assets are transferred to the Plan in accordance with applicable provincial or federal pension legislation, the additional provisions contained in the Locked-In Retirement Account ("LIRA") or Locked-In Retirement Savings Plan ("LRSP") addendum (the "Addendum") to this Declaration of Trust will form part of this Declaration of Trust and will govern the Plan Assets. In the event of any inconsistencies between the Addendum and Declaration of Trust, the provisions of the Addendum will govern.

16. Group RSP: If the Plan is part of a Group RSP. You are required to be an employee or member, or the spouse or common-law partner of the employee or member, of the sponsoring organization of the Group RSP named in the Application (the "Group Sponsor"). You accept the Group Sponsor as your Agent for the purposes of constituting the plan. Upon your ceasing to be an employee or member of the Group Sponsor and upon notification from the Group Sponsor being received by us, the following will apply:

- We will not accept any further contributions to this Plan; and
- You shall provide us with written notice to transfer the Plan to a self-directed RRSP, self directed RRIF with us or another financial institution which is not part of the Group RSP. If we do not receive your written instructions within fifteen (15) days from the date we receive notice from the Group Sponsor, you will be deemed to have instructed us to transfer Plan Assets and to act as your attorney to execute documents and make elections necessary to establish another RSP or RIF, selected by us in our sole discretion and to apply for registration of such RSP or RIF under Applicable Tax Legislation.

17. Fees: We may charge you or the Plan fees for services we provide to you or the Plan 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 Plan for all Trustee fees, mortgage foreclosure fees, disbursements, expenses (including taxes, interest and penalties) and any other charges reasonably incurred by us in connection with the Plan. We are entitled to deduct our unpaid fees, disbursements, expenses and any other charges from the Plan Assets and where insufficient cash is available, you authorize us to sell or withdraw any of the Plan 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 an income tax receipt for any withdrawals from the Plan 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.

18. Designation of Maturity Date: You may designate in writing a date (the Maturity Date) on which to begin receiving retirement income. The Maturity Date will not be later than December 31st of the year in which you become 71 years of age or any other age permitted by the Applicable Tax Legislation.

19. Maturity of the Plan: The Plan will mature on the Maturity Date. No later than ninety (90) days before the Maturity Date you must provide us with written instructions to transfer the Plan Assets to a RRIF or to liquidate the Plan Assets and use the proceeds to acquire a life annuity in accordance with Applicable Tax Legislation. Any annuity purchased by us hereunder shall be either:

a. An annuity payable to you for your life or to you for the lives jointly of you and your spouse or common law partner and to your survivor for his or her life, commencing on the Maturity Date and with or without a guarantee term not exceeding such period of the time calculated in accordance with the formula set out in paragraph b. of this Clause 19, or

b. An annuity commencing at the Maturity Date payable to you for a term of years equal to 90 minus either your age in whole years at the maturity of the Plan, or, where your spouse or common-law partner is younger than you and you so elect, the age in whole years of your spouse or common-law partner at the Maturity Date; and shall be issued by a person selected by you who is licensed or otherwise authorized under the laws of Canada or a province thereof to carry on in Canada an annuities business. Any annuity so purchased shall pay equal annual or more frequent periodic payments until there is a payment in full or partial commutation of the annuity and, where such commutation is partial, equal annual or more frequent periodic payments thereafter. Any such payment in full or partial commutation of annuity shall be made to you or, after your death, your spouse. The aggregate of the periodic payments in a year under any annuity after your death shall not exceed the aggregate of the payments under the annuity in a year before that death. The periodic payments under the annuity in a year may be payable in accordance with paragraph 146(3) (b) of the Act and the corresponding provision of any applicable provincial tax legislation. Any annuity so payable shall not be assigned in whole or in part. Such annuity shall provide for commutation if such annuity would otherwise become payable to a person other than your spouse or common-law partner after your death. It shall be your responsibility to select the form and issuer of any annuity to be purchased by us with the Plan Assets and to ensure that such annuity and the issuer thereof meet the requirements of the Act and any applicable provincial legislation. If we have not received your written instructions prior to the Maturity Date, you will be deemed to have instructed us to transfer the Plan Assets to a self-directed RIF or another RIF in your name selected by us at our sole discretion. Furthermore, you will have deemed us to act as your attorney to execute documents and make elections necessary to establish the self-directed RIF or another RIF and to register such RIF under Applicable Tax Legislation.

20. Date of Birth and Social Insurance Number: The date of birth and social insurance number that you provide on the 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 the validity of either.

21. Designation of Beneficiary: Where applicable provincial law permits, you may designate one or more beneficiaries to receive the Plan Assets or the proceeds from the sale of the Plan Assets on or after your death. You may make, change or revoke a beneficiary designation by providing us with a written instruction in a form acceptable to us. When the Plan Assets or the proceeds from the Plan 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.

22. Death of a Plan Holder: Upon verification of a benefit entitlement under Applicable Tax Legislation, we will require, in our sole discretion, satisfactory evidence of your death and any other documents as it pertains to your death prior to proceeding with a request to distribute the Plan Assets or the proceeds from the Plan 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 Plan, we will distribute Plan Assets as designated by you. If we cannot establish a valid designation of beneficiary or beneficiaries, we will distribute the Plan Assets to your estate. Once the Plan Assets are transferred or the proceeds of the sale of the Plan Assets are paid, we no longer have any further liability or duty to your heirs, executors, administrators or legal representatives.

23. Ownership and Voting Rights: The Plan Assets will be held in our name, our nominee's name, bearer form or any other name that we determine. The voting rights attached to securities held under the Plan 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.

