

# Arm's Length Mortgage Product Sheet

What is an Arm's Length Mortgage? One of the investments which an individual is permitted by CRA to hold in their Canadian Western Trust Company (CWT) Self-Directed Plan including Locked-In Plans, is an investor mortgage called an Arm's Length Mortgage. In this scenario, you are lending money from your registered Self-Directed Account to a borrower. The mortgagee and, mortgagor are at "arm's length" as defined in the *Income Tax Act*, section 251/252.

## Requirements for a Self-Directed Arm's Length Mortgage

### Eligible Investments

- New purchases and re-finances
- CWT accepts first, second and third mortgages as eligible registered investments
- Up to 90% Loan-to-Value (LTV)
- A mortgage is a qualified investment within a CWT self-directed registered account

### Eligible Plan Types

- Your CWT plan must be self-directed and be one of the following plan types: RSP, RIF, TFSA, LIRA, LIF
- One mortgage can be funded from multiple CWT self-directed plans. Each plan will be administered separately as if the mortgages were unrelated

### Appraisals

- CWT requires annuitants to provide a current appraisal of property (within one year), issued by a licensed AACI or CRA real estate appraiser or a property tax assessment for the current year

### Property Requirements

- Mortgages are required to be on real property (residential or commercial) located in Canada (excluding Quebec) registered in Land Title Office. Raw land is eligible however leased land is not

### Lending

- The lender (account holder) determines the terms and conditions of the mortgage. It is your responsibility to ascertain the credit worthiness of the borrower, the value of the property and the borrower's equity in the property and all other matters relevant to your decision to make the mortgage investment
- The mortgage can provide for regular blended principal plus interest payments, interest only payments, etc.
- The interest rate (minimum of 2% and maximum of 30%), term (maximum 10 years), payment details etc., will be the subject of negotiation between you and the borrower

### Available Cash in Account

- At the anticipated funding date of the mortgage, sufficient cash is required in the account. CWT will not liquidate an investment in the account to generate cash for you

### Payments

- CWT requires at least annual interest payments based on semi-annual, not in advance or simple interest calculations only

## Professional Advice Recommended

A mortgage investment is a commercial transaction that involves the identification, consideration and evaluation of various risks. Canadian Western Trust does not provide advice on such risks. Canadian Western Trust strongly recommends that you obtain professional advice in connection with any mortgage investment.

## Mortgage Terms

You determine the terms and conditions of the mortgage. **It will be your responsibility to ascertain the credit worthiness of the borrower, the value of the property and the borrower's equity in the property and all other matters relevant to your decision to make the mortgage investment.** The mortgage can provide for regular blended principal plus interest payments, interest only payments, etc. The interest rate (minimum of 2% and maximum of 30%), term (maximum 10 years), payment details, etc., will be the subject of negotiation between yourself and the borrower. **All mortgages accepted by Canadian Western Trust require at least annual interest payments based on semi-annual, not in advance or simple interest calculations only.**

- You must use the services of a lawyer or notary public to draw up the mortgage documents and to disburse the mortgage proceeds. If the lawyer or notary also represents the borrower, Canadian Western Trust strongly recommends that you retain an independent lawyer to advise you on the transaction
- You must provide instructions to your lawyer or notary public as outlined in the *Documents and Funding Requirements* section

## RRSP/RRIF Qualifications

An Arm's Length Mortgage will be a qualified investment for your RRSP/RRIF if the mortgage is on real property (residential or commercial) located in Canada excluding Quebec, where the lender is at arm's length from the mortgagor/borrower.

The following are not qualified investments for RRSPs and RRIFs, however may be used as additional security to a standard mortgage charge on real property:

- Chattel mortgages (charges on mobile homes, boats, etc.)
- Agreements for sale
- Collateral security such as security agreements
- Promissory Notes

Canadian Western Trust will only accept investments in first, second and third mortgages.

Canadian Western Trust will not accept a mortgage for a self-directed RRSP or RRIF unless the annuitant signs Canadian Western Trust's *Investing in an Arm's Length Mortgage* declaration stating that the annuitant and the mortgagor (borrower) are "at arm's length" for the purposes of the *Income Tax Act*. If you have any direct or indirect connection or relationship with the mortgagor, Canadian Western Trust recommends that you obtain professional advice as to whether you deal at arm's length with the mortgagor for the purposes of the *Income Tax Act*.

*Income Tax Act* regulations state that a mortgage is a qualified investment for an RRSP or RRIF only if the property value at least equals the total amount of the RRSP/RRIF mortgage and all prior mortgages and charges.

**Canadian Western Trust will only accept mortgage investments that have a total loan to value on all encumbrances that is less than 90% maximum.**

Although Canadian Western Trust has no responsibility to determine whether a mortgage is a qualified investment for your RRSP or RRIF, it reserves the right at its sole discretion to refuse to accept any mortgage if it is not satisfied that the mortgage is a qualified investment or for any other reason.

Canadian Western Trust does not accept mortgages on leasehold properties, Demand Mortgages, Reciprocal Mortgages, Mortgages of Lease or mortgages in foreclosure or involved in legal action or in arrears.

## Mortgage Administration

Canadian Western Trust, as trustee of your RRSP/RRIF, will be responsible for:

- Crediting payments received by Canadian Western Trust to your RRSP/RRIF

You are responsible for:

- All mortgage underwriting and credit adjudication for the mortgage investment
- Seeking the appropriate professional advice to ensure the mortgage investment is a suitable investment for your particular situation, risk tolerance and investment time horizon
- Negotiating the terms of the mortgage transaction
- Instructing your lawyer or notary to prepare the mortgage (or transfer of mortgage) documents and informing your lawyer or notary of Canadian Western Trust's requirements
- Ensuring that the mortgage is properly prepared, signed and registered with the correct priority and that all the mutually agreed upon arrangements of the mortgage are clearly defined
- Ensure that a duplicate copy of the registered executed mortgage or registered executed assignment of mortgage document is provided to Canadian Western Trust within 30 days of the funding
- Ensuring that mortgage payments are made directly to Canadian Western Trust
- Collecting payments in arrears
- Commencing foreclosure actions or other proceedings necessary to recover monies owed
- Ensuring that the property is adequately and properly insured at all times
- Providing Canadian Western Trust with all documentation requested
- Providing approved payout statement to Canadian Western Trust (see Payout Statement form included in this package)

Please Note: It is your responsibility to conduct all communications with the borrower. You should clearly advise the borrower how to contact you (or your agent/broker) for any information about the mortgage, handling of dishonored payments and payout statements.

