

BMO Investments Inc.

Terms and Conditions

Effective date March 28, 2016

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Terms used in this document

The following terms have the following meanings in this booklet (unless the terms are defined differently for the purposes of a particular agreement):

Account refers to your BMO Mutual Funds accounts with BMO Investments Inc.

Agreement refers to this BMO Mutual Funds Account Agreement.

Application refers to the BMO Mutual Funds account application form you signed to open your account.

BMMC refers to Bank of Montreal Mortgage Corporation.

BMOII refers to BMO Investments Inc.

Bank refers to BMO Bank of Montreal.

Application refers to the BMOII form(s) you signed or verbally or electronically consented to (where applicable), authorizing the transaction.

Plan refers to a registered plan which may be a Tax-Free Savings Account, Retirement Savings Plan, Education Savings Plan or Retirement Income Fund.

Terms and Conditions and **Agreement** refers to this document.

Trustee refers to BMO Trust Company.

We, our and **us** refers to BMOII.

You, your, yours, Accountholder and **Planholder**, refers to each client who signed an Application.

BMO Investments Inc. Terms and Conditions

The following pages together with your BMO Mutual Funds account application form(s) contain the relevant terms and conditions that apply to BMO Investments Inc. accounts. These terms and conditions are effective March 28, 2016 and replace all previous terms and conditions you have agreed to with us.

You need to read and understand all applicable terms and conditions relevant to the investment(s), services and plan(s) you have chosen.

If you live in Quebec, you have specifically requested that this Agreement and any related documents be in English. *Les parties aux présentes, si elles sont domiciliées au Québec, exigent expressément que ces conventions et tous les documents s'y rattachant soient rédigés en anglais.*

Important Information about BMO Investments Inc. and Our Relationship with You

BMO Investments Inc. provides services and advice relating to the investment accounts and retail investment products we offer. Our network of Financial Services Managers, Financial Planners, Investment & Retirement Planning and Investment Specialists at the BMO Investment Centre is your primary point of contact. We refer to them here as your "investment professional".

Here, we provide you with certain core information about the nature of your relationship with us and with your investment professional. Other important information you need to know about your relationship with us is contained in other documents that are provided to you as a client, such as trade confirmations, account statements, investment and/or retirement plans and assessments, offering and continuous disclosure documents and updates about changes to information that will be provided to you from time to time.

The Products and Services we can offer you.

BMOII is a member of the Mutual Fund Dealers Association of Canada and is registered under provincial and territorial securities laws to sell mutual funds. We also offer other types of investment products such as term investments (like certain guaranteed investment certificates) and certain principal protected notes offered by our affiliates, including Bank of Montreal. Through our Financial Planners, we also offer investment and retirement planning services to clients who request these services and to clients who we identify as potentially benefitting from such services.

It is important to keep in mind that we do not offer legal, accounting or tax advice to you, and you should consult professionals in those areas if you have questions about the impact of your investments on your legal, accounting or tax situation.

It is also important to be aware that, although we offer investment advice and recommendations, we will not make investment decisions on your behalf. You or anyone you give authority to act on your behalf is responsible for making investment decisions for your account.

BMOII Financial Planners may, at your express request, purchase no load or front-end load series of third-party mutual funds for your Account. However, BMOII Financial Planners are not able to recommend purchases of third-party mutual funds.

Investment Suitability.

Each recommendation we make to you and each order we accept from you for your account is based on your essential facts as provided by you. Such recommendations must be suitable for you, in light of your investment objective, risk tolerance, time horizon and other personal circumstances you identify as recorded in your account.

We will conduct a suitability assessment of your account whenever:

- you place an order to buy and/or sell a mutual fund (unless such sale constitutes a full redemption of your account);
- you transfer assets to your account (both newly opened and existing accounts); or
- you record for your account any changes to your stated risk tolerance, time horizon or investment objectives or other matters that have a significant impact on your stated net worth or income.

We will not monitor your account to ensure the ongoing suitability of your investments. Therefore, if you have any questions or concerns about the suitability of the investments in your account, or believe the investments in your account no longer reflect your stated investment objective, risk tolerance, time horizon or other circumstances, or if you wish to change any information about your account that you previously provided to us, you must notify us immediately. We will remind you of this obligation on an annual basis, in writing.

Our suitability assessment will take into consideration all of the investments held in your account and consequently you may hold some investments that have a risk rating that is higher or lower than the risk tolerance that you have provided to us for the investments in your account.

Information you provide us.

Provincial securities laws require that we collect from you and record certain key information about you and each order or account we accept. Some of the terms used in the **Your Investment Details** section of our account applications are defined as follows:

Your Investment Objective:

Selecting one of the following investment objectives indicates which objective best describes the goal of your account, meaning that the majority of the holdings in the account should help achieve this goal. By indicating which investment objective is most important for your account, you also help us ensure that you have chosen an appropriate investment goal for your needs.

Security of Capital. Clients whose primary objective is Security of Capital seek stability and preservation of capital. They normally hold money market investments and term investments such as GICs. These clients often desire minimal volatility and will typically accept lower returns as a trade-off for very low risk. In some, but not all instances they may be investing their money for the short-term.

Fixed Income. Clients whose primary objective is Fixed Income desire a regular income distribution, and are less concerned with capital appreciation. They often hold a high proportion of investments that pay interest such as bonds, which may be taken in cash or reinvested. These clients typically accept some volatility in exchange for a potential return. In some, but not all instances they may be investing their money for the short-term.

Conservative Balanced. Clients whose primary objective is Conservative Balanced seek the generation of income distribution with potential modest capital appreciation. Their account holdings normally consist of diversified investments that generally hold 60% in fixed income investments and not more than 40% in equity investments. These clients are able to tolerate some fluctuations in their investment returns and typically have medium or long-term time horizons.

Balanced. Clients whose primary objective is Balanced seek the potential of moderate capital appreciation with modest income distribution through a diversified portfolio of investments designed to limit excessive fluctuations in the value of their portfolio. They generally hold 40% in fixed income investments and not more than 60% in equity investments. These clients are able to tolerate fluctuations in their investment returns and typically have medium or long-term time horizons.

Growth. Clients whose primary objective is Growth desire an account with the greatest concentration of equity holdings that may fluctuate in value but provides the most opportunity for potential higher long-term gains. These clients typically invest for the long-term and are prepared to accept higher levels of risk in order to maximize their return potential over the long run.

Your Investment Knowledge.

Your Investment Knowledge should reflect your understanding of investing, investment products and their associated risks. You should not buy investments that you do not understand. By providing your level of investment knowledge to us, you can help us better explain mutual funds to you.

Nil: you have little or no investment understanding and/or experience.

Fair: you have limited investment experience and exposure to investment products. You understand that in general, equities are riskier than bonds.

Good: you have a considerable amount of investment experience and exposure to different investment products. You understand the capital markets and the different financial products that exist.

Excellent: you have broad and extensive investment experience and have had exposure to multiple investment products. You understand the risk/return tradeoffs associated with investing in international markets.

Your Risk Tolerance.

Risk Tolerance is a gauge of a client's willingness and ability to withstand both fluctuations in the value of their investments and volatility in their investment returns. Risk varies from one mutual fund to another. A client may be willing to assume some risk proportionate to their desire to obtain higher returns. Generally, a client's risk tolerance will fall into one of the following categories:

Risk Category	Description
Low	If you are a client with a low risk tolerance, then you are risk adverse; willing to accept only a minimal amount of volatility in your account and willing to accept lower investment returns in order to preserve your investment capital. Holdings in this category may include investments such as GICs and money market funds.
Low to Medium	If you are a client with a low to medium risk tolerance, then you are willing to accept slightly more volatility, as compared to a client with a low risk tolerance, in return for the prospect of some increased growth. Holdings in this category may include investments such as bond or balanced funds.
Medium	If you are a client with a medium risk tolerance, then you are willing to accept some volatility in your account which may result in periodic declines in your investments as a trade-off for potentially higher long-term growth. Holdings in this category may include investments such as balanced funds or large cap equity funds.
Medium to High	If you are a client with a medium to high risk tolerance, then you are willing to accept fluctuations in your investment returns and declines in your investments in exchange for the potential of even greater growth in your investments as compared to a client with a medium risk. Holdings in this category may include investments such as small cap equity funds.
High	If you are a client with a high risk tolerance, then your emphasis is on maximizing your growth potential and as such you are willing to accept large periodic declines in your investments in exchange for maximizing your potential returns. Holdings in this category may include investments such as niche funds in specific market sectors or geographic areas.

Your Time Horizon

Your time horizon indicates the length of time that you are prepared or wish to hold your investment. It also relates to how far in the future your financial goals for your account are. If you are investing for a short-term goal, your time horizon will be much shorter than if the purpose of your account is to accumulate wealth for your retirement that is several years away. It is your obligation to ensure that you keep your records with us up-to-date and that you promptly notify us if your personal circumstances change or if your stated investment objective, risk tolerance or time horizon change for your account.

Payments for your investment purchases.

We do not accept cash for business you conduct with us. Payments for your investments may be by cheque made payable to BMO Investments Inc. Cheques should not be made

payable directly to your investment professional or to Bank of Montreal. As an alternative to paying by cheque, if you have a bank account with Bank of Montreal you may authorize us to debit your bank account in the amount of the purchase price of your investments.

Payment of Interest on Client Cash held in Trust.

Any cash we hold for you, either as payment for, or as proceeds of redemption of, an investment product, will be deposited in trust until disbursed. Client cash held in trust will earn variable interest at a rate of Bank of Montreal's Prime Rate minus 3%. All interest earned on client cash held in trust will be distributed on a pro rata basis to the mutual fund companies of each of the mutual funds to which the trust account pertains for reinvestment.

Limited Authorization for Trade Instructions

Under this Agreement, you grant us a limited authorization to enter into purchases, switches, and redemptions on your behalf. You do not give us the authority or the right to conduct discretionary trading on your behalf, and we will not complete transactions on your behalf without in each case obtaining your prior specific authorization. In the case of joint accounts, we will only execute transactions on your behalf in accordance with the standing authorization instructions in place on your joint account at the time of each trade, which will be binding on all joint accountholders.

Content and Frequency of Our Reporting to You

Trade Confirmations

We will provide you with written confirmation of the mutual fund transactions that take place in your account shortly after the transactions occur. This confirmation will include details regarding the mutual funds involved in each transaction. We will issue you a trade confirmation for the first mutual fund transaction made under a systematic withdrawal plan and for the first purchase made under a continuous savings plan.

Account Statements

At least quarterly, you will receive an account statement for each account you hold with us that will include certain information about each transaction made for your account during the period covered by the account statement, including the quantity and description of each investment purchased, sold or transferred and the dates of each transaction. Your account statement may also include your business with certain of our affiliates.

On an annual basis, you will receive an account statement for each account you hold with that will include: the annual change in the value of your account for the 12 month period covered by the report; the cumulative change in the market value of the account, since the account was opened; and the annualized total percentage return for your account or portfolio, using a dollar-weighted methodology, for a 1, 3, 5 and 10 year period and since account inception.

It is your obligation to thoroughly review your trade confirmations and account statements upon receipt and to advise us of any questions or concerns immediately. If you have elected to receive eStatements or eConfirmations, the confirmations and account statements will be posted automatically to your BMO Online Banking profile. You will be able to retrieve the available statements and confirmations through the "eStatements" link. eConfirmations will be posted within 3 days of the value date of

the trade and eStatements will be available within 11 days from the end of each fiscal quarter. Both will remain available for viewing for a period of 7 years.

You may opt to receive notifications that new trade confirmations or account statements have been posted by clicking on the “My Alerts” link on BMO Online Banking, or by clicking on the Alerts icon in the BMO mobile banking application. If you opt to choose to receive notifications, it is your responsibility to keep your profile up-to-date and to inform BMO of any changes to your preferred method of delivery (i.e. change in email address or mobile phone number). Failure of a notification to be delivered will not revoke your consent to receive eConfirmations and eStatements.

eConfirmations and eStatements will be in PDF format only. It is your responsibility to download, and obtain a licence for, Adobe Acrobat software in order to view, print and save your eStatements and eConfirmations.

You can elect to receive eStatements and eConfirmations at any time, or revert to receiving paper statements, by changing your settings in BMO Online Banking. In addition, you may receive, at no cost, a paper copy of a trade confirmation or account statement delivered electronically by visiting a BMO branch or calling BMO Investment Centre at 1-800-665-7700.

Compensation we receive.

Investment fund managers pay BMOII ongoing trailing commissions for the services and advice we provide you. The amount of the trailing commission depends on the sales charge option you chose when you purchased a fund. You are not directly charged the trailing commission but this will affect you because it reduces the amount of the fund's return to you. Further information about the trailing commissions of your investment fund(s) is included in the prospectus or fund facts document for each fund.

Your investment professional earns an annual salary, and may receive a short-term incentive pay award and/or other rewards and recognitions of nominal value in the normal course of their employment relationship with Bank of Montreal. A portion of the remuneration your investment professional receives from its employer, the Bank of Montreal, may also be based on a percentage of the revenue they generate for their branch and for referring you to an affiliate of the Bank of Montreal. You do not pay your branch or your investment professional directly for any of the products and services we offer you. BMOII pays a fee to the Bank of Montreal to cover the distribution costs of mutual funds through the Bank of Montreal branch network. This fee is included in the management expense ratios disclosed by BMOII.

There may be other fees or costs charged by the manufacturer of an investment product we offer you. You should read the prospectus/Fund Facts of the mutual funds you purchase through us for information about the management fees, expenses and other costs associated with your investment, and the offering documents of any other investment product you purchase through us for information about the fees and costs associated with investing in those products.

For more specific information, please contact your advisor.

Use of Benchmarks

You may assess the performance of your investments by comparing them to an investment performance benchmark. A benchmark shows the performance over time of a select group of securities over time. Although a singular benchmark may be used, a blend of benchmarks may be appropriate for portfolios which include different asset

classes and investments. Currently, we do not provide benchmark comparisons in our account reporting. Investors are encouraged to work with their advisor to determine an appropriate benchmark for measuring their portfolio.

Joint & Several Account Agreement

Instructions and Payments. You agree that BMO Investments Inc. or Bank of Montreal Mortgage Company (“BMMC”) may take instructions to sell, exchange, or otherwise deal with the units of the Funds or the GICs in the Plan from any one of you, and may pay all proceeds from the redemption of units or GICs or from distributions to any one of you, or your respective attorney or agent. Payment of such amount may be made in reliance upon a receipt signed by any one of you, or your respective attorney or agent, and such payment shall discharge BMO Investments Inc. or BMMC from all liabilities whatsoever with respect to the units and monies so paid.

Any one of you may give instructions to BMO Investments Inc. or BMMC with respect to any matter or changes relating to the Plan such as, but not limited to, changes to your personal information, changes to investment instructions, or other matters.

Investment Details. You agree that the information regarding your Investment Objective, Risk Tolerance, ownership of other funds, and Time Horizon, as recorded in the Application and all subsequent Applications, are applicable to all of you and will apply to the Account. You also agree that Annual Income and Net Worth, as recorded in the Application and all subsequent applications, are recorded on a combined basis (that is, as the total Annual Income and Net Worth of all of you).

Statements. You acknowledge that BMO Investments Inc. or BMMC will send notices, confirmations or statements to each of you. Notices, confirmations and statements will be effective and binding on all of us when they are sent to each of you at the latest address kept in our records or by electronic delivery to the BMO Online Banking profile(s) linked to any one of the accountholders.

Joint Tenancy (not applicable in Quebec). You acknowledge that unless otherwise agreed in writing, all units or GICs purchased and any units or monies arising from a distribution made under the Plan is your joint property with the right of survivorship. It is understood and agreed that if one of you should die, all assets in the Plan automatically become property of the other Planholder(s). In order to make this legally effective, you each assign such assets to the other Planholder (or the others jointly if there is more than one other Planholder).

BMO Investment Centre Agreement – Telephone And Internet Access

Instructions. BMO Investments Inc. is authorized to accept instructions (“Instructions”) from you by telephone, facsimile, Internet or other electronic means:

- a) to deal with any BMO Mutual Fund or Bank of Montreal Mortgage Corporation (“BMMC”) GIC held in your name/names at BMO Investments Inc. Instructions may include, among others, trading transactions such as purchases, exchanges or redemptions, and changes to your investment needs and other personal information;
- b) to transfer money to or from the bank account(s) specified on the Application hereof by initiating electronic deposits to or withdrawals from such account(s). You consent to the recording of your telephone calls with BMO Investments Inc.

Acting on Instructions. You agree that all Instructions accepted and acted upon by BMO Investments Inc. will, in the absence of gross negligence or willful misconduct on the part of BMO Investments Inc., be considered to be valid, notwithstanding that, among other things, they did not come from you, or were different from any previous or later Instructions.

Not Acting on Instructions. You acknowledge that BMO Investments Inc. may decide not to act upon your Instructions for any reason, including, if we doubt that these instructions are accurate or are from you, or if they are not understood. BMO Investments Inc. reserves the right not to accept your request if we decide at our discretion that it is not appropriate to do so, based on your personal investment needs and other information you have provided.

Your Password. You acknowledge that you are responsible for maintaining the confidentiality and security of your password.

Confirming Your Identity. You understand that BMO Investments Inc. may take steps to confirm your identity prior to acceptance of any request to transact for my/our account.

Termination. You acknowledge that you may terminate this authorization by written notification to BMO Investments Inc. and the termination will be effective 5 days after delivery of such notification.

Withdrawal and Service Interruption. You agree that BMO Investments Inc. may withdraw these services at any time and will not be liable for any damages, losses, costs or injury related to the use of these services or cancellation of any or all of these services, including for its inability to receive instructions because of problems or inadequacies involving telephone, facsimile, Internet or other electronic systems.

Payments. You acknowledge that payment may not reach the account specified by you herein for up to 5 business days following the giving of Instructions by you.

Redemption Proceeds and Withholding Tax

If applicable, you authorize payment to and retention by BMO Investments Inc. of redemption proceeds from mutual fund companies when you redeem their funds. BMO Investments Inc. will then advance the redemption proceeds to you using the payment method you selected.

If applicable, you authorize and direct BMO Investments Inc. to withhold, pay or otherwise satisfy out of your account, all taxes eligible against your account or the securities held within your account as may be required under the laws of Canada or those of any other country applicable to your account or securities.

Loan Information

Risk of Borrowing to Invest. Here are some risks and factors that you should consider before borrowing to invest:

Is it Right for You?

Borrowing money to invest is risky. You should only consider borrowing to invest if:

- You are comfortable with taking risk.
- You are comfortable taking on debt to buy investments that may go up or down in value.
- You are investing for the long-term.
- You have a stable income.

You should **not** borrow to invest if:

- You have a low tolerance for risk.
- You are investing for a short period of time.
- You intend to rely on income from the investments to pay living expenses.
- You intend to rely on income from the investments to repay the loan. If this income stops or decreases you may not be able to pay back the loan.

You Can End Up Losing Money

- If the investments go down in value and you have borrowed money, your losses would be larger than had you invested using your own money.
- Whether your investments make money or not you will still have to pay back the loan plus interest. You may have to sell other assets or use money you had set aside for other purposes to pay back the loan.
- If you used your home as security for the loan, you may lose your home.
- If the investments go up in value, you may still not make enough money to cover the costs of borrowing.

Tax Considerations

- You should not borrow to invest just to receive a tax deduction.
- Interest costs are not always tax deductible. You may not be entitled to a tax deduction and may be reassessed for past deductions. You may want to consult a tax professional to determine whether your interest costs will be deductible before borrowing to invest.

Your advisor should discuss with you the risks of borrowing to invest.

