

**GROUP SAVINGS
AND RETIREMENT**



Plan Text for National Bank Trust VRSP

Revised and Restated as of December 31, 2020

Administered by National Bank Trust Inc.

Government plan registration numbers:

Retraite Québec: 39708

Canada Revenue Agency (CRA): PRPP0011

Administrator authorization granted by Autorité des marchés financiers (AMF): LRVER000010

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Preliminary Provisions

Purpose of the plan	<p>This Voluntary Retirement Savings Plan (hereinafter the "VRSP"), is governed by the <i>Voluntary Retirement Savings Plans Act</i> (Chapter R-17.01), (hereinafter the "Act"). It is intended to promote retirement savings.</p> <p>Registration of the National Bank Trust VRSP (hereinafter, the "Plan") is also subject to section 147.5 of the <i>Income Tax Act</i> (hereinafter, the "ITA").</p> <p>The primary purpose of the Plan is to receive and invest contributions in order to provide members with a retirement income, subject to the limits and requirements prescribed by the ITA.</p> <p>Any individual may participate in the Plan insofar as he or she is permitted to contribute amounts to the Plan under fiscal rules.</p> <p>A participating individual is said to be a member and will remain as such for as long as he or she holds an account under the Plan.</p>
Parts of the Plan	<p>The Plan is composed of the following parts:</p> <ul style="list-style-type: none">• Part I contains the general provisions of the Plan.• Part II contains specific provisions for employers subscribing to the Plan.• Part III contains the Administrator's signatures.• Schedule I provides details about the default investment option.

For any questions, consult: nbtmyretirement.com/enrollment

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General Provisions**

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1. ADMINISTRATOR

Plan with same conditions

1.1. General provisions

The Plan Administrator is National Bank Trust Inc., a trust company constituted under *An Act respecting trust companies and savings companies* (CQLR c S-29.01), using the business name of National Bank Trust owned by National Bank of Canada.

The Administrator provides this Plan on the same conditions for all participating employers and individuals.

Plan management

The Administrator may not refuse the application of an individual to subscribe to the Plan, except:

- if he or she is placed on the list referred to in section 83.05 of the *Criminal Code* or if, during the last seven years, he or she has been found guilty of an offence under either section 380 or 462.31 of the Code;
- if he or she is not a resident of Quebec.

The Administrator shall ensure that the Plan it manages is in conformity with the provisions of the Act and the ITA.

The Administrator shall manage the Plan and the assets therein within its capacity as administrator of the property of others and, in this respect, it must act diligently and competently and exercise caution, as any reasonable person would do in such circumstances. The Administrator must act with honesty and fairness in the interest of the members.

The Administrator may delegate certain of its administrative duties or certain of its powers to mandataries.

1.2. Plan and amendments

Effective date of the Plan and its
amendments
Amended by amendment number
2016-01

1.2.1. Effective date

The provisions of this Plan and its amendments become effective on the date they are registered with Retraite Québec and may not become effective before that date. However, amendments may take effect on an earlier date if they:

- are made for the purpose of compliance with a legal requirement; in such case, the amendments must take effect on the date provided for by law;
- are intended to reflect a change in the Administrator's name; in such case the amendments must take effect on the date of the name change;
- are to the benefit of members; in such case the amendments must take effect on the date determined by the Administrator.

1.2.2. Notice of amendment

The Administrator that proposes to apply for the registration of an amendment to the Plan shall inform the members and the employers by written notice.

2. FISCAL YEAR

The fiscal year of the Plan ends on December 31 each year. However, the first fiscal year will end on December 31, 2015 if the Plan becomes effective before January 1, 2015.

Documents to provide to employers and individuals

3. DOCUMENTS

The Administrator provides the following documents free of charge to the employer or a member for whom no employer has joined the Plan:

- a copy of the contract between the parties;
- on request, the annual statement and financial report.

The Administrator gives a member for whom no employer has joined the Plan a written summary of the Plan, which sets out the member's rights and obligations, investment options and the fees related to the Plan.

If the member is an employee who participates in the Plan provided by his or her employer, the member must refer to Part II of the Plan.

Statement of changes in account

The Administrator provides each member with a statement showing changes in the member's account within 45 days of the end of each fiscal year of the Plan. The statement contains the information prescribed by section 53 of the Regulation respecting voluntary retirement savings plans, (hereinafter, the "Regulation").

Determining and amending member contributions

4. MEMBER'S CONTRIBUTION

The member determines his or her contribution to the Plan.

In accordance with subsection 147.5(11) of the ITA, any contribution made to the VRSP is deemed to be a premium paid by the member to a Registered Retirement Savings Plan (RRSP) under which the member is the annuitant.

Contributions made by the member cannot exceed the limits permitted by the ITA.

The member may, at any time:

- set his or her contribution rate at 0%;
- change his or her contribution to the Plan.

If the member is an employee who participates in the Plan provided by his or her employer, the member must refer to Part II of the Plan.

Inactive account

The Administrator may close the member's account containing the locked-in and not locked-in portions for the member if the balance of the accounts for a period of at least 12 consecutive months is zero and no transactions related to the accounts have been made.

Use of contributions to repay an HBP or LLP

A member may use contributions made to the Plan to repay amounts withdrawn from the member's RRSP to fund a Home Buyers' Plan (HBP) or Lifelong Learning Plan (LLP) subject to the conditions outlined in the tax laws.

4.1. Limit and tax treatment of member contributions

The member's contribution is limited to the RRSP deduction limit. A member may make contributions to his or her VRSP between January 1 of a given year and the first 60 days of the following year, or until the end of the year in which the member turns age 71.

Members may deduct their contributions in their income tax and benefit return for the year in question, but the deduction must not exceed the difference between the RRSP deduction limit and the employer's contribution to the VRSP.

