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VersaBank

Arrangement # _____

☐ New ☐ Existing

TAX-FREE SAVINGS ACCOUNT APPLICATION

ACCOUNT HOLDER _____
Last Name First Name Initial

ADDRESS _____

_____ HOME PHONE _____

CITY _____ PROV. _____ BUSINESS PHONE _____

POSTAL CODE _____ S.I.N. _____ BIRTH DATE _____
dd/mmm/yyyy

OCCUPATION _____

Investment Details

Intended Use of Account: _____

☐ **Guaranteed Investment Certificate**

Principal Amount _____ Interest Rate _____ Term _____

Issue Date _____ Maturity Date _____
(dd/mmm/yyyy) (dd/mmm/yyyy)

☐ **Sunrise Savings Account**

Deposit Amount _____ Rate of Interest Effective Today _____

Source of Funds

☐ New deposit

☐ Transfer from another Institution

☐ Reinvestment of VersaBank TFSA

Certificate # _____

☐ Other - specify _____

A In the event of my death I hereby designate my spouse, if living at my death, as the successor holder of this VersaBank Tax-Free Savings Account to acquire all rights I have as the holder thereof. I reserve the right to revoke this designation.

Spouse's Name _____

Spouse's SIN _____

Address _____

B In the event that the successor holder designated by me in **A** predeceases me or where I have not named a successor holder in **A**, I hereby designate the following person as my designated beneficiary entitled to receive the proceeds of this VersaBank Tax-Free Savings Account in the event of my death. I reserve the right to revoke this designation.

Name _____

SIN _____ Relationship _____

Address _____

I request the issuer to file an election with the Minister of National Revenue to register my qualifying arrangement as a Tax-Free Savings Account under Section 146.2 of the Income Tax Act (Canada). I declare that I have read, understand and agree to the terms and conditions described in the Tax-Free Savings Account agreement provided with this application.

SIGNATURE OF ACCOUNT HOLDER DATE (dd/mmm/yyyy)

AGENT DECLARATION It is agreed that funds received by the Agent from the Account Holder are held in trust by the Agent for the Account Holder. I, as an Agent and authorized representative of the deposit broker, certify that I i) have personally met with the account holder, ii) have viewed the original identification records listed above, iii) have witnessed the individual sign this document.

Signature of Agent _____ Agency # _____

Name of Agent _____ Phone # _____

SPECIAL INSTRUCTIONS

_____

_____

_____

OUR INSTRUCTIONS

1. You must receive a copy of this application. Make sure that all of the information is complete
2. Your cheque should be payable to VersaBank or, under certain circumstances, to the agent (in trust).
3. **You will receive confirmation of purchase within 5 days. If you have not, contact your agent or VersaBank.**

Accepted by the depositary in accordance with the terms and conditions _____
Signature

VersaBank Tax-Free Savings Account Agreement

We, VersaBank (the "Bank"), are a bank incorporated under the laws of Canada. You are the Account Holder (the "Holder") as defined in the ITA, named in the tax-free savings account application. The Holder requests that the Bank file an election with the Minister of National Revenue to register the qualifying arrangement as a tax-free savings account ("Arrangement") pursuant to the applicable provisions of the Income Tax Act (Canada) (the "ITA"), as well as to register it under any applicable income tax legislation in the province or territory of residence of the Holder indicated in the tax-free savings account application completed by the Holder. The following are the terms and conditions that will apply to the Arrangement:

1. The Arrangement will comply with, and the Holder will be bound by, the terms and conditions from time to time imposed on the Arrangement by the ITA and any other applicable legislation.

2. The Holder represents that the tax-free savings account application accurately states the Holder's age. The Arrangement will not be a tax-free savings account unless the Holder is at least 18 years of age when it is entered into.

3. The Holder must be a resident of Canada to apply. The Holder agrees to notify the Bank when he or she becomes a non-resident of Canada. Contributions made to the Arrangement while the Holder is a non-resident will be subject to specific tax consequences which it is the Holder's responsibility to determine.