Continuous Savings Plan Agreement

You understand that this is only a request to set up a Continuous Savings Plan and that each transaction pursuant to this request is subject to acceptance by BMO Investments Inc. This Continuous Savings Plan will continue in effect until the End Date or until you provide notice to terminate this Continuous Savings Plan to BMO Investments Inc. on 10 business days prior written notice.

For more information on your right to cancel this Continuous Savings Plan, you may contact BMO Investments Inc. by visiting your local BMO Bank of Montreal branch, calling the BMO Investment Centre at 1-800-665-7700 or by mail:

BMO Investments Inc.

1 First Canadian Place
100 King Street West
43rd Floor, Toronto, ON M5X 1A1

You understand that you have certain recourse rights if any 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 Continuous Savings Plan agreement. To obtain more information on your recourse rights, you may contact your financial institution or visit www.cdnpay.ca. You acknowledge that a transaction confirmation will only be issued for the first transaction pursuant to this Continuous Savings Plan, although account statements will be issued at least quarterly summarizing all transactions in your account. You authorize BMO Investments Inc. to draw, by means of personal preauthorized debits, on your account at the financial institution noted to effect the Continuous Savings Plan. You authorize the applicable financial institution to process such debits against your account in accordance with the rules of the Canadian

Payments Association (“CPA”). You acknowledge that a handling fee may be charged to you if there are not sufficient funds in the account when a debit is processed to make a purchase of BMO Mutual Funds according to the Continuous Savings Plan. BMO Investments Inc. may reverse a Continuous Savings Plan purchase of mutual funds, or continue to hold you responsible for such purchases if there are not sufficient funds to effect the purchase or if the debit transaction is reversed by the paying financial institution. The financial institution processing these pre-authorized debits is not required to verify that BMO Mutual Funds were purchased in accordance with this agreement. You acknowledge that delivery of this agreement to BMO Investments Inc. by you constitutes delivery to your financial institution described and you consent to the disclosure of any personal information which may be contained in this authorization to such financial institution. You certify that all information provided with respect to the Account to be debited is accurate and you agree to inform BMO Investments Inc. in writing of any change in the account information provided in this Agreement at least ten (10) business days prior to the next scheduled debit. In the event of any such change, this Agreement shall continue in respect of any new account to be used for pre-authorized debits. If for any reason a debit was not drawn in accordance with this agreement, such debit may be disputed by completing a declaration within 90 days at the financial institution that debit was drawn from.

Frequency Codes: Wxxx – Weekly; W002 – Weekly Mondays; W003 – Weekly Tuesdays; W004 – Weekly Wednesdays; W005 – Weekly Thursdays; W006 – Weekly Fridays; Bxxx – Biweekly; B002 – Biweekly Mondays; B003 – Biweekly Tuesdays; B004 – Biweekly Wednesdays; B005 – Biweekly Thursdays; B006 – Biweekly Fridays; M015 – Monthly (15th of the month); M031 – Monthly (31st of the month); Qxxx Quarterly – Enter (Q) (1,2,or 3) (15 or 31); Q1 – for Jan, Apr, Jul, Oct.; Q2 – for Feb, May, Aug, Nov.; Q3 – for Mar, Jun, Sep, Dec.; 15 or 31 – for the day (eg. Q215/ Q231); Axxx – Annually

BMO Intuition® Strategic Investment Service (RESP only)

BMO Intuition allows you to match your investment goals and risk tolerance to a portfolio that is best suited to your investor profile. As a BMO Intuition client, you acknowledge and agree that your contributions will be automatically allocated among the investments that comprise the portfolio you select at the time of your original investment. If you are invested in a strategic portfolio other than the Savings Portfolio, it will generally be reviewed during the last month of each calendar quarter (i.e. March, June, September and December). If the percentage weighting of any single mutual fund held in your portfolio varies by more than its set target range, all of the mutual funds in your portfolio will be automatically rebalanced to restore the weightings to their current targets.

In addition to this automatic rebalancing of the funds in your BMO Intuition portfolio, the securities regulators have given BMO Investments Inc. permission to give BMO Asset Management Inc. the authority to make periodic strategic changes to all the BMO Intuition portfolios in its discretion. These adjustments are currently expected to occur every two or three years and may include changes to the investments included in your BMO Intuition portfolio or an adjustment of their percentage weightings, if necessary. These adjustments will only be made in keeping with each portfolio’s stated investment objectives and risk profiles and the permitted ranges shown below, which cannot be changed without your consent. There will be no charge to you in connection with these strategic adjustments.

The permitted ranges for each asset class within the Portfolios are as follows:

Portfolio	Cash	Fixed Income	Equity
Income	0-10%	65%-90%	10%-35%
Balanced	0-10%	35%-65%	35%-65%
Growth	0-10%	15%-35%	65%-85%
Equity Growth	0-15%	0-25%	75%-100%

While BMO Asset Management Inc. (an affiliate of BMO Investments Inc., the distributor of the BMO Intuition portfolios) will make limited discretionary investment decisions for the portfolios, it is not responsible for determining or confirming whether a BMO Intuition portfolio is suitable for you. BMO Investments Inc. continues to have ultimate responsibility for any changes that BMO Asset Management Inc. makes to the portfolios. You will have no direct relationship with BMO Asset Management Inc. and they will not provide you with direct access to investment management services. Any transactions made to implement these changes will be processed by BMOII, and reflected in our records and in your account on the next day. You will receive confirmations and account statements reflecting these activities.

BMO MatchMaker® Strategic Investment Service

BMO MatchMaker allows you to match your investment goals and risk tolerance to a portfolio that is best suited to your investor profile. As a BMO MatchMaker client, you acknowledge and agree that your contributions will be automatically allocated among the investments that comprise the portfolio you select at the time of your original investment. If you are invested in a strategic portfolio other than the Savings Portfolio, it will generally be reviewed during the last month of each calendar quarter (i.e. March, June, September and December). If the percentage weighting of any single mutual fund held in your portfolio varies by more than its set target range, all of the mutual funds in your portfolio will be automatically rebalanced to restore the weightings to their current targets.

In addition to this automatic rebalancing of the funds in your BMO MatchMaker portfolio, the securities regulators have given BMO Investments Inc. permission to give BMO Asset Management Inc. the authority to make periodic strategic changes to all the BMO MatchMaker portfolios in its discretion. These adjustments are currently expected to occur every two or three years and may include changes to the investments included in your BMO MatchMaker portfolio or an adjustment of their percentage weightings, if necessary. These adjustments will only be made in keeping with each portfolio's stated investment objectives and risk profiles and the permitted ranges shown below, which cannot be changed without your consent. There will be no charge to you in connection with these strategic adjustments.

The permitted ranges for each asset class within the Portfolios are as follows:

Portfolio	Cash	Fixed Income	Equity
Income	0-10%	65%-90%	10%-35%
Balanced	0-10%	35%-65%	35%-65%
Growth	0-10%	15%-35%	65%-85%
Equity Growth	0-15%	0-25%	75%-100%

While BMO Asset Management Inc., (an affiliate of BMO Investments Inc., the distributor of the BMO MatchMaker portfolios) will make limited discretionary investment decisions

for the portfolios, we are not responsible for determining or confirming whether a BMO MatchMaker portfolio is suitable for you. BMO Investments Inc. continues to have ultimate responsibility for any changes that BMO Asset Management Inc. makes to the portfolios.

You will have no direct relationship with BMO Asset Management Inc. and we will not provide you with direct access to investment management services. Any transactions made to implement these changes will be processed by BMOII. and reflected in our records and in your account on the next day. You will receive confirmations and account statements reflecting these activities.

Updating Account Information

You agree to promptly advise us if you need to update any information relating to your Account. In particular, you agree to advise us immediately if your address, income, investment objective, risk tolerance and time horizon change or if there is any significant change in your financial affairs, including your net worth. You agree to provide us with written instructions, if requested.

If you move outside of Canada temporarily or permanently, we may not be allowed to accept Trading Instructions from you or do business with you, and we may redeem your investments or close your Account. Therefore, if your country of residence changes, you will be responsible for any withholding taxes that arise and agree to close your Account, if required by us.

Contact Information

You may contact us:

- by phone through the BMO Investment Centre at 1-800-665-7700
- by email at mutualfunds@bmo.com
- in writing at: **BMO Investments Inc.**
1 First Canadian Place
100 King Street West, 43rd Floor
Toronto, Ontario M5X 1A1

We also encourage you to visit your local BMO Bank of Montreal branch to speak with one of our investment professionals. Visit us online at bmo.com/investments to locate a branch near you.

Conflict Of Interest Matters

Conflicts of interest may occasionally arise in the ordinary course of our business. In the event that a conflict or potential conflict of interest arises, we and our investment professionals will ensure that it is addressed using responsible business judgment influenced only by the best interests of our clients. Where conflicts cannot be avoided, we have chosen to manage them. We have policies and procedures in place to manage the conflicts of interest that we believe are sufficient to protect the interests of our clients and fulfill our obligations to our clients. The following are some of the normal conflicts of interest that exist or may arise between us and our clients.

Outside Activities. Our investment professionals are employees of Bank of Montreal and, on behalf of Bank of Montreal, may offer products such as, or services relating to, deposits, mortgages, loans and certain insurance. Such products and services are the responsibility and business of Bank of Montreal and are not related to BMOII.

Our investment professionals may in certain circumstances, and where permitted by legislation and our policies and procedures, engage in other activities, including employment activities, outside of BMOII and Bank of Montreal.

Related Products. We offer mutual funds that we manage, including some that are advised by one or more of our affiliates, and we also offer products that are issued or managed by our affiliates. For example, we offer the BMO Fixed Cash Flow Plus Deposit which is issued by Bank of Montreal.

Related and Connected Issuers. Where we advise you with respect to securities issued by us or a related party or a connected party in the course of distribution, we must disclose to you our relationship with the issuer of the securities.

- An issuer is **related** to us if we are an influential securityholder of theirs, or they are an influential securityholder of ours, or if we have a common influential securityholder.
- An issuer is **connected** to us where a reasonable prospective purchaser of their securities might question the issuer's independence from us, a party related to us, one of our directors or officers or a director or officer of our related party.
- A party is **associated** with us if we beneficially own, directly or indirectly, securities carrying more than 10% of the voting rights of the party, or if the party is a trust, if we have a substantial beneficial interest or we, or another party in a close relationship to us such as one of our salespeople, directors or officers serve as trustee.

The following are considered to be issuers that are related and/or connected to us. This list is current as of the time of publication. For the latest up-to-date list of related/connected issuers, please refer to www.bmo.com.

- the mutual funds in the **BMO Mutual Funds** group of funds because they are managed and distributed by BMO Investments Inc.
- the mutual funds in the **BMO Private Portfolios**, because they are managed by BMO Private Investment Counsel Inc.
- the **BMO ETFs** because they are managed and administered by BMO Asset Management Inc.
- **Coxe Commodity Strategy Fund**, because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.
- **Coxe Global Agribusiness Income Fund**, because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; BMO Asset Management Corp. provides it with investment management services; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund.
- **DoubleLine Income Solutions Trust** because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund.
- **First Trust Global DividendSeeker Fund** because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund.
- **PineBridge Investment Grade Preferred Securities Fund** because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund.
- **Star Yield Managers Class** because: it is managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund.
- **Star Yield Trust** because: it is managed and administered by BMO Nesbitt Burns Inc.;

and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund.

- **U.S. Housing Recovery Fund** because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund.
- **Global Water Solutions Fund** because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund.
- **Global Alpha Worldwide Growth Fund** because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund.

BMO Nesbitt Burns Inc. is an influential securityholder of Virtus Investment Partners Inc. Additionally, our affiliates BMO Asset Management Inc., BMO Private Investment Counsel Inc., BMO Asset Management Corp., LGM Investments Limited, Pyrford International Limited, BMO Global Asset Management (Asia) Limited and Money, Inc. are portfolio advisors to certain of these mutual funds and flow-through limited partnerships.

Relationship between BMO Investments Inc. and Bank of Montreal. We are a wholly-owned indirect subsidiary of **Bank of Montreal**. Bank of Montreal is a reporting issuer with securities listed and trading on the Toronto Stock Exchange and the New York Stock Exchange. In addition to being the principal shareholder (meaning a person or company that is the direct or indirect registered or beneficial owner of more than 10 percent of any class or series of voting securities of another person or company) of BMOII, Bank of Montreal is the principal shareholder of the following other firms registered under Canadian securities laws (collectively, our **"Affiliate Registrants"**): BMO InvestorLine Inc., BMO Nesbitt Burns Inc., BMO Private Investment Counsel Inc., BMO Harris Financial Advisors, Inc., BMO Asset Management Inc., BMO Asset Management Corp., Money, Inc. and Pyrford International Limited.

Certain directors and officers of BMOII are also or may become directors and officers of Bank of Montreal and/or one or more of our Affiliate Registrants. We may obtain from or provide to Bank of Montreal and/or one or more of our Affiliate Registrants management, administrative, referral and/or other services in connection with our respective ongoing business activities or transactions completed by us or these other companies. These relationships are subject to certain legislative and industry regulatory requirements that impose restrictions on dealings between related registrants intended to minimize the potential for conflicts of interest resulting from these relationships. We have also adopted internal policies and procedures that supplement these requirements, including policies on confidentiality.

Referral Arrangements. BMOII may, from time to time, enter into referral arrangements with certain of our affiliates, including Bank of Montreal, BMO Nesbitt Burns Inc., BMO InvestorLine Inc. and BMO Private Investment Counsel Inc., pursuant to which BMOII and/or our investment professionals may receive compensation in the form of referral fees for business that results from a referral. Should BMOII enter into such arrangements, a schedule of these referral fees will be available upon request. Any compensation received under a referral arrangement may be based on either a fixed amount or a percentage of the value of the product or service referred. All activity requiring registration under securities laws and regulations will be performed by an entity that is appropriately registered to perform such activities.

BMO Term Investments And Savings Accounts

The following sets out the terms and conditions of the term investments, GICs or savings accounts referred to on the Application form. Term investments and GICs are issued by the issuer indicated on the applicable Application, trade confirmation or account statement. Additional terms and conditions applicable to each term investment and savings account can be found on the Application and form part of the terms and conditions described herein.

Amendments. The issuers of the investments may from time to time in their discretion amend these terms and conditions upon notice to the Accountholder. The Accountholder agrees to amendments made when notice is given in the Bank's Canadian branches or any other manner which the Bank may determine from time to time.

Term Investments and GICs

Guarantee. Upon issue, the investment is a valid obligation of the issuer and the principal amount and interest payable are unconditionally guaranteed by the Bank. If the term of a GIC is longer than 60 months, or is in a currency other than Canadian dollars, the investment is not an insured deposit as defined by the Canada Deposit Insurance Corporation Act.

Payments. A payment request regarding any investment is subject to processing time for the payment. All investments are payable in Canadian Dollars. As used herein with respect to the investment, "Proceeds" means the principal amount of the investment together with all interest accrued in respect of the investment.

Payment at Maturity. The issuer promises to pay the account of the Accountholder, on the maturity date of the investment (the "Maturity Date"), the principal amount of the investment. Interest is payable on the principal from the issue date of the investment (the "Issue Date") to the Maturity Date, at the annual interest rate indicated on the Application. Interest is calculated on the daily closing principal, and will be paid in accordance with the interest payment method indicated on the Application. For Term Investments redeemable prior to the Maturity Date, the issuer promises to pay on the Maturity Date, interest for any amount of the investment that is not redeemed prior to the Maturity Date calculated from the Issue Date to the Maturity Date of the investment, and for each amount of the investment that is redeemed prior to the Maturity Date, the Issuer promise to pay interest on the amount redeemed on the Maturity Date, or the date of redemption if the investment is redeemed in full, calculated from the Issue Date to the date of redemption. Redemptions may be subject to withholding tax. No interest will be paid on BMO Redeemable Short-Term Investment Certificates redeemed within the first 30 days.

Maturity Instructions. The Accountholder may only change maturity instructions by providing notice to the Bank in writing no more than 21 days before the maturity date of the investment.

Minimum Investments. BMO Guaranteed Investment Certificate, BMO RateRiser GICs (Cashable RateRiser, RateRiser Plus and RateRiser Max), BMO Redeemable Short-Term Investment Certificate and BMO Short-Term Investment Certificate require a minimum initial investment of \$1,000.

Redemption. BMO Guaranteed Investment Certificate (GIC) is not redeemable prior to the Maturity Date, except for the purpose of making a withdrawal from the RIF

Plan. Cashable RateRiser is redeemable in full prior to the Maturity Date only on the fifteenth (15th) day of each month throughout the first year of investment and on the first and second anniversary of the Issue Date. RateRiser Plus is redeemable in full prior to the Maturity Date only on each anniversary of the Issue Date. RateRiser Max is not redeemable prior to the Maturity Date. BMO Redeemable Short Term Investment Certificate is redeemable prior to Maturity Date. BMO Short Term Investment Certificate is not redeemable prior to the Maturity Date.

BMO Intuition Savings Portfolio GIC. A BMO Intuition Savings Portfolio GIC is a one-year term BMO Guaranteed Investment Certificate (GIC). The minimum purchase of a GIC within the portfolio is \$250. For contributions made to this portfolio through a Continuous Savings Plan, the GIC portion of the contribution will accumulate in a Savings Account and a one-year term BMO Guaranteed Investment Certificate (GIC) will automatically be purchased once an amount of \$250 or more has been reached.

Savings Accounts

Redemption. RESP Savings Accounts are payable in whole or in part upon request. TFSA Savings Accounts are payable in whole or in part upon request. RIF Savings Accounts are payable in whole or in part upon request.

Interest. RESP Savings Account: Interest is calculated on the daily closing balance and paid at the end of each month. Interest will be calculated on the entire balance at the interest rate for the applicable balance tier. The interest rates are subject to change. TFSA Savings Account: Interest is calculated on the daily closing balance and paid at the end of each month. Interest will be calculated on the entire balance at the interest rate for the applicable balance tier. The interest rates are subject to change. RIF Savings Account: Interest is calculated on the daily closing balance and is paid into the Investment each June 30th and December 31st. Interest will be calculated on the entire balance at the interest rate for the applicable balance tier.

Third Party Mutual Funds In-Kind Account Transfer Client Disclosure

Please read this section carefully before signing any account transfer forms. Should you have any questions after reading this disclosure, please talk to your advisor. Note that a “transfer in kind” means that you want the account transferred, as is. If you hold investment products, then the investment products may be transferred in their current state.

Transfer Timing

Registered Accounts. Under the Investment Funds Institute of Canada (IFIC) best practices guideline, transfer of registered accounts may take between 12 – 25 business days from the time of receipt by the institution initiating the transfer (“Transfer Out Institution”), with the exceptions listed below. As an industry, we are currently amending the regulations governing this timeline, as well as developing new systems to improve efficiencies and expedite this transfer process.

Locked In Accounts. These plans generally take longer to transfer, as additional documents are required in order for the institution receiving the transfer (“Receiving Institution”) to administer the account, as set out under the various Provincial and Federal Legislation. It is IMPORTANT to ensure that the account opened at the Receiving Institution is opened as “LOCKED IN”, and under the same Provincial or Federal

Legislations as your current account. Failure to do so may cause a delay in the transfer of your account.

Rejected Transfers. An account transfer request may be rejected by the Transfer Out Institution for a number of reasons, such as, insufficient funds to cover fees, account not in good standing i.e., undermargin, short position(s), etc. If, for any reason, your transfer has been rejected by the Transfer Out Institution, that institution may return the transfer to the Receiving Institution unprocessed. When the rejection has been rectified, the transfer process may begin again, and the Transfer Out Institution may then have 12 – 25 business days from the date the receipt of the transfer documents to process the transfer.

