

1. **Definitions.** For the purposes hereof, the words and expressions set out below shall have the following meanings:
- a) **Agent:** National Bank Financial Inc., as designated in Subsection 12 a) hereof.

b) **Annuitant:** The person whose name is indicated as such in the Application and, after his death, the surviving Spouse as defined in subsection 146.3(1) of the *Income Tax Act* (Canada) (such surviving Spouse being designated the “**Successor Annuitant**”).

c) **Application:** The application for membership in the Fund, included in the account opening form, completed and signed by the Annuitant.

d) **Assets in the Fund:** All property of any nature whatsoever which makes up the Fund, including assets transferred to the Fund in accordance with the provisions of Section 4 hereof, as well as any income or gains of any type whatsoever, generated or realized during the administration of the Fund by the Trustee.

e) **Beneficiary:** The person who is or would be legally entitled to receive any Assets in the Fund or proceeds from the disposition of the Assets in the Fund in the case of the death of the Annuitant, pursuant to the applicable legislation, such as the Annuitant's surviving Spouse, estate, designated beneficiary, or legal representative within the meaning of the *Income Tax Act* (Canada).

f) **Fund:** The National Bank Financial Inc. Retirement Income Fund established by the Trustee for the benefit of the Annuitant in accordance with the terms and conditions contained in the Application and herein, which may be amended from time to time.

g) **RRIF:** A registered retirement income fund, as defined in the Tax Act.

h) **RRSP:** A registered retirement savings plan, as defined in the Tax Act.

i) **Spouse:** A spouse or a common-law partner as defined in the *Income Tax Act* (Canada) respecting a RIF.

j) **Tax Act:** The *Income Tax Act* (Canada) and the regulations adopted thereunder.

k) **Tax Legislation:** The *Income Tax Act* (Canada) and corresponding legislation of the province in which the Annuitant resides specified in the Application, and the regulations adopted thereunder.

l) **Trustee:** Natcan Trust Company, a trust company duly incorporated under the *Trust and Loan Companies Act* (Canada).
2. **Establishment of the Fund.** By means of the transfer to the Trustee by the Annuitant of the assets specified in the Application, in accordance with Section 4 hereof, the Annuitant establishes with the Trustee a retirement income fund for his benefit, by which the Trustee covenants to pay each year to the Annuitant sums of money in accordance with this Declaration. All assets paid into the Fund, as well as any income, capital gains or other gains of any nature whatsoever, generated or realized by the Fund and held in the Fund by the Trustee, and invested pursuant to the provisions provided herein, are used to make payments to the Annuitant in accordance with this Declaration.
- The Fund shall constitute a trust for the purposes of the Tax Legislation only, excluding any other purpose whatsoever.
- The Trustee, by accepting the Application, agrees to administer the Fund in accordance with the Tax Legislation and in the manner stipulated herein. Subject to registration of the Fund under the Tax Legislation, this Declaration of Trust shall take effect on the date of acceptance by the Trustee of the Application.
3. **Registration.** The Trustee shall apply for registration of the Fund pursuant to the Tax Legislation. In the course of such registration, the Trustee is hereby authorized to rely exclusively on the information provided by the Annuitant or his Spouse, as applicable, in the Application. If any of the tax authorities concerned refuses such registration, the Application and this Declaration shall be cancelled, and the sums or property transferred to the Fund by the Annuitant or the contributing spouse, if applicable, shall be reimbursed.
4. **Assets transferred to the Fund.** Subject to the minimal consideration that it can set in its sole discretion, the Trustee may accept that the only assets that can be transferred to the Fund, as consideration, are assets that are transferred:
- i) from an RRSP of which the Annuitant is the beneficiary;

ii) from another RRIF of which the Annuitant is the beneficiary;

iii) from the Annuitant, to the extent that the consideration is an amount referred to in subparagraph 60(l)(v) of the Tax Act and, if applicable, any equivalent provisions in the Tax Legislation, and in particular of any amount paid as reimbursement of premiums pursuant to the death of a Spouse, originating with an RRSP of which the Spouse of the Annuitant was the beneficiary;

iv) from an RRSP or a RRIF of which the Spouse or former Spouse of the Annuitant is the Beneficiary, in accordance with an order, or judgment of a court having jurisdiction or with a written separation agreement, relating to a division of property between the Annuitant and his Spouse or former Spouse in settlement of rights arising out