4.2. No contributions after age 71

No contributions shall be made to the Plan for a member after the calendar year in which the member turns 71, except in the case of a permitted transfer.

4.3. Permitted refunds of contributions

Refunds of contributions are permitted:

- in the event a contribution was made to the Plan as a result of a reasonable error by the member or participating employer, insofar as the contribution is refunded to the person who made the contribution no later than December 31 of the year following the calendar year in which the contribution was made;
- in order to avoid the Plan's registration being revoked;
- in order to reduce the amount of tax that would otherwise be payable under Part X.1 of the ITA;
- in order to meet any requirement prescribed by the ITA.

4.4. Over-contributions

It is permitted to withdraw an amount in order to reduce the amount of income tax that the member would have to pay under Part X.1 of the ITA.

If the member is an employee who participates in the Plan provided by his or her employer, the member must refer to Part II of the Plan.

Unique account	<p>5. MEMBER ACCOUNT</p> <p>Within the meaning of the ITA, each member holds a single account linked to his or her Social Insurance Number:</p> <ul style="list-style-type: none"> • to which all contributions paid into the Plan for that member are credited, along with the income allocated to that member; and • from which benefits and payments for that member under the Plan are paid out. <p>In its books, the Administrator keeps an account containing two portions for each participant, one of which is locked-in and the other is not locked-in.</p> <p>The Administrator may pool the funds in members' accounts for the purpose of investing the plan assets.</p>
Immediate vesting	<p>Amounts paid into or allocated to a member's account are immediately and irrevocably vested to the member.</p>
Nature of locked-in portion	<p>5.1. Locked-in portion of member account</p> <p>The following are credited to the locked-in portion of the member's account:</p> <ul style="list-style-type: none"> • contributions from the member's employer, as well as interest and income generated by such contributions; • dividends, refunds or other advantages granted by the Administrator with respect to this portion of the member's account; • locked-in amounts from the following pension plans: <ul style="list-style-type: none"> ○ a registered supplemental pension plan governed by the <i>Supplemental Pension Plans Act</i> (chapter R-15.1); ○ a life income fund (LIF) registered as an RRIF under which the member is the annuitant; ○ a locked-in retirement account (LIRA) registered as an RRSP under which the member is the annuitant; ○ the locked-in portion of another VRSP governed by the Act.
Refund of locked-in portion	<p>5.1.1. Refunds</p> <p>In any of the following situations, the member is entitled to receive a refund of the funds held in the locked-in portion of his or her account, in the form of a lump sum taxable payment, upon submitting a request to the Administrator accompanied by the necessary proof:</p>
Small balance	<p>1) The balance of the locked-in portion of the member's account is less than 20% of the Maximum Pensionable Earnings (hereinafter, "MPE") determined under the <i>Act respecting the Québec Pension Plan</i> (chapter R-9), for the year in which the member is no longer employed by an employer who subscribed to the Plan.</p>
Minimum retirement savings and age 65	<p>2) The member is at least age 65 and the total locked-in amounts accrued as retirement savings are less than or equal to 40% of the MPE determined under the <i>Act respecting the</i></p>

Québec Pension Plan (chapter R-9) for the year in which the member requests the refund.

The member's "retirement savings" are defined as the total amounts accrued in the following pension plans:

- registered VRSPs governed by the Act;
- defined contribution registered pension plans;
- defined benefit or defined benefit-defined contribution registered pension plans in application of identical provisions to those of a defined contribution plan;
- life income funds (LIF) registered as RRIFs under which the member is the annuitant;
- locked-in retirement accounts (LIRA) registered as RRSPs under which the member is the annuitant.

The member's request must be accompanied by a declaration in conformity with the one prescribed in Schedule A of the Regulation.

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| Shortened life expectancy | 3) A physician certifies that the member's physical or mental disability reduces his or her life expectancy. |
| Other disabilities and low income | 4) A physician certifies that the member is physically or mentally disabled without giving an opinion on his or her life expectancy and the member provides a statement to the Administrator certifying that the income he or she is to receive during the 12 months following the application for a refund will not exceed 40% of the MPE determined, for the year of the refund, pursuant to the <i>Act respecting the Québec Pension Plan</i> (chapter R-9). |
| Non-residency in Canada | 5) The member is deemed, for the purposes of the <i>Taxation Act</i> (chapter I-3), to not have resided in Canada for at least two years. |

Transfer of locked-in portion

5.1.2. Transfers out of the Plan

A member for whom no employer subscribes to a Plan is entitled to transfer the locked-in portion of his or her account at any time.

The transfer is made on the member's behalf as a lump sum payment into any of the following pension plans:

- a registered supplemental pension plan governed by the *Supplemental Pension Plans Act* (chapter R-15.1) or by an act of a legislative authority other than the Parliament of Québec and granting entitlement to a deferred pension;
- a registered supplemental pension plan established by an act emanating from the Parliament of Québec or from another legislative authority;
- a life income fund (LIF) registered as an RRIF under which the member is the annuitant;
- a locked-in retirement account (LIRA) registered as an RRSP under which the member is the annuitant;
- an annuity contract under which the member is the annuitant;

- the locked-in portion of another VRSP governed by the Act;
- an account or the locked-in portion of an account under an equivalent voluntary retirement savings plan emanating from a legislative authority other than the Parliament of Québec, also referred to as a pooled registered pension plan (PRPP), provided the member joins that plan as part of his or her employment.

