

RRIF Contract

The following table outlines the main differences between the recently updated **Natcan Trust Company** RRIF contract (which will soon apply to you) and the **National Bank of Canada** RRIF Contract (your current contract soon to be replaced). The contracts are very similar.

Minor differences and new features that do not apply to GIC type investments are not shown in this table. To view the full version of the new contract, please go to nbc.ca/notices, under Registered plans, or call 514-413-5610 or 1-844-413-5610.

Natcan Trust Company	National Bank of Canada
The terms « Agent » and « Trustee » are specific to the Natcan Trust Company trustee plan and are therefore defined in the contract.	No corresponding definitions (s. 1 of the contract)
Agent: National Bank of Canada, being designated as such under Section 12a) hereof. (s. 1a) of the contract)	
Trustee: Natcan Trust Company, a trust company duly incorporated under the <i>Trust and Loan Companies Act</i> (Canada). (s. 1k) of the contract)	
The concept of « trust » is specific to the Natcan Trust Company trustee plan. This concept may differ from one jurisdiction to another and from one province to another. The contract specifies that the RRIF is a trust within the meaning of the tax legislation only.	No corresponding mentions (ss. 5 and 13g) of the contract)
Establishment of the Fund. (...) The Fund shall constitute a trust for the purposes of the Tax Legislation only, excluding any other purpose whatsoever. (...) (s. 2 of the contract - extract)	
Governing Law. (...) In Quebec, the Fund shall not in any way constitute a trust within the meaning of the <i>Civil Code of Quebec</i> . Given the particular nature hereof, the rules of Title VII of Book IV of the <i>Civil Code of Quebec</i> relating to the administration of the property of third parties shall not apply to the Trustee. (s. 13g) of the contract – extract)	
Investments. (...) The investments shall not be limited to ones authorized by law for trustees. (...) (s. 5 of the contract – extract)	
No corresponding mention (s. 6 of the contract)	The tax legislation imposes an additional restriction with respect to the depositary plan, reflected in National Bank of Canada's contract. Set-off. The Depositary is not entitled to offset any obligation owed by the Annuitant with the Assets Held in the Fund. (s. 6c) of the contract- extract)
The contract specifies that the annuitant may designate a successor Annuitant in addition to one or more beneficiaries, except in Quebec. The contract determines the priority between several designations, provides that a designation may not be automatically modified by a change in the marital status and relieves the trustee of any liability as regards a designation.	No corresponding mentions (s. 8 of the contract)
Designation of Successor Annuitant or Beneficiary (not available for retirement income funds in the Province of Quebec). (...) If more than one designation is received, the Trustee shall consider only the designation duly signed by the Annuitant which has the most recent date.	
In certain provinces and territories, this designation may not be revoked or changed automatically by a marriage, new union, divorce or separation, and a new designation may be required. It is the Annuitant's sole responsibility to get appropriate information regarding this matter and to make the appropriate amendments, as needed.	

