

NEWFOUNDLAND AND LABRADOR – LOCKED-IN RETIREMENT ACCOUNT ADDENDUM

Despite any other provisions of the contract, if locked-in money has come from a plan that is governed by the Pension Benefits Act, 1997 (Newfoundland and Labrador) (the Act) and Regulation, the following provisions apply to it.

You, your, and owner mean the owner of the LIRA. Sun Life, we, us and our mean Sun Life Assurance Company of Canada.

Principal beneficiary means the spouse or cohabiting partner of a member or former member as defined in the Act.

Spouse or cohabiting partner excludes any person who is not recognized as a spouse or cohabiting partner for the purposes of the Income Tax Act (Canada) (ITA) for registered retirement savings plans.

When we use the word form, we mean a form approved by the superintendent. Superintendent is defined in the Act.

Addendum provisions:

1. Deferred pension, pension, pension benefit, pension plan, spouse and superintendent have the same meanings as in the Act. Life income fund (LIF), locked-in retirement account (LIRA) and locked-in retirement income fund (LRIF) have the same meanings as in Directives No. 5, No. 4 and No. 17 of the Act. Other terms not listed here have the meanings set out in the glossary of terms in the contract.
2. This addendum overrides any provision of the contract inconsistent with it.
3. Any amendment to the contract must comply with the requirements of the ITA.
4. Except when permitted by the Act or Regulation, no withdrawal or transfer of money is permitted except to:
 - transfer to a registered pension plan before maturity,
 - transfer to another LIRA before maturity,
 - purchase a life annuity contract that meets the requirements of Directives No. 4 and No. 6 that begins no earlier than age 55 or the earliest age permitted by the original pension plan,
 - transfer to a LIF that meets the requirements of Directive No. 5, or
 - transfer to an LRIF that meets the requirements of Directive No. 17
5. Money that is not locked in cannot be transferred to your LIRA.
6. No money may be transferred in or out of your LIRA unless an agreement is in place between financial institutions to administer the money according to pension law.
7. The transferring financial institution must advise any subsequent financial institution in writing that the amount transferred must be administered as a pension or deferred pension under the Act and the Regulation.
8. The LIRA must be invested in a way that complies with the rules for investing in RRSPs as set out in the ITA. It must not be invested in any mortgage for which the mortgagor is you, your parent, brother, sister or child, or a principal beneficiary of your parent, brother, sister or child.
9. If this LIRA has premiums transferred from the commuted value of a pension benefit that did not differentiate on the basis of sex, the immediate or deferred life annuity purchased with this money cannot differentiate on this basis. If this LIRA was purchased with money from the commuted value of a pension benefit, we will tell you if this value was determined on a basis that differentiated by sex.
10. No money in the contract, including interest, may be assigned, charged, anticipated or given as security except as permitted by section 37 of the Regulation. Any transaction attempting to assign, charge, anticipate or give as security the value of the contract is void, unless permitted by law.
11. Your LIRA must be administered as a pension or deferred pension according to the Act and Regulation. This means that money cannot be withdrawn from your LIRA unless an exception is permitted by law. Any transaction which contravenes this provision is void.
12. A joint and survivor pension of at least 60% is payable if you are a former member with a principal beneficiary on the date pension payments begin. This pension will be paid for as long as one of you or your principal beneficiary is living unless your principal beneficiary waives their entitlement using an approved form.

13. If any part of the contract is paid out contrary to the Act or Regulation, we will provide a pension equal to the pension amount that would have been provided.
14. You may apply, using an approved form, to make a lump sum withdrawal from your LIRA if:
- the balance of all of your LIRAs, LIFs and LRIFs is less than 10% of the year's maximum pensionable earnings (YMPE) for that calendar year, or
 - you are at least 55 years old when you sign the application, or the earliest date on which you would have been entitled to receive a pension under the original plan, and
 - the value of all LIRAs, LIFs and LRIFs you own is less than 40% of the YMPE as defined in the Canada Pension Plan for that calendar year.

Your application must be accompanied by a declaration described in provision (18) below.

15. You may ask us for a lump sum withdrawal if you provide a written statement signed by a medical practitioner. The medical practitioner must certify that you have a mental or physical disability that is likely to considerably shorten your life expectancy. If you are a former member, your principal beneficiary must waive their entitlement using an approved form.
16. If there is a breakdown of your spousal relationship, your LIRA may be divided between you and your spouse or former spouse according to Part VI of the Act.
17. Withholding taxes may apply to withdrawals.
18. A Form 3, Waiver of joint and survivor pension, is a declaration about a principal beneficiary, if applicable, for the purposes of a withdrawal from your LIRA under provision (14).
19. For the purposes of provision (14):
- we may rely on the information provided by you in your application, and
 - an application that meets the requirements of the provision is our authority to pay you from your LIRA and releases us from further liability.
20. When you die, if you were a former member of a pension plan, your principal beneficiary is entitled to the proceeds of your LIRA, unless your principal beneficiary waived entitlement using Form 3. They will receive the proceeds from your LIRA in a lump sum.
- If you are not a former member, or your principal beneficiary waived their entitlement, your LIRA will be paid to your named beneficiary, or if none is named, to your estate.