Transfer Fees

Most Institutions charge a fee to transfer investment accounts. Note that and transfer costs may vary. You understand that this request may be subject to administrative, transfer or other fees charged by the Transfer out Institution and you agree that it is your responsibility to pay any such fees.

General

Communications. Communications may take the form of notices, demands, reports, statements and trade confirmations. Unless otherwise provided for in this Agreement, we may, at our discretion, communicate with you by contacting you by phone, facsimile, electronic instruction, mail or personal delivery. It is your responsibility to keep your personal information up-to-date. All mail will be sent to the most recent address on file for you. We have the right to refuse mail communications to certain addresses including mail addresses outside of Canada. All communications mailed to you will be considered to be given and received on the third business day after they were sent, whether or not you actually received them. All communication by phone, facsimile, electronic instruction or personal delivery will be considered to be given and received on the date of transmission whether or not you actually received them. Any notice you provide us must be sent in writing to:

BMO Investments Inc.

1 First Canadian Place
100 King Street West, 43rd Floor
Toronto, Ontario M5X 1A1

Telephone Calls. We may record all of our telephone conversations with you which occur on the order phone line and may record such other phone calls as we decide. You agree that any such tapes will be admissible in court.

Records. We may maintain a database of your instructions. Our records will be conclusive and binding on you in any disputes, including in any legal proceedings, as the best evidence of your instructions, in the absence of clear proof that our records are wrong or incomplete.

Unclaimed Property. If your Account or the securities in your Account become unclaimed property within the meaning of any applicable legislation governing unclaimed property, we may take certain actions in accordance with the unclaimed property legislation that is applicable in your province of residence, including: (i) advising the applicable government agency, (ii) selling any or all of the securities in your Account for the purpose of converting your Account holdings into cash, or (iii) remitting any or all of the securities in your Account to a government agency.

No Waiver of Rights. We can delay or refrain from exercising any of our rights under this Agreement without losing them.

No Transfer of Rights or Obligations. You cannot transfer any of your rights or obligations under this Agreement to anyone else.

Successors and Assigns. This Agreement is binding on your heirs, executors, administrators, successors and assigns.

Amendments/Terminations. Unless otherwise provided for in this Agreement, we may change this Agreement at any time by giving you 30 days prior written notice, which may include communication via an electronic access device, and your continued use of one or more Accounts after the date of the amendment will be deemed your consent to such amendment. The first transaction in the Account following notification of a change to this Agreement constitutes your acceptance of the change as of the effective date set out in the notice. You cannot change this Agreement except by a written amendment signed by one of our officers. We may terminate this Agreement at any time without notice. You may terminate this Agreement at any time by giving us written notice but such termination will not affect any existing liabilities or indebtedness to us.

Severability. In the event any term or provision of this Agreement, as amended from time to time, is deemed invalid or void, in whole or in part, by any court of competent jurisdiction, the remaining terms and provisions of the Agreement will remain in full force and effect.

Other Documents. The terms, rules, procedures, fees and charges set out in any written or computer-generated instructions, manuals or other such documents relating to an Account or any Service form part of this Agreement.

Governing Law. This Agreement will be governed from time to time by the laws of the Canadian province or territory where you have your residence. If you reside outside Canada, the laws of Ontario, Canada, will apply.

Fees and Expenses

Fees and expenses payable by the funds and the fees and expenses you may have to pay if you invest in the funds are outlined in the Simplified Prospectus.

The Simplified Prospectus can be obtained:

- online at bmo.com/mutualfunds >> Legal and Regulatory Documents
- by requesting one from your nearest branch, or
- by phone through the BMO Investment Centre at 1-800-665-7700.

Privacy Disclosure & Consent

What is Personal Information?

Personal Information is information about an identifiable individual. It includes information that you have provided to us or was collected by us from other sources. It may include details such as your name, address, date of birth, gender, personal financial records, identification numbers including your Social Insurance Number, personal references, and employment records.

Why Do We Ask You For Your Personal Information?

When we collect your Personal Information, we may use or disclose it to:

- verify your identity;
- provide and manage products and services you have requested;
- understand your financial services requirements;
- protect against fraud and manage risk;
- determine suitability of products and services for you;
- better manage your relationship with us;
- determine your eligibility for certain of our products and services, or products or services of others;
- comply with legal or regulatory requirements, or as otherwise permitted by law;
- communicate with you regarding products and services that may be of interest;
- understand our customers and to develop and tailor our products and services, and
- respond to any questions you may have.

If a new purpose for using your Personal Information develops, we will identify that purpose.

Sharing Your Personal Information. We may share your Personal Information within BMO Financial Group, including locations outside of Canada where we do business, for legal and regulatory purposes, to manage credit risk and other business risks, to perform analytics, to ensure we have correct or up to date information about you (such as your current address or date of birth) and to better manage your relationship with us.

Your Choices. When you apply for a new product or service, we obtain your consent to collect, use or disclose your Personal Information for the purposes set out above.

If you prefer not to receive our Direct Marketing communications and/or not have your Personal Information shared among the members of BMO Financial Group for the purpose of marketing, you can have your name deleted from our Direct Marketing and/or shared information lists. If you want to change your privacy preferences, please let us know.

Please note that you cannot withdraw your consent to the collection, use and disclosure of your Personal Information if:

- we are legally required to collect, use or disclose your Personal Information, or
- it relates to a credit product we have granted to you where we are required to collect and exchange your Personal Information on an ongoing basis with credit bureaus, credit insurers and other lenders.

Withdrawing your consent in certain situations may also mean that we may not be able to provide you with the products or services you request.

Your Privacy. For complete details on our commitment to respect and protect the privacy and confidentiality of our customer's Personal Information, please refer to our Privacy Code, available on our website at bmo.com/privacy or at any BMO Bank of Montreal branch. From time to time, we may make changes to our Privacy Code. The Privacy Code found on our website is always the most recent version.

Complaint Handling Procedures of BMO Investments Inc.

BMO Investments has procedures in place to handle any written or verbal complaints received from clients in a fair and prompt manner. The following is a summary of those procedures:

The Mutual Fund Dealers Association of Canada's Client Complaint Information Form

Following this section of the Agreement you will find the Mutual Fund Dealers Association of Canada's Client Complaint Information Form (CCIF) that provides you with additional options for making a complaint.

How to File a Complaint with BMO Investments Inc.

1. We encourage you to speak with the Branch Manager at the BMO Bank of Montreal branch where your complaint originated and where you normally conduct business or with the BMO Investment Centre at 1.800.665.7700.
2. If your complaint remains unresolved after following step 1 the Branch Manager will escalate your complaint to BMO Investments Inc.'s Head Office. You may make your complaint directly to our Head Office at:

BMO Investments Inc. Compliance Department

1 First Canadian Place
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

Facsimile: 416.867.4015

E-mail: BMOfcomplaints@bmo.com

All complaints are forwarded to qualified compliance or supervisory personnel to be handled. We encourage you to put your complaint in writing or by e-mail where possible. Clients who choose to communicate by e-mail should be aware of possible confidentiality issues regarding internet communications. If you have difficulty putting your complaint in writing, please advise us so that we can provide you with assistance. For confidentiality reasons, we will only deal directly with you or another individual who has your express written authorization to deal with us on your behalf.

Complaint Handling Procedures. We will acknowledge by mail receipt of your complaint promptly, generally within five business days, and provide you with a copy of the CCIF and these complaint handling procedures. We will review your complaint fairly, taking into account all relevant documents and statements obtained from you, our records, our Mutual Fund Salesperson(s), other staff members and any other relevant source. Once we complete our review we will provide you with the results of our investigation in a response letter that will be mailed to you. Our response may be an offer to resolve your complaint, a denial of the complaint with reasons or another appropriate response. Our response will summarize your complaint, our findings and will contain a reminder about the option you have to escalate your complaint to the Ombudsman for Banking Services and Investments (OBSI). We will generally provide our response within ninety days, unless we are waiting for additional information from you or if your complaint raises complicated issues that require additional investigation. We will respond to communications you send us after the date of our response to the extent necessary to implement a resolution or to address any new issues or information you provide.

Settlements. If we offer you a financial settlement, we may ask you to sign a release and waiver for legal reasons.

Contacting BMO Investments Inc. You may contact us at any time to provide further information or to inquire about the status of your complaint, by contacting the individual handling your complaint.

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.ca (You may wish to consider issues of internet security when sending sensitive information by standard e-mail.)
 - 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”): You may make a complaint to OBSI after you have complained to the dealer, at either of the following times:
 - If the dealer’s Compliance Department has not responded to your complaint within 90 days of the date you complained, or
 - After the dealer’s Compliance Department has responded to your complaint and you are not satisfied with the response. **Please note you have 180 calendar days to bring your complaint to OBSI after receiving the dealer’s response.**

OBSI provides 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:
 - If you are not satisfied with the outcome or with the examination of a complaint, the Autorité des marchés financiers (“AMF”) can examine your complaint and may provide dispute resolution services.
 - If you think you are a victim of fraud, fraudulent tactics or embezzlement, you can contact the AMF to see if you meet the eligibility to submit a claim to the *Fonds d’indemnisation des services financiers* (“Financial Services Compensation Fund”). An indemnity up to \$200,000 can be payable through monies accumulated in the fund for an eligible claim.
 - For more information:
 - Contact the AMF by telephone at (418) 525-0337 (in Québec), or (514) 395-0337 (in Montréal) or toll free at 1-877-525-0337
 - Visit www.lautorite.qc.ca

Registered Plan Terms and Conditions

BMO Tax-Free Savings Account Trust Agreement (Specimen Plan No. 527-0020)

BMO Trust Company (the “Trustee”) will act as trustee of an arrangement for a BMO Tax-Free Savings Account (TFSA), as defined under the *Income Tax Act* (Canada) (the “Act”), with the applicant named in the Application or, at or after the death of the applicant, with the spouse or common-law partner who is the applicant’s survivor designated in accordance with the first paragraph of section 12. The applicant and, after the applicant’s death, the survivor is known as the Accountholder. This arrangement for a TFSA is known as the Account. The Account is governed by the terms and conditions of this Trust Agreement, the Application and applicable law including, without limitation, the Act.

The Trustee may delegate the performance of any of the Trustee’s tasks, duties and responsibilities in respect of the Account to Bank of Montreal and BMO Investments Inc. (the “Agents”). The Trustee shall, however, remain ultimately responsible for the administration of the Account.

The terms “spouse”, “common-law partner” and “survivor” have the same meanings as defined or used under the Act, as it may be altered or amended from time to time. The Accountholder is referred to as the holder in the Act.

1. **Registration.** The Trustee will file an election to register this qualifying arrangement as a Tax-Free Savings Account (TFSA) under the Act and any applicable provincial legislation relating to the TFSA. The Minister of National Revenue may decline to register this qualifying arrangement for any reason, including but not limited to, the filing of incorrect or incomplete personal information.
2. **Accountholder.** The Accountholder must be an individual (and not a trust), who is at least 18 years of age. The statement of the Accountholder's date of birth on the Application or otherwise shall constitute a certification by the Accountholder and an undertaking to furnish such further evidence of proof of age as may be required by the Trustee or the Agents.
3. **Contributions and Transfers In.** Contributions and transfers (from another TFSA) of cash and other property may be made to the Account by the Accountholder (but no one other than the Accountholder may make a contribution). The property of the Account shall consist of such contributions and transfers, together with any income or gains earned or realized, and shall be held in trust by the Trustee and used, invested or otherwise applied, in accordance with this Trust Agreement, for the purpose of the Trustee making distributions out of or under the Account (in accordance with section 10) to the Accountholder.
4. **Investments.** The Account shall be invested and reinvested by the Trustee exclusively on the instructions of the Accountholder (or of a person authorized by the Accountholder, in a form and manner satisfactory to the Trustee or the Agents, to manage the investments of the Account). The Account may be invested in investments which require delegation, such as mutual funds, pooled funds and segregated funds. The Account may be invested in investments which are issued by the Trustee, the Agents or any of their affiliates.

Bank of Montreal will be the bank and BMO Investments Inc. will be the mutual fund dealer for the Accountholder in connection with the Account. In their capacity as the bank and mutual fund dealer for the Accountholder in connection with the Account, Bank of Montreal and BMO Investments Inc. will be governed by the laws, rules and regulations applicable to banks or mutual fund dealers respectively.

Neither the Trustee nor the Agents shall have any duty or responsibility, fiduciary or otherwise (including, for greater certainty, under any legislation regarding trustee investment duties and powers) to make or choose any investment, to decide whether to hold or dispose of any investment or to exercise any discretion with regard to any investment of the Account, except as otherwise expressly provided in this Trust Agreement. Other than its duties with respect to the Account or its property as expressly stated in this Trust Agreement, the Trustee shall not be required or expected to take any action with regard to an investment without prior instructions from the Accountholder.

5. **Recordkeeping for the Account.** The Trustee will record all contributions and transfers made to the Account, all investment transactions and investment earnings, gains and losses and all distributions and transfers made from the Account. The Agents will prepare periodic statements of the Account in accordance with the rules, regulations and practices applicable to banks or mutual fund dealers respectively.
6. **Excess Contributions.** It is the responsibility of the Accountholder to determine whether there is an excess TFSA amount (as defined under the Act) of the Accountholder at any time in a year. If there is an excess TFSA amount, it is

the responsibility of the Accountholder to file an income tax return and pay the applicable tax under Part XI.01 of the Act.

7. **Contributions by Non-Resident.** It is the responsibility of the Accountholder to determine whether he/she makes a contribution to the TFSA at a time when he/she is a non-resident of Canada for income tax purposes. If a contribution is made by an individual when he/she is non-resident, it is the responsibility of the individual to file an income tax return and pay the applicable tax under Part XI.01 of the Act.
8. **Non-Qualified and Prohibited Investments.** The Trustee will exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that the Account holds a non-qualified investment (as defined under the Act) for a TFSA. However, if the Account acquires an investment that is a non-qualified investment or a prohibited investment (as defined under the Act) for a TFSA, or if property held in the Account becomes a non-qualified investment or a prohibited investment for a TFSA, it is the responsibility of the holder to file an income tax return and pay the applicable tax under Part XI.01 of the Act.
9. **Distribution to Accountholder.** The Accountholder may at any time instruct the Trustee to make a payment out of or under the Account, in satisfaction of all or part of the Accountholder's interest in the Account. The Accountholder may at any time instruct the Trustee to make distributions to reduce the amount of tax otherwise payable by the Accountholder under section 207.02 or 207.03 of Part XI.01 of the Act.
10. **Transfer to Accountholder.** The Accountholder may at any time instruct the Trustee to make a transfer of all or any part of the property of the Account (or an amount equal to its value) directly from the Account to another TFSA of which the Accountholder is the holder.
11. **Transfer upon Breakdown of Marriage or Common-Law Partnership.** The Accountholder may at any time instruct the Trustee to make a transfer directly from the Account to another TFSA of which the holder is the spouse or common-law partner or former spouse or common-law partner of the Accountholder, if (a) the Accountholder and the Accountholder's spouse or common-law partner or former spouse or common-law partner are living separate and apart at the time of transfer; and (b) the transfer is made under a decree, order or judgment of a competent tribunal, or under a written separation agreement, relating to a division of property between the individuals in settlement of rights arising out of, or on the breakdown of, their marriage or common-law partnership.
12. **Death of Accountholder.** The applicant named in the Application (in this section 12, the Initial Accountholder) may appoint his or her spouse or common-law partner as a beneficiary of the trust constituted pursuant to this Trust Agreement and the Accountholder (in this section 12, the Successor Accountholder) in the event of the death of the Initial Accountholder. Such appointment shall be made using the Application or another form provided by the Agents, and shall be effective on the death of the Initial Accountholder provided the individual who is appointed is the Initial Accountholder's survivor. A Successor Accountholder shall, at and after the death of the Initial Accountholder, have all of the Initial Accountholder's rights as the holder of the Account, provided the individual so appointed is the Accountholder's survivor. The Accountholder may change or revoke such an appointment. The rights acquired by the individual so appointed include the unconditional right, at and after the death of the Accountholder, to revoke any beneficiary designation made

(or similar direction imposed) by the Accountholder under the paragraph below or relating to the property held in connection with the Account.

The Accountholder may designate (and may add, change or delete) a beneficiary or beneficiaries of the Account in accordance with, and in the form and manner provided by, applicable law. A beneficiary so designated may be or include the Accountholder's spouse or common-law partner. After the death of the Accountholder, the Trustee will distribute the property of the Account in accordance with applicable law to any beneficiaries of the Account so designated (except that, if the Accountholder's survivor is appointed under the paragraph above, the provision of the paragraph above will take precedence). Where no beneficiary has been so designated or the Trustee has not been notified of any beneficiary in accordance with applicable law, the Trustee will distribute the property of the Account to the legal personal representative(s) of the Accountholder.

Before recognizing the acquisition of all of the Accountholder's rights under the first paragraph, or before making a distribution to a beneficiary or beneficiaries or the legal personal representative(s) under the second paragraph, the Trustee must receive satisfactory evidence of death and such satisfactory instructions, releases, indemnities and other documents as the Trustee may require.

Where the Trustee, after making reasonable requests for instructions from the Accountholder's spouse or common-law partner or the beneficiary or beneficiaries or the legal personal representative(s), does not receive satisfactory instructions within a reasonable time, the Trustee may in its discretion distribute the Account to the spouse or common-law partner, beneficiary or beneficiaries or the legal personal representative(s) of the Accountholder. The Trustee may in its discretion liquidate all or any part of the Account before making any such distribution. Any such liquidation shall be made at such prices as the Trustee shall in its discretion determine to be the fair market value of the property at the time. In the event the Trustee determines that it is advisable or desirable to pay part or all of the property of the Account into court, the Trustee shall be entitled to be indemnified out of the property of the Account for its costs and expenses, including legal costs, of doing so.

13. **Other Conditions.** The Account will be maintained for the exclusive benefit of the Accountholder (determined without regard for the right of a person to receive a payment out of or under the Account only on or after the death of the Accountholder, in accordance with section 12). While there is an Accountholder, no one that is neither the Accountholder nor the Trustee has rights under the Account relating to the amount and timing of distributions and the investing of the property of the Account.

The Trustee is prohibited from borrowing money or any other property for the purposes of the Account. The Accountholder may use his/her interest or, for civil law, right in the Account as security for a loan or other indebtedness. But the Accountholder will not sign any document or authorize any action for the Account in the name of the Trustee or the Agents, including using his/her interest or, for civil law, right in the Account (or permitting any property of the Account to be used) as security for a loan or other indebtedness, without first having authorization from the Trustee.

14. **Ceasing to be a TFSA.** The Account will cease to be a TFSA immediately before the earliest of the following times: (i) the time at which the last Accountholder dies; (ii) the time the Account ceases to be a qualifying arrangement (as defined under

the Act); or (iii) the earliest time at which the Account is not being administered in accordance with the conditions in subsection 146.2(2) of the Act. If the Account ceases to be a TFSA, the arrangement will nevertheless continue as a trust for the benefit of the Accountholder governed by this Trust Agreement and the Application, except that no further contributions or transfers may be made to the Account under section 3 and no transfers or distributions may be made under sections 10 or 11. The trust ends, and this Trust Agreement terminates, at the time when all the property of the Account has been disbursed, whether as a distribution to the Accountholder, spouse, common-law partner, a beneficiary or legal personal representative of the Accountholder or paid or charged on account of fees, commissions, expense, taxes penalties and interest.

