

Plan identification

Type of plan: Family RESP Approval No: **RESP 1021004**
 CAD Account No: _____ Date of contract (YYYY-MM-DD): _____

Subscriber identification (please write in block letters)

Mr. Ms. Last name: _____ First name: _____

Home address

Number and street: _____ Apt.: _____
City: _____ Province: _____ Country: _____ Postal code: _____

Other information

Social insurance number: _____
Telephone (home): _____ Telephone (work): _____

Co-subscriber identification (to be completed if necessary)

Mr. Ms. Last name: _____ First name: _____

Other information

Social insurance number: _____

Beneficiary designation

Note: each beneficiary must be related by blood or adoption to the subscriber and must be under 21 years of age, unless, immediately before this designation, he was the beneficiary of another family RESP.

Are all beneficiaries siblings? Yes No, some incentives cannot then be paid.

1st beneficiary

Mr. Ms. Last name: _____ First name: _____

Home address (if different from that of the subscriber)

Number and street: _____ Apt.: _____
City: _____ Province: _____ Country: _____ Postal code: _____

Other information

Social insurance number: _____ Date of birth (YYYY-MM-DD): _____
Distribution ratio: _____%

Relationship with the beneficiary

Parent Grandparent Aunt/uncle Sister/brother No relationship Organization

Other, please specify: _____

Parent, guardian or public primary caregiver identification (if none of these persons is a subscriber to the Plan)

Note: to be completed only if the beneficiary is under 19 years of age.

Mr. Ms. Last name: _____ First name: _____

Home address

Number and street: _____ Apt.: _____
City: _____ Province: _____ Country: _____ Postal code: _____

2nd beneficiary

Mr. Ms. Last name: _____ First name: _____

Home address (if different from that of the subscriber)

Number and street: _____ Apt.: _____

City: _____ Province: _____ Country: _____ Postal code: _____

Other information

Social insurance number: _____ Date of birth (YYYY-MM-DD): _____

Distribution ratio: _____%

Relationship with the beneficiary

Parent Grandparent Aunt/uncle Sister/brother No relationship Organization

Other, please specify: _____

Parent, guardian or public primary caregiver identification (if none of these persons is a subscriber to the Plan)

Note: to be completed only if the beneficiary is under 19 years of age.

Mr. Ms. Last name: _____ First name: _____

Home address

Number and street: _____ Apt.: _____

City: _____ Province: _____ Country: _____ Postal code: _____

3rd beneficiary

Mr. Ms. Last name: _____ First name: _____

Home address (if different from that of the subscriber)

Number and street: _____ Apt.: _____

City: _____ Province: _____ Country: _____ Postal code: _____

Other information

Social insurance number: _____ Date of birth (YYYY-MM-DD): _____

Distribution ratio: _____%

Relationship with the beneficiary

Parent Grandparent Aunt/uncle Sister/brother No relationship Organization

Other, please specify: _____

Parent, guardian or public primary caregiver identification (if none of these persons is a subscriber to the Plan)

Note: to be completed only if the beneficiary is under 19 years of age.

Mr. Ms. Last name: _____ First name: _____

Home address

Number and street: _____ Apt.: _____

City: _____ Province: _____ Country: _____ Postal code: _____

Other information**Designation of an educational institution** (required)

Name of a prescribed educational institution in the event that there is no eligible beneficiary at the termination date:

Plan termination date

The Plan termination date is no later than the last day of 35th year after the year the Plan was entered into or, for a specified plan, the last day of 40th year after the year the Plan was entered into.

Termination date (YYYY-MM-DD): _____

Last contribution date

The subscriber may not make any contribution to the Plan after the 31st year following the year the Plan was entered into or, for a specified Plan, after the 35th year following the year the Plan was entered into.

Last contribution date (YYYY-MM-DD): _____

Consent and signature

I, the undersigned, hereby apply to subscribe to the Desjardins Securities Inc. Family Self-Direct Education Savings Plan in accordance with the attached Declaration of Trust. I have read and understood the conditions of the Declaration of Trust and agree to be bound by them. I request that Desjardins Trust Inc, apply for registration of the Plan as a Registered Education Savings Plan pursuant to the provisions of section 146.1 of the *Income Tax Act* (Canada), or to any other comparable legislation in my province of residence.

I understand that Desjardins Securities Inc. is serving as an agent for the promoter.

I acknowledge that the Promoter does not offer the Saskatchewan Advantage Grant for Education Savings or the British Columbia Training and Education Savings Grant.

I declare that the information provided in this application is accurate, and I agree to notify Desjardins Securities Inc. of any changes in it.

Co-subscribers only

We, _____ and _____
from _____, hereby declare that we are spouses or common-law partners.

