



May 14, 2018

Important information regarding your TD Waterhouse Tax-Free Savings Account (TFSA)

At TD Wealth Financial Planning, we are committed to keeping you informed about matters that affect your account. Please note that the Declaration of Trust (DOT) you received when you opened your Tax-Free Savings Account (TFSA) has been amended.

These amendments do not affect the value of the investments in your TFSA or the nature of your relationship with your Financial Planner.

With the exception of reviewing the updated DOT enclosed, no action is required on your part. This notification and the updated DOT have been provided for your reference only. The amendments will take effect 30 days from the date of this notification.

A high-level summary of the amendments is set out below.

- Section 5: Account – updated the wording and added that you are responsible for any liability or debit balance in the TFSA.
- Section 7: Investment –
 - Clarified that you are responsible for choosing the investments in the TFSA and deciding whether any investment should be purchased, sold or retained, for any losses on the investments and for any taxes or penalties resulting from any investment. **This does not change your current relationship with your Financial Planner.**
 - Added that the TFSA Trustee will be able to take action (withdraw or sell) if an investment becomes a prohibited investment or if there is a material risk of such an event because you have not provided information that the Trustee has requested from you.
 - Added that the Trustee can obtain a third party valuation of an investment at your expense if, when requested, you do not provide a valuation of that investment. Or, if you don't provide a valuation upon request, the Trustee can remove the investment from the TFSA.
- Section 8: Distributions & Section 9: Transfers out – added that withdrawals and transfers-out cannot be made from the TFSA until all applicable taxes and fees have been paid.
- Section 11: Assets received outside the account – added section to say that, if you receive a payment that should have been payable to the TFSA, you are required to return those funds to the TFSA.
- Section 15: Trustee Fees - added that neither the Trustee nor its Agent, Financial Planning, is liable for any taxes or similar charges imposed on the TFSA except for those for which the Trustee or its Agent is responsible under the tax laws.
- Section 16: Tax Matters and Assessments - added that withdrawals cannot be made from the TFSA until all applicable taxes and fees have been paid or, if information the Trustee requested regarding the TFSA is still outstanding and, if taxes are payable from the TFSA, the Trustee will pay them out of the property in the TFSA.
- Section 28 – added section to say that, if there is no property in the TFSA, the Trustee can close the TFSA.

As always, we value and appreciate your business and we're here to help. If you have any questions, please contact your Financial Planner.



TD Waterhouse
Tax-Free Savings Account
Declaration of Trust

The Canada Trust Company, a trust company amalgamated under the laws of Canada (the "**Trustee**"), hereby declares that it agrees to act as administrative trustee for the individual named in the application (the "**Application**") on the face hereof (the "**Holder**") as defined in the *Income Tax Act* (Canada) (the "**Act**") for the *TD Waterhouse Tax-Free Savings Account* (the "**Account**"). The Trustee accepts this office on the following terms:

- 1. Registration:** Subject to the Holder having attained the age of majority, the Trustee will elect, in the form and manner prescribed by the Act and any applicable provincial income tax legislation relating to tax-free savings accounts as designated from time to time in writing by the Holder (the Act and such provincial income tax legislation being hereinafter collectively referred to as "**Applicable Tax Legislation**"), to register the qualifying arrangement governed by this Declaration of Trust as a tax-free savings account under the Social Insurance Number of the Holder. For greater certainty, unless the Holder has attained at least 18 years of age at the time that this arrangement is entered into, it shall not constitute a qualifying arrangement, as that term is defined in subsection 146.2(1) of the Act, susceptible of being registered as a tax-free savings account.
 - 2. Spouse and Common-Law Partner:** Any reference to "Spouse" contained in this Declaration of Trust or in the Application means spouse or common-law partner.
 - 3. Survivor:** Any reference to "successor holder" in this Declaration of Trust or in the Application means a Survivor, as that term is defined in subsection 146.2(1) of the Act, and who is the spouse of the Holder immediately before the Holder's death.
 - 4. Holder:** Any reference to "Holder" or "applicant" in the Declaration of Trust or in the Application means the Holder or Successor Holder.
 - 5. Account:** The Trustee will maintain the Account for the exclusive benefit and in the name of the Holder, showing all contributions made to the Account and all investment transactions made at the direction of the Holder less applicable liabilities of the Account including fees or other amounts described herein and any other applicable taxes applicable liabilities of the PLAN including fees and other amounts described herein and any applicable taxes including amounts in respect of tax assessments described in section 16.
- The Trustee may, at its sole discretion and without notice to you, sell or liquidate assets in the Account or realize upon such assets as it determines to be appropriate to pay any such liability or debit balance of the Account and its costs. You acknowledge that the Trustee will not be liable to you regarding any aspect of such liquidation, sale or realization. In addition, you acknowledge that the liquidation, sale or realization of assets in the Account may have significant financial consequences for you and the Account, including tax consequences, for which you are solely liable. You are jointly liable with the Account for the payment of any liability or debit balance owing within the Account and you are liable for any liability or debit balance remaining after liquidation of assets in the Account and the application of such liquidation against the liability or debit balance.
- 6. Contributions:** Only the Holder may make contributions to the Account, and the Trustee shall accept only such payments of cash and other transfers of property acceptable to it, pursuant to any minimum contribution requirement identified in the Application or other notice given under the terms of this Declaration of Trust or otherwise, the same together with any income therefrom constituting a trust to be used, invested and held subject to the terms hereof. It is the responsibility of the Holder to ensure that no contribution exceeds the maximum permitted under the Applicable Tax Legislation.

7. Investment: The Trustee will, on the written or oral directions of the Holder, invest the property of the Account, provided that the Trustee may in its sole discretion decline to make any particular investment for any reason including, without limitation, if the proposed investment and related documentation do not comply with the Trustee's administrative requirements, which may be modified from time to time. The Holder will have the right to designate a person or persons in a satisfactory form as may be determined by the Trustee, as his or her attorney for the purpose of giving any such directions and the Trustee will be released from any claims or liability to the Holder in acting pursuant to such directions unless it has received written notice that such person or persons is not or has ceased to be the Holder's attorney and the Trustee has acknowledged receipt of such notice in writing.

The Trustee, or TD Waterhouse Canada Inc. or its affiliates (the "**Agent**"), may require the Holder from time to time, to provide such documentation in respect of any investment or proposed investment as the Trustee in its sole discretion deems necessary. Contributions and transfers to the Account may be invested and reinvested in any eligible securities and/or deposits, including securities issued or managed by, or deposits with the Trustee and any of its affiliates, as the Holder may direct from time to time. The Trustee may, at its sole discretion, hold uninvested balances in the Trustee or in any affiliate of the Trustee.

Pending the investment of any uninvested cash in the Account, the Trustee or the Agent will hold such cash in a segregated account and pay interest thereon on such terms and at such rate or rates as it may from time to time established, provided that such cash has been deposited with the Trustee or its Agent.

Without restricting the generality of the foregoing, the Holder is solely responsible to choose investments of the Account, and to determine whether any investment should be purchased, sold or retained by the Trustee as part of the Fund. The Holder shall be responsible for ensuring that an investment is and continues to be a Qualified Investment, and determining whether any such investment is not and continues not to be a Prohibited Investment. The Trustee shall exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that the Account holds a non-Qualified Investment. Neither the Trustee nor the Agent, as defined herein, will be liable to you if: (i) any investment in the Account results in additional taxes or penalties imposed by Applicable Tax Legislation on the Holder or the Account, (ii) any such investment produces losses of any nature whatsoever for the Account whether or not the Trustee or Agent has communicated to the Holder any information the Trustee or Agent may have received, or any judgment the Trustee or Agent may have formed, with respect to the foregoing at any particular time, or (iii) the Trustee takes action because an investment in the Account is or

has become a non-qualified or prohibited investment for purposes of the Applicable Tax Legislation or there is a material risk thereof including because the Holder has not provided information requested by the Trustee.