15. **Third Party Orders or Demands.** The Trustee and/or the Agents shall be entitled to be indemnified by the Accountholder in respect of any costs, expenses, charges or liabilities whatsoever that may arise out of the Trustee's and/or the Agents' good faith compliance with any law, regulation, judgment, seizure, execution, notice or similar order or demand which lawfully imposes on the Trustee and/or the Agents a duty to take or refrain from taking any action concerning the Account or part or all of its property, or to issue payment from the Account, with or without instructions from the Accountholder or in contradiction of instructions of the Accountholder. The Trustee and/or the Agents may permit any duly authorized person to have access to and the right to examine and make copies of any records, documents, paper and books involving any transaction of the Account or related to the Account and shall similarly be entitled to indemnity out of the property of the Account for so doing. By establishing the Account the Accountholder agrees to indemnify and hold the Trustee and/or the Agents harmless for any such costs, expenses, charges or liabilities.
16. **Ownership and Voting Rights.** The Trustee may hold any property or investment of the Account in its own name, in the name of its nominee, in bearer form or in such other name as the Trustee may determine. The voting or other ownership rights attached to any investments held in the Account may be exercised by the Accountholder and the Accountholder is appointed as the Trustee's agent and attorney for this purpose, to execute and deliver proxies and/or other instruments, in accordance with applicable laws.
17. **Fees, Expenses, Taxes, Interest and Penalties.** The Trustee and/or the Agents may charge administration and transaction fees, in such amounts and at such times as may be fixed by the Trustee and/or the Agents from time to time, provided that the Trustee and/or the Agents will give reasonable prior written notice to the Accountholder of a change in the amount of such fees. Such fees may be paid for out of, or recovered from, the property of the Account, to the extent that they are not paid when due by the Accountholder.

The Accountholder acknowledges that Bank of Montreal and BMO Investments Inc. may charge fees, commissions and expenses to the property of the Account in their capacity as the banker and mutual fund dealer for the Accountholder.

The Trustee and/or the Agents may charge expenses incurred by the Trustee and/or the Agents in the administration of the Account. Such expenses may be paid out of, or recovered from, the property of the Account, to the extent that they are not paid on a timely basis by the Accountholder.

All taxes, penalties, and interest applicable to the Account, such as with regard to non-qualified investments, shall be charged to the Account. Such taxes, interest and penalties will be paid for out of, or recovered from, the property of the Account.

The Trustee may, without instructions from the Accountholder, apply any cash held in the Account for the payment of fees or expenses or taxes, penalties and interest charged to the Account. Where there is insufficient cash in the Account at any time, the Trustee or the Agents shall make reasonable requests for instructions from the Accountholder regarding which investments of the Account to liquidate in order to realize sufficient cash to make the payment. If, after making reasonable requests from the Accountholder at the last address provided by the Accountholder, the Trustee or the Agents do not receive satisfactory instructions from the Accountholder within a reasonable time, the Trustee may, in its discretion, liquidate part or all of the property of the Account in order to realize sufficient cash to make the payment. Any such liquidation shall be made at such prices as the Trustee may in its discretion determine to be the fair market value of the property at the time.

18. **Instructions.** The Trustee and the Agents shall be entitled to rely upon instructions received from the Accountholder or from any person designated in writing, in accordance with applicable laws, by the Accountholder to give instructions on behalf of the Accountholder or from any person purporting to be the Accountholder or such designated person, as if they were from the Accountholder. The Trustee or the Agents may, without incurring any liability to the Accountholder or any other person, decline to act upon any instruction if the instruction is not given in a timely manner, is not in writing where the Trustee or Agents require it, is not in a form or format which the Trustee or Agents require, or in the opinion of the Trustee or Agents is not complete or does not otherwise comply with the Trustee's or Agents' other requirements at such time; or if any of them has any doubt that the instruction has been properly authorized or accurately transmitted.
19. **No Liability.** Neither the Trustee nor the Agents shall be liable to the Accountholder (or to the spouse or common-law partner or the Accountholder, or any beneficiary or legal personal representative of the Accountholder) for any loss to or diminution of the property of the Account or for any other losses, expenses, taxes, interest and penalties, damages, claims or demands resulting from any of its acts or omissions, or for acting in accordance with instructions or failing to act in the absence of instructions, except to the extent that it is caused by their negligence, willful misconduct or lack of good faith.

The Trustee and/or the Agents shall be entitled to be indemnified by the Accountholder for all costs, expenses, taxes, interest or penalties, charges or liabilities of whatever nature or kind resulting from good faith acts in accordance with instructions or failures to act in the absence of instructions.
20. **Amendment.** The Trustee may from time to time in its discretion amend this Trust Agreement or the Application which comprise the Account by giving 30 days prior notice to the Accountholder; provided however that any amendment shall not disqualify the Account as a TFSA acceptable for registration under the Act or any applicable provincial legislation.
21. **Replacement of Trustee.** The Trustee may resign upon 60 days' prior written notice given to the Agents (or such shorter notice as the Agents may accept). The Agents may terminate the Trustee as trustee upon 60 days prior written notice given to the

Trustee (or such shorter notice as the Trustee may accept). Upon the resignation or termination of the Trustee, the Trustee shall be released and discharged from all duties and liabilities under this Trust Agreement. Where the Trustee resigns or is terminated, the Agents shall appoint a successor trustee who is permitted to be the issuer of a TFSA under the Act. The Agents shall give the Accountholder written notice of the successor trustee within 30 days of the appointment.

22. **Notice.** Any notice given by the Trustee to the Accountholder regarding the Account (including this Trust Agreement) shall be sufficiently given if it is delivered to the Accountholder personally or if it is mailed, postage prepaid, to the Accountholder at the address set out in the Application or the last address provided by the Accountholder. If mailed, any such notice shall be deemed to have been delivered by the tenth business day following the day of mailing.
23. **Binding.** The terms of this Trust Agreement shall be binding upon the survivor, beneficiaries, heirs, executors and administrators of the Accountholder and upon the respective successors and assigns of the Trustee and the Agents. This Agreement may be assigned by the Trustee at any time to a person who is permitted to be the issuer of a TFSA under the Act; however the Accountholder may not assign this Trust Agreement.
24. **Governing Law.** This Trust Agreement shall be governed by and interpreted in accordance with the laws of the jurisdiction in Canada in which the branch of the Agents (or an affiliate) is located where the Account is maintained.

BMO Mutual Funds Retirement Savings Plan Trust Agreement (Specimen Plan No. RSP 527-002)

BMO Trust Company (the "Trustee") hereby declares that it agrees to act as trustee for the accountholder (the "Annuitant") named in the application for a BMO Mutual Funds Retirement Savings Plan (the "Plan"), the assets of which will be invested in units of the mutual funds named in the application for the Plan, upon the following terms:

1. **Registration.** The Trustee will apply for registration of the Plan as a registered retirement savings plan pursuant to the provisions of the *Income Tax Act* (Canada) (the "Act") and, if applicable, the provisions of any income tax legislation of the Province indicated in the Annuitant's address shown in the application for the Plan. The Act and such applicable provincial income tax legislation are hereinafter collectively referred to as the "Applicable Tax Legislation". The word "spouse" or "common-law partner" used herein has the meaning assigned under the Act as it may be amended or replaced from time to time.
2. **Annuitant's Account.** An account will be maintained by the Trustee in the name of the Annuitant, which account will record the contributions made to the Plan by the Annuitant or the Annuitant's spouse or common-law partner and the investments held by the Trustee in the name of the Annuitant under the Plan.
3. **Purpose of the Plan.** Contributions to the Plan received by the Trustee, and any income earned on investments in the Plan, shall be held in trust until maturity of the Plan to provide a retirement income for the Annuitant as provided in paragraph 11 or, upon amendment of the Plan, for the transfer of all or a portion of the value of the investments and accumulated income of the Annuitant to the carrier of a registered retirement income fund under which the Annuitant is the annuitant

pursuant to subsection 146(16) of the Act and the corresponding provisions of other Applicable Tax Legislation.

- 4. Investment in Units of the Funds.** The application for the Plan indicates the Annuitant's choice of investments offered in the Plan, which are units of mutual funds as may be made available from time to time (hereinafter individually referred to as a "Fund" and collectively referred to as the "Funds"). The Trustee shall invest contributions to the Plan in accordance with the Annuitant's instructions. At any time the Annuitant may, in such form as the Trustee shall provide for this purpose, direct that units of one Fund held by the Plan be exchanged for units of another Fund, subject to and in accordance with the Simplified Prospectus/Fund Facts relating to the Funds. All income and other distributions received by the Trustee in respect of units of a Fund held under the Plan shall forthwith after receipt thereof be reinvested in units of the same Fund, at the then current offering price thereof. All investments made by the Trustee for the Annuitant shall be credited by the Trustee to the Annuitant's account. The Trustee shall send a quarterly statement to the Annuitant setting forth the details of the investments held for the Annuitant under the Plan.

Where the Annuitant's contribution is in the form of an investment in a BMO MatchMaker[®] Strategic Portfolio, the portion of the portfolio invested in any specific Fund may vary from time to time. Please refer to the terms and conditions relating to BMO MatchMaker portfolios set out above. "Confirmations" for the transactions associated with these changes will not be distributed to the Annuitant but will be reported on the Annuitant's statement.

- 5. Contributions.** The minimum initial contribution and minimum subsequent contributions to the Plan for each Fund are set out in the application for the Plan. Where permitted by the applicable Fund Facts, units of a Fund may also be purchased in accordance with a Continuous Savings Plan or a similar type of purchase plan described in the Fund Facts. A contribution received from the Annuitant or the Annuitant's spouse or common-law partner by the Trustee will be invested not later than five days following receipt by the Trustee of the said contribution. No contribution may be made after maturity.

It shall be the responsibility of the Annuitant or the Annuitant's spouse or common-law partner, as the case may be, to ensure that the amount of contributions made by him or her to the Plan does not exceed the maximum permitted for tax deduction under the provisions of the Applicable Tax Legislation. Subject to Applicable Tax Legislation, the Trustee shall, upon written application by the Annuitant or the Annuitant's spouse or common-law partner, refund to that accountholder an amount where the amount is paid to reduce the amount of tax otherwise payable under Part X.1 of the Act. The application must be in a form satisfactory to the Trustee. It is the sole responsibility of the accountholder to ensure that any payment requested in accordance with this paragraph is, as regards such individual, the amount referred to above.

- 6. Other Investment Vehicles.** It is acknowledged that BMO Investments Inc. and/or Bank of Montreal may from time to time make available the opportunity to invest assets of the Plan in additional vehicles sponsored or managed by the BMO Investments Inc. and/or Bank of Montreal and qualified for investment by registered retirement savings plans under the Applicable Tax Legislation. In that event, the Annuitant shall have the opportunity to elect that a part or the whole of the assets of the Plan be allocated to such other vehicles and, if the Annuitant so

elects, then the Trustee may accept and implement the election. The provisions of these Terms and Conditions shall be construed so as to permit such allocation on the basis of the current offering price at which such other vehicles are offered.

7. **Suspension or Termination of Contributions.** Notwithstanding anything hereinbefore contained, in the event that certain of the Funds or additional investment vehicles offered pursuant to paragraph 6 become unavailable for investment or are not qualified investments for registered retirement savings plans under the Applicable Tax Legislation, the Trustee may invest and keep invested any cash in the Plan in such securities as the Trustee may from time to time consider advisable or it may suspend for such period as it shall determine, or may terminate, the right of the Annuitant or the Annuitant's spouse or common-law partner to make further contributions to the Plan. In the event of the termination by the Trustee of such right, no further contributions to the Plan shall be received from the Annuitant or the Annuitant's spouse or common-law partner but the Plan shall continue to be administered by the Trustee for the Annuitant in order to provide the Annuitant with a retirement income. In making any investments for the purposes of the Plan, the Trustee shall not be limited or confined to investments authorized under any provincial statute relating to trustees or the Trust and Loan Companies Act (Canada) but shall only make investments that are qualified investments for registered retirement savings plans under the provisions of the Applicable Tax Legislation.

The Trustee will exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that the Plan will hold a non-qualified investment (as defined under the Act) for a registered plan. The controlling individual (the Annuitant), of a registered plan that governs a trust shall be required to pay a tax under 207.04(1) of the Act for a calendar year if, at any time in the year,

- (a) the trust acquires property that is a prohibited investment, or a non-qualified investment, for the trust; or
- (b) property held by the trust becomes a prohibited investment, or a non-qualified investment for the trust.

8. **Receipts.** The Trustee shall forward to the Annuitant in each year a receipt or receipts to be filed with the Annuitant's tax return with respect to the contributions made by the Annuitant under the Plan in the preceding calendar year and the first 60 days of the year. The Trustee shall, if the Annuitant's spouse or common-law partner has made a contribution to the Plan in the first 60 days of the year or in the preceding calendar year, forward a receipt or receipts to the Annuitant's spouse or common-law partner to be filed with the spouse's or common-law partner's tax return showing the contributions so made.
9. **Fees.** The Trustee may charge and receive such fees and other charges for trustee and administrative services and for transactions as may be established by it from time to time for the Plan. The fees and other charges are payable from the assets of the Plan, and the Trustee is authorized to retain in cash uninvested such portion of the contributions made to the Plan and/or income and other distributions in respect of assets of the Plan as it may in its discretion consider advisable to cover payment of them. BMO Investments Inc., as the Trustee's agent, is authorized to establish the amount of the fees and other charges and to take all steps to charge, receive and recover them from the Planholder.

10. **Date of Birth.** When making an application for the Plan the Annuitant must indicate his or her Social Insurance Number. The Annuitant's statement of his or her date of birth in the application for the Plan shall be deemed to be a certification and undertaking to provide any further evidence of proof of age that may be required on maturity of the Plan.
11. **Retirement Income Provision.** The Annuitant may, upon at least 60 days written notice to the Trustee, or upon such shorter period of notice as the Trustee may in its sole discretion permit, specify the date for the commencement of a retirement income, which date shall be not later than the last day of the calendar year in which the Annuitant attains age 71, or such later age as is permitted by the Act, (such date being referred to herein as "maturity") or direct the Trustee to amend the Plan in order to permit the transfer of the assets held under the Plan to a registered retirement income fund under which the Annuitant is the annuitant pursuant to subsection 146(16) of the Act and the corresponding provisions of other Applicable Tax Legislation. Any retirement income purchased by the Trustee hereunder shall, at the option of the Annuitant, be:
- (i) an annuity payable to the Annuitant for the Annuitant's life, or to the Annuitant for the lives jointly of the Annuitant and the Annuitant's spouse or common-law partner and to the survivor of them of his or her life, commencing at maturity and with or without a guaranteed term not exceeding such period of time calculated in accordance with the formula set out in the following clause (ii) of this paragraph 11; or
 - (ii) an annuity commencing at maturity payable to the Annuitant, or to the Annuitant for the Annuitant's life and to the Annuitant's spouse or common-law partner after the Annuitant's death, for a term of years equal to 90 minus either the age in whole years of the Annuitant at the maturity of the Plan or, where the Annuitant's spouse or common-law partner is younger than the Annuitant and the Annuitant so elects, the age in whole years of the Annuitant's spouse or common-law partner at the maturity of the Plan; or
 - (iii) any combination thereof. Any annuity so acquired:
 - (a) shall pay equal annual or more frequent periodic amounts which may only be increased or reduced as permitted by paragraph 146(3)(b) of the Act and the corresponding provisions of other Applicable Tax Legislation;
 - (b) may provide for full or partial commutation and, where such commutation is partial, shall pay equal annual or more frequent periodic payments thereafter which may only be increased or reduced as permitted by paragraph 146(3)(b) of the Act and the corresponding provisions of other Applicable Tax Legislation;
 - (c) shall not provide for periodic payments in a year under the annuity after the death of the first annuitant, the aggregate of which exceeds the aggregate of the payments under the annuity in a year before that death;
 - (d) shall by its terms not be capable, in whole or in part, of assignment; and
 - (e) shall provide for commutation if such annuity would become payable to a person other than the Annuitant, or in the event of the Annuitant's death, to the Annuitant's spouse or common-law partner.

If the Annuitant fails to instruct the Trustee in accordance with this paragraph before the end of the year in which the Annuitant attains 71 years of age, or such later age as is permitted by the Act, the Trustee shall amend the Plan on December 31 of such year to transfer the assets or the value thereof to a registered retirement

income fund under which the Annuitant is the annuitant and Bank of Montreal or a related company is the carrier or acts as agent of the carrier pursuant to subsection 146(16) of the Act and the corresponding provisions of other Applicable Tax Legislation and the Trustee is authorized to complete any necessary documentation on behalf of the Annuitant. In this case the Planholder will be deemed to have instructed the Trustee to open such registered retirement income fund on such terms as the Trustee determines and to make such transfer.

12. **Withdrawals.** The Annuitant may, at any time before the purchase of a retirement income and upon 10 business days written notice to the Trustee, or upon such shorter period of notice as the Trustee in its sole discretion may permit, request that the Trustee pay to the Annuitant, subject to the deduction of all proper charges, including income tax, if any, required to be withheld, all or part of the assets held under the Plan and the Trustee may liquidate any investments held under the Plan to the extent necessary for this purpose.
13. **Death before Maturity.** In the event of the death of the Annuitant prior to maturity, the Trustee shall, upon receipt of satisfactory evidence thereof and such releases and other documents as the Trustee may require, realize the interest of the Annuitant in the Plan, and hold the proceeds of such realization (the "Proceeds") in trust for payment in a lump sum in accordance with this provision.

If permitted by applicable law and recognized by the Trustee for such purpose, the Annuitant may designate in the following manner one or more beneficiaries to receive the Proceeds in the event of his/her death prior to maturity of the Plan. A beneficiary designation under this Plan can only be made, altered or revoked by an instrument in a form provided by the Trustee for such purpose, dated and signed by the Annuitant and filed with the Trustee at the branch of account for the Plan, before any payment of the Proceeds is made. If more than one legally valid designation has been so filed and if such designations are inconsistent then to the extent of such inconsistency the Trustee shall make payment only in accordance with the designation bearing the latest execution date and such designation shall be determinative of any inconsistency. If no legally valid beneficiary designation is in effect at the time a payment of the Proceeds is to be made or if all beneficiaries who have been so designated predecease the Annuitant, the Annuitant will be deemed to have elected that such payment be made to his/her estate as beneficiary and the Proceeds will be paid to the legal personal representative(s) of the Annuitant.

In all cases, the Proceeds will be subject to the withholding of any applicable tax and deduction of all proper charges. The Trustee shall be fully discharged from any further obligations and liability in connection with the Plan upon payment being made in accordance with this provision even though such designation may be invalid as a testamentary instrument.

14. **Notice.** You may give us instructions verbally, electronically, by personal delivery, by facsimile or by mail, postage pre-paid, addressed to us or the Agent or any other address that we designate, and shall be deemed to have been received, if mailed, on the third business day after mailing or, if sent electronically or by facsimile transmission, on the day sent. We may give you any notice, statement or receipt by personal delivery or mail, postage prepaid, at the address you gave on your Application. If you notified us or the Agent about your new address, any notice,

statement or receipt from us or the Agent will be considered to have been given to you at the time of personal delivery, or if mailed, on the third business day after mailing.

