

DECLARATION OF TRUST

1. **ESTABLISHMENT OF FUND** - Natcan Trust Company, a trust company incorporated under the laws of Canada (the "Trustee") hereby declares itself to be the trustee of the Natcan Trust Company Self-directed Retirement Income Fund established by the applicant named in the application on the reverse side hereof (the "Member"), in accordance with the terms of this declaration of Trust and with the terms of the application (the "Application") which together are here referred to as the "Fund".
2. **REGISTRATION** - The Trustee shall apply for registration of the Fund pursuant to the provision of the "Applicable legislation" which shall be deemed for the purposes hereof to include (1) the Income Tax Act (Canada), as amended from time to time, and (2) applicable provincial legislation.
3. **DEFINITIONS** - For all purposes of the Fund:
 - a) "Tax Act" means the *Income Tax Act* (Canada);
 - b) "Member" means the "annuitant" as defined in s. 146.3 of the *Tax Act*; and
 - c) "spouse" means a spouse for the purposes of the Tax laws;
 - d) "common-law partner" has the meaning set forth in the Act.
4. **DEATH OF MEMBER** - upon receiving notice of the death of the last Member, the Trustee shall forthwith realize all of the assets of the Fund, and upon receipt of such documentation as it may reasonably require, shall, subject to the withholding requirements of the Applicable legislation, pay over the proceeds of such realization, (less all proper charges, including any applicable tax,) in a lump sum to such beneficiary as the Member may elect to receive the proceeds (where such an election is permitted under the Applicable legislation), and in the absence of such an election, the proceeds shall be paid to the Member's personal representative.

