

AIM Funds Management Inc.

**INDIVIDUAL
EDUCATION
SAVINGS PLAN
APPLICATION**



FUND NAMES		FUND NUMBERS									
	MUTUAL FUND CORPORATION	PREFIX	C\$ OPTION			U.S.\$ OPTION			GLOBAL RSP FUND C\$ OPTION		
			SC	DSC	LL	SC	DSC	LL	SC	DSC	LL
AIM CORE BUNDLES™											
AIM Core Canadian Balanced Class *	▲	AIM	4303	4301	4305	–	–	–	–	–	–
AIM Core Canadian Equity Class *	▲	AIM	4313	4311	4315	–	–	–	–	–	–
AIM Core American Equity Class ④	■	AIM	4503	4501	4505	4504	4502	4506	4203	4201	4205
AIM Core Global Equity Class ④	■	AIM	4513	4511	4515	4514	4512	4516	4213	4211	4215
FIXED-INCOME FUNDS											
Trimark Interest Fund *		AIM	1533	1531	1535	–	–	–	–	–	–
AIM Canada Money Market Fund *		AIM	023	021	025	–	–	–	–	–	–
Trimark Government Income Fund *		AIM	1613	1611	1615	–	–	–	–	–	–
Trimark Canadian Bond Fund *		AIM	1653	1651	1655	–	–	–	–	–	–
Trimark Advantage Bond Fund *		AIM	1643	1641	1645	–	–	–	–	–	–
Trimark U.S. Money Market Fund		AIM	–	–	–	1754	1752	1756	–	–	–
AIM Short-Term Income Class "A"	■	AIM	563	–	565	564	–	566	–	–	–
AIM Short-Term Income Class "B"	■	AIM	–	561	–	–	562	–	–	–	–
Trimark Global High Yield Bond Fund ④		AIM	1763	1761	1765	1764	1762	1766	1903	1901	1905
BALANCED FUNDS											
Trimark Income Growth Fund *		AIM	1543	1541	1545	–	–	–	–	–	–
Trimark Select Balanced Fund *		AIM	1573	1571	1575	–	–	–	–	–	–
AIM Canadian Balanced Fund *		AIM	597	598	906	–	–	–	–	–	–
Trimark Global Balanced Fund ④		AIM	1773	1771	1775	1774	1772	1776	1913	1911	1915
*Trimark Global Balanced Class	■	AIM	5513	5511	5515	5514	5512	5516	–	–	–
CANADIAN EQUITY FUNDS											
AIM Canada Income Class *	▲	AIM	313	311	315	–	–	–	–	–	–
Trimark Canadian Fund *		AIM	1523	1521	1525	–	–	–	–	–	–
Trimark Canadian Endeavour Fund *		AIM	1553	1551	1555	–	–	–	–	–	–
Trimark Select Canadian Growth Fund *		AIM	1583	1581	1585	–	–	–	–	–	–
AIM Canadian First Class *	▲	AIM	323	321	325	–	–	–	–	–	–
Trimark Enterprise Fund *		AIM	1713	1711	1715	–	–	–	–	–	–
AIM Canadian Premier Class *	▲	AIM	303	301	305	–	–	–	–	–	–
AIM Canadian Premier Fund *		AIM	924	925	729	–	–	–	–	–	–
AIM Canadian Leaders Fund *		AIM	970	971	972	–	–	–	–	–	–
CAPPED Trimark Canadian Small Companies Fund *		AIM	1683	1681	1685	–	–	–	–	–	–
Trimark Enterprise Small Cap Fund *		AIM	1703	1701	1705	–	–	–	–	–	–

▲ Part of AIM Canada Fund Inc. ■ Part of AIM Global Fund Inc. * 100% RSP-eligible ④ Global RSP-eligible version available

*These funds will be available for sale on or after August 29, 2002.

CAPPED Effective May 17, 2002, the Fund was capped and limited purchase options are available.