However, when a member is entitled to a refund of the locked-in portion of his or her account, in accordance with section 5.1.1, the transfer is made on the member's behalf into any of the following pension plans:

- a registered supplemental pension plan governed by the *Supplemental Pension Plans Act* (chapter R-15.1) or by an act of a legislative authority other than the Parliament of Québec and granting entitlement to a deferred pension;
- a registered supplemental pension plan established by an act emanating from the Parliament of Québec or from another legislative authority;
- a registered retirement income fund (RRIF) under which the member is the annuitant;
- a registered retirement savings plan (RRSP) under which the member is the annuitant;
- an annuity contract under which the member is the annuitant;
- the not locked-in portion of another VRSP governed by the Act;
- an account or the locked-in portion of an account under an equivalent voluntary retirement savings plan emanating from a legislative authority other than the Parliament of Québec, also referred to as a pooled registered pension plan (PRPP), provided the member joins that plan as part of his or her employment.

If the member is an employee who participates in the Plan provided by his or her employer, the member must refer to Part II of the Plan.

Nature of not locked-in portion of member account

5.2. Not locked-in portion of member account

The following are credited to the not locked-in portion of the member's account:

- the member's own contributions, as well as interest and income generated by such contributions;
- dividends, refunds or other advantages granted by the Administrator with respect to this portion of the member's account;
- locked-in amounts from the following pension plans:
 - a registered supplemental pension plan governed by the *Supplemental Pension Plans Act* (chapter R-15.1) or by an act of a legislative authority other than the Parliament of Québec and granting entitlement to a deferred pension;
 - a registered supplemental pension plan established by an act emanating from the Parliament of Québec or from another legislative authority;

- o a registered retirement income fund (RRIF) under which the member is the annuitant;
- o a registered retirement savings plan (RRSP) under which the member is the annuitant;
- o an annuity contract under which the member is the annuitant;
- o the not locked-in portion of another VRSP governed by the Act;
- o an account or the locked-in portion of an account under an equivalent voluntary retirement savings plan emanating from a legislative authority other than the Parliament of Québec, also referred to as a pooled registered pension plan (PRPP), provided the member joins that plan as part of his or her employment.

Refunds and transfers of the not locked-in portion of the member's account

5.2.1. Refunds and transfers out of the Plan

The member is entitled to receive a refund of all funds held, or a part thereof, in the not locked-in portion of his or her account, in the form of a lump sum taxable payment, upon submitting a request to the Administrator.

If the member is an employee who participates in the Plan provided by his or her employer, the member must refer to Part II of the Plan.

Transfer provisions

The transfer is made in accordance with the third paragraph of section 5.1.2 of the Plan.

Time for processing a refund or a transfer

6. TIME FOR PROCESSING REQUESTS

The Administrator shall carry out the refund or transfer of funds from the locked-in and not locked-in portions of the account within 60 days following the member's request.

Transfers not permitted between portions of member account

7. TRANSFERS BETWEEN LOCKED-IN AND NOT LOCKED-IN PORTIONS OF THE ACCOUNT

No funds may be transferred between the locked-in and not locked-in portions of the member's account.

8. INVESTMENT OPTIONS

The Administrator provides one default investment option and five other options under the Plan.

If a member does not make an investment choice, the default investment option shall apply to the locked-in and not locked-in portions of the member's account.

All income from the Plan is allocated to members in a reasonable manner and at least once a year.

8.1. Default option

The default investment option under the Plan is:

- until **March 5, 2021**: the VRSP portfolio with an assumed retirement age of 65;
- as of **March 9, 2021**: the Simplicity Retirement Solution (Conservative path) with an assumed retirement age of 65.

This is an option based on a lifecycle approach, whereby the level of risk is determined according to the member's age and adjusted as the member approaches retirement age.

A description of the default option allocation and its target asset mix is provided in Schedule I of this document.

8.2. Other options

Information about investment options

Amended by amendment numbers
2016-01, 2017-1, 2020-1 and 2020-2

The Plan also offers the following other options:

- a) **Until March 5, 2021**:
- certificate guaranteed investments (terms from one to five years);
 - the segregated funds (also called investment funds) set out in the table below, which are managed by Fiera Capital:

FUND NAME AND CATEGORY	CODE	TARGET ASSET MIX
INCOME FUNDS		
Bond (Fiera Capital)	472	100% Income Funds
CANADIAN EQUITY FUNDS		
Canadian Equity (Fiera Capital)	593	100% Canadian Equity Funds
FOREIGN EQUITY FUNDS		
U.S. Equity Index	584	100% U.S. Equity Funds
International Equity Index	585	100% Foreign Equity Funds

- b) **As of March 9, 2021**:

- the NBI Altamira *CashPerformer*[®] Account;
- the investment funds set out in the table below, which are managed by National Bank Investments Inc. ("NBI"):

FUND NAME AND CATEGORY	CODE	MANAGER OR SUB-MANAGER	TARGET ASSET MIX
INCOME FUNDS			
NBI Bond Fund	NBC340	Fiera Capital Corporation	100% Income Funds
CANADIAN EQUITY FUNDS			
NBI Canadian Equity Fund	NBC312	Jarislowky, Fraser Limited	100% Canadian Equity
FOREIGN EQUITY FUNDS			
NBI U.S. Equity Index Fund	NBC3407	National Bank Trust Inc.	100% U.S. Equity
NBI International Equity Index Fund	NBC3408		100% Foreign Equity

For each investment option offered under the Plan, the Administrator sends the information prescribed by section 14 of the Regulation to each individual. The Administrator may send this information on paper or in electronic format, or provide the member, in real time, with the information or instructions required to consult the information on its website nbtmyretirement.com/enrollment or on its secure Internet site, before the member's contract is signed.

If the member is an employee who participates in the Plan provided by his or her employer, the member must refer to Part II of the Plan.

No later than 10 days after the Plan is registered, the Administrator shall make available on its website nbtmyretirement.com/enrollment and provide in writing on request by the member:

- the information prescribed by section 14 of the Regulation; or
- any other equivalent information that it must disclose in accordance with the applicable legislation.