## Documentation and Funding Requirements

You must have a Self-Directed Plan with Canadian Western Trust and have sufficient cash on hand to fund the mortgage and any associated fees. If the assets in the plan are in investments such as term deposits, bonds, mutual funds, stocks, etc., you will have to redeem or sell prior to the funding date of the mortgage.

You must retain a lawyer or notary public to prepare the mortgage (or transfer of mortgage) documents and to disburse the mortgage proceeds. Your lawyer or notary public must request funds from us at least 2 business days prior to funding. The request should be faxed to 604.699.4900 or emailed to [investor.mortgages@cwt.ca](mailto:investor.mortgages@cwt.ca).

Funding Requirements:

- Evidence signed by you that the lawyer or notary public has authority to make the request on your behalf
- An *Investing in an Arm's Length Mortgage* declaration in our standard form signed by you
- Details of the funding date and the amount required
- If the borrower is a company, a company search showing directors/officers of the company or a corporate resolution stating same is required
- A Canadian Western Trust *Pre-Authorized Debit Agreement* with a void cheque attached for monthly payments
- A signed copy of the mortgage (or transfer of mortgage) showing the mortgagee as:

Canadian Western Trust Company (Incorporation No. A46845)  
In trust for RRSP (or RRIF) Account #  
Suite 300 – 750 Cambie Street, Vancouver, BC V6B 0A2

- CWT requires annuitants to provide an appraisal of property no more than twelve months old, issued by a licensed real estate appraiser [two designations that we would be looking for are AACI (Accredited Appraiser Canadian Institute) or CRA (Canadian Residential Appraiser)], OR, a property tax assessment for the property for the current year. The appraisal must state that it has been prepared for either the borrower or CWT
- An undertaking by the lawyer or notary public to provide our office with a copy of the mortgage (or transfer of mortgage) showing registration particulars and a title search or state of title certificate showing the registration of the mortgage (or transfer of mortgage), within 30 days of funding. **Failure to provide the registered executed documents may result in the mortgage being considered a non-qualified investment and potentially being removed from the registered plan which would be a taxable event**
- Evidence of insurance coverage showing Canadian Western Trust as loss payee
- Confirmation from lawyer of total mortgage charges **including all prior encumbrances**
- For Mortgages in British Columbia, BC Land Titles office requires a copy of the Declaration of Trust signed by the annuitant of the plan. The signed Declaration of Trust is to be submitted along with the mortgage registration documents by your lawyer to BC Land Titles, a copy of this form is included in this package
- Other information may be requested of you or your lawyer or notary as required

On a best effort basis, and upon receipt of all required documentation, we will release funds within 2 business days.

Please Note: We will prepare a cheque for pickup from our office at Suite 300 – 750 Cambie Street, Vancouver, British Columbia. If your lawyer has a Canadian Western Bank account the deposit can be made directly to their account, hence account information is to be provided at time of funding. Canadian Western Trust will levy a charge of \$25.00 if it is asked to make courier arrangements.

## Mortgage Renewals

When your mortgage investment matures, as noted on the mortgage document filed at the Land Titles Office, a mortgage renewal must be executed by the annuitant and mortgagor and a copy forwarded to Canadian Western Trust for our files. This will also ensure the correct interest rate and new maturity date is reflected on your statements. For your convenience, we have a Mortgage Renewal form attached in this package.

## Transfer of Existing Mortgage

In addition to funding new mortgages, your RRSP/RRIF may purchase all or part of an existing mortgage, including an Arm's Length Mortgage held by you outside of your RRSP or RRIF that is a qualified RRSP/RRIF investment. The services of a lawyer or notary public to draw up the transfer of mortgage documents is required. The same requirements will apply as a new funding (see above requirements).

CWT will require a completed and signed *Investing in an Arm's Length Mortgage* declaration, acknowledgement of all prior encumbrances, a current appraisal/tax assessment and the mortgage must be in good standing, maximum loan to value cannot exceed 90%. The lawyer or notary public will follow the Canadian Western Trust *Documentation and Funding Requirements* set out above. If the lawyer or notary also represents the transferor, Canadian Western Trust strongly recommends that you retain an independent lawyer to advise you on the transaction.

Your lawyer or notary public must draw a transfer of mortgage document which will transfer the mortgage (or portion of the mortgage) from the current mortgagee to Canadian Western Trust. It must be executed by the current mortgagee and registered in a Land Title Office.

In addition, if you are the lender under an Arm's Length Mortgage held outside of your RRSP/RRIF, you may sell all or part of that mortgage to your RRSP/RRIF for its **Fair Market Value** supported by an appraisal.

## In Kind Contributions of an Arm's Length Mortgage

RRSP contributions can be made to your plan by transferring an existing investment (called an "in kind contribution") to the plan.

If you hold an Arm's Length Mortgage that is a qualified RRSP investment, you may contribute all or part of that mortgage to your RRSP, and receive a contribution receipt for the **Fair Market Value** supported by an appraisal.

You must use the services of a lawyer or notary public to draw up the transfer of mortgage documents. The same Canadian Western Trust *Documentation and Funding Requirements* as set out above is required to be met and followed by your lawyer or notary.

