

ADDENDUM TO THE CANACCORD GENUITY CORP. SELF-DIRECTED RETIREMENT INCOME FUND

THIS ADDENDUM dated the _____ day of _____, 20 _____.

BETWEEN:

(herein referred to as the "Annuitant")

AND:

COMPUTERSHARE TRUST COMPANY OF CANADA,

a trust company existing under the laws of Canada, and having an office 510 Burrard Street,
Vancouver, B.C. V6C 3B9 (herein referred to as the "Trustee")

WHEREAS the Annuitant has established a Canaccord Genuity Corp. Self-Directed Retirement Income Fund specimen plan number **RIF-543** (the "**RIF**") and Annuitant Account number _____ with the Trustee under the relevant provisions of the Tax Act as defined below;

AND WHEREAS the Annuitant has established by virtue of this Addendum a Life Income Fund (the "**LIF**") established as a registered retirement income fund under the Tax Act to receive certain benefits (the "**Benefits**");

AND WHEREAS the Trustee is willing to accept such transfer.

NOW THEREFORE this Addendum witnesseth, and the parties hereto agree for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, as follows:

Definitions

1. For the purposes of this Addendum, "**Tax Act**" means the Income Tax Act (Canada) as amended, "**Act**" means The Pension Benefits Act, 1992 (Saskatchewan) as amended and "**Regulations**" means The Pension Benefits Regulations, 1993, as amended, under the Act.
2. For the purposes of this Addendum, the words "**life annuity contract**", "**life income fund contract**", and "**locked-in retirement account contract**" have the same meanings as are respectively given to these words in section 30 of the Regulations, and the words "**pension**" and "**spouse**" have the same meaning as are respectively given to these words in subsection 2(1) of the Act.
3. Notwithstanding anything to the contrary contained in the RIF and this Addendum, (collectively the "**Plan Documents**"), including any endorsements forming a part thereof, "**spouse**" does not include any person who is not recognized as a spouse or common-law partner for the purposes of any provision of the Tax Act respecting registered retirement income funds.

Contributions

4. The assets in the LIF shall include all locked-in money and securities deposited into the LIF, and shall include all interest, gains and losses incurred thereon.
5. The Annuitant acknowledges that all of the Annuitant's Benefits to be transferred are pension benefits which are subject to the locking-in provisions of Act. The Annuitant further acknowledges that the present value of such Benefits to be transferred to the LIF are being transferred from a locked-in retirement account ("**LIRA**") contract, another life income fund contract, a former employer's registered pension plan, a policy as defined by section 42 of The Pension Benefits Regulations, Sask. c.P-6 Reg. 1, or the Saskatchewan Pension Plan established by the Saskatchewan Pension Plan Act.

Income from LIF

6. The Annuitant shall be paid an income from the LIF, the amount of which may vary annually, until the day on which the balance of the assets in the LIF is used to purchase a life annuity contract.
7. The fiscal year of the LIF ends on December 31 of each year and may not exceed 12 months.
8. The amount of income to be paid to the Annuitant during a fiscal year must, subject to this Addendum, be fixed by the Annuitant at the beginning of each fiscal year after the receipt of the information specified in paragraph 11 of this Addendum or at another interval of more than one year agreed to by the Trustee and the Annuitant. The Trustee agrees to guarantee the rate of return on the assets in the LIF during such interval of more than one year and that interval shall terminate at the end of a fiscal year of the LIF.

Transfer from LIF

9. Subject to paragraph 10 of this Addendum, prior to using the balance of the assets in the LIF to purchase a life annuity contract, the Annuitant may transfer, to the extent permitted by the Tax Act, all or part of the assets in the LIF:
 - (i) to another life income fund contract provided that the minimum amount as defined under subsection 146.3(1) of the Tax Act is retained before transferring the balance of the LIF in order to comply with paragraph 146.3(e.1) or (e.2) of the Tax Act;
 - (ii) to purchase a life annuity contract as stipulated in the Tax Act; or
 - (iii) to a locked-in retirement account contract.

Life Annuity Contract

10. The balance of the assets in the LIF must be used to purchase a life annuity contract, as stipulated in the Tax Act, pursuant to which the payment of a pension commences not later than the end of the month following the end of the calendar year in which the Annuitant attains the age of 80 years.