Signature(s)

Signed at _____ (City) on _____ (YYYY-MM-DD)

Name of the subscriber (in block letter) . **X** Signature of the subscriber

Name of the co-subscriber (in block letter) . **X** Signature of the co-subscriber

This application has been approved by

Name of the authorized representative from Desjardins Trust Inc. **X** Signature of the authorized representative Date (YYYY-MM-DD)
(in block letter)

The attached Application (the "Application") and this Declaration of Trust constitute a contract for the establishment of a Desjardins Securities Inc. Self-Directed Family Education Savings Plan between Desjardins Trust Inc. (the "Promoter" and «Trustee») and the Subscriber(s) named in the Application as of the date of the Application under which the Promoter will pay Educational assistance payments to further the Beneficiary's post-secondary education. For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows.

For the purposes hereof, the *Income Tax Act* (Canada) and its regulations, as well as the applicable policies, are grouped under the term "legislation."

1) DEFINITIONS: for the purposes of this contract, the terms set out below shall have the following meanings and are identified by a capital letter in the text:

- a) Assets of the Plan:** all Contributions and Grants that have been paid to the Plan, including income and gains resulting from investments and reinvestments made in the Plan, less all losses resulting from any investment or reinvestment, less all administration or other fees of the Promoter and of the Trustee paid from the Plan, and less any Grant refunds required by the Applicable laws. It is understood that the Plan's Assets include all investments held from time to time by the Trustee or on the Trustee's behalf under the Plan as well as amounts transferred in accordance with Applicable laws from other registered education savings plans, if any.
- b) Beneficiary:** the person designated in the Application by the Subscriber to whom or on whose behalf it is agreed that payment be made for Educational assistance if the person qualifies. The term Beneficiary may include more than one Beneficiary. However, each Beneficiary must be connected to each living Subscriber of the Plan or must have been connected to a deceased original Subscriber of the Plan, by blood relationship or adoption. No individual can be designated beneficiary of the Plan without having previously provided his social insurance number to the Plan Sponsor.
- c) Contribution:** subject to the conditions and limits established by the Law and the Plan, as well as the minimum amounts allowed by the Promoter, any amount paid into the Plan by each Subscriber or on his behalf in respect of a Beneficiary residing in Canada, of from time to time or in the form of a single payment, other than an amount paid into the Plan under or by effect, as the case may be:
 - i) of the *Canada Education Savings Act*, a designated Provincial Program
 - ii) any other program the object of which is similar to that of a Designated Provincial Program and which is funded, directly or indirectly, by a province, unless the amount in question is paid into the Plan by a Public Responsible Party in his quality of Subscriber of the Plan.

Contributions also include funds transferred directly from another registered education savings plan from which no Accumulated income payment was made before the transfer, subject to other conditions that may be imposed pursuant to Applicable laws and to the Plan. It is understood that a Contribution may be paid to the Plan in the form of cash or through a transfer of securities if the Promoter, at its sole discretion, deems them acceptable, provided that the registered title to these securities has been transferred to the Plan's benefit.

- d) Application form:** the attached Application form for joining the Plan, completed and signed by the Subscriber(s), as may be amended from time to time in accordance with this Declaration.
- e) Trustee:** Desjardins Trust Inc. doing business in Montreal, Province of Québec, Canada, incorporated under the laws of Canada and authorized to operate a business offering trust services to the public in Canada in accordance with subsection 146.1(2)a) of the *Income Tax Act* (Canada).
- f) Post-secondary educational institution:** in accordance with the definition appearing in subsection 146.1(1) of the *Income Tax Act* (Canada):
 - i) an educational institution in Canada that is a university, college or other educational institution designated by the lieutenant governor in council of a province as a specified educational institution under the *Canada Student Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, or designated, for the purposes of An Act respecting financial assistance for education expenses, by the Minister of the Province of Quebec responsible for the administration of that Act, or
 - ii) an educational institution in Canada that is certified by the Minister of Employment and Social Development to be an educational institution providing courses, other than courses designed for university credit, that furnish a person with skills for, or improve a person's skills in, an occupation, or

iii) an educational institution outside Canada that provides Post-secondary courses and that is:

- A) a university, college or other educational institution at which a Beneficiary is enrolled in a course of not less than 13 consecutive weeks; or
- B) a university at which a Beneficiary is enrolled on a full-time basis in a course of not less than three consecutive weeks.