Investment advice

Only the following persons may advise a member with respect to the choice of an investment option available under the Plan:

- representatives in insurance of persons within the meaning of section 3 of the *Act respecting the distribution of financial products and services* (chapter D-9.2);
- registered dealers within the meaning of Title V of the *Securities Act* (chapter V-1.1.) or the person exempted from registration under this act.

Changes to investment options

Investment options may be changed at any time upon request by the member.

8.3. If the Administrator ceases to offer an investment option

If the Administrator ceases to offer an investment option, the member's investment choices may be modified after the Administrator has notified the affected members in writing as soon as possible.

The member has a period of 60 days following the date of receipt of the notice to select another option. If the member fails to choose another option within the allotted time, the Administrator will invest the member's funds in an option similar to the initial option or in the default investment option.

The transfer of the member's funds to a new investment option may not be subject to any fees, deductions or other expenses.

9. FEES

Investment fund management fees

9.1. Fees deducted from returns on assets

The total investment fund management, operating and administration fees, including annual statement fees, emoluments (commissions) paid to the representatives through whom the administrator acts, and applicable taxes under Part IX of the *Excise Tax Act* and Title I of the *Act respecting the Québec Sales Tax*, expressed as a

Amended by amendment numbers
2016-01, 2020-1 and 2020-2

percentage of the average assets, **until March 5, 2021**, are shown below:

Fund or portfolio name	Annual fees before taxes	Annual fees including taxes
Bond	1.30%	1.50%
Canadian Equity	1.30%	1.50%
U.S. Equity Index	1.30%	1.50%
International Equity Index	1.30%	1.50%
VRSP portfolio	Between 1.07% and 1.09% depending on retirement year*	Between 1.23% and 1.25% depending on retirement year*

*The fees for each period before and after the assumed retirement year are detailed in **Schedule I**.

However, these fees do not apply to the guaranteed investment certificates.

As of March 9, 2021:

Fund or portfolio name	Annual fees before taxes	Annual fees including taxes
NBI Bond Fund	1.30%	1.50%
NBI Canadian Equity Fund	1.30%	1.50%
NBI U.S. Equity Index Fund	1.30%	1.50%
NBI International Equity Index Fund	1.30%	1.50%
Simplicity Retirement Solution	1.09%	1.25%

These fees are deducted from the investment funds according to the terms and conditions set out in the contract. The applicable taxes are subject to change from time to time in accordance with the applicable legislation. Total fees including taxes are posted on the website nbtmyretirement.com/enrollment. However, these fees do not apply to the NBI Altamira *CashPerformer*[®] Account.

Other fees charged to members

9.2. Other fees

The fees that the administrator may charge to members are set out below. Unless indicated otherwise, the following fees are deducted directly from the member's account at the time of the transactions set out below, except if the employer has agreed to pay the fees.

- Effecting the transfer of benefits between spouses in the event of divorce or end of union: \$100. The costs and expenses claimed from the spouses are divided equally between them, unless they decide otherwise (\$50 deducted from the member's account and \$50 deducted from the share of the member's former spouse).

There is no charge for producing a statement of the member's account indicating the value of the benefits that may be partitioned.

- Any other withdrawals, refunds or transfers to another eligible pension plan (except a change of VRSP by an employer that offers the Plan to its employees, and certain internal transfers): \$50 (including taxes).
- Searching contact information for an unlocatable member, depending on the organization used to conduct the search: Between \$10 and \$80 plus taxes.
- NSF cheque: \$30 plus taxes.
- Direct deposit or cheque cancelled at member's request: \$30 plus taxes.
- Copies of documents: \$0.25 per page (paper or digital copy) and \$5 per document resent by email (plus taxes), except for documents available on the Administrator's website.

No variable payments

10. VARIABLE PAYMENTS

Members are not permitted to receive variable payments from the Plan as pension benefits.

Definition of spouse upon member's death

11. MEMBER'S DEATH

For the purposes of the death benefit, the spouse is the person who, on the day before the member's death:

- is married to or in a civil union with the member;
- has been living in a conjugal relationship with the member, who is neither married nor in a civil union, whether the person is of the opposite or the same sex, for a period of not less than three years;
- has been living in a conjugal relationship with the member, who is neither married nor in a civil union, whether the person is of the opposite or the same sex, for a period of not less than one year if:
 - at least one child is born, or is to be born, of their union;
 - they have adopted, jointly, at least one child while living together in a conjugal relationship; or
 - one of them has adopted at least one child who is the child of the other, while living together in a conjugal relationship.

The birth or adoption of a child prior to the period of conjugal relationship existing on the day before the death occurs may qualify a person as a spouse. The spouse is then the person who has been living in a conjugal relationship with the member, who is neither married nor in a civil union, whether the person is of the opposite or the same sex, for a period of not less than one year.

Statement on death

The Administrator provides a statement to the eligible individual within 30 days following receipt of the notice of death.

Death benefit

On the member's death, his or her spouse or, if the member has no spouse, his or her successors are entitled to a benefit, the amount of

which is equal to the balance of the member's account (locked-in and not locked-in portions), including income and interest accrued to the date of payment of the benefit. This benefit is paid out as a lump sum and is subject to the ITA. However, the member's spouse may choose to transfer all or part of this amount to a pension plan provided for in the third paragraph of section 5.1.2. of the Plan. Income tax is therefore deferred.

Any amount payable from a member's account after his or her death is paid out as soon as possible after the death.