<p>The Trustee makes no representation and cannot be held responsible, in particular in the event of the invalidity or unenforceability, in whole or in part, of a designation or its amendment or revocation by the Annuitant. (s. 8 of the contract – extract)</p>	
<p>The contract sets out the conditions that the trustee must meet before resigning from its duties. Withdrawal of Trustee. The Trustee may resign from its duties upon at least 30 days' prior notice given to the Annuitant in the manner set out in Subsection 13 e) hereof and provided a replacement carrier has accepted the appointment and on condition such replacement carrier is a body corporate resident in Canada duly authorized by the applicable laws to act in such capacity. (s. 12b) of the contract)</p>	<p>Similar provision, except for the notice period that was originally 90 days before being reduced to a minimum of 30 days and the use of the word "depository". (s. 12b) of the contract) <i>Note : the term carrier is broader and includes both depository and trustee</i></p>
<p>The contract provides for the fees, costs and other sums to which the trustee is entitled and the method of recovery of these sums. Fees and expenses. (...) The Annuitant shall reimburse the Trustee for any overdraft resulting from the payment of such fees, out-of-pocket expenses and costs within 30 days of the date the Annuitant is notified thereof. Should the Annuitant fail to make such reimbursement on time, the Trustee may, but without being obliged to do so, dispose of the Assets in the Fund without any further notice and on such conditions as it may determine and apply the proceeds of such disposition to the payment of sums due. The Trustee shall not be liable for any losses incurred as a result of such disposition. The reimbursement of any and all taxes, interest or penalties payable may be directly charged against and deducted from the Assets in the Fund but only to the extent allowed under the Tax Legislation. (...) The Annuitant shall be accountable to the Trustee for all fees, expenses and other amounts payable that exceed the Assets in the Fund. (s. 12c) of the contract – extract)</p>	<p>Similar provision, except for the following elements that are missing : time limit for the reimbursement of an overdraft, limitation of liability in favor of the trustee, indication that taxes and penalties may be paid out of the fund only to the extent permitted by the tax legislation and liability of the annuitant in case of insufficient assets (s. 12c) of the contract)</p>
<p>The contract excludes the liability of the trustee and its agents for the transfer of assets at the annuitant's request. Liability and Compensation. (...) Without limiting the scope of any other provision hereof, neither the Trustee nor any of its nominees, agents or correspondents shall be liable for any loss incurred by the Fund, the Annuitant, a Beneficiary (...) as a result of (...) <u>or transfer out</u> of the Fund requested by the Annuitant (...) (s. 12d) of the contract – extract)</p>	<p>Similar, but underlined mention is missing (s. 12d) of the contract)</p>
<p>The contract provides that the trustee may act on the instructions of the annuitant or a designated person, regardless of the form or manner such instructions are communicated. Instructions. The Trustee shall be empowered to follow the instructions received from the Annuitant or any other person designated by the Annuitant, whether transmitted in person, by telephone, mail, fax or any other electronic means. (s. 12e) of the contract)</p>	<p>Similar provision, but more restrictive as to the form of the instructions (s. 12e) of the contract)</p>
<p>The contract deals with the trustee's notices. Notices. (...) Any notice, statement or receipt by the Trustee to the Annuitant, the Annuitant's Spouse or any person authorized to receive notice under the Fund may be mailed to the address recorded in the books of the Trustee with respect to the Fund, and any notice, statement or receipt so mailed shall be deemed to have been given the fifth day after the day of mailing. (s. 13e) of the contract – extract)</p>	<p>Similar provision: however, mailing is the only delivery method provided and the delivery is presumed to have been made on the day of mailing (rather than the 5th day after mailing) (s. 13f) of the contract)</p>
<p>The contract provides that the annuitant must notify the trustee if he is no longer resident in Canada. Declaration of Non-Residency. The Annuitant must and undertakes to immediately notify Trustee if he is or becomes a non-resident of Canada. (s. 13f) of the contract)</p>	<p>No corresponding provision</p>
<p>The contract specifies the purposes for which personal information is collected, used, communicated to third parties or shared with other National Bank entities.</p>	<p>No corresponding provision</p>

<p>Collection, use and disclosure of personal information. The Trustee and the Agent may collect and share with their service providers and agents personal information about the Annuitant, such as his or her name, contact information, other identity information, social insurance number and information about the assets and activities in the Fund. The Trustee and the Agent may also collect information about the Annuitant from credit information and assessment agencies, other financial institutions or issuers or provide it to such organizations as well as regulatory or government authorities. The Trustee and the Agent use the information thus collected to identify the Annuitant, provide him or her with the requested services, execute any instructions on his or her part or any transactions related to the administration of the Fund, protect him or her and themselves from fraud and errors and comply with legal and regulatory requirements. At the time of the Annuitant's death, the Trustee and the Agent may disclose information about the Annuitant and the Fund to the executor or administrator of the estate or liquidator of the succession, the Successor Annuitant, a Beneficiary or any other person entitled to it, in the measure reasonably necessary for administering the Fund or the estate. Finally, the Trustee and the Agent may also share the Annuitant's personal information with other entities within the National Bank group for legal and regulatory compliance purposes, statistics, to manage business risks and to make sure that the Annuitant's information is accurate and up to date.</p> <p>To learn more about the Trustee and the Agent's personal information practices, see their common privacy policy available at National Bank branches and at nbc.ca. (section "Other terms and conditions" of the contract)</p>	
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RRIF Contract

The following table outlines the main differences between the recently updated **Natcan Trust Company** RRIF contract (which will soon apply to you) and the current **Natcan Trust Company** RRIF Contract (which will be soon replaced). The contracts are very similar.

Minor differences and new features that do not apply to GIC type investments are not shown in this table. To view the full version of the new contract, please go to nbc.ca/notices, under Registered plans, or call 514-413-5610 or 1-844-413-5610.

