

HIGH INTEREST SAVINGS ACCOUNT PROGRAM ("HISA") - APPLICATION FOR ENROLMENT

TO: Nova Scotia Municipal Finance Corporation

Suite 8317 Maritime Centre, 1505 Barrington Street, P.O. Box 850, Station "M", Halifax, N.S. B3J 2V2

A pooled investment fund known as the "High Interest Savings Account" (the "Fund") is hereby created pursuant to subsection 8(1)(i) of the Municipal Finance Corporation Act by the Nova Scotia Municipal Finance Corporation (MFC).

MFC has established the Fund with CIBC under which MFC is to designate a separate sub-account held in trust by MFC (each an "Account") for each Participant (defined below) that has agreed to participate in the Fund.

A Participant specified pursuant to subsection 8(1)(i) of the Act may become a participant in the Fund by executing this Enrollment Form. This Enrollment Form, all documentation referred to herein, and any other documentation which MFC requires the Participant to sign in connection with its Account, are collectively referred to herein as the "Account Documentation" and will collectively constitute the agreement between MFC and the Participant. Upon acceptance of Account Documentation by MFC and the establishment of an Account for a Participant, the Participant will become a "Participant" for the purposes of this Declaration.

The _____ ("Participant") hereby applies to enroll in the High Interest Savings Account Program ("Fund") which has been established by the Nova Scotia Municipal Finance Corporation ("MFC") pursuant to subsection 8(1)(i) of the Municipal Finance Corporation Act. The Participant wishes MFC, as trustee, to establish an account ("Account") within the Fund for the benefit of the undersigned with the Canadian Imperial Bank of Commerce ("CIBC").

In consideration of MFC accepting this application, the undersigned hereby agrees and acknowledges that the Account and activity related thereto will be governed by:

- (a) the Terms and Conditions set out in Schedule "A", which may be changed, from time to time, without Participant's consent, on notice to the Participant, and which reflect MFC's agreement with CIBC;
- (b) the provisions of the Declaration of Trust set out in Schedule "B", by which the Participant agrees to be bound, and pursuant to which MFC will hold the Account together with accounts of other participants for the purpose of the pooled investment fund; and
- (c) the Introduction and Part I of the CIBC Commercial and Corporate Banking Agreement ("Account Agreement") which is posted on the MFC website and which the undersigned acknowledges having reviewed, such documents and agreements collectively referred to as "HISA Documentation". To the extent there is any inconsistency between provisions in Schedule "A" and the Account Agreement, the provisions in Schedule "A" will prevail.

The Participant also acknowledges that MFC is responsible for conducting account transactions, reviewing statements and otherwise managing the account in accordance with the above-noted HISA Documentation. The Participant acknowledges they have already entered into an agreement with MFC for EFT pre-authorization debits and credits.

The Participant confirms that it is authorized, through its Investment Policy and governing legislation, to invest in the Account with CIBC, that neither MFC nor CIBC has provided any advice to the Participant on the investment merits and risks of the Account, and that the Participant is solely responsible for determining suitability and assessing risk of the Account for its investment purposes and objectives.

Signature _____ Signature _____

Print Name _____ Print Name _____

Title _____ Title _____

Date _____ **Contact Information:** Name: _____

Email _____ Phone: _____

MFC Use Only

Schedule A – Terms & Conditions		Schedule B – Declaration of Trust	
Reviewed by		Reviewed by	

SCHEDULE "A"

HIGH INTEREST SAVINGS ACCOUNT ("HISA")

TERMS and CONDITIONS

Deposits will be accepted, once the Application for Enrollment form has been completed and approved by the MFC.

A. The Account

Each Participant joining the MFC HISA will be assigned a CIBC Canadian Dollar bank account that the MFC will hold In Trust for the Participant. MFC will be provided electronic access to the accounts on CIBC's Cash Management Online ("CMO") system to facilitate all transactions and management of the account(s).

B. Movement of Money

- a. Participants will email MFC's HISA coordinator to book an electronic funds transfer ("EFT") either pushing or pulling funds from their bank account held in Trust. The movement of funds from or to the Participant's CIBC account held in Trust for the benefit of a Participant will only be sent to or pulled from another account in the name of the Participant. EFT transactions are the only method of moving funds.
- b. The withdrawal instructions are issued by the Participant and received by the MFC HISA coordinator before 12:00 noon AST on any banking day. On receipt of the instructions, the HISA coordinator will affect the transfer of funds via EFT to be credited and/or debited to/from the Participant's bank account on the following business day. The availability of funds for credit/debit to the Participant's Account is subject to the clearing requirements and practices of the Participant's financial institution and CIBC.
- c. Participants will not be able to contact CIBC directly to move funds and must only use the MFC, as outlined in item "b" above. Any errors, irregularities or omissions on account statements or transactions must be reported immediately to MFC so that they can be reported to CIBC on a timely basis, as required under the terms of the Account Agreement.

