

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

**FOR LOCKED IN PENSION (ONTARIO) TRANSFERS TO  
A LOCKED-IN RETIREMENT ACCOUNT (LIRA)**

In this Addendum, "Issuer" means Desjardins Trust Inc. and "Agent" means Desjardins Securities Inc. "Plan" means the Desjardins Securities Inc. Locked-in Retirement Account (Ontario). "Declaration of Trust" means the declaration of trust which sets forth the terms and conditions governing Desjardins Securities Inc. Self-directed Retirement Savings Plan. "Annuitant" has the same meaning as this term is used in the Declaration of Trust.

Upon receipt of a locked-in benefit pursuant to the *Pension Benefits Act* (Ontario), the Issuer, the Agent and the Annuitant agree that these presents shall form part of the terms and conditions of the Plan.

1. **Pension Legislation.** For the purposes of this Addendum, the word "Act" means *The Pension Benefits Act*, R.S.O. 1990, c. P.8, as amended from time to time, and the word "Regulation" means the *Pension Benefits Regulation*, R.R.O. 1990, Reg. 909, as amended from time to time.
2. **Definitions.** For the purposes of this Addendum, all terms defined in section 1 of the Act and all terms defined in the Regulation shall have the same meanings herein as are respectively given to the terms in the Act and the Regulation.
3. **Spouse.** The word "Spouse" means either of two persons who:
  - (a) are married to each other, or
  - (b) are not married to each other and are living together in a conjugal relationship,
    - (i) continuously for a period of not less than three years, or
    - (ii) in a relationship of some permanence, if they are the natural or adoptive parents of a child, both as defined in the *Family Law Act*.

Notwithstanding anything to the contrary contained in the Plan, for the purposes of any provision of the *Income Tax Act* (Canada) respecting registered retirement savings plans, "Spouse" does not include any person who is not recognized as a spouse or common-law partner under the *Income Tax Act* (Canada).

4. **Transfers Into the Plan.** The only assets that may be transferred into the Plan with this Addendum are assets originating, directly or indirectly, from:
  - (a) the pension fund of a registered pension plan,
  - (b) another locked-in retirement account, or
  - (c) a life income fund that is governed by Schedule 1 of the Regulation or locked-in retirement income fund that conforms with the *Income Tax Act* (Canada), the Act and the Regulation. Any transfer into the Plan must be made before maturity of the Plan and on a tax deferred basis under the *Income Tax Act* (Canada).
5. **Transfers Out of the Plan.** The Locked-in Assets will not be transferred or withdrawn from the Plan in whole or in part except:
  - (a) to be transferred to the pension fund of a registered pension plan that conforms with the Act and the Regulation;
  - (b) to be transferred to another locked-in retirement account that conforms with the Act and the Regulation;
  - (c) to be transferred to a life income fund that conforms with Schedule 1.1 of the Regulation;

- (d) to purchase an immediate or deferred life annuity described in paragraph 7 of this Addendum, that meets the requirements of section 22 of the Regulation and of the definition of the term "retirement income" contained in subsection 146(1) of the *Income Tax Act* (Canada); or
- (e) to be paid in accordance with sections 49 or 67 of the Act or sections 22.2, 22.3 and 22.4 of the Regulation.

Any transfer out of the Plan must be made on a tax deferred basis under the *Income Tax Act* (Canada).

All of the Locked-In Assets must be transferred or paid on or before the 31<sup>st</sup> day of December of the year in which the Annuitant reaches age 71 (or such other time for maturity as is permitted by the *Income Tax Act* (Canada)). If the Issuer does not receive instructions from the Annuitant by this time, the Issuer may in its discretion transfer the Locked-In Assets to a life income fund pursuant to paragraph 5(c); and the Issuer will not be responsible for any loss that may result from this action, including but not limited to investment losses or diminution of the Locked-In Assets, or for any related administration expenses.

6. **Subsequent Transfers.** The Issuer will not permit any subsequent transfer except:
  - (a) where the transfer is permitted under the Act and the Regulation; and
  - (b) the subsequent transferee agrees to administer the assets transferred as a pension or deferred pension in accordance with the Act and the Regulation.