A beneficiary designation can only be made, changed or revoked by written instrument in form reasonably acceptable to the Trustee which adequately identifies the Fund and has been signed by the Member; provided always that the instrument or evidence thereof acceptable to the Trustee shall be lodged with the Trustee prior to any payment by it of the proceeds of the Fund. If more than one such instrument has been so lodged, the Trustee shall make payment in accordance with the instrument bearing the latest date. An instrument shall be effective for the purpose of this paragraph even though as a will or codicil it may be invalid or revoked.
5. **DELEGATION OF TRUSTEE RESPONSIBILITIES** - the member expressly authorizes the trustee to delegate to NBIN inc. (the "agent") the following duties under the fund
 - a) Receiving, holding, investing and reinvesting (1) transfers to the Fund, (2) income and capital gains earned by the Fund, and (3) assets of the Fund;
 - b) holding all or any portion of the assets in safekeeping;
 - c) Maintaining Fund records and accounting properly to the Member for all assets of the Fund;
 - d) providing the Member with statements of account at reasonable intervals;
 - e) preparing any form required by the Applicable legislation;
 - f) providing payments to the Member in accordance with the Member's direction as outlined in the Application on the reverse side hereof and in accordance with paragraph 6 hereof;
 - g) Such other duties under the Fund as the Trustee in its sole discretion may determine. It is understood that, notwithstanding the delegation of duties as noted under this section, the ultimate responsibility for the administration of the Fund remains with the Trustee.
6. **PAYMENTS** - Subject to the Applicable legislation, the Trustee shall make payments under the Fund on the following terms:
 - a) payments under the Fund may not be assigned in whole or in part.
 - b) payments to the Member shall be made in each year, commencing not later than the first calendar year after the year in which the Fund is established, in one or more amounts the aggregate of which is not less than the "minimum amount" as defined under the Tax Act for the year, but the amount of any such payment shall not exceed the value of the property held in connection with the Fund immediately before the time of the payment.
 - c) payments shall be made in such amounts and at such times as the Member may elect from time to time by notice to the Trustee.
 - d) The Member shall direct the Trustee as to what property is to be sold to provide funds for the payment or is to be delivered to the Member as payment. Where the Member has not made arrangements for payment, the Trustee shall select property to be sold, or delivered for payment at its sole discretion and the Trustee shall not be responsible for any loss resulting from such sale or delivery of property as may be required.
7. **TRANSFERS TO THE FUND** - The Trustee shall not accept property into the Fund other than property transferred from any of the following:
 - a) a registered retirement savings plan under which the Member is the annuitant;
 - b) a registered pension plan of which the Member is a member as defined in s. 147.1(1) of the *Tax Act*;
 - c) another registered retirement income fund under which the Member is the annuitant;
 - d) the Member to the extent only that the amount of the consideration was an amount described in subparagraph 60(1)(v) of the *Tax Act*;
 - e) a registered retirement income fund or registered retirement savings plan of the Member's spouse or common-law partner or former spouse or common-law partner under a decree, order or judgment of a competent tribunal, or under a written separation agreement, relating to a division of property between the Member and the Member's spouse or common-law partner or former spouse or common-law partner in settlement of rights arising out of, or on the breakdown of, their marriage;
 - f) a registered pension plan in accordance with subsection 147.3(5) or (7) of the *Tax Act*;
 - g) a provincial pension plan in circumstances to which subsection 146(21) applies.
8. **TRANSFERS FROM THE FUND** - Transfers from the Fund shall be made on the following basis:
 - a) At the direction of the Member, the Trustee shall, in the form and manner prescribed by the Applicable legislation, transfer all or part of the property held in the Fund or an amount equal to its value at the time of such direction less all fees which are then outstanding at the date of such transfer together with all information necessary for the continuance of the Fund as a registered retirement income fund, to a "carrier" (as defined in the *Tax Act*).
 - b) Notwithstanding the foregoing, where at any time, the Member directs the Trustee to transfer property under this paragraph, the Trustee shall retain an amount equal to the lesser of:
 - 1) the fair market value of such portion of the property as would, if the fair market value thereof does not decline after the transfer, be sufficient to ensure that the "minimum amount" (as defined under the *Tax Act*,) under the Fund for the year in which the transfer is made may be paid to the Member in the year, and
 - 2) the fair market value of the property.
9. **BENEFIT / LOAN** - No benefit or loan, other than:
 - a) a benefit, the amount of which is required to be included in computing the Member's income;
 - b) an amount referred to in subparagraph 146.3(5)(a) or (b) of the Tax Act, and any amendments thereto; or
 - c) the benefit derived from the provision of administrative or investment services in respect of the Fund, that is conditional in any way on the existence of the Fund may be extended to the Member or to a person with whom the member was not dealing at arm's length.
10. **INVESTMENT**
 - a) The Trustee shall invest and reinvest the assets of the fund either directly or through the Agent as provided in paragraph 5(a) hereof, only in accordance with the written or verbal instructions received from the Member in such assets, as the Member shall direct. The Trustee shall pay interest on uninvested cash held by it for the Fund at such rates as it alone shall determine, and may hold such cash in its own Savings department or in its own trust accounts upon such terms as it may from time to time determine.
 - b) The Trustee shall not be responsible nor liable for any loss or adverse tax consequences accruing to the Fund, the Member, the Member's beneficiaries, or the Member's estate,
 - 1) as a result of any investments made hereunder proving in any way to be imprudent, or failing to comply with any qualified investment or other criteria under the Applicable legislation, or
 - 2) as a result of the Agent either failing to comply with any instruction given to it by the Member concerning the making or disposing of any investment, or providing the Member with any inaccurate advice with respect thereto.
11. **AMENDMENTS TO THE FUND**
 - a) The Trustee may from time to time in its sole discretion amend the provisions of the Fund provided that at all times the Fund continues to comply with the requirement of the Applicable legislation.
 - b) An amendment made under this paragraph shall take effect on the first day after thirty (30) days notice of such amendment has been given to the member.
 - c)
 - 1) The Trustee may resign as Trustee,
 - i) by giving 30 days written notice of its intention to resign to the Member; and,
 - ii) by appointing a replacement Trustee who consents to the appointment and who is acceptable to the Agent; and,
 - 2) The Trustee shall resign on request of the Agent after giving 30 days notice of its intention to resign to the Member; provided that:
 - 3) no change in Trustee under this subparagraph may result in the Fund's becoming deregistered under the *Tax Act*; and
 - 4) the Trustee shall comply with paragraphs 146.3(2)(e) (information necessary to continue the Fund) and (e.1)(withholding of the minimum amount for the year) of the *Tax Act*.
12. **MEMBER'S STATEMENTS** - The Trustee shall forward to the Member no less frequently than annually a statement reflecting all transactions of both a capital and income nature for the preceding period. The Trustee shall also provide the Member with a market valuation of the Fund's property on an annual basis as at December 31st of each year. The Trustee will forward the Member as required by regulation pursuant to the *Income Tax Act* of Canada a statement for income tax purposes in respect of benefit payments made.
13. **TRUSTEE'S COMPENSATION**
 - a) The Trustee shall be entitled to such compensation for its services hereunder as it alone shall in its absolute discretion determine, and in addition shall be entitled to reimbursement for all taxes imposed upon it as Trustee of the Fund, as well as for all disbursements reasonably incurred by it in the performance of its duties hereunder. The Trustee shall also be entitled to a reasonable fee for any exceptional services performed by it hereunder, commensurate with the time and responsibility involved.
 - b) All fees and reimbursements provided herein shall, at the option of the Member, either:
 - 1) be paid to the Trustee directly by the Member; or
 - 2) charged against and deducted by the Trustee from the assets of the Fund in such manner as it shall determine, and the Trustee may in this latter case in its absolute discretion realize the assets of the Fund to provide for such fees and reimbursements.
14. **NOTICE** - For purposes hereof:
 - a) Notice given by the Trustee to the Member shall be considered sufficient if delivered personally or mailed postage prepaid and addressed to the Member at the Member's address shown on the Application or in such other Fund records as are reasonably accessible to the Trustee, and shall be deemed to have been received at the time of delivery or four business days after such mailing.
 - b) Notice given by the Member to the Trustee shall be considered sufficient if delivered personally, or mailed postage prepaid, to the Trustee at its head office and shall be deemed to have been received by the Trustee when actually received by it.
15. **GOVERNING LAW** - The Fund shall be governed by and interpreted in accordance with the laws of Ontario and with the Applicable legislation.