Brokerage account number: | | | | | | | | | Name of the Annuitant: _____

ADDENDUM TO DESJARDINS SECURITIES INC. SELF-DIRECTED RETIREMENT SAVINGS PLAN DECLARATION OF TRUST (RSP 168-066)

FOR LOCKED IN PENSION (NEW BRUNSWICK) TRANSFERS TO A LOCKED-IN RETIREMENT ACCOUNT (LIRA) (NEW BRUNSWICK LIRA)

In this Addendum, «Trustee» means Desjardins Trust Inc. and «Agent» means Desjardins Securities Inc. «Plan» means the Desjardins Securities Inc. Locked-in Retirement Account (New Brunswick). «Declaration of Trust» means the declaration of trust which sets forth the terms and conditions governing the Desjardins Securities Inc. Self-Directed Retirement Savings Plan. The words «retirement savings arrangement», «locked-in retirement account», «life income fund», «owner», «pension», «spouse» and «common-law partner» shall have the same meanings as are respectively given to these words in sections 20, 21 and 22 of the Regulations to the *Pension Benefits Act* of New Brunswick (the "Regulation") and section 1 of the *Pension Benefits Act* of New Brunswick (the "Act") (hereinafter referred to collectively as «Applicable Pension Laws») provided that «spouse» and «common-law partner» do not include any person who is not recognized as a spouse or common-law partner, as the case may be, for the purposes of any provision of the *Income Tax Act* (Canada) respecting registered retirement savings plans.

For the purposes of this Addendum, "owner" means the annuitant (as defined under subsection 146(1) of the *Income Tax Act* (Canada)) of the Plan

Notwithstanding any provision set out in the owner's retirement savings plan declaration of trust and the application in respect of the Plan, and except as permitted under Applicable Pension Laws, the owner hereby acknowledges and agrees with the Trustee and the Agent that the owner's Plan shall be administered on a «locked-in» basis as a «locked-in retirement account» under Applicable Pension Laws and the *Income Tax Act* (Canada) and in particular that:

a) the only money that may be transferred into the owner's Plan are the sums originating, directly or indirectly, from:

- i) the fund of a registered pension plan under which the owner is a member as defined in subsection 147.1(1) of the *Income Tax Act* (Canada) that conforms with the Act and Regulations or similar legislation in another jurisdiction and the *Income Tax Act* (Canada),
- ii) another registered retirement savings arrangement under which the owner is the annuitant that conforms with the Act and Regulations and the *Income Tax Act* (Canada), or
- iii) a life or deferred life annuity under a contract that complies with the Act and Regulations and the *Income Tax Act* (Canada)

b) except as provided for elsewhere in the Applicable Pension Laws, the balance of the money in the owner's Plan, in whole or in part, may be converted at any time only into a life or deferred life annuity in accordance with the Applicable Pension Laws and the definition of "retirement income" in subsection 146(1) of the *Income Tax Act* (Canada), provided that the annuity commences prior to the end of the year in which the owner attains the age limit as provided in the *Income Tax Act* (Canada);

c) notwithstanding any beneficiary designation the owner may make under the Plan, upon the owner's death prior to signing a contract under which an annuity is purchased under paragraph (b) of this Addendum, the balance of the money in the owner's Plan shall be paid:

- i) to the spouse or common-law partner of the owner, 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 Applicable Pension Laws or the contract,
- ii) if the owner has a spouse or common-law partner who has waived all rights under paragraph (i) or if the owner does not have a spouse or common-law partner, to a beneficiary on death designated by the owner, or
- iii) if the owner has a spouse or common-law partner who has waived all rights under paragraph (i) or if the owner does not have a spouse or common-law partner and if the owner has not designated a beneficiary on death, to the estate of the owner;

d) the balance of the money in the owner's Plan may be withdrawn, in whole or in part, as a payment or series of payments where a physician has certified in writing to the Agent that the owner suffers from a significant physical or mental disability that considerably reduces the owner's life expectancy and, if the owner has a spouse or common- law partner, the owner delivers to the Agent a waiver completed by the spouse or common-law partner in Form 3.01 prescribed by the Regulation.

e) the owner may withdraw an amount from the Plan if:

