

ADDENDUM ESTABLISHING A PRESCRIBED REGISTERED RETIREMENT INCOME FUND UNDER THE NATIONAL BANK FINANCIAL INC. RETIREMENT INCOME FUND RECITALS:

- A. The Annuitant wishes to transfer up to 50% of the value of his or her pension plan or prescribed plan to a prescribed registered retirement income fund with the Trustee;
- B. For these purposes, and to comply with the requirements of the Act and the Regulation, the Annuitant and the Trustee wish to supplement the declaration of trust of the National Bank Financial Inc. retirement income fund entered into between them (the "declaration") with this addendum. In the event of any conflict between the provisions of the declaration and this addendum, the provisions of this addendum prevail. In case of conflict between this addendum and the Act or the Regulation, the Act or the Regulation prevails.

NOW THEREFORE, the Annuitant and the Trustee agree as follows:

1. **Definitions:** Terms not defined in this addendum have the same meaning as in the declaration, the Act or the Regulation. The terms below have the following meaning:
 - (a) "**Act**" means the *Pension Benefits Act* (Manitoba);
 - (b) "**Annuitant**" means the person identified as such in the Application and is also referred to as the "owner" under the Regulation;
 - (c) "**annuity**" means a contractual non-commutable life annuity that:
 - (i) is issued or to be issued by an insurer licensed or otherwise authorized under the laws of Canada or of a province to carry on in Canada an annuities business;
 - (ii) commences at retirement age; and
 - (iii) is an annuity described in paragraph 60(l) of the *Income Tax Act* (Canada).
 - (d) "**prescribed RRIF**" means a retirement income arrangement that is a RIF and that meets the conditions set out in Division 4 of Part 10 of the Regulation;
 - (e) "**Regulation**" means the *Pension Benefits Regulation* (Manitoba);
 - (f) "**RIF**" means a retirement income fund within the meaning of the *Income Tax Act* (Canada) that is registered under that Act;
 - (g) "**Spouse**" or "**common-law partner**" has the meaning assigned to such term under the Act and the Regulation but does not include any person who is not recognized as a spouse or common-law partner for the purposes of the provisions of the *Income Tax Act* (Canada) respecting a RIF (indistinctly referred to as the "**Spouse**" below);
 - (h) "**Trustee**" means Natcan Trust Company, whose head office is located at 800, Saint-Jacques Street, Montreal, Quebec H3C 1A3.
2. **Conditions for transfers to the Fund:** In order for assets to be transferred to the Fund, the following conditions must be met:
 - (a) the Annuitant is at least 55 years of age;
 - (b) the Annuitant submits to the Trustee a written transfer request that complies with the Regulation and the information set out in the Regulation, in accordance with the Regulation, confirming that he or she has not already made a one-time transfer under the Act and the Regulation;
 - (c) the assets come from a prescribed plan, a pension plan or another prescribed RRIF within the meaning of the Act and the Regulation; and
 - (d) if the Annuitant is a former member of the pension plan and, at the time of submitting his or her transfer request, he or she has a Spouse from whom he or she is not living separate and apart by reason of a breakdown of their relationship, he or she provides the prescribed transfer consent form signed by the Spouse.
3. **Maximum amount for transfer:** The maximum amount that may be transferred to the Fund is 50% of the excess of the assets of the prescribed plan, the pension plan or the prescribed RRIF from which the transfer is made over the total of:
 - (a) all amounts, if any, required to be paid out of the assets on or after the day the request is made, pursuant to an order under section 14.1 of *The Garnishment Act* that is served before the transfer is made; and
 - (b) the amount, if any, that is or may become payable out of the assets under subsection 31(2) of the Act to the Spouse who is living separate and apart from the Annuitant on the day the request is made.
4. **Permitted transfers:** Unless the term of the investments in the Fund has not expired, the Annuitant may transfer all or a portion of the balance of the Fund:
 - (a) to another prescribed RRIF;
 - (b) to purchase an annuity pursuant to paragraph 60(l) of the *Income Tax Act* (Canada); or;
 - (c) to a pension plan, if it is permitted under the terms of the plan.

The Trustee will retain sufficient assets in the Fund to pay the Annuitant in the year of transfer the minimum amount required under the *Income Tax Act* (Canada).
5. **Improper payments:** If all or any part of the balance of the Fund is paid out contrary to the Act or to Division 4 of Part 10 of the Regulation, the Trustee will provide, or ensure the provision of, an amount equal to the amount of the balance paid out.
6. **Restrictions:** Subject to an agreement or order under *The Family Property Act* or enforcement proceedings taken by a designated officer, as defined in section 52 of *The Family Maintenance Act*, under Part VI of that Act, the balance of the Fund:
 - (a) may not be assigned, charged, anticipated or given as security, and any transaction purporting to do so is void, and
 - (b) is exempt from execution, seizure or attachment.
7. **Death of the Annuitant:** Upon the Annuitant's death, the balance of the Fund shall be paid as describe hereunder if any part of the balance is derived, directly or indirectly, from the Annuitant's previous entitlement, as a member of a pension plan, to pension benefits under that plan:
 - (a) to the Annuitant's surviving Spouse, unless he or she:
 - (i) has received or is entitled to receive all or any part of the balance under an agreement or order under *The Family Property Act*, or
 - (ii) has waived his or her entitlement to receive the balance and has not revoked that waiver, and
 - (b) in any other case, to the designated beneficiary or the estate of the Annuitant.
8. **Representation and warranties of the Annuitant:** The Annuitant represents and warrants the following to the Trustee:
 - (a) He or she is at least 55 years old and is entitled to request a one-time transfer under this addendum;
 - (b) He or she has never previously made a one-time transfer from one or more prescribed plans or pension plans to a prescribed RRIF under section 21.4 of the Act and Division 4 of Part 10 of the Regulation;
 - (c) The provisions of the pension plan do not prohibit the Annuitant from entering into this addendum and, in the event that such prohibition does exist, the Trustee is not liable for the consequences to the Annuitant of executing this addendum nor for anything done by the Trustee in accordance with the provisions hereof;
 - (d) No part of the amount to be transferred is the subject of an order under *The Garnishment Act* to enforce a maintenance order, or under section 59.3 of the *Family Maintenance Act* to preserve assets;
 - (e) If the Annuitant is a former member of the pension plan and has a Spouse from whom he or she is not living separate and apart by reason of a breakdown of their relationship, the Spouse has consented to the transfer in the manner prescribed by the Act and the Regulation.
9. **Governing law:** This addendum is to be governed by and construed in accordance with the laws applicable in the Province of Manitoba.

I have read the text of this Addendum and accept all the provisions thereof.

Signed at _____ on this _____ day of _____ of the year _____

First and last name of Annuitant (in block letters)

X

Signature of Annuitant

NATIONAL BANK FINANCIAL INC. AS AGENT FOR
NATCAN TRUST COMPANY

PER: