

**CANADIAN WORKER CO-OPERATIVE FEDERATION TAX-FREE SAVINGS ACCOUNT
DECLARATION OF TRUST**

We, Concentra Trust, hereby declare that we accept the trust created between us and the Holder when the Application was signed, upon the following terms:

1. Definitions

The following definitions apply:

"Contribution" Any amount paid into your Tax-Free Savings Account (TFSA) by you.

"Holder" As defined by the *Income Tax Act*, until your death, is you, and, at and after your death, your Survivor, if the Survivor acquires all of your rights as the holder under this TFSA, including the unconditional right to revoke any beneficiary designation made, or similar direction imposed, by you under the TFSA or relating to property held in connection with the TFSA.

"TFSA" The Canadian Worker Co-operative Federation Tax-Free Savings Account consisting of the Application and this Declaration of Trust.

"Income Tax Act" The *Income Tax Act* (Canada), and regulations thereto, both as amended from time to time.

"Spouse" As recognized in the *Income Tax Act* as your survivor for the purposes of tax-free savings accounts and, where applicable, incorporates the meaning of the term "common-law partner" as set out in subsection 248(1) of the *Income Tax Act*.

"Survivor" Another individual who is, immediately before the individual's death, a spouse or common-law partner of the individual.

"Trustee" Concentra Trust

"Agent" Canadian Worker Co-operative Federation

2. Registration

We will file your election to register this qualifying arrangement as a TFSA under the *Income Tax Act*.

3. Contributions

We will only accept contributions made by you and we will hold all contributions made to your TFSA, and any income earned on these contributions, as outlined in this Declaration of Trust and as required by the *Income Tax Act*.

4. Withdrawal of Contributions

Upon receipt of your written application, we will refund to you the amount determined in accordance with paragraph 146.2(2)(d) of the *Income Tax Act*.

You are permitted to make withdrawals from the TFSA at any time; however, you may be restricted due to the conditions imposed by terms of the investments held in your TFSA.

5. Record Keeping

We will record the details of all contributions to your TFSA, their investment, and of all payments from your TFSA. We will supply you with a statement of these details at least annually. We will complete the regulatory reporting as required by the *Income Tax Act*.

6. Investment

All contributions and other assets or amounts properly transferred into your TFSA will be deposited and invested as directed by you. You shall be permitted to hold those assets and investments which are:

- a. authorized under the *Income Tax Act*; and
- b. acceptable to us; and
- c. agreed upon from time to time, between the Trustee and you.

We reserve the right to refuse to hold or accept certain investments even though they may be qualified investments under *Income Tax Act*.

We will not accept investment instructions for the purchase of a non-qualified investment or a prohibited investment. We may request additional documentation from you proving the investment to be purchased is neither a non-qualified investment nor a prohibited investment.

7. Transfers

At your direction, we will transfer all investments held in your TFSA, or such portion as you direct, together with all information necessary for the continuance of the TFSA, to another TFSA registered in your name, or in the name of your spouse, or former spouse, pursuant to a decree, order or judgment of a competent tribunal or a written separation agreement, relating to a division of property between yourself and your spouse or former spouse in settlement of rights arising out of your marriage/common-law partnership, on or after the breakdown of your marriage/common-law partnership.

8. Successor Holder Election

You may elect to have your surviving spouse become the holder of your TFSA after your death. This election may be restricted by provincial legislation governing designations of beneficiary on TFSA.

9. Beneficiary Designation

You may designate a beneficiary, in those provinces where the law so permits, to receive the remaining proceeds of your TFSA in the event of your death while your TFSA continues to exist and where your spouse did not become entitled to all future rights under the TFSA as permitted under Clause 8. Details of our requirements for making, changing or revoking such a designation are available from the Agent.

10. Death

Where you have not properly elected to have your spouse become the holder of your TFSA as provided for by Clause 8, we will, once we have received the documentation we require, pay the TFSA proceeds by a single payment, less required income tax deductions, to your designated beneficiary and notify your estate representative of any resulting tax liability. In instances where you have not designated a beneficiary as provided for by Clause 9, the TFSA proceeds will be paid by a single payment, less required income tax deductions, to your estate. When we have made the payment of the fund proceeds to your designated beneficiary or to your estate, we will be considered as fully discharged from any further liability with respect to your TFSA.

11. Your Responsibilities

It is your responsibility to ensure that:

- a. the contributions to the TFSA do not exceed the allowable maximum under the *Income Tax Act*;
- b. due care, diligence and skill of a reasonably prudent person is exercised to minimize the possibility that the TFSA holds a non-qualified investment;
- c. we are advised, in writing, in any changes in your address;
- d. your birthdate as recorded on your application is accurate.