Authorization

I am the planholder of the Self Directed RRSP named on the face hereof and do hereby authorize Canadian Western Trust Company to enter into mortgages on my behalf generally and from time to time as follows;

- (a) CONTRIBUTORY Mortgages;
- (b) FIRST or SECOND Financial Charges

In witness whereof, Canadian Western Trust Company has caused the Declaration of Trust to be executed in the city of _____, Province of British Columbia, at the date signed below.

Date

Annuitant Signature

Witness Signature

Annuitant – Print Name

Witness – Print Name

24. Notices: Any notices, demands, orders, documents or any other written communication we may forward to you by mail, postage paid, to your address indicated on the Application (or sub-sequent written notification of a new address which we acknowledge received) shall be deemed to be received by you (3) days after such mailing. You acknowledge that we shall be under no further obligation to locate you for the purpose of forwarding any such notices, demands, orders, documents or any other written communication.

25. Restrictions: No advantage that is conditional in any way on the existence of the Plan may be extended to you or any person with whom you do not deal at arm's-length, other than the benefits and advantages specifically permitted under Applicable Tax Legislation. The Plan provides that Retirement Income under The Plan may not be assigned in whole or in part as governed by 146(2)(c) of the Income Tax Act (Canada).

26. Amendments: We may from time to time, in our sole discretion, amend the terms of the Plan and this Declaration of Trust, providing that such amendments shall not disqualify the Plan as a RRSP 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) days notice of any amendments.

27. Delegation of Duties: Without limiting our responsibility as trustee of the Plan, we may appoint agents and may delegate to our agents the performance of administrative and any other duties required under the Plan 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 Plan.

28. Liability of Canadian Western Trust Company: We, our directors, officers, employees, agents and their respective heirs, executors, administrators, personal representatives, successors and assigns are not responsible for determining whether an investment made in the Plan is a qualified investment within the meaning of the Applicable Tax Legislation. We are not responsible for valuing Plan Assets that are not publicly traded on a stock exchange recognized within the Applicable Tax Legislation. We, our officers, employees, and agents shall be indemnified by you and the Plan directly from Plan Assets against all expenses, liabilities, claims, demands or penalties arising out of or in respect of the Plan and the Plan Assets. We, our officers, employees, and agents will accept investment instruction made in good faith by you or your authorized agent, dealer, representative. We will not be liable for any expense, liability, claim, demands, taxes, damages, losses or penalties imposed on us or the Plan as a result of us acting in good faith on your authority or the authority of your authorized agent, dealer or representative. We will not be liable for any Charges incurred in performing our duties under the Plan, the Declaration of Trust or any additional terms and conditions which may apply to the Plan under applicable law in connection with any transfers by the Plan, unless caused by willful misconduct or gross negligence by us, our officers, employees or agents.

29. Indemnification: You, your heirs, executors, administrators or legal representatives and each beneficiary under the Plan 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 Plan Assets for any taxes, interest, penalties or charges levied or imposed on us in respect of the Plan, costs incurred in performing our duties under this Declaration of Trust or any losses incurred by the Plan as a result of any loss or diminution of the Plan Assets, purchases, sales, or retention of any investments, payments or distributions out of the Plan 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.

30. Successor Trustee: We may resign as the trustee of the Plan and be discharged from all duties and liabilities under this Declaration of Trust by giving thirty (30) days written notice to you. If you do not appoint a successor trustee within ten (10) days of our written notice, we may appoint a successor trustee for the Plan. 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.

31. Governing Law: The terms of the Plan 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.

32. 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.

Canadian Western Trust Company Self-directed Retirement Income Fund Declaration of Trust

Annuitant Name: _____

Plan #: _____

Canadian Western Trust Company is a trust company incorporated under the laws of Canada. (The words "us", "our" and "we" are also used in the Declaration of Trust to refer to Canadian Western Trust Company.) "You" (the annuitant as well as the planholder) are the person who has completed the application form (the "Application") to which this Declaration of Trust is attached. Within this declaration of Trust, we use the word "agent" when referencing "agent for the trustee" and "Agent" when referencing "Agent for employee group fund" We agree to act as trustee for your self-directed Retirement Income Fund (the "RIF"), created pursuant to the application and this Declaration of Trust (the "Fund"), in accordance with the terms and conditions set out below:

1. **Registration:** We will apply to register the Fund 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 Fund will be a Registered Retirement Income Fund ("RRIF") and you will be known for the purposes of Applicable Tax Legislation as the "Annuitant", who is the planholder of the fund. After your death, your spouse or common-law partner, if living, may become the Annuitant for the purposes of Applicable Tax Legislation.

2. **Purpose of the Fund:** The primary purpose of the Fund is to provide retirement income to you. Each year following the year the Fund is established we must make a minimum payment of retirement income to you, in accordance with Applicable Tax Legislation.

3. **Compliance:** The Fund 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. **Investments:** Transfers to the Fund will be invested and reinvested from time to time in accordance with your investment instructions, which must comply with requirements imposed by us, in our sole discretion. These amounts will be called the "Fund Assets". We may be entitled to a fee for any cash deposited in an account at Canadian Western Bank or for any investments made with Canadian Western Bank or, if requested by you, another financial institution, and if so, such fee shall accrue to us. We will not be limited to investments authorized by law governing the investments of property held in trust other than investment rules sole discretion. We may accept and act on any investment instructions, which we believe in good faith to be given by you. At any time, it is your sole responsibility to ensure all investments held in the Fund are qualified investments under Applicable Tax Legislation. If we do not have any instructions from you at the time we receive a cash transfer, we will deposit your cash transfer in an interest bearing account with us or Canadian Western Bank imposed by the Tax Act for a RRIF. 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. At any time, it is your sole responsibility to ensure all investments held in the Fund are qualified investments under Applicable Tax Legislation. If we do not have any instructions from you at the time we receive a cash transfer, we will deposit your cash transfer in an interest bearing account with us or Canadian Western Bank.