C. Minimum Deposits and Investment Limits

The Participant's account will not require a minimum amount to remain open. There are no maximum limits on the account. The Participant will be expected to manage the account to their established investment limits to affect an appropriate diversified investment strategy. MFC has no obligation or responsibility to monitor Participant's compliance with such investment limits.

D. Interest

- a. Interest is calculated and paid monthly on the Account(s) based on the Average Monthly Credit Balance (AMCB) of the Account(s). The AMCB is determined by the average of each day's final balance for such month. Interest paid on the Account(s) is "Full Tier" meaning that the interest rate paid is determined by the balance tier below in which the consolidated AMCB for the program falls.

Balance Tiers	Annual Interest Rate
\$0 to \$24.9 Million	CIBC Prime less 1.60%
\$25 Million to \$74.9 Million	CIBC Prime less 1.55%
Over \$75 Million	CIBC Prime less 1.50%

- b. All rates are based on CIBC's Prime Rate, which is 3.95% as of October 25th 2018. CIBC's Prime rate is subject to change without prior notice and current rate is available on CIBC's website (cibc.com), in the CIBC Marketing documentation provided at time of enrollment, or as updated and disclosed to MFC on behalf of Participants and by MFC to Participants from time to time.
- c. Interest will be credited to the Participant's Account(s) 3 business days following month end.

F. Fees and Charges

For the purpose of this HISA program, there are no associated fees and charges for the Participant's account(s) held in Trust.

G. Administrative Fee

CIBC and MFC have agreed to waive any fees to administer the HISA Program, and associated Participant's Account(s) held in Trust.

H. Statements and Legal Notices

The Participant, through access to CMO, will be able to access a variety of reports, including a monthly account statement. No paper statements will be mailed. It is the Participant's responsibility to regularly review its account transactions and statements, and report to MFC any errors, irregularities or omissions ("Discrepancies") on a timely basis. Discrepancies will be reported to CIBC by MFC. All legal or regulatory disclosures, notices, orders, judgments, requests for information applicable to the Participant's Account(s) (whether received by CIBC or provided by CIBC) will be delivered to MFC, as Trustee of the Account(s) for and on behalf of the Participant, and MFC will be responsible for communicating same to the Participant.

Schedule "A"

I. General Provisions

CIBC may change how interest is calculated and paid or credited in these arrangements at any time. The Participant will be notified of such change, which notification may be in writing, via CMO messaging or other means, and in the case of any variation of interest rate spreads described in these Terms and Conditions, notice will be provided at least Sixty (60) days before the effective date of the rate spread variation.

J. Termination

MFC may terminate this arrangement with CIBC and will provide 60 days written notice to the Participant. After the Sixty (60) days, the Participant will have to move their funds to another account in their name at CIBC or another financial institution. CIBC may also terminate the Account(s) in accordance with the terms of the Account Agreement.

Should the Participant want to terminate their CIBC HISA, they must notify MFC of their intention to terminate using the form provided by the MFC.

k. Key Contacts

Description	Contact
CIBC HISA program contacts	Blair Brown Senior Manager & Team Leader Commercial Banking Public Sector & Professional Associations <ul style="list-style-type: none">• Call 902-428-4585• Email Blair.Brown@cibc.com Bill Boyle Senior Manager, Cash Management <ul style="list-style-type: none">• Call 902-428-7207• William.boyle@cibc.com
Technical problems with CMO	1-800-500-6316
All other matters including questions regarding enrollment, documentation, discrepancies and rates	Kathleen.mccarthy@novascotia.ca

Initials of Participants

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SCHEDULE "B"

HIGH INTEREST SAVINGS ACCOUNT ("HISA")

DECLARATION OF TRUST

This Declaration of Trust is made as of _____, 2020 by

NOVA SCOTIA MUNICIPAL FINANCE CORPORATION (the "Corporation") a corporation under the *Municipal Finance Corporation Act (Nova Scotia)* (the "Act")

WHEREAS:

- A. The Corporation is authorized under section 8(1)(i) of the Act to provide for the creation and management of pooled investment funds, and to enter into agreements with specified municipalities/municipal enterprises ("Participants") under which moneys received from such Participants are held in such funds;
- B. The Corporation is establishing a High Interest Savings Account fund through which moneys of participating Participants will be deposited in an account with Canadian Imperial Bank of Commerce (the "Bank"), being an investment permitted under section 8(1)(i) of the Act;
- C. The Corporation is executing this Declaration of Trust ("Declaration") to set forth the terms on which such fund is created and moneys deposited into such fund will be managed.

NOW THEREFORE this Declaration of Trust witnesses the following.