In the event of the death of a Plan member who has a financially dependent child or grandchild, the dependent is considered an eligible survivor and is entitled to receive the funds in the deceased member's account. If the financially dependent child or grandchild has an impairment in physical or mental functions and is entitled to the Disability Tax Credit, the lump sum amount from the member's account may be transferred directly into a registered disability savings plan (RDSP) for the dependent.

Spouses separated from
bed and board

A person who is legally separated from bed and board with respect to the member on the day before the member's death is not entitled to any benefit unless the person is the member's successor.

Waiver

The member's spouse may waive the right to the death benefit, before receiving the benefit, by sending written notice to the Administrator.

The spouse may revoke his or her waiver of the benefit by notifying the Plan Administrator in writing before the member's death.

Beneficiary designation

The member may designate his or her beneficiary using the form for designating a beneficiary in the event of the member's death. The member may also designate his or her beneficiary by sending a written notice to the Administrator. However, if the member has a spouse, the spouse will take precedence over the beneficiary in terms of obtaining the death benefit, regardless of the beneficiary designation, unless he or she has waived the right to the death benefit.

Statement in the event of
spousal separation

12. TRANSFER OF BENEFITS BETWEEN SPOUSES

The member and his or her spouse are entitled, upon application in writing to the Plan Administrator, to obtain a statement of the benefits accumulated by the member under the Plan:

- as soon as an application is filed for:
 - legal separation (separation from bed and board);
 - divorce;
 - annulment of marriage;
 - dissolution of civil union;
 - annulment of civil union;
 - payment of a compensatory allowance;
- in the event of family mediation;
- during a joint procedure before a notary for the dissolution of their civil union;
- in the event of cessation of the conjugal relationship between the member and his or her spouse;

Transfer of benefits between spouses	<p>Upon application in writing to the Administrator, the benefits accumulated by the member under the Plan are shared with his or her spouse in the following situations:</p> <ul style="list-style-type: none"> • divorce; • annulment of marriage; • legal separation (separation from bed and board); • annulment of civil union; • dissolution of civil union by judgment or notarized joint declaration.
Payment of compensatory allowance	<p>Upon application in writing to the Administrator, the benefits accumulated by the member under the Plan are transferred to his or her spouse if the court or notarized declaration has awarded them in payment of a compensatory allowance, to the extent provided by the court judgment or by the notarized declaration.</p>
Transfer of benefits between spouses in a conjugal relationship	<p>In the event of cessation of the conjugal relationship between the member and his or her spouse, they may agree in writing, in the year that follows, to share the benefits accumulated by the member in the Plan between themselves.</p> <p>This partition is carried out to the extent provided in the agreement between the parties, which may not however result in more than 50% of the value of the member's benefits being awarded to the spouse.</p>
Partition	<p>In the event of the partition of the member's benefits or the payment of a compensatory allowance, the Administrator shall take one of the measures provided for by the Regulation with respect to the sum granted to the spouse, including interest.</p> <p>The lump sum payment made to the spouse must be deducted from each of the locked-in and not locked-in portions of the member's account by the proportion the sum represents of the value of these portions of the account on the date of partition.</p>
Non-transferability and exemption from seizure	<p>13. BENEFITS NON-TRANSFERABLE AND EXEMPT FROM SEIZURE</p> <p>Unless otherwise provided for by the Act, the following amounts, contributions and benefits are non-transferable and exempt from seizure:</p> <ul style="list-style-type: none"> • contributions paid or to be paid into the Plan and accrued interest and income; • amounts refunded or benefits paid under the Act; • amounts awarded to the member's spouse following a transfer of benefits in accordance with section 12 of the Plan, with accrued interest, and the benefits deriving from such amounts. • any of the aforementioned amounts, if locked-in, that were transferred out of the Plan, with interest, and any refunds of such amounts.

Furthermore, the rights of individuals under the Plan may not be assigned, charged, anticipated, alienated, given as security, abandoned or surrendered, except in the event of:

- a transfer carried out following a court order or a judgment made by a competent court of law, or in accordance with a written agreement intended to divide assets between the member and the member's spouse, as defined earlier, in order to settle rights resulting from their marriage or common-law partnership or the failure thereof;
- a transfer carried out by a deceased individual's legal representative, on settlement of the estate.

Any transaction contrary to this section is null and void.

Contract **14. CONTRACT**

The contract between the Administrator and the employer (or a member who enrolls in a VRSP not offered by their employer) complies with the plan and contains the information specified in Section 6 of the Regulations.

**Index of Sections in Part II
Specific Provisions for Employers Subscribing to the Plan**

15. Subscription and enrolment
16. Contract deemed entered into
17. Notice of plan membership to employees
18. Employee opt-out
19. Change of VRSP
20. Documents and information
21. Information about investment options
22. Termination of employment
23. Employer contribution
24. Member's contribution
25. Collection of contributions
26. Remittance of contributions
27. Contributions owing remitted after refund or transfer out of Plan
28. Transfer of locked-in portion of member account out of Plan
29. Refunds and transfers out of the Plan of the not locked-in portion of the member's account
30. Incentives

Subscription to the Plan

15. SUBSCRIPTION AND REGISTRATION

The Administrator may not refuse the application of an individual to subscribe to the Plan, except if he or she is placed on the list referred to in section 83.05 of the *Criminal Code* or if, during the last seven years, he or she has been found guilty of an offence under either section 380 or 462.31 of the Code.

An employer within the meaning of subparagraph 7 of the first paragraph of section 1 of the *Act respecting labour standards* (chapter N-1.1) having an establishment in Quebec may offer the Plan to its employees.

Employee registration

However, an employer that is required to subscribe to a VRSP under section 45 of the Act must automatically enrol its eligible employees in the Plan and any employee who so requests, except if they:

- have the opportunity to make contributions, through payroll deductions, to a designated registered retirement savings plan (RRSP) or a designated tax-free savings account (TFSA), within the enterprise of the employer; or
- belong to a category of employees who benefit from a registered pension plan within the meaning of the *Income Tax Act* (RSC 1985, c. 1 (5th Supp.)) to which the employer is party.

