

TRUST SCHEDULE 1

Calculation of Gross-up of Dividends Retained by the Trust and Interest and Dividend Income Deduction for the 1987 Taxation Year

| | |
|---------------------|---------------------|
| Name of Trust _____ | Taxation Year _____ |
|---------------------|---------------------|

Calculation of Gross-up of Dividends (for dividends from Taxable Canadian Corporations retained by the Trust)

1986 Dividends from Taxable Canadian Corporations retained by the Trust

Total 1986 Dividends reported before application of expenses - amount from line 03, page 2 of T3 Return _____ 103

1986 Dividends designated to beneficiaries:

— Eligible (amount from line 48, page 3 of T3 Return) _____ 104
 — Ineligible (amount from line 49, page 3 of T3 Return) _____ 105

Total 1986 dividends designated to beneficiaries by the trust (add lines 104 and 105) _____ 106

Total 1986 Dividends retained by the Trust (subtract line 106 from line 103) _____ 107

Gross-up of 1986 Dividends retained by the Trust (amount 107) _____ × 1/2 = _____ 108

1987 Dividends from Taxable Canadian Corporations retained by the Trust

Total 1987 Dividends reported before application of expenses - amount from line 6, page 2 of the T3 Return _____ 111

1987 Dividends designated to beneficiaries:

— Eligible (amount from line 41, page 3 of T3 Return) _____ 112
 — Ineligible (amount from line 42, page 3 of T3 Return) _____ 113

Total 1987 Dividends designated to beneficiaries by the Trust: (add lines 112 and 113) _____ 114

Total 1987 Dividends retained by the Trust (subtract line 114 from line 111) _____ 115

Gross-up of 1987 Dividends retained by the Trust (amount 115) _____ × 1/3 = _____ 116

Summary of Grossed-up Dividends

Gross-up of 1986 Dividends retained by the Trust (amount 108) _____ 118

Gross-up of 1987 Dividends retained by the Trust (amount 116) _____ 119

Total Grossed-up Dividends (add lines 118 and 119) _____ 120

Calculation of Interest and Dividend Income Deduction (for Testamentary Trusts only)

Eligible Interest and Dividend Income:

1986 Eligible Dividend Income (amount from line 28, page 2 of T3 Return) _____ 121

1986 Actual Dividend Income reported (amount from line 01, page 2 of T3) _____ 122

1986 Actual Dividend Income designated (amount 104) _____ 123

(subtract line 123 from line 122) _____ 124

Gross-up of 1986 Eligible Dividends taxed in the Trust (amount 124) _____ × 1/2 = _____ 125

1987 Eligible Dividend Income (amount from line 29, page 2 of T3 Return) _____ 126

1987 Actual Dividend Income reported (amount 111) _____ 127

1987 Actual Dividend Income designated (amount 112) _____ 128

(subtract line 128 from line 127) _____ 129

Gross-up of 1987 Eligible Dividends taxed in the Trust (amount 129) _____ × 1/3 = _____ 130

Interest (amount from line 30, page 2 of T3 Return) _____ 131

Total Eligible Interest and Dividend Income (add lines 121, 125, 126, 130 and 131) _____ 132

Eligible Interest and Dividend Income designated to beneficiaries:

1986 Actual Dividends (amount from line 48, page 3 of T3 Return) _____ 133

1987 Actual Dividends (amount from line 41, page 3 of T3 Return) _____ 134

Interest (amount from line 43, page 3 of T3 Return) _____ 135

Total Eligible Interest and Dividend Income designated (add lines 133 to 135) _____ 136

Subtract line 136 from line 132, if result at (A) is zero enter NIL at line 138, _____ (A)

if the result at (A) is greater than zero add Other Expenses (2) line 39, page 2 of T3 Return _____ (B)

Total of (A) and (B) _____ (C)

Interest and Dividend Income Deduction of the Trust (the lesser of line (C) and \$1,000) _____ 138