

TRUST AGREEMENT

TAX-FREE SAVINGS ACCOUNT (TFSA)

1. DEFINITIONS

For the purposes of these presents, the words and expressions below have the following meaning:

- a) **Assets in the Account:** all the investments or property of any nature whatsoever that constitute the Account, including all contributions made to the Account, as well as the interest income and any other income of any kind whatsoever, produced or earned during the administration of the Account by the Trustee.
- b) **Beneficiary:** the person who is or who legitimately should be entitled to receive assets in the Account or the proceeds of disposition of the assets in the Account in the event of the account holder's death, pursuant to the applicable laws, such as the surviving spouse of the account holder, the holder's estate, designated beneficiary or a legal representative within the meaning of the Income Tax Act (Canada).
- c) **Account:** the Tax-Free Savings Account established by the Trustee for the benefit of the account holder in accordance with the terms and conditions in the Application and in these presents, as this Account may be changed from time to time.
- d) **Application:** the Account participation application form, being an integral part of these presents, completed and signed by the account holder.
- e) **Distribution:** any payment made to the account holder as part of the Account in settlement of all or part of the account holder's rights over the Account.
- f) **Épargne Placements Québec:** an administrative unit of the Ministère des Finances of Québec and mandatary of the Trustee for the purposes of this Account.
- g) **Trustee:** Natcan Trust Company, a trust company duly constituted under the Trust and Loan Companies Act (Canada).
- h) **Tax legislation:** the Income Tax Act (Canada) and the Taxation Act (Québec), and the regulations under those statutes.
- i) **Savings Product:** any bond or other security issued by the Québec government under the book based system managed by Épargne Placements Québec.
- j) **Survivor:** the individual who, immediately before the death of the account holder, was the spouse or de facto spouse of the account holder.
- k) **Account holder:** the participant (other than a trust) aged 18 years or over whose name is shown as such on the Application and, after that person's death, the survivor, as provided in the definition of "holder" in subsection 146.2(1) of the Income Tax Act (Canada).

2. ESTABLISHMENT OF THE ACCOUNT

By contributing a sum of money or other property specified in the Application, the account holder establishes a Tax-Free Savings Account with the Trustee to obtain distributions. All contributions paid into the Account, as well as the interest income and any other income of any nature whatsoever, produced or earned by the Account and held in the Account by the Trustee, and invested in accordance with the provisions of these presents, are used for the purposes of distributions.

The Account constitutes a trust only for the purposes of the tax legislation and for no other purpose whatsoever. The Account in no way constitutes a trust within the meaning of the Civil Code of Québec. In view of the special nature of these presents and the administrative rules created by these presents, the rules of Title VII of Book IV of the Civil Code of Québec relating to the administration of the property of others do not apply to the Trustee.

The Trustee agrees to administer the Account as stipulated in these presents. Subject to the registration of the Account under the tax legislation, this trust agreement takes effect on the date the Trustee approves the Application.

3. REGISTRATION

The Trustee must file an election to register the Application as a Tax-Free Savings Account under the tax legislation. If any of the authorities concerned rejects the registration, the Application and this trust agreement are cancelled and the sums of money or the property transferred into the Account are refunded by cheque or a transfer of funds.

4. CONTRIBUTIONS

The account holder can make contributions to the Account at any time, as long as the contributions comply with the conditions that may be determined from time to time by the Trustee. The account holder is solely responsible for ensuring that the contributions comply with the limits set by the tax legislation.

5. INVESTMENTS

The assets in the Account are invested solely in Savings Products in accordance with the instructions given by the account holder to Épargne Placements Québec from time to time, in a form considered satisfactory by the Trustee. The investments must be made in compliance with the tax legislation and the account holder bears responsibility for ensuring that each investment made by the Account is a "qualified investment" for the Account within the meaning of the tax legislation.

In the absence of instructions from the account holder concerning the investment of the assets in the Account or the reinvestment of maturing investments, the value at maturity of such investments, capital and interest, is invested or reinvested in Flexi-Plus Savings Units. However, the value at maturity of Québec Savings Bonds is automatically reinvested in Québec Savings Bonds issued on the maturity date or, if such bonds are not available, in Flexi-Plus Savings Units.

The account holder is responsible for the investment of the assets and the reinvestment of maturing investments. The annuitant cannot hold the Trustee responsible regarding the investment of assets in the Account, whether made in accordance with the account holder's instructions or not.

Notwithstanding any provision in these presents, Épargne Placements Québec reserves the right to stop offering certain Savings Products.

The Trustee and its mandatary act with the care, diligence and skill that a prudent person would, in order to reduce to a minimum the possibility that a trust governed by the Account holds non-qualified investments.