5. **Non-Qualified Investments:** You are solely responsible for any tax, interest or penalties (collectively, the "Charges") imposed under Applicable Tax Legislation or by any provincial or federal regulatory authorities as it pertains to the investments in the Fund. If the Fund becomes liable for any Charges, you will be deemed to have authorized us to sell or withdraw any of the Fund Assets and obtain a fair market value that we, in our sole discretion, consider appropriate to pay any Charges to the Fund. We will issue an income tax receipt for any withdrawal of Fund Assets and we will not be liable for any loss or income taxes incurred as it pertains to the collection of unpaid Charges. It is your sole responsibility to provide appropriate documents supporting the fair market value of Fund Assets not publicly traded on a recognized stock exchange within the meaning of Applicable Tax Legislation. Furthermore, we may deem Fund Assets as worthless and remove them from the Fund 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 Fund under Applicable Tax Legislation or by any provincial or federal regulatory authorities related to the removal of Fund Assets from the Fund.

6. **Accounting:** We will maintain records relating to the Fund reflecting the following:

- a) Transfers to the Fund;
- b) Name, amount and cost of investments purchased or sold by the Fund;
- c) Purchases and sales of investments we hold for you in the Fund;
- d) Any income or loss earned or incurred by the Fund;
- e) Minimum payment information;
- f) Withdrawals, transfers and any other payments from the Fund; and
- g) The balance of the Fund.

7. **Statements:** We will issue statements for the Fund at least once annually or more frequently as determined by us, in our sole discretion. Should there occur full or partial non-payment of fees referred to in Clause 15 hereof, we may, in our sole discretion, cease the issue of statements for the plan.

8. **Transfers to the Fund:** You may request a transfer of amounts from another ("RRIF"), a Registered Retirement Savings Plan ("RRSP"), Registered Pension Plan ("RPP") or another source permitted under Applicable Tax Legislation or other applicable law. We will not accept property as consideration for benefits under the Fund, other than property that is a valid premium for a RIF under Applicable Tax Legislation or is transferred from another RRSP, RRIF or RPP under which you or your spouse or common-law partner or former spouse or common-law partner are the Annuitant or that is part of a division of property as described in section 10 below or that is otherwise permitted by Applicable Tax Legislation. The trustee may, in its sole discretion, refuse to accept the property into the Fund for any reason whatsoever and authorizes to transfer out of the Fund to the Annuitant, without notice, any property of the Fund the trustee believes is not or may not be a Qualified Investment. The terms and conditions of the Fund will be

subject to any additional terms or conditions that may be required to complete the transfer according to applicable law.

9. **Transfers from the Fund:** You may request a transfer of all or part of the Fund Assets to a RRSP or RRIF under which you are the Annuitant. You may transfer all or part of the Fund Assets to purchase an annuity, subject to the limitations of the Applicable Tax Legislation. All transfer requests may be subject to tax under Applicable Tax Legislation and any other related fees or costs. Prior to transferring all or part of the Fund Assets, we will make a payment of any unpaid minimum amount required under Applicable Tax Legislation. Upon receipt by us of all completed documents, as required under applicable law and us, we will process your request for a transfer of Fund Assets, or an amount equal in value at the time of the request, within a reasonable period of time. If you request a transfer to a RRIF we will also transfer all information necessary for continuance of registration of the Fund. Once the transfer is issued, we no longer have any further liability or duty to you for the Fund Assets transferred.

10. **Transfers for Division of Property:** You may request a transfer of all or part of the Fund Assets to a RRSP or a RRIF under which your spouse or common-law partner (within the meaning of Applicable Tax Legislation) is the Annuitant 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 relationship. 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 Fund Assets transferred.

11. **Locked-In Fund and Prescribed RIF (PRIF) Assets:** If locked-in Fund Assets are transferred to the Fund in accordance with applicable provincial or federal pension legislation, the additional provisions contained in the Life Income Fund ("LIF") or Locked-In Retirement Income Fund ("LRIF") or Prescribed RIF ("PRIF") addendum (the "Addendum") to this Declaration of Trust will form part of this Declaration of Trust and will govern the Fund Assets. In the event of any inconsistencies between the Addendum and Declaration of Trust, the provisions of the Addendum will govern.

12. **Retirement Income Payments from the Fund:** Retirement income payments must begin no later than the first calendar year after the year in which you establish the Fund. A minimum payment is required each year and is calculated in accordance with Applicable Tax Legislation. Payments may not be assigned, in whole or in part. You may elect to take a payment greater than the minimum payment each year subject to provincial or federal legislation pertaining to locked-in funds; however, any payment exceeding the minimum is subject to tax in accordance with Applicable Tax Legislation. You may elect to use your spouse's or common-law partner's age, subject to Applicable Tax Legislation, as a factor in calculating the annual minimum payments as long as you have not yet received any payments from the Fund. If you do not provide us with written instructions prior to thirty (30) days from the end of the year, for the payments and frequency of payments to be made from the Fund, you will receive a default payment not less than the minimum payment required, prior to the end of each year at a time we may determine which may be amended from time to time with-out notice. If sufficient cash is not available to cover the minimum payment or any other payment for the Fund, you will have deemed us to withdraw any of the Fund Assets in-kind, as we consider appropriate, and obtain a fair market value that we, in our sole discretion, consider appropriate to satisfy any payment amounts at the time of the transaction. Once the payment is issued we will not be liable for any loss or taxes incurred as a result of us withdrawing any Fund Assets as it pertains to making payments from the Fund.