## RRSP/RRIF Transfers of Arm's Length Mortgages

If you hold an Arm's Length Mortgage in another RRSP/RRIF with another bank or trust company, you may transfer your whole plan or a specific mortgage in that plan to a new plan with Canadian Western Trust. To transfer your registered plan and Arm's Length Mortgage the following is required:

- If an existing Canadian Western Trust Plan is not open, complete the Canadian Western Trust *New Account Application Form* and forward it to our office
- Complete a *Transfer Authorization for Registered Investments* form indicating that the mortgage is to be transferred in kind and is current and in good standing (i.e. not in foreclosure). A copy of asset listing from the relinquishing institution showing this asset is to be attached
- The same funding documents as listed in the *Documentation and Funding Requirements* section above, i.e. completed and signed *Investing in an Arm's Length Mortgage* declaration, appraisal/tax assessment, confirmation of prior encumbrances, etc.
- The services of a notary or lawyer are required to draw the transfer of mortgage from the current trustee to Canadian Western Trust Company
- The transfer document must be executed by the current trustee and registered in a land titles office
- Your lawyer or notary must follow the Canadian Western Trust *Documentation and Funding Requirements* outlined above, to the extent that they are applicable in the *Documentation and Funding Requirements* section

## Mortgage Payments

The mortgage payments must be credited to the RRSP/RRIF. There are two ways this can be done:

1. By Pre-Authorized Debit (PAD), deducting the payment directly from the borrower's bank account and credit the payment to your RRSP/RRIF. A PAD is required for any mortgages with monthly payments. You must use Canadian Western Trust's Pre-Authorized Debit Agreement form completed in full and signed by the bank account holders, along with a void cheque from the Mortgagor's bank account. Please note, Canadian Western Trust will require at least 5 business days to cancel a PAD. In the event of a payout, it is advisable to have the mortgagor place a stop payment at their bank as a precaution. We do not automatically cancel PADs upon receipt of a payout statement unless instructed to do so by the lender at least 5 business days before the next payment. There will be a 10 day hold on all payments where a PAD was not stopped at the time of payout and needs to be returned to the Mortgagor. Should there be any returned payments, your account will be charged our Returned Payment Fee and you will be advised of the NSF by mail/fax.
2. If you use the services of a mortgage company, they may collect the payment on your behalf, by way of cheque or pre-authorized debit and then forward to Canadian Western Trust

In the case of a shared mortgage, a schedule of the specific payments to each plan is to be attached to the cheque. Canadian Western Trust does not accept post-dated cheques. In compliance with the *Income Tax Act*, only cheques payable to Canadian Western Trust, drawn on the mortgagor's bank account, will be processed to the plan.

## Insurance

Please ensure that the Property Insurance Policy shows the loss payable as follows:

Canadian Western Trust ITF #  
C/O: Your Name and Company Address

A copy of the insurance policy should be sent to you so that you will be able to ensure that the property is adequately insured at all times. The annuitant should provide Canadian Western Trust with a copy of the current insurance for our files.

## Payouts/Discharges

Upon receipt of a request for a payout, from the mortgagor or his lawyer or notary, Canadian Western Trust will request a written payout statement from you the annuitant. We will not process a payout cheque until you have approved **the payout amount and provided us with a prepared discharge of mortgage for execution by CWT.**

**Reminder: If the borrower is paying by PAD, we need 5 business days advance notice to cancel a scheduled PAD payment.**

## Mortgage Arrears, Foreclosure and Legal Action

You are ultimately responsible to monitor all payments, collections of arrear payments and initiation of legal proceedings in order to protect your mortgage investment. As Canadian Western Trust Company (the "Trustee") is the legal mortgagee under RRSP/RRIF mortgages, foreclosure actions must be commenced in the name of the Trustee. **However, the decision to foreclose should be made by the annuitant and not the Trustee. We strongly suggest you seek the appropriate legal advice before proceeding.** If foreclosure action is taken against a mortgagor, Canadian Western Trust will, upon request, give written authorization to the annuitant's lawyer to proceed on our behalf. Canadian Western Trust must receive a copy of all legal documents for our file. Upon sale of the property, all proceeds are required to be returned to the RRSP/RRIF and are to come directly from the lawyer who is disbursing funds received from the courts. The annuitant is solely responsible for retaining his or her own lawyer, who will act on their behalf, and for payment of all expenses of the enforcement process.

If the automatic payments are affected by the foreclosure or if said mortgage is the sole asset held in a Self-Directed Account, the pre-authorized debit process will be terminated.

Your registered plan and Canadian Western Trust may also be named in other legal proceedings due your mortgage investment on a property, such as foreclosure proceedings initiated by another mortgage holder. The annuitant is solely responsible for retaining his or her own lawyer, who will act on the behalf of the registered plan and Canadian Western Trust, as well as responsible for any associated costs to defend or enforce your mortgage investment. You also agree to indemnify and save harmless Canadian Western Trust from any and all suits, claims, costs or actions resulting from you investing your registered funds in the Arm's Length Mortgage, as well as all costs incurred by Canadian Western Trust either to defend itself from any such suits, claims, costs or actions or to enforce this indemnity.

## Fees

Canadian Western Trust charges a one-time mortgage setup fee, due at time of funding, and an annual mortgage holding fee. Annual mortgage holding fees are charged annually in arrears at the beginning of the anniversary month of your plan. The holding fees are charged individually per plan, per mortgage. For mortgages with multiple lenders, each lender will be charged an annual holding fee for that particular mortgage. Holding fees are pro-rated as per the following schedule after the annual anniversary date of the plan: 0-30 days no fee, 31-90 days 50% of fee, 91+ days full holding fee. At the end of the mortgage term, a renewal or discharge fee will also be applied to the account depending on your course of action with the borrower. Other fees may apply.

Please refer to our current *Fee Schedule* at the end of this package for a listing of all our current fees.

## Forms

We have attached a supply of our most commonly used forms for your convenience.

