



Investment Application

- Retirement Savings Plan (RSP)
- Retirement Income Fund (RIF)
- Locked-in Retirement Account (LIRA)
- Life Income Fund (LIF)





Investment Application

For office use only

Rep. Number

Account Number

Please note all sections must be completed in full before your account can be processed.

Nominee – Self-Directed

Client Held – Educators’ Funds only

Do you want the availability to view your account online? Yes No

School Board _____ Affiliations: OSSTF ETFO OECTA AEFO Retired Other

I: Account Type

- Retirement Savings Plan (RSP) Spousal RSP Locked-in Retirement Account (LIRA) Restricted Locked-in Savings Plan (RLSP)
- Retirement Income Fund (RIF) Spousal RIF Life Income Fund (LIF) Restricted Life Income Fund (RLIF)

For Locked-in accounts attach the appropriate Provincial or Federal Addendum. Provisions contained in the Locked-in Addendum will take precedence over the Declaration of Trust.

2: Investor Information

- Mr. Mrs. Miss Ms. Dr.

Last Name _____ First Name _____ Initials _____

Address: _____

City _____ Province _____ Postal Code _____

Telephone: Res. () _____ Bus. () _____ Email _____

Social Insurance Number Date of Birth

Name of Employer: _____ Type of Business: _____

Address: _____ Occupation: _____

PLEASE COMPLETE IF APPLICABLE: Contributing Spouse

Last Name _____ First Name _____ Initials _____

Social Insurance Number Date of Birth

3: Know Your Client Information – Mandatory

Applicable securities laws require us to determine the general investment needs and objectives of potential purchasers before executing purchase orders. This information will be held in strict confidence.

Investment Knowledge

- Sophisticated
- Good
- Fair
- Novice

Investment Objective*

- Safety
- Income
- Balanced
- Growth
- Speculation

Investment Risk Tolerance*

- Low
- Low–Medium
- Medium
- Medium–High
- High

Marital Status

- Married
- Single
- Other

Approx Annual Income

- Under \$25,000
- \$25,000 - \$49,999
- \$50,000 - \$74,999
- \$75,000 - \$99,999
- \$100,000 - \$124,999
- \$125,000 - \$199,999
- \$200,000 - \$999,999
- Over \$1 Million

Approx Net Worth*

- Under \$20,000
- \$20,000 - \$34,999
- \$35,000 - \$59,999
- \$60,000 - \$99,999
- \$100,000 - \$199,999
- \$200,000 - \$999,999
- Over \$1 Million

Investment Time Horizon*

- < 1 year
- 1 to < 3 years
- 3 to < 5 years
- 5 to < 10 years
- 10 to < 20 years
- Over 20 years

* Please refer to Appendix A for more information.

Spouse's Name: _____ Spouse's Occupation: _____

Number of Dependents: _____

4: Investment Instructions

FUND NAME	AMOUNT \$ OR %	PRE-AUTHORIZED CONTRIBUTION AMOUNT \$ OR %	SYSTEMATIC WITHDRAWAL AMOUNT \$ OR %
TOTALS	\$	\$	\$

5: Pre-Authorized Contribution Plan (PAC)

Frequency: Weekly Bi-Weekly Semi-Monthly Monthly Start Date:

Pre-Authorized Contribution Amount \$ _____

Where my application is for Pre-Authorized Contributions, I hereby authorize and request Educators Financial Group to draw on my account, whether the account continues to be maintained at the named branch or is transferred to another branch of the financial institution.

Weekly and bi-weekly automatic contributions are processed on Fridays and the semi-monthly and monthly automatic purchases are processed on the 1st and/or the 15th of the month.

A VOID CHEQUE IS REQUIRED TO ESTABLISH A PRE-AUTHORIZED CONTRIBUTION PLAN

For the terms and conditions related to your PAC please refer to the attached Pre-Authorized Chequing Agreement.

Account Holder's Signature _____ Date Joint Account Holder's Signature _____ Date
(if applicable)

6: Systematic Withdrawal Plan (SWP)

Frequency: Monthly Quarterly Semi-annually Annually Start Date:

Systematic Withdrawal Amount \$ _____

Withdrawals to be sent to: Mail a cheque to home address Deposit to bank account (**VOID CHEQUE REQUIRED**)

Payments will be deposited to your account on or about 3 business days following the trade date. Set-up and changes are required by the 10th of each month.

For RIFs and LIFs my annual payment may not be less than the minimum amount, and **for LIFs** my annual payment may not exceed the maximum amount permitted by law. A younger spouse's age may be used to calculate the minimum annual payout for a RIF or a LIF. It cannot be used in the calculation of the maximum payout on a LIF. I select:

Minimum amount Maximum amount (for LIF only) Minimum calculation is to be based on: _____ Spouse's Date of Birth _____
 Other: \$ _____ My age The age of my younger spouse

7: Banking Information (Mandatory)

Bank Name: _____ Account Number: _____

Branch Address: _____ Transit Number: _____

8: Beneficiary Designation

Note to Annuitants Domiciled in Quebec: Beneficiary Designations are only accepted on locked-in plans.

I hereby revoke all previous beneficiary designations made in respect of the Plan/Fund, including any such designation made in my will, and I designate the person identified below as the Plan/Fund beneficiary entitled to receive all amounts payable under the Plan/Fund upon my death.

This beneficiary designation forms part of the Application and Declaration of Trust for the Plan/Fund and will apply to all property held under the Plan/Fund on my death.

In certain provinces, a beneficiary designation, or any revocation thereof, can only be made by will. In some cases, the rights of my spouse or common-law partner as may be defined under applicable provincial law may override such beneficiary designation. Also, a beneficiary designation will not automatically change as a result of a future relationship or relationship breakdown; it may be necessary to complete a new designation for this purpose.

I am solely responsible for ensuring that this beneficiary designation is valid under the laws of Canada, its provinces or territories and that this beneficiary designation is changed when appropriate. If I am domiciled in Canada when I die, I acknowledge that this beneficiary designation will be governed under the laws of the province or territory of my domicile at the time of my death. If I am not domiciled in Canada at the time of my death, then the laws of the province or territory where I was domiciled at the time of execution of this form will apply. Otherwise, the laws of Ontario will apply.

I declare that any property passing to a beneficiary from the Plan/Fund, the value of such property, and any and all income or capital gain or other benefit arising from such property, shall remain the exclusive property of a beneficiary and shall be excluded from a beneficiary's net family property or community of property or the value of a beneficiary's assets for the purposes of division of property on a beneficiary's separation, divorce, annulment or death as contemplated by any statute dealing with matrimonial or family property in any jurisdiction to the extent allowed by law.

Date of Birth Social Insurance Number

Last Name First Name Relationship to Plan Holder

9: Successor Annuitant Election

Note to Annuitants Domiciled in Quebec: Successor Annuitant Elections are only accepted on RIF and Life Income Fund plans.

Where permitted by law, I hereby elect that my spouse or common-law partner become the Annuitant under the Fund in the event of my death before termination of the Fund, if he or she survives me. I reserve the right to revoke this election as permitted by applicable law.

I understand that by completing the "Successor Annuitant Election" that the beneficiary designation above will only be effective if my spouse or common-law partner predeceases me or is not my spouse on the date of my death. If my successor annuitant survives me, I acknowledge that I cannot designate a beneficiary under the plan.

Date of Birth Social Insurance Number

Last Name First Name Relationship to Plan Holder

10: Authorization

I am applying to open an Educators Financial Group Inc. Retirement Savings Plan (the Plan) or an Educators Financial Group Inc. Retirement Income Fund (the Fund), and request that the Royal Trust Company ("Royal Trust") apply for registration of the Plan or Fund under the Income Tax Act (Canada) and any applicable provincial income tax legislation.