13. **Group RIF:** If the Fund is part of a Group RIF, you are required to be an employee or member or spouse or the common-law partner of the employee or member of the sponsoring organization of the Group RIF named in the Application (the Group Sponsor). You accept the Group Sponsor as your Agent for the purposes of constituting the Fund. Upon your ceasing to be an employee or member of the Group Sponsor and upon notification from the Group Sponsor being received by us, you shall provide us with written notice to transfer the Fund to a self-directed RRSP if eligible, self-directed RRIF with us or another financial institution which is not part of the Group RIF. If we do not receive your written instruction within fifteen (15) days from the date we receive notice from the Group Sponsor, you will be deemed to have instructed us to transfer Fund Assets and to act as your attorney to execute documents and make elections necessary to establish another RSP or RIF, selected by us in our sole discretion and to register such RSP or RIF under Applicable Tax Legislation.

14. **Successor Annuitant:** At any time, you may elect for your spouse or common-law partner to receive payments after your death for as long as there are Fund Assets. You may make this election on the Application or in your will. If you have not made this election, we may make the payments to your spouse or common-law partner as successor annuitant after your death, as long as your legal representative requests it and provides us with satisfactory evidence of their consent and other requirements we may impose.

15. **Fees:** We may charge you or the Fund fees for services we provide to you or the Fund 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 Fund for all Trustee fees, mortgage foreclosure fees, disbursements, expenses (including taxes, interest and penalties) and any other charges reasonably incurred by us in the connection with the Fund. We are entitled to deduct our unpaid fees, disbursements, expenses and any other charges from the Fund Assets and where insufficient cash is available, you authorize us to sell or withdraw any of the Fund 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 an income tax receipt for any withdrawal from Fund 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.

16. Date of Birth and Social Insurance Number: The date of birth and social insurance number that you provide on the Application shall be deemed a certification by you of its truth and you give us your undertaking to provide additional evidence if we require proof of the validity of either.

17. Designation of Beneficiary: Where applicable provincial law permits, you may designate one or more beneficiaries to receive the Fund Assets or the proceeds from the sale of the Fund Assets on or after your death. You may make, change or revoke a beneficiary designation by providing us with a written instruction in a form acceptable to us. When the Fund Assets or the proceeds from the Fund 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.

18. Death of Fund Holder: Upon verification of a benefit entitlement under Applicable Tax Legislation, we will require, in our sole discretion, satisfactory evidence of your death and any other documents as it pertains to your death prior to proceeding with a request to distribute the Fund Assets or the proceeds from the Fund 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 Fund, we will distribute Fund Assets as designated by you. If we cannot establish a valid designation of beneficiary or beneficiaries, we will distribute the Fund Assets to your estate. Once the Fund Assets are transferred or the proceeds of the sale of the Fund Assets are paid, we no longer have any further liability or duty to your heirs, executors, administrators or legal representatives.

19. Income Tax Receipts: As required under Applicable Tax Legislation, we will send you or where applicable, your spouse or common law partner, a receipt for income tax filing purposes. Your income tax receipt will report payments we have made to you and tax we have withheld.

20. Restriction: No advantage that is conditional in any way on the existence of the Fund may be extended to you or any person with whom you do not deal at arm's-length, other than the benefits and advantages specifically permitted under Applicable Tax Legislation. The Fund Assets cannot be pledged, assigned, or in any way alienated in whole or in part as security for a loan or for any purpose other than to provide you with a retirement income, nor may Fund Assets be used to offset any debt or obligation, unless specifically permitted by Applicable Tax Legislation.

21. Amendments: We may from time to time, in our sole discretion, amend the terms of the Fund and this Declaration of Trust, providing that such amendments shall not disqualify the Fund a RRIF 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) days notice of any amendments.

22. Ownership and Voting Rights: The Fund Assets will be held in our name, our nominee's name, bearer form or any other name that we determine. The voting rights attached to securities held under the Fund 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.

23. Notices: Any notices, demands, orders, documents or any other written communication we may forward to you by mail, postage prepaid, to your address indicated on the Application (or subsequent written notification of a new address which we acknowledged received) shall be deemed to be received by you three (3) days after the

date of such mailing. You acknowledge that we shall be under no further obligation to locate you for the purpose of forwarding any such notices, demands, orders, documents or any other written communication.

24. Delegation of Duties: Without limiting our responsibility as trustee of the Fund, we may appoint agents and may delegate to our agents the performance of administrative and any other duties required under the Fund 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 Fund.

25. Liability of Canadian Western Trust Company: We, our directors, officers, employees, agents and their respective heirs, executors, administrators, personal representatives, successors and assigns are not responsible for determining whether an investment made in the Plan is a qualified investment within the meaning of the Applicable Tax Legislation. We are not responsible for valuing Fund Assets that are not publicly traded on a stock exchange recognized within the Applicable Tax Legislation. We, our officers, employees and agents shall be indemnified by you and the Fund directly and from Fund Assets against all expenses, liabilities, claims, demands or penalties arising out of or in respect of the Fund and the Fund Assets. We, our officers, employees and agents will accept investment instructions made in good faith by you or your authorized agent, dealer or representative. We will not be liable for any expense, liability, claim, demands, taxes, damages, losses, or penalties imposed on us or the Fund as a result of us acting in good faith on your authority or the authority of your agent, dealer or representative. We will not be liable for any Charges incurred in performing our duties under the Fund, the Declaration of Trust or any additional terms and conditions which may apply to the Fund under applicable law in connection with any transfers received by the Fund, unless caused by willful misconduct or gross negligence by us, our officers, employees or agent.

26. Indemnification: You, your heirs, executors, administrators or legal representatives and each beneficiary under the Fund will at all times indemnify the trustee, its directors, officers, employees and agents and their respective heirs, executors, administrators, personal representatives, successors and assigns and our agents directly and out of Fund Assets for any taxes, interest, penalties or charges levied or imposed on us in respect of the Fund, costs incurred in performing our duties under this Declaration of Trust or any losses incurred by the Fund as a result of any loss or diminution of the Fund Assets, purchases, sales, or retention of any investments, payments or distributions out of the Fund 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.