Natcan Trust Company (new version)	Natcan Trust Company (old version)
The terms « Agent » and « Beneficiary » are defined in the contract.	
Agent: National Bank of Canada, being designated as such under Section 12a) hereof. (s. 1a) of the contract)	
Beneficiary: The person who is or would be legally entitled to receive any Assets in the Fund or proceeds from the disposition of the Assets in the Fund in the case of the death of the Annuitant, pursuant to the applicable laws, such as the Annuitant's Spouse, estate, designated beneficiary, or legal representative within the meaning of the <i>Income Tax Act</i> (Canada). (s. 1e) of the contract)	No corresponding definitions (s. 1 of the contract)
Tax legislation specifies which assets can be transferred to the RRIF. The contract reflects additions made to the legislation in this regard.	
Assets Transferred to the Fund. Subject to the minimal consideration that it can set in its sole discretion, the Trustee may accept that the only assets that can be transferred to the Fund, as consideration, are assets that are transferred: (...) v. from a deferred profit sharing plan in accordance with subsection 147(19) of the <i>Income Tax Act</i> (Canada); vi. from a registered pension plan of which the Annuitant is a member (as defined in subsection 147.1(1) of the <i>Income Tax Act</i> (Canada); vii. from a registered pension plan in accordance with subsections 147.3(5) or (7) of the <i>Income Tax Act</i> (Canada); viii. from a specified pension plan in circumstances to which subsection 146(21) of the <i>Income Tax Act</i> (Canada) applies;	No corresponding subsections (s. 4 of the contract)

<p>ix. from a pooled registered pension plan in accordance with subsection 147.5(21) of the <i>Income Tax Act</i> (Canada); (...) (s. 4 of the contract – extract)</p>	
<p>Tax legislation requires that assets be invested in qualified investments, which it describes, and imposes obligations on the trustee in this regard. The contract reproduces these requirements and provides additional restrictions on this subject.</p>	
<p>Investments. The Assets in the Fund shall be invested in investments that qualify for the Fund within the meaning of the Tax Legislation (“qualified investments”), in accordance with instructions given by the Annuitant to the Trustee in a form deemed satisfactory by the Trustee. The Annuitant is responsible for ensuring that investments made in or transferred to the Fund are and remain qualified investments. The Trustee shall exercise the care, diligence and skill of a reasonably prudent person to minimize the possibility that a trust governed by the Plan holds a non-qualified investment. The investments shall not be limited to ones authorized by law for trustees.</p> <p>Notwithstanding any provision herein, the Trustee may, at its sole discretion, refuse to accept a property transfer or to make any investment for any reason whatsoever, especially if the Trustee believes that the investment does not comply with its standards or policies. The Trustee may also require the Annuitant to provide specific supporting documents before making certain investments under the Fund. (...) (s. 5 of the contract – extract)</p>	<p>No corresponding mentions (s. 5 of the contract)</p>
<p>Restrictions are imposed by tax legislation and the contract reproduces them.</p> <p>Restrictions.</p> <p>a) Assignment. The Annuitant acknowledges that this Fund, as well as the rights and benefits arising therefrom, may not be assigned or otherwise transferred. In particular, no payment made under the Fund may be assigned, in full or in part.</p> <p>b) Security. The Fund or the Assets in the Fund may not be given as security, by mortgage or otherwise, and may only be used to ensure the payment of retirement income.</p> <p>c) Payments. Notwithstanding any provision to the contrary, the Trustee makes only the payments described in paragraphs 146.3(2)(d) and 146.3(2)(e), 146.3(14) and 146.3(14.1) and in the definition of “retirement income fund” in paragraph 146.3(1) of the <i>Income Tax Act</i> (Canada).</p> <p>d) Effects. Any agreement which purports or attempts to contravene the restrictions contained in this Section 6 shall be null and void. (s. 6 of the contract)</p>	<p>No corresponding provision, except for subsection b) on security (s. 8 of the contract)</p>
<p>The contract reproduces the requirements of tax legislation regarding minimum and maximum payment. The contract grants the annuitant the right to change his annual payment and to decide on the assets to be sold and sets out the conditions in this regard.</p> <p>Payments. (...)</p> <p>a) Annual Payments. (...) The Annuitant may change the amount of the payment selected, upon notice to the Trustee in a form deemed satisfactory by the Trustee, no later than January 1 of the year in which the change is to come into effect. (...) If the amount that the Annuitant has chosen is greater than the maximum amount, the Trustee shall nevertheless pay the maximum amount authorized by the Tax Legislation. The amount selected by the Annuitant shall then be amended to correspond to the minimum amount or maximum amount, as applicable, with respect to such year.</p> <p>b) Minimum amount. (...) The Annuitant may elect to base the minimum amount on his age or his Spouse’s age. The Annuitant may not make or change any such election after the first payment has been made under the Fund.</p> <p>c) Maximum amount. The maximum amount that can be paid out of the Fund corresponds to the value of the Fund immediately before the payment date. In the case of a locked-in fund, the maximum amount specifically provided under the applicable laws may be lower. (...)</p> <p>d) Payment. (...) <u>Nevertheless, if the Trustee considers that the money available in the Fund is not sufficient for the payments specified in this Section 7, it can dispose of the investments that it has chosen, in its sole discretion, unless the Annuitant instructs otherwise no later than 30 days before the payment date.</u> (...)</p>	<p>No corresponding mentions, except for the underlined passage (s. 6 of the contract)</p>