- g) Applicable laws:** all provincial and federal laws governing the Plan, the Assets of the Plan, the Grants that may be paid to it and the parties to this agreement, including but not limited to the *Income Tax Act* (Canada), the *Canada Education Savings Act*, the *Taxation Act* (Quebec) and securities laws. Any reference to applicable laws is considered to include all laws and all regulations, policies, rules, orders or other provisions relating to them, as amended, readopted or replaced.
- h) Minister:** the Minister of Employment and Social Development Canada.
- i) Post-secondary school level:** includes a program of courses, at an institution described in in paragraph (ii) of the definition "Post-secondary educational institution" above of a technical or vocational nature designed to furnish a person with skills for, or improve a person's skills in an occupation.
- j) Educational assistance payment:** any amount, other than a Refund of payments, paid from the Plan to or on behalf of a Beneficiary to help him or her continue studies at the Post-secondary level.
- k) Accumulated income payment:** Any amount paid from the Plan, other than:
 - i) the payment of Educational assistance payments;
 - ii) the Refund of payments;
 - iii) the repayment of amounts (and the payment of amounts related to that repayment) under the *Canada Education Savings Act* or under a Designated provincial program;
 - iv) the payment to, or to a trust in favour of, a designated educational institutions in Canada; or
 - v) the payment to a trust that irrevocably holds property pursuant to a registered education savings plan for any of the purposes set out in the paragraphs above,

to the extent that the amount paid exceeds the fair market value of any consideration given to the Plan for payment of the amount.

- l) Qualified investment:** a Qualified investment under a trust governed by an educational savings plan as defined in subsection 146.1(1) of the *Income Tax Act* (Canada).
- m) Lifetime contribution limit:** maximum prescribed lifetime amount of Contributions that may be paid to a registered education savings plan for a person designated as a Beneficiary of the Plan, in accordance with subsection 204.9(1) of the *Income Tax Act* (Canada), as amended from time to time.
- n) Qualifying educational program:** any program at the Post-secondary level running not less than three (3) consecutive weeks that requires each student to spend not less than 10 hours per week on courses or work.
- o) Specified educational program:** any program at the Post-secondary level running not less than three (3) consecutive weeks that requires each student taking the program to spend not less than 12 hours per month on courses.
- p) Designated provincial program:**
 - i) a program administered pursuant to an agreement entered into under section 12 of the *Canada Education Savings Act*; or
 - ii) a program established under the laws of a province to encourage the financing of children's post-secondary education through savings in registered education savings plans.
- q) Promoter:** Desjardins Trust Inc. doing business in Montreal, Province of Québec, Canada, incorporated under the laws of Canada.
- r) Specified plan:** an education savings plan for a single Beneficiary under which the Beneficiary is entitled to the Disability Tax Credit in the taxation year that includes the thirty-first (31st) anniversary of the opening of the plan. A Specified plan does not allow another individual to be designated as a Beneficiary of the plan at any time after the end of the year that includes the thirty-fifth (35th) anniversary of the opening of the plan. In addition, no Contribution may be made to the plan (other than transfers from another plan) at any time after the end of the year that includes its thirty-fifth (35th) anniversary, and the plan must be terminated at the end of the year that includes its fortieth (40th) anniversary.

- s) Refund of payments:** at any time:
- i) refund of a Contribution paid previously that was both:
 - A) conducted other than through a transfer from another registered education savings plan;
 - B) paid into the Plan by or on behalf of a Subscriber;
 - ii) refund of an amount paid previously into the Plan through a transfer from another registered education saving plan that would have constituted a Refund of payments involving the other plan if it had been previously paid directly to a Subscriber of that plan.

t) Public primary caregiver: the Public primary caregiver of a Beneficiary of an education savings plan to which a special allowance is payable under the *Children's Special Allowances Act* is the government department or the agency or institution that maintains the Beneficiary, or the public trustee or the public curator of the province in which the Beneficiary resides.

- u) Subscriber and Co-subscriber:** at any time:
- i) each individual or the Public primary caregiver with who subscribes to the Plan with the Promoter;
 - ii) any other individual or the Public primary caregiver who has previously acquired a Public primary caregiver's rights as a Subscriber under the terms of a written agreement;
 - iii) an individual who has previously acquired a Subscriber's rights under the Plan pursuant to a decree, an order or a judgment issued by a competent tribunal, or under a written agreement, relating to a division of property between the individual and a Subscriber under the Plan in settlement of rights arising from their marriage or common-law partnership, or its breakdown;
 - iv) after the death of an individual described in any paragraph above, any other person (including the estate of the deceased individual) who acquires the individual's rights as a Subscriber of the Plan or who makes Contributions to the Plan in respect of a Beneficiary.

Subscribers do not include an individual or a Public primary caregiver whose rights as a Subscriber under the Plan had previously been acquired by an individual or Public primary caregiver in the circumstances described in paragraphs ii) and iii) above.

v) Grant: any amount paid into the Plan pursuant to the *Canada Education Savings Act*, a Designated provincial program or any other program with a purpose similar to that of a Designated provincial program and that is financed, directly or indirectly, by a province, other than an amount paid into the Plan by a Public primary caregiver in its capacity as a Subscriber under the Plan.

