



1. Account Information

New Account Existing Account Account Number:

2. Accountholder Information (Please ensure that each item is completed.)

Mr. / Mrs. / Miss / Ms. Surname S.I.N. First Name Initial Date of Birth Month / Day / Year Address Residence Telephone Number City Province Postal Code Business Telephone Number Email Fax Number Cellular Number

3. Successor holder and/or beneficiary(ies) information (optional)

For all provinces and territories except Quebec: The validity of a successor holder/beneficiary designation is subject to provincial/territorial succession legislation. Legislative changes may be required before a successor holder/beneficiary designation under your TFSA is effective.

For the Province of Quebec: Under the laws of Quebec, a designation of successor holder/beneficiary may be made in a will or other written document that meets the requirements of a testamentary disposition.

A. Designation of successor holder (for all provinces and territories, except Quebec)

In the event of my death, I designate my spouse or common-law partner, by naming them below, to be the successor holder of the Plan.

Last Name First Name SIN

B. Designation of beneficiary(ies) (for all provinces and territories, except Quebec)

If I have designated my spouse as successor holder, the following beneficiary designation will be effective only if my successor holder predeceases me or is not my spouse or common-law partner on the date of my death.

Last Name First Name Relationship Allocation %

Caution: Your successor holder/beneficiary designation will remain unchanged on our records until you make a change by notifying us in writing.

4. Accountholder Signature

I certify that the information provided by me on this application is complete and true in all respects. I will notify Western Pacific Trust Company of any changes to my account in writing.

I acknowledge that this is a request for Western Pacific Trust Company to file with the Minister of National Revenue to register the account under section 146.2 of the Income Tax Act (Canada).

I acknowledge that I am solely responsible for determining the amount of contributions to the Plan. I understand that I am responsible for notifying Western Pacific Trust Company when I become a non-resident for Canadian tax purposes.

I will pay Western Pacific Trust Company any amounts owing to them and any fees as outlined in the Western Pacific Trust Company Fee Schedule.

X Your signature / Holder's signature Date

Accepted by Western Pacific Trust Company Date

# WESTERN PACIFIC TRUST COMPANY SELF-DIRECTED TAX-FREE SAVINGS ACCOUNT DECLARATION OF TRUST

Western Pacific Trust Company ("the Trustee"), a trust company incorporated under the laws of British Columbia, hereby declares that it agrees to act as the issuer/trustee under the **Western Pacific Trust Company Self-Directed Tax-Free Savings Account** ("your Plan") for you, the holder named in the Self-Directed Tax Savings Account Application Form ("your Application") which accompanies this declaration on the following definitions, terms and conditions:

