

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

RECITALS:

- A. The Annuitant is entitled pursuant to the Act and the Regulation to effect a transfer to the Fund 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. **Spouse of the Annuitant has signed and duly completed Form 1 (attached herein)**, consenting to the Transfer, if the money to be transferred herein is derived, directly or indirectly, from a pension benefit provided in respect of any employment of the Annuitant;
- C. The Annuitant has established a National Bank Investments Inc. Retirement Income Fund and wishes same to receive the Transfer;
- 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, 1992* (Saskatchewan), as same may be amended from time to time;
 - b) “**Declaration**” means the Declaration of Trust of the National Bank Investments Inc. Retirement Income Fund;
 - c) “**Fiscal Year**” in connection with this Fund means a calendar year terminating on December 31, and will not exceed twelve months;
 - d) “**Fund**” refers to the National Bank Investments Inc. Retirement Income Fund established by the Declaration executed between the Annuitant, National Bank Investments 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;
 - e) “**Life Annuity Contract**” means a life annuity that complies with the relevant provisions of the Tax Act and is a contract with an insurance business under which the insurance business guarantees the payment of a pension that is not commutable to the owner of a contract who attains at least:
 - i) the age of 55 years; or
 - ii) where that owner provides evidence to the satisfaction of the issuer of the contract that the plan or any of the plans from which the money was transferred provides for payment of the pension at an earlier age, that earlier age;
 and that, subject to subsection 29(6) of the Regulation, does not take into account the sex of the person and the co-annuitant, if any, in determining the amount of the pension;
 - f) “**LIRA**” means a registered retirement saving plan (within the meaning of the Tax Act) that meets the requirements of section 29 of the Regulation relating to locked-in retirement accounts;

- g) “**Prescribed RIF**” means a prescribed retirement plan that is a RIF and that meets the conditions set out in section 29.1 of the Regulation;
- h) “**Regulation**” means the *Pension Benefits Regulations, 1993* (Saskatchewan) adopted pursuant to the Act, as same may be amended from time to time;
- i) “**RIF**” means a retirement income fund within the meaning of the Tax Act that is registered under that act;
- j) “**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 a RIF;
- k) “**Tax Act**” means the *Income Tax Act* (Canada) and the regulations adopted thereunder;
- l) “**Transfer**” means the transfer referred to in paragraph A of the Recitals hereto.

2. **Purpose of the Fund:** Unless otherwise specified under the Act and the Regulations, all money that is the subject of the Transfer, all investment earnings and interest thereon and gains and losses realized thereof, but excluding all fees, charges, expenses and taxes charged to this Fund, shall be used to provide the Annuitant with periodic payments. No money that is not locked-in may be transferred or otherwise held under this Fund.
3. **Investments:** The money and assets held under this Fund shall be invested by the Trustee, either directly or through the Agent, in the manner provided at section 5 of the Declaration. All investments of money or assets held under this Fund must comply with the rules for the investment of RIF money contained in the Tax Act and the regulation thereunder.
4. **Assets Transferred to the Fund:** The Trustee may accept to be transferred into the Fund, as consideration thereunder, only those assets which are transferred from:
 - a) a LIRA as defined in section 29 of the Regulation;
 - b) a LIF that was entered into before the repeal of section 30 of the Regulation;
 - c) a LRIF that was entered into before the repeal of section 31 of the Regulation;
 - d) another Prescribed RIF as defined in section 29.1 of the Regulation;
 - e) a pension plan, as a transfer pursuant to section 32 of the Act;
 - f) a policy as defined by section 42 of the former regulations; or
 - g) the Saskatchewan Pension Plan established by *The Saskatchewan Pension Plan Act*.

and, provided that either (i) the Annuitant is at least 55 years of age, or (ii) if Annuitant provides evidence to the satisfaction of the Trustee that the pension plan or any of the pension plans from which money is to be transferred provides for retirement at an earlier age, the Annuitant has attained that earlier age.

5. Improper payments: Should any money or assets held under this Fund be paid out contrary to the Act, the Regulation or this Agreement, the Trustee will provide or ensure the provision to the Annuitant of a pension in an amount that would have been provided had the locked-in money not been so paid out.