- i) the amount is withdrawn to reduce the amount of tax that would otherwise be payable by the taxpayer under Part X.1 of the *Income Tax Act* (Canada); and the Agent, notwithstanding section 20 of the Regulation, establishes a sub-account, that is not a registered retirement savings plan, of the locked-in retirement account, and the owner deposits the amount withdrawn, less any amount required to be withheld by the Agent under the *Income Tax Act* (Canada), into the sub-account;
- ii) the owner and his spouse or common-law partner, if any, are not Canadian citizens and are not residents in Canada for the purposes of the *Income Tax Act* (Canada) and the owner's spouse or common-law partner, if any, waives on Form 3.5 prescribed by the Regulation, any rights that he/she may have in the account under the Applicable Pension Laws or the Plan.
- iii) the total assets held by the owner in all its retirement savings arrangements is less than 40% of the Maximum Admissible Earnings as defined under the "Canada Pension Plan Act" and the total of the pension adjustments reported to the owner by the Canada Revenue Agency for the two taxation years immediately preceding the request for withdrawal is zero. In order to avail himself/herself of this withdrawal opportunity, the owner must deliver to the Agent completed Form 3.6 and, where applicable Form 3.7, prescribed by the Regulation.

f) unless the owner's Plan provides for an early cashing-in value before the expiration of the term agreed to for the investment, the balance of the money in the owner's Plan, in whole or in part, may, at any time after the term has expired, and subject to the Applicable Pension Laws: the owner may withdraw an amount from the Plan if:

- i) be transferred, prior to a conversion referred to in paragraph (b) of this Addendum, to the pension fund of a registered pension plan that conforms with the Applicable Pension Laws or with similar legislation in another jurisdiction or to a retirement savings arrangement that conforms with the Applicable Pension Laws; or
- ii) be converted into a life or deferred life annuity in accordance with the Applicable Pension Laws and the definition of "retirement income" in subsection 146(1) of the *Income Tax Act* (Canada), provided that the annuity commences prior to the end of the year in which the owner attains the age limit as provided in the *Income Tax Act* (Canada) ;

before transferring money from the owner's Plan, the Agent will ensure that the appropriate portions of Form 3.2 are completed and will forward the form, with the money being transferred, to the transferee financial institution;

g) the owner shall not be entitled to make a transfer under subparagraph (f)(i) of this Addendum to a pension plan that is not registered in the province of New Brunswick unless:

i) the pension plan is registered for persons employed in a designated jurisdiction, and

ii) the owner is employed in that jurisdiction by an employer who is making contributions on behalf of the owner to the pension fund that is to receive the amount to be transferred;

h) the commuted value of the benefits provided under the owner's Plan shall be determined in accordance with the Applicable Pension Laws if it is divided under section 44 of the Act;

i) no money transferred to the owner's Plan, 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, and any transaction that contravenes this restriction is void;

j) No money transferred, including interest, shall be commuted or surrendered during the lifetime of the owner except under paragraph d) or subparagraph (e)(i) of this Addendum, section 44 of the Act or subsection 57(6) of the Act, and any transaction that contravenes this restriction is void.

k) no amendment shall be made to the owner's Plan:

i) that would result in a reduction of benefits under the owner's Plan unless the owner is entitled, prior to the effective date of the amendment, to transfer the balance of the money in the owner's Plan in accordance with paragraph (f) of this Addendum, and unless the owner receives a notice at least ninety (90) days before the effective date describing the amendment and the date on which the owner may exercise his or her entitlement to transfer;

ii) unless the owner's Plan, as amended, remains in conformity with the Applicable Pension Laws; and

iii) except to bring the owner's Plan into conformity with requirements under the *Income Tax Act* (Canada), Applicable Pension Laws or other legislation in another jurisdiction;

l) a transfer under subparagraphs (f)(i) or (k)(i) of this Addendum may, at the Agent 's option and if not otherwise stipulated in the owner's Plan, be effected by the remittance to the owner of the investment securities respecting the owner's Plan;

m) unless the owner's Plan provides for an early cashing-in value prior to the expiration of the term agreed to for the investments, if there is money invested in the owner's Plan that may be transferred under subparagraphs (f)(i) or (k)(i) of this Addendum, such funds shall be transferred no more than thirty (30) days after the owner's application for the transfer;

n) the relevant provisions of the Applicable Pension Laws shall apply, with necessary modifications, to the division on marriage or common-law partnership breakdown of the money in the owner's Plan;

o) if the information provided on Form 3.2 indicates that the commuted value of the deferred pension transferred from a registered pension plan to the owner's Plan was determined on transfer in a manner that differentiated, while the owner was a member of the registered pension plan, on the basis of the owner's sex, the only money that may subsequently be transferred into the owner's Plan is money that is also differentiated on the same basis;

p) (p) no money, including interest, transferred under the Applicable Pension Laws to the owner's Plan shall subsequently be used to purchase a life or deferred life annuity that differentiates on the basis of the owner's sex, unless the commuted value of the deferred pension transferred from the registered pension plan to the owner's Plan was determined on transfer in a manner that differentiated, while the owner was a member of the registered pension plan, on the basis of the owner's sex;

q) the Trustee and the Agent hereby affirm the provisions contained in the Plan; and

r) the conditions of this Addendum will take precedence over the provisions in the Plan in the case of conflicting or inconsistent provisions.

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