- of, or on the breakdown of, their marriage or common-law partnership;

v) from a registered pension plan of which the Annuitant is a member (as defined in subsection 147.1(1) of the Tax Act);

vi) from a registered pension plan in accordance with subsections 147.3(5) or (7) of the Tax Act;

vii) from a specified pension plan in circumstances to which subsection 146(21) of the Tax Act applies;

viii) in accordance with the provisions of the Tax Legislation.
5. **Investments.** The Assets in the Fund shall be invested in investments that qualify for the Fund within the meaning of the Tax Legislation (“**qualified investments**”), in accordance with instructions given by the Annuitant to the Trustee from time to time in a form deemed satisfactory by the Trustee. The Annuitant is responsible for ensuring that investments made in or transferred to the Fund are and remain qualified investments. The Trustee shall exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that a trust governed by the Plan holds a non-qualified investment.
- Notwithstanding any provision herein, the Trustee may, at its sole discretion, refuse to accept a property transfer or to make any investment for any reason whatsoever, especially if the Trustee believes that the investment does not comply with its internal standards or policies. The Trustee may also require the Annuitant to provide specific supporting documents before making certain investments under the Fund.
- The Annuitant may exercise the voting rights attached to units, shares or any other securities held in the Fund, as applicable. For this purpose, the Annuitant is hereby appointed the Trustee's agent and attorney to execute and deliver proxies and other instruments in accordance with applicable laws.
6. **Restrictions.**
- a) **Assignment.** The Annuitant acknowledges that this Fund, as well as the rights and benefits arising therefrom, may not be assigned or otherwise transferred. In particular, no payment made under the Fund may be assigned, in full or in part.

b) **Security.** The Fund or the Assets in the Fund may not be given as security, by mortgage or otherwise, and may only be used to ensure the payment of retirement income.

c) **Payments.** Notwithstanding any provision to the contrary, the Trustee makes only the payments described in paragraphs 146.3(2)(d) and 146.3(2)(e), 146.3(14) and 146.3(14.1) and in the definition of “retirement income fund” in paragraph 146.3(1) of the Tax Act.

d) **Effects.** Any agreement which purports or attempts to contravene the restrictions contained in this Section 6 shall be null and void.
7. **Payments.** In accordance with the Tax Legislation, the Trustee shall pay the Annuitant or Successor Annuitant according to what is specified in Section 9 hereof. Each year and no later than in the year immediately following the year in which the Application was accepted by the Trustee, the Trustee shall make payments from the Fund for the benefit of the Annuitant. However, subject to any provision contrary to Section 9 hereof and unless the Trustee is otherwise authorized under the Tax Legislation, these payments may only be made in accordance with the following conditions and the Tax Legislation:
- a) **Annual Payments.** The total payments to the Annuitant out of the Fund for each year shall correspond to the amount selected by the Annuitant on the Application (such amount being no lower than the minimum amount and no higher than the maximum amount). The Annuitant may change the amount of the payment selected, upon written notice to the Custodian in a form deemed satisfactory by the Custodian, no later than January 1 of the year in which the change is to come into effect.

The new payment amount is in effect until another notice of amendment is duly given to the Trustee. If the amount that the Annuitant has chosen is less than the minimum amount, the Trustee shall nevertheless pay the minimum amount required by the Tax Legislation. If the amount that the Annuitant has chosen is greater than the maximum amount, the Trustee shall nevertheless pay the maximum amount authorized by the Tax Legislation.

The amount selected by the Annuitant shall then be amended to correspond to the minimum amount or maximum amount, as applicable, with respect to such year.

b) **Minimum amount.** In the year of the establishment of the Fund the “minimum amount” that is required to be withdrawn from the Fund is nil. For any other year, the “minimum amount” shall be calculated in accordance with the Tax Legislation.

