

IMPORTANT THINGS TO REMEMBER WHEN INVESTING IN A TFSA WITH HOME TRUST COMPANY

In an effort to keep you better informed and service you better please have a look at the following Home Trust Company policies to mitigate delays and rejection of your investments. At Home Trust:

- Purchaser and plan holder must be one and the same, only exceptions are joint bank account holders (cheques) and Power of Attorney. For example a spouse can not purchase a TFSA for another spouse, the cheque signee and plan holder must be the same, alternatively a parent can not purchase an investment for a child who is 18 years or older. The child who is 18 years of age or older with a valid SIN number must purchase his own investment. Trusts are not allowed
- Maturity cheques from other Financial Institutions are accepted for deposit if payable to the plan holder.
- TFSA is offer in 1-5 year investment terms, annual payment or compound options are available. If the interest frequency is not selected than a compounding option will be applied.
- In accordance with the CRA and as defined by the Income Tax Act (Canada) a Successor holder can only be a spouse or common-law partner. This will allow for the continuance of the plan to the designated spouse or common-law partner at the death of the original plan holder on a tax exempt basis.
- A beneficiary designation would apply in the event the account holder wishes to name a non-spouse as a beneficiary (ie. Child). The beneficiary would be entitled to receive the proceeds of a TFSA in the event of the death of the plan holder. They are not entitled to continue operate the TFSA. The TFSA will not maintain its tax exempt status and would be closed with the proceeds paid out to the beneficiary.

For more information on the TFSA please feel free to call us at Toll Free 1-877-903-2133, e-mail us at gicdept@hometrusted.ca, or visit the following CRA websites:

www.tfsa.gc.ca

<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/tfsa-celi/qstns-eng.html>

<http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/tfsa-celi/menu-eng.html>