The Issuer will advise any subsequent transferee in writing that the amount transferred must be administered as a pension or deferred pension under the Act and the Regulation.

7. **Annuity Purchased.** An annuity purchased under paragraph 5(d) of this Addendum must not begin before the earlier of:
  - (a) the earliest date on which the Annuitant who is a former member is entitled to receive pension benefits under the Act as a result of termination of employment or termination of membership in any pension plan from which money was transferred into the Plan; or
  - (b) the earliest date on which the Annuitant who is a former member is entitled to receive pension benefits under any pension plan described in subparagraph (a) as a result of termination of employment or termination of membership in the plan.

An immediate or deferred life annuity purchased under paragraph 5(d) shall not differentiate on the basis of the sex of the beneficiary if the commuted value of the pension benefit that was transferred into the Plan was determined in a manner that did not differentiate on the basis of sex.

8. **Withdrawal of Excess Amount.** In this paragraph, "excess amount" means the portion of the assets transferable under clause 42(1)(b) of the Act into the Plan that is greater than the amount prescribed for such a transfer under the *Income Tax Act* (Canada). If an excess amount has been transferred directly or indirectly into the Plan, the Annuitant may, upon application in accordance with section 22.2 of the Regulation on a form approved by the Superintendent that is given to the Issuer or

- (a) the excess amount; and
- (b) any subsequent investment earnings, including any unrealized capital gains or losses, attributable to the excess amount as calculated by the Issuer.

The amount that may be withdrawn is calculated as of the date on which the Issuer pays the amount to the Annuitant. The application form must be signed by the Annuitant and accompanied by one of the following documents:

- (i) a written statement from the administrator of the pension plan from which assets were transferred into the Plan setting out the excess amount that was transferred into the Plan; or
- (ii) a written statement from the Canada Revenue Agency setting out the excess amount that was transferred into the Plan.

The Issuer and the Agent are entitled to rely upon the information provided by the Annuitant in the application. An application that meets the requirements of section 22.2 of the Regulation constitutes authorization to the Issuer to pay the amount to the Annuitant from the Plan. The Issuer is required to make the payments to which the Annuitant is entitled under section 22.2 of the Regulation within 30 days after the completed application form and accompanying document are received.

9. **Withdrawal Where Small Amount.** The Annuitant may, upon application in accordance with section 22.3 of the Regulation on a form approved by the Superintendent that is given to the Issuer or the Agent, withdraw all of the Locked-In Assets or transfer the Locked-In Assets to a registered retirement savings plan or a registered retirement income fund if, when the Annuitant signs the application, he or she is at least 55 years of age and the value of all assets in all life income funds, locked-in retirement income funds and locked-in retirement accounts owned by him or her is less than 40% of the Year's Maximum Pensionable Earnings for that calendar year. The application form must be signed by the Annuitant and be accompanied by:
- (a) a declaration described in paragraph 12 of this Addendum about a Spouse; or
  - (b) a statement by the Annuitant attesting to the fact that none of the Locked-In Assets is derived, directly or indirectly, from a pension benefit provided in respect of any employment of the Annuitant.

The value of all assets in all life income funds, locked-in retirement income funds and locked-in retirement accounts owned by the Annuitant when he or she signs the application is to be determined in accordance with the most recent statement about each fund or account given to the Annuitant. Each such statement must be dated within one year before the Annuitant signs the application.

The Issuer and the Agent are entitled to rely upon the information provided by the Annuitant in the application. An application that meets the requirements of section 22.3 of the Regulation constitutes authorization to the Issuer to pay the amount to the Annuitant from the Plan. The Issuer is required to make the payments to which the Annuitant is entitled under section 22.3 of the Regulation within 30 days after the completed application form and accompanying document are received.