(s. 7 of the contract – extract)	
The contract specifies that the annuitant may designate a successor annuitant in addition to one or more beneficiaries, except in Quebec. The contract determines the priority between several designations, provides that a designation may not be automatically modified by a change in the marital status and relieves the trustee of any liability in respect of a designation.	
Designation of Successor Annuitant or Beneficiary (not available for retirement income funds in the Province of Quebec). If permitted by applicable laws, the Annuitant may designate his Spouse as Successor Annuitant to receive continuing payments from the Fund after his death, in accordance with the Tax Legislation. (...) If more than one designation is received, the Trustee shall consider only the designation duly signed by the Annuitant which has the most recent date. In certain provinces and territories, this designation may not be revoked or changed automatically by a marriage, new union, divorce or separation, and a new designation may be required. It is the Annuitant’s sole responsibility to get appropriate information regarding this matter and to make the appropriate amendments, as needed. The Trustee makes no representation and cannot be held responsible, in particular in the event of the invalidity or unenforceability, in whole or in part, of a designation or its amendment or revocation by the Annuitant. (s. 8 of the contract – extract)	No corresponding mentions (s. 9 of the contract)
The contract makes the transfer of the annuitant's assets subject to certain conditions.	
Transfer of assets. (...) Such transfers shall take effect in accordance with applicable laws and within a reasonable timeframe after all forms required to be completed in respect of such a transfer have been completed and forwarded to the Trustee. (...) (s. 11 of the contract – extract)	No corresponding mention (s. 11 of the contract)
The contract specifies that the trustee may share its fees with its agents.	
Delegation of Powers. (...) such agents may receive all or part of the fees to which the Trustee is entitled hereunder (...) (s. 12a) of the contract – extract)	No corresponding mention (s. 12a) of the contract)
The contract sets out the conditions that the trustee must meet before resigning from its duties.	
Withdrawal of Trustee. The Trustee may resign from its duties upon at least 30 days’ prior notice given to the Annuitant in the manner set out in Subsection 13 e) hereof and provided a replacement carrier has accepted the appointment and on condition such replacement carrier is a body corporate resident in Canada duly authorized by the applicable laws to act in such capacity. (s. 12b) of the contract)	Similar provision, except for the notice period which is 60 days and the choice of an issuer which belongs to the annuitant (s. 12 b) of the contract)
The contract provides for the fees, costs and other sums to which the trustee is entitled and the method of recovery of these sums.	
Fees and expenses. (...) The Annuitant shall reimburse the Trustee for any overdraft resulting from the payment of such fees, out-of-pocket expenses and costs within 30 days of the date the Annuitant is notified thereof. Should the Annuitant fail to make such reimbursement on time, the Trustee may, but without being obliged to do so, dispose of the Assets in the Fund without any further notice and on such conditions as it may determine and apply the proceeds of such disposition to the payment of sums due. The Trustee shall not be liable for any losses incurred as a result of such disposition. The reimbursement of any and all taxes, interest or penalties payable may be directly charged against and deducted from the Assets in the Fund but only to the extent allowed under the Tax Legislation. (...) (s. 12c) of the contract – extract)	Similar provision, except for the following elements that are missing : time limit for the reimbursement of an overdraft, limitation of liability in favor of the trustee and indication that taxes and penalties may be paid out of the fund only to the extent permitted by the tax legislation (s. 12c) of the contract)
The contract provides for the delay within which the annuitant or the beneficiaries must indemnify the trustee and his agents in certain circumstances. In addition, it excludes the trustee's liability for withdrawals and transfers made at the request of the annuitant.	
Liability and Compensation. (...) <u>Any such payment must be made within 30 days of the date the Annuitant or the Beneficiaries are notified thereof.</u>	Underlined mentions are missing (s. 12d) of the contract)

