

FAMILY TRUST AGREEMENT

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..... AGREEMENT entered into in the City of, Province of, Canada.

IN THE YEAR TWO THOUSAND, on

BEFORE: ME, notary at, judicial district of, province of Québec.

APPEARED: V1 (*name of individual*), (*occupation*), domiciled and residing at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*), doing business as (*business name*);

OR

V2 (*corporate name*), a legal person duly incorporated under the Act (*name of statute under which the corporation was incorporated*), having its principal place of business at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*), and duly registered under the designating number in accordance with the Act (*name of the applicable statute governing the legal registration of the corporation*);

V2.1 (Authorized Representative) (to be added after V2, if applicable)
, represented by (*name of representative*), its (*title of representative*), duly authorized for the purposes hereof, as he/she so declares;

V2.2 (Authorized Representative by Resolution) (to be added after V2, if applicable)
, represented by (*name of representative*), its (*title of representative*), duly authorized for the purposes hereof as indicated in the resolution of the sole director [OR board of directors], attached hereto as Schedule A;

HEREINAFTER REFERRED TO AS THE “SETTLOR”;

AND: (*name of trustee*), born on (*date of birth*), domiciled and residing at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*);

HEREINAFTER REFERRED TO AS “TRUSTEE A”;

AND: (*name of trustee*), born on (*date of birth*), domiciled and residing at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*);

HEREINAFTER REFERRED TO AS “TRUSTEE B”;

AND: (*name of trustee*), born on (*date of birth*), domiciled and residing at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*);

HEREINAFTER REFERRED TO AS “TRUSTEE C”;

HEREINAFTER COLLECTIVELY REFERRED TO AS THE "PARTIES";

RECITALS

THE PARTIES DECLARE AS FOLLOWS:

- (A) The SETTLOR wishes to establish an *inter vivos* personal trust for the Beneficiaries named hereunder;
- (B) Accordingly, the SETTLOR wishes to transfer Property, by way of an irrevocable gift, to the trust patrimony;
- (C) The SETTLOR agrees to fully entrust the holding, administration and disposal of the trust patrimony to the sole discretion of the Trustees, who accept this responsibility;
- (D) The PARTIES wish to record the first gift and determine the terms and conditions that will govern the administration of the Trust.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

0.00

INTERPRETATION

0.01 Definitions

Unless otherwise indicated, the capitalized words or expressions appearing in the Agreement will be interpreted as follows:

0.01.01 Agreement

means this family trust agreement including its recitals and schedules as well as any amendment made thereto, if applicable;

0.01.02 Beneficiary

means any person entitled, in whole or in part, in a conditional or absolute manner, to the Income or Capital of the Trust under Section 3.02 of the Agreement;

0.01.03 Capital

means the Property as well as any other property acquired to replace any Property, but excludes any amount paid as Capital from the Trust in the ordinary course of its administration or under the provisions hereof, it being understood that this term should be interpreted as defined under the Civil Code, without reference to the provisions of the Income Tax Laws or the Commodity Tax Laws, and includes, when permitted by context, the Capital to which a Trustee is entitled under the Agreement;

0.01.04 Capital Gain or Taxable Capital Gain

have the same meaning as defined under the Income Tax Laws;

0.01.05 Child

means any child, born or yet to be born, whose relation is established and any legally adopted child;

0.01.06 Civil Code

means the *Civil Code of Québec*, CQLR c C-199, its amendments and any other law that may replace it and the *Civil Code of Lower-Canada*, when its legislative provisions are still in force;

0.01.07 Commodity Tax Law

means the *Excise Tax Act*, RSC 1985, c E-15 and the *Act respecting the Québec Sales Tax*, CQLR c T-0.1 their amendments, any law that may replace such laws, their regulations as well as any other commodity tax law of another Canadian province or another country;

0.01.08 Designated Trustees

means all the Trustees, excluding the First Trustee;

0.01.09 First Trustee

refers to (*identify the person acting as the first trustee*);

0.01.10 Freeze

means the conversion or exchange of property, whose value is likely to increase, into other substitute property for which the value is not likely to increase and is set at the fair market value of the property at the time of substitution, it being understood that the substitute property may or may not generate a return in the form of interest or a dividend and have any other right;

0.01.11 Income

means all income of the trust patrimony, any Capital Gain realized by the Trust under any Tax Laws as well as any sum that is deemed to be income through the exercising of powers by the Trustees under the Agreement, it being understood that this term will be interpreted as defined under the Civil Code, without reference to the provisions of the Income Tax Laws and the Commodity Tax Laws, and includes, when so required by the context, the income to which a Trustee is entitled under the Agreement;

0.01.12 Income Tax Law

means the Canada *Income Tax Act*, RSC 1985, c 1 (5th suppl) and the Québec *Taxation Act*, CQLR c I-3, any amendments thereto, any law that replaces such laws or their regulations as well as any other income tax law of another Canadian province or another country;

0.01.13 Instructions

means the instructions of the First Trustee in connection with its discretionary powers written in his or her will, in his or her mandate in case of incapacity or in an Instrument;

0.01.14 Instrument

means any notarial deed or private instrument signed before TWO (2) witnesses;

0.01.15 Property

means the initial gift to the trust patrimony; any other movable or immovable property, whether corporeal or incorporeal, that is transferred to the trust patrimony or acquired by the Trust; any fruit and revenues that may arise from such Property as well as any interest or right of any kind in the trust patrimony held by the Trust;

0.01.16 Spouse

means an individual united to another individual through marriage or civil union in accordance with the provisions of the Civil Code or as defined under the Income Tax Laws, regardless of his or her death, excluding, however, any individual who is no longer living with the other due to de facto separation for a period of NINETY (90) days or by a judgment of legal separation, divorce or annulment of the union;

0.01.17 Term

means the date at which the Trust will end in accordance with Part 10.00 of the Agreement;

0.01.18 Trust

means the family trust created under the Agreement;

0.01.19 Trustees

means the TRUSTEES as well as any other person appointed in accordance with Sections 2.03, 2.04 and 2.05 of the Agreement, if applicable;

0.02 Entire Agreement

The Agreement constitutes the entire understanding between the PARTIES. It supersedes any other written or verbal promise or covenant made prior to the date it was signed, any schedules attached thereto as well as any other related or ancillary documentation.

0.03 Applicable Law

Subject to the powers of the Trustees under of the Agreement, the Agreement will be interpreted and performed in accordance with the applicable Law of the Province of (*name of province*), Canada.

0.04 Non-Compliance

0.04.01 Severability

In the event that any provision of the Agreement is deemed to be invalid or unenforceable, that provision must, whenever possible to do so, be interpreted, construed, limited or, if necessary, severed to the extent necessary to eliminate such invalidity or unenforceability, and all the remaining provisions of the Agreement will remain valid and continue to bind the PARTIES.

0.04.02 Substitute Provision

If required, the PARTIES agree to negotiate in good faith a valid and enforceable substitute provision that most nearly reflects the PARTIES' original intent or, in the event no substitute provision can be added, that provides any equitable adjustment that may be necessary.

0.05 Miscellaneous

0.05.01 Gender and Number

Unless otherwise required by the context, in the Agreement, words denoting the singular include the plural and vice-versa, and words denoting one gender include the other gender.

0.05.02 Headings

Headings used in the Agreement have no interpretative value and their sole purpose is to facilitate cross-referencing therein.