Information

11. The Trustee will provide the Annuitant or cause to be provided to the Annuitant the information specified in subsections 30(13), 30(14) and 30(15) of the Regulations.

Investment Rights of Annuitant

12. The rights of the Annuitant with respect to the investment of the assets in the LIF are as set out in the Declaration of Trust attached hereto.

Valuation

13. The method and factors used to establish the value of the assets in the LIF or the assets in the LIF for purposes of paragraphs 9, 10 and 17 of this Addendum are as follows. The assets of the LIF shall be valued at their fair market value immediately prior to the date (the "**valuation date**") on which such assets are used to purchase a life annuity contract or otherwise transferred or paid out of the LIF. In order to determine fair market value regard may be had to any comparable arm's length transactions that occur on the valuation date or within a reasonable time prior to the valuation date. Where possible such arm's length transactions should involve a cash sale of assets of the same class or kind as those held by the LIF. If a comparison of this nature is not possible, then regard may be had to arm's length transactions that involve assets of a similar class or kind, with such modifications as the circumstances may require. If arm's length transactions involving assets of a similar class or kind are not available, then regard may be had to such other considerations as may reasonably be considered to be relevant, including, without limitation, the book value of the asset or the replacement cost of the asset.

Pay Out Contrary to Law

14. Where the assets in the LIF are paid out contrary to the Act or section 30 of the Regulations, the Trustee will provide or ensure the provision of a pension in the amount of, and payable in the same manner as, the pension that would have been provided had the assets in the LIF not been paid out.

Conditions of Transfer

15. Before transferring out the assets in the LIF pursuant to paragraphs 9 or 10 of this Addendum, the Trustee will advise the transferee financial institution in writing of the locked-in status of the assets in the LIF and make acceptance of the transfer subject to the conditions provided in section 30 of the Regulations.
16. If the Trustee does not comply with paragraph 15 of this Addendum and the transferee financial institution fails to pay the assets in the LIF that were transferred in the form of a pension or in the manner required by the section 30 of the Regulations, the Trustee will provide or ensure the provision of the pension referred to in paragraph 14 of this Addendum.

Death of Annuitant

17. On the death, prior to using the balance of the assets in the LIF to purchase a life annuity contract as required by paragraph 10 of this Addendum, of the Annuitant, who was a member of the plan from which the locked-in money was transferred, either directly or indirectly, the balance of the assets in the LIF, to the extent permitted by the Tax Act, shall be paid:
 - (i) where the Annuitant had a spouse at the date of death who survives the Annuitant for 30 days or more, to the surviving spouse; or
 - (ii) where there is no surviving spouse, or where the spouse does not survive the Annuitant for 30 days or more, 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.

Transferable Securities

18. Where the LIF holds identifiable and transferable securities, a transfer into or out of the LIF may, at the option of the Trustee and with the consent of the Annuitant, be effected by the remittance of the investment securities of the LIF.

Investments

19. The assets in the LIF shall be invested in a manner that complies with the rules for the investment of a registered retirement income fund pursuant to the Tax Act.

Spousal Relationship Breakdown

20. The LIF is subject, with any necessary modification, to the enforcement of maintenance orders provisions in section 50 of the Act, and to the division on marriage breakdown provisions in Part VI of the Act.

Shortened Life Expectancy

21. Notwithstanding anything in the Plan Documents to the contrary, a withdrawal of the assets in the LIF may be made as a lump sum or series of payments to the Annuitant, for the purposes of subsection 39(2) of the Act, where a physician certifies that due to mental or physical disability the life expectancy of the Annuitant is likely to be shortened considerably.

Calculation of Payment Amount

22. The amount of income paid during a fiscal year of a contract may not exceed the amount M calculated in accordance with the following formula:

$$M = \frac{C}{F}$$

where:

C is the balance of the assets in the LIF at the beginning of the fiscal year;

F is the value, as of January 1 in the calendar year in which the calculation is made, of a guaranteed pension of which the annual payment is \$1 payable at the beginning of each of the years between that date and the end of the calendar year in which the Annuitant attains the age of 90 years; and

M is the maximum income paid during a fiscal year;

except that for the initial fiscal year of the contract, M shall be adjusted in proportion to the number of months in the fiscal year divided by 12, with any part of an incomplete month counting as one month.