Should the Account become liable for any taxes, interest or other penalties under Applicable Tax Legislation or for any such taxes, interest and penalties for which the Trustee is jointly liable with the Account to pay or for which the Trustee has paid on behalf of the Account and is entitled to recover from the Account as tax, such Taxes shall be paid out of the assets of the Plan and the Holder authorizes the Trustee to redeem sufficient securities and/or deposits, as required, in the Account to pay for such liability. Notwithstanding the above, the Trustee is not entitled to charge against and deduct from the assets in the Account any charges, taxes or penalties imposed on the Trustee under Applicable Tax Legislation other than any such charges, taxes and penalties for which the Trustee is jointly liable with the Account to pay or for which the Trustee has paid on behalf of the Account and is entitled to recover from the Account as tax.

Notwithstanding any of the above, if the Trustee determines, in its sole discretion, that any investment in the Account is or becomes a non-Qualified Investment for purposes of the Applicable Tax Legislation, or that there is a material risk thereof including because you have not provided information requested by the Trustee, the Trustee may, at its sole discretion, withdraw such investment from the Account in-kind subject to all applicable withholdings being made, grant releases of any rights associated with the investment, provide consents to terminate or modify the investment, sell the investment for cash or realize on the investment for cash. The Holder acknowledges that the valuation of an investment shall be determined by the Trustee in its sole discretion, provided that it is the Holder's obligation to provide the Trustee with such independent evidence of the value of the investment as the Trustee at any time requests. Should the Holder fail to provide evidence of the value of the investment upon the request of the Trustee, the Trustee, at its sole discretion, may obtain a valuation from a third party selected by the Trustee at its sole discretion. The Holder agrees that the Account shall reimburse the Trustee for the cost incurred by the Trustee for any such valuation by a third party immediately upon the request of the Trustee failing which you shall do so personally forthwith after demand. Notwithstanding the above, in the event that the Holder does not provide to the Trustee a valuation of an investment upon a request by the Trustee, the Trustee may, at its sole discretion, withdraw such investment from the Account in-kind, subject to all applicable withholdings being made, grant releases of any rights associated with the investment, provide consents to terminate or modify the investment, sell the investment for cash or realize on the investment for cash. The Holder authorizes the Trustee to take any such actions and the Holder irrevocably consents to them. The Holder further acknowledges that the Holder is responsible for all consequences (whether foreseeable or not), including tax consequences, of those actions, and, in such event, the Holder acknowledges that he or she is liable for the tax consequences of any of these.

"Prohibited Investment" means property (other than prescribed excluded property as that term is defined in the Act) that is:

- (a) a debt of the Holder
- (b) a share of the capital stock of, an interest in or a debt of:
 - (i) a corporation, partnership or trust in which the Holder has a significant interest;
 - (ii) a person or partnership that does not deal at arm's length with the Holder or with a person or partnership described in subparagraph (i);
- (c) an interest in, or right to acquire, a share, interest or debt described in paragraph (a) or (b); or
- (d) prescribed property (as that term is defined in the Act).

"**Qualified Investment**" means any investment which is a qualified investment for a tax-free savings account according to the Act.

8. Distributions: Subject to the terms of any investment, the Holder may request that the Trustee pay to the Holder all or any part of the assets held in the Account in satisfaction of all or part of the Holder's interest therein (a "Distribution") except that no Distributions shall be made until all applicable liabilities of the Account, including for applicable taxes of the Account and for fees and other amounts described herein have been paid or a reasonable amount in the sole discretion of the Trustee has been retained in the Account to satisfy such amounts.) No withdrawal shall be made if the Trustee has requested information necessary for it to determine the amount of or potential liability for any applicable liabilities and the Holder has not provided information satisfactory to the Trustee to be able to make a determination that no applicable liability exists. Neither the Trustee nor the Agent shall be liable for any losses or damages arising from any delay to make a Distribution as a result of any of the above. Notwithstanding the terms of any investment, or any limit on the frequency of Distributions or any minimum Distribution requirement identified in the Application or other notice given under the terms of this Declaration of Trust, the Trustee may make Distributions in order to reduce the amount of tax otherwise payable by the Holder as a result of excess contributions made contrary to Applicable Tax Legislation. No one other than the Holder and the Trustee shall have rights under the Account relating to the amount and timing of Distributions and the investing of funds held in the Account.

9. Transfers Out: All or a part of the property in the Account may be transferred to another tax-free savings account of the Holder, and the Trustee may liquidate any investments held in the Account to the extent deemed necessary to transfer the amount requested, subject to the terms of such investments.

