

**ADDENDUM ESTABLISHING A PRESCRIBED RETIREMENT INCOME FUND UNDER THE NATIONAL BANK SAVINGS AND INVESTMENTS INC. SELF-DIRECTED RETIREMENT INCOME FUND**

**RECITALS:**

- A. The Annuitant wishes to transfer assets derived, directly or indirectly, from a pension plan governed by the provisions of the Act, or any other source acceptable under the Act, to a prescribed 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 Savings and Investments Inc. self-directed 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.

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

**Definitions**

1. Terms not defined in this addendum have the same meaning as in the declaration, the Act or the Regulation.
2. For the purposes of this addendum, “**Act**” means *The Pension Benefits Act, 1992* (Saskatchewan), “**Regulation**” means *The Pension Benefits Regulations, 1993* (Saskatchewan) and “**Tax Act**” means the *Income Tax Act* (Canada) and the regulations adopted thereunder.
3. The term “**prescribed retirement income fund**” or “**PRIF**” refers to a registered retirement income fund within the meaning of the Tax Act that meets the requirements set out in section 29.1 of the Regulation;
4. The term “**Spouse**” has the meaning assigned under the Act 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 Tax Act concerning a registered retirement income fund.

**Transfers to the Fund**

5. The Annuitant acknowledges and represents that all of the assets in the Fund are transferred from:
- (a) a locked-in retirement account contract as defined in section 29 of the Regulation;
  - (b) a life income fund contract that was entered into before the repeal of section 30 of the Regulation;
  - (c) a locked-in retirement income fund contract that was entered into before the repeal of section 31 of the Regulation;
  - (d) another contract that is prescribed as a retirement plan for the purposes of clause 32(2)(d) of the Act;
  - (e) a plan, as a transfer pursuant to section 32 of the Act;
  - (f) a policy as defined by section 42 of the former regulations;
  - (g) the Saskatchewan Pension Plan established by the *Saskatchewan Pension Plan Act*.
  - (h) a pooled registered pension plan;
  - (i) a pooled retirement savings account contract; or
  - (j) a pooled retirement income account contract.
6. Notwithstanding the above, at any time after the Fund is established, the Trustee may accept a transfer of assets into the Fund from any of the sources mentioned in (a) to (j) above, from a contract that is not prescribed as a retirement plan for the purposes of clause 32(2)(d) of the Act or from a registered retirement savings plan if:
- (a) the Tax Act permits the transfer; and
  - (b) the requirements in paragraph 7(b) of this addendum are met.
7. No assets may be transferred to the Fund unless:
- (a) either the Annuitant
    - (i) is at least 55 years of age; or
    - (ii) provides satisfactory evidence that the pension plan from which such assets is to be transferred provides for retirement at an earlier age and the Annuitant has attained that age; and
  - (b) a consent to transfer in Form 1 or Form 1.1 annexed to the Regulation is signed by the Annuitant’s Spouse and filed with, as the case may require:
    - (i) the issuer, in the case of a locked-in retirement account contract mentioned in paragraph 5(a) of this addendum;
    - (ii) the carrier, in the case of a contract mentioned in paragraph 5(b) or (c) of this addendum;
    - (iii) the administrator, in the case of a pension plan mentioned in paragraph 5(e) of this addendum;
    - (iv) the issuer, in the case of a policy mentioned in paragraph 5(f) of this addendum;
    - (v) the Saskatchewan Pension Plan Board of Trustees, in the case of the Saskatchewan Pension Plan;
    - (vi) the administrator, in the case of a pooled registered pension plan mentioned in paragraph 5(h) of this addendum;
    - (vii) the issuer, in the case of a pooled retirement savings account contract mentioned in paragraph 5(i) of this addendum.

**Payments**

8. The Annuitant is paid an income, the amount of which may vary annually. Payments begin no later than the last day of the second fiscal year of the Fund. The amount paid during a fiscal year cannot be less than the minimum amount prescribed in the Tax Act.

**Transfers from the Fund**

9. The Annuitant may transfer, to the extent permitted by the Tax Act, all or part of the assets in the Fund:
- (a) to another PRIF, provided that the minimum amount as defined under subsection 146.3 (1) of the Tax Act is retained before transferring the balance of the Fund in order to comply with paragraph 146.3(2) (e.1) or (e.2) of the Tax Act;
  - (b) to a locked-in retirement account contract 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 and the requirements set out in the Tax Act;
- (d) to a plan that provides for the payment of variable benefits in accordance with section 29.2 of the Regulation and permits the transfer;
- (e) to a pooled retirement savings account contract on the conditions set out in subsection 16(19) of *The Pooled Registered Pension Plans (Saskatchewan) Regulations*; or
- (f) to a pooled retirement income account contract on the conditions set out in subsection 17(7) of *The Pooled Registered Pension Plans (Saskatchewan) Regulations*.

The Annuitant’s application for transfer must be in a form satisfactory to the Trustee.

**No assignment**

10. Except as otherwise provided by this addendum, in accordance with section 63 of the Act:
- (a) the assets in the Fund may not be assigned, charged, alienated or anticipated and are exempt from execution, seizure or attachment; and
  - (b) any transaction that purports to assign, charge, alienate or anticipate the assets in the Fund is void.

**Spousal relationship breakdown**

11. The Fund is subject, with any necessary modification, to the division on spousal relationship breakdown provisions in Part VI of the Act.

**Maintenance orders**

12. In accordance with section 50 of the Act, the assets in the Fund are subject to attachment for the purpose of enforcing a maintenance order as defined in *The Enforcement of Maintenance Orders Act* (Saskatchewan).
13. Where assets are attached pursuant to section 12, the Trustee may deduct from the assets in the Fund an amount, not to exceed \$250, that reasonably represents the cost to the Trustee of complying with the attachment.

**Improper payout**

14. Where any assets in the Fund are paid out contrary to the Act or section 29.1 of the Regulation, the Trustee must ensure the provision of an amount equal to the amount that would have been provided pursuant to the Fund if such assets had not been paid out.

**Death of Annuitant**

15. On the death of the Annuitant, if the Annuitant was a member of the pension plan or a member of the pooled registered pension plan from which the assets in the Fund were transferred, either directly or indirectly, the balance of the assets in the Fund, to the extent permitted by the Tax Act, is paid:
- (a) where the Annuitant had a Spouse at the date of death who survives the Annuitant for 30 days or more, to the surviving Spouse unless a waiver in Form 2 annexed to the Regulation is signed by the Spouse and filed with the Trustee; or
  - (b) where there is no surviving Spouse, where the Spouse does not survive the Annuitant for 30 days or more or where the surviving Spouse has signed and filed a waiver in Form 2 annexed to the Regulation, to a designated beneficiary, or if there is no designated beneficiary, to the personal representative of the Annuitant’s estate in his or her representative capacity.

**Amendment**

16. The Trustee may amend this addendum provided that it remains in conformity with the Act, the Regulation and the Tax Act.

**Representations and warranties of the Annuitant**

17. The Annuitant represents and warrants the following to the Trustee:
- (a) The assets transferred herein pursuant to the Act and the Regulation are locked-in assets resulting directly or indirectly from the commuted value of a pension benefit;
  - (b) 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 in accordance with the provisions hereof; and
  - (c) The Annuitant has the consent of his or her Spouse, in prescribed form, for the establishment of and transfer of assets into the Fund, or is exempt from obtaining this consent under the Act or the Regulation.

**Governing law**

18. This addendum is to be governed by and construed in accordance with the laws applicable in the Province of Saskatchewan.

**Effective date**

19. This addendum takes effect on the date of transfer of assets into the Fund.