4. The Holder acknowledges and agrees that the Arrangement is to be maintained for his or her exclusive benefit, disregarding any right of a person to receive a payment out of or under the Arrangement only on or after the death of the Holder. Contributions to the Arrangement will be used, invested and applied for the purpose of the making by the Bank of distributions under the Arrangement to the Holder in accordance with the ITA. Only the Holder and the Bank have any rights under the Arrangement relating to the amount and timing of distributions and the investing of funds, and any third party is prohibited from having rights under the Arrangement in relation to those issues. The term "distribution" means any payment made from the Arrangement, in full or partial satisfaction of the Holder's interest in the Arrangement, that is considered a distribution from a tax-free savings account for purposes of the ITA.

5. In this agreement, an "Agent" refers to an individual or entity acting (or representing that it acts) in connection with the Holder's Arrangement as the Holder's agent, investment advisor, broker or dealer, or on behalf of the Holder. The Holder acknowledges that the Agent is the Holder's agent, and when acting (or representing that it acts) as an Agent is not the Bank's agent. The Bank is entitled to accept and act on any notice, authorization or other communication that the Bank believes in good faith to be given by the Holder or an Agent on the Holder's behalf. The Bank is under no obligation to verify that an Agent is properly authorized to act as agent or is otherwise authorized to act on the Holder's behalf.

6. The Bank will advise what investment options are available; all investment options that the Bank offers will be qualified investments under the ITA. The Holder acknowledges that only investments that the Bank offers may be held in the Arrangement. The Holder is responsible for selecting investments for the Arrangement and assessing their merits, as well as obtaining appropriate advice in respect of these matters or authorizing an Agent to do so on their Behalf. The Holder is also responsible for ensuring that contributions made to the Arrangement do not exceed the maximum contribution limits permitted by the ITA, and that contributions are not made to the Arrangement while the Holder is a non-resident. The Holder confirms that the Bank is not responsible for any of the matters set out in the preceding two sentences (the "Matters") nor for any loss in the value of the Arrangement or for any taxes, interest or penalties imposed on the Holder attributable to any Matters. The Holder acknowledges that an Agent or any other person or entity which represents, directly or indirectly, that they have provided the Holder with investment, tax or other advice is the Holder's Agent and when acting (or representing that it acts) as an Agent or the Holder's advisor, is not the Bank's Agent.

7. Only the Holder is permitted to make contributions to the Arrangement. The Holder may make a transfer to the Arrangement from any source permitted by the ITA from time to time, including a transfer to the Arrangement from another tax-free savings account held by the Holder or from a tax-free savings account of his or her spouse or former spouse where the transfer relates to a division of property arising on the breakdown of the marriage or common-law partnership, in accordance with the ITA. The Bank may accept or for any reason may refuse to accept all or any portion of a contribution to the Arrangement. Contributions will be deposited to the Arrangement by way of VersaBank Guaranteed Investment Certificates or into a VersaBank Sunrise Savings Account as directed by the Holder at the time of contribution. The interest rate on a Guaranteed Investment Certificate shall be established by the Bank at the time of deposit by the Holder and shall be fixed at that rate for the term selected. The interest rate on the Sunrise Savings Account will be determined by the interest rate offered by VersaBank and will be reinvested and form part of the Arrangement. Both principal and interest are fully guaranteed by VersaBank.

8. Following receipt of satisfactory instructions from the Holder, the Bank will pay distributions from the Arrangement to the Holder for any purpose. Without limiting the generality of the foregoing, following receipt of satisfactory instructions from the Holder, the Bank will pay distributions to reduce the amount of tax otherwise payable by the Holder in respect of contributions made while a non-resident of Canada or contributions in excess of the maximum contribution limits for tax-free savings accounts permitted by the ITA. If the value of the Arrangement is less than $500, the Bank may make a distribution to the Holder from the Arrangement equal to the value of the Arrangement. The Bank may transfer or realize any investment of the Arrangement selected by the Bank for the purpose of making a distribution to the Holder, and the Bank will not be liable for any resulting loss. Distributions will be made net of all proper charges. If the Arrangement does not have sufficient cash to pay these charges, the Bank will be entitled to require the Holder to pay these charges.