15. **Amendments.** The Trustee may from time to time in its discretion amend these Terms and Conditions with, if required, the concurrence of the authorities administering any Applicable Tax Legislation by giving 30 days' notice in writing to the Annuitant; provided, however, that any such amendments shall not have the effect of disqualifying the Plan as a registered retirement savings plan within the meaning of the Applicable Tax Legislation, and provided further that any amendment to ensure that the Plan continues to comply with the Act and applicable provincial legislation may take effect on a date that is prior to the date on which notice is given.
16. **Successor Trustee.** Where the Trustee desires to resign and be discharged from the trusts hereof, or is for any reason incapable of acting as Trustee hereunder, BMO Investments Inc. is nominated for the purpose of appointing a successor trustee hereunder to be trustee hereof in the place of the Trustee, and any successor trustee shall, upon acceptance of the trusts hereof, be the Trustee hereof for all purposes as if such successor trustee had been the original declarant hereof. Such successor trustee shall, within 90 days of its appointment, give written notice of its appointment to the Annuitant.
17. **Restrictions on Advantages.** No advantage (as defined in section 207.01 of the Act) in relation to the Plan may be extended to, or be received or receivable by, the Planholder, the Fund or any other person with whom the Planholder does not deal at arm's length. The tax on an advantage is payable by the Annuitant, except in cases where the advantage has been extended by the Issuer.
18. **Limitation of Liability and Indemnity.** The Trustee shall not be liable to the Planholder (or to any beneficiary or legal personal representative of the Planholder) for any loss to or diminution of the Fund or for any other losses, expenses, taxes, interest and penalties, damages, claims or demands resulting from any of its acts or omissions, or for acting in accordance with instructions or failing to act in the absence of instructions, except to the extent that it is caused by its negligence, willful misconduct or lack of good faith. The Trustee shall be entitled to be indemnified by the Planholder for all costs, expenses, taxes, interest or penalties, charges or liabilities of whatever nature or kind resulting from good faith acts in accordance with instructions or failures to act in the absence of instructions. The Trustee shall not be liable for any loss or diminution of the assets of the Plan, except due to its own negligence, willful misconduct or lack of good faith.
19. **Appointment of Agent.** The Trustee may appoint an agent to perform certain administrative duties relating to the operation of the Plan. The Trustee is a wholly-owned subsidiary of Bank of Montreal, and the Annuitant expressly authorizes the Trustee, in its discretion, to appoint Bank of Montreal or an affiliate of Bank of Montreal as its agent. The Trustee acknowledges and confirms that if an agent is appointed ultimate responsibility for administration of the Plan remains with the Trustee.
20. **Governing Law.** These Terms and Conditions shall be construed and enforced in accordance with the laws of Ontario and the laws of Canada applicable therein.

BMO Retirement Income Fund Trust Agreement

(Specimen Plan No. 076)

We, BMO Trust Company (the “Trustee”), are a trust company incorporated under the laws of Canada. (The words “us” and “our” refer only to BMO Trust Company.) You are the individual named as the Annuitant (“Planholder”) in the Application. We will act as your trustee for the BMO Retirement Income Fund (the “Plan”) on the terms and conditions set out below:

1. **Registration.** The Trustee will apply for registration of the Plan under the Act and any applicable provincial legislation relating to retirement income funds. The Minister of National Revenue may decline to register the Plan for any reason, including but not limited to, the filing of incorrect or incomplete personal information.
2. **Establishing and Contributing to the Plan.** To establish the Plan and make further contributions to the Plan, we will only accept cash or other property (the “Property”) that is transferred from:
 - a) a “registered retirement savings plan” under which you are the “annuitant”, both within the meaning of the Act;
 - b) another “registered retirement income fund” under which you are the “annuitant”, both within the meaning of the Act;
 - c) you, only to the extent Property was an amount described in subparagraph 60(l)(v) of the Act and the corresponding provision of any Applicable Tax Legislation;
 - d) a “registered retirement income fund” or a “registered retirement savings plan” of your “spouse” or “common-law partner”, “former spouse” or “former common-law partner” (within the meaning of the Act) under a decree, order or judgment of a competent tribunal or a written separation agreement, relating to a division of property between you and your spouse, common-law partner or former spouse, former common-law partner to settle rights arising from or on the breakdown of your marriage or common-law partnership;
 - e) a “registered pension plan” within the meaning of subsection 147.1(1) of the Act of which you are a member;
 - f) a “registered pension plan” within the meaning of subsections 147.3(5) or 147.3(7) of the Act;
 - g) a specified pension plan to which subsection 146(21) of the Act applies; and
 - h) a specified pension plan to which subsection 146.3(2)(f)(vii) of the Act applies.

All Property that is transferred to the Plan under this paragraph and any income or gains on the Property comprises the “Plan Assets”.

3. **Investments.** We will invest and reinvest the Plan Assets according to your instructions, in investments which are available for investment by the Plan and permitted by Applicable Tax Legislation. We will not be restricted by any laws which limit investments that trustees can make, except for the Act and Applicable Tax Legislation. We will invest any cash transferred to the Plan according to your instructions. If we do not have instructions from you, we will deposit your cash in an interest bearing account with us or Bank of Montreal. We will credit interest to the Plan at the rates and times we determine, in our sole discretion. Any gain or loss on the deposited cash will be for the account of the institution where the cash is deposited. We may receive a fee for any cash deposited in an account at Bank of Montreal. Where your contribution is in the form of an investment in a “Matchmaker® Strategic Investment Service” portfolio, BMO Investments Inc.,

the administrator of the account, will maintain the predetermined weighting of each Fund held in the portfolio through periodic reallocations (within the account) which will return each Fund within the portfolio to its predetermined weighting. "Confirmations" for the transactions associated with this regular reallocation process will not be distributed to you but will be reported on your statement.

4. **Purpose of the Plan.** The purpose of the Plan is to make payments to you (or, in certain circumstances after your death, your spouse or common-law partner) as consideration for the Property you transfer to the Plan under paragraph 2. We will make one or more payments, which, in total for each year, are at least equal to the minimum amount under the Plan for the year. The minimum amount is calculated according to the rules in paragraph 5.
5. **Rules on Payments from the Plan.** The following rules apply to the payments we make to you under paragraph 4.
 - a) At any time, you may elect for your spouse or common-law partner to receive these payments after your death for as long as there are Plan Assets in the Plan. You may make this election under your will or by naming your spouse or common-law partner as a designated beneficiary under the Plan as described in paragraph 10 of this declaration. If you have not made this election, then, after your death, we may make the payments to your spouse or common-law partner as long as your legal representative consents and gives us satisfactory evidence of that consent.
 - b) Payments must begin no later than the first calendar year after the year in which you establish the Plan.
 - c) A payment cannot be greater than the value of the Plan's Assets immediately before the time of the payment.
 - d) The minimum amount referred to in paragraph 4 is calculated according to the rules below.
 - i) For the year you establish the Plan, the minimum amount is zero.
 - ii) For each following year, we calculate the minimum amount by multiplying the value of the Plan's Assets at the beginning of the year by a factor prescribed under the Act which corresponds to your age in whole years at the beginning of the year (or the age you would have been if you had been alive then). However, as long as we have not made any payment from the Plan, you may elect to use a factor which corresponds to your spouse's or common-law partner's age in whole years at the beginning of the year (or the age your spouse or common-law partner would have been if your spouse or common-law partner had been alive then).
 - e) You must specify in your Application or on a form we provide to you or any form we consider appropriate, the amount and frequency of the payments referred to in this paragraph. You may change the amount and frequency of these payments by giving us written instructions on the form we provide to you for this purpose or any other form we consider appropriate.
 - f) If you do not specify the amount of the payment to be made in a year or if the amount you specified is less than the minimum amount for a year, we will make payments to you, which we consider necessary so that the minimum amount for that year is paid to you.
 - g) To ensure that there is cash in the Plan to make the payments you specify, you must give us written instructions on which of the Plan's assets you would like us to sell. If we do not receive these instructions 30 days before a payment is

required, we will sell any of the Plan's assets that we, in our sole discretion, consider appropriate to provide the required cash. We will not be liable for any loss that results from this action.

- h) No payment or any part of a payment from the Plan can be assigned.
- i) We will only make the payments described in paragraphs 4, 8 and 11 of this declaration. However, before making any payments under this declaration, we may charge against the Plan the amount of any taxes (including any interest and penalties) that are or may become payable by the Plan under the Act, any Applicable Tax Legislation or any other applicable legislation and any fees owed to us under paragraph 14.

6. **Statement of Your Account.** We will maintain an account in your name to record:

- a) the Plan's Assets;
- b) purchases and sales of investments we hold for you in the Plan; and
- c) payments from the Plan.

On an annual basis, we will send or arrange to be sent to you and, where applicable, your spouse or common-law partner, a statement of your account, so that you, or where applicable, your spouse or common-law partner, can report payments from the Plan for income tax purposes.

7. **Transferring From the Plan.** You may send us written instructions to transfer Plan Assets to:

- a) a registered retirement savings plan or a registered retirement income fund (both within the meaning of the Act) under which you are the annuitant;
- b) a registered retirement savings plan or a registered retirement income fund (both within the meaning of the Act) under which your spouse, common-law partner or former spouse, former common-law partner (within the meaning of the Act), from whom you are living apart, is the annuitant and the payment or transfer is made under a decree, order or judgment of a competent tribunal, or a written separation agreement, relating to a division of property between you and your spouse, common-law partner or former spouse, former common-law partner to settle rights arising out of your marriage or common-law partnership, on or after the breakdown of your marriage or common-law relation partnership; or
- c) to a person licensed or otherwise authorized to carry on an annuities business in Canada for the purchase of an annuity for you as long as the annuity meets the requirements below:
 - i) an annuity, with or without a guaranteed term, for your life or the lives jointly of you and your spouse or common-law partner. Any guaranteed term cannot be more than 90 minus your age or your spouse's or common-law partner's age, at the time the annuity is purchased; or
 - ii) a fixed-term annuity with a term equal to 90 minus your age or your spouse's or common-law partner's age, at the time the annuity is purchased. The annuity must start to make payments no later than one year after it is purchased. The annuity cannot provide for any payments except:
 - iii) annual or more frequent periodic payments that are equal to each other or not equal only because of adjustments described in the Act;
 - iv) payments in full or partial commutation of the annuity and, when the commutation is partial, annual or more frequent periodic payments after the commutation that are equal to each other or not equal only because of adjustments described in the Act.

8. **Effecting a Transfer.** A transfer under paragraph 8 may be done by:
- a) transferring all or a portion of the Plan's Assets; or
 - b) selling all or a portion of the Plan's Assets and transferring an amount equal to the proceeds of sale of those assets less any costs of sale; less:
 - c) any taxes (including any interest and penalties) that are or may become payable by us or the Plan;
 - d) any amount required to be withheld on account of your liability for income tax as a result of transferring Plan Assets; and
 - e) any fees owed to us under paragraph 14 of this declaration. If the transfer is to another registered retirement income fund, we will retain an amount equal to the lesser of:
 - f) the value of that portion of the Plan Assets, if their value does not decline after the transfer, that would be sufficient to ensure that the minimum amount under the Plan for the year in which the transfer is made can be paid to you in that year; and
 - g) the fair market value of all of the Plan Assets. When we receive instructions from you to transfer Plan Assets under paragraph 8, we will transfer the Plan Assets according to applicable law within a reasonable time after we have received all fully completed forms that are required by law. When the transfer of the Plan's Assets is completed, we will have no liability or duty to you for the Plan's Assets, which were transferred or sold to effect the transfer. If the Plan Assets are being transferred to another registered retirement income fund where you are the annuitant, we will also transfer any information necessary for the Plan to continue.

If you would like only a portion of the Plan's Assets to be transferred, you may give us written instructions on which of the Plan's Assets you would like us to transfer or which assets you would like us to sell to effect a transfer; otherwise, we will transfer or sell any of the Plan's Assets that we, in our sole discretion, consider appropriate.

9. **Designating a Beneficiary under the Plan.** You may designate one or more beneficiaries to receive the Plan's Assets or the proceeds (the "Proceeds") from the sale of the Plan's Assets on your death. You may make, change or revoke a beneficiary designation by completing, dating and signing the form we provide or any other form we consider appropriate for this purpose. This form must be delivered to us before we pay any Proceeds. If more than one form has been delivered to us or the forms we have received are inconsistent, we will pay the Proceeds according to the form with the last signature date. We will be fully discharged of any liability under this declaration when we pay the Proceeds or transfer the Plan's Assets to the beneficiary designated by you even though the designation, as a testamentary instrument, may be invalid.
10. **Death.** On your death, we will continue to pay the amounts described under paragraph 4 to your spouse or common-law partner, according to this declaration, if your spouse or common-law partner is your designated beneficiary under the Plan or entitled to the payments under your will. If your spouse or common-law partner is not your designated beneficiary under the Plan and is not entitled to receive these payments under your will, we may make the payments to your spouse or common-law partner as long as your legal representative consents and gives us satisfactory evidence of that consent. Otherwise, we will immediately sell the Plan's Assets and pay the Proceeds to the designated beneficiary under the Plan. If you have

not designated a beneficiary or your designated beneficiary has predeceased you we will pay the Proceeds to your estate. The following will be deducted from any Proceeds paid under this paragraph:

- a) any costs of the sale or other related fees and charges;
- b) any taxes (including any interest and penalties) that are or may become payable by us or the Plan; and
- c) any amount required to be withheld on account of your liability for income tax from paying a lump sum to your designated beneficiary or your estate.

Before taking any action under this paragraph, we must receive evidence of your death and a release which is satisfactory to us.

11. **Ownership and Voting Rights.** Any investment held in the Plan will be held in our name, our nominee's name, bearer form or any other name that we determine. The voting rights attached to the securities held under the Plan and credited to your account may be exercised by you and for this purpose, you are hereby appointed as our agent and attorney to execute and deliver proxies and/or other instruments mailed by us to you according to applicable laws.
12. **Amendments.** We may amend the terms of the Plan, in our sole discretion as long as:
 - a) we obtain approval from the authorities administering the Act and any Applicable Tax Legislation, if required;
 - b) the amendment does not disqualify the Plan as a registered retirement income fund within the meaning of the Act or it is being made to satisfy a requirement of the Act or any Applicable Tax Legislation.

We will give you thirty days written notice of any amendment.

13. **Trustee Fees.** As compensation for our services under the Plan, we will receive:
 - a) any reasonable fees and other charges that we establish from time to time; and
 - b) reimbursement for all costs and disbursements reasonably incurred by us in performing our duties under this declaration.

We may change the amount of our fees or charges in the future by giving you reasonable notice. All amounts payable to us under this paragraph will be charged against and deducted from the Plan's Assets, unless the amounts were previously paid separately. We may sell any of the Plan's Assets that we, in our absolute discretion, consider appropriate to pay the amounts described in this paragraph.

14. **Delegation.** We will be responsible for administering the Plan according to the Act, any Applicable Tax Legislation and the terms of this declaration. Without limiting our responsibility, you authorize us to, and we may delegate to Bank of Montreal or an affiliate of Bank of Montreal (the "Agent"), as our agent, the performance of the following tasks:
 - a) receiving transfers under paragraph 2 of this declaration and accepting your Application;
 - b) investing and reinvesting the Plan's Assets according to the terms of this declaration;
 - c) holding the Plan's Assets in safekeeping;
 - d) maintaining your account as required under this declaration;
 - e) providing you with statements as required under this declaration;
 - f) collecting and remitting our compensation to us;
 - g) determining the form of any instructions to be provided by you;

- h) receiving and implementing instructions from you;
- i) calculating and making the payments to you that are required under this declaration; and
- j) any other tasks that must be performed to administer the Plan and which we specify in writing to the Agent.

We will remain ultimately responsible for the administration of the Plan under the provisions of this declaration.

15. **Liability of Trustee.** We are not responsible for determining whether an investment we make according to your instructions is “foreign property” within the meaning of the Applicable Tax Legislation.

We will not be liable for any cost incurred in performing our duties under this declaration, the Act or any Applicable Tax Legislation. Unless caused by our bad faith, willful misconduct or gross negligence, we will not be liable for any loss or damage suffered or incurred by the Plan, you or any beneficiary under the Plan, caused by or resulting from (1) any loss or diminution of the Plan’s Assets; (2) the purchase, sale or retention of any investment (3) payments out of the Plan that are made according to this declaration; or (4) acting or declining to act on any instructions given to us by you or an individual purporting to be you. You, your heirs, executors, administrators or legal representatives and each beneficiary under the Plan will at all times indemnify us for any taxes, interest, penalties or charges levied or imposed on us in respect of the Plan, costs incurred by us in performing our duties under this declaration or any losses (other than losses for which we are liable under this paragraph) incurred by the Plan as a result of (1) any loss or diminution of the Plan’s Assets; (2) purchase, sale or retention of any investment; (3) payments or distributions out of the Plan made according to these terms and conditions; or (4) acting or declining to act upon any instructions given to us, whether by you, a person designated by you or any person purporting to be you or the person designated by you.

16. **Non-Qualified Investments.** The Trustee will exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that the Plan holds a non-qualified investment (as defined under the Act).

17. **Replacing Trustee.** We may resign from our position as trustee under the Plan by providing 60 days written notice to the Agent or any shorter period that is acceptable to the Agent. The Agent may remove us from our position as trustee under the Plan by providing 60 days written notice to us. Our resignation or removal will be effective on the date the Agent replaces us with another trustee (the “Replacement Trustee”). The Replacement Trustee will be a corporation resident in Canada and authorized under the laws of the Province indicated by your address in the Application to carry out the duties and responsibilities as trustee under the Plan. If the Agent does not appoint a Replacement Trustee within 10 days after the Agent has received notice of our resignation or given us notice of our removal, we may appoint a Replacement Trustee. On the date our resignation or removal becomes effective, we will sign and deliver to the Replacement Trustee all conveyances, transfers and further assurances that may be necessary or desirable to give effect to the appointment of the Replacement Trustee.

18. **Notices.** All instructions from you must be in writing. You may give us instructions by personal delivery or by mail, postage pre-paid, addressed to the Agent at the branch

of account for the Plan or any other address that we designate. Any instructions from you will be considered to have been given to us at the time of personal delivery to the Agent, or if mailed, on the day the Agent actually receives it. We may give any notice, statement or receipt to you by personal delivery or mail, postage prepaid, at the address you gave on your Application. If you notified us about your new address, any notice, statement or receipt will be sent to the last address we received notice about. Any notice, statement or receipt from us will be considered to have been given to you at the time of personal delivery, or if mailed, on the third day after mailing.

19. **English Language.** The parties hereto have requested that the Plan be established in English. *Les parties ont demandé que le régime soit rédigé en anglais.*
20. **Governing Law.** The terms of the Plan will be construed, administered and enforced according to the laws of the Province of Ontario and the federal laws of Canada applicable in Ontario.
21. **Instructions.** We will be entitled to rely upon instructions we receive from you, any person you designate to us in writing and any person purporting to be you or the person designated by you. We may decline to act upon any verbal or electronically transmitted instruction if we have any doubt that the instruction has been properly authorized or accurately transmitted.
22. **Binding.** The terms of this Declaration of Trust will be binding upon your heirs, executors, administrators and permitted assigns and our successors and assigns.

BMO Education Savings Plan (Individual Plan) Trust Agreement (Specimen Plan No. 1040002)

We, BMO Investments Inc., are the promoter of the BMO Education Savings Plan (the "Plan"). (The words "us" and "our" refer only to BMO Investments Inc.) You are the subscriber or subscribers to the Plan. If there is more than one subscriber to the Plan at the same time, "you" refers to each and every subscriber.

The Plan is an agreement between you and us on the following terms and conditions. The application (the "Application") forms part of this agreement. The purpose of the Plan is to make Educational Assistance Payments to or for the Beneficiary. The Application becomes effective, and the Plan is entered into, at the time it is accepted by us.

As the promoter, we have ultimate responsibility for the Plan under the Applicable Tax Legislation and for the administration of the Plan. BMO Trust Company (the "Trustee") will be the trustee for the property of the Plan. The Trustee has ultimate responsibility for the administration of all applicable federal and provincial grants and incentives ("Grants").

