

Addendum to the Retirement Savings Plan Declaration of Trust Establishing a Locked-In Retirement Account New Brunswick (LIRA)

1. **What the Words Mean:** Please remember that in this Addendum, “I”, “me” and “my” mean the individual who has signed the Application as the applicant for and plan owner of the Plan and who is the “annuitant” as defined in the Income Tax Act (Canada) and “Trustee” means the trustee for the Plan.

Please also remember that in this Addendum:

“Declaration of Trust” means the Retirement Savings Plan Declaration of Trust I have entered into with the Trustee;

“Pension Act” means the Pension Benefits Act of New Brunswick, as changed or replaced from time to time;

“Property” means, collectively, all investment property (including all income earned on and all proceeds of that property) held under the Plan from time to time;

“Regulation” means the General Regulation - Pension Benefits Act in force under the Pension Act, as changed or replaced from time to time; and

“Spouse” means the individual who is considered to be my spouse or common law partner according to section 1 of the Pension Act, however, notwithstanding anything to the contrary contained in the Declaration of Trust and this Addendum, including any endorsements forming a part thereof, “spouse” does not include any person who is not recognized as my spouse or common-law partner, as the case may be, for the purposes of any provision of the Income Tax Act (Canada) respecting RRSPs.

As well, the words “life income fund (“LIF”)”, “locked-in retirement account (“LIRA”)” and “retirement savings arrangement” have the same meanings given to them in the Pension Act and the Regulation.

The other words used in this Addendum have the same meaning given to them in the Declaration of Trust. I will refer to the Declaration of Trust if I need to when reading those words.

I agree with the Trustee as follows:

2. **General Terms:** This Addendum will form part of the Declaration of Trust and will apply to the Plan and all Property. If there is a conflict between this Addendum and the Declaration of Trust, this Addendum will prevail.
3. **LIRA:** The Trustee will maintain the Plan as a LIRA according to the requirements of the Pension Act, the Regulation and the *Income Tax Act* (Canada). If there is a conflict between the Pension Act, the Regulation or the *Income Tax Act* (Canada) and this Addendum, the Pension Act, the Regulation or the *Income Tax Act* (Canada), as applicable, will prevail.
4. **Transfers to the Plan:** The only money that may be transferred to the Plan are sums originating, directly or indirectly, from:
 - (a) the fund of a registered pension plan that conforms with the Pension Act and the Regulation, or with similar legislation in another jurisdiction, if the money is being transferred under section 36 of the Pension Act or under a similar provision in legislation in another jurisdiction;
 - (b) another retirement savings arrangement that conforms with the Pension Act and the Regulation; or
 - (c) a life or deferred life annuity under a contract that conforms with the Pension Act and the Regulation.
5. **Purchase of Life Annuity:** Except as otherwise provided in the Regulation or this Addendum, the balance of the Property in the Plan, in whole or in part, may be converted at any time only into a life or deferred life annuity, in accordance with the definition of retirement income in subsection 146(l) of the *Income Tax Act* (Canada) and that conforms with section 23 of the Regulation.
6. **Survivor’s Benefits:** If I die before signing a contract under which an annuity is purchased under paragraph 5 of this Addendum, the balance of the Property in the Plan shall be paid:
 - (a) to my Spouse, unless my Spouse has waived on Form 3.02 all rights that he or she may have in the Property under the Pension Act, the Regulation or the Declaration of Trust;
 - (b) if I do not have a Spouse or my Spouse has waived his or her rights, but have a designated beneficiary on death, to my beneficiary; or
 - (c) if I do not have a Spouse or a designated beneficiary on death, or my Spouse has waived his or her rights, to my estate.

7. **Special Circumstances**

- (a) **Shortened Life Expectancy:** I may withdraw the balance of the Property in the Plan, in whole or in part, and receive a payment or a series of payments if a physician certifies in writing to the Trustee that I suffer from a significant physical or mental disability that considerably reduces my life expectancy and provided that if I have a Spouse, I have submitted a completed Form 3.01 to the Trustee.
- (b) **Unlocking Small Pension Amounts:** I may withdraw the balance of the Property in the Plan if the value of the balance of the Property in the Plan and the total assets in all my other LIRAs, LIFs and life or deferred life annuities is less than 40% of the Year's Maximum Pensionable Earnings divided by 1.06 for each year my age precedes age 65, provided that the total of the pension adjustments reported to me by the Canada Revenue Agency for the two taxation years immediately preceding the request for withdrawal is zero, and I have submitted a completed Form 3.6 and if I have a Spouse, a completed Form 3.7, to the Trustee.
- (c) **Foreign National:** If I am, and my Spouse, if any, is, a foreign national and neither a Canadian citizen nor a Canadian resident (for purposes of the Income Tax Act (Canada)), I may withdraw the balance of the Property in the Plan provided that if I have a Spouse, I have submitted a completed Form 3.5 to the Trustee.