6. CONDITIONS AND RESTRICTIONS

- a) The Account is administered for the exclusive benefit of the account holder and, as long as it has one account holder, only the account holder and the Trustee have rights in relation to the amount and the timing of distributions and the investment of funds. However, this provision does not apply if certain Savings Products held in the Account are covered by a movable hypothec established in accordance with section 9.
- b) Only the account holder can make contributions to the Account.
- c) The Trustee cannot borrow money or other property for the requirements of the Account.

7. DISTRIBUTIONS

Subject to reasonable requirements the Trustee may impose, the account holder can withdraw a sum of money from the Account by making a request in a form the Trustee considers satisfactory. Without restricting the generality of the preceding, distributions can be made in particular with a view to reducing the amount of tax for which the account holder would be liable under sections 207.02 and 207.03 of the Income Tax Act (Canada). The Trustee then disposes of all or some of the assets indicated by the account holder and pays the holder an amount equivalent to the proceeds of disposition of such assets (after deducting the applicable disposition costs), less the fees and taxes (including interest and penalties) that are or may become payable by the Trustee or by the Account itself.

Once the payment is made, the Trustee is bound by no other responsibility or duty to the account holder regarding the assets in the Account, or a part of them, having been the subject of a distribution and having been paid. The Trustee shall provide the account holder with information statements regarding any withdrawal, as required by the applicable laws.

If only a part of the assets in the Account is to be disposed of in accordance with the preceding subsection, the account holder can specify which assets are to be disposed of by the Trustee. If not, the Trustee disposes of the assets in its sole discretion, according to what it considers appropriate for such purpose. The Trustee is not responsible for losses suffered because of such disposition.

8. TRANSFERS TO OTHER ACCOUNTS

Subject to reasonable requirements the Trustee may impose, the account holder can at any time make a request to the Trustee to do the following:

- a) transfer all or some of the assets in the Account to another tax-free savings account held by the account holder;
- b) dispose of all or some of the assets in the Account and transfer an amount equivalent to the proceeds of disposition of such assets (after deducting the applicable disposition costs), less the fees and taxes (including interest and penalties) that are or may become payable by the Trustee or by the Account itself to another tax-free savings account held by the account holder.

Subject to the tax legislation, a transfer may also be made to a tax-free savings account held by the spouse or the former spouse or the de facto spouse or former de facto spouse of the account holder to settle fees arising from the marriage or de facto union or its breakdown.

The Trustee must execute any transfer request, except in the case where certain Savings Products held in the Account are covered by a movable hypothec established in accordance with section 9. The transfer takes effect in accordance with the applicable laws and in a reasonable time after all the forms that must be completed regarding such transfer have been and have been submitted to the Trustee. At the time of such a transfer, the Trustee shall have no other responsibility or other duty to the account holder regarding the assets in the Account, or a part thereof, thus transferred, as the case may be.

If only a part of the assets in the Account is transferred in accordance with the preceding subsection, the account holder can specify which assets are to be transferred or disposed of in order to make such a transfer. If not, the Trustee transfers the assets or disposes of them in its sole discretion, according to what it considers appropriate for such purpose. The Trustee is not responsible for losses suffered because of such a disposition or transfer.

9. SECURITY

The account holder can use the right over the Account to grant a movable hypothec in accordance with the provisions of the Regulation respecting savings products as a guarantee on a loan or other debt if the following conditions are satisfied:

- a) The Savings Products concerned can be covered by a hypothec, transfer or assignment, as the case may be.
- b) The hypothec is granted to a financial institution that is a bank, a trust company, a savings company or a savings and credit union, or to the Québec government as tender or performance security in respect of the contracts it awards.
- c) The terms and conditions of the debt are such that they would have been accepted by persons dealing at arm's length with each other.
- d) It is reasonable to conclude that none of the main objects of such use consists in allowing a person (other than the account holder), or a partnership, to benefit from the tax exemption provided in Part I of the Income Tax Act (Canada) regarding an amount relating to the Account.

10. DEATH OF THE ACCOUNT HOLDER

Upon the death of the account holder, once the Trustee receives satisfactory proof of such death, and subject to the tax legislation, the Trustee disposes of the assets in the Account and, after deducting any applicable taxes, the costs of such disposition, expenses and any other applicable amounts payable under the terms of these presents, pays the net proceeds of such disposition to the account holder's estate in one comprehensive amount.

Despite the preceding, in cases authorized by the tax legislation, the Trustee may transfer, through Épargne Placements Québec, the assets in the Account to one or more persons entitled to them.

Such a payment or transfer cannot be made as long as the Trustee has not received the releases and other documents it may reasonably request.

11. DOCUMENTS

Épargne Placements Québec maintains a separate account for the Account. It gives the account holder a copy of this agreement and sends him, on a regular basis, at least once a year, a statement indicating the contributions received, investments held, interest income and other income, as well as the payments, transfers, redemptions and the expenses debited, if any, directly charged against the assets held in the Account of the account holder pursuant to the second paragraph of section 12 c), made since the last statement, as well as the balance of the Account.