27. Successor Trustee: We may resign as the trustee of the Fund and be discharged from all duties and liabilities under this Declaration of Trust by giving thirty (30) days written notice to you. If you do not appoint a successor trustee within ten (10) days of our written notice, we may appoint a successor trustee for the Fund. 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.

28. Governing Law: The terms of the Fund 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.

29. 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.

Authorization

I am the planholder of the Self Directed RRIF named on the face hereof and do hereby authorize Canadian Western Trust Company to enter into mortgages on my behalf generally and from time to time as follows;

- (a) CONTRIBUTORY Mortgages;
- (b) FIRST or SECOND Financial Charges

In witness whereof, Canadian Western Trust Company has caused the Declaration of Trust to be executed in the city of _____, Province of British Columbia, at the date signed below.

_____ Date

_____ Annuitant Signature

_____ Witness Signature

_____ Annuitant – Print Name

_____ Witness – Print Name

Canadian Western Trust Company Self-directed TFSA Declaration of Trust

Annuitant Name: _____

Plan #: _____

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 application form (the "Application") to which this Declaration of Trust is attached. Within this Declaration of Trust we use the word "agent" when referencing "agent for the trustee" and "Agent" when referencing "Agent for employee of group TFSA". We agree to act as trustee for your self-directed tax-free savings account created pursuant to the Application and this Declaration of Trust (the "TFSA") 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, except as provided under Clauses 19 and 22.

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, securities, 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 12 below, will be called the "TFSA Assets". The trustee is 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 Clause 22 (if applicable). Investment instructions must comply with requirements imposed by us 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 Tax 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. At any time, it is your sole responsibility to ensure all investments held in the TFSA are qualified investments under the Applicable Tax Legislation. We may be entitled to a fee for any cash deposited in an account at Canadian Western Bank or for any investments made with Canadian Western Bank or, if requested by you, another financial institution, and if so, such a fee shall accrue to us. 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 with us or Canadian Western Bank.

6. Non-Qualified Investments and Excess Contributions: You are solely responsible for any tax, interest or penalties (collectively, the "Charges") imposed under Applicable Tax Legislation or by any other provincial or federal regulatory authorities as it pertains to the Contributions and investments in the TFSA. 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 sole 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 will maintain records relating to the TFSA reflecting the following:

- Contributions to the TFSA;
- Name, amount and cost of investments purchased or sold by the TFSA;
- Purchases and sales of investments we hold for you in the TFSA;
- Any income or loss earned or incurred by the TFSA;
- Withdrawals, transfers and any other payments from the TFSA; and
- 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 Clause 16 hereof, we may, in our sole discretion, cease the issue of statements for the TFSA.

9. Income Tax Reporting Receipts: As required under Applicable Tax Legislation, we will send you a receipt for income tax reporting purposes. Your income tax reporting receipt will report Contributions we have received and payments we have made to you. It is your sole responsibility to ensure you do not exceed the maximum allowable contributions permitted each year under Applicable Tax Legislation.

10. 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 Clause 22, we will pay you or your assigns as the case may be an amount less tax under Applicable Tax Legislation, if any, and any other 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.

11. 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 *Income Tax Act* (Canada) 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.

12. Transfers to the TFSA: You may request a transfer of amounts to the TFSA from another "TFSA" or any other source permitted under Applicable Tax Legislation or other applicable law. The trustee may, in its sole discretion refuse to accept the property into the TFSA for any reason whatsoever and authorizes to transfer out of the TFSA to the Holder, without notice, any property of the TFSA the trustee believes 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.

13. Transfers from the TFSA: You, or your assigns under Clause 22 (if applicable), may request a transfer of all or part of the TFSA Assets to a TFSA 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.

14. Transfers for Division of Property: You may request a transfer of all or part of the TFSA Assets to a TFSA 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.

15. Group TFSA: If the TFSA is part of a Group TFSA. You are required to be an employee or member, or the spouse or common-law partner of the employee or member, of the sponsoring organization of the Group TFSA named in the Application (the "Group Sponsor"). You accept the Group Sponsor as your Agent for the purposes of constituting the TFSA. Upon your ceasing to be an employee or member of the Group Sponsor and upon notification from the Group Sponsor being received by us, the following will apply:

- We will not accept any further contributions to this TFSA; and
- You shall provide us with written notice to transfer the TFSA to a self-directed TFSA with us or another financial institution which is not part of the Group TFSA. If we do not receive your written instructions within fifteen (15) days from the date we receive notice from the Group Sponsor, you will be deemed to have instructed us to transfer TFSA Assets and to act as your attorney to execute documents and make elections necessary to establish another TFSA, selected by us in our sole discretion and to apply for registration of such TFSA under Applicable Tax Legislation.

16. 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 Trustee fees, mortgage foreclosure 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.

17. Social Insurance Number: The social insurance number that you provide on the 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

18. Designation of Beneficiary: Where applicable provincial law permits, you may designate one or more beneficiaries to receive the TFSA Assets or the proceeds from the sale of the TFSA Assets on or after your death. 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.

19. Death of a TFSA Holder: Upon verification of a benefit entitlement under Applicable Tax Legislation, we will require, in our sole discretion, 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.

20. Ownership and Voting Rights: The TFSA Assets will be held in our name, our nominee'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.

21. Notices: Any notices, demands, orders, documents or any other written communication we may forward to you by mail, postage paid, to your address indicated on the Application (or subsequent written notification of a new address which we acknowledge received) shall be deemed to be received by you (3) days after such mailing. You acknowledge that we shall be under no further obligation to locate you for the purpose of forwarding any such notices, demands, orders, documents or any other written communication.