I acknowledge and agree to be bound by the terms and conditions of this Plan or Fund as set out in the application, the Declaration of Trust, and any relevant addendum to the Plan or Fund.

It is my wish that all documents relating to this Plan or Fund have been drawn up in the English language only. C'est mon désir que tout document de rapportant au régime soient rédigés en anglais seulement.

By signing here, you verify that all the information provided in Sections 1-9 is true, and you further confirm that you have read, understand and acknowledge Appendix A, the Client Consent Document and the Risk Disclosure Document.

Annuitant Signature Date

Sales Representative's Signature Date

Compliance Officer's Approval
(Accepted by Educators Financial Group Inc. as Agent
for The Royal Trust Company) Date of Approval

EDUCATORS FINANCIAL GROUP INC.

RETIREMENT SAVINGS PLAN DECLARATION OF TRUST

- I. **Definitions.** Whenever used in this declaration of trust or on the Application, any capitalized terms shall have the meanings given to them below:
- "Agent" means **Educators Financial Group Inc.** and its successors and assigns;
- "Annuitant" means the individual who has executed the application to be plan owner for the Plan within the meaning Applicable Laws give to that word;
- "Applicable Laws" means the Income Tax Act (Canada), relevant pension legislation and such other laws of Canada and of the provinces and territories applicable hereto;
- "Application" means the Annuitant's application to the Agent for the Plan;
- "Contribution" means a contribution of cash or any Qualified Investment under the Plan;
- "Estate Documents" means proof of the Annuitant's death and such other documents including Letters Probate of the Annuitant's Will as may be required by the Trustee in its sole discretion in connection with the transmission of the Property on the Annuitant's death;
- "Estate Representative" means an executor, an administrator, an administrator with the will annexed, a liquidator, or an estate trustee with a will or without a will, whether one or more than one is so appointed;
- "Expenses" means all costs, charges, fees, commissions, investment management fees, brokerage fees, legal expenses and out-of-pocket expenses (together with any goods and services tax or other Taxes applicable to such expenses) incurred from time to time in relation to the Plan;
- "Former Spouse" means the individual who is considered by Applicable Laws to be the Annuitant's former spouse or common-law partner;
- "Maturity Date" means the date the Annuitant selects for the start of a Retirement Income, which must not be after the end of the year in which the Annuitant attains the maximum age for the commencement of a retirement income as prescribed by Applicable Laws from time to time;
- "Plan" means the retirement savings plan the Annuitant and the Trustee have opened in the Annuitant's name pursuant to his or her Application;
- "Plan Proceeds" means the Property, less any Expenses and Taxes which may be required under Applicable Laws;
- "Property" means any property, including the income thereon the proceeds thereof and cash, held under the Plan from time to time;
- "Qualified Investment" means any investment, which is a qualified investment for a registered retirement savings plan according to Applicable Laws;
- "Retirement Income" means a retirement income within the meaning of Applicable Laws;
- "Spouse" means the individual who is considered by Applicable Laws to be the Annuitant's spouse or common-law partner;
- "Taxes" means any and all applicable taxes, assessments, interest and penalties; and
- "Trustee" means The Royal Trust Company in its capacity as trustee and issuer of the Plan, and its successors and assigns.
2. **Declaration of Trust.** The Trustee agrees to act as trustee of a Retirement Savings Plan for the Annuitant named in the Application and to administer the Property according to this Declaration of Trust.
3. **Appointment of Agent.** The Trustee has appointed **Educators Financial Group Inc.** (the "Agent") as its agent to perform certain duties relating to the operation of the Plan. The Trustee acknowledges and confirms that ultimate responsibility for the administration of the Plan remains with the Trustee.
4. **Registration.** The Trustee will apply for registration of the Plan as a retirement savings plan pursuant to the Applicable Laws.
5. **Contributions.** The Annuitant or the Annuitant's Spouse may make Contributions to the Plan in such amounts as are permitted under Applicable Laws, in cash or such other property as may be permitted in the sole discretion of the Trustee. It shall be the sole responsibility of the Annuitant or the Annuitant's Spouse, as the case may be, to ensure that the amount of Contributions made to the Plan are within the limits permitted under Applicable Laws.
6. **Refund of Contributions.** The Trustee shall on written application by the Annuitant or, where applicable, the Annuitant's Spouse, in a form satisfactory to the Trustee, pay an amount to the taxpayer in order to reduce the amount of tax payable under Part X.1 of the Income Tax Act (Canada) and Applicable Laws.
7. **Tax Information.** The Trustee shall provide the Annuitant and, where applicable, the Annuitant's Spouse, with appropriate information slips for income tax purposes for all Contributions made to the Plan and such other information regarding the Plan as may be required under Applicable Laws.
8. **Delegation by Trustee.** The Annuitant expressly authorizes the Trustee to delegate to the Agent the performance of the following duties of the Trustee under the Plan:
- receiving Contributions to the Plan from the Annuitant and/or the Annuitant's Spouse, as the case may be;
 - receiving transfers of property to the Plan;
 - investing and reinvesting the Property as directed by the Annuitant;
 - registering and holding the Property in the Trustee's name, the Agent's name, in the name of their respective nominees or in bearer form as determined by the Agent from time to time;
 - maintaining the records of the Plan, including designation of beneficiaries, where applicable;
 - providing to the Annuitant statements of account for the Plan at least annually;
 - preparing all government filings and forms;
 - making payments out of the Plan pursuant to the provisions hereof; and
 - such other duties and obligations of the Trustee under the Plan as the Trustee in its sole discretion may from time to time determine.
- The Annuitant acknowledges that, to the extent the Trustee delegates any such duties, the Trustee shall thereby be discharged from performing such duties.
9. **Investment of the Property.** The Property shall be invested and reinvested on the directions of the Annuitant without being limited to investments authorized by law for trustees. The Trustee, in its sole discretion, may require the Annuitant to provide such documentation in respect of any investment or proposed investment, as the Trustee deems necessary in the circumstances. The Trustee reserves the right to decline to make any particular investment if the proposed investment and related documentation do not comply with the Trustee's requirements at that time.
10. **Segregated Funds.** Segregated fund Property will be held in nominee name. The Annuitant agrees to designate the Trustee as the beneficiary under any segregated fund held under the Plan. Upon the death of the Annuitant, the proceeds of the segregated funds paid shall form part of the Property to be dealt with according to the terms of this Declaration of Trust. For greater certainty, upon the death of the Annuitant, the Trustee shall hold the segregated funds as Plan Proceeds for any beneficiary designated by the Annuitant under the Plan, in accordance with this Declaration of Trust.
11. **Choice of Investments for the Plan.** Without restricting the generality of the foregoing, it shall be the sole responsibility of the Annuitant to:
- select the investments of the Plan and to determine whether any such investment is or remains a Qualified Investment, and
 - to determine whether any such investment would result in the imposition of any penalty under Applicable Laws and to determine whether any investments should be purchased, sold or retained by the Trustee as part of the Plan.
- The Annuitant shall have the right to appoint the Agent as his or her agent for the purpose of giving investment directions as provided in this paragraph 11.
12. **Uninvested Cash.** Uninvested cash will be placed on deposit with the Trustee or an affiliate of the Trustee. The interest on such cash balances payable to the Plan will be determined by the Agent from time to time in their sole discretion with no obligation to pay a minimum amount or rate. The Trustee will pay interest to the Agent for distribution to the Plan and the Agent shall credit the Plan with appropriate interest. The Trustee shall have no liability for such payment of interest once it is paid to the Agent for distribution.
13. **Right of Offset.** The Trustee and the Agent shall have no right of offset with respect to the Property in connection with any obligation or debt owed by the Annuitant to the Trustee or the Agent, other than the Expenses payable by the terms of this Declaration of Trust.
14. **Debit Balances.** If the Plan has a cash deficit, the Annuitant authorizes the Trustee or the Agent, to determine which Property to select and to sell such Property to cover the cash deficit within the Plan.
15. **Withdrawals.** Before the purchase of a Retirement Income, the Annuitant may, upon 60 days' written notice to the Agent, or upon such shorter period of notice as the Agent may in its sole discretion permit, request that the Agent liquidate part or all of the Property and pay to the Annuitant an amount from the Property, not exceeding the value of the Plan immediately before the time of payment, subject to the deduction of all Expenses and Taxes.
16. **Retirement Income.** The Annuitant shall, upon at least 90 days' written notice to the Agent on behalf of the Trustee, or upon such shorter period of notice as the Trustee may in its sole discretion permit, specify the form of Retirement Income to be provided under Applicable Laws. Upon receiving such instructions, the Agent shall purchase such Retirement Income for the Annuitant and, where the Annuitant so elects in writing, for the Annuitant's Spouse after the death of the Annuitant (whereupon references to the Annuitant herein shall include the Annuitant's Spouse). The Plan shall mature on the Maturity Date.
- Except as otherwise permitted under Applicable Laws from time to time, any annuity purchased as a Retirement Income by the Annuitant must:
- be payable in equal annual or more frequent periodic payments during its term until such time as there is a payment in full or partial commutation of the Retirement Income and, where such commutation is partial, equal, annual or more frequent periodic payments thereafter;
 - not be capable of assignment in whole or in part;
 - require the commutation of each annuity payable under the arrangement that would otherwise become payable to a person other than the Annuitant or the Annuitant's Spouse under that arrangement;
 - if the Annuitant selects an annuity with a guaranteed term, the term cannot exceed a term of years equal to 90 minus the Annuitant's age in whole years at the Maturity Date or if the Annuitant so elects and the Annuitant's Spouse is younger than the Annuitant, the age in whole years of the Annuitant's Spouse at the Maturity Date; and
 - not provide for the aggregate of the periodic payments made in a year after the death of the first Annuitant to exceed the aggregate of the payments made in a year before that Annuitant's death.
17. **Annuitant's Failure To Give Instructions Regarding Maturity Date.** If the Annuitant fails to instruct the Agent in writing at least 90 days (or within such shorter period as the Trustee may permit in its sole discretion) prior to December 31 of the year in which the Annuitant attains the maximum age for the commencement of a retirement income under the Applicable Laws with respect to the form of Retirement Income to be provided, the Trustee and Agent may in their sole discretion and on reasonable notice to the Annuitant either:
- transfer the Property to a **Educators Financial Group Inc.** Retirement Income Fund ("RIF") opened and registered for such purpose in the name of the Annuitant. Upon the transfer of all such Property to the RIF, the Annuitant shall be:
 - deemed to have elected to use his or her age (and not the age of the Annuitant's Spouse, if any) to determine the minimum amount under Applicable Laws;
 - deemed to have not elected to designate his or her Spouse to become the annuitant on the Annuitant's death and to have not designated any beneficiary upon death of the Annuitant; and
 - bound by all the terms and conditions of the RIF as stated in the documents pertaining thereto as if the Annuitant had signed the appropriate documents to effect such transfer, and had made or refrained from making the elections and designations as referred to herein.