After signing its contract to subscribe to the Plan, the employer has a period of 30 days in which to enrol its eligible employees and any other employee who so requests. Thereafter, the employer has a period of 30 days in which to enrol any employee who becomes eligible and any employee who so requests.

The employer provides the Administrator with the following personal information concerning each eligible employee and each employee who submits an application to enrol in the Plan:

- name, address and telephone number;
- date of birth;
- Social Insurance Number;
- language of communication.

Eligible employee

An “eligible employee” of the employer is an employee who:

- is 18 years of age or over;
- is an employee within the meaning of subparagraph 10 of the first paragraph of section 1 of the *Act respecting labour standards* (chapter N-1.1) and works in Quebec, or is described in paragraph 1 or 2 of section 2 of that Act; and
- is credited with one year of uninterrupted service within the meaning of subparagraph 12 of the first paragraph of section 1 of the *Act respecting labour standards*.

Employer participating in Plan
subscribed to by an association of
which it is a member

16. CONTRACT DEEMED ENTERED INTO

An employer and an Administrator are deemed to have entered into a contract if the employer has entered into an agreement with a professional order, an association or another group that allows the employer's employees to become members of the Administrator's Plan subscribed to by the professional order, the association or the other group.

The Administrator and the employer are in that case subject to the same rights and obligations under the Act as they would be if the employer had subscribed to the Plan.

Documents sent to employees

17. NOTICE OF PLAN MEMBERSHIP TO EMPLOYEES

Within 30 days of signature of the contract by the employer, or following the enrolment of an employee in the Plan, the Administrator sends to each employee:

- a written notice confirming his or her membership in the Plan;
- a written summary of the Plan that describes, in particular, the rights and obligations of the member and the employer, the investment options and the costs related to the Plan; and
- a form for designating a beneficiary in the event of the member's death.

The Administrator notifies the employer without delay of the date the written notices confirming Plan membership are sent to the employees.

Employee's opting out

18. EMPLOYEE OPT OUT

An eligible employee may opt out of the Plan by notifying the employer in writing within 60 days of the date on which the Administrator sends the written notice confirming his or her membership in the Plan.

When an eligible employee opts out of the plan, the employer must:

- keep the opt-out notice for the full duration of the employment; and
- notify the Administrator in writing within 30 days.

Membership reminder

The employer must offer the Plan again to any eligible employee who has opted out of the Plan and offer any eligible employee who has set his or her rate of contribution at 0% the possibility of resuming contributions to the Plan. The employer must do so in the month of December every two years following the date on which an eligible employee opted out of the Plan or the date on which an employee set his or her rate of contribution at 0%.

Personal information

Personal information provided by the employer is destroyed by the Administrator within 60 days following receipt of the opt-out notice for an employee sent by the employer.

Changing plans

19. CHANGE OF VRSP

The employer may change VRSPs by notifying the Administrator and its employees. A member who is an employee of the employer may choose to leave the amounts he or she has accrued in the Plan or transfer the amounts to the new plan.

Following the change in plans, the member's contributions are paid into the new plan.

The employer is required to pay the fees related to the transfer of its employees' accounts. The Administrator will not carry out the transfer before it receives payment of the following fees billed to the employer:

- an amount of \$50 per member, subject to a maximum of \$500 per contract, per employer, plus applicable taxes.

Subject to payment of the applicable fees, the Administrator must transfer the members' accounts upon expiry of a 60-day period following the date on which the new administrator sends the notice informing each employee affected by the transfer of his or her membership to the new plan, according to which the employee must inform the new administrator of his or her choice of options.

Documents to provide to Administrator and employees

20. DOCUMENTS AND INFORMATION

The employer must provide the Administrator with any documents and information it may request and which the Administrator requires to comply with the Act.

On request by the member, the employer must make the following available free of charge:

- a copy of the contract between the parties;
- the annual statement and financial report.

Information available on website and upon request

21. INFORMATION ABOUT INVESTMENT OPTIONS

For each investment option offered under the Plan, the Administrator sends the information prescribed by section 14 of the Regulation to each participating employee. The Administrator may send this information on paper or in electronic format, as per the member's choice, or provide the member, in real time, with the information or instructions required to consult the information on its website nbtmyretirement.com/enrollment or on its secure Internet site, no later than 30 days after the contract is signed by an employer or after an employee is enrolled in the Plan.

Statement of termination of employment

22. TERMINATION OF EMPLOYMENT

The employer has 30 days following the date of termination of employment of an employee who is a member of the Plan to notify the Administrator.

The Administrator then sends a statement to the employee concerned within 30 days following receipt of the notice of termination of employment.

Employer contribution not required

23. EMPLOYER CONTRIBUTION

The employer is not required to contribute to the Plan on behalf of its employees. It may choose to do so if its employees are members of the Plan.

Change of contribution

If the employer contributes to the Plan, it may change the contribution it has agreed to pay, subject to any clause to the contrary in an agreement within the meaning of subparagraph 4 of the first paragraph of section 1 of the *Act respecting labour standards* (chapter N-1.1). In such a case, it must send a written notice to the Administrator and to the employees concerned.

If such a change means the employer contribution is reduced, the change cannot take effect until the thirtieth day following the date on which the notice is sent to the employees concerned.

The employer's contribution limit for a member is based on the RRSP contribution limit (as defined under subsection 146(1) of the *Income Tax Act*), except if the payment is made on the member's instructions.

The employer's contribution is considered a contribution paid during the tax year, which begins on January 1 and ends on December 31.