22. Restrictions and Security for Indebtedness: No advantage that is conditional in any way on the existence of the TFSA may be extended to you or any person with whom you do not deal at arm's-length, other than the benefits and advantages specifically permitted under Applicable Tax Legislation. The TFSA is prohibited from borrowing money or other property for purposes of the TFSA. The TFSA Assets may be pledged or assigned as security for indebtedness in whole or in part in accordance with the provisions of subsections 146.2(3) and 146.2(4) of the *Income Tax Act* (Canada).

23. 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) days notice of any amendments.

24. 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.

25. Liability of Canadian Western Trust Company: We, our directors, officers, employees, agents and their respective heirs, executors, administrators, personal representatives, successors and assigns are not responsible for determining whether an investment made in the TFSA is a qualified investment within the meaning of the Applicable Tax Legislation. We are not responsible for valuing TFSA Assets that are not publicly traded on a stock exchange recognized within the Applicable Tax Legislation. We, our officers, employees, and agents shall be indemnified by you and the TFSA directly from TFSA Assets against all expenses, liabilities, claims, demands or penalties arising out of or in respect of the TFSA and the TFSA Assets. We, our officers, employees, and agents will accept investment instruction made in good faith by you or your authorized agent, dealer, or representative. We will not be liable for any expense, liability, claim, demands, taxes, damages, losses or penalties imposed on us or the TFSA as a result of us acting in good faith on your authority or the authority of your authorized agent, dealer or representative. We will not be liable for any Charges incurred in performing our duties under the TFSA, the Declaration of Trust or any additional terms and conditions which may apply to the TFSA under applicable law in connection with any transfers by the TFSA, unless caused by willful misconduct or gross negligence by us, our officers, employees or agents.

26. 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.

27. Successor Trustee: We may resign as the trustee of the TFSA and be discharged from all duties and liabilities under this Declaration of Trust by giving thirty (30) days written notice to you. If you do not appoint a successor trustee within ten (10) days of our written notice, we may appoint a successor trustee for the TFSA. 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.

28. 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.

29. 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.

Authorization

I am the planholder of the TFSA named on the face hereof and do hereby authorize Canadian Western Trust company to enter into mortgages on my behalf generally and from time to time as follows;

- (a) CONTRIBUTORY Mortgages;
- (b) FIRST, SECOND or THIRD Financial Charges

In witness whereof, Canadian Western Trust Company has caused the Declaration of Trust to be executed in the city of _____, Province of British Columbia, at the date signed below.

_____ Date

_____ Annuitant Signature

_____ Witness Signature

_____ Annuitant – Print Name

_____ Witness – Print Name

Pre-Authorized Debit Agreement
*Non Arm's Length Mortgages

Definitions:

"I", "We", "My", "Me", "Our", and "Us" refers to the Payor;
 "FI" means Financial Institution;
 "Payor" means the person(s) that pre-authorize the issuance of a PAD and whose account is to be debited with the amount of the PAD;
 "Pre Authorized Debit" or "PAD" means a pre-authorized payment in paper, electronic, or other form drawn pursuant to a PAD agreement on an account of my choosing as Payor held by my FI;

Operation:

I/we understand and undertake that:

- 1) This authorization is for the benefit of Canadian Western Trust ("CWT") and my/our FI. My/Our FI agrees to process debits against my/our account in accordance with the rules of the Canadian Payments Association.
- 2) Giving this authorization to CWT is the same as giving it to my/our FI.
- 3) My/Our FI is not required to verify that the PAD conforms with my/our authorization.
- 4) My/Our FI is not required to verify that the purpose of payment to which this PAD relates has been fulfilled.
- 5) Revoking this authorization does not terminate any contract between CWT and me/us. My/Our authorization applies only to the method of payment and has no bearing otherwise on any contract;
- 6) Any personal information within this authorization required by my/our FI may be released to them.
- 7) I/We waive all notification rights knowing that I/We are entitled to receive notice from CWT no less than 10 calendar days in advance;
 - i. In the case of a fixed amount PAD, before the due date of the first PAD and every time there is a change; or
 - ii. In the case of a variable amount PAD, before every PAD.

The Account:

I/We confirm that:

- 1) All persons required to sign on my/our account with my/our FI have signed this agreement;
- 2) CWT will be informed in writing of any change to the account information provided herein at least 10 business days prior to the next scheduled payment date of the PAD.

Cancellation:

I/We may cancel this authorization by advising CWT in writing at least 10 days prior to the next date of the PAD. I/we may obtain a sample cancellation form or further information on my/our right to cancel this agreement at my/our FI or by visiting www.cdnpay.ca.

Dispute and Reimbursement:

I/We have certain recourse rights if a debit does not comply with this agreement. For example, I/we have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD Agreement. To obtain more information on my/our recourse rights, I/we may contact my/our FI or visit www.cdnpay.ca. I/We may dispute a PAD and claim reimbursement if:

- a) the PAD was not drawn in accordance with this Agreement; or,
- b) the Agreement was revoked; or,
- c) no Agreement exists between me/us and CWT.

If I/we am/are claiming a reimbursement, I/we must, within 90 calendar days of the date of posting of a Personal PAD (10 days in the case of Business PAD), complete a declaration to my/our FI that I/we have a claim for one of the reasons given in the preceding paragraph. In the case where the declared condition is "no Agreement exists between me/us and CWT", I/we may claim reimbursement within 90 calendar days after the posting date on my/our account statement which shows the improperly processed debit. Any claim relating to a PAD which is advanced after the expiry of the time in the preceding paragraph, is strictly a matter between me/us and CWT.