- 2) ESTABLISHMENT OF THE PLAN:** the Subscriber establishes with the Promoter and the Trustee a trust that irrevocably holds the Assets of the Plan for one or more of the following purposes:
- a) the payment of Educational assistance payments;
 - b) the payment of Accumulated income payments;
 - c) the Refund of payments;
 - d) the repayment of amounts (and the payment of amounts related to that repayment) under the *Canada Education Savings Act* or under a Designated provincial program;
 - e) the payment to, or to a trust in favour of, designated educational institutions in Canada referred to in subparagraph (a)(i) of the definition of that expression in subsection 118.6(1) of the *Income Tax Act (Canada)*; or
 - f) payment made to a trust that irrevocably holds property in accordance with a registered education savings plan for any of the purposes set out in paragraphs (a) to (e) above.
- 3) REGISTRATION OF THE PLAN:** the Promoter will apply for registration of the Plan as a registered education savings plan in the prescribed form with the required information in accordance with the Applicable laws the Promoter will apply for registration of the Plan to the governments concerned in accordance with the provisions of the Act and any other applicable provincial law, according to the address of the Subscriber designated in the application for membership. In connection with registration, the Promoter is hereby authorized to rely exclusively on the information that the Subscriber has provided in the application for membership. The application for registration of the Plan is submitted by the Promoter on the prescribed form containing the prescribed information.
- 4) DESIGNATION OF AN AGENT:** Desjardins Trust Inc. has appointed Desjardins Securities Inc. in its capacity as a securities dealer registered pursuant to the applicable securities laws as its agent for handling certain functions related to operation of the Plan. Desjardins Trust Inc. acknowledges, however, that it has final responsibility for the Plan and its administration.
- 5) CONTRIBUTIONS:** no Contributions may be made to the Plan other than those made by or on behalf of a Subscriber of the Plan in respect of a Beneficiary of the

Plan, or Contributions transferred from another registered education savings plan.

No Contributions (other than those transferred from another registered education savings plan) may be made:

- a) with respect to a Specified plan, after the thirty-fifth (35th) year following the year when the Plan was entered into;
- b) in any other case, after the thirty-first (31st) year following the year when the Plan was entered into.

A Contribution may be made only for a Beneficiary whose Social Insurance Number is provided to the Promoter before the Contribution is made and if the Beneficiary is resident in Canada when the Contribution is made, or the Contribution is transferred from another registered education savings plan of which the Beneficiary was a Beneficiary immediately before the transfer.

Each Subscriber acknowledges that failure to respect the Lifetime contribution limit will result in penalties or taxes, as set out in the Applicable laws, and each Subscriber agrees that it is his or her entire responsibility to pay these penalties and this tax and to complete all documents required with respect to this tax.

Each Subscriber must inform the Promoter immediately of any change in the Beneficiary's address or residence.

In the case of Contributions in kind, the value of these Contributions will be equivalent to their fair market value at the time they are contributed to the Plan. When the fair market value cannot easily be determined in the opinion of the Promoter or the Trustee, a Subscriber shall provide written proof considered satisfactory by the Promoter or the Trustee, as appropriate, establishing the fair market value, and the Contribution will be accepted by the Promoter only when such satisfactory proof of its fair market value has been provided and the registered title to such property has been transferred to the benefit of the Plan.

6) REIMBURSEMENT OF CONTRIBUTIONS: upon receipt of a written notice in the form prescribed by the Promoter and subject to reasonable requirements that the Promoter may impose as well as the provisions of Applicable laws to the effect that the Promoter must reimburse the Grants in certain circumstances, each Subscriber is entitled:

- a) to receive, at any time and from time to time, a reimbursement of Contributions in an amount not exceeding the capital investments (less any applicable fees); or
- b) to request, in the manner prescribed by the Promoter, that all or part of the reimbursement of Contributions in an amount not exceeding the capital investments (less all applicable fees) be paid to one or more Beneficiaries.

If the Plan has two Subscribers, both must sign the written instructions. In some cases, when a reimbursement of Contributions is made, a reimbursement equal to the Grants must be made, as provided in section 7. Each Subscriber acknowledges that such reimbursements of Contributions may result in restrictions with respect to future Grants paid for the Plan's Beneficiary.

7) GRANTS: if a Subscriber wishes to present an application for Grants, he or she must do so in the manner prescribed by the Applicable laws. When an Application form is prescribed, the Promoter must provide the form in question to the Subscriber prior to establishment of the application or immediately afterwards. The Promoter must ensure that the Grants paid to the Plan are administered, invested and paid in accordance with the terms of this contract and of the Applicable laws. When a Contribution is paid to the Plan, it is first allocated to the Beneficiaries who are eligible for the Grants, up to the amount qualifying for the maximum annual amount of Grants, since it is divided equally among the Beneficiaries who may receive Grants.