1. **Property of the Plan Held in Trust.** The Trustee agrees to hold the property of the Plan irrevocably in trust, pursuant to the Plan, for any one or more of the following purposes as defined in section 146.1(2)(f) of the Act:
 - a) the payment of Educational Assistance Payments to or for a Beneficiary of the Plan;
 - b) the payment to (or to a trust in favour of) one or more Designated Educational Institutions (as defined in section 11 below);
 - c) the refund of contributions and, if required, the repayment of amounts under the Canada Education Savings Act (the "CES Act") or a "designated provincial program" defined below;

- d) the payment of Accumulated Income Payments; or
- e) the transfer to another trust that irrevocably holds property under a “registered education savings plan” (an “RESP”) within the meaning of the Act; or
- f) in the event that a trust governed by the plan is terminated, the property held by the trust is required to be used for any of the purposes described in the definition of “trust” in subsection 146.1(1) of the Act.

A “designated provincial program” means:

1. a program administered pursuant to an agreement entered into under section 12 of the CES Act, or
2. a program established under the laws of a province to encourage the financing of children’s post secondary education through savings in registered education savings plans.

2. **Registration of the Plan.** We will apply to register the Plan under the *Income Tax Act* (Canada) (the “Act”) and, if required, under any income tax legislation of a province which applies to the Plan (together the “Applicable Tax Legislation”).

We will ensure that the Plan complies at all times with the requirements of the Applicable Tax Legislation regarding RESPs.

3. **Grants.** Upon your request in the form required by the Minister of Employment and Social Development Canada (the “Minister”), the Trustee will apply to the Minister for any applicable Grants in respect of the Plan. The Trustee will apply for the Grants in accordance with the CES Act, regulations made under the CES Act, the CES regulations, and any agreement concerning Grants between the Trustee and the Minister. Before the Trustee applies for any Grants, the Plan must be registered under the Act.

Grants, when received and held by the Trustee, form part of the property of the Plan. The Trustee will hold and account for Grants in accordance with the CES Act, the CES regulations and any agreement concerning Grants between the Trustee and the Minister. We will act in accordance with any agreement concerning Grants between us and the Minister.

The Trustee will be required under the CES regulations to repay part or all of the “grant account” (as that term is defined in the CES regulations) in certain circumstances. A Beneficiary who has received more than \$7,200 as the “grant portion” (as that term is defined in the CES regulations) of Educational Assistance Payments will be required to repay the excess to the Minister.

4. **Who is a Subscriber to the Plan.** Any one individual (but not a trust), an individual and their spouse or common-law partner, or a public primary caregiver of a Beneficiary can become a subscriber to the Plan by being named in the Application as a subscriber and entering into the Plan. After the Plan has been entered into, the spouse or common-law partner of an individual who is a subscriber can become a subscriber (as well as the individual) by giving us instructions and agreeing to be bound by the terms and conditions of the Plan. The terms “common-law partner” and “public primary caregiver” are as defined in the Act.

After the Plan has been entered into, another individual or another public primary caregiver can become a subscriber to the Plan (and you cease to be a subscriber) by acquiring a public primary caregiver’s right as a subscriber under the Plan under a written agreement. After the Plan has been entered into, an individual can become

a subscriber to the Plan (and you cease to be a subscriber) by acquiring your rights as a subscriber under the Plan pursuant to a decree, order or judgment of a competent tribunal or under a written agreement in settlement of rights arising out of, or on the breakdown of, marriage or common-law partnership. To do this, you must give us instructions and the individual or public primary caregiver acquiring your rights must agree to be bound by the terms and conditions of the Plan.

After the death of the last surviving subscriber to the Plan (who is an individual), another person including the estate of the deceased subscriber, can become a subscriber to the Plan by acquiring the subscriber's rights under the Plan or by making a contribution to the Plan for a Beneficiary. To do this, the legal personal representative(s) of the last surviving subscriber must give us instructions and the person must agree to be bound by the terms and conditions of the Plan.

No one can become a subscriber to the Plan other than as described in this section. A subscriber may resign by giving us instructions (however if all the subscribers resign, the Plan will terminate under section 15).

To become a subscriber, you must provide us your address, Social Insurance Number and date of birth (or if you are a public primary caregiver, your Business Number) in the Application or in instructions. As a subscriber, you must inform us whether you are a resident of Canada (for the purpose of the Act) in the Application or by instructions and you must inform us whenever you become or cease to be resident in Canada by instructions.

5. **Who is a Beneficiary of the Plan.** A "Beneficiary" of the Plan means any person to whom or for whom Educational Assistance Payments are to be made if the person qualifies under the Plan. You may designate an individual as the Beneficiary in the Application, by naming them and providing their address, Social Insurance Number, date of birth and relationship to you.

An individual may only be designated as the Beneficiary where the individual is resident in Canada (for the purpose of the Act) when the designation is made. However, if the designation is made in conjunction with a transfer of property into the Plan from another RESP under which the individual was a Beneficiary immediately before the transfer, the individual need not be resident in Canada (and in that case, if you are designating a non-resident individual, you need not provide the individual's Social Insurance Number if the individual was not assigned a Social Insurance Number before the designation is made.)

You may change the Beneficiary by giving us instructions. When changing the Beneficiary, the requirements of the two paragraphs above must be met. (If the Beneficiary is removed, the Plan will terminate under section 15.)

Within 90 days after an individual becomes a Beneficiary under the Plan, we will notify the individual (or, where the individual is under 19 years of age at that time and either ordinarily resides with a parent of the individual or is maintained by a public primary caregiver of the individual, that parent or public primary caregiver) in writing of the existence of the Plan and the name and address of the subscriber in respect of the Plan.

You must inform us, by instructions, whenever a Beneficiary ceases to be resident in Canada (for the purpose of the Act) or becomes a resident of Canada again.

You acknowledge and agree that there can only be one individual designated as the Beneficiary under the Plan at any one time.

6. **Contributions.** All contributions to the Plan must be made by you or on your behalf as subscriber and must be made for the Beneficiary under the Plan. You must provide us the Beneficiary's Social Insurance Number before a contribution is made for the Beneficiary (except where the Plan was entered into before 1999). The Beneficiary must be resident in Canada (for the purpose of the Act) when a contribution is made for the Beneficiary. However, if a contribution is made by way of a transfer from another RESP under which the Beneficiary was a Beneficiary immediately before the transfer, you need not provide us with the Beneficiary's Social Insurance Number, and the Beneficiary need not be resident in Canada, before a contribution is made. Contributions to the Plan do not include amounts paid into the Plan by the Minister under the CES Act or under a designated provincial program or any other program that has a similar purpose to a designated provincial program and that is funded directly or indirectly by a province (other than an amount paid into the plan by a public primary caregiver in its capacity as subscriber under the plan). Contributions may be made periodically or by lump sum payment to us, but a contribution must not be less than the minimum amount which we establish. The total cumulative contributions made to the Plan for the Beneficiary cannot exceed the "RESP lifetime limit", as defined in subsection 204.9(1) of the Act. It is your responsibility to ensure that the total contributions for a Beneficiary made to the Plan and to other RESPs, by yourself and by others as subscribers, do not exceed this limit. If this limit is exceeded, a penalty tax may apply. You have to determine whether a penalty tax applies and you have to pay the penalty tax if it applies. The calculation of the "excess amount" (if any) for the Beneficiary, your share of the excess amount and any penalty tax are determined under the Act. You may request a refund of contributions sufficient to stop the application of the penalty tax. For the purpose of determining whether this limit has been exceeded, special rules apply where a Beneficiary is changed or where property is transferred from one RESP to another for a Beneficiary. Where a Beneficiary is changed, the new Beneficiary assumes the contribution history of the former Beneficiary, except where, at the time of change, the new Beneficiary is under 21 years of age and the new Beneficiary and former Beneficiary have a common parent, or where both the new Beneficiary and the former Beneficiary are under 21 years of age and are connected by blood relationship or adoption to an original Subscriber. Where there is a transfer from another RESP to the Plan, the contribution history of each Beneficiary of the other RESP is assumed by each Beneficiary of the Plan, except where, at the time of transfer, any Beneficiary under the Plan is also a Beneficiary under the other RESP, or where a Beneficiary of the Plan is under 21 years of age and that Beneficiary and a Beneficiary under the other RESP have a common parent. Contributions cannot be made to the Plan after the 31st year following the year the Plan was entered into. If an amount is transferred to the Plan from another RESP and the other RESP was created before the Plan, then contributions cannot be made to the Plan after the 31st year following the year in which the other RESP was entered into.

6.1 Contributions Where Disability Tax Credit Applies to Beneficiary.

Notwithstanding section 6 above, contributions to the Plan can be made until the end of the 35th year following the year the Plan was entered into if the Beneficiary is an individual in respect of whom paragraphs 118.3(1)(a) to (b)

of the Act apply for the Beneficiary's taxation year that ends in the 31st year following the year in which the plan was entered into. But at all times after the end of the 35th year following the year the Plan was entered into no other individual may be designated as a Beneficiary under the Plan.

7. **Transfers from another RESP.** You may transfer property to the Plan for the Beneficiary of the Plan from another RESP, in accordance with the Act, by giving instructions to us. Property cannot be transferred to the Plan from another RESP after the other RESP has made an Accumulated Income Payment.
8. **Investment of the Property of the Plan.** The property of the Plan shall be invested and reinvested by the Trustee exclusively on your instructions (or of a person authorized by you, in a form and manner satisfactory to the Trustee or us, to manage the investments of the Plan), only in such investments as may be made available for the Plan from time to time by us or the Trustee. The property of the Plan may be invested in investments which require delegation, such as mutual funds, pooled funds and segregated funds. The property of the Plan may be invested in investments which are issued by the Trustee, us or our affiliates.

Neither the Trustee nor we (acting in the capacity as administrative agent for the Trustee) shall have any duty or responsibility, fiduciary or otherwise (including, for greater certainty, under any legislation regarding trustee investment duties and powers) to make or choose any investment, to decide whether to hold or dispose of any investment or to exercise any discretion with regard to any investment of the property of the Plan, except as otherwise expressly provided in these terms and conditions. Other than our duties with respect to the property of the Plan expressly stated in these terms and conditions, neither the Trustee nor we shall be required or expected to take any action with regard to an investment without prior instructions from you. Where there is more than one subscriber at the same time, the instruction of any one subscriber (or a person authorized by them) will bind all subscribers.

You shall not sign any document or authorize any action for the Plan or the property of the Plan in the name of the Trustee or us, including permitting any property of the Plan to be used as security for a loan, without first having authorization from the Trustee or us.

Neither the Trustee nor we shall be responsible for determining whether any investment made on your instructions is or remains a qualified investment for an RESP under the Act. This determination shall be your responsibility.

The Trustee may deposit any uninvested cash in the Plan into an interest-bearing account at the Bank of Montreal (or another financial institution selected by the Trustee). The Trustee will credit interest earned on the cash to the Plan at such time as the Trustee, in its sole discretion, may determine. The Trustee may retain all or such portion of the interest as the Trustee considers appropriate as a fee for services rendered in respect of the Plan.

9. **Payments from the Plan.** The Trustee will make payments, refunds or transfers out of the Plan for one or more of the purposes listed in section 1 above, according to your instructions, provided that the payments, refunds or transfers are permitted under the Plan and under the Applicable Tax Legislation and the property of the Plan is sufficient. (In the case of Educational Assistance Payments, the Trustee must first receive our direction.) The Trustee will not make any payment, refund or transfer out of the Plan

to the extent that, after the payment, refund or transfer, the fair market value of the property of the Plan would be less than the balance of the grant account.

We have the final authority on whether a payment, refund or transfer you instruct the Trustee to make is permitted under the Plan and under the Applicable Tax Legislation. The decision made by us will be binding on you and the Beneficiary.

Before the first Educational Assistance Payment is made to or for the Beneficiary, you must confirm in writing to the Trustee whether the Beneficiary is at that time a resident or non-resident of Canada (for the purpose of the Act).

You may give the Trustee instructions telling the Trustee which property to sell if the Trustee is required to sell property of the Plan in order to make a payment, refund or transfer out of the Plan. If you do not give the Trustee instructions, the Trustee will sell the property that the Trustee in its sole discretion considers appropriate. Before making a payment, refund or transfer out of the Plan, the Trustee will deduct, as required, any costs, fees or charges related to the sale of property, any amount required to be withheld under the Applicable Tax Legislation and any taxes, interest or penalties that are or may become payable by the Plan. Once the Trustee has made a payment out of the Plan in accordance with this section, the Trustee will have no liability or duty to you for the property of the Plan which was sold.

- 10. Educational Assistance Payments.** An “Educational Assistance Payment” means any amount, other than a refund of payments, paid out of the Plan to or for an individual enrolled as a student in a qualifying educational program or in a specified educational program at a post-secondary educational institution. Beneficiaries who cease to be enrolled in a qualifying educational program or a specified educational program at a post-secondary educational institution after 2007 are allowed to receive Education Assistance Payments for up to 6 months after ceasing enrolment, provided that the payments would have qualified as Education Assistance Payments if they had been made immediately before the student’s enrolment ceased. Where the Beneficiary has a mental or physical impairment, and it has been certified as required under the Act that the effects of the impairment are such that the Beneficiary cannot reasonably be expected to be enrolled as a fulltime student, Educational Assistance Payments can be paid where the Beneficiary is not a full-time student.

A “qualifying educational program” means a program at a post-secondary school level of not less than three consecutive weeks duration that requires that each student taking the program spend not less than ten hours per week on courses or work in the program. The total amount of Educational Assistance Payments paid to or for a Beneficiary (from all BMO RESPs) where the Beneficiary has not been enrolled, during the preceding 12 months, for at least 13 consecutive weeks in a “qualifying educational program” at a post-secondary educational institution cannot exceed \$5,000 (unless a greater amount is approved in writing by the Minister designated for the purposes of the Canada Education Savings Act).

A “specified educational program” means a program at a post-secondary school level of not less than three consecutive weeks duration that requires each student taking the program to spend not less than twelve hours per month on courses in the program at a post-secondary educational institution. Where the beneficiary is enrolled in a “specified educational program”, the total amount of Educational

Assistance Payments paid to or for a Beneficiary (from all BMO RESPs) in the 13 week period preceding the time of payment cannot exceed \$2,500 (unless a greater amount is approved in writing by the Minister designated for the purpose of the Canada Education Savings Act).

A “post-secondary educational institution” means an education institution that is:

- a. university, college or other educational institution in Canada and designated by the Lieutenant Governor in Council of a province as a specified educational institution under the Canada Student Loans Act, designated by an appropriate authority under the Canada Student Financial Assistance Act, or designated by the Minister of Education for the Province of Québec for the purposes of An Act respecting financial assistance for educational expenses;
- b. in Canada and certified by the Minister of Employment and Social Development Canada to be an educational institution providing courses, other than courses designed for university credit, that furnish a person with skills for, or improve a person’s skills in, an occupation; or
- c. an educational institution outside Canada that provides courses at a post-secondary level and that is
 - (i) a university, college or other educational institution at which the beneficiary was enrolled in a course of not less than 13 consecutive weeks, or
 - (ii) applicable after 2010, a university at which the beneficiary was enrolled on a full-time basis in a course of not less than three consecutive weeks.

“Post secondary school level” includes a program of courses, at an institution described in subparagraph (b) of the definition “post Secondary educational institution” above, of a technical or vocational nature designed to furnish a person with skills for, or improve a person’s skills in, an occupation.

11. **Payments to Designated Educational Institutions.** A “Designated Educational Institution” means an institution described in paragraph (a) of the definition of “post-secondary educational institution” in section 10, above. You may select one or more Designated Educational Institutions (or a trust for one or more Designated Educational Institutions) in Canada to which payments may be made in the Application or by giving instructions to the Trustee.
12. **Refund of Contributions.** A refund of contributions cannot exceed the total of all contributions to the Plan less any refunds of contributions previously made.
13. **Accumulated Income Payments.** “Accumulated Income Payments” are any payments out of the Plan other than Educational Assistance Payments, payments to (or to a trust in favour of) one or more Designated Educational Institutions in Canada, refunds of payments, repayments of amounts under the CES Act or under a program administered pursuant to an agreement entered under section 12 of that Act or transfers to another RESP. A payment out of the Plan will only be recognized as an Accumulated Income Payment to the extent the payment exceeds the fair market value of all property at the time when it was contributed or paid into the Plan.

Accumulated Income Payments will be paid to you or, if you were a subscriber at the time of your death, to your estate. You or your estate must be resident in Canada at the time of payment.

If there is more than one subscriber at the same time, each Accumulated Income Payment can only be paid to one subscriber. You must give the Trustee instructions

stating which subscriber is to receive each Accumulated Income Payment.

Accumulated Income Payments can be paid if, at the time a payment is made:

- a. each individual (other than a deceased individual) who is or was a Beneficiary under the Plan has attained 21 years of age before the payment is made and is not, when the payment is made, eligible under the Plan to receive an Educational Assistance Payment and the time is the 10th calendar year following the calendar year in which the Plan was entered into or later;
- b. the payment is made in the 35th year (or, if section 6.1 applies, in the 40th year) following the year in which the Plan is entered into; or
- c. each individual who was a Beneficiary under the Plan is deceased when the payment is made.

(For paragraph (a) above, if property is transferred to the Plan from another RESP, then the time must be the 10th calendar year or later following the calendar year in which either the Plan or the other RESP was entered into, whichever is earlier.)

Accumulated Income Payments may be made at any time if, on our written application, the Minister of National Revenue waives the conditions in clause 146.1(2)(d.1)(iii)(A) of the Act, as described in paragraph (a) above, where a Beneficiary suffers from a severe and prolonged mental impairment that prevents, or can reasonably be expected to prevent, the Beneficiary from enrolling in a qualifying educational program at a post-secondary educational institution.

The Plan will terminate under section 15 by the end of February of the year following the calendar year in which the first Accumulated Income Payment is made.

14. **Transfer to another RESP.** You may give the Trustee instructions at any time to pay some or all of the property of the Plan to another RESP.
15. **Termination of the Plan.** You may designate the date the Plan is to terminate (the "Termination Date") in the Application. You may also designate or change the Termination Date by instructions to us.

On the Termination Date or in the event that the trust governed by the Plan is terminated, we will make payments, refunds or transfers out of the Plan or cause the Trustee to make payments, refunds or transfers out of the Plan for one or more of the purposes listed in section 1, above, according to your instructions to us regarding termination, provided that the payments, refunds or transfers are permitted under the Plan, the Applicable Tax Legislation and any applicable rules relating to Grants. We will give you written notice at least six months prior to the Termination Date.

The Termination Date cannot be later than the last day of the 35th year following the year in which the Plan was entered into. If property is transferred to the Plan from another RESP and the other RESP was entered into before the Plan, then the Termination Date cannot be later than the last day of the 35th year following the year in which the other RESP was entered into. However, if section 6.1 applies to the Plan, the latest Termination Date is the last day of the 40th year following the Plan was entered into. If you do not designate a Termination Date, the Termination Date will be the latest date possible.

The provisions of section 9 will apply to payments, refunds or transfers on termination. If you have not given the Trustee instructions regarding termination by the Termination Date, the Trustee will pay a refund of contributions, to the maximum

extent possible, to you. (If you have not given the Trustee instructions regarding payment, the Trustee may deposit the refund of contributions in an interest-bearing account at Bank of Montreal.) The Trustee will pay any remaining amount to (or to a trust in favour of) a Designated Educational Institution in Canada selected by the Trustee. The Trustee will also deduct on termination any fees or other charges owing to us or to the Trustee under section 20.