Or

b) On or after December 1 but before December 31 of that year, the Agent shall liquidate the Property and close the Plan and pay the Plan Proceeds to the Annuitant.

- 18. Designation of Beneficiary.** Subject to Applicable Laws, the Annuitant may designate a beneficiary to receive the Plan Proceeds on the Annuitant's death prior to the purchase of a Retirement Income. A beneficiary designation may only be made, changed or revoked under the Plan by the Annuitant in a format required by the Agent for this purpose. Such designation must adequately identify the Plan and be delivered to the Agent prior to any payment by the Agent. The Annuitant acknowledges that it is his or her sole responsibility to ensure the designation is valid under the laws of Canada, its provinces or territories.
- 19. Death of Annuitant.** If the Annuitant dies before the purchase of a Retirement Income, upon the receipt of Estate Documents by the Agent, which are satisfactory to the Trustee:
- if the Annuitant has a designated beneficiary, the Plan Proceeds will be paid or transferred to the designated beneficiary, subject to the Applicable Laws. The Trustee and the Agent will be fully discharged by such payment or transfer, even though any beneficiary designation made by the Annuitant may be invalid as a testamentary instrument; and
 - if the Annuitant's designated beneficiary has died before the Annuitant or if the Annuitant has not designated a beneficiary, the Trustee will pay the Plan Proceeds to the Annuitant's estate.
- 20. Release of Information.** The Trustee and the Agent each are authorized to release any information about the Plan and the Plan Proceeds, after the Annuitant's death, to either the Annuitant's Estate Representative or the designated beneficiary, or both, as the Trustee deems advisable.
- 21. Payment into Court.** If there is a dispute about who is legally authorized to apply for and accept receipt of the Plan Proceeds on death of the Annuitant, the Trustee and the Agent are entitled to either apply to the court for directions or pay the Plan Proceeds into court and, in either case, fully recover any legal costs it incurs in this regard as Expenses from the Plan.
- 22. Account.** The Agent shall maintain an account for the Annuitant which will record particulars of all Contributions, investments, and transactions in the Plan, and shall mail to the Annuitant, at least annually, a statement of account.
- 23. No Advantage.** No advantage that is conditional in any way on the existence of the Plan may be extended to the Annuitant or to a person with whom the Annuitant does not deal at arm's length, other than those advantages or benefits, which may be permitted from time to time under Applicable Laws.
- 24. Limitation of Liability.** The Trustee shall not be liable for any loss suffered by the Plan, by the Annuitant or by any beneficiary under the Plan as a result of the purchase, sale or retention of any investment including any loss resulting from the Trustee acting on the direction of the agent appointed by the Annuitant to provide investment direction.
- 25. Indemnity.** The Annuitant agrees to indemnify the Trustee for all Expenses, Taxes and compensation incurred or owing in connection with the Plan to the extent that such Expenses, Taxes or compensation cannot be paid out of the Property.
- 26. Self-Dealing.** The Trustee's services are not exclusive and, subject to the limitations otherwise provided in this Declaration of Trust on the powers of the Trustee, the Trustee may, for any purpose, and is hereby expressly authorized from time to time in its sole discretion to, appoint, employ, invest in, contract or deal with any individual, firm, partnership, association, trust or body corporate, with which it may be directly or indirectly interested or affiliated with, whether on its own account or on the account of another (in a fiduciary capacity or otherwise), and to profit therefrom, without being liable to account therefore and without being in breach of this Declaration of Trust.
- 27. Compensation, Taxes and Expenses.** The Trustee and Agent will be entitled to such reasonable fees and other charges as each may establish from time to time for services rendered in connection with the Plan. All such fees and other charges (together with any goods and services tax or other Taxes applicable thereto) will, unless first paid directly to the Agent, be charged against and deducted from the Property in such manner as the Agent determines. All Expenses incurred and Taxes payable shall be paid from the Plan.
- For greater certainty, in the event of any executions of third party demands or claims against the Plan, both the Trustee and the Agent are entitled to fully recover any Expenses incurred by them in this regard as Expenses.
- 28. Sale of Property.** The Trustee and Agent may sell Property in their respective sole discretion for the purposes of paying Expenses, Taxes and compensation including for greater certainty, their own compensation.
- 29. Transfers into the Plan.** Amounts may be transferred to the Plan from registered pension plans, other registered retirement savings plans and such other sources as may be permitted from time to time under Applicable Laws. In the case of such transfers, the Plan may be subject to additional terms and conditions, including the "locking-in" of amounts transferred from registered pension plans in order to complete the transfer in accordance with Applicable Laws. If there is any inconsistency between the terms and conditions of the Plan and any such additional terms and conditions which may apply as a result of transfer to the Plan of amounts from another source, the additional terms and conditions shall govern the manner in which funds so transferred are dealt with.
- 30. Transfers out of the Plan.** Upon delivery to the Agent of a written direction from the Annuitant in a form satisfactory to the Trustee, the Agent shall transfer, in the form and manner prescribed by Applicable Laws, to another registered retirement income fund, registered retirement savings plan or registered pension plan of the Annuitant, all or such portion of the Property as is specified in the written directions, together with all necessary information for the continuance of the Plan to the trustee designated by the Annuitant in such direction except such transfer may be to a registered retirement savings plan or registered retirement income fund of the Annuitant's Spouse or Former Spouse, if under a decree, order or judgement of a competent tribunal or under a written separation agreement, relating to a division of property between the Annuitant and the Annuitant's Spouse or Former Spouse in settlement of rights arising out of, or on the breakdown of their marriage or common law partnership.
- Such transfer shall take effect in accordance with Applicable Laws after all forms required by law and by the Trustee to be completed in respect of such transfer have been completed and forwarded to the Agent. Upon such transfer, the Trustee shall be subject to no further liability or duty with respect to the Plan, or the portion thereof, so transferred, as the case may be.