Reimbursements of Grants shall be made in accordance with the Applicable laws, in particular:

- a) when certain Contributions are withdrawn from the Plan for purposes other than financing education;
- b) when a payment is made in accordance with paragraphs 10 c) and 10 e);
- c) when certain transfers are made from the Plan to another registered education savings plan, in accordance with paragraph 10 f);
- d) when the Plan is terminated or revoked;
- e) in the case of certain changes of Beneficiary.

Reimbursements of Grants will also be made when the Grants involved were paid to the Plan by mistake.

8) TRANSFERS: each Subscriber may, at any time, ask the Promoter in writing to transfer amounts (including Grants) from another registered education savings plan to the Plan or from the Plan to another registered education savings plan. Such transfers will occur only when they have been authorized in the manner prescribed by the Applicable laws. Authorized transfers will take place even if they lead to restrictions with respect to future Grants paid for the Plan's Beneficiaries.

In accordance with subsection 146.1(6.1) of the *Income Tax Act (Canada)*,

any registered education savings plan that receives a transfer is deemed to have been established on the earlier of the following days: the day when the registered education savings plan receiving the transfer (the transferee plan) was established, or the day when the registered education savings plan from which the transfer is made (the transferor plan) was established.

The plan may not receive property by means of direct transfer from another registered education savings plan on which payment of Accumulated income has been made.

The Promoter will not be liable for the transfers made upon the Subscriber's request, in particular if they produce adverse tax consequences or result in reimbursement of Grants or limitations on future Contributions for a Beneficiary or on Grants the latter may eventually receive.

- 9) INVESTMENTS:** the Promoter holds, invests and reinvests the assets of the Plan, in accordance with the written or verbal instructions of the Subscriber or his legal representative. The Promoter has the power to make, at its discretion, and from time to time, sufficient investments in the Plan to allow payment of any amount that it is required to pay in accordance with the Plan or the payment of fees and costs and expenses of the Promoter. Any such realization will be carried out at the price which the Promoter can establish, in its entire discretion, and the Promoter will not be liable for any loss which may result therefrom.

The Subscriber must ensure that the investments constitute qualified investments within the meaning of subsection 146.1 (1) of the *Income Tax Act*. The Promoter must act with the care, diligence and skill that a prudent person would exercise to minimize the possibility that the Plan may hold non-qualified investments. The Subscriber will be solely responsible for any losses, penalties or taxes incurred for not ensuring that the investments made in the Plan were qualified investments within the meaning of subsection 146.1 (1).

The Promoter will have ultimate responsibility for the administration of the Plan. However, it cannot be held responsible for any loss incurred in the Plan resulting from a decrease in the value of the assets of the Plan.

- 10) WITHDRAWALS:** upon receipt of written instructions from the Subscriber in the form prescribed by the Promoter and subject to reasonable requirements that the Promoter may impose as well as the provisions of the Applicable laws, the Promoter will allow withdrawals to be made from the Plan (up to the amount of the Plan's Assets, after deducting the Promoter's fees or other amounts to be paid under section 14, any Grant reimbursement provided in section 7 and any withholding tax under the terms of Applicable laws):

- a) to make Educational assistance payments to or on behalf of a Beneficiary who meets the following conditions:
- i) at the time of the payment, the Beneficiary is:
 - A) either enrolled as a student in a Qualifying educational program at a Post-secondary educational institution; or
 - B) is at least 16 years of age and enrolled as a student in a Specified educational program at a Post-secondary educational institution.
 - ii) If one or more of the following conditions is met:
 - A) the Beneficiary meets the condition set out in subparagraph (i)(A) at the time of the payment, and, as the case may be:
 - I) has fulfilled this condition for at least thirteen (13) consecutive weeks included in the period of twelve (12) months ending at that time; or
 - II) the total of the payment and of the other Educational assistance payments made to or on behalf of the Beneficiary under a registered education savings plan from the Promoter during the period of twelve (12) months ending at that time does not exceed \$5,000 or any greater amount that the Minister may approve in writing with respect to the Beneficiary;
 - B) the Beneficiary fulfils the condition set out in subparagraph (i) (B) at the time of the payment and the total of the payment and all other Educational assistance payments made to or on behalf of the Beneficiary under a registered education savings plan from the Promoter during the period of thirteen (13) weeks ending at that time does not exceed \$2,500 or any greater amount that the Minister may approve in writing with respect to the Beneficiary.

Notwithstanding paragraphs (i) and (ii), an Educational assistance payment may be made to or on behalf of the Beneficiary at any time during the period of six (6) months following the time when the Beneficiary ceases to be enrolled as a student in a Qualifying educational program or a Specified educational program, if the payment would have complied with the requirements in paragraphs (i) or (ii) or if the payment had been made immediately before that time.