# Arm's Length Mortgage

## Contents

Investing in an Arm's Length Mortgage	7
Arm's Length Mortgage Pre-Authorized Debit Agreement	9
Declaration of Trust	10
Arm's Length Mortgage Investment Authorization and Acknowledgement Form	17
Solicitor's Certificate of Disclosure and Undertaking Regarding Arm's Length Mortgages as Investments in a Registered Plan	18
Arm's Length Mortgage Renewal	19
Arm's Length Mortgage Pay-Out Statement	20
Law Firm Consent Example	21
Fee Schedule	22

# INVESTING IN AN ARM'S LENGTH MORTGAGE

(Authorization Letter)  
(Arm's Length Declaration)

## Section 1: Client Information

\_\_\_\_\_  
Annuitant Name

\_\_\_\_\_  
SIN

\_\_\_\_\_  
Address

\_\_\_\_\_  
Plan Number

I hereby authorize Canadian Western Trust as trustee under the Plan to lend out the assets of the Plan, by way of a registered:

First    Second    Third

and that this mortgage does not exceed the Canadian Western Trust standard 30% maximum annual return, mortgage (the "Mortgage" over real property in Canada, the sum of \$ \_\_\_\_\_ held in the Plan to the "Mortgagor":

\_\_\_\_\_  
I hereby authorize Canadian Western Trust to release the mortgage proceeds to my lawyer/notary:

\_\_\_\_\_  
"in trust".

I do solemnly declare that:

- I am the annuitant under the Plan
- I am not the Mortgagor
- I deal at arm's length with the Mortgagor for the purposes of the Income Tax Act (Canada)
- If the borrower is a company, I do not own a controlling interest in the company
- If the borrower is a company, I am not related by blood, marriage or adoption to any of the individuals who own a controlling interest in the company

Note to Annuitant: Whether you and the Mortgagor deal at "arm's length" for the purposes of the Income Tax Act, if you have any direct or indirect connection or relationship with the Mortgagor, Canadian Western Trust recommends that you obtain professional advice as to whether you and the Mortgagor deal at arm's length for the purposes of the Income Tax Act.

I acknowledge that CWT is not in the business of providing investment advice or direction with respect to the purchase of any security and has undertaken no due diligence and made no determination whatsoever as to whether the Arm's Length Mortgage is qualified as an investment for registered plans under applicable Canadian Income Tax Legislation or is a suitable investment for myself, such matters being the responsibility of the Annuitant's professional advisors;

I acknowledge that the purchase of the Arm's Length Mortgage may be a high risk investment and that I am aware that in directing CWT to purchase the Arm's Length Mortgage on my behalf, I may be at risk of losing all of the money invested in such purchase.

I agree to indemnify and save harmless CWT from any and all suits, claims, costs or actions resulting from my investing my RRSP/RRIF funds in the above mentioned Arm's Length Mortgage, as well as all costs incurred by CWT either to defend itself from any such suits, claims, costs or actions or to enforce this indemnity.

I hereby certify that the mortgagor is a party with whom I deal at arm's length and that the mortgage complies as defined by the Income Tax Act.

## Section 2: Account Information

Registered Plan Account Number

Mortgagor(s)

Property Address

Face Value of Mortgage (if different from amount advanced)

Discount Amount

Is this discount amount prepaid interest?

Interest Rate Percentage

Interest Calculation Method

Term of Mortgage (10 year maximum)

Amortization Period (25 year maximum)

Interest Only

Payment Amount

Payment Frequency

Mortgage Position:  First  Second  Third

First Payment Date

Maturity Date

## Section 3: Agreement and Acknowledgement

I am ultimately responsible for administering and enforcing the Mortgage and, if necessary, undertaking legal action against the borrower to protect my security.

In particular, I acknowledge and accept that:

- a) I am responsible for paying any and all legal fees, costs, expenses or charges pertaining to such action. Any legal action or related document received by the Trustee will be forwarded by registered mail to my last address
- b) Given that the name of the Trustee will appear on title for the Mortgage, I require the Trustee's authorization before I institute or respond to legal proceedings in connection with the Mortgage.
- c) The Trustee will be entitled to intervene, at its sole discretion, in any decision to be made with respect to the conduct of the legal action (including the choice of legal counsel)
- d) Pursuant to the Income Tax Act, the Trustee is required to take reasonable steps to ensure that your mortgage investment remains a qualified investment under the Act. Should I decide for whatever reason not to undertake legal action to protect my mortgage security or refuse to do so upon receiving a notice to that effect from the Trustee, I hereby irrevocably authorize said Trustee to take whatever actions are necessary on my behalf, including liquidating the mortgage, in order to protect my mortgage security and/or to avoid any possible adverse tax consequences to either myself or the Trustee. I further agree to compensate the Trustee for any fees, costs, expenses, penalties or charges incurred by it in connection with taking such actions and agree to reimburse or make up for any shortfall in my Plan if proceeds from the Trustee's actions prove to be insufficient. I acknowledge and accept that any such action taken on my behalf as mentioned above may adversely affect my security and could have tax consequences.
- e) All funds received as the result of a legal action instituted by me or by the Trustee on my behalf will be deposited directly in my Plan;

The trustee's obligation to me is limited to accounting to me from time to time for the amounts received by it in respect of the Mortgage. As such, except for gross negligence on its part, I hereby release and exonerate the Trustee and its affiliates from any liability and agree to indemnify them and save the Trustee harmless against all losses, liabilities, damages, and claims of any kind or nature whatsoever which arises or may arise by reason of it having acted in connection with the Mortgage.

I agree to pay all of the Trustee's fees associated with the holding of this Mortgage.

I acknowledge that the mortgage fees charged by the Trustee are not pro-rated and are not based on the amount of activity, value, quality or standing of a mortgage.

I have received a copy of the Trustee guidelines regarding arm's length mortgages and the current fee schedule.