All or a part of the property in the Account may be transferred to a tax-free savings account of the Spouse or former Spouse where the Holder and the Spouse or former Spouse are living separate and apart and the transfer is made under a decree, order or judgment of a competent tribunal or under a written separation agreement that relates to a division of property in settlement of rights arising out of, or on the breakdown of, their marriage or common-law partnership, and the Trustee may liquidate any investments held in the Account to the extent deemed necessary to transfer the amount requested all applicable liabilities of the Account including for fees and other amounts described herein have been paid together with all applicable taxes.

10. Transfers In: Property may be transferred to the Account from another tax-free savings account of the Holder or of the Spouse or former Spouse of the Holder where:

- (a) the Holder and Spouse or former Spouse are living separate and apart and the transfer is made under a decree, order or judgment of a competent tribunal or under a written separation agreement that relates to a division of property in settlement of rights arising out of, or on the breakdown of their marriage or common-law partnership; or

- (b) the Holder is the Spouse's survivor and the transfer occurs as a result of an exempt contribution as that term is defined in subsection 207.01(1) of the Act.

11. Assets Received Outside the Account: The Holder agrees that if any amount is received in respect of an asset or right belonging to the Account, the Holder shall forthwith pay over such amount to the Account.

12. Death of the Holder: Subject to Applicable Tax Legislation, where there is a Survivor and the Holder has validly designated the Survivor as successor holder, the Survivor shall become the Holder. In the event of the death of the Holder where there is no Survivor or the Survivor has not been designated as a successor holder, the Trustee shall, upon receipt of satisfactory evidence thereof, realize the interest of the Holder in the Account. Subject to Applicable Tax Legislation and to the deduction of all proper charges, including taxes, if any, required to be withheld, the proceeds of such realization shall be paid by the Trustee, as the case may be, to the estate of the Holder or to the Holder's designated beneficiary upon furnishing the Trustee with such releases and other documents as may be required or as counsel may advise.

If more than one designation has been lodged, the Trustee shall rely on the instrument in its possession bearing the latest execution date.

13. Ownership: The Trustee must hold any investment in its own name, in the name of its nominee, in bearer form or in such other name as the Trustee may determine. The Trustee may generally exercise the power of an owner with respect to all property held by it for the Account, including the right to vote or to give proxies to vote in respect thereof, and to pay any assessment, taxes or charges in connection therewith or the income or gains derived therefrom.

14. Delegation:

- (a) The Holder authorizes the Trustee to perform, and the Trustee may delegate to the Agent the performance of, the following duties and responsibilities of the Trustee:
- (i) to receive the Holder's contributions and transfers to the Account;
 - (ii) to make Distributions and transfers from the Account;
 - (iii) to invest and reinvest in the Account in accordance with the directions of the Holder;
 - (iv) to hold the assets forming the Account in safekeeping;
 - (v) to maintain the Account;
 - (vi) to provide statements to the Holder of the Account; and
 - (vii) to perform such other duties and responsibilities of the Trustee as the Trustee may determine from time to time, in accordance with the Applicable Taxation Act.
- (b) The Trustee shall, however, remain ultimately responsible for the administration of the Account pursuant to the provisions of this Declaration of Trust. The Holder also authorizes the Trustee to, and the Trustee may, pay the Agent all or a portion of the fees paid by the Holder to the Trustee hereunder and may reimburse the Agent for its out-of-pocket expenses in performing the duties and responsibilities delegated to the Agent by the Trustee, as agreed upon between the Agent and the Trustee. To the extent applicable, the Holder acknowledges that the Agent may earn normal brokerage commissions on investment and reinvestment transactions processed by the Agent.

15. Trustee Fees and Taxes: The Trustee will be entitled to such reasonable fees and other charges as it may establish from time to time for the Account and to reimbursement for disbursements and expenses reasonably incurred by it in performing its duties hereunder.