Where an Educational assistance payment is made to a Beneficiary, the payment includes the amounts paid as Grants in accordance with the Applicable laws up to the maximum amount permitted by these laws.

- b) as a refund of Contributions (in accordance with section 6);
- c) to the benefit of a designated educational institution in Canada referred to in paragraph a)(i) of the definition of this term in subparagraph 118.6(1)(a)(i) of the *Income Tax Act* (Canada) or to a trust in favour of such an institution;
- d) to reimburse Grants (and pay of amounts related to this reimbursement);
- e) to make Accumulated income payments, provided that:
 - i) payment is made to or on behalf of a Subscriber of the Plan who is resident in Canada when the payment is made;
 - ii) payment is not made jointly to or on behalf of more than one Subscriber;
 - iii) as the case may be:
 - A) payment is made after the ninth (9th) year following the year when the Plan was entered into and each Beneficiary (other than a deceased Beneficiary) who is or was a Beneficiary of the Plan has reached 21 years of age before the payment is made and is not entitled, at the time of payment, to an Educational assistance payment under the Plan;
 - B) payment is made during the year when the Plan must end in accordance with section 21;
 - C) each person who was a Beneficiary of the Plan is deceased at the time of payment.

The Minister of National Revenue may, on written Application from the Promoter, waive application of the conditions in subparagraph 10 (e) (iii) A) regarding the Plan if a Beneficiary has a severe and prolonged mental impairment that prevents, or may be likely to prevent, the Beneficiary from enrolling in a Qualifying educational program at a Post-secondary educational institution.

The Plan must end before March 1 of the year following the year during which the first Accumulated income payment was made on the Plan.

- f) to a trust that irrevocably holds property transferred to it under a registered education savings plan for any of the purposes described in paragraph 1 c) and paragraphs 10 a) to e) and permitted by applicable laws. Such transfers must comply with subsection 204.9 (5) of the *Income Tax Act*. The effective date of such transfer from the Plan to a registered education savings plan must be determined in accordance with subsection 146.1 (6.1) of the *Income Tax Act* (Canada).

It is understood that no payment shall be made from the Plan when fair market value of the Plan's Assets is less than the total of all Grants paid to the plan less any Grants monies withdrawn from the Plan, unless the payment is an Educational assistance payment made to or on behalf of a Beneficiary and the full amount of the payment is attributable to Grants. The Promoter shall determine whether the conditions prior to remittance of an education assistance payment have been fulfilled; this decision will be binding and mandatory for the Subscriber, the Beneficiary and any other person who may be entitled to payments under the Plan.

Each Subscriber acknowledges and understands that the Applicable laws require a Beneficiary to repay any Grant money received that exceeds the limit prescribed by the Applicable laws. If a person is a Beneficiary of more than one registered education savings plan, it is the responsibility of that person alone to ensure that all Grant payments he or she receives beyond the limit set out in the Applicable laws are reimbursed. The Promoter will provide a notice to the Beneficiary stating this obligation.

- 11) BENEFICIARY:** an individual may be designated a Beneficiary of the Plan only if his or her Social Insurance Number is provided to the Promoter before the designation is made and either the individual is resident in Canada when the designation is made or the designation is made in conjunction with a transfer of property into the Plan from another registered education savings plan of which the individual was a Beneficiary immediately before the transfer.

Each of the Beneficiaries must be connected to each living Subscriber of the Plan, or to have been connected to a deceased original Subscriber of the Plan, by blood relationship or adoption.

An individual may become a Beneficiary of the Plan at a given time only if the individual has not reached 21 years of age before that time or, immediately before that time, was a Beneficiary of another registered education savings plan that allows more than one Beneficiary at any one time.

The Promoter shall, within ninety (90) days of an individual becoming a Beneficiary of the Plan, provide written notice to the individual (or his or her mother or father or the Public primary caregiver, if the individual is under 19 years of age at that time and ordinarily resides with his or her mother or father or is under the care of a Public primary caregiver) of the Plan's existence and of the name and address of the Plan's Subscriber.

The Subscriber may, by written notice to the Promoter, revoke the designation of a Beneficiary and designate one or more other beneficiaries for the purposes of the Plan. If the Promoter receives more than one notice, the document bearing

the most recent date will take precedence. A replacement Beneficiary may inherit the Contribution history of the replaced Beneficiary, and the Subscribers are solely responsible for the penalties that may arise from the Applicable laws.

