

## Schedule B – HISA Declaration of Trust

This HISA Declaration of Trust (“**Declaration**”) is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

BY:

**First Nations Finance Authority (“FNFA”)**

### WHEREAS:

- A. FNFA wishes to establish the FNFA High Interest Savings Account Product (“**HISA**”) through which moneys of Participants (as defined in section 4) will be deposited in trust into accounts with the Canadian Imperial Bank of Commerce (the “**Bank**”);
- B. FNFA intends to enter into a Special Arrangement agreement with the Bank for the purposes of the HISA; and
- C. FNFA is executing this Declaration to set forth the terms on which such HISA is created and moneys deposited by Participants into the HISA will be managed.

NOW THEREFORE this Declaration witnesses the following:

- 1. A banking account known as the HISA is hereby created.
- 2. FNFA has established an account with the Bank (the “**Master Account**”) under which FNFA is to designate a separate sub-account (each an “**In-Trust Account**”) for each Participant that has agreed to participate in the HISA.
- 3. This Declaration, the HISA, and each In-Trust Account are excluded from the terms and conditions of the Master Declaration of Trust made by FNFA as of the 15<sup>th</sup> day of June, 2009, pursuant to the section 2.1 therein, and FNFA deems such exclusion as advisable for the establishment of the HISA and each In-Trust Account established under this Declaration.
- 4. Municipalities, members of FNFA, and the affiliates of each may apply (an “**Applicant**”), at the sole discretion of FNFA, to become a participant in the HISA by executing the enrollment form required by the FNFA. That enrollment form, all documentation referred to therein, including this Declaration, and any other documentation which FNFA requires the Applicant to complete and to sign in connection with its In-Trust Account, are collectively referred to herein as the “**HISA Documentation**”, and will collectively constitute the agreement between FNFA and the Applicant. Upon acceptance of HISA Documentation by FNFA and the establishment of an In-Trust Account for an Applicant, the Applicant will become a “**Participant**” for the purposes of this Declaration.
- 5. The rights of each Participant as a beneficiary of the HISA are strictly limited to its beneficial interest in its own In-Trust Account. Without limiting the generality of the foregoing;
  - a) a Participant has no entitlement of any kind in relation to the In-Trust Account of any other Participant;
  - b) a Participant is only entitled to receive information concerning its own In-Trust Account and is not entitled to receive information concerning the In-Trust Account of any other Participant.

6. For greater certainty, subsection b) does not prevent FNFA from periodically disclosing the aggregate holdings of, and rate of return on, the HISA and other related information.
7. Each In-Trust Account and the balance thereof from time to time is held by FNFA, as trustee, in trust for the benefit of the Participant in respect of which the In-Trust Account was established.
8. FNFA will direct that representative(s) designated by each Participant in its HISA Documentation ("**Designated Representative(s)**"), are solely authorized and responsible to conduct all dealings with FNFA in connection with each Participant's respective In-Trust Account, including, without limitation, in respect of deposits to and withdrawals from the In-Trust Account. FNFA will transfer money between a Participant's external bank account and the In-Trust Account using the Bank's Cash Management Online Profile in accordance with instructions given to FNFA by a Participant's Designated Representatives, so long as such instructions are given in accordance with the requirements set out in a Participant's HISA Documentation, as modified from time to time. Any change in a Participant's Designated Representative(s) must be made in the manner required by the Participant's HISA Documentation.
9. FNFA's only role with respect to a Participant's In-Trust Account will be to:
  - a) ensure that FNFA's agreements with the Bank are consistent with this Declaration;
  - b) direct the Bank to establish an In-Trust Account for the Participant on receipt from the Participant of completed HISA Documentation;
  - c) facilitate deposit and withdrawal transactions for the Participant's In-Trust Account;
  - d) provide the Participant with account statements on a monthly basis;
  - e) distribute legal and regulatory notices provided by the Bank to the Participant;
  - f) enforce FNFA's rights as the legal holder of the Participant's In-Trust Account to require payment by the Bank in the event of failure by the Bank to make any payment of interest on the In-Trust Account or to honour any valid direction for withdrawal from the In-Trust Account; and
  - g) monitor/enforce the Participants' obligation to maintain minimum balances and/or pay fees.
10. Each Participant is solely responsible for confirming the accuracy of any statements and other information relating to its In-Trust Account that is provided to the Participant by FNFA, and is required to notify the FNFA within 30 days after receipt of any statement of any inaccuracy in such statement, failing which such statement will conclusively be taken as accurate.
11. Each Participant is required to indemnify and hold harmless FNFA, its directors, officers and employees (collectively "**Indemnified Parties**") against any liability, loss, damage or claim that an Indemnified Party incurs to any party, or suffers or becomes subject to, arising out of or in connection with:
  - a) FNFA acting as trustee of the Participant's In-Trust Account;
  - b) FNFA administering the Participant's In-Trust Account; and
  - c) the operation of the Participant's In-Trust Account, including, without limitation, any allegations, proven or unproven, of improper directions with respect to the In-Trust Account.

Without limiting the generality of the foregoing, such indemnity will extend to any liability that FNFA incurs to the Bank or any claim made by the Bank against FNFA, including any such liability or claim that is based on the agreements between FNFA and the Bank that relate to the Master Account and the Participant's In-Trust Account, including any indemnity provisions of such agreements. Furthermore, no Participant shall commence any action or claim against the Bank in respect of which the Bank is entitled to seek indemnification from FNFA.

12. FNFA may designate and authorize such persons as it may determine to market or promote the HISA.
13. FNFA reserves the right to amend this Declaration without the consent of the Participants, provided that any such amendment:
  - a) shall only have prospective effect; and
  - b) shall not diminish or impair the beneficial entitlement of a Participant in respect of its In-Trust Account.
14. If any provision of this Declaration is found to be invalid at law by a court of competent jurisdiction, then such provision shall be deemed to be severed from this Declaration and the remainder of this Declaration shall not be affected and shall remain in full force and effect.

WHEREFORE FNFA has executed this Declaration as of the date first written above.

#### First Nations Finance Authority

\_\_\_\_\_  
Ernie Daniels  
*Printed name of FNFA Representative*

\_\_\_\_\_  
Chief Executive Officer  
*Title of FNFA Representative*

\_\_\_\_\_  
*Signature of FNFA Representative*

#### Participant:

\_\_\_\_\_  
*Printed name of Participant representative*

\_\_\_\_\_  
*Title of Participant representative*

\_\_\_\_\_  
*Signature of Participant representative*