## 1. Definitions:

- (i) **"Distribution"**: Distribution under an arrangement of which an individual is the holder means a payment out of or under the arrangement in satisfaction of all or part of the holder's interest in the arrangement.
- (ii) **"TFSA"**: Tax-Free Savings Account
- (iii) **"Holder"**: Holder of an arrangement means:
- until the death of the individual who entered into the arrangement with the issuer, the individual; and
  - at and after the death of the individual, the individual's survivor, if the survivor acquires
    - all of the individual's rights as the holder of the arrangement, and
    - to the extent it is not included in the rights described in subparagraph (1), the unconditional right to revoke any beneficiary designation made, or similar direction imposed, by the individual under the arrangement or relating to property held in connection with the arrangement.
- (iv) **"Issuer"**: Issuer of an arrangement means the person described as the issuer in the definition "qualifying arrangement".
- (v) **"Qualifying Arrangement"**: Qualifying Arrangement, at a particular time, means an arrangement
- that is entered into after 2008 between a person (in this definition referred to as the "issuer") and an individual (other than a trust) who is at least 18 years of age;
  - that is
    - an arrangement in trust with an issuer that is a corporation licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as trustee,
    - an annuity contract with an issuer that is a licensed annuities provider, other than a contract that is adjoined to another contract or arrangement, or
    - a deposit with an issuer that is
      - a person who is, or is eligible to become, a member of the Canadian Payments Association, or
      - a credit union that is a shareholder or member of a body corporate referred to as a "central" for the purposes of the *Canadian Payments Acts*;
  - that provides for contributions to be made under the arrangement to the issuer in consideration of, or to be used, invested or otherwise applied for the purpose of, the issuer making distributions under the arrangement to the holder;
  - under which the issuer and the individual agree, at the time the arrangement is entered into, that the issuer will file with the Minister an election to register the arrangement as a TFSA; and
  - that, at all times throughout the period that begins at the time the arrangement is entered into and that ends at the particular time, complies with the conditions in subsection (2).
- (vi) **"Survivor"**: Survivor of an individual means another individual who is, immediately before the individual's death, a spouse or common-law partner of the individual.
- (vii) **"Advantage"**: Advantage, in relation to a TFSA, means
- any benefit, loan or indebtedness that is conditional in any way on the existence of the TFSA, other than
    - a benefit derived from the provision of administrative or investments services in respect of the TFSA, and
    - a loan or an indebtedness (including the use of the TFSA as security for a loan or an indebtedness) the terms and conditions of which are terms and conditions that persons dealing at arm's length with each would enter into; and
  - a prescribed benefit.
- (viii) **"Allowable Refund"**: Allowable refund of a person for a calendar year means the total of all amounts each of which is a refund, for the year, to which the person is entitled under subsection 207.04(4).
- (ix) **"Excess TFSA Amount"**: Excess TFSA amount of an individual at a particular time in a calendar year means the amount, if any determined by the formula
- $$A - B - C - D - E$$

Where

**A** is the total of all amounts each of which is a contribution made under a TFSA by the individual in the calendar year and at or before the particular time, other than a contribution that is

- a qualifying transfer, or
- an exempt contribution;

**B** is the individual's unused TFSA contribution room at the end of the preceding calendar year;

**C** is the total of all amounts each of which was a distribution made in the preceding calendar year under a TFSA of which the individual was the holder at the time of the distribution, other than a distribution that is

- a qualifying transfer, or
- a prescribed distribution;

**D** is

- the TFSA dollar limit for the calendar year if, at any time in the calendar year, the individual is resident in Canada, and
- nil, in any other case; and

**E** is the total of all amounts each of which is a distribution made in the calendar year and at or before the particular time under a TFSA of which the individual was the holder at the time of the distribution, other than a distribution that is

- a qualifying transfer, or
- a prescribed distribution.

(viii) **"Non-Qualified Investment"**: Non-qualified investment for a trust governed by a TFSA means property that is not a qualified investment for the trust.

(x) **"Prohibited Investment"**: Prohibited Investment, at any time, for a trust governed by a TFSA means property (other than prescribed property in relation to the trust) that is at that time

- a debt of the holder of the TFSA;
- a share of the capital stock, and interest in, or a debt of
  - a corporation, partnership or trust in which the holder has a significant interest, or
  - a person or partnership that does not deal at arm's length with the holder or with a person or partnership described in subparagraph (i);
- an interest (or, for civil law, a right) in, or a right to acquire, a share, interest or debt described in paragraph (a) or (b); or
- a restricted property.

(xi) **"Qualifying Transfer"**: means the transfer of an amount from a TFSA of which a particular individual is the holder if

- the amount is transferred directly to another TFSA, the holder of which is the particular individual; or
- the amount is transferred directly to another TFSA, the holder of which is a spouse or common-law partner or former spouse or common-law partner of the particular individual, and the following conditions are satisfied:
  - the individuals are living separate and apart at the time of the transfer, and
  - the transfer is made under a decree, order or judgment of a competent tribunal, or under a written separation agreement, relating to a division of property between the individuals in settlement of rights arising out of, or on the breakdown of, their marriage or common-law partnership.