Épargne Placements Québec also sends the account holder and the competent authorities, as the case may be, the information statements, notices and other documents in compliance with the tax legislation.

12. PROVISIONS CONCERNING THE TRUSTEE

- a) **Delegation of powers.** The Trustee may delegate to its mandatary any of its administrative duties or powers allowing it to take specific measures, and the mandatary may receive all or part of the fees to which the Trustee is entitled under the terms of these presents; however, it is understood that the ultimate responsibility for the administration of the Account remains with the Trustee.
- b) **Resignation of the Trustee.** The Trustee may resign or be replaced as issuer of the Account provided a successor Trustee has accepted such office. The successor Trustee

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must be a legal person resident in Canada and duly authorized by the applicable laws to act in that capacity. The account holder must receive 30 days' written advance notice of the change of Trustee from the Trustee or its mandatary.

- c) **Fees and expenses.** The Trustee receives the fees and other expenses it prescribes from time to time and agreed by Épargne Placements Québec; such fees and expenses are charged entirely to Épargne Placements Québec, not to the account holder. The Trustee is entitled to request fees from Épargne Placements Québec at the end of the Account, on the transfer or withdrawal of assets from the Account or in any other situation it may reasonably determine.

The Trustee is reimbursed by Épargne Placements Québec for any expenses, outlays and costs it incurred or its mandataries incurred in relation to the administration of the Account. The reimbursement of duties, taxes, interest or penalties payable may be charged directly against, and deducted from, the assets in the Account, but only to the extent allowed under the tax legislation and other applicable statutes. The Trustee may then, without further notice to the account holder, dispose of assets in the Account, in whole or in part, on the conditions it may determine, and may apply the proceeds of such disposition to the payment in default. The Trustee is not responsible for losses suffered because of such a disposition.

- d) **Liability and compensation.** The account holder, any beneficiary of the proceeds of the assets in the Account and the right-holders of the account holder agree to compensate the Trustee and its representatives, mandataries and correspondents regarding any payments, interest, penalties, assessments, expenses, responsibilities, claims and demands resulting from the investment of assets in the Account and shelter them from the preceding, except in the case of gross fault or gross negligence on the part of the Trustee.

Neither the Trustee nor any of its representatives, mandataries or correspondents shall be liable for any loss suffered by the Account, by the account holder or by a beneficiary of the Account, further to the acquisition, disposition or holding of any investment acquired in accordance with the instructions of the account holder, further to the refusal to follow an instruction of the account holder that the Trustee, in its sole discretion, considers contrary to the provisions of these presents or of an applicable law, in a case of superior force or following the normal and authorized use of property that is part of the assets in the Account.

The Trustee shall be discharged of any liability after payment of the balance of the Account in accordance with these presents.

- e) **Instructions.** The Trustee or its mandatary follows the written instructions received from the account holder or from any other person designated in writing by the account holder, whether sent by mail, by fax or other electronic means. Any directive, notice or information sent in writing to the Trustee shall be considered valid only if its form is satisfactory to the Trustee.

13. MISCELLANEOUS PROVISIONS

- a) **Modifications.** The Trustee may from time to time, at its sole discretion, modify the terms and conditions of the Account i) to comply with a requirement of an applicable law, or ii) by giving the account holder 30 days' written notice. However, such change must not disqualify the Account as a tax-free savings account within the meaning of the tax legislation.
- b) **Proof.** Entry of the account holder's date of birth on the Application constitutes sufficient certification of the account holder's age, subject to any other proof that may be requested. The Trustee reserves the right to ask the account holder or any person affirming to be a beneficiary, as the case may be, to provide, at the appropriate time and at their expense, satisfactory proof of their age, of the survival or death of the account holder and of their rights as beneficiary.
- c) **Specie.** All sums of money payable under the terms of these presents are payable in lawful money of Canada.
- d) **Enforceability.** The terms and conditions of these presents bind the heirs and personal legal representatives of the account holder as well as the successors and right-holders of the Trustee. However, if the Account or the assets in the Account are transferred to a replacement trustee, the terms and conditions of the replacement trustee's trust agreement shall subsequently govern the Account.
- e) **Interpretation.** Where required by the context, the singular includes the plural and vice versa.
- f) **Notice.** Notice given to the Trustee shall be considered sufficient if it is given or mailed to Épargne Placements Québec at the address indicated in these presents, or to such other address notified by mail. Notice is deemed to have been given to the Trustee on the actual date of receipt of the notice by Épargne Placements Québec. Any notice, statement or receipt sent to the account holder is considered validly given if it is handed to the account holder in person or sent by mail to the last address indicated in the register kept by Épargne Placements Québec. Such notice, statement or receipt is deemed to have been given at the time of delivery to the account holder if delivered in person or, if it is mailed, on the date it is mailed to the account holder.
- g) **Applicable laws.** The Account is governed by the laws of the Province of Québec, as well as by the federal tax legislation and is interpreted in accordance with those laws.