6. Permitted transfers from the Fund: To the extent permitted by the Tax Act, the Annuitant may transfer all or part of the money in this Fund:

- a) to another Prescribed RIF on the conditions set out in section 29.1 of the Regulation;
- b) to a LIRA as defined in section 29 of the Regulation;
- c) to purchase a Life Annuity Contract that meets the requirements of section 34 of the Act; or
- d) to a pension plan that provides for the payment of variable benefits in accordance with section 29.2 and permits the transfer.

The Annuitant may at any time request, in a form deemed satisfactory by the Trustee, that the Trustee effect such a permitted transfer. The transfer shall be effected within a reasonable time from the confirmation by the transferee of such. 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.

The Trustee may deduct from the property being transferred 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.

Notwithstanding the above, the Annuitant agrees that Trustee shall never be obliged to refund in advance the investments held under the Fund for purposes of transfer and may, at its entire discretion, either (i) delay the requested transfer, or (ii) where such investments consist of identifiable and transferable securities, effect the transfer by the remittance of such securities.

7. Exemption from seizure: The money and assets held under this Fund may not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment, except to the extent provided by law. Any transaction that purports to assign, charge, alienate or anticipate the money or assets held under this Fund is void, except to the extent provided by law.

8. Spousal Relationship Breakdown: Notwithstanding any contrary provision of this Agreement, this Fund shall be subject, with any necessary modification, to the division on spousal relationship breakdown provisions of Part VI of the Act.

9. Attachment Allowed: The money in the Fund is subject to attachment for the purpose of enforcing a maintenance order as defined in *The Enforcement of Maintenance Orders Act* (Saskatchewan). Where an amount has been thereby attached:

- a) the Trustee shall deduct from the money in the Fund:
 - i) an amount, not to exceed \$250, that reasonably represents the cost to the Trustee of complying with the attachment;
 - ii) the total amount of taxes, if any, that are required to be deducted or withheld as a result of the attachment; and

- iii) the lesser of: (a) the amount attached; and (b) the remainder of the locked-in money in the Fund; and

- b) the annuitant has no further claim or entitlement to any pension respecting the amount thereby attached; and
- c) the Trustee is not liable to any person by reason of having made payment pursuant to such an attachment.

10. Death of the Annuitant: Upon receipt of evidence satisfactory to the Trustee in respect of the death of the Annuitant and the right of entitlement of the following beneficiary, and subject to the Tax Act and after deducting any applicable tax, costs of such disposition, fees or any other amounts payable hereunder, the Trustee shall pay in a lump sum the balance of the money that was transferred either directly or indirectly from a pension plan for which the Annuitant was a member, to:

- a) the Spouse of the Annuitant who survives the Annuitant for 30 days or more, unless a spouse's waiver in Form 2 of the Appendix of the Regulations has been signed by the Spouse and filed with the Trustee;
- b) where the Annuitant does not have a Spouse, where the Spouse does not survive the Annuitant for 30 days or more or where the surviving spouse has signed a spouse's waiver in Form 2 and the waiver has been filed with the Trustee, to a designated beneficiary; or
- c) where there is no designated beneficiary, to the personal representative of the Annuitant's estate in his or her representative capacity.

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.

11. Representations and warranties of the Annuitant: The Annuitant represents and warrants to the Trustee the following:

- a) That the pension legislation applicable and governing the Transfer at such time is the Act and Regulation;
- b) That the amounts transferred herein are locked-in amounts resulting directly or indirectly from the commuted value of the Annuitant's pension entitlements and the Annuitant is entitled to effect a transfer of his or her pension entitlements pursuant to the Act or the Regulation;
- c) That the provisions of the pension plan do not prohibit the Annuitant from entering into 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; and
- d) That the commuted value of the pension benefits that was transferred herein was not determined on a basis that differentiated on the basis of sex, unless otherwise indicated in writing to the Trustee in respect of pension benefits accrued before 1993.

12. Governing law: This Agreement shall be governed by the laws of the province of Saskatchewan.