FUND NAMES		FUND NUMBERS									
	MUTUAL FUND CORPORATION	PREFIX	C\$ OPTION			U.S.\$ OPTION			GLOBAL RSP FUND C\$ OPTION		
			SC	DSC	LL	SC	DSC	LL	SC	DSC	LL
AMERICAN EQUITY FUNDS											
Trimark U.S. Companies Fund		AIM	1743	1741	1745	1744	1742	1746	1893	1891	1895
Trimark U.S. Companies Class	■	AIM	693	691	695	694	692	696	–	–	–
AIM American Growth Fund [†]		AIM	794	795	793	796	797	798	243	241	245
AIM American Mid Cap Growth Class	■	AIM	503	501	505	504	502	506	–	–	–
*Trimark U.S. Small Companies Class	■	AIM	5523	5521	5525	5524	5522	5526	–	–	–
AIM American Aggressive Growth Fund		AIM	132	133	134	135	136	137	–	–	–
GLOBAL EQUITY FUNDS											
Trimark Fund		AIM	1513	1511	1515	1514	1512	1516	–	–	–
Trimark Select Growth Fund		AIM	1563	1561	1565	1564	1562	1566	1723	1721	1725
Trimark Select Growth Class	■	AIM	683	681	685	684	682	686	–	–	–
Trimark International Companies Fund		AIM	1733	1731	1735	1734	1732	1736	1883	1881	1885
AIM International Growth Class	■	AIM	633	631	635	634	632	636	433	431	435
AIM Global Theme Class	■	AIM	593	591	585	594	592	586	223	221	225
Trimark Global Endeavour Fund		AIM	1593	1591	1595	1594	1592	1596	1853	1851	1855
*Trimark Global Endeavour Class	■	AIM	5503	5501	5505	5504	5502	5506	–	–	–
AIM Global Aggressive Growth Class	■	AIM	623	621	625	624	622	626	423	421	425
Trimark Europlus Fund		AIM	1673	1671	1675	1674	1672	1676	1873	1871	1875
AIM European Growth Fund		AIM	595	596	904	602	604	606	233	231	235
AIM European Growth Class	■	AIM	643	641	645	644	642	646	–	–	–
AIM Indo-Pacific Fund		AIM	1623	1621	1625	1624	1622	1626	1863	1861	1865
SECTOR FUNDS											
AIM Global Financial Services Class	■	AIM	653	651	655	654	652	656	453	451	455
Trimark Canadian Resources Fund		AIM	1693	1691	1695	–	–	–	–	–	–
AIM Global Energy Class	■	AIM	533	531	535	534	532	536	–	–	–
AIM Dent Demographic Trends Class	■	AIM	613	611	615	614	612	616	413	411	415
AIM Global Sector Managers Class	■	AIM	673	671	675	674	672	676	443	441	445
Trimark Discovery Fund		AIM	1663	1661	1665	1664	1662	1666	1783	1781	1785
AIM Global Health Sciences Fund		AIM	802	803	804	898	899	900	273	271	275
AIM Global Health Sciences Class	■	AIM	573	571	575	574	572	576	–	–	–
AIM Global Telecommunications Class	■	AIM	553	551	555	554	552	556	253	251	255
AIM Global Technology Fund		AIM	122	123	124	125	126	127	263	261	265
AIM Global Technology Class	■	AIM	663	661	665	664	662	666	–	–	–

▲ Part of AIM Canada Fund Inc. ■ Part of AIM Global Fund Inc. * 100% RSP-eligible ☉ Global RSP-eligible version available

Please note: If shareholder switches assets from AIM Canada Fund Inc. to AIM Global Fund Inc. or vice versa, taxes may apply.

Mutual Fund Corporations: Multi-class mutual fund corporations are designed to offer the benefit of tax deferral for investments that are held outside of an RSP or other registered plan. Assets can be switched from one fund to another inside an AIM mutual fund corporation without triggering a taxable transaction.

[†] Formerly known as AIM American Blue Chip Growth Fund

*These funds will be available for sale on or after August 29, 2002.

Part 6: Beneficiary designation

To qualify for the CESG, please complete all information below exactly as it appears on the beneficiary's Social Insurance card. The following person is designated as beneficiary entitled to receive educational assistance payments under the Plan. Please designate one beneficiary who may or may not be related to you by blood or adoption.

Check if copy of Social Insurance card is attached.

First name	Middle name	Last name	Relationship to Subscriber	
Address (if different from Subscriber)		City	Prov.	Postal code
Social Insurance Number		Date of birth	<input type="checkbox"/> Male	<input type="checkbox"/> Female
If the Beneficiary is under 19 years of age, please provide name and address of parent or guardian, if different from Subscriber.				
<input type="checkbox"/> Mr.	<input type="checkbox"/> Mrs.	<input type="checkbox"/> Miss	<input type="checkbox"/> Ms.	<input type="checkbox"/> Dr.
Address		City	Prov.	Postal code

Part 7: Canada Education Savings Grant (CESG) application

This section is to be completed by the subscriber of a registered education savings plan or an education savings plan which will eventually be accepted for registration. Completion is voluntary, however failure to provide this information will result in the beneficiary not being eligible for a CESG. The information contained in this section, as well as the amount of the contribution and the amount of the plan, may be shared with the parent or guardian. Information will also be provided to Human Resources Development Canada (HRDC), the federal government department responsible for the program and Canada Customs & Revenue Agency (CCRA) for taxation purposes.

A. CESG application

Do you wish the trustee of your plan to apply for a Canadian Education Savings Grant on your behalf? Yes No (If no, continue to **Part 8**)

B. 16/17 year old requirements (Complete only if beneficiary is 16 or 17 years of age) Note: Beneficiaries age 18 and over are **not eligible** to receive the CESG.

To be eligible to receive a CES Grant, where the beneficiary was 16 or 17 years of age this year, at least one of the following conditions must have been met. Check the conditions that apply (you may have to contact the custodial parent for this information.)

Condition

- A minimum of \$2,000 of contributions has been made, and not withdrawn, to RESPs in respect of the beneficiary before the calendar year in which the beneficiary was 16 years of age.
- A minimum of \$100 of annual contributions has been made, and not withdrawn, to RESPs in respect of the beneficiary in any four years before the calendar year in which the beneficiary turned 16 years of age.

C. Residency declaration

RESPs may be established for non-resident beneficiaries, however, non-resident beneficiaries do not qualify for the CESG.