16. **If the Last Surviving Subscriber Dies.** If you are the last surviving subscriber and you die before the Termination Date, your legal personal representative(s) may continue to administer the Plan on your behalf. However, if the legal personal representative(s) give(s) us instructions, in accordance with section 4, to make another person or your estate the subscriber, then the legal personal representative(s) will cease to administer the Plan on your behalf.
17. **Maintaining Your Account.** We will maintain an account to record: (1) contributions and transfers made to the Plan; (2) the Grants accounts; (3) purchases and sales of investments held in the Plan; (4) income, gains and losses on investments held in the Plan; (5) Educational Assistance Payments; (6) payments to (or to a trust in favour of) one or more Designated Educational Institutions; (7) refunds of contributions; (8) Accumulated Income Payments; (9) transfers to another RESP; (10) any costs, fees or charges related to the sale of property, any amount required to be withheld under the Applicable Tax Legislation and any taxes, interest or penalties that are or may become payable by the Plan; and (11) fees and other charges to the Plan and expenses of the Plan. We will provide you with periodic statements of your account.
18. **Ownership of the Property of the Plan and Exercise of Voting Rights.** Ownership of the property of the Plan will be vested in the Trustee. You are the beneficial owner of the property of the Plan. The property of the Plan will be held in the Trustee's name or nominee name, bearer form or any other name that the Trustee determines. The voting rights attached to any securities held under the Plan and credited to your account may be exercised by you. For this purpose, you are hereby appointed as the Trustee's agent and attorney to execute and deliver proxies and/or other instruments mailed by us or the Trustee to you according to applicable laws.
19. **Instructions and Written Notice.** Instructions may take any form, however any reasonable requirements regarding form, content, receipt and timing established by us or the Trustee must be satisfied. We and the Trustee will be entitled to rely upon instructions received from you (or by any person you designate to us to give instructions on your behalf) and any person purporting to be you (or purporting to be the person designated by you). We and the Trustee may decline to act upon instructions if there are doubts about their accuracy or whether they are from you (or a person designated by you) or if we or the Trustee do not understand them.

If there is more than one subscriber at the same time, instructions given by one subscriber will bind all subscribers. If you give us or the Trustee instructions more than once, we or the Trustee will follow the instructions with the latest date, even though they may be different from previous instructions.

We or the Trustee may give you or the Beneficiary any written notice, statement or receipt by personal delivery or by mail, postage prepaid, at the address you gave on the Application. If you give us or the trustee instructions regarding a change of address for you or the Beneficiary, any written notice, statement or receipt will be sent to the new address. Any notice, statement or receipt from us or the Trustee will

be considered to have been given to you or the Beneficiary at the time of personal delivery, or if mailed, on the third day after mailing.

20. **Fees for Us and the Trustee.** We and the Trustee are entitled to any reasonable fees and other charges established by us or the Trustee from time to time for our respective services under the Plan. We and the Trustee may change our fees and other charges in the future, as long as we or the Trustee give you reasonable written notice. All fees and other charges payable to us or to the Trustee under this paragraph will be charged against and deducted from the property of the Plan, unless you pay them outside the Plan. The Trustee in its absolute discretion considers appropriate to realize any fees and other charges payable to us or to the Trustee under this paragraph.
21. **Our Liability and the Trustee's Liability.** Neither we nor the Trustee in its personal capacity are liable for: (1) any taxes, interest or penalties imposed in respect of the Plan under the CES Act or the CES regulations; or (2) any costs or disbursements reasonably incurred by us or the Trustee in performing duties under this agreement or the Applicable Tax Legislation. The Trustee may reimburse itself for or pay any such amounts out of the capital or the income of the Plan or partly out of the capital and partly out of the income of the Plan, as the Trustee decides. We may do the same and you hereby authorize the Trustee to reimburse us accordingly. You and your legal personal representative(s) and any Beneficiary will at all times indemnify us and the Trustee, and our respective directors, officers, employees or authorized representatives, for any such amounts imposed or levied on or incurred by us or the Trustee.

The Trustee will not be liable for any loss or damage suffered or incurred by the Plan, by you or by any Beneficiary caused by: (1) any loss or diminution in value of the property of the Plan; (2) the purchase, sale or retention of any investment by the Plan; (3) payments out of the Plan made according to this agreement; or (4) acting or declining to act on any instructions given to us by you or by an individual purporting to be you (or the person designated by you under section 19); unless the loss or damage was caused by the Trustee's bad faith, willful misconduct or gross negligence. We will not be liable for any such loss or damage unless it was caused by our bad faith, willful misconduct or gross negligence. You and your legal personal representative(s) and each Beneficiary will at all times indemnify us and the Trustee, and our respective directors, officers, employees or authorized representatives, for any such loss or damage (other than those for which we, the Trustee or they are liable under this paragraph) incurred by the Plan.

22. **Amendment of the Plan.** We and the Trustee may agree to amend the Plan as long as:
- we obtain approval from the Canada Revenue Agency or any government authority administering the Applicable Tax Legislation; and
 - the amendment does not disqualify the Plan as an RESP within the meaning of the Act or the amendment is being made to satisfy a requirement of the Applicable Tax Legislation.

We and the Trustee may agree to make an amendment effective as of a date prior to the date when the amendment is made. We will give you thirty days written notice of any amendment and its effective date, provided that any amendment made to ensure that the Plan continues to comply with the Applicable Tax Legislation may take effect on a date that is prior to the date on which notice is given.

23. **Replacement of the Trustee.** The Trustee may resign by providing 60 days written notice to us or any shorter period that is acceptable to us. We may remove the Trustee from its position as trustee under the Plan by providing 60 days written notice to the Trustee or any shorter period that is acceptable to the Trustee. The Trustee's resignation or removal will be effective on the date we appoint another trustee (the "Replacement Trustee"). The Replacement Trustee must be a corporation which is resident in Canada, authorized under the laws of Canada or a province to offer trustee services to the public in Canada and which has entered into an agreement concerning Grants with the Minister. If we do not appoint a Replacement Trustee within 60 days after we have received notice of the Trustee's resignation or given notice to the Trustee of its removal, the Trustee may appoint a Replacement Trustee. On the date the Trustee's resignation or removal becomes effective, the Trustee will sign and deliver to the Replacement Trustee all conveyances, transfers and further assurances that may be necessary or desirable to give effect to the appointment of the Replacement Trustee.
24. **Binding.** The Plan will be binding upon your heirs, executors, administrators and upon our successors and assigns.
25. **Governing Law.** This Plan shall be governed by and interpreted in accordance with the laws of the jurisdiction in Canada in which the branch of the Promoter is located where the account is maintained.
26. **English Language.** The parties have requested that the Plan and all documents related to it be established in English. *Les parties ont demandé que ce contrat ainsi que tous les documents y afférents soit rédigé en anglais.*

BMO Education Savings Plan (Family Plan) Trust Agreement (Specimen Plan No. 1040001)

We, BMO Investments Inc., are the promoter of the BMO Education Savings Plan (the "Plan"). (The words "us" and "our" refer only to BMO Investments Inc.) You are the Subscriber or Subscribers to the Plan. If there is more than one Subscriber to the Plan at the same time, "you" refers to each and every Subscriber.

The Plan is an agreement between you and us on the following terms and conditions. The application (the "Application") forms part of this agreement. The purpose of the Plan is to make Educational Assistance Payments to or for the beneficiary. The Application becomes effective, and the Plan is entered into, at the time it is accepted by us.

As the promoter, we have ultimate responsibility for the Plan under the Applicable Tax Legislation and for the administration of the Plan. BMO Trust Company (the "Trustee") will be the trustee for the property of the Plan. The Trustee has ultimate responsibility for the administration of all applicable federal and provincial grants and incentives ("Grants").

1. **Property of the Plan Held in Trust.** The Trustee agrees to hold the property of the Plan irrevocably in trust, pursuant to the Plan, for any one or more of the following purposes as defined in section 146.1(2)(f) of the Act:
 - a) the payment of Educational Assistance Payments to or for a Beneficiary of the Plan;
 - b) the payment to (or to a trust in favour of) one or more Designated Educational Institutions (as defined in section 11 below);
 - c) the refund of contributions and, if required, the repayment of amounts under the Canada Education Savings Act (the "CES Act") or a "designated provincial program" defined below;

- d) the payment of Accumulated Income Payments; or
- e) the transfer to another trust that irrevocably holds property under a “registered education savings plan” (an “RESP”) within the meaning of the Act; or
- f) in the event that a trust governed by the plan is terminated, the property held by the trust is required to be used for any of the purposes described in the definition of “trust” in subsection 146.1(1) of the Act.

A “designated provincial program” means:

1. a program administered pursuant to an agreement entered into under section 12 of the CES Act, or
 2. a program established under the laws of a province to encourage the financing of children’s post secondary education through savings in registered education savings plans.
2. **Registration of the Plan.** We will apply to register the Plan under the *Income Tax Act* (Canada) (the “Act”) and, if required, under any income tax legislation of a province which applies to the Plan (together the “Applicable Tax Legislation”). We will ensure that the Plan complies at all times with the requirements of the Applicable Tax Legislation regarding RESPs.
 3. **Grants.** Upon your request in the form required by the Minister of Employment and Social Development Canada (the “Minister”), the Trustee will apply to the Minister for any applicable Grants in respect of the Plan. The Trustee will apply for the Grants in accordance with the CES Act, regulations made under the CES Act, the CES regulations, and any agreement concerning Grants between the Trustee and the Minister. Before the Trustee applies for any Grants, the Plan must be registered under the Act. Grants, when received and held by the Trustee, form part of the property of the Plan. The Trustee will hold and account for Grants in accordance with the CES Act, the CES regulations and any agreement concerning Grants between the Trustee and the Minister. We will act in accordance with any agreement concerning Grants between us and the Minister. The Trustee will be required under the CES regulations to repay part or all of the “grant account” (as that term is defined in the CES regulations) in certain circumstances. A beneficiary who has received more than \$7,200 as the “grant portion” (as that term is defined in the CES regulations) of Educational Assistance Payments will be required to repay the excess to the Minister.
 4. **Who is a Subscriber to the Plan.** Any one individual (but not a trust), an individual and their spouse or common-law partner, or a public primary caregiver of a beneficiary can become a Subscriber to the Plan by being named in the Application as a Subscriber and entering into the Plan. After the Plan has been entered into, the spouse or common-law partner of an individual who is a Subscriber can become a Subscriber (as well as the individual) by giving us instructions and agreeing to be bound by the terms and conditions of the Plan. The terms “common-law partner” and “public primary caregiver” are as defined in the Act.

After the Plan has been entered into, another individual or another public primary caregiver can become a Subscriber to the Plan (and you cease to be a Subscriber) by acquiring a public primary caregiver’s right as a Subscriber under the Plan under a written agreement. After the Plan has been entered into, an individual can become a Subscriber to the Plan (and you cease to be a Subscriber) by acquiring your rights as a Subscriber under the Plan pursuant to a decree, order or judgment of a competent tribunal or under a written agreement in settlement of rights arising out

of, or on the breakdown of, marriage or common-law partnership. To do this, you must give us instructions and the individual or public primary caregiver acquiring your rights must agree to be bound by the terms and conditions of the Plan.

After the death of the last surviving Subscriber to the Plan (who is an individual), another person including the estate of the deceased Subscriber, can become a Subscriber to the Plan by acquiring the Subscriber's rights under the Plan or by making a contribution to the Plan for a beneficiary. To do this, the legal personal representative(s) of the last surviving Subscriber must give us instructions and the person must agree to be bound by the terms and conditions of the Plan.

No one can become a Subscriber to the Plan other than as described in this section. A Subscriber may resign by giving us instructions (however if all the Subscribers resign, the Plan will terminate under section 15).

To become a Subscriber, you must provide us your address, Social Insurance Number and date of birth (or if you are a public primary caregiver, your Business Number) in the Application or in instructions. As a Subscriber, you must inform us whether you are a resident of Canada (for the purpose of the Act) in the Application or by instructions and you must inform us whenever you become or cease to be resident in Canada by instructions.

5. **Who is a Beneficiary of the Plan.** A "beneficiary" of the Plan means any person to whom or for whom Educational Assistance Payments are to be made if the person qualifies under the Plan. You may designate an individual as the beneficiary in the Application, by naming them and providing their address, Social Insurance Number, date of birth and relationship to you.

An individual may only be designated as the beneficiary where the individual is resident in Canada (for the purpose of the Act) when the designation is made. However, if the designation is made in conjunction with a transfer of property into the Plan from another RESP under which the individual was a beneficiary immediately before the transfer, the individual need not be resident in Canada (and in that case, if you are designating a non-resident individual, you need not provide the individual's Social Insurance Number if the individual was not assigned a Social Insurance Number before the designation is made.)

You may change the beneficiary by giving us instructions. When changing the Beneficiary, the requirements of the two paragraphs above must be met. (If the beneficiary is removed, the Plan will terminate under section 15.) Every beneficiary must be under the age of 21 at the time they are named in the Application, added or named in place of another beneficiary (unless the beneficiary being named or added is at the time a member of another RESP which allows more than one beneficiary at the same time). Each beneficiary of the Plan must be connected to each subscriber, or have been connected to a deceased subscriber if a subscriber has died, by "blood relationship" or by "adoption", as those terms are defined in the Act. (But in order to qualify for certain additional Grants under the CES Act, beneficiaries can only be brothers and /or sisters as defined under the CES regulations). As subscriber, you cannot be a beneficiary of the Plan.

Within 90 days after an individual becomes a beneficiary under the Plan, we will notify the individual (or, where the individual is under 19 years of age at that time and either ordinarily resides with a parent of the individual or is maintained by a

public primary caregiver of the individual, that parent or public primary caregiver) in writing of the existence of the Plan and the name and address of the Subscriber in respect of the Plan.

You must inform us, by instructions, whenever a beneficiary ceases to be resident in Canada (for the purpose of the Act) or becomes a resident of Canada again.

6. **Contributions.** All contributions to the Plan must be made by you or on your behalf as Subscriber and must be made for the beneficiary under the Plan. You must provide us the beneficiary's Social Insurance Number before a contribution is made for the beneficiary (except where the Plan was entered into before 1999). The beneficiary must be resident in Canada (for the purpose of the Act) when a contribution is made for the beneficiary. However, if a contribution is made by way of a transfer from another RESP under which the beneficiary was a beneficiary immediately before the transfer, you need not provide us with the beneficiary's Social Insurance Number, and the beneficiary need not be resident in Canada, before a contribution is made. If there is more than one beneficiary at the same time, you must give us instructions telling us how much of each contribution is for each beneficiary. Contributions to the Plan do not include amounts paid into the Plan by the Minister under the CES Act or under a designated provincial program or any other program that has a similar purpose to a designated provincial program and that is funded directly or indirectly by a province (other than an amount paid into the plan by a public primary caregiver in its capacity as subscriber under the plan). Contributions may be made periodically or by lump sum payment to us, but a contribution must not be less than the minimum amount which we establish. The total cumulative contributions made to the Plan for the beneficiary cannot exceed the "RESP lifetime limit", as defined in subsection 204.9(1) of the Act. It is your responsibility to ensure that the total contributions for a beneficiary made to the Plan and to other RESPs, by yourself and by others as Subscribers, do not exceed this limit. If this limit is exceeded, a penalty tax may apply. You have to determine whether a penalty tax applies and you have to pay the penalty tax if it applies. The calculation of the "excess amount" (if any) for the beneficiary, your share of the excess amount and any penalty tax are determined under the Act. You may request a refund of contributions sufficient to stop the application of the penalty tax. For the purpose of determining whether this limit has been exceeded, special rules apply where a beneficiary is changed or where property is transferred from one RESP to another for a beneficiary. Where a beneficiary is changed, the new beneficiary assumes the contribution history of the former beneficiary, except where, at the time of change, the new beneficiary is under 21 years of age and the new beneficiary and former beneficiary have a common parent, or where both the new beneficiary and the former beneficiary are connected by blood relationship or adoption to an original Subscriber. Where there is a transfer from another RESP to the Plan, the contribution history of each beneficiary of the other RESP is assumed by each beneficiary of the Plan, except where, at the time of transfer, any beneficiary under the Plan is also a beneficiary under the other RESP, or where a beneficiary of the Plan and a beneficiary under the other RESP have a common parent. Contributions cannot be made to the Plan for a Beneficiary who was 31 years old or older before the time that the contribution was made, unless the contribution is by transfer from another RESP which allows more than one beneficiary at the same time. Contributions cannot be made to the Plan after the 31st year following the year the Plan was entered into. If an amount is transferred to the Plan from another RESP and the other RESP was created before the Plan, then

contributions cannot be made to the Plan after the 31st year following the year in which the other RESP was entered into.

7. **Transfers from another RESP.** You may transfer property to the Plan for the beneficiary of the Plan from another RESP, in accordance with the Act, by giving instructions to us. Property cannot be transferred to the Plan from another RESP after the other RESP has made an Accumulated Income Payment.
8. **Investment of the Property of the Plan.** The property of the Plan shall be invested and reinvested by the Trustee exclusively on your instructions (or of a person authorized by you, in a form and manner satisfactory to the Trustee or us, to manage the investments of the Plan), only in such investments as may be made available for the Plan from time to time by us or the Trustee. The property of the Plan may be invested in investments which require delegation, such as mutual funds, pooled funds and segregated funds. The property of the Plan may be invested in investments which are issued by the Trustee, us or our affiliates.

Neither the Trustee nor we (acting in the capacity as administrative agent for the Trustee) shall have any duty or responsibility, fiduciary or otherwise (including, for greater certainty, under any legislation regarding trustee investment duties and powers) to make or choose any investment, to decide whether to hold or dispose of any investment or to exercise any discretion with regard to any investment of the property of the Plan, except as otherwise expressly provided in these terms and conditions. Other than our duties with respect to the property of the Plan expressly stated in these terms and conditions, neither the Trustee nor we shall be required or expected to take any action with regard to an investment without prior instructions from you. Where there is more than one Subscriber at the same time, the instruction of any one Subscriber (or a person authorized by them) will bind all Subscribers.

You shall not sign any document or authorize any action for the Plan or the property of the Plan in the name of the Trustee or us, including permitting any property of the Plan to be used as security for a loan, without first having authorization from the Trustee or us.

Neither the Trustee nor we shall be responsible for determining whether any investment made on your instructions is or remains a qualified investment for an RESP under the Act. This determination shall be your responsibility.

The Trustee may deposit any uninvested cash in the Plan into an interest-bearing account at the Bank of Montreal (or another financial institution selected by the Trustee). The Trustee will credit interest earned on the cash to the Plan at such time as the Trustee, in its sole discretion, may determine. The Trustee may retain all or such portion of the interest as the Trustee considers appropriate as a fee for services rendered in respect of the Plan.

9. **Payments from the Plan.** The Trustee will make payments, refunds or transfers out of the Plan for one or more of the purposes listed in section 1 above, according to your instructions, provided that the payments, refunds or transfers are permitted under the Plan and under the Applicable Tax Legislation and the property of the Plan is sufficient. (In the case of Educational Assistance Payments, the Trustee must first receive our direction.) The Trustee will not make any payment, refund or transfer out of the Plan to the extent that, after the payment, refund or transfer, the fair market value of the property of the Plan would be less than the balance of the grant account.

We have the final authority on whether a payment, refund or transfer you instruct the Trustee to make is permitted under the Plan and under the Applicable Tax Legislation. The decision made by us will be binding on you and the beneficiary.

Before the first Educational Assistance Payment is made to or for the beneficiary, you must confirm in writing to the Trustee whether the beneficiary is at that time a resident or non-resident of Canada (for the purpose of the Act).