10. **Withdrawal Where Shortened Life Expectancy.** The Annuitant may, upon application in accordance with section 22.4 of the Regulation on a form approved by the Superintendent and that is given to the Issuer or the Agent, withdraw all or part of the Locked-In Assets if, when the Annuitant signs the application, he or she has an illness or physical disability that is likely to shorten his or her life expectancy to less than two years. The application form must be signed by the Annuitant and be accompanied by the following documents:

- (a) a statement signed by a physician who is licensed to practice medicine in a jurisdiction in Canada that, in the opinion of the physician, the Annuitant has an illness or physical disability that is likely to shorten his or her life expectancy to less than two years; and
- (b) a declaration described in paragraph 12 of this Addendum about a Spouse or a statement signed by the Annuitant attesting to the fact that none of the Locked-In Assets is derived, directly or indirectly, from a pension benefit provided in respect of any employment of the Annuitant.

The Issuer and the Agent are entitled to rely upon the information provided by the Annuitant in the application. An application that meets the requirements of section 22.4 of the Regulation constitutes authorization to the Issuer to make the payment from the Plan. The Issuer is required to make the payment to which the Annuitant is entitled under section 22.4 of the Regulation within 30 days after the completed application form and accompanying documents are received.

11. **Withdrawal Where Non-Resident.** The Annuitant may, upon application on a form approved by the Superintendent that is given to the Issuer or the Agent, withdraw all the locked-in assets if:
- (a) when the Annuitant signs the application, the Annuitant is a non-resident of Canada as determined by the Canada Revenue Agency for the purposes of the *Income Tax Act* (Canada); and
  - (b) the application is made at least 24 months after the Annuitant's date of departure from Canada.

The application must be made to the Agent on a form approved by the Superintendent, signed by the Annuitant and accompanied by the following documents:

- (a) a written determination from the Canada Revenue Agency that the Annuitant is a non-resident for the purposes of the *Income Tax Act* (Canada).
- (b) a declaration described in paragraph 12 about a spouse or a statement signed by the Annuitant attesting to the fact that none of the money in the Fund is derived, directly or indirectly, from a pension benefit provided in respect of any employment of the Annuitant.

The Issuer and the Agent are entitled to rely upon the information provided by the Annuitant in the application. An application that meets the requirements of section 22.5 of the Regulation constitutes authorization to the Issuer to make the payment from the Plan. The Issuer is required to make the payment to which the Annuitant is entitled within 30 days after the Issuer or the Agent receives the completed application form and accompanying documents.

12. **Declaration About a Spouse and Receipt.** Any of the following documents constitutes a declaration about a Spouse for the purposes of a withdrawal from the Plan under sections 22.3, 22.4 or 22.5 of the Regulation:
- (a) a statement signed by the Spouse, if any, of the Annuitant that the Spouse consents to the withdrawal or transfer;
  - (b) a statement signed by the Annuitant attesting to the fact that the Annuitant does not have a Spouse;
  - (c) a statement signed by the Annuitant attesting to the fact that the Annuitant is living separate and apart from his or her Spouse on the date the Annuitant signs the application to make the withdrawal or transfer.

If the Annuitant is required to give a document to the Issuer under section 22.3, 22.4 or 22.5, and if the document is one that must be signed by the Annuitant or by his or her Spouse, the document is a nullity if it is signed by any of them more than 60 days before the Issuer or the Agent receives it. When the Issuer receives a document required under section 22.3, 22.4 or 22.5, the Issuer shall give the Annuitant a receipt for the document stating the date on which it was received.

13. **Commutation or Surrender Where Financial Hardship.** The Annuitant may apply, as set out in subsection 67(5) of the Act, for the Superintendent's consent to the commutation or surrender in whole or in part of the Locked-In Assets, if the Superintendent is satisfied as to the existence of such circumstances of financial hardship as may be prescribed in the Regulation. The application must be completed and signed by the Annuitant on a form approved by the Superintendent and submitted with the statements and any other documents required under the Regulation, by the Annuitant to the Superintendent.

Where the Superintendent consents under subsection 67(5) of the Act, the Issuer is authorized to pay from the Plan, in accordance with the consent:

- (a) the specified amount, net of any withholding tax and fee, to the Annuitant; and
- (b) the amount of any related fee approved by the Minister, net of withholding tax, to the Minister.

