

SUPPLEMENTARY AGREEMENT TO THE DECLARATION OF TRUST, ESTABLISHING A PRESCRIBED RETIREMENT INCOME FUND UNDER THE NATIONAL BANK FINANCIAL INC. RETIREMENT INCOME FUND

RECITALS:

- A. Under The Pension Benefits Act 1992 (Manitoba) and the Regulation, the Annuitant is entitled to transfer, once during his or her lifetime, up to 50% of the value of his or her pension plan and any prescribed retirement benefit plans, to a prescribed retirement income fund governed by the provisions of the Act and the Regulation (the "Transfer");
- B. The Annuitant has established a National Bank Financial Inc. retirement income fund with the Trustee and wishes same to receive the Transfer;
- C. The Transfer cannot be made unless the conditions herein are satisfied;
- D. The parties now wish to supplement the Declaration with the provisions of this Agreement in order to comply with the conditions of the Act and the Regulation.

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 meaning indicated:
 - 1.1 "Act" means the *Pension Benefits Act* (Manitoba), as same may be amended from time to time;
 - 1.2 "Declaration" means the Declaration of Trust of the National Bank Financial Inc. Self-Directed Retirement Income Fund executed between the Annuitant and the Trustee;
 - 1.3 "Trustee" Natcan Trust Company, with a head office located in 600 De La Gauchetière Street West, 28th Floor, Montreal, Quebec H3B 4L2;
 - 1.4 "Fund" refers to the National Bank Financial Inc. Retirement Income Fund established by the Declaration executed between the Annuitant, National Bank Financial Inc. and the Trustee, as supplemented and modified by this Agreement establishing a prescribed RIF that will hold the locked-in money that is the subject of the Transfer;
 - 1.5 "Prescribed RIF" means a retirement income arrangement that is a RIF and that meets the conditions set out in Division 4, Part 10 of the Regulation;
 - 1.6 "Regulation" means the *Pension Benefits Regulation* (Manitoba), as same may be amended from time to time;
 - 1.7 "RIF" means a retirement income fund within the meaning of the *Income Tax Act* (Canada) that is registered under that act;
 - 1.8 "Annuitant" means the person whose name is indicated as such in the Declaration and is also define as the "owner" of the Fund under the terms of the Regulation;
 - 1.9 "Spouse" or "common-law partner" shall have 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 any provision of the *Income Tax Act* (Canada) respecting RIF;
 - 1.10 "Transfer" means the Transfer referred to in paragraph A of the Recitals hereto;
 - 1.11 "Annuity" means as under the Regulation, a contractual non-commutable life annuity that:
 - (a) 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;
 - (b) commences at retirement age; and
 - (c) is an annuity described in paragraph 60(l) of the *Income Tax Act* (Canada).
2. **Establishment of the Fund:** The Annuitant must complete and submit to the Trustee a One-Time transfer Application, presenting all the information required under the Regulation, including the consent of his or her cohabiting Spouse, as the case may be. The Annuitant may designate the Trustee to act as the Authorized Administrator in the One-Time transfer Application. The One-Time transfer Application must be confirmed by a written notice from the Superintendent of Pension in accordance with the terms of the procedure adopted to that effect under the Regulation.
3. **Assets transferred to the Fund:** The Trustee may not accept any transfer of assets to this Fund which do not originate from one of the following:
 - (a) a prescribed retirement benefit plan under section 21.4 of the Act;
 - (b) a pension plan as permitted under Division 4 of Part 10 of the Regulation; or
 - (c) another prescribed RRIF.
4. **Permitted transfers:** The money and assets held under this Fund may be transferred in whole or in part, less any and all amounts to be retained in accordance with subsection 146.3(2)(e) of the *Income Tax Act* (Canada);
 - 4.1 to another prescribed RRIF;
 - 4.2 to purchase a life Annuity; or
 - 4.3 to a pension plan, if it is permitted under the terms of the plan.Such transfer shall be made after the receipt by the Trustee or the Agent of written instructions from the Annuitant to that effect, but shall be conditional upon the Trustee being satisfied that the conditions for transfer set out at section 5 hereof are fulfilled. Once the transfer is completed in compliance with all conditions relating thereto, the Trustee and the Agent shall be released from any liability in connection with this Fund to the extent of the transfer.
5. **Conditions for transfer:** Before transferring any money from this Fund to another financial institution, the Trustee shall advise the transferee financial institution in writing of the status of the money being the object of the transfer and shall make the transfer subject to the compliance with the conditions set forth in the Act and in the Regulation.
6. **Improper payments:** Si If all or any part of the balance of the Fund is paid out contrary to the Act or to the Division 4, 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.
7. **Restriction:** 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:
 - (i) may not be assigned, charged, anticipated or given as security, and any transaction purporting to do so is void, and
 - (ii) is exempt from execution, seizure or attachment.
8. **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:
 - (i) to the Annuitant's surviving spouse or common-law partner, unless he/she:
 - (A) 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
 - (B) has waived his or her entitlement to receive the balance and has not revoked that waiver, and
 - (ii) in any other case, to the designated beneficiary or the estate of the Annuitant;
9. **Representation and warranties of the Annuitant:** The Annuitant represents and warrants to the Trustee the following:
 - 9.1 that he/she is at least 55 years old and is entitled to request the Transfer under the terms of this Agreement;
 - 9.2 that he/she has never previously made a One-time Transfer from one or more LIFs, LRIFs or Pension Plans to a prescribed Registered Retirement Income Fund under section 21.4 of The Pension Benefits Act;
 - 9.3 that the provisions of the pension plan do not prohibit the Annuitant from entering in this Agreement and, in the event that such prohibition does exist, the Trustee shall not be liable for the consequences to the Annuitant of executing this Agreement nor for anything done by the Trustee in accordance with the provisions hereof;
 - 9.4 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;
 - 9.5 where the Annuitant has a Spouse, the Spouse has consented to the Transfer in the manner prescribed by the Act and the Regulation.
10. **Governing terms:** The money which is the object of the Transfer shall be held by the Trustee in accordance with the terms of the Declaration and the provisions of this Agreement provided that in the event of any conflict between the provisions of the Declaration on the one hand and this Agreement on the other, the provisions of this Agreement shall prevail.
11. **Governing law:** This Agreement shall be governed by the laws of 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 _____

**NATIONAL BANK FINANCIAL INC. AS AGENT FOR
NATCAN TRUST COMPANY**

First and last name of Annuitant (In block letters)

X

Signature of Annuitant

PER: _____