**2. Qualifying Arrangement Conditions:** The conditions referred to in paragraph (e) of the definition "qualifying arrangement" in subsection (1) are as follows:

- the arrangement requires that it be maintained for the exclusive benefit of the holder (determined without regard to any right of a person to receive payment out of or under the arrangement only on or after the death of the holder);
- the arrangement prohibits, while there is a holder of the arrangement, anyone that is neither the holder nor the issuer of the arrangement from having rights under the arrangement relating to the amount and timing of distributions and the investing of funds;
- the arrangement prohibits anyone other than the holder from making contributions under the arrangement;
- the arrangement permits distributions to be made to reduce the amount of tax otherwise payable by the holder under section 207.02 or 207.03;
- the arrangement provides that, at the direction of the holder, the issuer shall transfer all or any part of the property held in connection with the arrangement (or an amount equal to its value) to another TFSA of the holder;
- if the arrangement is an arrangement in trust, it prohibits the trust from borrowing money or other property for the purposes of the arrangement; and
- the arrangement complies with prescribed conditions.

**3. TFSA:** If the issuer of an arrangement that is, at the time it is entered into, a qualifying arrangement files with the Minister, on or before the day that is 60 days after the end of the calendar year in which the arrangement was entered into, an election in prescribed form and manner to register the arrangement as a TFSA under the Social Insurance Number of the individual with whom the arrangement was entered into, the arrangement becomes a TFSA at the time the arrangement was entered into and ceases to be a TFSA immediately before the earliest of the following events:

- the death of the last holder of the arrangement,
- the arrangement ceases to be a qualifying arrangement, and
- the arrangement not being administered in accordance with the conditions in subsection (2).

**4. Trust Not Taxable:** No tax is payable under this Part by a trust that is governed by a TFSA on its taxable income for a taxation year, except that, if at any time in the taxation year, it carries on one or more businesses or holds one or more properties that are non-qualified (as defined in subsection 207.01 (1) of the *Income Tax Act*) for the trust, tax is payable under this Part by the trust on the amount that would be its taxable income for the taxation year if it had no incomes or losses from sources other than those businesses and properties, and no capital gains or capital losses other than from the dispositions of those properties, and for that purpose,

- "income" includes dividends described in section 83 of the *Income Tax Act*; and
- the trust's taxable capital gain or allowable capital loss from the disposition of a property is equal to its capital gain or capital loss, as the case may be, from the disposition.

**5. Amount Credited to a Deposit:** An amount that is credited or added to a deposit that is a TFSA as interest or other income in respect of the TFSA is deemed not to be received by the holder of the TFSA solely because of that crediting or adding.

**6. Trust Ceasing to be a TFSA:** If an arrangement that governs a trust ceases, at a particular time, to be a TFSA,

- the trust is deemed
  - to have disposed, immediately before the particular time, of each property held by the trust for proceeds equal to the property's fair market value immediately before the particular time, and
  - to have acquired, at the particular time, each such property at a cost equal to that fair market value;
- the trust's last taxation year that began before the particular time is deemed to have ended immediately before the particular time; and
- a taxation year of the trust is deemed to begin at the particular time.