- I/We understand residency is a requirement for receiving a grant under the CESG Program.
- I/We undertake to advise AIM Funds Management Inc. if the beneficiary is no longer resident in Canada at the time of any subsequent contribution in relation to that beneficiary.
- I/We further undertake to advise AIM Funds Management Inc. if the beneficiary is non-resident at the time an educational assistance payment is requested.
- I/We confirm that the beneficiary listed on this application form is a resident of Canada.

Part 8: Authorization

A. I/We hereby apply to AIM Funds Management Inc. to purchase units/shares of the Investment(s) as indicated. I/We acknowledge receipt of the current simplified prospectus of the Investment(s) purchased and understand that these transactions are made under the terms and conditions therein. I/We have requested this application form and all other documents relating hereto to be in English. J'ai/Nous avons exigé que ce formulaire et tous les documents y afférant soient rédigés en anglais.

B. To: AIM Funds Management Inc. (The "Promoter")

I/We hereby apply for an AIM Funds Management Inc. Education Savings Plan (the "Plan") and hereby request the Promoter to apply for registration of the Plan under the Income Tax Act (Canada) and any applicable legislation in the province of residence set out above (the "Applicable Tax Legislation"). I/We acknowledge and agree to the AIM Individual Education Savings Plan Terms and Conditions and I/we agree that the Plan (should this Application be accepted) shall be subject to the provisions thereof. I/We understand that all payments made from the Plan, other than by way of a refund of amounts paid into the Plan, may be subject to taxation as income in accordance with the provisions of applicable tax legislation.

I/We hereby declare that the information given in this document is true, correct and complete in every respect.

I/We understand that the Plan provides that no payments may be made into the Plan by or on behalf of a subscriber after the 21st year following the year in which the Plan was entered into.

Payments will cease: Dec. 31

I/We understand that the Plan must be terminated on or before the last day of the 25th year following the year in which the Plan was established.

Termination Date: Dec. 31

I/We understand that overpayments may be subject to penalty tax. I/We authorize that any repayments of the CESG required to be made to HRDC will be redeemed from the investment with the highest value.

Subscriber's signature _____ Date _____

Joint subscriber's signature _____ Date _____

Authorized signature



Accepted by AIM Funds Management Inc. as agent for The Royal Trust Company as Trustee.

AIM Individual Education Savings Plan Terms and Conditions

Specimen Plan No. 1019003

The AIM Education Savings Plan Application (the “Application”) and the Terms and Conditions constitute an agreement between The Royal Trust Company (the “Trustee”), AIM Funds Management Inc. (the “Promoter”) and the Subscriber named in the Application pursuant to which, in consideration of payments made by the Subscriber hereunder and subject to the terms hereof, the Promoter agrees to pay or cause to be paid to or for a Beneficiary Educational Assistance Payments.

1. Definitions: In this agreement, unless the context otherwise requires, the terms shall mean the following:

- a) “Accumulated Income Payment” means an accumulated income payment as specified in Section 146.1(2) of the Income Tax Act (Canada), any amount paid out of the Plan, other than an amount that is a repayment of CESG as required under Applicable Tax Legislation, an Educational Assistance Payment, a “refund of payments” (defined in Sub-section 146.1(1) of the Income Tax Act (Canada)), a payment to a Designated Educational Institution or a transfer to another registered education savings plan (RESP);
- b) “Applicable Tax Legislation” means the Income Tax Act (Canada), the Department of Human Resources Development Act, Part III.1, the CESG Regulations and any applicable provincial tax legislation of the province indicated in the Subscriber’s address on the Application, as the same may be amended from time to time;
- c) “Beneficiary” means a person, including the Subscriber, designated by the Subscriber as being entitled to receive Educational Assistance Payments pursuant to the Plan if the person qualifies under the Plan and the Applicable Tax Legislation;
- d) “CESG” means a Canada Education Savings Grant as that term is defined in the Applicable Tax Legislation paid in respect of contributions made on behalf of a Beneficiary by the federal government in accordance with the Applicable Tax Legislation;
- e) “Capital Investments” as at a particular time means the lesser of (i) the net asset value of the Units/Shares or other property held in the Plan at that time and (ii) the aggregate of all Subscriber Payments made to the Plan prior to that time less any payments made pursuant to paragraph 12 and 13 hereof;
- f) “Designated Educational Institution” means an educational institution in Canada that is a university, college or other educational institution designated by the Lieutenant Governor in Council of a province as a specified educational institution under the *Canada Student Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, or designated by the Minister of Education of the Province of Quebec for the purposes of *An Act respecting financial assistance for students* of the Province of Quebec;
- g) “Educational Assistance Payment” or “Educational Assistance Payments” means any amount, including an amount representing a CESG but not including a refund of Subscriber Payments, paid out of the Plan to or for a Beneficiary to assist the individual to further the Beneficiary’s education at a post-secondary school level;
- h) “Funds” means the mutual funds managed by AIM or any affiliate thereof and such other investments as AIM alone, or in association with an affiliate or a third party, may make available from time to time as listed in the Application and “Fund” means any one thereof;
- i) “Income Tax Act” means the Income Tax Act, Statutes of Canada 1970-71-72, as amended from time to time, together with any other statutes, and the administrative rules and regulations of Canada Customs and Revenue Agency pertaining to the registration of education savings plans;
- j) “Plan” means the education savings plan contemplated herein and registered pursuant to the Applicable Tax Legislation;
- k) “Post Secondary Educational Institution” means
 - (i) an educational institution in Canada that is:
 1. a Designated Educational Institution; or
 2. certified by the Minister of Human Resources Development to be an educational institution providing courses, other than courses designed for university credit, that furnish a person with skills for, or improve a person’s skills in an occupation; or
 - (ii) an educational institution outside Canada that is a university, college or other educational institution that provides courses at a post-secondary level at which the beneficiary was enrolled in a course of not less than 13 consecutive weeks.
- l) “Promoter” means AIM Funds Management Inc., an organization which offers Plans to the public;
- m) “Qualifying Educational Program” means a program of not less than 3 consecutive weeks duration that provides that each student taking the program spend not less than 10 hours per week on courses or work in the program and, in respect of a program at a Designated Educational Institution, that is a program at a post-secondary school level but in relation to any particular Beneficiary, does not include any program if the program is taken by the Beneficiary:
 - (i) during a period in respect of which the Beneficiary receives income from an office of employment; and
 - (ii) in connection with, or as part of the duties of, that office of employment.
- n) “Subscriber” means the individual or the individual and his or her spouse identified as the applicant or applicants in the Application (sometimes referred to herein as the “original Subscriber”) and also includes:
 - (i) a spouse or former spouse of the original Subscriber where the spouse or former spouse acquires the original Subscriber’s rights under the Plan pursuant to a decree order, judgement of a competent tribunal, or under a written agreement relating to a division of property between the individuals on the breakdown of their marriage, and in such case the original Subscriber ceases to be a Subscriber; and
 - (ii) a person (including the estate of the Subscriber) who is authorized to make contributions into the Plan following the death of the Subscriber.
- o) “Trustee” means The Royal Trust Company, a trust company amalgamated under the laws of Canada.
- p) “Subscriber Payments” means the payments set out in paragraph 6(a) hereof; and
- q) “Units/Shares” means units/shares of the Funds held by the Trustee pursuant to the terms of this Plan.