31. Changes to Declaration of Trust. The Trustee may change this Declaration of Trust periodically. The Annuitant will be provided with an amended copy of the Declaration of Trust reflecting any such change. No change to this Declaration of Trust (including a change calling for the Trustee's resignation as trustee or the termination of the trust created by this Declaration of Trust) will be retroactive or result in the Plan not being acceptable as a registered retirement savings plan under Applicable Laws.

32. Replacement of Trustee.

(a) The Trustee may resign by giving such written notice to the Agent as may be required from time to time under the terms of an agreement entered into between the Agent and the Trustee. The Annuitant will be given at least 30 days prior notice of such resignation. On the effective date of such resignation, the Trustee will be discharged from all further duties, responsibilities, and liabilities under this Declaration of Trust, except those incurred before the effective date.

The Trustee will transfer all Property, together with all information required to continue the administration of the Property as a registered retirement savings plan under the Applicable Laws, to a successor trustee.

(b) The Trustee has agreed to resign upon it being provided with notice in writing by the Agent if the Trustee is satisfied that the successor nominated by the Agent will properly assume and fulfill the Trustee's duties and liabilities hereunder in respect of the administration of the Plan.

(c) In either event, the Agent shall forthwith nominate a person to replace the Trustee and the resignation of the Trustee shall not take effect until its replacement has been so nominated by the Agent and appointed as successor by the Trustee and approved by Canada Revenue Agency or its successor. Failing the nomination of a replacement by the Agent within 30 days after receipt by it of a notice of resignation, the Trustee shall be entitled to appoint a person as its own replacement.

(d) Upon any such appointment and resignation of the Trustee, the person so appointed as replacement trustee shall, without further act or formality, be and become the Trustee hereunder. Such replacement trustee shall, without any conveyance or transfer, be vested with the same power, rights, duties and responsibilities as the Trustee and with the assets of the Plan as if the replacement trustee had been the original Trustee. The Trustee shall execute and deliver to the replacement trustee all such conveyances, transfers and further assurances as may be necessary or advisable to give effect to the appointment of the replacement trustee.

(e) Any person appointed as a replacement trustee shall be a corporation resident in Canada that is licensed or otherwise authorized under the laws of Canada or a province or territory to carry on in Canada the business of offering to the public its services as trustee.

Any trust company resulting from the merger or amalgamation of the Trustee with one or more trust companies and any trust company that succeeds to substantially all of the trust business of the Trustee shall thereupon become the successor to the Trustee without further act or formality. In all such cases, Canada Revenue Agency or its successor shall be notified.

33. Assignment by Agent. The Agent may assign its rights and obligations hereunder to any other corporation resident in Canada authorized to assume and discharge the obligations of the Agent under the Plan and under Applicable Laws.

34. Notice. Any notice given by the Annuitant to the Agent shall be sufficiently given if delivered to the office of the Agent where the Annuitant's Plan is administered, or if mailed, postage prepaid and addressed to the Agent at such office, and shall be considered to have been given on the day that the notice is actually delivered or received by the Agent.

Any notice, statement or receipt given by the Trustee or the Agent to the Annuitant shall be sufficiently given if delivered personally to the Annuitant, or if mailed, postage prepaid, addressed to the Annuitant at the address shown on the Annuitant's Application or at the Annuitant's last address given to the Trustee or the Agent, and any such notice, statement or receipt shall be considered to have been given at the time of delivery to the Annuitant personally or, if mailed, on the fifth day after mailing to the Annuitant.

35. Date of Birth. The Annuitant's statement of his or her date of birth in the Annuitant's Application shall be deemed to be a certification as to the Annuitant's age and an undertaking to provide any further evidence of proof of age as may be required by the Agent.

36. Address of Annuitant. The Trustee shall be entitled to rely upon the Agent's records as to the current address of the Annuitant as establishing his or her residency and domicile for the operation of the Plan and its devolution on the death of the Annuitant, subject to any written notice to the contrary respecting the Annuitant's domicile on death.

37. Heirs, Representatives and Assigns. The terms of this Declaration of Trust shall be binding upon the heirs, Estate Representatives, attorneys, committees, guardians of property, other legal and personal representatives, and assigns of the Annuitant and upon the respective successors and assigns of the Trustee and the Agent and their directors, officers, employees, and agents, as well as their respective estates, Estate Representatives, heirs, attorneys, committees, guardians of property, other legal and personal representatives, and assigns.

38. Language. The Annuitant has expressly requested that this Declaration of Trust and all related documents, including notices, be in the English language. Le retenant a expressément demandé que cette Déclaration de fiducie et tous documents y afférents, y compris tout avis, soient rédigés en langue anglaise. (Quebec only/Québec seulement)

39. Governing Law. This Declaration of Trust and the Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

The Annuitant expressly agrees that any action arising out of or relating to this Declaration of Trust or the Plan shall be filed only in a court located in Canada and the Annuitant irrevocably consents and submits to the personal jurisdiction of such court for the purposes of litigating of any such action.

EDUCATORS FINANCIAL GROUP INC.

RETIREMENT INCOME FUND DECLARATION OF TRUST

1. **Definitions.** Whenever used in this declaration of trust or on the Application, any capitalized terms shall have the meanings given to them below:

"Agent" means **Educators Financial Group Inc.** and its successors and assigns;

"Annuitant" means the individual who has executed the Application to be the fund owner of the Fund within the meaning of Applicable Laws given to that word;

"Applicable Laws" means the Income Tax Act (Canada), relevant pension legislation and such other laws of Canada and of the provinces and territories applicable hereto;

"Application" means the Annuitant's application to the Agent for the Fund;

"Estate Documents" means proof of the Annuitant's death and such other documents including Letters Probate of the Annuitant's Will as may be required by the Trustee in its sole discretion in connection with the transmission of the Property on the Annuitant's death;

"Estate Representative" means an executor, an administrator, an administrator with the will annexed, a liquidator, or an estate trustee with a will or without a will, whether one or more than one is so appointed;

"Expenses" means all costs, charges, fees, commissions, investment management fees, brokerage fees, legal expenses and out-of-pocket expenses (together with any goods and services tax or other Taxes applicable to such expenses) incurred from time to time in relation to the Fund;

"Former Spouse" means the individual who is considered by Applicable Laws to be the Annuitant's former spouse or common-law partner;

"Fund" means the retirement income fund the Annuitant and the Trustee has opened in the Annuitant's name pursuant to his or her Application;