<p>Without limiting the scope of any other provision hereof, neither the Trustee nor any of its nominees, agents or correspondents shall be liable for any loss incurred by the Fund, the Annuitant, a Beneficiary or any other person <u>as a result (...) of any withdrawal or transfer out of the Fund requested by the Annuitant (...)</u>. (s. 12d) of the contract – extract)</p>	
<p>The contract provides that the trustee may act on the instructions of the annuitant or a designated person, regardless of the form or manner such instructions are communicated. Instructions. The Trustee shall be empowered to follow the instructions received from the Annuitant or any other person designated by the Annuitant, whether transmitted in person, by telephone, mail, fax or any other electronic means. (s. 12e) of the contract)</p>	<p>No corresponding provision (s. 12e) of the contract)</p>
<p>The contract provides that the trustee may require proof of any information provided to it. Evidence. The recording of the date of birth of the Annuitant or of his Spouse on the Application shall constitute sufficient certification of such age, subject to any further evidence which may be required thereof. The Trustee reserves the right to require the Annuitant, the successor Annuitant or any other person claiming to be a Beneficiary, as the case may be, to provide, at the appropriate time and at their own expense, satisfactory proof of age, of the survival or death of the Annuitant or the successor Annuitant and of their rights or interests in respect of the Fund. (s. 13b) of the contract)</p>	<p>No corresponding provision (s. 13c) of the contract)</p>
<p>The contract deals with the trustee’s notices. Notices. (...) Any notice, statement or receipt by the Trustee to the Annuitant, the Annuitant’s Spouse or any person authorized to receive notice under the Fund may be mailed to the address recorded in the books of the Trustee with respect to the Fund, and any notice, statement or receipt so mailed shall be deemed to have been given the fifth day after the day of mailing. (s. 13e) of the contract – extract)</p>	<p>Similar provision: the notice is presumed to have been received 4 business days after mailing (rather than the 5th day after mailing) (s. 13f) of the contract)</p>
<p>The contract provides that the annuitant must notify the trustee if he is no longer resident in Canada. Declaration of Non-Residency. The Annuitant must and undertakes to immediately notify the Trustee if he is or becomes a non-resident of Canada. (s. 13f) of the contract)</p>	<p>No corresponding provision</p>
<p>The contract specifies that, in Québec, the RRIF is not a trust within the meaning of the <i>Civil Code of Quebec</i>. Governing Law. (...) In Quebec, the Fund shall not in any way constitute a trust within the meaning of the <i>Civil Code of Quebec</i>. Given the particular nature hereof, the rules of Title VII of Book IV of the <i>Civil Code of Quebec</i> relating to the administration of the property of third parties shall not apply to the Trustee. (s.13g) of the contract – extract)</p>	<p>No corresponding mentions (s. 13 e) of the contract)</p>
<p>The contract specifies the purposes for which personal information is collected, used, communicated to third parties or shared with other National Bank entities. Collection, use and disclosure of personal information. The Trustee and the Agent may collect and share with their service providers and agents personal information about the Annuitant, such as his or her name, contact information, other identity information, social insurance number and information about the assets and activities in the Fund. The Trustee and the Agent may also collect information about the Annuitant from credit information and assessment agencies, other financial institutions or issuers or provide it to such organizations as well as regulatory or government authorities. The Trustee and the Agent use the information thus collected to identify the Annuitant, provide him or her with the requested services, execute any instructions on his or her part or any transactions related to the administration of the Fund, protect him or her and themselves from fraud and errors and comply with legal and regulatory requirements. At the time of the Annuitant’s death, the Trustee and the Agent may disclose information about the Annuitant and the Fund to the executor or administrator of the estate or liquidator of the succession, the Successor Annuitant, a Beneficiary or any other person entitled to it, in the measure reasonably necessary for administering the Fund or the estate. Finally, the Trustee and the Agent may</p>	<p>No corresponding provision</p>

also share the Annuitant's personal information with other entities within the National Bank group for legal and regulatory compliance purposes, statistics, to manage business risks and to make sure that the Annuitant's information is accurate and up to date.

To learn more about the Trustee and the Agent's personal information practices, see their common privacy policy available at National Bank branches and at **nbc.ca**.

(section "Other terms and conditions" of the contract)