Client Signature

Date



# ARM'S LENGTH MORTGAGE PRE-AUTHORIZED DEBIT AGREEMENT

Only one method required:  Copy by Fax  Original by Mail/Courier

## Section 1: Mortgagor - Payor Information

First Name \_\_\_\_\_ Last Name \_\_\_\_\_

Joint Account Holder First Name \_\_\_\_\_ Joint Account Holder Last Name \_\_\_\_\_

Company/Corporation Name \_\_\_\_\_

## Section 2: Additional Information

Mortgagor/Borrower Name \_\_\_\_\_

Property Address \_\_\_\_\_

City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_

## Section 3: Pre-Authorized Debit (PAD) Instructions

Effective Date: \_\_\_\_\_

First Payment Date: \_\_\_\_\_

Commence PAD (see table for details)

Change next PAD date to \_\_\_\_\_

Change existing fixed PAD amount (see table for details)

Attached is a cheque for the first monthly payment

Change banking information for PAD

Other \_\_\_\_\_

Payment Frequency:  Monthly  Quarterly  Semi-Annually  Annually

CWT Registered Plan Number	Dollar Amount (\$)	CWT Registered Plan Number	Dollar Amount (\$)

**Note: A minimum notification of five (5) business days prior to the next PAD payment is required to change or process PAD instructions.**

## Section 4: Banking Information \*void cheque must be attached

Financial Institution \_\_\_\_\_ Branch Address \_\_\_\_\_

Transit Number \_\_\_\_\_ Branch Number \_\_\_\_\_ Bank Account Number \_\_\_\_\_

## Section 5: Authorization and Signatures

- By signing this form, I/we authorize CWT's client (the lender, hereinafter referred to as the "Planholder"), to debit the account held at the financial institution indicated on this agreement, the amounts noted above and in the frequencies instructed. I/We agree that payments shall be made by preauthorized debit or electronic withdrawals or in such manner as CWT may determine. I/we understand that the branch of the financial institution where the account is held is not required to verify that the payment is drawn in accordance with this authorization.
- I/We hereby waive any pre-notification requirements as specified by sections 15(a) and (b) of the Canadian Payments Association Rule H1 with regards to pre-authorized debits.**
- I/We agree that the information in this form will be shared with the financial institution that holds my/our account, insofar as the disclosure of this information is directly related to and necessary for the proper application of the rules applicable for pre-authorized debits.
- CWT is authorized to accept changes to this agreement from the Planholder in accordance with the policies of CWT.
- I/We confirm that all persons whose signatures are required to authorize transactions in the bank account specified in Section 4 have signed this agreement below.
- I/We may change these instructions at any time, provided that CWT receives at least 5 business days notice by mail or fax. I/We may cancel this plan at any time, provided that CWT receives 30 days notice by mail or fax. To obtain a copy of a cancellation form or for more information regarding my/our right to cancel a pre-authorized debit agreement, I/we may consult with my/our financial institution or visit the Canadian Payments Association website at [cdnpay.ca](http://cdnpay.ca).
- I/We have certain recourse rights if any 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 financial institution or visit [cdnpay.ca](http://cdnpay.ca).
- I/We acknowledge and agree that I am/we are fully liable for any charges incurred if the debits cannot be made due to insufficient funds or any other reason for which I/we may be held accountable
- I/We acknowledge that CWT may assign this PAD Agreement to another payee in the future.**
- I/We have requested this application form and all other documents relating hereto to be in English. J'ai exigé/Nous avons exigé que ce formulaire et tous les documents y afférant soient rédigés en anglais.

The undersigned hereby authorizes the execution of the above. My/Our financial institution is authorized to treat each debit as if I/we had issued a cheque authorizing such payment and debit.

Mortgagor/Payor Signature \_\_\_\_\_ Date \_\_\_\_\_

Joint Account Holder Signature \_\_\_\_\_ Date \_\_\_\_\_

## Canadian Western Trust Company Self-Directed Retirement Savings Plan - Declaration of Trust

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 a Registered Retirement Savings Plan "RRSP" and you will be known for the purposes of the Applicable Tax Legislation as the "Annuitant", who is the planholder 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 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 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. 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:** We will exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility of a non-qualified investment being held or acquired by the Plan. You are 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 (other than those for which we are liable under Applicable Tax Legislation). 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 cannot provide documents supporting their fair market valuation as we may impose.
7. **Accounting:** We will maintain records relating to the Plan reflecting the following:
  - a. Contributions to the Plan;
  - b. Name, amount and cost of investments purchased or sold by the Plan;
  - c. Purchases and sales of investments we hold for you in the Plan;
  - d. Any income or loss earned or incurred by the Plan;
  - e. Withdrawals, transfers and any other payments from the Plan; and
  - f. 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 nonpayment 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 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 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:
  - a. We will not accept any further contributions to this Plan; and
  - b. 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 other than those for which we are liable under Applicable Tax Legislation) 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 or common-law partner. 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 Planholder:** 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. .
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 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.
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 and the retirement income 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 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 (other than those for which we are liable under Applicable Tax Legislation) 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, or representative. We will not be liable for any expense, liability, claim, demands, taxes, damages, losses or penalties (other than those for which we are liable under Applicable Tax Legislation) 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 (other than those for which we are liable under Applicable Tax Legislation), 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

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 fundholder) 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 fundholder 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:** 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 arm's-length, other than the benefits and advantages specifically permitted under 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 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. We will exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility of a non-qualified investment being held or acquired by the Plan. 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:** We will exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility of a non-qualified investment being held or acquired by the Plan. If the Fund becomes liable for any Charges (other than those for which we are liable under Applicable Tax Legislation), 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.
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 nonpayment of fees referred to in Clause 15 hereof, we may, in our sole discretion, cease the issue of statements for the Fund.
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 judgement 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 without 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 other than those for which we are liable under Applicable Tax Legislation) 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 Fundholder:** 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 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 (other than those for which we are liable under Applicable Tax Legislation) 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 (other than those for which we are liable under Applicable Tax Legislation) 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 assign.

