

SERVUS CREDIT UNION LTD. FIRST HOME SAVINGS ACCOUNT TERMS AND CONDITIONS

We, Servus Credit Union Ltd. (the "Credit Union"), hereby declare that we accept the trust created between us and the Holder when the Application was signed, upon the following terms:

1. **Definitions** - The following definitions apply:

"FHSA"	Servus Credit Union Ltd. First Home Savings Account consisting of the Application and this Declaration of Trust.
"Contributions"	Any amount paid into your First Home Savings Account (FHSA) by you.
"Holder"	Until your death, is you, and, at and after your death, your Spouse who acquires the rights as successor holder as appointed by you.
"Spouse"	As recognized in the <i>Income Tax Act</i> as your survivor for the purpose of this first home savings account and, where applicable, incorporates the meaning of the term "common-law partner" as set out in Subsection 248(1) of the <i>Income Tax Act</i> .
"Successor Holder"	As defined in the <i>Income Tax Act</i> (Canada)
"Beneficiary"	As defined in the <i>Income Tax Act</i> (Canada)
"Qualifying individual"	As defined in the <i>Income Tax Act</i> (Canada)
"Qualifying Home"	As defined in the <i>Income Tax Act</i> (Canada)
"Qualifying Withdrawal"	As defined in the <i>Income Tax Act</i> (Canada)
"Maximum Participation Period"	As defined in the <i>Income Tax Act</i> (Canada)
"Income Tax Act"	The <i>Income Tax Act</i> (Canada), and regulations thereto, both as amended from time to time.
"Qualifying Arrangement"	The arrangement meets prescribed conditions as defined in the <i>Income Tax Act</i> (Canada),
"Trustee"	Servus Credit Union Ltd.

2. **Registration**

After April 1, 2023 - We will file your election to register this qualifying arrangement as an FHSA under the *Income Tax Act*.

3. **Contributions**

We will only accept contributions made by you and we will hold all contributions made to your FHSA, and any income earned on these contributions, as outlined in the Terms and Conditions and as required by the *Income Tax Act*.

4. **Withdrawal of Contributions**

Upon receipt of your written application, we will refund to you the amount determined in accordance with the *Income Tax Act*.

5. **Record Keeping**

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

6. **Investment**

All contributions made to your FHSA and all income earned on these contributions will be deposited or invested with Servus Credit Union Ltd. in eligible deposits or equity accounts, in accordance with the *Income Tax Act*, as directed by the Holder.

7. **Transfers**

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

8. **Election**

You may elect to have your surviving spouse become the successor holder of your FHSA after your death. This election may not be available in all provinces. Details of the availability of this election are obtainable from Servus Credit Union Ltd.

9. **Beneficiary Designation**

You may designate a beneficiary(s), in those provinces where the laws so permit, to receive the remaining proceeds of your FHSA in the event of your death, while your FHSA continues to exist, and where your spouse did not become entitled to all future rights under the FHSA as permitted under clause 8. Details of our requirements for making, changing or revoking such a designation are available from Servus Credit Union Ltd.

10. **Death**

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

11. **Your Responsibilities**

It is your responsibility to keep us advised, in writing, at all times of any changes in your address. If the qualifying arrangement is an arrangement in trust, it prohibits the trust from borrowing money or other property for the purposes of the arrangement.

12. **Restriction of Trustee**

The qualifying arrangement requires that it be maintained for the exclusive benefit of the holder. We cannot give you, or any person related to you, any benefit, loan or advantage if the benefit, loan or other advantage is conditional upon the existence of your FHSA.

13. **Amendments**

Amendments to your FHSA may only be made by the Trustee. We may from time to time amend your FHSA by giving you notice in writing. Any amendments cannot, however, be contrary to the provisions of the *Income Tax Act*. In the event of any changes to the *Income Tax Act* the terms of your FHSA may be amended without notice to you to ensure that your FHSA continues to comply with all applicable legislation.

14. **Notices**

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

15. **Limits of Our Liability**

The ultimate responsibility for administering the arrangement lies with the issuer. We shall not be responsible for any loss or damage suffered or incurred by your FHSA, by you or by any beneficiary designated by you, unless caused by or resulting from our dishonesty, negligence, willful misconduct or lack of good faith.

16. **Other Conditions**

The arrangement provides that it ceases to be an FHSA after the end of the holder's maximum participation period. While you are the Holder of the FHSA, no one, other than you or Servus Credit Union Ltd., shall have rights to the FHSA relating to the amount and time of distributions and the investing of funds. If applicable, we shall provide the Holder with a copy of the fee schedule in effect from time to time. We shall be entitled to such fees, and to reimbursement for all expenses reasonably incurred by us in administering the FHSA, as may be provided for in any fee schedule in effect at that time. The fees payable to us are subject to change provided that the Holder shall be given at least 60 days notice prior to any change in such fees becoming effective. Notwithstanding any other provisions contained herein, we shall be entitled to additional fees for extraordinary services performed by us from time to time commensurate with the time and responsibility involved. We are fully authorized by the Holder to sell investments of the FHSA in order to realize sufficient monies for the payment of the above fees and expenses and to withdraw payment from the assets of the FHSA without seeking the prior approval or instruction of the Holder. The arrangement, if it involves an issuer described in subparagraph (b) (iii) of the definition qualifying arrangement in subsections (1), includes provisions stipulating that the issuer has no right to offset with respect to the property held under the arrangement in connection with any debt or obligation owing to the issuer.

17. **Resignation of Trustee**

We may resign at any time by delivering 60 days notice of our resignation to you. In the event of our resignation, you shall appoint a successor trustee who shall be acceptable to us. We shall deliver the property comprised of the investments within the FHSA and the records relating thereto and shall execute such deeds and assurances and do such things as may be requisite in order to ensure the continued and uninterrupted operation of the FHSA. Should you neglect or refuse to appoint a successor trustee who shall be acceptable to us, we reserve the right to transfer assets in specie to you as a withdrawal from your FHSA.

18. **Credit Union Liability**

Servus Credit Union Ltd. shall not be liable for loss or diminution of the Holder's investment in the FHSA, any loss suffered or incurred by the Holder's Account, by the Holder or by any beneficiary designated by the Holder, unless caused by or resulting from the Credit Union's dishonesty, negligence, willful misconduct or lack of good faith.