The Annuitant may elect to base the minimum amount on his age or his Spouse's age. The Annuitant may not make or change any such election after the first payment has been made under the Fund.

c) **Maximum Amount.** The “maximum amount” that can be paid out of the Fund corresponds to the value of the Fund immediately before the payment date. In the case of a locked-in fund, the maximum

amount specifically provided under the applicable laws may be lower.

- d) **Frequency.** The frequency of the payments shall correspond to the frequency selected by the Annuitant on the Application (which must be at least one payment per calendar year or no more than one payment per calendar month), which the Annuitant may change from time to time upon written notice to the Trustee in a form deemed satisfactory by the Trustee.
- e) **Payment.** The Annuitant is fully responsible for ensuring that there is sufficient cash in the Fund to make the payments in accordance with this Section 7. Nevertheless, if the Trustee does not consider that the money available in the Fund is sufficient for the payments specified in this Section 7, it can dispose of the investments that it has chosen, in its sole discretion, unless the Annuitant gives it instructions no later than 30 days before the payment date with respect to the specific investment that he wishes to sell to obtain the necessary funds to make the payments. The Trustee shall not be liable for any losses incurred by the Fund as a result of such disposition.
- f) **Receipt of Payments.** The payments to the Annuitant are deemed to have been made by direct money transfer to the account indicated in the Application or by the mailing of a cheque payable to the Annuitant at the address indicated on the Application or to any other address or account that may be indicated to the Trustee in writing.
- g) **Deduction.** The Trustee may deduct from payments any amount in respect of tax, interest, penalties, fees and expenses that are payable hereunder, under the Tax Legislation or other applicable laws.
- h) **No Advantage.** The Annuitant, or a person with whom the Annuitant does not deal at arm's length, within the meaning of the Tax Legislation, may not receive any benefit, payment or advantage, other than the benefits authorized under this Fund and the Tax Legislation.

8. **Designation of Beneficiary (not available for RIFs in the Province of Quebec).** If permitted by applicable legislation, the Annuitant may designate one or more Beneficiaries to receive the proceeds payable under the provisions of the Fund; such designation may be made in the Application or another document, and it may be amended or revoked thereafter.

Any designation of beneficiary may only be made, amended or revoked in compliance with the applicable legislation by way of a written document or instrument, dated and signed by the Annuitant, the form and content of which shall be acceptable to the Trustee, and in particular shall specifically identify the Fund. Any designation, amendment or revocation of beneficiary shall come into force on the date it is received by the Trustee.

9. **Death of Annuitant.**

- a) **Successor Annuitant.** The Annuitant may elect in accordance with the Tax Act that, upon his death, the Successor Annuitant become the new annuitant of the Fund and continue to receive the further payments provided for herein.

Upon the death of the Successor Annuitant, the payments specified herein shall cease as soon as the Trustee receives notice of the Successor Annuitant's death. When the Trustee receives proof that it deems satisfactory concerning the Beneficiary's entitlement, the Trustee shall dispose of the assets in the Fund and, subject to the Tax Legislation and after deducting all applicable taxes, disposition costs, fees or any other amounts payable hereunder, the Trustee shall pay in a lump sum the net proceeds of this disposition to the Beneficiary.

Notwithstanding the foregoing, in cases permitted by the Tax Legislation, the Trustee may transfer the Assets in the Fund to one or more persons entitled thereto.

No such payment or transfer shall be made unless and until the Trustee receives releases and/or other documents as it may reasonably require.

- b) **Beneficiary of a Lump Sum.** If, upon the death of the Annuitant, a Successor Annuitant has not been designated, the payments specified herein shall cease as soon as the Trustee receives notice of the Annuitant's death. When the Trustee receives proof that it deems satisfactory concerning the Beneficiary's entitlement, the Trustee shall dispose of the assets in the Fund and, subject to the Tax Legislation and after deducting all applicable taxes, disposition costs, fees or any other amounts payable hereunder, the Trustee shall pay in a lump sum the net proceeds of this disposition to the Beneficiary. No such payment or transfer shall be made unless and until the Trustee receives releases and/or other documents as it may reasonably require.

