

NEW BRUNSWICK – 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 (New Brunswick) (the Act) and General Regulation – Pension Benefits Act (Regulation), the following provisions apply to it.

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

Spouse means either of two persons who:

- are married to each other,
- are married to each other by a marriage that is voidable but has not been annulled, or
- have gone through a form of marriage with each other in good faith that is void and they have cohabited within the previous year.

Common-law partner has the same meaning as in the Act.

Spouse and common-law partner do not include any person who is not recognized as a spouse or common-law partner for the purposes of the Income Tax Act (Canada) (ITA) for registered retirement savings plans.

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

When we use the term year, we mean a calendar year beginning January 1st and ending December 31st.

Addendum provisions:

1. Contract, deferred life annuity, financial institution, locked-in retirement account (LIRA), life income fund (LIF), life annuity and retirement savings arrangement have the same meanings as in the Act and Regulation.
2. This addendum overrides any provision of the contract that is inconsistent with it.
3. Any amendment to the contract must comply with the requirements of the ITA.
4. No money transferred, including interest, may be assigned, charged, anticipated, given as security or subjected to execution, seizure, attachment or other process of law except under section 44 or subsection 57(6) of the Act.
5. At any time, you may convert all or part of your LIRA to a life or deferred life annuity that complies with section 23 of the Regulation.
6. The life or deferred life annuity cannot differentiate on the basis of the annuitant's sex unless the commuted value which was transferred from the pension plan to the LIRA was calculated in a way that differentiated on the basis of the sex of the owner when they were a plan member.
7. The only money that may be transferred into your LIRA are amounts originating, directly or indirectly, from:
 - a pension plan that conforms with the Act and Regulation,
 - a retirement savings arrangement that conforms with the Act and Regulation, or
 - a life or deferred life annuity that conforms with the Act and Regulation.
8. You may transfer your LIRA to:
 - a pension plan that conforms with the Act and Regulation,
 - a life or deferred life annuity that conforms to section 23 of the Regulation,
 - another LIRA, or
 - a LIF.
9. 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. Form 3.2 must be completed by both financial institutions.
10. 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 the LIRA unless an exception is permitted by law.
11. You may apply, using Form 3.6, to make a lump sum withdrawal of the balance of your LIRA if:
 - the value of all LIRAs and LIFs you own is less than 40% of the year's maximum pensionable earnings (YMPE) as defined in the Canada Pension Plan for that year, and
 - pension adjustments on your T4 tax slip in the two tax years before the withdrawal request are zero.

If you have a spouse or common-law partner, their consent is required using Form 3.7.

12. You may request a withdrawal from your LIRA if the amount is withdrawn to reduce the amount of tax otherwise payable under Part X.1 of the ITA, which relates to tax for over contributions to deferred income plans.
13. You may withdraw a lump sum or series of payments of all or part of your LIRA, if a doctor certifies in writing that you suffer from a significant mental or physical disability that will considerably shorten your life. If you have a spouse or common-law partner, their consent is required using Form 3.01.
14. You may withdraw the balance of your LIRA if you and your spouse or common-law partner:
 - are not Canadian citizens, and
 - are not residents of Canada according to the ITA.

If you have a spouse or common-law partner, they must waive their rights using an approved form.

15. If there is a breakdown of your spousal relationship, your LIRA may be divided between you and your spouse or common-law partner according to sections 27 to 33 of the Regulation. The commuted value of the LIF will be determined according to the Act and Regulation. Any transaction that contravenes this provision is void.
16. Withholding taxes may apply to withdrawals.
17. If you have a spouse or common-law partner when you begin income payments, the income must be a joint and survivor pension, unless you and your spouse or common-law partner provide a waiver as set out in section 41 of the Act. This does not apply if your spouse or common-law partner previously received a division of pension benefits according to the provisions of the Act and Regulation.
18. For the purposes of provisions (11), (12), (13) and (14):
 - we may rely on the information provided by you in an application made under the applicable provision, and
 - an application that meets the requirements of the applicable provision is our authority to pay you from your LIRA under that provision and releases us from further liability.

19. If you die before signing a contract to purchase an annuity, your spouse or common-law partner is entitled to receive the death benefit from your LIRA, unless they waived their rights using Form 3.02. If you do not have a spouse or common-law partner or they waived their rights, the death benefit will be paid to your beneficiary or, if none is named, to your estate. If your spouse or common-law partner has signed a waiver, they may cancel it by telling us in writing before you die.

Your spouse or common-law partner will not be entitled to receive the death benefit if they have already received a payment from division of the pension under the terms of the Act. Your spouse or common-law partner may receive the death benefit if they are named as your beneficiary.

The death benefit may be transferred to an RRSP or a RRIF according to the ITA.

20. We cannot amend your contract if the amendment would reduce your benefits under the contract unless:
 - the amendment is required by law, and
 - you are entitled to transfer your LIRA based on provisions in place before the amendment is made.

If we amend the contract, we will tell you in writing. You will have 90 days after we tell you in writing to transfer your LIRA.