2. Responsibility for Plan: The Promoter agrees that it has ultimate responsibility for the Plan, its registration under the Applicable Tax Legislation and its administration. The Trustee is responsible for the trust fund created hereunder and accepts the office of trustee of the Plan upon the terms and conditions herein contained. In accordance with the Applicable Tax Legislation, the Trustee is also responsible for reporting the particulars of all transactions involving contributions and withdrawals of capital and all Educational Assistance Payments or Accumulated Income Payments. Without in any way derogating from the ultimate responsibility of the Trustee for the trust fund created hereunder, from time to time the Trustee may delegate to the Promoter, as agent for the Trustee, certain of its duties to be performed in respect of such trust fund including the following:

- a) the receipt of Subscriber Payments and CESGs;
- b) the investment and re-investment of property held in the Plan in accordance herewith;
- c) the collection and remittance of fees and charges applicable hereunder;
- d) the payment of amounts out of the Plan in accordance herewith;
- e) maintaining the accounting records of the Plan;
- f) providing to the Subscriber statements of account for the Plan; and
- g) such other duties as the Trustee may determine in its discretion from time to time.

3. Compliance with Applicable Tax Legislation: The Promoter shall have the Plan registered in accordance with the Applicable Tax Legislation and shall ensure that the Plan shall at all times comply with the requirements of the Applicable Tax Legislation regarding RESPs.

4. Declaration: Subject to the payment of all applicable fees and charges as provided in paragraph 15 hereof, the Trustee agrees to irrevocably hold all of the assets of the Plan in trust pursuant to the Plan for any one or more of the following purposes:

- a) the payment of Educational Assistance Payments to an individual enrolled in a qualifying educational program as a full-time student at a post-secondary educational institution;
- b) the payment of Accumulated Income Payments;
- c) the refund of Subscriber Payments;
- d) the repayment to the federal government of all or any part of CESGs if necessary;
- e) the payment to, or to a trust in favour of, a Designated Educational Institution in Canada; and
- f) the payment to a RESP trust that irrevocably holds Units/Shares or other property transferred to it for any of the purposes set out in (a) to (e) of this paragraph 4.

In the event that a trust governed by the Plan is terminated, the assets held by the trust are required to be used for any of the purposes set out in (a) to (e) of this paragraph.

5. Subscriber Accounts: An account shall be maintained on behalf of the Subscriber in respect of the Plan which will record:

- a) the amount of, and date of receipt of, Subscriber Payments;
- b) the number of, and aggregate price paid for, Units/Shares acquired;
- c) the amount of, and date of, CESGs made into and out of the Plan;
- d) the amount of, and date of receipt of, dividends or other distributions of income or capital gains in respect of the Units/Shares or, if applicable, additional Units/Shares in respect thereof;
- e) the net asset value of Units/Shares held in the Plan from time to time;
- f) the amount of fees and other applicable charges payable hereunder;
- g) the amount of, and date of payment of, any refund of Subscriber Payments or Accumulated Income Payments and any repayments of CESGs;
- h) the amount of, and date of payment of, each Educational Assistance Payment; and
- i) the amount of, and date on which, any payments described in paragraph 4 herein are made and the name and address of the recipients thereof.

As soon as possible following any transaction which affects the holdings of Units/Shares in a Subscriber's account, and in any event not less frequently than once per calendar year, a statement of the Subscriber's account shall be sent to the Subscriber which shall provide the above information as at the date of such statement.