Pre-Authorized Debt Authorization

I/we authorize the processing of a Pre-Authorized Debit ('PAD') through my/our bank account as detailed below:

Amount: \$ _____ First payment date: _____

Borrowers Name: _____

Repayment will occur on the first day of each month.

Mortgage Account #: _____

I / we agree to the terms and conditions of this agreement stated on this form.

_____ Date _____ Client Signature _____ Co-Applicant Signature

****Please attach a blank cheque marked VOID for the account from which payments are to be taken****

Please remit by mail or fax this completed form with a void cheque to the details below.

Canadian Western Trust
ATTN: Mortgage Department
Suite 600, 750 Cambie St.
Vancouver, BC V6B 0A2

Fax: 604.699.4900

Phone: 604.685.2081 Toll Free: 1.800.663.1124

List of Approved Appraisers

(Page 1 of 2)

Calgary - AB

Atkinson & Associates
B.C. Black Appraisals Ltd.
B. Finnigan & Associates Ltd.
C.J. Griffin & Company
Colliers International Realty Advisors Inc.
Gateway Appraisal Ltd. (Canmore)
Ken Yeager Appraisals (East Kootenay's)
Linnell Taylor Lipman & Associates Ltd.
McDonald Copeland Real Estate Appraisers & Consultants Ltd. (Residential)
Outlook Realty Advisors Inc.
Price Aspinall Appraisals Ltd. (Residential)
Royal LePage
Suncorp Valuations Ltd.
T.R. Moore & Associates Ltd.
Turnko Inc. (Residential)
Wernick Omura Limited

Camrose - AB

Accord Appraisal Co. (Camrose)
Altario Appraisal Co. Ltd.

Courtenay - BC

Carlton, Ray & Associates (Residential)
David J. Cook (Residential)
Kutyn Property Services
Wm. S. Jackson & Associates Ltd.

Edmonton - AB

Accent Appraisals Ltd.
Altus Group
AMR Real Estate Appraisers Ltd.
Bourgeois & Company
Cameron & Co Real Estate Appraisals Ltd (Residential)
Chopko Real Estate Appraisals
Colliers International Realty Advisors Inc.
D.G. Schultz & Associates (Residential Appraisals)
Downey & Associates
Dundas Appraisals Ltd (Residential)
Essex Appraisal Group Ltd.
Frost & Associates
Gettel Appraisals Ltd.
Glen Cowan & Associates Real Property Appraisals Ltd.
Halvorsen Fedynak & Company, Inc.
Henderson Butt

Edmonton cont...

Independent Real Property Appraisals Ltd.
Keith Fraser & Company Ltd.
Knight & Company Appraisals Ltd.
McNally Valuations Ltd. (R/E & Business Valuations)
Royal LePage
Shaske & Zeiner Appraisal Consultants Ltd.
Suncorp Valuations Ltd.
Val-U Appraisals Inc (Residential)
Wall & Associates

Grande Prairie - AB

Abbott-Brown Appraisal Ltd. (Residential)
Baldwin Appraisals
Biegel & Perra Appraisals
Plant & Associates Appraisal Services Inc.
Pomeroy Appraisals Ltd.

Kelowna - BC

A-1 Appraisals Ltd.
Area Wide Appraisals Ltd. (Residential)
Caruso Appraisals Inc.
Corrie Appraisals Ltd. (for Salmon Arm area)
Dream Home Appraisals Co. (Residential)
Flynn Mirtle Moran
Kelowna Appraisals Ltd (Residential)
Kent - MacPherson Appraisals
L.E. Rivard & Associates Ltd. (North Okanagan)
Markle Appraisals
Okanagan Appraisals (Residential)
Schoenne & Associates (North Okanagan)
Schoenne & Associates Ltd. (South Okanagan)

Lethbridge - AB

Allied Real Estate Appraisal Services
Elk Valley Appraisals Ltd. (o/a Appraisal Associates 2000)
Lethbridge Property Appraisal (1979) Ltd.
Reliance Appraisal Consultants Ltd.

Medicine Hat - AB

A.R.C. Appraisal Consultants
Classic Appraisal Consultants

List of Approved Appraisers
(Page 2 of 2)

Nanaimo - BC

Cunningham & Rivard Appraisals (Nanaimo) Ltd.
Isle West Appraisals Ltd.
Pacific Rim Appraisals Ltd.
Vancouver Island Appraisals (1991) Ltd.

Red Deer - AB

Haldane Appraisals
M.R. Soderquist Appraisals Ltd.
Perry Appraisal Associates Ltd.

Regina - SK

Barry A. Baker Appraisals
B.R. Gaffney and Associates
Century 21
Cliff Dunford Appraisal Ltd.
Crown Appraisals
Cushman & Wakefield LePage Inc. (Residential)
Fox Appraisals & Real Estate Consultants
Sutton Group Results Realty (Residential)

Saskatoon - SK

Brunsdon Junor Johnson Appraisals Ltd. (Formerly
Brunsdon Martin & Associates)
Suncorp Valuations Ltd.
The Appraisal Group

Vancouver & Lower Mainland - BC

Anderson Appraisals
Argent Appraisals Ltd.
Burgess, Cawley, Sullivan & Assoc.
Campbell & Pound Ltd.
Carmichael Wilson Property Consultants Ltd.
CB Richard Ellis Ltd.
Colliers International Realty Advisors Inc.
Collingwood & Associates Real Estate Appraisers &
Consultants
Cunningham & Rivard Appraisals Vancouver Ltd.
Cushman and Wakefield LePage
D.S.J. Boyd
Duncan Elliott Property Appraisals Ltd.
Falcus Appraisals Inc. (formerly W. Falcus &
Associates (1977) Ltd.
Fortin Appraisals Ltd. (Chilliwack & Lower Mainland)
F. Lee Wong & Associates Ltd (Residential)
Grover Elliott & Co. Ltd.
Health Trust Canada Real Estate Advisors
Hooker Umlah Craig Lum Real Estate Appraisers
and Consultants Ltd.