You may give the Trustee instructions telling the Trustee which property to sell if the Trustee is required to sell property of the Plan in order to make a payment, refund or transfer out of the Plan. If you do not give the Trustee instructions, the Trustee will sell the property that the Trustee in its sole discretion considers appropriate. Before making a payment, refund or transfer out of the Plan, the Trustee will deduct, as required, any costs, fees or charges related to the sale of property, any amount required to be withheld under the Applicable Tax Legislation and any taxes, interest or penalties that are or may become payable by the Plan. Once the Trustee has made a payment out of the Plan in accordance with this section, the Trustee will have no liability or duty to you for the property of the Plan which was sold.

- 10. Educational Assistance Payments.** An “Educational Assistance Payment” means any amount, other than a refund of payments, paid out of the Plan to or for an individual enrolled as a student in a qualifying educational program or in a specified educational program at a postsecondary educational institution. Beneficiaries who cease to be enrolled in a qualifying educational program or a specified educational program at a postsecondary educational institution after 2007 are allowed to receive Education Assistance Payments for up to 6 months after ceasing enrolment, provided that the payments would have qualified as Education Assistance Payments if they had been made immediately before the student’s enrolment ceased. Where the Beneficiary has a mental or physical impairment, and it has been certified as required under the Act that the effects of the impairment are such that the Beneficiary cannot reasonably be expected to be enrolled as a fulltime student, Educational Assistance Payments can be paid where the Beneficiary is not a full-time student.

A “qualifying educational program” means a program at a post-secondary school level of not less than three consecutive weeks duration that requires that each student taking the program spend not less than ten hours per week on courses or work in the program. The total amount of Educational Assistance Payments paid to or for a Beneficiary (from all BMO RESPs) where the Beneficiary has not been enrolled, during the preceding 12 months, for at least 13 consecutive weeks in a “qualifying educational program” at a post-secondary educational institution cannot exceed \$5,000. (unless a greater amount is approved in writing by the Minister designated for the purposes of the *Canada Education Savings Act*).

A “specified educational program” means a program at a post-secondary school level of not less than three consecutive weeks duration that requires each student taking the program to spend not less than twelve hours per month on courses in the program. Where the beneficiary is enrolled in a “specified educational program” at a post-secondary educational institution, the total amount of Educational Assistance Payments paid to or for a Beneficiary (from all BMO RESPs) in the 13 week period preceding the time of payment cannot exceed \$2,500 (unless a greater amount is approved in writing by the Minister designated for the purpose of the *Canada Education Savings Act*).

- A “post-secondary educational institution” means an education institution that is:
- a. a university, college or other educational institution in Canada and designated by the Lieutenant Governor in Council of a province as a specified educational institution under the Canada Student Loans Act, designated by an appropriate authority under the Canada Student Financial Assistance Act, or designated by the Minister of Education for the Province of Québec for the purposes of An Act respecting financial assistance for education expenses;
 - b. in Canada and certified by the Minister of Employment and Social Development Canada to be an educational institution providing courses, other than courses designed for university credit, that furnish a person with skills for, or improve a person’s skills in, an occupation; or
 - c. an educational institution outside Canada that provided courses at a post-secondary level and that is
 - (i) a university, college or other educational institution at which a beneficiary was enrolled in a course of not less than 13 consecutive weeks, or
 - (ii) applicable after 2010, a university at which a beneficiary was enrolled on a full-time basis in a course of not less than three consecutive weeks.

“Post secondary school level” includes a program of courses, at an institution described in subparagraph (b) of the definition “post Secondary educational institution” above, of a technical or vocational nature designed to furnish a person with skills for, or improve a person’s skills in, an occupation.

11. **Payments to Designated Educational Institutions.** A “Designated Educational Institution” means an institution described in paragraph (a) of the definition of “post-secondary educational institution” in section 10 above. You may select one or more Designated Educational Institutions (or a trust for one or more Designated Educational Institutions) in Canada to which payments may be made in the Application or by giving instructions to the Trustee.
12. **Refund of Contributions.** A refund of contributions cannot exceed the total of all contributions to the Plan less any refunds of contributions previously made.
13. **Accumulated Income Payments.** “Accumulated Income Payments” are any payments out of the Plan other than Educational Assistance Payments, payments to (or to a trust in favour of) one or more Designated Educational Institutions in Canada, refunds of payments, repayments of amounts under the CES Act or under a program administered pursuant to an agreement entered under section 12 of that Act or transfers to another RESP. A payment out of the Plan will only be recognized as an Accumulated Income Payment to the extent the payment exceeds the fair market value of all property at the time when it was contributed or paid into the Plan.

Accumulated Income Payments will be paid to you or, if you were a Subscriber at the time of your death, to your estate. You or your estate must be resident in Canada at the time of payment.

If there is more than one Subscriber at the same time, each Accumulated Income Payment can only be paid to one Subscriber. You must give the Trustee instructions stating which Subscriber is to receive each Accumulated Income Payment.

Accumulated Income Payments can be paid if, at the time a payment is made:

- a. each individual (other than a deceased individual) who is or was a beneficiary under the Plan has attained 21 years of age before the payment is made and is not, when the payment is made, eligible under the Plan to receive an

- Educational Assistance Payment and the time is the 10th calendar year following the calendar year in which the Plan was entered into or later;
- b. the payment is made in the 35th year following the year in which the Plan is entered into; or
 - c. each individual who was a beneficiary under the Plan is deceased when the payment is made.

(For paragraph (a) above, if property is transferred to the Plan from another RESP, then the time must be the 10th calendar year or later following the calendar year in which either the Plan or the other RESP was entered into, whichever is earlier.)

Accumulated Income Payments may be made at any time if, on our written application, the Minister of National Revenue waives the conditions in clause 146.1(2)(d.1)(iii)(A) of the Act, as described in paragraph (a) above, where a beneficiary suffers from a severe and prolonged mental impairment that prevents, or can reasonably be expected to prevent, the beneficiary from enrolling in a qualifying educational program at a post-secondary educational institution.

The Plan will terminate under section 15 by the end of February of the year following the calendar year in which the first Accumulated Income Payment is made.

14. **Transfer to another RESP.** You may give the Trustee instructions at any time to pay some or all of the property of the Plan to another RESP.
15. **Termination of the Plan.** You may designate the date the Plan is to terminate (the "Termination Date") in the Application. You may also designate or change the Termination Date by instructions to us.

On the Termination Date or in the event that the trust governed by the Plan is terminated, we will make payments, refunds or transfers out of the Plan or cause the Trustee to make payments, refunds or transfers out of the Plan for one or more of the purposes listed in section 1 above, according to your instructions to us regarding termination, provided that the payments, refunds or transfers are permitted under the Plan, the Applicable Tax Legislation and any applicable rules relating to Grants. We will give you written notice at least six months prior to the Termination Date.

The Termination Date cannot be later than the last day of the 35th year following the year in which the Plan was entered into. If property is transferred to the Plan from another RESP and the other RESP was entered into before the Plan, then the Termination Date cannot be later than the last day of the 35th year following the year in which the other RESP was entered into. If you do not designate a Termination Date, the Termination Date will be the latest date possible.

The provisions of section 9 will apply to payments, refunds or transfers on termination. If you have not given the Trustee instructions regarding termination by the Termination Date, the Trustee will pay a refund of contributions, to the maximum extent possible, to you. (If you have not given the Trustee instructions regarding payment, the Trustee may deposit the refund of contributions in an interest-bearing account at Bank of Montreal.) The Trustee will pay any remaining amount to (or to a trust in favour of) a Designated Educational Institution in Canada selected by the Trustee. The Trustee will also deduct on termination any fees or other charges owing to us or to the Trustee under section 20.

16. **If the Last Surviving Subscriber Dies.** If you are the last surviving Subscriber and you die before the Termination Date, your legal personal representative(s) may continue to administer the Plan on your behalf. However, if the legal personal representative(s) give(s) us instructions, in accordance with section 4, to make another person or your estate the Subscriber, then the legal personal representative(s) will cease to administer the Plan on your behalf.
17. **Maintaining Your Account.** We will maintain an account to record: (1) contributions and transfers made to the Plan; (2) the Grants accounts; (3) purchases and sales of investments held in the Plan; (4) income, gains and losses on investments held in the Plan; (5) Educational Assistance Payments; (6) payments to (or to a trust in favour of) one or more Designated Educational Institutions; (7) refunds of contributions; (8) Accumulated Income Payments; (9) transfers to another RESP; (10) any costs, fees or charges related to the sale of property, any amount required to be withheld under the Applicable Tax Legislation and any taxes, interest or penalties that are or may become payable by the Plan; and (11) fees and other charges to the Plan and expenses of the Plan. We will provide you with periodic statements of your account.
18. **Ownership of the Property of the Plan and Exercise of Voting Rights.** Ownership of the property of the Plan will be vested in the Trustee. You are the beneficial owner of the property of the Plan. The property of the Plan will be held in the Trustee's name or nominee name, bearer form or any other name that the Trustee determines. The voting rights attached to any securities held under the Plan and credited to your account may be exercised by you. For this purpose, you are hereby appointed as the Trustee's agent and attorney to execute and deliver proxies and/or other instruments mailed by us or the Trustee to you according to applicable laws.
19. **Instructions and Written Notice.** Instructions may take any form, however any reasonable requirements regarding form, content, receipt and timing established by us or the Trustee must be satisfied. We and the Trustee will be entitled to rely upon instructions received from you (or by any person you designate to us to give instructions on your behalf) and any person purporting to be you (or purporting to be the person designated by you). We and the Trustee may decline to act upon instructions if there are doubts about their accuracy or whether they are from you (or a person designated by you) or if we or the Trustee do not understand them.
- If there is more than one Subscriber at the same time, instructions given by one Subscriber will bind all Subscribers. If you give us or the Trustee instructions more than once, we or the Trustee will follow the instructions with the latest date, even though they may be different from previous instructions.
- We or the Trustee may give you or the beneficiary any written notice, statement or receipt by personal delivery or by mail, postage prepaid, at the address you gave on the Application. If you give us or the Trustee instructions regarding a change of address for you or the beneficiary, any written notice, statement or receipt will be sent to the new address. Any notice, statement or receipt from us or the Trustee will be considered to have been given to you or the beneficiary at the time of personal delivery, or if mailed, on the third day after mailing.
20. **Fees for Us and the Trustee.** We and the Trustee are entitled to any reasonable fees and other charges established by us or the Trustee from time to time for our respective services under the Plan. We and the Trustee may change our fees and other charges in the future, as long as we or the Trustee give you reasonable

written notice. All fees and other charges payable to us or to the Trustee under this paragraph will be charged against and deducted from the property of the Plan, unless you pay them outside the Plan. The Trustee may sell any property of the Plan that the Trustee in its absolute discretion considers appropriate to realize any fees and other charges payable to us or to the Trustee under this paragraph.

21. **Our Liability and the Trustee's Liability.** Neither we nor the Trustee in its personal capacity are liable for: (1) any taxes, interest or penalties imposed in respect of the Plan under the CES Act or the CES regulations; or (2) any costs or disbursements reasonably incurred by us or the Trustee in performing duties under this agreement or the Applicable Tax Legislation. The Trustee may reimburse itself for or pay any such amounts out of the capital or the income of the Plan or partly out of the capital and partly out of the income of the Plan, as the Trustee decides. We may do the same and you hereby authorize the Trustee to reimburse us accordingly. You and your legal personal representative(s) and any beneficiary will at all times indemnify us and the Trustee, and our respective directors, officers, employees or authorized representatives, for any such amounts imposed or levied on or incurred by us or the Trustee.

The Trustee will not be liable for any loss or damage suffered or incurred by the Plan, by you or by any beneficiary caused by: (1) any loss or diminution in value of the property of the Plan; (2) the purchase, sale or retention of any investment by the Plan; (3) payments out of the Plan made according to this agreement; or (4) acting or declining to act on any instructions given to us by you or by an individual purporting to be you (or the person designated by you under section 19); unless the loss or damage was caused by the Trustee's bad faith, wilful misconduct or gross negligence. We will not be liable for any such loss or damage unless it was caused by our bad faith, wilful misconduct or gross negligence. You and your legal personal representative(s) and each beneficiary will at all times indemnify us and the Trustee, and our respective directors, officers, employees or authorized representatives, for any such loss or damage (other than those for which we, the Trustee or they are liable under this paragraph) incurred by the Plan. You acknowledge and consent to the Trustee's appointment of us as its agent to perform any of the Trustee's duties as the Trustee may determine. The Trustee will remain responsible for holding the property of the Plan in safekeeping.

22. **Amendment of the Plan.** We and the Trustee may agree to amend the Plan as long as:
- we obtain approval from the Canada Revenue Agency or any government authority administering the Applicable Tax Legislation; and
 - the amendment does not disqualify the Plan as an RESP within the meaning of the Act or the amendment is being made to satisfy a requirement of the Applicable Tax Legislation.

We and the Trustee may agree to make an amendment effective as of a date prior to the date when the amendment is made. We will give you thirty days written notice of any amendment and its effective date, provided that any amendment made to ensure that the Plan continues to comply with the Applicable Tax Legislation may take effect on a date that is prior to the date on which notice is given.

23. **Replacement of the Trustee.** The Trustee may resign by providing 60 days written notice to us or any shorter period that is acceptable to us. We may remove the Trustee from its position as trustee under the Plan by providing 60 days written

notice to the Trustee or any shorter period that is acceptable to the Trustee. The Trustee's resignation or removal will be effective on the date we appoint another trustee (the "Replacement Trustee"). The Replacement Trustee must be a corporation which is resident in Canada, authorized under the laws of Canada or a province to offer trustee services to the public in Canada and which has entered into a agreement concerning Grants with the Minister. If we do not appoint a Replacement Trustee within 60 days after we have received notice of the Trustee's resignation or given notice to the Trustee of its removal, the Trustee may appoint a Replacement Trustee. On the date the Trustee's resignation or removal becomes effective, the Trustee will sign and deliver to the Replacement Trustee all conveyances, transfers and further assurances that may be necessary or desirable to give effect to the appointment of the Replacement Trustee.

24. **Binding.** The Plan will be binding upon your heirs, executors, administrators and upon our successors and assigns.
25. **Governing Law.** This Plan shall be governed by and interpreted in accordance with the laws of the jurisdiction in Canada in which the branch of the Promoter is located where the account is maintained.
26. **English Language.** The parties have requested that the Plan and all documents related to it be established in English. Les parties ont demandé que ce contrat ainsi que tous les documents y afférents soit rédigé en anglais.

Important Information about Your Education Savings Plan

Registration of Your Education Savings Plan

- In order for your plan to be registered and tax sheltered, the account information MUST PASS SIR (Social Insurance Registry) Validation and match exactly what is on the beneficiary's Social Insurance Card
- SIR Validation requires accurate collection of the following mandatory information:
- Subscriber and Joint Subscriber: First Name, Last Name, SIN for both
- Beneficiary: First Name, Last Name, SIN, Date of Birth, Gender
- If any of this information does NOT match SIR your plan will NOT be registered and therefore NOT tax sheltered and income earned will be taxable to the Subscriber

Receipt of Grants

- In order for this plan to receive grants, the account information MUST PASS ESDC (Employment and Social Development Canada) Validation
- ESDC Validation requires accurate collection of the following mandatory information:
- Subscriber and Joint Subscriber: First Name, Last Name and SIN for both
- Beneficiary: First Name, Last Name, SIN, Date of Birth, Gender
- If any of this information does NOT match ESDC, your plan will NOT receive grants
- In addition to the Application, the applicable Canada Education Savings Grant (CESG) and/or Canada Learning Bond (CLB) and/or Alberta Centennial Education Savings Grant (ACES) and/or Saskatchewan Advantage Grant for Education Savings (SAGES) and/or Québec education savings incentive (QESI) application(s) must be completed in order to be eligible to receive grants

- Any payment and redemption of provincial incentive (SAGES/ACES/QESI) is predicated on the legitimacy of the beneficiary's residency of the applicable province at the time of this plan's application. It's the beneficiary's obligation to repay to the Minister any portion of attributable provincial incentive (SAGES/ACES/QESI) to which the beneficiary was not entitled as a result of inaccurate residency.
- ALL INFORMATION DETAILED IN THE ACCOUNT APPLICATION MUST BE COMPLETED FULLY AND ACCURATELY TO RECEIVE GRANT
- THE LIFETIME CONTRIBUTION LIMIT PER BENEFICIARY IS \$50,000 FOR ALL RESP PLANS HELD.

Designation of Beneficiary

RRSP and RRIF

If you do not make a designation, or if the designated beneficiary dies before you and you have not designated another beneficiary, the Plan's assets will be payable to your estate. If you wish to revoke or change the beneficiary designation, or make a designation where one has not been made before, you should do so on an Account Amendment Form or other written document. You must sign and date the form or other document, and deliver it to BMO Investments Inc.

Caution. Your designation of a beneficiary for this plan will not be revoked or changed automatically as a result of any future marriage or common-law relationship or breakdown of marriage or common-law relationship. It will be your responsibility to revoke or change the designation, if you wish.

For Quebec. Where the law of Quebec applies, a beneficiary designation cannot be given effect. Effect can only be given to a beneficiary designation made in a will or other written document that meets the requirements of a testamentary disposition under the law of Quebec.

Minor Child. Where the beneficiary is a minor child, it is the responsibility of the Accountholder to ensure that a trustee and/or a guardian of the minor child's property has been validly appointed under applicable provincial law.

Power of Attorney. A beneficiary designation made, changed or revoked by a person acting under a power of attorney is generally not valid under applicable provincial law and may not be given effect.

TFSA

A TFSA Accountholder may appoint his/her spouse or common-law partner as the Successor Accountholder, or may designate a beneficiary (or beneficiaries), or may do both.

If the TFSA Accountholder appoints his/her spouse or common-law partner as Successor Accountholder, then upon the death of the Accountholder, the spouse or common-law partner will acquire all of the rights under the TFSA and the TFSA will continue in the spouse or common-law partner's name. The appointment will not, however, take effect if the person who was appointed is no longer the TFSA Accountholder's spouse or common-law partner at the time of death or if he/she has died before the Accountholder.

If the TFSA Accountholder does not appoint a Successor Accountholder and designates a beneficiary (or beneficiaries), then upon the death of the Accountholder the proceeds of the TFSA will be paid out to the beneficiary (or beneficiaries), and the TFSA will be closed.

If the TFSA Accountholder both appoints his/her spouse or common-law partner as Successor Accountholder and designates a beneficiary (or beneficiaries), then the appointment of Successor Accountholder will take precedence. The spouse or common-law partner who was appointed will become the Successor Accountholder, even though a beneficiary was also designated.

If the TFSA Accountholder neither appoints a Successor Accountholder nor designates a beneficiary, then upon the death of the Accountholder the proceeds of the TFSA will be paid to the legal representative(s) or estate of the Accountholder. The proceeds of the TFSA will also be paid to the legal representative(s) or estate if, at the time of death, the appointment of a Successor Accountholder is not effective (because the person who was appointed is no longer the TFSA Accountholder's spouse or common-law partner or has died), and all designated beneficiaries have died.

Caution: The appointment of a Successor Accountholder will become ineffective upon divorce or the breakdown of the common-law relationship.

However, a new appointment will not be made automatically as a result of a new marriage or common-law relationship. Also, the designation of a beneficiary will not be revoked or changed automatically as a result of a future marriage or common-law relationship or the breakdown of a marriage or common-law relationship. It is the TFSA Accountholder's responsibility in these circumstances to make a new appointment and/or revoke or change a designation, if he/she wishes. If the appointment of a Successor Accountholder takes effect (upon the death of the TFSA Accountholder), the Successor Accountholder may then revoke or change the designation of beneficiaries.

Law of Quebec: Due to differences under the law of Quebec, where Quebec law applies neither an appointment of a Successor Accountholder nor a beneficiary designation can be made or given effect. Such an appointment or designation should be made in a will or other written document that meets the requirements for a testamentary disposition under Quebec law.

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