### Canadian Western Trust Company Self-Directed Tax-Free Savings Account - Declaration of Trust

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. While you are the Holder of the TFSA, only we and you have rights relating to the amount and timing of distributions and the investing of funds.
- 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 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. 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:** We will exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility of a non-qualified investment being held or acquired by the TFSA. 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 (other than those for which we are liable under Applicable Tax Legislation). 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.
- 7. Accounting:** We will maintain records relating to the TFSA reflecting the following:
  - a. Contributions to the TFSA;
  - b. Name, amount and cost of investments purchased or sold by the TFSA;
  - c. Purchases and sales of investments we hold for you in the TFSA;
  - d. Any income or loss earned or incurred by the TFSA;
  - e. Withdrawals, transfers and any other payments from the TFSA; and
  - f. The balance of the TFSA.
- 8. Statements:** We will issue statements for the TFSA at least once annually or more frequently as determined by us, in our sole discretion. Should there occur full or partial nonpayment of fees referred to in 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 of yours.. 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:
  - a. We will not accept further contributions to this TFSA; and
  - b. 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 your 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 other than those for which we are liable under Applicable Tax Legislation) 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 subsection 146.2(4) of the Act.
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 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 (other than those for which we are liable under Applicable Tax Legislation) 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 (other than those for which we are liable under Applicable Tax Legislation) 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 (other than those for which we are liable under Applicable Tax Legislation) 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.



# ARM'S LENGTH MORTGAGE INVESTMENT AUTHORIZATION AND ACKNOWLEDGEMENT FORM

*required for mortgages in British Columbia only*

## Section 1: Agreement and Acknowledgement by Planholder

To: **Canadian Western Trust Company ("CWT")**

I acknowledge that the mortgage fees charged by the Trustee are not pro-rated and are not based on the amount of activity, value, quality or standing of mortgage.

I have received a copy of the Trustee guidelines regarding arm's length mortgages and the current fee schedule.

I confirm that I am the planholder, annuitant or account holder (the "Planholder") of the self-directed registered plan, fund or account (the "Plan") issued by CWT as provided in the attached Declaration of Trust and in accordance with the terms of the Plan, hereby authorize CWT to enter into mortgages on my behalf, generally and from time to time as I may direct, as follows:

(i) contributory mortgages; and

(ii) first, second and third mortgages (collectively, "Mortgages")

In witness whereof, I have executed this Authorization in the city of \_\_\_\_\_, Province of \_\_\_\_\_, on the date indicated below.

\_\_\_\_\_  
Annuitant Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Account Number

\_\_\_\_\_  
Witness Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

## Section 2: Acknowledgement by CWT

CWT hereby acknowledges that, in its capacity as trustee of the Plan, and will enter into Mortgages on behalf of the Plan, and on the direction of the Planholder, all in accordance with the Declaration of Trust in respect of the Plan.

**Canadian Western Trust Company**

\_\_\_\_\_  
Per

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

# SOLICITOR'S CERTIFICATE OF DISCLOSURE AND UNDERTAKING REGARDING ARM'S-LENGTH MORTGAGES AS INVESTMENTS IN A REGISTERED PLAN

## Section 1: Agreement and Acknowledgement

I, \_\_\_\_\_, of the firm of \_\_\_\_\_ practicing in the City of \_\_\_\_\_, Province of \_\_\_\_\_ acknowledge that my services have been retained by (please initial the appropriate box(es) if applicable and complete):

- The mortgagor, namely \_\_\_\_\_
- I have disclosed to the lender/investor that I do not represent him/her and cannot protect his/her interests in connection with the transaction
- I have advised the lender/investor to seek independent legal advice, in accordance with the Rules of Professional Conduct of the Law Society of this province
- The lender/investor, namely \_\_\_\_\_
- Both the mortgagor and the lender/investor named above;

to prepare and register a First Second Third mortgage on the following property:

\_\_\_\_\_ in favour of Canadian Western Trust Company in trust for RRSP/RRIF Number \_\_\_\_\_

- I have no interest, direct or indirect, in the mortgage or the property

I understand that Canadian Western Trust Company (CWT), will, upon receipt of a duly executed "Mortgage Direction and Undertaking" from the lender/investor, advance funds to me, in trust, from the lender/investor's Registered Retirement Saving Plan or Registered Retirement Income Fund.

I undertake to hold these funds in escrow until registration on the appropriate Land Title Register of a valid and enforceable \_\_\_\_\_ (rank) mortgage on the property described above.

I further undertake to provide CWT with a copy of the mortgage, duly registered, within 30 days of the advance of the funds to the mortgagor.

I acknowledge that this Certificate of Disclosure and Undertaking is a requirement of CWT intended for the sole use and benefit of the lender/investor and further declare that I am not acting for CWT, that I am not taking instructions from CWT, and that CWT or their affiliates have no obligation towards me or the mortgagor in connection with this transaction.

If the transaction contemplated is not completed, I undertake to return the funds to CWT, for deposit in the lender/investor RRSP.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Solicitor's Signature

I have read the foregoing and I am satisfied with its content. I understand that this certificate is required by CWT for my benefit only and that CWT makes no representation as to the veracity and/or accuracy of its content nor has any obligation to make any verification or investigation in this regard.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Lender/Investor Signature

\_\_\_\_\_  
Date

# ARM'S LENGTH MORTGAGE RENEWAL

## Section 1: Client Information

\_\_\_\_\_

Mortgagee

\_\_\_\_\_

Mortgagor

\_\_\_\_\_

Legal Description

## Section 2: Civic Address Information

\_\_\_\_\_

Address

\_\_\_\_\_

City

\_\_\_\_\_

Province

\_\_\_\_\_

Postal Code

## Section 3: Terms and Conditions

\_\_\_\_\_

Balance at Maturity

\_\_\_\_\_

Interest Rate

\_\_\_\_\_

Payment

\_\_\_\_\_

Payment Frequency

\_\_\_\_\_

New Maturity Date

\_\_\_\_\_

Mortgagee Name

\_\_\_\_\_

Mortgagee Account Number

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

\_\_\_\_\_

Mortgagee Name

\_\_\_\_\_

Mortgagee Account Number

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

\_\_\_\_\_

Mortgagor Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

\_\_\_\_\_

Mortgagor Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

# ARM'S LENGTH MORTGAGE PAY-OUT STATEMENT

## Section 1: Client Information

\_\_\_\_\_  
Mortgagor(s)