"Fund Proceeds" means the Property, less any Expenses and Taxes which may be required under Applicable Laws;

"Minimum Amount" means the minimum amount that, according to subsection 146.3(1) of the *Income Tax Act* (Canada), must be paid from the Fund in each year, subsequent to the year in which the Fund was opened;

"Property" means any property, including the income thereon the proceeds thereof and cash, held under the Fund from time to time;

"Qualified Investment" means any investment, which is a qualified investment for a registered retirement income fund according to Applicable Laws;

"Retirement Income" means a retirement income within the meaning of Applicable Laws;

"Spouse" means the individual who is considered by Applicable Laws to be the Annuitant's spouse or common-law partner;

"Taxes" means any and all applicable taxes, assessments, interest and penalties; and

"Trustee" means The Royal Trust Company in its capacity as trustee and carrier of the Fund, and its successors and assigns.
2. **Declaration of Trust.** The Trustee agrees to act as trustee of a Retirement Income Fund for the Annuitant named in the Application and to administer the Property according to this Declaration of Trust.
3. **Appointment of Agent.** The Trustee has appointed **Educators Financial Group Inc.** (the "Agent") as its agent to perform certain duties relating to the operation of the Fund. The Trustee acknowledges and confirms that ultimate responsibility for the administration of the Fund remains with the Trustee.
4. **Registration.** The Trustee will apply for registration of the Fund as a retirement income fund pursuant to the Applicable Laws.
5. **Tax Information.** The Trustee shall provide the Annuitant with appropriate information slips for income tax purposes each year showing the total of the payments made from the Fund during the preceding calendar year and such other information regarding the Fund as may be required under Applicable Laws.
6. **Delegation by Trustee.** The Annuitant expressly authorizes the Trustee to delegate to the Agent the performance of the following duties and obligations of the Trustee under the Fund:
 - (a) receiving transfers of property to the Fund;
 - (b) investing and reinvesting the Property as directed by the Annuitant;
 - (c) registering and holding the Property in the Trustee's name, the Agent's name, in the name of their respective nominees or in bearer form as determined by the Agent from time to time;
 - (d) maintaining the records of the Fund, including designation of beneficiaries, where applicable;
 - (e) providing to the Annuitant statements of account for the Fund at least annually;
 - (f) preparing all government filings and forms;
 - (g) paying all amounts to be paid out of the Fund in accordance with the terms hereof; and
 - (h) such other duties and obligations of the Trustee under the Fund as the Trustee in its absolute discretion may from time to time determine.

The Annuitant acknowledges that, to the extent the Trustee delegates any such duties, the Trustee shall thereby be discharged from performing such duties.
7. **Investment of the Property.** The Property shall be invested and reinvested on the directions of the Annuitant without being limited to investments authorized by law for trustees. The Trustee, in its sole discretion, may require the Annuitant to provide such documentation in respect of any investment or proposed investment, as the Trustee deems necessary in the circumstances. The Trustee reserves the right to decline to make any particular investment if the proposed investment and related documentation do not comply with the Trustee's requirements at that time.
8. **Segregated Funds.** Segregated fund Property will be held in nominee name. The Annuitant agrees to designate the Trustee as the beneficiary under any segregated fund held under the Fund. Upon the death of the Annuitant, the proceeds of the segregated funds paid shall form part of the Property to be dealt with according to the terms of this Declaration of Trust. For greater certainty, upon the death of the Annuitant, the Trustee shall hold the segregated funds as Fund Proceeds for any beneficiary designated by the Annuitant under the Fund, in accordance with this Declaration of Trust.
9. **Choice of Investments for the Fund.** Without restricting the generality of the foregoing, it shall be the sole responsibility of the Annuitant to:
 - a) select the investments of the Fund and to determine whether any such investment is or remains a Qualified Investment, and
 - b) to determine whether any such investment would result in the imposition of any penalty under Applicable Laws and to determine whether any investments should be purchased, sold or retained by the Trustee as part of the Fund.

The Annuitant shall have the right to appoint the Agent as his or her agent for the purpose of giving investment directions as provided in this paragraph 9.
10. **Uninvested Cash.** Uninvested cash will be placed on deposit with the Trustee or an affiliate of the Trustee. The interest on such cash balances payable to the Fund will be determined by the Agent from time to time in their sole discretion with no obligation to pay a minimum amount or rate. The Trustee will pay interest to the Agent for distribution to the Fund and the Agent shall credit the Fund with appropriate interest. The Trustee shall have no liability for such payment of interest once it is paid to the Agent for distribution.
11. **Right of Offset.** The Trustee and the Agent shall have no right of offset with respect to the Property in connection with any obligation or debt owed by the Annuitant to the Trustee or the Agent, other than the Expenses payable by the terms of this Declaration of Trust.
12. **Debit Balances.** If the Fund has a cash deficit, the Annuitant authorizes the Trustee or the Agent, to determine which Property to select and to sell such Property to cover the cash deficit within the Fund.
13. **Payments from the Fund.** The Agent shall make the following payments to the Annuitant and, where the Annuitant has so elected as provided in paragraph 17, to the Annuitant's Spouse after the death of the Annuitant, each year, commencing not later than the first calendar year after the year in which the Fund is established, one or more payments the aggregate of which is not less than the Minimum Amount for the year, but not exceeding the value of the Fund immediately before the time of payment. The Annuitant shall instruct the Agent which investments of the Fund should be sold to provide any required cash.

The amount and frequency of the payment or payments referred to in this paragraph in respect of any year shall be as specified in writing by the Annuitant on the Application Form or on such other form as the Agent may provide for this purpose. The Annuitant may change the amount and frequency of the said payment or payments or request additional payments by instructing the Agent in writing on such form as may be provided for this purpose, such change to be effective in the next calendar year.

If the Annuitant does not specify the payment or payments to be made in a year or if the payment or payments specified are less than the Minimum Amount for a year, the Agent shall make such payment or payments out of the Property as it deems necessary so that the Minimum Amount for that year is paid to the Annuitant. In the event that the Property does not contain sufficient cash to make such payment or payments, the Annuitant authorizes the Trustee or Agent to determine which Property shall be sold in order to effect such payment or payments.

The Agent shall withhold from any payment any income tax or other amount required to be withheld by Applicable Laws. Payments to the Annuitant shall be made pursuant to the Annuitant's direction. Where no such direction is provided, the Agent shall make payment by cheque to the Annuitant at the Annuitant's last address on file.
14. **Calculation of Minimum Amount.** The Minimum Amount under the Fund for the year in which the Fund is established is nil. The Minimum Amount for a year after the year in which the Fund was opened will vary, depending on the year in which the Fund was opened and the Annuitant's age (or the age of the Annuitant's Spouse if elected to use the Annuitant Spouse's age on the Application form before any payment from the Fund has been made), and will be calculated as required by subsection 146.3(1) of the *Income Tax Act* (Canada).