- 7. Registration:** The Trustee will file an election to register your Plan under the *Income Tax Act* (Canada) ("the Act"). If you live in Quebec as indicated by your address on your Application, the Trustee will also apply for registration of your Plan under the *Taxation Act* (Quebec).
- 8. Compliance:** It is intended that, at all times, your Plan will comply with all relevant provisions of the Act and, if applicable, the Taxation Act (Quebec) with respect to a Tax-Free Savings Account ("TFSA"). You will be bound by the terms and conditions imposed on your Plan by all applicable legislation.
- 9. Contributions to your Plan:** You may make cash contributions to your Plan. The Trustee will also accept transfers of cash to your Plan from any source permitted by the Act. In addition to cash, the Trustee may accept securities and other investments acceptable to it, in its sole discretion, if accompanied by properly executed transfer documents.
- 10. Investments:** Contributions and transfers to your Plan will be invested and reinvested from time to time in accordance with investment instructions unless the proposed investment does not comply with requirements imposed by the Trustee in its sole discretion. The Trustee will not be limited to investments authorized by legislation governing the investment of property held in trust other than the investment rules imposed by the Act for a TFSA. Before the Trustee will act on your investment instructions, the instructions must be in a form acceptable to the Trustee and be accompanied by related documentation as required by the Trustee in its sole discretion. The Trustee may accept and act on any investment instructions which it believes in good faith to be given by you. The Trustee will endeavour to execute any purchase or sale of an investment within 5 business days after receipt of cash and your investment instructions at the market or sale price in effect on the day the transaction is executed.
- 11. Holder's Responsibility:** You alone are responsible for ensuring that: (i) contributions to your Plan do not exceed the maximum limits permitted by the Act; and (ii) the investments held in your Plan are qualified investments for your Plan under the Act. You acknowledge and accept sole responsibility for the above-mentioned matters.
- 12. Non-Qualified or Prohibited Investments:** If your Plan becomes liable for tax, interest or penalties under the Act or similar provincial legislation, the Trustee is authorized to realize sufficient investments of your Plan, selected in its sole discretion, to pay the liability and the Trustee will not be liable for any resulting loss.
- 13. Withdrawals:** Following the receipt of written instructions in a form acceptable to the Trustee, the Trustee will make a payment from your Plan to you. The Trustee may realize investments of your Plan selected by it in its sole discretion for the purposes of making the payment and will not be liable for any resulting loss. Payments will be made net of all proper charges.
- 14. Designation of Beneficiary:** If you are domiciled in a jurisdiction which by law permits you to validly designate a beneficiary other than by Will, you may designate a beneficiary to receive the proceeds of your Plan in the event of your death before the maturity of your Plan. You may make, change or revoke your designation by written notice signed by you in a form acceptable to the Trustee. Any designation, amended designation or revoked designation will be valid on the day following its receipt by the Trustee.
- 15. Death of Holder:** Upon receipt of satisfactory evidence of your death, the Trustee will hold the assets of your Plan for payment to your designated beneficiary if that person was living at the date of your death. If you have not designated a beneficiary or if the designated beneficiary predeceases you, the assets of your Plan will be paid to your legal representatives. The payment will be paid subject to the deduction of all proper charges, including income tax required to be withheld, after the Trustee receives the releases and other documents that it requires in its sole discretion. 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.
- 16. Transfers from your Plan:** Following the receipt of your written instructions in a form acceptable to the Trustee, the Trustee will transfer all or part of the assets of your Plan (net of all proper charges) as instructed by you in the notice. The Trustee will provide the issuer of the recipient plan with all relevant information in its possession. The Trustee will sell or transfer specific investments of your Plan to effect the transfer if instructed by you in writing. In the absence of satisfactory written instructions, the Trustee may sell or transfer any investments of your Plan selected by it in its sole discretion to effect the transfer and will not be liable for any resulting loss. The transfer of assets will be made subject to any restrictions under the Act or the terms and conditions of the investments of your Plan.
- 17. Date of Birth and Social Insurance Number:** The statement of your birth date and social insurance number in your Application is deemed to be a certification of its truth and your undertaking to provide proof if requested by the Trustee.
- 18. Accounting and Reporting:** The Trustee will maintain an account in your name reflecting, with appropriate dates: (i) contributions to your Plan; (ii) the name, number and cost of investments purchased or sold by your Plan; (iii) dividends, interest and other distributions received by your Plan; (iv) cash; (v) withdrawals, transfers and expenses paid from your Plan; and (vi) the balance of your account. The Trustee will send you a semi-annual statement of your account. Before April of each year, the Trustee will provide any applicable tax reporting required to be filed with your personal income tax return relating to contributions to or withdrawals from your Plan in respect of the previous year.