Vancouver & Lower Mainland cont...

Hossack Newby Graham and Smith
Johnston Ross & Cheng Ltd.
Kors & Associates (Residential)
Leemore & Associates Real Estate Appraisals &
Consultants Ltd.
MacIntosh Appraisals Ltd.
Neimi & Laporte Dowle Appraisals Ltd. (Residential &
Commercial appraisals completed to exclude
Mr. Ron Dingwall)
Nilsen Realty Research Ltd.
Parkes & Company Appraisals Ltd.
Penny & Keenleyside Appraisals Ltd.
R.D. Gaboury & Associates Ltd.(Residential)
Suncorp Valuations Ltd.
W. Falcus & Associates (1977) Ltd

Victoria - BC

Baker & Osland Appraisals Ltd.
Brian McConnell & Associates
Cunningham & Rivard Appraisals (Victoria) Ltd.
D.R. Coell & Associates
Palmer & Chubey Appraisals Ltd.
Ray Baker Appraisals Inc.
Swanson Appraisals (Residential)
Thibault & Company (Residential)
W.E. Maybee Appraisals Group Ltd.

Winnipeg - MN

Dennis T. Browaty & Associates Ltd.
E.P. Cooke Real Estate Services Ltd.
Hoffer, Wilkinson & Associates Ltd.
Rixon Appraisal Services (Residential)
Royal LePage Professional Services (R/E Appraisers &
Consultants)
Suncorp Valuations Ltd.
Unrau Halladay Appraisal Services (Residential)

Yorkton - SK

E. Shelby Appraisal Services
Nichvolodov J.J. & Co. Ltd.

Frequently Asked Questions (“FAQs”)

1. What is a Personal/Non-Arm’s Length Mortgage?

A Personal or Non-Arm’s Length mortgage is a loan where money in a (non-locked-in) self-directed account is lent to self, spouse, child or any other relative either by blood or by marriage.

2. Can I co-apply with my spouse?

Yes, if you and your spouse both have Self-Directed Plans, Canadian Western Trust will allow funding to be made from both Plans for one mortgage document.

3. I have a common-law spouse. Am I qualified?

Yes, common-law is as binding as a marriage after one year.

4. Is my property eligible?

Properties eligible to be mortgaged must be primary residences or acting as primary residences throughout periods of a year. The dwelling must be suitable and available for year-round occupancy – it must be fully equipped with electricity and plumbing and cannot be in a remote area with limited accessibility. If the property is on an island, it must have year-round bridge or ferry access. Rental properties and construction mortgages are not acceptable.

5. What is CMHC? And why do I need them?

The Canada Mortgage Housing Corporation (CMHC) is Canada’s national housing agency and Canada’s largest mortgage loan issuer. Without mortgage insurance, Non-Arm’s length mortgages are not considered qualified investments within a self-directed account.

6. How much will CMHC insurance cost?

To obtain CMHC Mortgage Loan Insurance, lenders pay an insurance premium. The higher the percentage of the total house price/value that you borrow, the higher percentage you will pay in insurance premiums. These premiums are calculated based on the loan-to-value ratio. For CMHC’s current rates, please visit their website at www.cmhc-schl.gc.ca.

7. What kinds of rates are available to me?

The interest rates offered are fixed posted rates for 1-5 year terms. This rate will be determined by the lender upon the original application and must be similar to those generally available in the marketplace based on current Canadian Chartered banks’ posted mortgage rates set at a fair market value (as determined by CRA) with a flexibility of 1% as a general rule of thumb.

8. I already have a mortgage on my property. Can I take out a 2nd mortgage?

Yes, CMHC will insure up to the 2nd mortgage.

9. How much money can I borrow?

The maximum mortgage amount will depend on the appraised value of the property. If there is more than one mortgage on the home, the aggregate value of all loans will be used to calculate the Loan-to-Value Ratio (aggregate amount of loans/appraised value). This ratio cannot exceed 90%, or a lesser amount if stated by CMHC rules.

Refinancing - the maximum allowable fund to advance is \$200,000.

10. Are my earnings enough?

To determine the minimum income required to be eligible for a Non-Arms' Length mortgage, there are two ratios that must be satisfied:

Gross Debt Service (GDS) ratio:

The ratio of the carrying costs of the home, including the mortgage payment*, taxes and heating costs, to the borrower's income – **must not exceed 32% of your monthly income.**

* Based on a five (5) year fixed rate

Total Debt Service (TDS) ratio:

The ratio of the carrying costs of the home and all other debt payments to the borrower's total income - must not exceed 40% of your monthly income.

11. Do I have to go through a lawyer?

Yes, all transactions require the services of a lawyer.

12. How much time would it take to get my loan processed?

There is a turnaround time of forty-eight hours, presuming receipt of all required documentation and CMHC approval.

13. What other costs are involved?

Appraisal and legal fees common to any mortgage.

The mortgage insurer charges a one-time premium for mortgage insurance for up to 30 years.

CWT charges a one-time mortgage setup fee and an annual mortgage administration fee. Please refer to the current CWT Fee Schedule.

A renewal fee at the maturity of the term.

Please note that all fees apply to each mortgage per planholder.

14. Can I employ the appraiser of my choice?

CWT accepts any appraiser with either Accredited Appraiser Canadian Institute ("AACI") or Canadian Residential Appraiser ("CRA") designation.

15. Am I notified near the maturity date?

Yes, CWT will notify you by letter, offering you the rate options, etc.