

SUPPLEMENTARY AGREEMENT TO THE DECLARATION OF TRUST, ESTABLISHING A LOCKED-IN RETIREMENT ACCOUNT UNDER THE NATIONAL BANK FINANCIAL INC. REGISTERED SAVINGS PLAN

RECITALS:

- A. The Annuitant is entitled pursuant to the Act and the Regulation to effect a transfer to the Account of amounts derived, directly or indirectly, from a pension plan governed by the provisions of the Act, or any other source acceptable under the Act and the Regulation (the “Transfer”);
- B. The Annuitant has established a retirement savings plan with the financial institution identified in Application form (the “financial institution”) and wishes same to receive the Transfer;
- C. The Annuitant has duly completed and signed Form 3.2 (attached herein) in Part I under the “Owner Transfer Information” section AND the pension plan administrator or financial institution effecting the Transfer has duly completed and signed Form 3.2 in Part II under the “Transferor Information and Agreement” section;
- D. The Transfer cannot be made unless the conditions herein are satisfied;
- E. The parties now wish to supplement the Declaration with the provisions of this Agreement in order to comply with the requisite locking-in conditions. In the event of any conflict between the provisions of the Declaration and this Agreement, the provisions of this Agreement shall prevail.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained herein, the Parties hereto agree as follows:

1. **Definitions:** In this Agreement, all capitalized terms not otherwise defined herein shall have the same meaning as in the Declaration. In addition, the following terms shall have the following meaning:

 - a) “**Act**” means the *Pension Benefits Act* (New Brunswick), as same may be amended from time to time;
 - b) “**Account**” refers to the National Bank Financial Inc. Retirement Savings Plan established by the Declaration executed between the Annuitant, National Bank Financial Inc. and the Trustee, as supplemented and modified by this Agreement establishing a LIRA that will hold the locked-in money that is the subject of the Transfer;
 - c) “**Declaration**” means the Declaration of Trust of the National Bank Financial Inc. Self-Directed Retirement Savings plan executed between the Annuitant and the Trustee;
 - d) “**LIF**” means a life income fund, that is a registered retirement income fund (within the meaning in the Tax Act), and that meets the conditions set out in section 22 of the Regulation;
 - e) “**Life Annuity**” means a life or deferred life annuity contract that conforms with section 23 of the Regulations, the Act and paragraph 146(1) of the Tax Act;
 - f) “**LIRA**” means a locked-in retirement account, that is a RSP that meets the requirements of subsection 21 of the Regulation relating to locked-in retirement accounts;
 - g) “**Regulation**” means *Regulation 91-195* adopted pursuant to the Act, as same may be amended from time to time;
 - h) “**RSP**” means a retirement saving plan within the meaning of the Tax Act that is registered under that act;
 - i) “**Spouse**” shall have the meaning assigned to such term under the Act but does not include any person who is not recognized as a spouse or a common-law partner for the purposes of any provision of the *Tax Act* respecting RSP;
 - j) “**Tax Act**” means the *Income Tax Act* (Canada) and the regulations adopted thereunder;
 - k) “**Transfer**” means the transfer referred to in paragraph A of the Recitals hereto.

2. **Locking-in provisions:** Except as permitted by the Act and the Regulation, all money that is the subject of the Transfer, including all investment earnings thereon and gains realized thereof, but excluding all fees, charges, expenses and taxes charged to this Account, shall be used to provide or ensure a pension that would, but for the Transfer or for any previous transfers, be required or permitted by the Act. No money that is not locked-in may be transferred or otherwise held under this Account.

3. **Value of the Account:** The fair market value of the assets held under the Account as determined by the Trustee in good faith shall be used to calculate the balance of the money and assets held under this Account for any particular time, including on the death of the Annuitant or on a transfer of assets from the Account. Any such determination by the Trustee shall be conclusive for all purposes hereof.

The commuted value of the Annuitant's benefits provided under this Account shall be determined in accordance with the Act and this Regulation if it is divided under section 44 of the Act;

4. **Investments:** The money and assets held under this Account shall be invested by the Trustee in the manner provided in the Declaration. All investments of money or assets held under this Account must comply with the rules for the investment of RSP money contained in the Tax Act.