\_\_\_\_\_  
Account Number

\_\_\_\_\_  
Date

\_\_\_\_\_  
Security Address

## Section 2: Payout Information

\_\_\_\_\_  
Principal Balance as at (Date)

\_\_\_\_\_  
Principal Balance

\_\_\_\_\_  
Accrued Interest from (Date)

\_\_\_\_\_  
Interest Amount

\_\_\_\_\_  
Fees Payable

\_\_\_\_\_  
Late Interest Charge

\_\_\_\_\_  
Total Funds Required for Discharge as at (Date)

\_\_\_\_\_  
Total Funds Required

\_\_\_\_\_  
Per Diem Interest if paid thereafter

These funds are to be received at Canadian Western Trust, Mortgage Department by 1:00pm PST on the payout date or applicable per diem charges apply. Please mail to:

Suite 300-750 Cambie Street  
Vancouver, BC V6B 0A2

Funds should be payable to Canadian Western Trust in Trust for Account Number \_\_\_\_\_ and must accompany a prepared discharge or mortgage for execution by 'Canadian Western Trust Company'. A copy of this payout statement should also be included.

After payout is completed, please ensure that a stop payment has been placed against any outstanding Pre-Authorized Payment.

\_\_\_\_\_  
Annuitant Signature

\_\_\_\_\_  
Date

# TO BE COPIED ON TO LAW FIRM LETTERHEAD

Date: \_\_\_\_\_

Canadian Western Trust  
Suite 300-750 Cambie Street  
Vancouver, BC  
V6B 0A2

Attention: Mortgage Department

RE: \_\_\_\_\_

We are acting for \_\_\_\_\_ (the "Borrower") in connection with the mortgage (the "Mortgage") dated \_\_\_\_\_ in the principal amount of \_\_\_\_\_ granted by the Borrower to Canadian Western Trust Company, in trust, over the real property described as \_\_\_\_\_ (the "Property").

Having reviewed the mortgage and made such other searches and investigations as we consider necessary or relevant, we are of the opinion that:

The mortgage was submitted for registration in the \_\_\_\_\_ and Title Office on \_\_\_\_\_, 20\_\_\_\_ as instrument no \_\_\_\_\_

The aggregate face amount of all registered financial mortgages and charges over the Property ranking equally with or in priority to the Mortgage, plus the face amount of the Mortgage, is \$ \_\_\_\_\_

The mortgage does not contain any provision that would have the effect of subordinating the Mortgage to any future or unregistered mortgage or charge over the Property or that would obligate the Mortgagee to subordinate the Mortgage to any such mortgage or charge.

Yours truly,

(NAME OF LAW FIRM)

# Fee Schedule

Effective as of January 15, 2022

## ANNUAL ACCOUNT ADMINISTRATION

Charged annually in arrears on the anniversary date of account opening

Registered Retirement Plans <sup>1</sup> .....	\$150
Additional accounts.....	\$85
Tax Free Savings Account (TFSA) <sup>2</sup> .....	\$50
If holding Exempt Market Products <sup>3</sup> or Mortgages.....	\$150
Investment Account (non-registered) <sup>4</sup> .....	\$150
Additional accounts.....	\$85

<sup>1</sup> Account types: RRSP, RRIF, LIF, LRIF, LIRA, LRSP, PRIF, RLSP, RLIF

<sup>2</sup> If holding cash, GICs, FundSERV mutual funds or publicly traded securities

<sup>3</sup> Also includes Mortgage Investment Corporations (Grandfathered)

<sup>4</sup> Available to Canadian Residents only

## ACCOUNT ADMINISTRATION

Charged per transaction unless otherwise noted

### Full Withdrawal, Transfer or Deregistration

Registered plans.....	\$250
Tax-Free Savings Account.....	\$75
Investment Account (non-registered).....	\$75

### Partial Withdrawal, Transfer or Deregistration

Registered plans.....	\$75
Tax-Free Savings Account.....	\$35
Investment account.....	\$35
In-kind.....	\$75

### RRIF/LIF/LRIF/PRIF/RLIF

Scheduled payments (EFT).....	N/C
Scheduled payment changes (one free per year).....	\$50
Unscheduled payments.....	\$50
In-kind payments (one free per year).....	\$75

### Other Charges

Additional paper statement.....	\$10
Documents via courier.....	\$25
Non-sufficient funds/returned items.....	\$50
Account research (per hour).....	\$50
Legal judgment distribution.....	\$100
Estate settlement.....	\$275
Issuance of cheque.....	\$25

### Please Note

All fees are subject to applicable taxes. All fees may be revised from time to time at the sole discretion of CWB Trust Services.

Unless otherwise indicated, all transaction and administration fees are charged at the time they are incurred. CWB Trust

Services reserves the right to recover all out-of-pocket expenses, such as re-registration fees, etc. CWB Trust Services

reserves the right to assess fees for extraordinary services not outlined in this schedule.