An election made by the Annuitant to base the Minimum Amount on the age of the Annuitant's Spouse as provided above is thereafter binding and cannot be changed, revoked or amended after the first payment has been made from the Fund even if the Spouse dies or if the Annuitant and the Spouse cease to be married.
15. **No Assignment.** No payment under this Declaration of Trust may be assigned, either in whole or in part.
16. **Valuation of the Fund.** For the purposes of calculating the Minimum Amount for a year, the value of the Fund at the beginning of a year will be equal to the value of the Fund as at the close of business on the last business day of the Trustee in the immediately preceding year.
17. **Election of Successor Annuitant.** Subject to Applicable Laws, the Annuitant may elect that the Annuitant's Spouse become the Annuitant under the Fund after the Annuitant's death if the Spouse survives the Annuitant.
18. **Designation of Beneficiary.** Subject to Applicable Laws, and if the Annuitant has not elected a successor annuitant or the successor annuitant has predeceased the Annuitant, the Annuitant may designate a beneficiary to receive the Fund Proceeds on the Annuitant's death. A beneficiary designation may only be made, changed or revoked under the Fund by the Annuitant in a format required by the Agent for this purpose. Such designation must adequately identify the Fund and be delivered to the Agent prior to any payment by the Agent. The Annuitant acknowledges that it is his or her sole responsibility to ensure the designation is valid under the laws of Canada, its provinces or territories.
19. **Death of Annuitant (Where Spouse Becomes the Annuitant).** On the death of the Annuitant, where there has been an election of the Annuitant's Spouse as successor annuitant under the Fund, the Agent, upon receipt of Estate Documents, shall continue to make the payments, in accordance with this Declaration of Trust, to the Annuitant's Spouse after the death of the Annuitant. The Trustee and Agent shall be fully discharged upon making those payments to the Annuitant's Spouse, even though any election or designation made by the Annuitant may be invalid as a testamentary instrument.
20. **Death of Annuitant (all other cases).** If the Annuitant dies and the Annuitant's Spouse does not become the successor annuitant of the Fund, upon the receipt of Estate Documents by the Agent, which are satisfactory to the Trustee:

- (a) if the Annuitant has a designated beneficiary, the Fund Proceeds will be paid or transferred to the designated beneficiary, subject to the Applicable Laws. The Trustee and the Agent will be fully discharged by such payment or transfer, even though any beneficiary designation made by the Annuitant may be invalid as a testamentary instrument.
- (b) if the Annuitant's designated beneficiary has died before the Annuitant or if the Annuitant has not designated a beneficiary, the Trustee will pay the Fund Proceeds to the Annuitant's estate.
- 21. Release of Information.** The Trustee and the Agent each are authorized to release any information about the Fund and the Fund Proceeds, after the Annuitant's death, to either the Annuitant's Estate Representative or the designated beneficiary, or both, as the Trustee deems advisable.
- 22. Payment into Court.** If there is a dispute about who is legally authorized to apply for and accept receipt of the Fund Proceeds on the Annuitant's death, the Trustee and the Agent are entitled to either apply to the court for directions or pay the Fund Proceeds into court and, in either case, fully recover any legal costs they incur in this regard as Expenses from the Fund.
- 23. Account.** The Agent shall maintain an account for the Annuitant which will record particulars of all investments, and transactions in the Fund and shall mail to the Annuitant, at least annually, a statement of account. The Agent shall also mail to the Annuitant, at least annually, a statement of the value of the Fund as at December 31 in each year and the Minimum Amount of the payments to be made to the Annuitant during the next calendar year.
- 24. No Benefit or Loan.** No benefit or loan that is conditional in any way on the existence of the Fund may be extended to the Annuitant or to a person with whom the Annuitant does not deal at arm's length, other than those benefits or loans, which may be permitted from time to time under Applicable Laws.
- 25. Limitation on Liability.** The Trustee shall not be liable for any loss suffered by the Fund, by the Annuitant or by any beneficiary under the Fund as a result of the purchase, sale or retention of any investment including any loss resulting from the Trustee acting on the direction of the agent appointed by the Annuitant to provide investment direction.
- 26. Indemnity.** The Annuitant agrees to indemnify the Trustee for Expenses, Taxes and compensation incurred or owing in connection with the Fund to the extent that such Expenses, Taxes or compensation cannot be paid out of the Property.
- 27. Self-Dealing.** The Trustee's services are not exclusive and, subject to the limitations otherwise provided in this Declaration of Trust on the powers of the Trustee, the Trustee may, for any purpose, and is hereby expressly authorized from time to time in its sole discretion to, appoint, employ, invest in, contract or deal with any individual, firm, partnership, association, trust or body corporate, with which it may be directly or indirectly interested or affiliated with, whether on its own account or on the account of another (in a fiduciary capacity or otherwise), and to profit therefrom, without being liable to account therefore and without being in breach of this Declaration of Trust.
- 28. Compensation, Taxes and Expenses.** The Trustee and Agent will be entitled to such reasonable fees, taxes and other charges as each may establish from time to time for services rendered in connection with the Fund. All such fees, taxes and other charges (together with any goods and services tax or other Taxes applicable thereto) will, unless first paid directly to the Agent, be charged against and deducted from the Property in such manner as the Agent determines. All Expenses incurred and Taxes payable shall be paid from the Fund.
- For greater certainty, in the event of any executions of third party demands or claims against the Fund, both the Trustee and the Agent are entitled to fully recover any Expenses incurred by them in this regard as Expenses.
- 29. Sale of Property.** The Trustee and Agent may sell Property in their respective sole discretion for the purposes of paying Expenses, Taxes and compensation including for greater certainty, their own compensation.
- 30. Transfers into the Fund.** Amounts may be transferred to the Fund from registered pension plans, other registered retirement income funds or registered retirement savings plans and such other sources as may be permitted from time to time under the *Income Tax Act* (Canada). In the case of such transfers, the Fund may be subject to additional terms and conditions, including the "locking-in" of amounts transferred from registered pension plans in order to complete the transfer in accordance with Applicable Laws. If there is any inconsistency between the terms and conditions of the Fund and any such additional terms and conditions which may apply as a result of transfer to the Fund of amounts from another source, the additional terms and conditions shall govern the manner in which funds so transferred are dealt with. The Annuitant acknowledges and expressly agrees to be bound by any such additional terms and conditions to which the Fund may be subject from time to time.
- 31. Transfers out of the Fund.** Upon delivery to the Agent of a written direction from the Annuitant in a form satisfactory to the Trustee, the Agent shall transfer, in the form and manner prescribed by Applicable Laws, to another registered retirement income fund, registered retirement savings plan or registered pension plan of the Annuitant, all or such portion of the Property as is specified in the written directions, together with all necessary information for the continuance of the Fund to the trustee designated by the Annuitant in such direction except such transfer may be to a registered retirement savings plan or registered retirement income fund of the Annuitant's Spouse or Former Spouse, if under a decree, order or judgement of a competent tribunal or under a written separation agreement, relating to a division of property between the Annuitant and the Annuitant's Spouse or Former Spouse in settlement of rights arising out of, or on the breakdown of their marriage or common law partnership.
- For greater certainty, the Agent shall retain sufficient Property in order that the Minimum Amount for the year, as per paragraph 146.3(2)(e.1) or (e.2) of the *Income Tax Act* (Canada), may be retained and paid to the Annuitant. The Agent may, in its sole discretion, deduct applicable Expenses, including any transfer fee from the Property or the portion thereof being transferred. If only a portion of the property or value of the Fund is transferred, the Annuitant may instruct the Agent in the said notice as to which investments he or she wishes to be sold or transferred for the purpose of effecting the said transfer. If the Annuitant fails to so instruct the Agent, the Agent shall sell or transfer such investments as it in its sole discretion deems appropriate.
- Such transfer shall take effect in accordance with Applicable Laws after all forms required by law and by the Trustee to be completed in respect of such transfer have been completed and forwarded to the Agent. Upon such transfer, the Trustee shall be subject to no further liability or duty with respect to the Fund, or the portion thereof so transferred, as the case may be.

32. Changes to Declaration of Trust. The Trustee may change this Declaration of Trust periodically. The Annuitant will be provided with an amended copy of the Declaration of Trust reflecting any such change. No change to this Declaration of Trust (including a change calling for the Trustee's resignation as trustee or the termination of the trust created by this Declaration of Trust) will be retroactive or result in the Fund not being acceptable as a registered retirement income fund under Applicable Laws.