6. Payments Made to the Plan: No contributions shall be made into the Plan other than by way of a Subscriber Payment, a CESG from the federal government, or a transfer from another RESP.

a) Subscriber Payments & Transfers

Subscriber Payments in respect of a Beneficiary may be made to the Plan periodically or by way of a lump sum payment or other property subject to the annual limit specified under Section 146.1(2)(k) and the lifetime limit specified under Sub-section 204.9(1) of the Income Tax Act (Canada), and the Promoter's own rules governing any Fund and the Trustee.

No Subscriber Payments may be made into the Plan by or on behalf of a Subscriber after the 21st year following the year in which the Plan is entered into. Any Subscriber Payments in excess of the above annual and/or lifetime limits may be subject to penalty tax and will reduce the lifetime limit in respect of a beneficiary.

If a Beneficiary of the Plan (the "former beneficiary") ceases to be a Beneficiary and another individual (the "new beneficiary") is designated as Beneficiary in the former beneficiary's place, any Subscriber Payment into the Plan in respect of the former beneficiary is deemed to have been made in respect of the new beneficiary except where the following applies:

- (i) the new beneficiary is a brother or sister of the former beneficiary and has not reached 21 years of age; or
- (ii) both the former beneficiary and the new beneficiary are connected by blood relation or adoption to the Subscriber of the Plan and neither has reached 21 years of age.

Any amount may be transferred to the Plan from another RESP that has not made an Accumulated Income Payment to a Subscriber. If the previous RESP was established before the Plan, the Plan will be deemed to have been established on the day the previous RESP was established. However, no amount may be transferred to the Plan unless the previous RESP made a contribution in respect of the Beneficiary. Transfers may result in the assessment of tax except where:

- (i) there is a common beneficiary under the previous RESP and the Plan or
- (ii) the beneficiary under the previous RESP had a brother or sister who is a Beneficiary under the Plan and is under 21 years of age.

b) CESGs

For a qualifying Beneficiary, CESGs will be made to the Trustee by the federal government pursuant to the limits and conditions established under the Applicable Tax Legislation and in accordance with the administrative requirements of the Department of Human Resources Development. The Applicable Tax Legislation currently provides that, subject to a maximum amount, CESGs will be equal to 20% of contributions made to the Plan for a Beneficiary who has not yet attained 18 years of age. Moreover, beginning January 1, 1998, each Beneficiary who has not yet attained 18 years of age will accumulate \$2,000 per year of CESG room up to and including the year in which such Beneficiary attains 17 years of age. CESGs will generally be made in a year for a qualifying Beneficiary to the extent that contributions in respect of the Beneficiary do not exceed the lesser of \$4,000 and the unused CESG room available in the year. Consequently, the current maximum CESGs that can be made in respect of a Beneficiary born after 1997 will be \$7,200 (i.e. 20% x \$2,000 x 18 years). No CESGs will be made in respect of a Beneficiary for the year in which the Beneficiary attains 18 years of age or any subsequent year.