23. The amount of income paid out of the LIF during a fiscal year must not be less than the minimum amount prescribed for registered retirement income funds pursuant to the Tax Act.
24. The value of "F" in paragraph 22 of this Addendum shall be calculated by using:
 - (i) an interest rate of not more than 6% per year; or
 - (ii) for the first 15 years after the date of the valuation, an interest rate exceeding 6% per year if that rate does not exceed the interest rate obtained on long-term bonds issued by the Government of Canada for the month of November preceding the year of the valuation, as compiled by Statistics Canada and published in the Bank of Canada Review as CANSIM Series B-14013 and using an interest rate not exceeding 6% in subsequent years.
25. Where pursuant to paragraph 8 of this Addendum the amount of income to be paid to the Annuitant is fixed at an interval of more than one year, paragraphs 22, 23 and 24 of this Addendum shall apply with such modifications as the circumstances require to determine, at the date of the beginning of the first fiscal year in the interval, the amount of income to be paid for each fiscal year in that interval.
26. Where the assets in the LIF are derived from assets transferred directly or indirectly during the first fiscal year from another life income fund contract of the Annuitant, the maximum "M" in paragraph 22 of this Addendum is equal to zero with respect to those assets.
27. Where assets are transferred to the LIF with respect to which the assets have previously been transferred:
 - (i) other than from another life income fund contract, either directly or indirectly; and
 - (ii) after the beginning of the fiscal year of the contract;the amount "M" in paragraph 22 of this Addendum shall be adjusted by adding an amount calculated by applying the formula in paragraph 22 of this Addendum at the date of the transfer, using the amount transferred as the value of "C" and assuming that the transfer occurred in the initial fiscal year of the LIF.

No Withdrawal

28. Subject to the terms of this Addendum, no withdrawal, commutation or surrender of the balance of the assets in the LIF is permitted except where an amount is required to be paid to the Annuitant to reduce the amount of tax otherwise payable under Part X.1 of the Tax Act.

No Assignment

29. The assets in the LIF may not be assigned, charged, alienated or anticipated and are exempt from execution, seizure or attachment. Any transaction that purports to assign, charge, alienate or anticipate the assets in the LIF is void.

Amendment

30. The Trustee, may from time to time, unilaterally and without other notice, amend this Addendum in order to bring it into compliance with the Act, the Regulations and the Tax Act.

The Trustee, may from time to time, at its discretion, make other amendments to this Addendum by giving sixty (60) days' written notice to the Annuitant; provided, however, that any such amendments shall not have the effect of disqualifying the LIF as a registered retirement income fund within the meaning of the Tax Act. When the Annuitant has received from the Trustee a sixty (60) day written notice indicating the purpose of the amendment and the date to which the Annuitant's right of transfer may be exercised, the Annuitant may elect to transfer the balance of the LIF at any time before the effective date of the amendment.

Notwithstanding the above, any and all amendments to this Addendum must be made with the concurrence of the authorities administering the Act and the Tax Act.

Declaration of Trust Affirmed

31. The Trustee hereby affirms the provisions contained in the Plan Documents take effect as of the date first above written.

Interpretation

32. The conditions of this Addendum will take precedence over the provisions in the Declaration of Trust in the case of conflicting or inconsistent provision.

33. All references herein to any statute, regulation or any provision thereof shall mean such statute, regulation or any provision thereof as the same may be re-enacted or replaced from time to time.

34. This Addendum shall be construed and enforced according to the laws of the Province of Saskatchewan and the laws of Canada as applicable.

Counterparts

35. This Addendum may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one instrument.

IN WITNESS WHEREOF the parties have executed this Addendum as of the date first written above and shall bind the Trustee, its Agents and the Annuitant and their respective successors and assigns effective from the date of transfer of assets into the LIF.

YOUR CURRENT MARITAL STATUS:

(This data is necessary in order to complete prescribed government forms.)