9. Following receipt of satisfactory instructions from the Holder, the Bank will transfer all or any part of the assets held in the Arrangement, less all proper charges, to the issuer of another tax-free savings account held by the Holder or a tax-free savings account of the Holder's spouse or former spouse where the transfer relates to a division of property arising on the breakdown of the Holder's marriage or common-law partnership, in accordance with the ITA. If the Bank receives instructions to transfer some of the assets in the Arrangement, the Bank may request instructions to transfer all of the assets in the Arrangement, and the Bank may delay the transfer until after the Bank has received the requested instructions. If the Bank has not received the requested instructions within 30 days of the request, or if the issuer of the recipient tax-free savings account refuses to accept the transfer of any assets in the Arrangement, the assets that have not been transferred may, at the Bank's option, be transferred or paid to the Holder, less any proper charges. In the absence of satisfactory instructions, the Bank may transfer any assets in the Arrangement selected by the Bank to effect the transfer and will not be liable for any resulting loss or foregone gains. The transfer of assets will be made subject to any restrictions under the ITA or the terms or conditions of the investments in the Arrangement.

10. Any contributions made to the Arrangement by the Holder will be kept on deposit with the Bank.

11. If the Holder is domiciled in a jurisdiction which by law permits him or her to validly designate a successor holder or a beneficiary for the Arrangement other than by Will, the Holder may designate: (a) their spouse as successor holder of the Arrangement; or (b) a beneficiary to receive the proceeds of the Arrangement in the event of his or her death. The Holder may make, change or revoke the designation by written notice to the Bank signed by the Holder in a form acceptable to the Bank or by valid Will. Any designation, amended designation or revoked designation will be valid on the day following its receipt by the Bank or, in the case of a valid Will, as of the day of execution of the Will. The Bank will not accept beneficiary designations that are irrevocable.

12. Upon receipt of satisfactory evidence of the Holder's death, the Bank will continue to hold the assets of the Arrangement for his or her surviving spouse, provided he or she is the successor holder Arrangement. If the Holder's spouse becomes the successor holder of the Arrangement, he or she will acquire all of the Holder's obligations and rights as holder of the Arrangement (including the unconditional right to revoke any beneficiary designation or similar direction made or imposed by the Holder under the Arrangement or relating to property held in connection with the Arrangement) and references to the Holder herein will be deemed to refer to the successor holder. Notwithstanding the foregoing, a successor holder may not designate a subsequent spouse to hold the Arrangement after the successor holder's death. If the Holder's spouse is not the successor holder, the Bank will hold the assets of the Arrangement for payment of a lump sum to the Holder's designated beneficiary if that person was living on the date of the Holder's death. If the Holder has not designated a beneficiary or if the designated beneficiary predeceases the Holder, the assets in the Arrangement will be paid to the Holder's legal representatives. The lump sum payment will be paid subject to the deduction of all proper charges after the Bank receives all releases and other documents that the Bank requests.

13. The Bank will maintain a record of the Arrangement reflecting, with appropriate dates: (a) contributions to the Arrangement; (b) details of the assets held in the Arrangement; (c) income and other amounts received in the Arrangement; (d) distributions, transfers and expenses paid from the Arrangement; and, (e) the balance of the Arrangement. The Bank will send the Holder a statement of account at any time upon request, and within the time prescribed by the ITA the Bank will provide any applicable tax reporting.