- 7. Investment of Subscriber Payments and CESGs:** Subject to paragraph 10 hereof, the Promoter shall accept for investment all Subscriber Payments received and accepted by the Trust (net of any applicable charges of fees described in paragraph 15 hereof and all CESGs) in Units/Shares in the proportions designated in the Application or in such other proportions as instructed by the Subscriber. All Funds available to the Plan will be qualified investments as defined in section 146.1 of the Income Tax Act (Canada) for RESPs. In the absence of any such instruction in the Application or otherwise from the Subscriber being received by the Promoter, the Promoter may invest Subscriber Payments and CESGs in Units/Shares of such one or more Funds as the Promoter may determine in its discretion. Distributions of income and capital gains on Units/Shares shall be automatically reinvested in units/shares of the same Fund as the Units/Shares on which the distributions were made in accordance with the terms of the Funds from which the distributions were made. Such additional units/shares shall be held by the Trustee in accordance with the terms hereof. From time to time the Promoter may redeem or otherwise transfer Units/Shares to use the redemption proceeds or other transfer proceeds for the purposes of the Plan (including the payment of applicable fees and charges).
- 8. Additional Investments:** Subject to paragraph 10 hereof, the Promoter or any affiliate thereof may from time to time provide additional Funds for investment under the Plan in which event the Subscriber may instruct the Promoter, upon payment of the applicable fees, to redeem or otherwise transfer all or any number of Units/Shares and use the redemption or other transfer proceeds to acquire units/shares of such other Funds as the Subscriber has instructed the Promoter in accordance with paragraph 9 hereof. In addition, the Subscriber may instruct the Promoter that any Subscriber Payments made to the Plan after receipt by the Promoter of such instruction shall be invested in units/shares of such Funds as are stipulated in the instruction to be held in accordance with the terms hereof.
- 9. Exchange of Units/Shares Between Funds:** Subject to paragraph 10 hereof, at any time a Subscriber may direct that all or any number of Units/Shares be exchanged for units/shares in any of the other Funds by completing the appropriate form which may be obtained from duly registered dealers and brokers offering units/shares of the Funds. Upon receipt of the Subscriber's exchange request, the Promoter shall forthwith redeem or otherwise transfer the number of Units/Shares to be exchanged in accordance with the provisions of the relevant Funds. Subject to the payment of the applicable fees, the proceeds of the redemption or other transfer shall be applied to the purchase of units/shares in the Fund designated in the request in accordance with the provisions of the relevant Funds.
- 10. Licensed Dealers/Agents:** For the purposes of this Plan, any purchase of Units/Shares that are:
- mutual fund securities will only be made through dealers registered under applicable securities laws to sell mutual funds;
 - variable insurance contracts will only be made through life insurance agents licensed under applicable laws.
- 11. Ownership and Control of Investments:** Title to the Units/Shares and other property of the Plan shall at all times be vested solely in the Trustee to be held in accordance with the terms hereof. Subject to the terms hereof, the Trustee may exercise the rights and powers of any owner with respect to all Units/Shares, including the right to vote or give proxies in respect thereof. Any such vote or proxy shall be given in favour of the management of the Fund(s) or in favour of the management of any company, corporation, fund or other entity in question. However, the Subscriber may, by written notice received by the Trustee at least forty-eight hours prior to any meeting, request the Trustee to authorize the Subscriber to act as the Trustee's representative for the purpose of exercising the voting rights attached to the securities registered in the name of the Trustee and credited to the Subscriber's account, at any meeting of security holders, whereupon the Trustee shall give such authorization to the Subscriber. In the event of the discontinuance of any Funds authorized for investment by the Subscriber in the Application or otherwise, the Promoter shall, subject to paragraph 10 hereof, use all amounts held in the plan in respect of Units/Shares of such Funds to purchase units/shares of such other Funds as the Subscriber may instruct the Promoter and, in the absence of the Promoter receiving such instructions, in units/shares of such other Funds as the Promoter selects. In the event that there are no Funds, the amounts held in the Plan shall be invested by the Trustee in deposits (as such term is defined in the Canada Deposit Insurance Corporation Act) with financial institutions as directed by the Subscriber.
- 12. Refund of Subscriber Payments:** Upon receipt of notice by the Promoter in the form required by the Promoter and subject to the Applicable Tax Legislation, the Subscriber shall be entitled to receive a refund from the Plan at any time and from time to time in an amount not exceeding Capital Investments (net of any applicable fees or charges) as at the time the refund is made. For greater certainty, a Subscriber's entitlement to a refund from the Plan also includes an amount transferred from another plan to the extent that such amount would have been a "refund of payments" (defined in Sub-section 146.1(1) of the Income Tax Act (Canada)) if it had been paid directly to a subscriber under the other plan.
- 13. Repayments of CESGs:** In the event that any contributions from the Plan are withdrawn for non-educational purposes and for which CESGs have been made, the Trustee will generally be required, in accordance with the Applicable Tax Legislation and the administrative requirements of the Department of Human Resources Development to repay 20% of the withdrawn amount to the federal government. The Trustee will also be required to repay CESGs under certain other circumstances as required under the Applicable Tax Legislation. In addition, if an individual is a Beneficiary under the Plan and one or more other RESPs and if the Beneficiary receives combined CESGs in excess of the maximum amount prescribed under the Applicable Tax Legislation, the individual must repay the excess amount to the federal government.
- 14. Payment to Subscriber of Accumulated Income Payments:** Upon receipt of notice by the Promoter from the Subscriber in the form required by the Promoter, the Promoter may make an Accumulated Income Payment at a particular time, and where applicable, withhold tax, if:
- the payment is made to, or on behalf of, a person and not jointly to, or on behalf of, more than one person;
 - the person is resident in Canada at the particular time;
 - the person is the original Subscriber under the Plan at the particular time or the individual has died and was a Subscriber under the Plan immediately before death;
 - the individual in respect of whom a contribution had been made into the Plan has, before the particular time, attained 21 years of age and is not, at the particular time, eligible under the Plan to receive an Educational Assistance Payment (or such individual is deceased); and
 - the particular time is after the 9th year that follows the year in which the Plan was entered into, or the individual in respect of whom a contribution had been made into the Plan is deceased and was, or was related to, the Subscriber (or was the nephew, niece, great nephew or great niece of the Subscriber).
- The Minister may, on written application of the Promoter, waive the application of conditions (d) and (e) of this paragraph, where the Subscriber informs the Promoter in writing, that the Beneficiary suffers from a severe and prolonged mental impairment that prevents, or can reasonably be expected to prevent, the Beneficiary from enrolling in a Qualifying Educational Program at a post secondary institution.
- 15. Fees and Charges:** The Promoter and the Trustee shall be entitled to receive such reasonable fees and other administrative charges as may be established by them from time to time for the Plan and the reimbursement of all disbursements reasonably incurred by them in the performance of their respective duties hereunder. Unless such amounts are paid directly by the Subscriber, these fees and charges shall be paid utilizing the Units/Shares in the Subscriber's account and the Promoter shall be authorized to effect a redemption or other transfer of Units/Shares for the purpose of paying such fees and charges.
- 16. Beneficiary:** Upon the execution of the Application, the Subscriber shall provide the name of a Beneficiary in respect of the Plan, provided that at any time and from time to time thereafter, the Subscriber shall be entitled to revoke the designation of the Beneficiary and/or designate an alternative Beneficiary in respect of the Plan by written notice in a form acceptable to the Promoter. If the original Subscriber is deceased, the original Subscriber's heirs, executors, administrators or other legal representatives may change the named Beneficiary by written notice in a form acceptable to the Promoter.