1. A pooled investment fund known as the "High Interest Savings Account" (the "Fund") is hereby created pursuant to section 8(1)(i) of the Act.
2. The Corporation has established the Fund with CIBC under which the Corporation is to designate a separate sub-account held in trust by the Corporation (each an "Account") for each Participant that has agreed to participate in the Fund.
3. A Participant specified pursuant to section 8(1)(i) of the Act may become a participant in the Fund by executing the enrollment form required by the Corporation. That enrollment form, all documentation referred to therein, including this Declaration, and any other documentation which the Corporation requires the Participant to sign in connection with its Account, are collectively referred to herein as the "Account Documentation", and will collectively constitute the agreement between the Corporation and the Participant contemplated by section 8(1)(i) of the Act. Upon acceptance of Account Documentation by the Corporation and the establishment of an Account for a Participant, the Participant will become a "Participant" for the purposes of this Declaration.
4. The rights of each Participant as a beneficiary of the Fund are strictly limited to its beneficial interest in its own Account. Without limiting the generality of the foregoing:
 - a) a Participant has no entitlement of any kind in relation to the Account of any other Participant;
 - b) a Participant is only entitled to receive information concerning its own Account and is not entitled to receive information concerning the Account of any other Participant.
5. For greater certainty, subsection 4(b) does not prevent the Corporation from periodically disclosing the aggregate holdings of, and rate of return on, the Fund and other related information.
6. Each Account and the balance thereof from time to time is held by the Corporation in trust for the Participant in respect of which the Account was established, with management of each Participant's Account being the sole responsibility of that Participant as provided in Sections 7 and 9, except as provided in Section 8.
7. The Corporation will, as provided in its agreement with the Bank, direct that representatives of a Participant, designated by that Participant in its Account Documentation ("Designated Representatives"), are solely authorized and responsible to conduct all transactions with the Bank (with CIBC or through MFC??) in connection with the Participant's Account, including, without limitation, in respect of deposits to and withdrawals from the Account. Moneys will be transferred by the Participant directly to the Bank and by the Bank directly to the Participant, through the Corporation's CMO Platform in accordance with instructions given to the Bank, from the Corporation, on behalf of the Participant, by its Designated Representatives, so long as such instructions are given in accordance with the requirements set out in the Participant's Account Documentation, as modified from time to time. Any change in the Designated Representatives of a Participant must be made in the manner required by the Participant's Account Documentation.
8. The Corporation's only role with respect to a Participant's Account will be to:
 - a) ensure that the Corporation's agreements with the Bank are consistent with this Declaration;

- b) direct the Bank to establish an Account in trust for the Participant on receipt from the Participant of completed Account Documentation;
 - c) direct the Bank as to the identity of, and any change in, the Designated Representatives of the Participant;
 - d) enforce the Corporation's rights as the legal holder of the Participant's Account to require payment by the Bank in the event of failure by the Bank to make any payment of interest on the Account or to honour any valid direction for withdrawal from the Account;
 - e) receive and accept on behalf of the Participant any and all legal or regulatory disclosures, notices, orders, judgments, requests for information including, without limitation the Account Agreement referred to in the enrolment form and any changes thereto; and
 - f) instruct the Bank, as directed by the Participant from time to time, in regard to matters arising from any communication referred to in (e) above.
9. Except as provided in Section 8(e) and the Account Documentation, the Corporation has no responsibilities in relation to providing statements or other information about a Participant's Account to the Participant. Access to the Account and to statements and other information by the Designated Representative shall be via the Corporation's CMO platform. Provision of such financial and Account information is the responsibility of the Bank, and not that of the Corporation. The Designated Representative of a Participant is solely responsible for regularly reviewing and confirming the accuracy of any statements, transactions and other information relating to its Account and is required to notify the Bank (through the Corporation) within the timelines specified in the Account Agreement of any errors, irregularities or omissions in such statement, failing which such statement and related transactions will conclusively be taken as accurate.
10. The Corporation has the right and ability to direct deposits to or withdrawals from any Account only on the authorization of the Participant. Its rights in respect of the Accounts will be limited to information obtained by the Corporation for its own purposes by "read only" access.
11. Each Participant is required to indemnify and hold harmless the Corporation, 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) the Corporation acting as trustee of the Participant's Account;
 - b) the operation of the Participant's Account including, without limitation, any allegations, proven or unproven, of improper directions with respect to the Account.
- Without limiting the generality of the foregoing, such indemnity will extend to any liability that the Corporation incurs to the Bank or any claim made by the Bank against the Corporation, including any such liability or claim that is based on the agreements between the Corporation and the Bank that relate to the Master Account and the Participant's Account, including any indemnity provisions of such agreements. Furthermore, no Participant may commence any action or claim against the Bank in respect of which the Bank is entitled to seek indemnification from the Corporation.
12. The Corporation reserves the right to amend this Declaration without the consent of the Participants, provided that any such amendment:
- a) may only have prospective effect; and
 - b) may not diminish or impair the beneficial entitlement of a Participant in respect of its Account.
13. This Declaration is governed by and is to be interpreted in accordance with the laws of Nova Scotia.

Initials of Participants

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