Notwithstanding anything herein contained, the Trustee is empowered to retain in cash such portion of the assets in the Account as the Trustee may, at its sole discretion, deem advisable for the payment of any fee introduced in accordance with section 15 hereof or any other reimbursement hereunder and any liability including for any applicable taxes. All such amounts will, unless paid directly to the Trustee, be charged against and deducted from the assets of the Account in such manner as the Trustee determines, and the Trustee may realize assets of the Account in its sole discretion for the purposes of paying such amounts. Any such realization shall be made at such price or prices as the Trustee or the Agent at its sole discretion may determine and neither the Trustee nor the Agent shall be responsible for any loss occasioned by any such realization.

Neither the Trustee nor the Agent shall be liable for any taxes, assessments or other charges levied or imposed by any governmental authority upon or in respect of the Account except for those taxes, assessments or other charges for which the Trustee or the Agent is liable on behalf of the Account in accordance with Applicable Tax Legislation other than any such taxes, assessments and other charges for which the Trustee is jointly liable with the Account to pay or for which the Trustee has paid on behalf of the Account and is entitled to recover from the Account as tax.

16. Tax Matters and Assessments:

- (a) No withdrawal shall be made until all applicable liabilities of the Account, including for applicable taxes of the Account and for fees and other amounts described herein have been paid or a reasonable amount in the sole discretion of the Trustee has been retained in the Account to satisfy such amounts.) No withdrawal shall be made if the Trustee has requested information necessary for it to determine the amount of or potential liability for any applicable liabilities and the Holder has not provided information satisfactory to the Trustee to be able to make a determination that no applicable liability exists. Neither the Trustee nor the Agent shall be liable for any losses or damages arising from any delay to make a withdrawal as a result of any of the above.
- (b) If an assessment of taxes is made against the Account, or the Account files a return reporting taxes payable, the Trustee shall pay the amount of such taxes out of the assets of the Account to the applicable governmental authority unless arrangements satisfactory to the Trustee are made with you regarding any objection to such taxes, including arrangements for the payment of fees and expenses to make such objection and arrangements to ensure that the Account will have the ability to be able to pay such taxes.
- (c) Neither the Trustee nor the Agent will be liable to the Holder or the Account in respect of any amount paid to any relevant tax authority in compliance with or intended compliance with Applicable Tax Legislation.

17. Amendment: The Trustee may, from time to time at its discretion, amend this Declaration of Trust, with the concurrence of the authorities administering the Applicable Tax Legislation if required, and:

- (a) without notice provided that the amendment is made for the purpose of satisfying a requirement imposed by the Applicable Tax Legislation or at its effective date the amendment will not in the Trustee's sole opinion adversely affect the Holder's rights under the Account;
- (b) in all other cases, by giving 30 days' notice to the Holder; provided, however, that any such amendments shall not have the effect of disqualifying the Account as a tax-free savings account within the meanings of the Applicable Tax Legislation.

18. Notice: Any notice given by the Trustee to the Holder shall be sufficiently given if mailed, postage prepaid, to the Holder at the address set out in the Application or at any subsequent address of which the Holder shall have notified the Trustee, and any such notice shall be deemed to have been given on the day of mailing.

19. Liability: Except as provided herein, neither the Trustee nor the Agent shall be liable for ascertaining whether any investment made on the direction of the Holder is or remains a Qualified Investment for purposes of a tax-free savings account, or whether any such investment constitutes a Prohibited Investment or for any tax payable in respect of any non-Qualified or Prohibited Investment by the Holder or by the trust established hereunder, and the Holder acknowledges and assumes the sole responsibility in respect of the foregoing. Neither the Trustee nor the Agent shall otherwise be liable for the making, retention or sale of any investment or reinvestment as herein provided or for any loss or diminution of the assets comprising the Account.

The Holder and his or her successors, executors and administrators shall at all times indemnify and save harmless the Trustee and the Agent in respect of any taxes, assessments or other charges levied or imposed by any governmental authority upon or in respect of the Account except for those taxes, assessments or other charges for which the Trustee is liable in accordance with the Act.

Neither the Trustee nor the Agent shall be liable for any taxes, assessments or other charges levied or imposed by any governmental authority upon or in respect of the Account except for those taxes, assessments, or other charges for which the Trustee is liable on behalf of the Account in accordance with Applicable Tax Legislation other than any such charges, taxes and penalties for which the Trustee is jointly liable with the Account to pay or for which the Trustee has paid on behalf of the Account and is entitled to recover from the Account as tax. For greater clarity, neither the Trustee nor the Agent shall be liable for any loss incurred by the Account, by the Holder or by any beneficiary designated for the purposes of the Account resulting from the Holder ceasing to be a Canadian tax resident.