10. **Separate Account and Tax Information.** The Trustee shall maintain a separate account for the Fund and shall furnish to the Annuitant annually or more frequently, a statement showing, for each period, the payments made to the Annuitant, the assets in the Fund, the value of the Fund, the income earned by the Fund, the fees debited from the account since the last statement, the balance of the account as well as any other information deemed relevant by the Trustee in its sole discretion.

The Trustee shall annually provide the Annuitant with information returns regarding the payments out of the Fund to the Annuitant in accordance with the Tax Legislation.

The Assets in the Fund held through a life income fund, a locked-in retirement income fund or other locked-in arrangements shall be accounted for separately.

11. **Transfer of Assets.** Upon receipt of instructions from the Annuitant in a form deemed satisfactory by the Trustee, the Trustee shall transfer, in the manner prescribed by the Tax Legislation, all or part of the Assets in the Fund or an amount equivalent to the value of such assets at that time, as well as all information necessary for the continuance of the Fund, to any person legally authorized to become an issuer under another RRIF of which the Annuitant may be the beneficiary, after deducting all amounts to be retained in application of paragraphs 146.3(2)(e.1) or 146.3(2)(e.2) of the Tax Act, as applicable, as well as any fees and disbursements to which the Trustee is entitled.

Under a written separation agreement or according to an order or a judgment of a court having jurisdiction relating to a division of property, in the event of the breakdown of the Annuitant's marriage or common-law partnership, the Annuitant may request the transfer of assets from the Fund to a RRIF or to an RRSP of which his Spouse or former Spouse is the annuitant.

Such transfers shall take effect in accordance with applicable laws and within a reasonable timeframe after all forms required to be completed in respect of such a transfer have been completed and forwarded to the Trustee. Upon such transfer, the Trustee shall be subject to no further liability or duty to the Annuitant with respect to the Assets in the Fund, or the portion thereof, so transferred, as the case may be. However, it is understood that the Trustee is never bound to cash in an investment before its expiry date, before being able to complete its transfer.

12. **Provisions Regarding the Trustee.**

- a) **Delegation of Powers.** The Trustee may delegate to its agents, including National Bank Financial Inc. (the "Agent"), any of its administrative duties or its powers to do specific things, and the delegate may receive all or part of the fees to which the Trustee is entitled hereunder, it being understood, however, that ultimate responsibility for administering the Fund shall remain vested in the Trustee.
- b) **Withdrawal of Trustee.** The Trustee may withdraw as the administrator of the Fund upon 30 days' prior notice given to the Annuitant in the manner set out in Subsection 13 e) hereof and provided a replacement trustee has accepted the appointment and on condition such replacement is a body corporate resident in Canada duly authorized by the applicable laws to act in such capacity.
- c) **Fees and Expenses.** The Trustee shall be paid the fees and other charges it prescribes from time to time, which may be directly charged against and deducted from the Assets in the Fund. The Trustee shall be entitled to charge fees upon the termination of the Fund, the transfer or withdrawal of Assets in the Fund or any other event which it may reasonably determine. These fees are disclosed to the Annuitant in accordance with the applicable laws. The Trustee shall be reimbursed by the Annuitant for all fees, out-of-pocket expenses and costs incurred by it or its agents in connection with the administration of the Fund or the production of any tax statements or other documents required under the Tax Legislation.
- d) **Reimbursement of taxes.** The reimbursement of any and all taxes, interest or penalties payable may be directly charged against and deducted from the Assets in the Fund but only as far as permitted by the Tax Legislation. The Trustee may then, without further notifying the Annuitant, dispose of Assets in the Fund, in whole or in part, on such conditions as it may determine and apply the proceeds of such disposition to the payment. The Trustee shall not be liable for any losses incurred as a result of such disposition.

The Annuitant shall reimburse the Trustee for any overdraft resulting from the payment of such fees, out-of-pocket expenses and costs within 30 days of the date the Annuitant is notified thereof. Should the Annuitant fail to make such reimbursement on time, the Trustee may, without further notifying the Annuitant, dispose of Assets in the Fund, in whole or in part, on such conditions as it may determine and apply the proceeds of such disposition to the payment of such fees, out-of-pocket expenses, costs and overdrafts. The Trustee shall not be liable for any losses incurred as a result of such disposition.