The Plan provides that the promoter shall, within 90 days after the time when an individual becomes a Beneficiary under the Plan, notify the individual (or, where the individual is under 19 years of age at the time and ordinarily resides with a parent of the individual, that parent) of the existence of the Plan and the name and address of the Subscriber in respect of the Plan. If more than one instrument designating a particular Beneficiary is delivered to the Promoter, the instrument bearing the latest execution date shall govern.

17. Educational Assistance and Other Payments: Upon receipt of direction from the Subscriber in the form the Promoter requires, the Promoter shall redeem or otherwise transfer Units/Shares to the extent necessary to:

- a) make Educational Assistance Payments;
- b) make payments to, or to a trust in favour of, a Designated Educational Institution; or
- c) make payments to a RESP trust that irrevocably holds money or property transferred to it for any of the purposes set out in paragraphs (a) to (d) of the definition of "trust" in Sub-section 146.1(1) of the Income Tax Act (Canada).

For the purposes of paragraph 17(a), Educational Assistance Payments may be made to a Beneficiary who is enrolled on a part time basis in a Designated Educational Institution where, the Beneficiary cannot reasonably be expected to be enrolled as a full-time student because of a mental or physical impairment, as certified in writing by a medical doctor or other person described in Section 118.3(1)(a.2) of the Income Tax Act (Canada) in relation to the Beneficiary's impairment who is authorized to issue certification for the purpose of the disability tax credit.

Educational Assistance Payments made from one or more Plans held with the Promoter to a Beneficiary who has not completed 13 consecutive weeks at a Designated Educational Institution in the 12 month period before the time the payment is made will be restricted to a \$5000 limit or such greater amount as the Minister of Human Resources Development approves in writing with respect to a Beneficiary.

The Promoter shall determine whether any conditions precedent to the payment of any amount pursuant to (a) through (c) of this paragraph 17 have been satisfied and such determination shall be final and binding on the Subscriber, the Beneficiary and all other persons who may be eligible to receive moneys pursuant to the Plan. In no event may the amount of Educational Assistance Payments made to the Beneficiary hereunder exceed the earnings realized on the maximum amount that may be contributed by the Subscriber in accordance with Paragraph 6(a) hereof in respect of the Beneficiary.

In accordance with the Applicable Tax Legislation, a portion of each Educational Assistance Payment paid out of the Plan may be attributable to a CESG made into the Plan. In such cases, the Trustee shall adjust the Beneficiary's notional account for CESGs as is required.

18. Termination Date: The Subscriber shall designate in the Application the termination date of the Plan which shall not be more than 25 years after the year the Plan is established. The Subscriber may change such termination date to any earlier or later date not more than 25 years after the year the Plan is established in a form satisfactory to the Promoter. If any Subscriber Payment is comprised of money or property transferred to the Plan from any other RESP, the termination date shall in no event be more than 25 years after the year the other plan was established. Not less than six months prior to the termination date, the Promoter shall give notice thereof to the Subscriber and, subject to the terms of any direction given to the Promoter prior to the termination date as provided in this paragraph 18, the Promoter shall pay an amount equal to the net asset value of all Units/Shares and other property held in the Plan less the amount of Capital Investments as at the time of the payment, less applicable fees and charges, to the Designated Educational Institution. The Promoter shall be entitled to redeem or otherwise transfer the number of Units/Shares necessary in order to make such payments. Any remaining property of the Plan shall be distributed to the Subscriber in specie and shall not exceed the fair market value. Notwithstanding the foregoing, if an Accumulated Income Payment is made in accordance with paragraph 14 herein and Section 146.1(2)(d.1) of the Income Tax Act (Canada), the Plan must be terminated before the beginning of March of the year following the year in which the first such payment is made out of the Plan.

19. Amendments to the Plan: This Plan may be amended at any time by the Promoter, provided that no such amendment shall affect the status of the Plan as a RESP for tax purposes and, if required by law, approval from the applicable authorities under the Applicable Tax Legislation is obtained. Any such amendment will be effective thirty (30) days after prior notice by the Promoter is given to the Subscriber.

20. Notice: Any notice, direction or communication to the Trustee or the Promoter shall be sufficiently given if mailed, postage prepaid, or by such other means acceptable to the Trustee and the Promoter, addressed to AIM Funds Management Inc., at its principal office in Toronto, Ontario, or such other place as AIM Funds Management Inc. may have designated to the Subscriber. Such notice, direction or other communication shall be deemed to have been given on the date it is received by AIM Funds Management Inc. Any notice, statement or other communication to the Subscriber shall be sufficiently given if mailed, postage prepaid, or by such other means acceptable to the Trustee and the Promoter and requested by the Subscriber, addressed to the Subscriber at the address set out in the Application unless the Subscriber has notified the Promoter of a new address in which case it shall be addressed to the Subscriber at the last address so notified. Such notice, statement or other communication shall be deemed to have been given to the Subscriber on the seventh postal delivery day at the place of address following the date of mailing.