Suite 300–750 Cambie Street Vancouver BC V6B 0A2

Tel: 604.685.2081 | Toll Free: 1.800.663.1124 | [information@cwbt.ca](mailto:information@cwbt.ca)

[CWT.CA](http://CWT.CA)

## INVESTMENT ADMINISTRATION

Charged per transaction unless otherwise noted

### Mortgages

#### Arm's Length Mortgages

Initial setup fee* (per mortgage).....	\$200
*Reduced fee if all required documents are submitted together ...	\$150
Annual holding fee (per mortgage).....	\$180
Mortgage discharge.....	\$50
Execution of mortgage documents.....	\$50
Mortgage renewal.....	\$50
Additional advance.....	\$50

#### Non-Arm's Length Mortgage

Initial setup (per mortgage).....	\$325
Annual holding fee (per mortgage).....	\$225
Mortgage discharge.....	\$100
Mortgage renewal.....	\$100

#### Other Mortgage Fees

Confirmation of mortgage payouts and requests.....	\$50
Mortgage payment schedule changes.....	\$25
Manual payment by cheque (per account & per payment).....	\$5

#### Grandfathered Assets

##### Mutual Funds

Mutual fund holding fee (per quarter & per holding).....	\$50
Sell transactions.....	\$75
Segregated fund contract.....	\$100

##### Publicly Traded Securities<sup>5</sup>

Custody costs (per year, charged quarterly).....	20 bps
Buy & sell.....	\$5
Third-party trade settlement.....	\$30

##### Exempt Market Securities

EMS holding fee (per quarter & per holding).....	\$50
Sell transactions.....	\$100

<sup>5</sup> These transaction fees do not include brokerage commissions/fees

Interest rates paid on cash balances and charged on overdrawn accounts are available at: [cwbt.ca/rates/interest](http://cwbt.ca/rates/interest)



# Resolving your complaints

## What you need to know about complaint handling

### RESOLVING YOUR CONCERNS

#### Steps to guide you when you have a complaint

The CWB Financial Group of companies, which includes Canadian Western Bank and its partner companies, must adhere to certain standards in dealing with the public. These standards include how we handle client complaints.

We are committed to taking your complaints seriously, handling them appropriately and providing you with a high standard of service. We value your opinion and encourage you to tell us if you think we have been unsuccessful in dealing with you properly and fairly in any aspect of our business.

Learn more about our steps for resolving your concerns below.

**STEP  
1**

### BRANCH

Talk to the Branch or Office  
where you do business

We encourage clients to raise questions or concerns with your local branch or office as soon as they arise. Each location is supported by a leader with the decision-making authority to resolve most problems.

If you have a concern about an investment you purchased through a deposit broker representing Canadian Western Bank, you may contact our Deposit Processing Center:

**Toll Free Phone: 1.800.663.1000**

**Website: [www.cwbdepositbroker.com](http://www.cwbdepositbroker.com) – Contact Us**

If you have a concern about a CWB Business VISA issued by Collabria, in addition to speaking to your branch, you may contact 1.855.341.4643. You may also contact Collabria directly by email at [info@collabriacreditcards.ca](mailto:info@collabriacreditcards.ca).

If you have a concern about a CWB Personal MasterCard issued by BRIM, you may talk to a BRIM Customer Service Representative at 1-888-252-4201 or collect call at 647-252-4202.

**STEP  
2**

### CORPORATE

Contact Corporate Office

If your local branch or office isn't able to resolve the problem, you may contact our corporate office:

**Complaint Handling Officer**

**Canadian Western Bank**

**3000, 10303 Jasper Avenue**

**Edmonton, Alberta T5J 3X6**

**Toll Free Phone: 1.888.423.8854**

**Fax: 780.423.8897**

**E-mail: [concerns@cwbank.com](mailto:concerns@cwbank.com)**

**STEP  
3**

### OMBUDSMAN

Contact the CWB Ombudsman

If your concerns are still unresolved after Steps 1 and 2, you may contact the CWB Ombudsman, who is dedicated to provide an impartial and objective review of unresolved concerns:

**CWB Ombudsman**

**Canadian Western Bank**

**3000, 10303 Jasper Avenue**

**Edmonton, Alberta T5J 3X6**

**Toll Free Phone: 1.888.423.8854**

**E-mail: [ombudsman@cwbank.com](mailto:ombudsman@cwbank.com)**

Within five business days of receiving your inquiry, the CWB Ombudsman will write or call you about your concern and whether it has been resolved. In more complex cases the CWB Ombudsman may outline what further steps are being taken and when you can expect a resolution.

**STEP  
4**

### OBSI

Contact the Ombudsman for  
Banking Service and Investments (OBSI)

If your concern is still unresolved after contact with the CWB Ombudsman, or within 90 days after it's received by CWB, you may then contact the OBSI, an organization independent of the financial services industry:

**Ombudsman for Banking Services And Investments (OBSI)**

**20 Queen Street West, Suite 2400**

**P.O. Box 8**

**Toronto Ontario M5H 3R3**

**Toll Free Phone: 1.888.451.4519**

**Toll-free Fax: 1.888.422.2865**

**E-mail: [ombudsman@obsi.ca](mailto:ombudsman@obsi.ca)**

**Website: [www.obsi.ca](http://www.obsi.ca)**

### FINANCIAL CONSUMER AGENCY OF CANADA (FCAC)

The FCAC supervises federally regulated financial institutions like CWB to ensure we comply with federal consumer protection laws. The FCAC also educate consumers and monitors industry codes of conduct and public commitments designed to protect your consumer interests.

At CWB, we comply with a number of consumer laws designed to protect you. For example, we will provide you with information about our complaint handling procedures, proper notice of branch closures that affect you and information about interest rates and fees when you open an account.

If you have a concern regarding a potential violation of a consumer protection law, a public commitment or an industry code of conduct, you can contact the FCAC:

**Financial Consumer Agency of Canada**

**427 Laurier Avenue West, 6th Floor**

**Ottawa, Ontario K1R 1B9**

**Toll Free Phone: 1.866.461.3222**

**(en français 1.866.461.2232)**

**Toll Free Fax: 1.866.814.2224**

**Website: [www.canada.ca/en/financial-consumer-agency.html](http://www.canada.ca/en/financial-consumer-agency.html)**

The FCAC will determine whether there is a problem with our compliance and if so, what corrective measures we need to take. The FCAC doesn't become involved in matters of redress. All requests for redress must follow the problem resolution process outlined in tabs one to four.