- 12) SUBSCRIBER'S ACCOUNT AND STATEMENT:** the Promoter will maintain a separate trust account in the name of the Trustee in trust for the Subscriber (the "account"), in which the following will be recorded;
- the Contributions paid to the Plan and withdrawals from the Plan, the name of the Beneficiary for whom these payments were made and the date on which the Promoter received the Contributions, as well as an indication of whether these payments have resulted in the payment or reimbursement of Grants;
 - information on all investment transactions made and investments held in the Plan;
 - the value of the Plan's Assets;
 - the fees and costs paid from the Plan's Assets;
 - all Grants paid to the Plan or withdrawn from the Plan, as well as the portion of the Educational assistance payments paid to or on behalf of a Beneficiary attributable to Grants paid to the Plan;
 - all transfers received by or made from the Plan;
 - all investment income, gains and losses reported by the Plan and all Accumulated income payments made to each Subscriber;
 - all amounts paid to or on behalf of a Beneficiary as Educational assistance payments, as well as the payment date and the recipient;
 - all amounts paid to accredited educational institutions or to a trust to the benefit of these institutions, or other amounts paid to each Subscriber or in accordance with the Subscriber's instructions as well as the payment date and the recipient;
 - any other information the Promoter or the Trustee considers useful or that may be required under the terms of the Applicable laws and of agreements made from time to time between the Promoter and the Trustee, respectively, and the Minister.

At least once a year, the Promoter will send to the Subscriber a statement of account containing the information indicated above as of the date of the statement. This information, as well as any other information related to the Plan, will be provided to the Minister of National Revenue and to the Minister of Employment and Social Development, who may conduct inspections and audits from time to time in accordance with the requirements of the Applicable laws and of the agreements entered into from time to time between the Promoter and the Trustee, respectively, and the Minister.

- 13) DEATH OF THE SUBSCRIBER:** If the Subscriber dies while the Plan remains in force:
- if there is a co-subscriber and the Assets are held jointly with right of survivorship (outside Quebec only), the rights of the deceased as the Subscriber of the Plan will pass to the co-Subscriber and may be exercised by him or her;
 - if nobody replaces the Subscriber, as indicated in paragraph 1u), the balance of the Contributions will remain in the Plan until the estate's legal representative provides guidelines regarding payment of the balance and the Promoter receives the documents it regards as necessary to making any such payment.

- 14) PROMOTER'S FEES:** the Promoter is entitled to payment of its usual fees for administration of the Plan. The Subscriber acknowledges knowing these fees, which may be withdrawn directly from the Plan's Assets. Written notice of any change of fees will be sent to every Subscriber at least thirty (30) days before it enters into force.

Moreover, the Promoter is entitled to compensation for the services it provides under this agreement in accordance with the rates in force from time to time as well as to reimbursement of all income taxes charged to it as the Plan's Promoter and to reasonable fees for all further services provided under this agreement, based on the time and responsibilities involved.

If the Subscriber fails to pay the fees, charges, disbursements and income taxes mentioned above, the Promoter will be entitled, on written notice of thirty (30) days, to deduct from the Plan's Assets all amounts mentioned above as it shall determine and may, at its discretion, liquidate the Plan's Assets and convert them to cash to obtain the said amounts, with the Promoter hereby being specifically authorized to do so. The Subscriber will then owe the Promoter all fees, charges, disbursements, etc. that exceed the Plan's total Assets.

- 15) LIABILITY OF THE PROMOTER AND THE TRUSTEE :** unless resulting from lack of probity, bad faith, wilful misconduct or negligence on their part, the Promoter and the Trustee, as well as their respective employees, senior executives and directors, will assume no liability pursuant to this agreement with respect to:
- any taxes, interest or penalty that may be payable under the laws applicable to the Plan, except taxes that the Promoter is liable for under the *Income Tax Act* and that can't be paid out of the property of the Plan;
 - the receipt or the time of receipt of any Grant;

- any reimbursement of Grants that may be required under the Applicable laws;
- any cost that the Promoter or Trustee may incur in performing functions pursuant to this Agreement or to the Applicable laws; any loss or damage or any tax charged to or payable by the Plan, by a Subscriber or by a Beneficiary pursuant to the Plan due to non-compliance with an agreement related to the Grants or with the Applicable laws or due to payments or distributions made from the Plan in accordance with these conditions. In this respect, the Promoter and the Trustee may reimburse themselves or pay Grant reimbursements, taxes or costs from the Plan's capital or income, or partly from each, if the Promoter or the Trustee, at their full discretion, deem it appropriate to proceed in this way. The Subscriber agrees at all times to indemnify the Promoter and the Trustee and to hold them harmless with respect to any Grant reimbursement, tax, interest or penalty that may be required in connection with the Plan or to costs incurred by the Promoter or the Trustee in relation to the Plan or to any loss suffered by the Plan (other than losses that fall under the responsibility of the Promoter or the Trustee pursuant to this contract) due to non-compliance with an agreement related to the Grants or with the Applicable laws or due to payments or distributions made from the Plan in accordance with these conditions.

Each Subscriber acknowledges and agrees that all investments included in the Plan's Assets are held at the Subscriber's risk and that the Promoter and the Trustee cannot be held responsible for any damage, loss or reduction in value the investments may experience.