The specified amount may be paid in the form of a lump sum payment, monthly installments or a combination of lump sum payment and monthly installments. The Issuer shall make the payment, or the first payment, as the case may be, within 30 days after receiving the Superintendent's consent. The consent is a nullity if the Issuer receives it more than 12 months after the date of the Superintendent's sign it.

14. **No Commutation, Withdrawal, Surrender Except As Permitted.** The Locked-In Assets will not be commuted, withdrawn or surrendered in whole or in part, during the lifetime of the Annuitant who was a member or former member, except as permitted in section 49 or 67 of the Act or in sections 22.2, 22.3 and 22.4 of the Regulation. Any transaction that contravenes this paragraph is void.
15. **No Assignment etc. Except By Family Law Order or Domestic Contract.** The Locked-In Assets will not be assigned, charged, anticipated or given as security, except as permitted by subsection 65(3) of the Act (that is, by an order under the *Family Law Act* or by a domestic contract as defined in Part IV of the *Family Law Act*). Any transaction purporting to do so is void.
16. **Exemption from Execution, Seizure or Attachment.** The Locked-In Assets and any money payable from the Plan are exempt from execution, seizure or attachment, except in satisfaction of an order for support enforceable in Ontario to a maximum of one-half of the money payable.
17. **Death of the Annuitant.** Upon the death of the Annuitant, the Annuitant's Spouse or, if there is none on the date of the Annuitant's death or the Spouse is otherwise disentitled, his or her named beneficiary or, if there is none, his or her estate is entitled to receive a benefit equal to the value of the Locked-In Assets. The benefit payable under this section may be transferred to a registered retirement savings plan or a registered retirement income fund in accordance with section 48 of the Act and the *Income Tax Act* (Canada).

A Spouse of the Annuitant is not entitled to receive the value of the Locked-In Assets unless the Annuitant was a member or former member of a pension plan from which assets were transferred directly or indirectly to the Plan. A Spouse living separate and apart from the Annuitant on the date of the Annuitant's death is not entitled to receive the value of the Locked-In Assets.

A Spouse may waive his or her entitlement to receive a benefit under the Plan by delivering to the Issuer or the Agent submitting a written waiver in a form approved by the Superintendent. A Spouse may cancel this waiver of a benefit by delivering a written and signed notice of cancellation to the Issuer or the Agent before the date of death of the Annuitant.

18. **Transfers and Payments; Terms of Investments.** All transfers and payments from the Plan are subject to the terms of the investments and will be subject to the withholding of any applicable tax and deduction of all reasonable expenses, costs, fees and charges. Transfers and payments may be made in cash or in kind, in accordance with the instructions of the Annuitant and subject to the terms of the investments and the requirements of the Issuer or the Agent.
19. **Indemnity.** Should the Issuer and/or its Agent be required to make payments or to provide an annuity or a pension as a result of any Locked-In Assets being paid out or transferred otherwise than in accordance with the provisions of this Addendum, the Regulation or as may be required by applicable law, the Annuitant will indemnify and hold harmless the Issuer and/or the Agent to the extent that Locked-In Assets were previously received by or accrued to the benefit of any of them or the Annuitant's estate. This indemnity will be binding upon the Annuitant's legal representatives, successors, heirs and assigns.
20. **Determination of Commuted Value on the Basis of Sex.** Was the commuted value of the pension benefit that was transferred into the Plan determined in a manner that differentiated on the basis of sex?
- YES
  - NO
- If the commuted value of the pension benefit that was transferred into the Plan was not determined in a manner that differentiated on the basis of sex, then an annuity purchased with funds from the Plan shall not differentiate on the basis of sex.
21. **Amendment.** No amendment shall be made to the Plan unless the Plan as amended remains in conformity with the Act and the Regulation and with section 146 of the *Income Tax Act* (Canada).
22. The Trustee, Agent and Annuitant hereby agree to be bound by the provisions contained in the Declaration of Trust and this Addendum

RSP 168-066  
April 15, 2008

Name of the Annuitant: \_\_\_\_\_ Account number: \_\_\_\_\_

Desjardins Securities is a member of the Investment Industry Regulatory Organization of Canada (IIROC) and a member of the Canadian Investor Protection Fund (CIPF).