- | | | | |
|--------------------------|------------|--------------------------|----------|
| <input type="checkbox"/> | Single | <input type="checkbox"/> | Married |
| <input type="checkbox"/> | Common law | <input type="checkbox"/> | Divorced |
| <input type="checkbox"/> | Separated | <input type="checkbox"/> | Widowed |

NAME OF ANNUITANT (PRINT)

SIGNATURE OF ANNUITANT

COMPUTERSHARE TRUST COMPANY OF CANADA

per: _____

per: _____



Form 3

[Subsection 34(4) of *The Pension Benefits Act, 1992*]

SPOUSE’S WAIVER OF 60% POST-RETIREMENT SURVIVOR BENEFIT

I, _____
(print or type full name of spouse)

certify that I am the spouse (within the meaning of clause 2(1)(ff) of *The Pension Benefits Act, 1992*) of

(print or type full name of member or former member)

(hereinafter called “the pensioner”) who is a member or former member of a registered pension plan that is subject to the provisions of *The Pension Benefits Act, 1992*.

1. I understand that, in the absence of this waiver, on the death of the pensioner, I am entitled to a pension of at least 60% of the original amount of the pension payable to the pensioner;
2. I also understand and declare that, by signing this waiver:
 - (a) I am giving up my entitlement, on the death of the pensioner, to a pension of at least 60% of the original amount of the pension payable to the pensioner;
 - (b) I am permitting the pensioner to receive a pension that does not comply with section 34 of *The Pension Benefits Act, 1992*; and
 - (c) on the death of the pensioner, I may receive no pension or may receive a pension of less than 60% of the original amount of the pension payable to the pensioner.
3. I certify that this waiver is being signed freely and voluntarily without any compulsion on the part of the pensioner and outside the immediate presence of the pensioner.
4. I understand that this waiver is not valid if it is signed more than 90 days before pension commencement.
5. I understand that I may revoke this waiver at any time before pension commencement by providing written notice to the administrator of the pension plan or issuer of the contract, as the case may be.

In witness whereof, I sign this waiver at _____

this _____ day of _____ 20____ in the presence of

(print or type name of witness)

of _____
(address of witness)

(Signature of witness)

(Spouse’s signature)

COMMENTS AND INSTRUCTIONS
FORM 3
SPOUSE'S WAIVER OF 60% POST-RETIREMENT SURVIVOR BENEFIT

This waiver must be completed by the spouse of a member or former member (hereinafter called "the pensioner") of a pension plan, that is subject to the provisions of *The Pension Benefits Act, 1992* (the *Act*), where the spouse wishes to waive his or her entitlement to the post-retirement survivor benefit provided under section 34 of the *Act*.

The post-retirement survivor benefit provided under the *Act* ensures that, on the death of a pensioner, the surviving spouse will continue to receive a lifetime benefit of at least sixty per cent of the pension that was being paid to the pensioner. The pensioner may elect a pension that does not offer this survivor benefit only if the spouse completes and signs this waiver.

Under *The Pension Benefits Act, 1992*, a spouse is the spouse of a former member at the day on which the pension is payable to the former member. "Spouse" means:

- (a) a person who is married to a member or former member; or
- (b) if a member or former member is not married, a person with whom the member or former member is cohabiting as spouses at the relevant time and who has been cohabiting continuously with the member or former member as his or her spouse for at least one year prior to the relevant time.

This waiver must be completed and signed by the spouse if the pensioner has assets in:

- a registered pension plan;
- a locked-in retirement account contract; or
- a registered retirement income fund contract;

and the pensioner wishes to elect a form of pension that does not provide the spouse with a survivor benefit of at least sixty per cent of the pension payable to the pensioner.

The waiver must be:

- completed in its entirety;
- signed outside of the immediate presence of the pensioner;
- signed by the spouse and witnessed not earlier than 90 days prior to the date that the pension payments are to commence; and
- filed with:
 - (a) the administrator of the registered pension plan if the assets are still held by the plan; or
 - (b) the financial institution that issued the locked-in retirement account contract or the registered retirement income fund contract holding the assets of the pensioner.

The waiver may be revoked at any time prior to the commencement of the pension payments by providing notice in writing to the administrator of the registered pension plan or the issuer of the contract.

We strongly urge the spouse to seek independent legal advice before signing this waiver.