33. Replacement of Trustee

- (a) The Trustee may resign by giving such written notice to the Agent as may be required from time to time under the terms of an agreement entered into between the Agent and the Trustee. The Annuitant will be given at least 30 days prior notice of such resignation. On the effective date of such resignation, the Trustee will be discharged from all further duties, responsibilities, and liabilities under this Declaration of Trust, except those incurred before the effective date.
- The Trustee will transfer all Property, together with all information required to continue the administration of the Property as a registered retirement income fund under the Applicable Laws, to a successor trustee.
- (b) The Trustee has agreed to resign upon it being provided with notice in writing by the Agent if the Trustee is satisfied that the successor nominated by the Agent will properly assume and fulfill the Trustee's duties and liabilities hereunder in respect of the administration of the Fund.
- (c) In either event, the Agent shall forthwith nominate a person to replace the Trustee and the resignation of the Trustee shall not take effect until its replacement has been so nominated by the Agent and appointed as successor by the Trustee and approved by Canada Revenue Agency or its successor. Failing the nomination of a replacement by the Agent within 30 days after receipt by it of a notice of resignation, the Trustee shall be entitled to appoint a person as its own replacement.
- (d) Upon any such appointment and resignation of the Trustee, the person so appointed as replacement trustee shall, without further act or formality, be and become the Trustee hereunder. Such replacement trustee shall, without any conveyance or transfer, be vested with the same power, rights, duties and responsibilities as the Trustee and with the Property as if the replacement trustee had been the original Trustee. The Trustee shall execute and deliver to the replacement trustee all such conveyances, transfers and further assurances as may be necessary or advisable to give effect to the appointment of the replacement trustee.
- (e) Any person appointed as a replacement trustee shall be a corporation resident in Canada that is licensed or otherwise authorized under the laws of Canada or a province or territory to carry on in Canada the business of offering to the public its services as trustee.

Any trust company resulting from the merger or amalgamation of the Trustee with one or more trust companies and any trust company that succeeds to substantially all of the trust business of the Trustee shall thereupon become the successor to the Trustee without further act or formality. In all such cases, Canada Revenue Agency or its successor shall be notified.

34. Assignment by Agent. The Agent may assign its rights and obligation hereunder to any other corporation resident in Canada authorized to assume and discharge the obligations of the Agent under the Fund and Applicable Laws.

35. Notice. Any notice given by the Annuitant to the Agent shall be sufficiently given if delivered to the office of the Agent where the Annuitant's Fund is administered, or if mailed, postage prepaid and addressed to the Agent at such office, and shall be considered to have been given on the day that the notice is actually delivered or received by the Agent.

Any notice, statement or receipt given by the Trustee or the Agent to the Annuitant shall be sufficiently given if delivered personally to the Annuitant, or if mailed, postage prepaid and addressed to the Annuitant at the address shown on the annuitant's application or at the Annuitant's last address given to the Trustee or the Agent, and any such notice, statement or receipt shall be considered to have been given at the time of delivery to the Annuitant personally or, if mailed, on the third day after mailing to the Annuitant.

36. Date of Birth. The Annuitant's statement of his or her date of birth in the Annuitant's application and, where applicable, that of his or her Spouse, shall be deemed to be a certification as to the Annuitant's age and his or her Spouse's age and an undertaking to provide any further evidence of proof of age as may be required by the Trustee.

37. Address of Annuitant. The Trustee shall be entitled to rely upon the Agent's records as to the current address of the Annuitant as establishing his or her residency and domicile for the operation of the Fund and its devolution on the death of the Annuitant subject to any written notice to the contrary respecting the Annuitant's domicile on death.

38. Heirs, Representatives and Assigns. The terms of this Declaration of Trust shall be binding upon the heirs, Estate Representatives, attorneys, committees, guardians of property, other legal and personal representatives and assigns of the Annuitant and upon the respective successors and assigns of the Trustee and the Agent and their directors, officers, employees and agents, as well as their respective estates, Estate Representatives, heirs, attorneys, committees, guardians of property, other legal and personal representatives and assigns.

39. Language. The Annuitant has expressly requested that this Declaration of Trust and all related documents, including notices, be in the English language. Le rentier a expressément demandé que cette Déclaration de fiducie et tous documents y afférents, y compris tout avis, soient rédigés en langue anglaise. (Quebec only/Québec seulement)

40. Governing Law. This Declaration of Trust and the Fund shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

The Annuitant expressly agrees that any action arising out of or relating to this Declaration of Trust or the Fund shall be filed only in a court located in Canada and the Annuitant irrevocably consents and submits to the personal jurisdiction of such court for the purposes of litigating any such action.

Appendix A

Risk Tolerance

Risk tolerance can be defined by how comfortable you are with fluctuations in the value of your investments. Please refer to the risk categories below to assist you in determining your own acceptable level of risk.

Low – Low risk investments demonstrate a low volatility and are for investors who are willing to accept lower returns for greater safety of capital and may include money market and Canadian Bond funds.

Low-Medium – Low-medium risk investments demonstrate a low to medium volatility but a higher volatility than those described above and may include bond funds and mortgage funds.

Medium – Medium risk investments demonstrate a medium volatility and are for investors looking for moderate growth over a longer period of time and may include balanced funds, as well as certain Canadian and U.S. Equity funds.

Medium-High – Medium-High risk investments demonstrate a medium to high volatility and are for investors looking for long-term growth and may include funds that invest in smaller companies, specific market sectors or geographic areas.

High – High risk investments demonstrate a high volatility and are for investors who are growth oriented and are willing to accept significant short-term fluctuations in portfolio value in exchange for potentially higher long-term returns. Examples may include labour sponsored venture capital funds or funds that invest in specific market sectors or geographic areas such as emerging markets and science and technology funds.

Investment Objectives

Safety: Your main focus is the preservation of capital and the generation of current income. As such, you will have no exposure to equities in your portfolio.

Income: Your main focus is on generating income from investments in the form of interest and dividends, with little emphasis on long-term capital appreciation. As such, your equity exposure should be no more than 30%.

Balanced: You are seeking a combination of income and growth by investing in fixed income securities and equity funds. An account with income and growth objectives will typically hold approximately 50% in fixed income investments and 50% in equity mutual funds.

Growth: You are primarily seeking capital appreciation over the long term. While current income is not a requirement, a modest exposure to fixed income is desired to dampen potential portfolio volatility. An account with growth objectives will typically hold approximately 25% in fixed income investments and 75% in equity mutual funds.

Speculation: You are seeking capital appreciation over the long term and current income is not a requirement. Your long-term perspective, coupled with your stated capacity for portfolio volatility means you will be comfortable holding up to 100% equity mutual funds.

Time Horizon

Time Horizon is the period between now and the point when you will need to access a significant portion of the money you have accumulated.

Net Worth

Your Net Worth is calculated as estimated liquid assets (i.e. investments, cash) plus fixed assets (i.e. real estate) less estimated liabilities (i.e. mortgage, car loan).