Member's contribution and default contribution rate

24. MEMBER'S CONTRIBUTION

A member who is an employee determines his or her contribution within 60 days of the date on which the Administrator sends the written notice confirming his or her membership in the Plan. By default, the contribution rate is set at:

- 2% of gross basic salary until December 31, 2017;
- 3% of gross basic salary from January 1, 2018 to December 31, 2018;
- 4% of gross basic salary starting January 1, 2019.

Contributions made by the member cannot exceed the limits permitted by the ITA.

Rate set to 0%

The member may set a contribution rate of 0% if he or she has contributed to a plan offered by his or her employer for at least 12 months since his or her enrolment, or before that time period in the following cases:

- if tax rules no longer allow the member to contribute amounts to the Plan,
- if the member pays an additional contribution into the Plan equal to or greater than the contribution determined for that period; or
- if the member's employer contributes to the Plan on his or her behalf.

Change of contribution

A member who is an employee enrolled in a Plan offered by his or her employer may not change his or her contribution more than twice per 12-month period, unless the employer agrees to the member doing so more frequently.

The employer has 30 days in which to follow through with a member's request to change his or her contribution.

The employer must remit to the Administrator the contributions collected and those the employer agreed to pay before receiving a member's request.

Collection of contributions from employees' salaries

25. COLLECTION OF CONTRIBUTIONS

The employer collects the member's contribution for each pay period from his or her salary, starting with the first pay following the sixty-first day from the date on which the Administrator sends the written notice confirming his or her membership in the Plan.

Deadline for remittance of contributions

26. REMITTANCE OF CONTRIBUTIONS

The employer must remit member contributions to the Plan on or before the last day of the month that follows the day on which they are collected, together with the contributions it pays on behalf of the members.

Failure by a participating employer to make contributions

If it fails to remit the contributions to the Plan within the time limit provided, the employer must pay interest on the contributions due.

Contributions bear interest at the rate set in accordance with section 28 of the *Tax Administration Act* (chapter A-6.002) from the last day of the month that follows the month for which they should have been paid to the Plan until they are remitted.

Until the contributions and interest accrued are remitted to the Plan, an employer is deemed to hold those amounts in trust.

In the event of windup of the Plan, the employer shall remit contributions to the Plan up to the date the assets are transferred to the new plan.

Amended by amendment number
2016-01

The Administrator shall notify Retraite Québec of any contributions not remitted by the employer within 60 days following their due date and indicate the measures taken to ensure remittance.

27. CONTRIBUTIONS OWING REMITTED AFTER REFUND OR TRANSFER OUT OF PLAN

If contributions owing are remitted after the balance of the member's account has been refunded or transferred out of the Plan, the Administrator shall dispose of them as it did for the portion of the account into which the contributions should have been paid.

Transfer of locked-in portion of member account

28. TRANSFER OF LOCKED-IN PORTION OF MEMBER ACCOUNT OUT OF PLAN

In any of the following situations, the member is entitled to transfer the locked-in portion of his or her account in whole or in part:

- the member's employment terminates;
- the member reaches age 55;
- the member's employer has set up a registered retirement savings plan (RRSP), a tax-free savings plan (TFSA) or a registered pension plan (RPP) within the meaning of the *Income Tax Act* (RSC 1985, c. 1 (5th Supp)) to which the employer is party.

The locked-in portion of the member's account may be transferred into any of the following pension plans:

- a registered supplemental pension plan governed by the *Supplemental Pension Plans Act* (chapter R-15.1) or by an act of a legislative authority other than the Parliament of Québec and granting entitlement to a deferred pension;
- a registered supplemental pension plan established by an act emanating from the Parliament of Québec or from another legislative authority;
- a life income fund (LIF) registered as an RRIF under which the member is the annuitant;
- a locked-in retirement account (LIRA) registered as an RRSP under which the member is the annuitant;
- an annuity contract under which the member is the annuitant;
- the locked-in portion of another registered VRSP governed by the Act;
- an account or the locked-in portion of an account under an equivalent voluntary retirement savings plan emanating from a legislative authority other than the Parliament of Québec, also referred to as a PRPP, provided the member joins that plan as part of his or her employment.

However, when the member is entitled to a refund of the locked-in portion of his or her account, in accordance with section 5.1.1 of the Plan, the transfer is made into any of the following pension plans:

- a registered supplemental pension plan governed by the *Supplemental Pension Plans Act* (chapter R-15.1) or by an act of a legislative authority other than the Parliament of Québec and granting entitlement to a deferred pension;
- a registered supplemental pension plan established by an act emanating from the Parliament of Québec or from another legislative authority;
- a registered retirement income fund (RRIF) under which the member is the annuitant;
- a registered retirement savings plan (RRSP) under which the member is the annuitant;
- an annuity contract under which the member is the annuitant;
- the not locked-in portion of another registered VRSP governed by the Act;

- an account or the not locked-in portion of an account under an equivalent voluntary retirement savings plan emanating from a legislative authority other than the Parliament of Québec, provided the member joins that plan as part of his or her employment.

The Administrator shall make the transfer as a lump sum payment within 60 days following the member's request.

Refunds and transfers of not locked-in portion

29. REFUNDS AND TRANSFERS OUT OF THE PLAN OF THE NOT LOCKED-IN PORTION OF THE MEMBER'S ACCOUNT

The member is entitled to receive a refund of all funds held, or a part thereof, in the not locked-in portion in the form of a lump sum taxable payment, upon submitting a request to the Administrator.

Incentives not permitted

30. INCENTIVES

The employer may not demand, accept or agree to accept any incentive from the Administrator, or offer or agree to offer the Administrator any incentive, with a view to entering into a contract with the Administrator to offer the Plan to its employees.