- 19. Amendments:** From time to time, the Trustee may amend this declaration with the approval of Canada Revenue Agency provided that the amendment does not disqualify your Plan as a TFSA under the Act or other applicable legislation. Any amendment to ensure that your Plan continues to comply with the Act will be effective without notice. Any other amendments will be effective not less than 30 days after written notice has been provided to you.
- 20. Notice:** Any notice required or permitted to be given to you by the Trustee will be sufficiently given if mailed, postage prepaid, to you at your address as indicated on your Application or any subsequent address that you have provided to the Trustee in writing for that purpose. Notice will be deemed to have been received by you on the date of mailing.
- 21. Delegation of Duties:** Without detracting in any way from the responsibility of the Trustee, the Trustee may appoint agents and may delegate to its agents the performance of clerical, administrative and other duties under this declaration. The Trustee may employ or engage accountants, brokers, lawyers or others and may rely on their advice and services. The Trustee will not be liable for the acts or omissions of any of its advisors or agents. The Trustee may pay to any advisor or agent all or part of the fees received by it under the provisions of this declaration. Notwithstanding any other provision in this declaration, the Trustee acknowledges that it is ultimately responsible for the administration of your Plan.
- 22. Custodian:** The Trustee may engage one or more Canadian chartered banks, Canadian or provincial trust companies, registered brokers or investment dealers as a depository to hold some or all of the investments of your Plan, provided that (i) the depository may not offset any debt or obligation owing to the depository against assets of your Plan, (ii) the assets of your Plan may not be pledged, assigned or otherwise encumbered, and (iii) if the depository is a broker or investment dealer, the terms and conditions of the engagement will comply with the published requirements of applicable regulatory authorities. The Trustee may arrange for the deposit and delivery of any investments of your Plan with The Canadian Depository for Securities Ltd., the Depository Trust Company or any other properly authorized domestic or foreign depository.
- 23. Fees and Expenses:** The Trustee may charge you or your Plan fees for its services under this declaration as set out from time to time in the Western Pacific Trust Company fee schedule. The Trustee will give you at least 30 days notice of any change in its fees. The Trustee is entitled to reimbursement from your Plan for all disbursements and expenses (including taxes, interest and penalties) reasonably incurred by the Trustee in connection with your Plan. The Trustee is entitled to deduct its unpaid fees, disbursements and expenses from the assets of your Plan and for this purpose you authorize the Trustee to realize sufficient assets of your Plan selected in its sole discretion. The Trustee will not be responsible for any resulting loss.
- 24. Interest:** The Trustee is a non-deposit taking Trust Company. Any cash held in Trust is non-interest bearing. If the Trustee shall hold any cash in the account, it shall be under no obligation to invest or reinvest the same but shall only be obligated to hold same in a current account, and shall be entitled to retain for its own account any benefit earned by the holding of same prior to receiving investment instructions in accordance with this Agreement.
- 25. Liability of the Trustee:** The Trustee and its officers, employees and agents are indemnified by you and your Plan from and against all expenses, liabilities, claims and demands arising out of the holding of the assets of your Plan; the dealing with the assets of your Plan in accordance with investment instructions which the Trustee, its officers, employees or agents believe in good faith to be given by you or your properly authorized agent; and the delivery of release of assets of your Plan in accordance with this declaration, provided that: (i) the Trustee exercises the same degree of care with the assets of your Plan as it would with its own assets; and (ii) the Trustee complies with applicable laws, regulations and orders now or later in force that purport to impose a duty on the holder of assets of your Plan to take or refrain from taking any action in connection with any asset of your Plan. Notwithstanding any other provision of this declaration, the Trustee will not be liable for any loss or penalty suffered as a result of any act done by it in reasonable reliance of your authority or the authority of your properly authorized agent or legal representatives.
- 26. Successor Trustee:** The Trustee may resign and be discharged from all duties and liabilities under this declaration by giving 30 days written notice. Western Pacific Trust Company is nominated to appoint a successor trustee. Upon acceptance of the office of trustee of your Plan, the successor trustee will be trustee of your Plan as if it had been the original declarant of your Plan.
- 27. Language:** You have requested that your Application, this declaration and all ancillary documents be provided to you in English. Vous avez exigé que votre demande, la présente déclaration et tous les documents accessoires vous soient fournis en anglais.
- 28. Governing Laws:** This declaration will be governed, construed and enforced in accordance with the laws of British Columbia and Canada except that the word "spouse" and "common law partner" as used in this declaration will have the same meaning as for the purposes of the Act.
- 29. Arms Length Mortgages:** I hereby acknowledge and agree that where arms length mortgages are held under this plan, whether syndicated or otherwise, they must be registered in the name of Western Pacific Trust Company, as Trustee. The ranking of said mortgages may be either first, second or third.