The Promoter may rely on any statement or document provided by a Subscriber that it deems authentic and is not required to make special inquiries in this respect.

The preceding indemnification of the Promoter and the Trustee and the limitation of the liability of the Promoter and Trustee will remain valid after the Plan has ended.

- 16) REPLACEMENT OF THE TRUSTEE:** the Trustee may resign at any time by giving sixty (60) days' notice to the Subscriber. The Successor Trustee must be a commercial company resident in Canada and authorized to perform the functions of Trustee. The Successor Trustee agrees that the assets of the Plan will be used only to meet the purposes listed in Article 10 "Withdrawals" of this Declaration of Trust. At the end of the period of sixty (60) days, the Trustee must transfer to another Trustee all Assets it holds under the Plan in a duly registered plan that satisfies the Applicable laws.

- 17) REPLACEMENT OF THE PROMOTER:** provided the tax authorities and all other authorities concerned have been advised previously, the Promoter may transfer all rights pertaining to the Plan to another company based in Canada to the extent that the latter is authorized by Employment and Social Development Canada to act as a registered education savings plan Promoter.

The replacement promoter shall give the Subscriber prior notice of the Plan's transfer and of any change that may be made to this agreement following replacement of the Promoter, in compliance with section 18.

- 18) MODIFICATION OF THE PLAN:** the Promoter may amend this Plan to ensure that it complies at all times with the registration conditions of the *Income Tax Act* (Canada) and the Applicable laws.

Moreover, the Promoter may, from time to time and at its discretion, amend, the terms and conditions not related to the registration conditions of this Plan or to the Applicable Laws, including any change of fees, but the Promoter agrees to send written notice of thirty (30) days to the Subscriber before any such amendment(s) come into force.

- 19) SUCCESSORS:** subject to any contrary provision, the Plan is binding on the parties to this agreement as well as on their respective heirs, successors, administrators and legal representatives, and it applies in their favour. It is understood, subject to the provisions of the Applicable laws, that the entity resulting from any merger or reorganization of the Promoter will become the Promoter under this Agreement and that the Promoter will notify the Canada Revenue Agency of any such merger or reorganization, as appropriate.
- 20) NOTICE:** Any notice that the Subscriber gives the Promoter is deemed sufficient if delivered in person or mailed with sufficient postage to the Promoter at:

Desjardins Trust Inc.
1 Complexe Desjardins
P.O. Box 34, Desjardins Stn.
Montreal, Quebec
H5B 1E4

The said notice is deemed to have been received by the Promoter when it has actually been received.

- 21) TERMINATION DATE:** the Plan shall terminate no later than:
- in the case of a Specified plan, the last day of the 40th year following the year when the Plan was entered into;
 - in all other cases, the last day of the 35th year following the year when the Plan was entered into.

The Plan may terminate before that date, at a date accepted in writing by the Subscriber and the Promoter, and it may terminate before that date, at a date prescribed by the Applicable laws from time to time.

The Promoter must send to each Subscriber a notice of the termination date at least three (3) months prior to that date unless the termination date was changed by the Subscriber to a date less than six (6) months after the date when the Promoter receives the notice of designation.

On the termination date, subject to the provisions of the Applicable laws and to the conditions of the instructions provided (jointly, when there are two Subscribers) to the Promoter before the termination date, the Promoter must pay to the educational institution designated by the Subscriber an amount equivalent to the Assets of the Plan, less any Contribution remaining in the Plan, less any tax, penalty or other fees unpaid and payable under the Applicable laws, and less any Grants and less all fees of the Trustee or Promoter under this Agreement as yet unpaid. The Promoter must liquidate any remaining Contribution in the Plan and deposit the proceeds with the Trustee, on behalf of the Subscriber (or, if the Plan has two Subscribers, on behalf of the two Subscribers jointly), and the Trustee will ensure that this amount earns interest under conditions that it may reasonably establish from time to time, until such instructions are received. The Trustee will be authorized to collect fees for the administration of the deposit account directly from the account.

- 22) AGREEMENT WITH RESPECT TO THE GRANTS:** the Promoter and Trustee may enter into, amend, continue or cancel any agreement with respect to Grants so as to enable each Subscriber to benefit from the Grants under the Applicable laws.
- 23) ACCURACY OF INFORMATION:** each Subscriber attests that the information provided to the Promoter in relation to the Plan is accurate and undertakes to provide the Promoter with proof of the accuracy of the information related to the Plan as needed.
- 24) APPLICABLE LAWS:** The Plan is governed and interpreted in accordance with the laws of the province of residence of the Subscriber and with the applicable tax laws. The Plan complies with the prescribed conditions.

Desjardins Trust inc.

RESP 1021004