5. **Restrictions:** No money transferred, including interest, shall be assigned, charged, anticipated, given as security or subjected to
- execution, seizure, attachment or other process of law except under section 44 of the Act or subsection 57(6) of the Act.

No money transferred, including interest, shall be commuted or surrendered during the Annuitant's lifetime except under paragraph 9a) and 9b) of this contract, under section 44 or subsection 57(6) of the Act.

A transaction in contravention of this Section 5 is void.

6. **Contributions:** The only money that may be transferred to the Account are the sums originating, directly or indirectly, from:

 - a) the fund of a pension plan that conforms with the Act and the Regulation or with similar legislation in another jurisdiction, if the money is being transferred under section 36 of the Act or under a similar provision in legislation in another jurisdiction, and the Tax Act;
 - b) another LIRA;
 - c) a LIF; or
 - d) a Life Annuity.

7. **Required Form of Pension:** Except as provided for elsewhere in the Regulation, the balance of the money in the Account, in whole or in part, may be converted at any time only into a Life or deferred life annuity contract that conforms to section 23 of the Regulations.

No money, including interest, transferred to this Account shall subsequently be used to purchase a Life Annuity that differentiates on the basis of the Annuitant's sex, unless the commuted value of the deferred pension transferred from the plan into the Account was determined on transfer in a manner that differentiated, while the Annuitant was a member of the plan, on the basis of the sex of the Annuitant.

In the case of an Annuitant with a Spouse at the time the pension payments begin, the pension provided shall be a joint pension in the form prescribed under section 41 of the Act unless a spousal waiver has been completed by the spouse in the form and manner prescribed under the Act.

8. **Death of the Annuitant:** If the Annuitant dies before purchasing a Life Annuity pursuant to Section 7 hereof, the balance of the money in the Account shall be paid:

 - a) to the Annuitant's Spouse or common-law partner, unless the Spouse or common-law partner waives on Form 3.02 all rights that he or she may have in the Account under the Act, this Regulation or this agreement;
 - b) if the Annuitant has a Spouse or common-law partner who has waived all rights as mentioned in paragraph a) above or if the Annuitant does not have a Spouse or common-law partner, to a beneficiary on death designated by the Annuitant; or
 - c) if the Annuitant has a Spouse or common-law partner who has waived all rights as mentioned in paragraph a) above or if the Annuitant does not have a Spouse or common-law partner and if the Annuitant has not designated a beneficiary on death designated by the Annuitant, to the estate of the Annuitant.

No such payment shall be made unless and until the Trustee receives releases and other documents as it may reasonably require. Such payment is subject to paragraph 60(l) of the Tax Act.

9. **Permitted withdrawals:** No withdrawal, commutation or surrender of money, in whole or in part, held under this Account is permitted and will be void, except in the following circumstances:

 - a) **Shortened Life Expectancy Withdrawal.** The Annuitant may withdraw, in whole or in part, the balance of the money in the Account, upon application by the Annuitant to the Trustee in accordance with paragraph 21(2)(d) of the Regulation and if the following conditions are met:

- The Trustee may rely upon the information provided by the Annuitant in any application made pursuant to this Section 9 and such application shall constitute sufficient authorization to the Trustee to pay the Annuitant from the Account in accordance thereof. The Trustee shall make the payment within a reasonable time of receipt by the Trustee of a completed application form and accompanying documentation.

a) before a conversion under Section 7 hereof, to the fund of a pension plan that conforms with the Act and the Regulations, or similar legislation in another jurisdiction, and the Tax Act, where permitted by the terms of such pension plan. However, the Annuitant shall not be entitled to make a transfer to a pension

Notwithstanding the above, the Trustee shall never be obliged to refund in advance the investments held under the Account for purposes of transfer and may, at its entire discretion, delay the requested transfer accordingly. A transfer pursuant to paragraphs 10.a), 10.b), 10.c) and 12.a) may, at the option of the Trustee, be effected by the remittance to the Annuitant of the investment securities respecting the Account.

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