Pre-Authorized Chequing Agreement

(not applicable for Locked-in RSP, LIRA, RIF, LIF, RLSP or RLIF account types)

By signing the Pre-Authorized Contribution Plan (PAC) section of the application form you agree to the following terms and conditions:

- You authorize Educators Financial Group to debit the bank account provided for the amount(s) and in the frequencies instructed.
- You acknowledge that your debt will be considered a Funds Transfer Pre-Authorized Debit (PAD) by Canadian Payments Association definition.
- You have certain recourse rights if a debit does not comply with this agreement. For example, you have the right to receive reimbursement for any debit that is not authorized or is not consistent with this pre-authorized debit agreement. To obtain more information on your recourse rights, you may visit our website at www.educatorsfinancialgroup.ca or contact us directly 416-752-6843 or 1-800-263-9541. Alternatively, you may visit the Canadian payments association website at www.cdnpay.ca.
- You confirm that all persons whose signatures are required to authorize transactions in the bank account provided have signed the Pre-Authorized Contribution Plan (PAC) section of the application form.
- You may change these instructions or cancel this plan at any time, provided that Educators Financial Group receives written notice at least 10 business days before your next scheduled PAD. To obtain a copy of a cancellation form or for more information regarding your right to cancel a preauthorized debit agreement, you may visit our website at www.educatorsfinancialgroup.ca or contact us directly 416-752-6843 or 1-800-263-9541. Alternatively, you may visit the Canadian payments association website at www.cdnpay.ca.
- You agree to release the financial institution of all liability if the revocation is not respected, except in the case of gross negligence by the financial institution.
- You agree that the information in this form will be shared with the financial institution, 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.
- You acknowledge and agree that you are fully liable for any charges incurred if the debits cannot be made due to insufficient funds or any other reason for which you may be held accountable.

CLIENT CONSENT

I understand that in signing this application I consent to my personal information being collected, held, used and disclosed by Educators Financial Group. If I have provided information concerning my spouse/partner and/or my beneficiary, I confirm that I am authorized to provide such information. I understand that the personal information collected may include but is not limited to:

- my name, address, social insurance number, date of birth and telephone number
- the name, address, social insurance number and date of birth of my spouse/partner and beneficiary
- my e-mail address, school board and/or affiliation
- my banking information (i.e. void cheque for Pre-Authorized Contribution Plan).

I understand that Educators Financial Group may use and disclose this information for the following purposes:

- to establish and maintain an investment account for me;
- to verify my identity and protect me against fraud;
- to fully understand my investment needs, objectives and tolerance for risk so that Educators Financial Group may determine appropriate investment strategies for me;
- to establish and maintain services that I may have requested such as a PAC (Pre-Authorized Contribution Plan) and/or a Group Payroll Deduction Plan;
- to execute transactions for me such as transferring funds by electronic or other means;
- to establish and maintain paper/electronic communications with me through mediums including newsletters, quarterly statements and special mailings;
- to provide me with information about Educators Financial Group products and services; and
- to meet legal and regulatory requirements.

I understand that I have the following rights concerning the privacy of my personal information:

- I have the right to know why Educators Financial Group collects, uses or discloses my personal information;
- I have the right to expect that Educators Financial Group will only use or disclose my personal information for the purpose for which it was collected, unless I give consent for it to be used for other reasons;
- I have the right to know who at Educators Financial Group is responsible for protecting my personal information;
- I understand that access to my personal information is restricted to and may only be accessed by employees of Educators Financial Group whose professional duties requires them to do so;
- I am entitled, through a written request, to access and inspect the personal information Educators Financial Group maintains in my client file. I may verify this personal information and request in writing, that any inaccurate information be corrected. If my request or concern is not resolved to my satisfaction, I have the right to file a formal complaint with the Privacy Commissioner of Ontario;
- I understand that Educators Financial Group will destroy my personal information when it is no longer required for its original purpose;
- I have the right to withdraw my consent at any time by notifying Educators Financial Group in writing.

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

Client Complaint Information Form

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

- Contact your mutual fund dealer. Member firms are responsible to you, the investor, for monitoring the actions of their representatives to ensure that they are in compliance with by-laws, rules and policies governing their activities. The firm will investigate any complaint that you initiate and respond back to you with the results of their investigation within the time period expected of a Member acting diligently in the circumstances, in most cases within three months of receipt of the complaint. It is helpful if your complaint is in writing.
- Contact the Mutual Fund Dealers Association of Canada (“MFDA”), which is the self-regulatory organization in Canada to which your mutual fund dealer belongs. The MFDA investigates complaints about mutual fund dealers and their representatives, and takes enforcement action where appropriate. You may make a complaint to the MFDA at any time, whether or not you have complained to your mutual fund dealer. The MFDA can be contacted:
 - By completing the on-line complaint form at www.mfda.ca
 - By telephone in Toronto at (416) 361-6332, or toll free at 1-888-466-6332
 - By e-mail at complaints@mfda.ca¹
 - In writing by mail to 121 King Street West, Suite 1000, Toronto, ON M5H 3T9 or by fax at (416) 361-9073

Compensation:

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

- Ombudsman for Banking Services and Investments (“OBSI”): After the dealer’s Compliance Department has responded to your complaint, you may contact OBSI. You may also contact OBSI if the dealer’s Compliance Department has not responded within

¹ You may wish to consider issues of internet security when sending sensitive information by standard e-mail.

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

- By telephone in Toronto at (416) 287-2877, or toll free at 1-888-451-4519
 - By e-mail at ombudsman@obsi.ca
- Legal Assistance: You may consider retaining a lawyer to assist with the complaint. You should be aware that there are legal time limits for taking civil action. A lawyer can advise you of your options and recourses. Once the applicable limitation period expires, you may lose rights to pursue some claims.
 - Manitoba, New Brunswick and Saskatchewan: Securities regulatory authorities in these provinces have the power to, in appropriate cases, order that a person or company that has contravened securities laws in their province pay compensation to a claimant. The claimant is then able to enforce such an order as if it were a judgment of the superior court in that province. For more information, please visit:
 - Manitoba: www.msc.gov.mb.ca
 - New Brunswick: www.nbsc-cvmnb.ca
 - Saskatchewan: www.sfsc.gov.sk.ca
 - Québec: The Autorité des marchés financiers (“AMF”) pays indemnities to victims of fraud, fraudulent tactics or embezzlement where those responsible are individuals or firms authorized to practice under the legislation governing the provision of financial services in Quebec. It also rules on the eligibility of claims and sets the amount of the indemnities to be paid to victims. Consumers can thus be compensated to a maximum of \$200,000 per claim, through funds accumulated in a financial services compensation fund. For more information, please visit www.lautorite.qc.ca.

Risk Disclosure

Borrowing Money to Buy Securities (Leveraging)

Risks of Borrowing for Purchasing Investments

Mutual fund units may be purchased using available cash or a combination of cash and borrowed money. If cash is used to pay for the purchase in full, the percentage gain or loss will equal the percentage increase or decrease in the value of the securities. The purchase of mutual fund units using borrowed money magnifies the gain or loss on the cash invested. This effect is called leveraging.

For example, if \$100,000 of mutual fund units are purchased and paid for with \$25,000 from available cash and \$75,000 from borrowings, and the value of the fund units declines by 10% to \$90,000, your equity interest (the difference between the value of the securities and the amount borrowed) has declined by 40%, i.e. from \$25,000 to \$15,000.

It is important that an investor proposing to borrow for the purchase of mutual fund units be aware that a purchase with borrowed monies involves greater risk than a purchase using cash resources only.

To what extent a purchase using borrowed monies involves undue risk is a determination to be made by each purchaser and will vary depending on the circumstances of the purchaser and the mutual fund units purchased.

Financial Resources Required for Investments Purchased with Borrowed Funds

It is also important that the investor be aware of the terms of a loan secured by mutual fund units. The lender may require that the amount outstanding on the loan not rise above an agreed percentage of the market value of the mutual fund units. Should this occur, the borrower must pay down the loan or sell the mutual fund units so as to return the loan to the agreed percentage relationship. In our example above, the lender may require that the loan not exceed 75% of the market value of the mutual fund units. On a decline of value of the units to \$90,000 the borrower must reduce the loan to \$67,500 (75% of \$90,000). If the borrower does not have cash available, the borrower must sell units at a loss to provide money to reduce the loan.

Money is, of course, also required to pay interest on the loan. Under these circumstances, investors who use borrowed funds to purchase their investment are advised to have adequate financial resources available both to pay interest and also to reduce the loan if the borrowing arrangements require such a payment.



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