14. If the Holder has a complaint, the Holder should contact the Escalated Customer Complaint office at VersaBank, 2002 - 140 Fullarton Street, London, Ontario N6A 5P2. If the Holder is not satisfied with the response, the Holder may refer to the VersaBank's dispute resolution process which can be accessed through the Bank's website at www.versabank.com. If the Holder has a complaint about a product or service offered by the Bank, or about any other obligation of the Bank under a consumer provision, the Holder can communicate the complaint in writing to the Financial Consumer Agency of Canada, 6th Floor, Enterprise Building, 427 Laurier AvenueWest, Ottawa, Ontario K1R 1B9. Please visit www.fcac-acfc.gc.ca for more information about FCAC.

15. The Bank may from time to time at its discretion amend this tax-free savings account agreement by giving thirty days' notice in writing to the Holder and upon receiving acceptance by the Minister of National Revenue, provided, however, that any such amendment shall not have the effect of disqualifying the Arrangement as a tax-free savings account within the meaning of the ITA and any applicable provincial income tax legislation.

16. The terms of this agreement respecting the Arrangement shall be binding upon the heirs, executors, administrators and assigns of the Holder, and upon the successors and assigns of the Bank.

17. The responsibility for administering the Arrangement is with the Bank. The administrative fees will be those determined by the Bank from time to time and deducted directly from the Arrangement or any other account held by the Holder with the Bank, and for this purpose the Bank is authorized, but not obliged, to realize sufficient assets of the Arrangement or such other account selected by the Bank. The Bank shall not be responsible for any resulting loss. Fees are shown on the Service Fees document displayed at each office of the Bank and on the Bank's website at www.versabank.com.

18. If for any reason the Bank determines that the Arrangement is liable for tax, interest or penalties (except for tax, interest or penalties that the Bank is liable for) under the ITA or provincial legislation, the Bank may realize or otherwise dispose of any assets of the Arrangement to pay the liability. The Bank may, but is not obliged to, sell or otherwise dispose of any asset in the Arrangement to avoid or minimize the imposition of tax, interest or penalties on the Holder or the Arrangement. The Bank will not be liable for any tax, interest or penalty imposed on the Holder or the Arrangement or for any loss or foregone gain resulting from the disposition or failure to dispose of any asset in the Arrangement.

19. None of the Bank, its officers, employees or other agents will be liable for, and are indemnified by the Holder from and against all expenses, liabilities, claims, losses and demands of any nature arising out of the holding of the assets in the Arrangement; the dealing with assets in the Arrangement in accordance with instructions which the Bank, its officers, employees or agents believed in good faith to have been given by the Holder or his or her Agent; and, the sale, transfer or release of assets of the Arrangement in accordance with this agreement.

20. Any notice, request or other communication required or permitted to be given to the Holder by the Bank, must be in writing and will be sufficiently given if it is sent by pre-paid mail, courier, facsimile transmission, or other form of electronic transmission, addressed to the Holder at the address provided on the tax-free savings account application or subsequently provided by the Holder in a notice to the Bank. The Bank is not responsible for verifying the accuracy or currency of any address provided to the Bank. Any notice, request or other communication given to the Holder will be deemed to have been given to the Holder and received by him or her on the day of mailing or transmission. Any notice, request or other communication required or permitted to be given to the Bank by the Holder, must be in writing and in a form satisfactory to the Bank, and received by the Bank by pre-paid mail, courier, facsimile transmission, or other form of electronic transmission, at the address last provided to the Holder. The Bank may for any reason refuse to act on any notice, request or other communication given to it and the Bank will not be responsible for any resulting loss. Subject to clause 11 herein, any notice, request or other communication given to the Bank will be deemed to have been given and received at the time of actual receipt by the Bank.

21. The Holder consents to the Bank's use, retention and disclosure of the Holder's personal information collected by the Bank in connection with the establishment and maintenance of this Arrangement in the Holder's name, in order to provide ongoing service to the Holder, for statistical, audit and security purposes, and to meet legal and regulatory requirements.

22. These terms and conditions will be governed, construed and enforced in accordance with the laws of Ontario and Canada, except that the word spouse as used herein refers to a person recognized as a spouse or common-law partner for purposes of the ITA.