The Administrator may not give, offer or agree to give or offer an employer an incentive to enter into a contract with the Administrator to offer the Plan.

Incentive authorized

However, an incentive is authorized, provided it respects the provisions of the *Act respecting insurance* (chapter A-32), the *Act respecting the distribution of financial products and services* (chapter D-9.2) and the *Securities Act* (chapter V-1.1.), in the following cases:

- the incentive, whether a product or service, is offered to the advantage of the members and the benefits are the same for all members connected with the employer;
- where the incentive is monetary, does not exceed the employer's expenses and is offered for the transfer of assets to this Plan from another plan.

Part III - Administrator Signatures

31. SIGNATURES

Signed on behalf of the Administrator,



(Signature of Plan Administrator's representative)

Nicolas Milette

Name (please print)

November 24, 2020.

Certified true copy



(Signature of authorized person)

Sylvie Giroux

Name (please print)

Signed in Quebec City on November 24, 2020.

Schedule I - Details about Default Investment Option

Until March 5, 2021

VRSP portfolio

VRSP portfolio allocation

Underlying investment funds which are managed by Fiera Capital

FUND NAME	CODE	TARGET ASSET MIX*
Short Term Canadian Income Bond	580	100% income funds
Global Bond	581	100% income funds
Canadian Equity	582	100% income funds
U.S. Equity Index	583	100% Canadian equity funds
International Equity Index	584	100% U.S. equity funds
	585	100% foreign equity funds

*The investment funds are segregated funds. Investment limits and benchmark indexes are published in the *Your Range of Investment Options* document on the website nbtvrsp.ca.

Assumed retirement date

The assumed retirement date for the VRSP portfolio is predetermined at age 65 for all members.

Portfolio asset allocation and associated fees

The allocation of contributions to be invested in each of the selected investment funds is predetermined by the Administrator. As time passes and the assumed retirement year gets closer, the asset mix of the portfolio gradually and automatically changes, once every three months, to reduce the risk. The table below illustrates how the target asset mix of the portfolio changes over the period before and after the assumed retirement date:

Fund category	Years before assumed retirement								Retirement and more
	40 or more years	35 years	30 years	25 years	20 years	15 years	10 years	5 years	Retirement and more
Income Funds	20.00%	25.00%	30.00%	35.00%	45.00%	50.00%	60.00%	70.00%	80.00%
Canadian Equity Funds	27.00%	25.00%	23.00%	21.00%	18.00%	16.00%	13.00%	10.00%	7.00%
Foreign Equity Funds	53.00%	50.00%	47.00%	44.00%	37.00%	34.00%	27.00%	20.00%	13.00%
Total annual management, operating and distribution fees									
Management fees before taxes	1.08%	1.09%	1.08%	1.09%	1.08%	1.07%	1.07%	1.08%	1.07%
Management fees after taxes	1.24%	1.25%	1.24%	1.25%	1.24%	1.23%	1.23%	1.24%	1.23%

Details about the default investment option

As of March 9, 2021

Simplicity Retirement Solution (Conservative path)

Simplicity Retirement Solution (Conservative path) allocation

Manager of the underlying investment funds: National Bank Investments Inc. (NBI).

UNDERLYING FUND NAME	TARGET ASSET MIX
NBI Bond Fund	100% Income Funds
NBI Corporate Bond Fund	100% Income Funds
NBI Global Tactical Bond Fund	100% Income Funds
NBI Unconstrained Fixed Income Fund	100% Income Funds
NBI High Yield Bond Fund	100% Income Funds
NBI Preferred Equity Fund	100% Canadian Equity
NBI Canadian Equity Growth Fund	100% Canadian Equity
NBI Canadian All Cap Equity Fund	100% Canadian Equity
NBI Canadian Equity Fund	100% Canadian Equity
NBI Small Cap Fund	100% Canadian Equity
NBI Canadian Equity Index Fund	100% Canadian Equity
NBI Global Equity Fund	100% Foreign Equity
NBI SmartData U.S. Equity Fund	100% U.S. Equity
NBI SmartData International Equity Fund	100% Foreign Equity
NBI Diversified Emerging Markets Equity Fund	100% Foreign Equity
NBI U.S. Equity Index Fund	100% U.S. Equity
Purpose Structured Equity Yield Portfolio	100% Foreign Equity
Purpose Structured Equity Yield Portfolio II	100% Foreign Equity
NBI Tactical Asset Allocation Fund	100% Income Funds

The investment funds are mutual funds. Investment limits and benchmark indexes are published on the website nbtmyretirement.com/enrollment.

Assumed retirement date

The assumed retirement date for the Simplicity Retirement Solution, Conservative path, is predetermined at age 65 for all members.

Portfolio asset allocation

The allocation of contributions to be invested in each of the selected investment funds is predetermined by the Administrator. As time passes and the assumed retirement year gets closer, the asset mix of the portfolio gradually and automatically changes to reduce the risk.

The table below illustrates how the target asset mix of the portfolio changes over the period before and after the assumed retirement date:

Age before and after retirement		ASSET MIX ALLOCATION		
		Bonds	Canadian Equity	Global Equity
-99	-15	70.00%	10.00%	20.00%
-15	-10	70.00%	10.00%	20.00%
-10	-5	64.75%	12.10%	23.15%
-5	0	64.75%	12.10%	23.15%
0	5	60.25%	13.90%	25.85%
5	10	55.00%	16.00%	29.00%
10	15	45.25%	19.25%	35.50%
15	20	40.00%	21.00%	39.00%
20	25	33.00%	23.45%	43.55%
25	30	20.00%	28.00%	52.00%
30	35	20.00%	28.00%	52.00%
35	40	13.00%	30.45%	56.55%
40	+	13.00%	30.45%	56.55%