8. **Other Permitted Withdrawals:** I may withdraw an amount from the Plan if:

- (a) the amount is withdrawn to reduce the amount of tax that would otherwise be payable under Part X.1 of the *Income Tax Act* (Canada) by me; and
- (b) notwithstanding section 20 of the Regulation, the Trustee establishes a sub-account, that is not a RRSP, of the Plan, and I deposit the amount withdrawn, less any amount required to be withheld by the Trustee under the *Income Tax Act* (Canada), into the sub-account.

9. **Transfers from the Plan:** Unless the Plan provides for an early cashing-in value before the expiration of the term agreed to for the investment, I am entitled at any time after the term has expired:

- (a) to transfer, before a conversion referred to in paragraph 5 of this Addendum, the balance of the Property in the Plan, in whole or in part, to the pension fund of a registered pension plan that conforms with the Pension Act and the Regulation, or with similar legislation in another jurisdiction, or to a retirement savings arrangement that conforms with the Pension Act and the Regulation; or
- (b) to convert the balance of the Property in the Plan, in whole or in part, into a life or deferred life annuity, in accordance with the definition of retirement income in subsection 146(1) of the Income Tax Act (Canada) and that conforms with section 23 of the Regulation, provided that the annuity commences by December 31 of the year in which I attain the maximum age for the commencement of a retirement income as prescribed by the Income Tax Act (Canada), the Pension Act and the Regulation from time to time.

10. **Conditions for Transfer:** Before transferring Property in the Plan under paragraph 9 of this Addendum, the Trustee and I will complete the appropriate portions of Form 3.2 and the Trustee will forward the form, with the Property being transferred, to the transferee financial institution

11. **Division on Marriage Breakdown:** The commuted value of the benefits provided under the Plan shall be determined in accordance with the Pension Act and the Regulation if it is divided under section 44 of the Pension Act, and sections 27 to 33 of the Pension Act apply with the necessary modifications to division, on breakdown of a marriage or common-law partnership, of the Property in the Plan.

12. **No Assignment:** No Property in the Plan shall be assigned, charged, alienated, anticipated, given as security or subjected to execution, seizure, attachment or other process of law except under section 44 of the Pension Act (breakdown of a marriage or common-law partnership) or subsection 57(6) of the Pension Act (orders for support or maintenance), and any transaction in contravention of this paragraph of the Addendum is void.

13. **No Withdrawals:** No Property in the Plan shall be commuted or surrendered during my lifetime, except under paragraphs 7 or 8 of this Addendum, section 44 of the Pension Act (breakdown of a marriage or common-law partnership) or subsection 57(6) of the Pension Act (orders for support or maintenance), and any transaction in contravention of this paragraph of the Addendum is void.

14. **Amendments:** An amendment to the Declaration of Trust shall not be made:

- (a) that would result in a reduction of the benefits arising from the Plan unless I am entitled, before the effective date of the amendment, to transfer the balance of the Property in the Plan in accordance with paragraph 9 of this Addendum and, unless a notice is delivered to me at least 90 days before the effective date, describing the amendment and the date on which I may exercise the entitlement to transfer;
- (b) unless the Plan, as amended, remains in conformity with the Pension Act and the Regulation; or
- (c) except to bring the Plan into conformity with requirements under an Act of the Legislature or other legislation in another jurisdiction.

15. **Transfer of Investment Securities:** A transfer under subclause 9(a) or 14(a) of this Addendum may, at the Trustee's option and if not otherwise stipulated in the Declaration of Trust, be effected by the remittance to me of the investment securities respecting the Plan.

16. **Time for Transfer:** Unless the Plan provides for an early cashing-in value before the expiration of the term agreed to for the investments, if there is Property in the Plan that may be transferred under subclause 9(a) or 14(a) of this Addendum, such Property shall be transferred no more than 30 days after my application for transfer.
17. **Differentiation on the Basis of Sex:** If the information provided in Form 3.2 indicates that the commuted value transferred into the Plan was determined on transfer in a manner that differentiated, while I was a member of the registered pension plan, on the basis of sex, the only money that may subsequently be transferred into the Plan is money that is also differentiated on the same basis.
18. **Life Annuities:** No money, including interest, transferred from a registered pension plan under subparagraph 36(1)(a)(iii) of the Pension Act to the Plan shall subsequently be used to purchase a life or deferred life annuity that differentiates on the basis of sex, unless the commuted value of the deferred pension transferred from the registered pension plan into the Plan was determined on transfer in a manner that differentiated, while I was a member of the registered pension plan, on the basis of sex.

Account number	Print first and last name of plan owner	Date (dd-mm-yyyy)
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