GENERAL INFORMATION

Protection and use of personal or confidential information

Épargne Placements Québec has implemented a Privacy Policy in accordance with the requirements of the *Act to modernize legislative provisions as regards the protection of personal information* (2021, c 25).

This policy sets out the various rules and measures concerning the collection, use, retention and disclosure of personal information as part of Épargne Placements Québec's activities. It is available at the following address: <https://epg.gouv.qc.ca>.

Épargne Placements Québec restricts the collection of personal information to that which is necessary to provide quality service to its clients, while respecting its commitment regarding privacy and information security. Much of this information is essential to the processing of your request and the transactions you will subsequently carry out with Épargne Placements Québec. Épargne Placements Québec uses this information for the administration of the account registration system and the sale of savings products, to open a participant account allowing you access to online transactions, to offer you savings products and to send you information about them. To this end, Épargne Placements Québec must obtain your consent.

Your consent is also required so that Épargne Placements Québec can inform you of product promotions and notify you when consultations are taking place to obtain your opinion on its services and products or to find out about your expectations. You can give your consent through our transactional website, by email or by calling one of our agents directly. You may withdraw your consent to the use of your personal information for promotional offers and consultations at any time.

The book based system

Épargne Placements Québec products are fully guaranteed by the Québec government and the book based system administered by Épargne Placements Québec.

Registration in this system confirms ownership, in the participant's name, of the products booked in his securities portfolio. Épargne Placements Québec

sends the participant, or the person authorized to act in his name, a quarterly statement of his securities portfolio and, when required, a statement confirming certain transactions carried out in the book based system. Épargne Placements Québec's transactional Web site allows participants to consult information on their product portfolio and access all their transaction statements, such as portfolio statements, transaction confirmations and tax slips.

Participation in the book based system is reserved for the persons or groups of persons domiciled in Québec or groups of property set out in the Regulation respecting savings products (CQLR chapter A-6.001, r. 9), hereinafter the Regulation . To participate, an application form must be completed and the required documents must be supplied, upon opening an initial account.

Transactions

Transaction requests can be made in the book based system using any appropriate transmission method, with the exception of transfer of ownership of a security, which must be made exclusively using the form supplied by Épargne Placements Québec and in the cases provided for in the Regulation. A participant who is no longer domiciled in Québec may no longer, in any manner whatsoever, make a purchase transaction.

Savings products can be acquired on Épargne Placements Québec's transactional website or by telephone.

Épargne Placements Québec must be advised of any error or irregularity detected in a statement within 30 business days of the date of such statement.

Otherwise, the Québec government assumes no liability for the harm that may result from such error or irregularity.

Security of transactions

Épargne Placements Québec has set rules and procedures that satisfy the highest standards regarding security of transactions. Accordingly, a participant wishing to carry out a transaction by phone must identify himself to Épargne Placements Québec by means of the personal information in his file. For a transaction carried out on Épargne Placements Québec's transactional website, the participant must identify themselves using their username and password.

Épargne Placements Québec records telephone conversations relating to transaction requests.

Banking information

The banking information of a transactions account at the financial institution of the participant enable Épargne Placements Québec to pay amounts due to the participant (interest and redemptions) directly into this account within a maximum of two business days. It also allows Épargne Placements Québec to debit the same account for any amount payable on the purchase of a savings product or for an overpayment. A payment is deemed to be made on the date stipulated in the electronic funds transfer instructions given to the financial institution.

By providing Épargne Placements Québec with your banking information, you authorize both Épargne Placements Québec and the designated financial institution (or any other financial institution you may subsequently authorize) to debit your bank account, in accordance with instructions received by any appropriate means of transmission, for a one-time amount for the purchase of a savings product or for recurring amounts by bank or payroll deductions (if applicable). This authorization remains in effect for the duration of the account registration with Épargne Placements Québec.

Periodic savings

Changes to the amount and frequency of withdrawals (pre-authorized debits) for bank withdrawals are authorized in accordance with the terms and conditions of the products held. Withdrawals may also be cancelled at any time.

Pre-authorized debits If a debit does not agree with the instructions given to Épargne Placements Québec, you have a right of recourse. For example, you are entitled to receive a reimbursement of a debit that is unauthorized or incompatible with your transaction instructions.

To change or cancel instalments drawn from your bank account or to obtain more information on your right of recourse, contact Épargne Placements Québec.

For more information on the rules governing pre-authorized debits, you can also visit www.cdnpay.ca.

* Épargne Placements Québec is an entity of the Ministère des Finances of Québec and the name "Épargne Placements Québec" is an official trademark owned by the Québec government.