- e) **Liability and Hold-Harmless.** The Annuitant or the Beneficiaries shall at all times indemnify the Trustee and its nominees, agents and correspondents in respect of any and all taxes, interest, penalties, assessments, fees and out-of-pocket expenses, and all claims and demands made by tax authorities or other third parties, or resulting from the custody or administration of the Fund or the holding of prohibited or non-qualified investments in the Fund, as permitted under the provisions of the Tax Legislation, and shall hold them harmless from all of the foregoing, except in the case of the gross negligence of the Trustee. Any such payment must be made within 30 days of the date the Annuitant or the Beneficiaries are notified thereof.

Without limiting the scope of any other provision hereof, neither the Trustee nor any of its nominees, agents or correspondents shall be liable for any loss incurred by the Fund, by the Annuitant or by any Beneficiary, as a result of the acquisition, disposition or retention of any investment, whether or not acquired at the direction of the Annuitant, resulting from any withdrawal or transfer out of the Fund requested by the Annuitant, as a result of the refusal to follow instructions that the Trustee, in its sole discretion, views are contrary to any provision of the Tax Legislation, as a result of force majeure or irresistible force.

f) **Instructions.** The Trustee shall be empowered to follow the instructions received from the Annuitant or any other person designated in writing by the Annuitant, whether transmitted in person, by telephone, by mail, fax or any other electronic means.

13. Various Provisions.

- a) **Amendments.** The Trustee may, from time to time, in its sole discretion, amend the terms hereof (i) to satisfy the requirement of any applicable law, or (ii) by giving 30 days' notice in writing thereof to the Annuitant, provided, however, that any such amendments do not disqualify the Fund as a RRIF within the meaning of the Tax Legislation.
- b) **Evidence.** The recording of the date of birth of the Annuitant or of his Spouse on the Application shall constitute sufficient certification of such age, subject to any further evidence which may be required thereof. The Trustee reserves the right to require the Annuitant, the Successor Annuitant or any person claiming to be a Beneficiary, as the case may be, to provide, at the appropriate time and at their own expense, satisfactory proof of age, of the survival or death of the Annuitant or the Successor Annuitant and of their title or entitlement as a Beneficiary.
- c) **Binding.** The terms and conditions hereof shall be binding upon the Annuitant's heirs and legal personal representatives and upon any successors and assigns of the Trustee. Notwithstanding the foregoing, if the Fund or the Assets in the Fund are transferred to a replacement trustee, then the terms of such replacement trustee's declaration of trust shall govern thereafter.

d) **Interpretation.** Wherever the context so requires, a word used in the masculine gender shall include the feminine or neuter and vice versa, and the singular number shall include the plural and vice versa.

e) **Notices.** Any notice to the Trustee hereunder shall be validly given, if delivered or mailed postage prepaid to the Trustee at the Agent's address indicated in the Application, or to any other address that the Trustee may from time to time specify in writing, and it shall be effective only on the day that such notice was actually delivered to or received by the Trustee.

Any notice, statement or receipt given by the Trustee to the Annuitant, the Annuitant's Spouse or any person authorized to receive notice under the Fund, shall be validly given if mailed postage prepaid to the address recorded in the books of the Trustee with respect to the Fund, and any notice, statement or receipt so mailed shall be deemed to have been given on the day of mailing. Any written instruction, notice or information communicated to the Trustee shall be considered valid only if it is in a form deemed satisfactory by the Trustee.

f) **Declaration of Non-Residency.** The Annuitant must and undertakes to immediately notify the Trustee if he is or becomes a non-resident of Canada.

g) **Applicable Legislation.** The Fund shall be governed and construed in accordance with the laws of the province in which the Annuitant resides, as shown in the Application, and with the Tax Legislation.

In Quebec, the Fund shall not in any way constitute a trust within the meaning of the *Civil Code of Quebec*. Given the particular nature hereof and the administrative rules created hereby, the rules of Title VII of Book IV of the *Civil Code of Quebec* relating to the administration of the property of third parties shall not apply to the Trustee.