

Brokerage account number:

Name of the Annuitant: _____

**ADDENDUM TO THE DESJARDINS SECURITIES INC.
SELF-DIRECTED RETIREMENT INCOME FUND DECLARATION OF TRUST (RIF 0694)
FOR LOCKED-IN PENSION TRANSFERS TO A LIFE INCOME FUND (LIF)
PURSUANT TO THE *PENSION BENEFITS STANDARDS ACT, 1985* (FEDERAL)**

In this Addendum, “Carrier” means Desjardins Trust Inc., “Fund” means the Desjardins Securities Inc. Self-Directed Life Income Fund (Federal) and “Declaration of Trust” means the declaration of trust which sets forth the terms and conditions governing the Desjardins Securities Inc. Self-Directed Retirement Income Fund. “Annuitant” has the same meaning as that term is used in the Declaration of Trust. “Locked-In Assets” means all the assets in the Fund at any time and includes any interest or other earnings realized or accrued to that time. “Agent” means Desjardins Securities Inc.

Upon receipt of a locked-in benefit pursuant to the *Pension Benefits Standards Act, 1985* (Federal) or to the *Pooled Registered Pension Plans Act* (Federal), the Carrier and the Annuitant agree that these presents shall form part of the terms and conditions of the Fund.

1. **Pension legislation.** For the purposes of this Addendum, the word “Act” means the “*Pension Benefits Standards Act, 1985*” and the word “Regulation” means the regulation thereunder, as amended from time to time.
2. **Spouse.** “Common-law Partner” shall have the meaning given to that word in the Act. “Spouse” shall have the meaning given to that word in the Act and, where applicable, shall include the term “common-law partner” as defined in the Act, but shall 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 registered retirement income funds.
3. **Locked-In Assets Only.** No money that is not locked-in will be transferred to or held under the Fund.
4. **Transfers.** The Annuitant may transfer all or part of the balance of the Fund:
 - a) to another LIF or to a restricted LIF (RLIF);
 - b) to a locked-in registered retirement savings plan (LRSP);
or
 - c) for the purchase of an immediate life annuity or a deferred life annuity.
5. **Requirement to Pay Annual Income and Minimum Amount.** The Annuitant shall, at the beginning of each calendar year or at any other time agreed on with the Carrier, decide the amount to be paid out of the Fund in that year. In the event that the Annuitant does not decide the amount to be paid out of the Fund in a calendar year, the minimum amount determined in accordance with the *Income Tax Act* (Canada) shall be paid out of the Fund in that year.
6. **Amount of Annual Income.** For any calendar year before the calendar year in which the Annuitant reaches 90 years of age, the amount of income paid out of the Fund shall not

exceed “M”, calculated in accordance with the following formula:

$$M = C/F$$

where C = the balance of the money in the Fund:

- (i) at the beginning of the calendar year, or
- (ii) if the amount determined in (i) is zero, at the date on which the initial amount was transferred into the Fund,

F = the value, as at the beginning of the calendar year, of a pension benefit of which the annual payment is \$1, payable on January 1 of each year between the beginning of that calendar year and December 31 of the year in which the Annuitant reaches 90 years of age, established using an interest rate that:

- (i) for the first 15 years after January 1 of the year in which the Fund is valued, is less than or equal to the monthly average yield on Government of Canada marketable bonds of maturity over 10 years, as published by the Bank of Canada, for the month of November before the beginning of the calendar year, and
- (ii) for any subsequent year, is not more than 6%.

7. **Where Annuitant 90 Years Old or Greater.** For the calendar year in which the Annuitant reaches 90 years of age and for all subsequent calendar years, the amount of income paid out of the Fund shall not exceed the value of the funds held in the Fund immediately before the time of the payment.
8. **Annual Income in Initial Calendar Year.** For the initial calendar year of the Fund, the minimum amount to be paid, as referred to in paragraph 5 of this Addendum, shall be set at zero and the limit “M”, determined under paragraph 6 or 7, shall be multiplied by the number of months remaining in that year divided by 12, with any part of an incomplete month counting as one month. If, at the time the Fund was established, part of the Fund was composed of funds that had been held in another LIF of the Annuitant earlier in the calendar year in which the fund was established, the amount under paragraph 6 or 7 is deemed to be zero in respect of that part of the Fund for that calendar year.
9. **Payment of Small Amount at Age 55 or Older.** In the calendar year in which the Annuitant reaches 55 years of age or in any subsequent calendar year, the funds may be paid to the Annuitant in a lump sum if:
 - a) the Annuitant certifies that the total value of all assets in all LRSP, restricted locked-in savings plans (RLSP), LIF and RLIF that were created as a result of a transfer under the Act or a transfer from a pooled registered