12. Restriction of Trustee (Advantage)

We cannot give you or any person related to you any benefit, loan or advantage if the benefit, loan or other advantage is conditional upon the existence of your TFSA.

13. Amendments

We may from time to time amend your TFSA by giving you notice in writing. Any amendment cannot, however, be contrary to the provisions of the *Income Tax Act*.

In the event of changes to the *Income Tax Act* the terms of your TFSA may be amended without notice to you to ensure that your TFSA continues to comply with all applicable legislation.

Your TFSA will comply with the prescribed conditions as per the *Income Tax Act*.

14. Notices

Any notices given to us by you under this TFSA shall be sufficiently given if mailed, postage prepaid by you, to any of our offices and shall be deemed to have been given on the day that such notice is received by us. Any notices given by us to you shall be sufficiently given if mailed, postage prepaid by us, to you at your last address supplied by you and shall be deemed to have been given on the day of mailing.

15. Limits of Our Liability

We shall not be responsible for any loss or damage suffered or incurred by your TFSA, by you or by any beneficiary designated by you, unless caused by or resulting from our dishonesty, negligence, wilful misconduct or lack of good faith.

In the event a qualified investment becomes non-qualified, we will notify you and the Canada Revenue Agency (CRA) of details of that investment and you will be liable for payment of taxes owing to the CRA under Part XI.01 of the *Income Tax Act*. In the event a qualified investment or non-qualified investment is deemed to be a prohibited investment, you are responsible for reporting details of the prohibited investment to the CRA and responsible for payment of taxes under Part XI.01 of the *Income Tax Act*.

16. TFSA Trust Borrowing Prohibited

This TFSA is a trust arrangement and is prohibited from borrowing money or other property for the purpose of this TFSA.

17. Use of TFSA As Security For a Loan

You may not use your interest or, for civil law, right in the TFSA as security for a loan or other indebtedness unless agreed by us in writing. If agreed to, then

- a. the terms and conditions of the indebtedness must be those which persons dealing at arm's length with each other would have entered into;
- b. it must be reasonable to conclude that none of the main purposes for such use is to enable a person (other than you) or a partnership to benefit from the exemption from tax provided by the TFSA; and
- c. to the extent that the provisions of the second paragraph of Section 4, Section 7 and the first paragraph of Section 18 hereof are inconsistent with using an interest or right in the TFSA as security for a loan or other indebtedness, they will not apply.

18. Other Conditions

We shall maintain this TFSA for the exclusive benefit of you and while you are the Holder under your TFSA, no one other than you or us shall have rights to the TFSA relating to the amount and timing of distributions and the investment of funds.

If applicable, we shall provide you with a copy of the fee schedule in effect from time to time. We shall be entitled to such fees and to reimbursement for all expenses reasonably incurred by it in administering the TFSA as may be provided for in any fee schedule in effect at that time. The fees payable to us are subject to change provided that you shall

be given at least 60 days' notice prior to any change in such fees becoming effective. Notwithstanding any other provision contained herein, we shall be entitled to additional fees for extraordinary services performed by it from time to time commensurate with the time and responsibility involved. We are fully authorized by you to sell investments of the TFSA in order to realize sufficient monies for the payment of the above fees and expenses and to withdraw payment from the assets of the TFSA without seeking the prior approval or instruction of you.

We shall not be entitled to recover from your TFSA penalties and/or taxes imposed by the CRA that are attributable to us.

19. Resignation of Trustee

We may resign as trustee under the TFSA at any time by delivering thirty (30) days' notice of our resignation to you. The Agent may also remove the Trustee as trustee of the Fund. If the trustee is to be removed, the Trustee will deliver thirty (30) days' written notice to you. In the event of the resignation or removal of Trustee, the Agent shall appoint a successor trustee or trustees who shall be acceptable to the Trustee. We shall deliver the property comprised of the investments within the TFSA and the records relating thereto and shall execute such deeds and assurances and do such things as may be requisite in order to ensure the continued and uninterrupted operation of the TFSA. We will give the successor trustee or trustees all the information necessary for the continued administration of the fund. Should the Agent neglect or refuse to appoint a successor trustee who shall be acceptable to the Trustee, we reserve the right to appoint a successor trustee on your behalf, or transfer assets in specie to you as a withdrawal from your TFSA.

20. Ultimate Responsibility

We have entered into an Agency Agreement, with the Agent, for the purposes of administration of this TFSA. However, we are ultimately responsible for the administration of the TFSA.