21. Limitation of Liability: Neither the Trustee nor the Promoter shall be liable in its personal capacity for, or in respect of, any taxes, interest or penalties which may be imposed on it under the Applicable Tax Legislation in respect of the Plan. As a result, the Trustee may reimburse itself or the Promoter for, or may pay, any such taxes, interest or penalties out of the capital or the income or partly out of the capital and partly out of the income of the Plan as the Trustee in its absolute discretion deems expedient. The Subscriber and the heirs, executors and administrators of the Subscriber shall at all times indemnify and save harmless the Trustee and the Promoter in respect of any taxes, interest or penalties imposed on it in respect of the Plan. In addition, neither the Trustee nor the Promoter shall be liable in its personal capacity for, or in respect of, any loss or damages suffered or incurred by the Plan, the Subscriber or the Beneficiary under the Plan, unless caused by or resulting from its own dishonesty, bad faith, wilful misconduct or gross negligence.

22. Assignment by the Promoter: The Promoter may assign its rights and obligations under the Plan to any other corporation resident in Canada and authorized to assume and discharge its obligations under the Plan, provided that such corporation shall execute any agreement which is necessary or advisable for the purposes of assuming such obligations and provided that no such assignment may be made without the prior written consent of the Trustee, which may not be unreasonably withheld.

23. Replacement of Trustee: The Trustee may resign on providing 90 days' written notice thereof to the Promoter and the Promoter may remove the Trustee on providing 30 days' written notice thereof to the Trustee, effective upon the replacement of the Trustee by the Promoter. In the event that the Promoter fails to appoint a replacement trustee within 60 days after it has received notice of resignation from the trustee, the Trustee may appoint its own replacement. A new trustee shall have the same power, rights and obligations as the Trustee provided that the Trustee or, if applicable, a replacement trustee, shall execute and deliver to the new trustee all conveyances, transfers and further assurances as may be necessary or desirable to give effect to the appointment. Any replacement trustee shall be approved by Canada Customs and Revenue Agency, and shall be a corporation resident in Canada and authorized under the laws of the Province in which the Subscriber resides to carry out its duties and responsibilities as a trustee under the Plan. Any replacement trustee, forthwith upon becoming the replacement trustee under the Plan shall give notice of its appointment to Canada Customs and Revenue Agency, and the Subscriber.

Any corporation into which the Trustee may be merged, consolidated or amalgamated, or any corporation resulting from any merger, consolidation or amalgamation to which the Trustee is a party, shall be the successor trustee for the Plan, provided such corporation is authorized by law to be the trustee for this Plan, without the execution of any further instrument. The Trustee shall give notice of any such merger, consolidation or amalgamation to Canada Customs and Revenue Agency, and the Plan shall be amended accordingly. Thereafter, any reference in this Plan to the word "Trustee" shall mean any such corporation.

24. Governing Law: The Plan shall be governed by and interpreted in accordance with the Income Tax Act (Canada), laws of the Province of Ontario and the laws of Canada and shall be binding upon their heirs, executors and administrators of the Subscriber and upon the respective successors and assigns of the Trustee and the Agent.

Individual Education Savings Plan Information

INDIVIDUAL PLAN:

A plan with one beneficiary who may or may not be related to the subscriber(s) by blood or adoption.

WHY OPEN AN INDIVIDUAL PLAN?

- If you are contributing for a beneficiary who is not related to you by blood or adoption
- If you have only one child or grandchild
- You can name yourself or your spouse as beneficiary of an individual plan
- If you name your only child as beneficiary, and you have another child at a later date, you can transfer the individual plan assets to a family plan and the second child can be added as a beneficiary at that time, providing the first child is under 21 years of age before the transfer is made
- If you have more than one child and it is important to keep track of the contributions and growth for each child separately

AIM Funds Management Inc. (AIM) is one of Canada's largest mutual fund companies with over \$37 billion* in assets under management. A subsidiary of U.K.-based AMVESCAP PLC, one of the world's largest independent investment managers, AIM employs more than 900 people in its Calgary, Montreal, Toronto and Vancouver offices.

AMVESCAP is dedicated to helping people worldwide build their financial security, by offering a broad array of investment solutions and services to individuals and institutional investors in 150 countries. Its securities trade on the London, Frankfurt, New York, Paris and Toronto stock exchanges. AIM and its associated companies under the AMVESCAP umbrella draw on the talents and expertise of more than 550 investment professionals in more than 25 countries to manage over \$630 billion* in assets worldwide.

*As at March 31, 2002

Commissions, trailing commissions, management fees and expenses may all be associated with mutual fund investments. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Please read the prospectus before investing. Copies are available from AIM Funds Management Inc. AIM, AIM CORE BUNDLES, AIM FUNDS and the AIM FUNDS logo are trademarks of AIM Management Group Inc. and are used under licence by AIM Funds Management Inc. TRIMARK, TRIMARK INVESTMENTS and the TRIMARK INVESTMENTS logo are trademarks of AIM Funds Management Inc.

APAREIE(08/02)

AIM Funds Management Inc.

5140 Yonge Street, Suite 900
Toronto, Ontario M2N 6X7

Telephone: 416.590.9855 or 1.800.874.6275
Facsimile: 416.590.9868 or 1.800.631.7008

inquiries@aimfunds.ca www.aimfunds.ca