The Trustee and the Agent shall be entitled to and shall be fully protected in acting upon any instrument, certificate, notice or other writing believed by the Trustee or the Agent to be genuine and to be signed or presented by the proper person(s). The Trustee and the Agent shall be under no duty to make any investigation or inquiry as to any statement contained in any such writing but shall be entitled to accept the same as conclusive evidence of the truth and accuracy of the statement therein contained.

When the Account is terminated and the proceeds thereon are distributed, the Trustee and the Agent shall be released and discharged from any further responsibility or obligation in connection herewith.

Except as otherwise provided herein, neither the Trustee nor the Agent shall be liable for any loss incurred by the Account, by the Holder or by any beneficiary designated for the purposes of the Account unless due to the negligence, willful misconduct or lack of good faith of the Trustee or the Agent.

20. Proof of Age: The statement of the Holder's date of birth on the Application shall constitute a certification by the Holder and an undertaking to furnish such further evidence of proof of age as may be required.

21. Security for a Loan: Where the Holder uses his or her interest or right in the Account as security for a loan or other indebtedness, the Holder shall be responsible for ensuring that the terms and conditions of the loan or other indebtedness are terms and conditions that persons dealing at arm's length with each other would have entered into, and it can be reasonably concluded that none of the main purpose for that use is to enable a person, other than the Holder, or a partnership to benefit from the exemption for tax of any amount under the Account.

22. Loans: The Trustee is prohibited from borrowing money or other property for the purposes of the Account.

23. Replacement of Trustee: The Trustee, upon giving the Agent at least 30 days' written notice (or immediately if the Agent is for any reason incapable of acting in accordance with this Declaration of Trust), may resign, and the Agent, upon giving the Trustee at least 90 days' written notice (or immediately if the Trustee is for any reason incapable of acting as Trustee hereunder), may remove the Trustee as the trustee of the Account, provided that a successor trustee has been appointed by the Agent in writing. If the Agent fails to designate a successor trustee within 60 days after it has received notice of the Trustee's intended resignation, the Trustee may appoint its successor trustee. Such successor trustee shall, within 90 days of its appointment, give written notice of its appointment to the Holder. A successor trustee shall have the same power, rights and obligations as the Trustee. The Trustee shall execute and deliver to the successor trustee all conveyances, transfers and further assurances as may be necessary or desirable to give effect to the appointment of the successor trustee. Any successor trustee shall be a corporation resident in Canada and authorized under the laws of the province of residence of the Holder indicated in the Application to carry out its duties and responsibilities as trustee under the Account. Subject to the requirements of Canada Revenue Agency, any corporation resulting in the merger, consolidation or amalgamation to which the Trustee is a party or which purchases all or substantially all of the trust business of the Trustee shall be the successor trustee hereunder without the execution of any other instrument or document except notice to the Agent and to the Holder.

24. Assignment by Agent: The Agent may assign its rights and obligations hereunder to any other corporation resident in Canada, approved by the Canada Revenue Agency and any other applicable authority, and authorized to assume and discharge the obligations of the Agent under the Account, provided that such corporation shall execute any agreement which is necessary or advisable for the purpose of assuming such rights and obligations and further provided that no such assignment may be made without prior written consent of the Trustee, which consent may not be unreasonably withheld.

25. Heirs, Executors and Assigns: The terms of this Declaration of Trust shall be binding upon the heirs, executor, administrators and assigns of the Holder and upon the respective successors and assigns of the Trustee and Agent.

26. Proper Law: This Declaration of Trust will be governed by and construed in accordance with the laws of Ontario, the Applicable Tax Legislation and any other laws of Canada, which may be applicable.

27. English Language: The parties hereto have requested that this Declaration of Trust and all related documents be written, and the Account be established, in English. Les parties ont demandé que la déclaration de fiducie et tous documents y afférents soit rédigés, et le compte soit établi, en anglais.

28. In the event that, at any time, there are no assets held in the Account, the Trustee may, in its sole discretion, close the Account.