

Addendum to the Retirement Savings Plan Declaration of Trust establishing a Locked-In Retirement Account Newfoundland and Labrador (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:

“Cohabiting Partner” means:

- (i) if I have a Spouse, the individual who is not my Spouse who has cohabited continuously with me in a conjugal relationship for not less than 3 years, or
 - (ii) if I do not have a Spouse, the individual who has cohabited continuously with me in a conjugal relationship for not less than one year,
- and is cohabiting or has cohabited with me within the preceding year;

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

“Directives” means the directives issued by the Superintendent under the Pension Act, as changed or replaced from time to time;

“Pension Act” means the *Pension Benefits Standards Act, 1997* of Newfoundland and Labrador, as changed or replaced from time to time;

“Principal Beneficiary” means my Spouse, or where I have a Cohabiting Partner, my Cohabiting Partner;

“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 *Pension Benefits Act Regulations* 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 according to section 2 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 “financial institution”, “life annuity contract”, “life income fund (“LIF”)”, “locked-in retirement account (“LIRA”)”, “locked-in retirement income fund (“LRIF”)”, “owner”, “pension benefit”, “RRSP” and “Superintendent” have the same meanings given to them in the Pension Act, the Regulation and the Directives.

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, the Directives and the *Income Tax Act* (Canada).

4. **Transfers from the Plan:** All Property in the Plan shall be used to provide a pension benefit and shall not be withdrawn from the Plan except:
 - (a) before maturity, to transfer the Property to the pension fund of a registered pension plan;
 - (b) before maturity, to transfer the Property to another LIRA that meets the requirements of Directive No. 4;
 - (c) to purchase a life annuity contract, in accordance with the definition of retirement income in subsection 146(l) of the *Income Tax Act* (Canada), that is provided by a person authorized under the laws of Canada or a province to sell annuities under an insurance contract that meets the requirements of the Directives, commencing not before I reach the earlier of age 55 or the earliest date on which the former member is entitled to receive a pension benefit under a registered pension plan from which the Property in the Plan originated as a result of termination of employment or termination of the registered pension plan, and provided 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, the Regulation and the Directives from time to time;
 - (d) to transfer the Property to a LIF that meets the requirements of Directive No. 5; or
 - (e) to transfer the Property to an LRIF that meets the requirements of Directive No. 17.
5. **No Assignment:** The Property in the Plan may not be assigned, charged, alienated, anticipated or given as security except as permitted by section 37 of the Regulation, and any transaction purporting to assign, charge, alienate, anticipate or give the Property as security is void.
6. **No Withdrawals:** Subject to this Addendum, the Property in the Plan may not be commuted or surrendered during my lifetime, where I am a member, and any transaction purporting to surrender or commute the Property in the Plan is void, except where an amount is required to be paid to the taxpayer to reduce the amount of tax otherwise payable under Part X.1 of the *Income Tax Act* (Canada).
7. **Investment of Property:** All the Property in the Plan shall be invested in a manner which complies with the rules of investment contained in the *Income Tax Act* (Canada) and will not be invested directly or indirectly in any mortgage in respect of which I am, or my Principal Beneficiary is, the mortgagor or the mortgagor is my parent, brother, sister or child or the Principal Beneficiary of any of those persons.
8. **Indemnity:** If Property in the Plan is paid out contrary to the Pension Act, the Regulation or the Directives, the Trustee will provide or ensure the provision of a pension benefit equal in value to the pension benefit that would have been provided had the Property not been paid out.
9. **Permitted Transfers:** The Trustee will not permit any subsequent transfer of the Property in the Plan except where such transfer would be permitted under the Pension Act and the transferee agrees to administer the amount transferred as a pension benefit in accordance with the Pension Act.
10. **Conditions for Transfer:** Before transferring out Property from the Plan, the Trustee will advise the transferee in writing that the amount transferred must be administered as a pension benefit under the Pension Act.
11. **Joint Pension:** Where I am a former member with a Principal Beneficiary at the time the pension commences, the pension benefit payable will be a joint and survivor pension benefit with at least 60% continuing to be payable to the survivor for life after the death of either unless my Principal Beneficiary waives the entitlement in a form and manner set out in a form provided by the Superintendent.
12. **Survivor's Benefits if Former Member:** Where I am a former member, upon my death, my surviving Principal Beneficiary, or where I have no surviving Principal Beneficiary or my surviving Principal Beneficiary had waived entitlement in the form and manner required by the Superintendent, my designated beneficiary, or where there is no designated beneficiary, my estate, is entitled to a lump sum payment of the full value of the Plan.
13. **Survivor's Benefits if Not Former Member:** Where I am not a former member, upon my death, the full value of the Plan shall be paid to my designated beneficiary or, where there is no designated beneficiary, to my estate.
14. **Separate Accounts:** Money that is not locked-in under the Pension Act and Regulation will not be transferred to or held under the Plan, other than a life annuity contract that holds or will hold locked-in money, unless the locked-in money is to be held in a separate account.
15. **Division on Marriage Breakdown:** The Property in the Plan is subject, with any necessary modifications, to the division of pension benefits on marriage breakdown provisions in Part VI of the Pension Act.
16. **Shortened Life Expectancy:** I may withdraw Property in the Plan as a lump sum or series of payments if a medical practitioner certifies that due to mental or physical disability my life expectancy is likely to be shortened considerably, but where I am a former member of a registered pension plan, such payment may only be made if my Principal Beneficiary has waived the joint and survivor pension entitlement in the form and manner required by the Superintendent.

17. **Small Pensions:** I am entitled to withdraw a lump sum payment equal to the value of the Property in the Plan on application to the Trustee if, at the time I sign the application, the following conditions are met:
- (a) the value of all assets in all LIFs, LRIFs and LIRAs owned by me and governed by Newfoundland and Labrador pension benefits legislation is less than 10% of the year's maximum pensionable earnings under the *Canada Pension Plan* (Canada) for that calendar year; or
 - (b) (i) I have reached the earlier of age 55 or the earliest date on which I would have been entitled to receive a pension benefit under the registered pension plan from which the Property in the Plan was transferred; and
 - (ii) the value of all assets in all LIFs, LRIFs and LIRAs owned by me and governed by Newfoundland and Labrador pension benefits legislation is less than 40% of the year's maximum pensionable earnings under the *Canada Pension Plan* (Canada) for that calendar year.
18. **Applications:** An application for payment under paragraph 17 of this Addendum shall be:
- (a) on a form approved by the Superintendent; and
 - (b) where I am a former member of a registered pension plan, accompanied by a waiver by my Principal Beneficiary of joint and survivor pension entitlement, in the form and manner required by the Superintendent.
19. **Differentiation on the Basis of Sex:** The commuted value of the pension benefit transferred to the Plan, if any, was (was not) determined on a basis that differentiated on the basis of sex.
- Where the commuted value of a pension benefit which was transferred to the Plan was determined in a manner that did not differentiate on the basis of sex, the immediate or deferred life annuity purchased with the Property in the Plan shall not differentiate on the basis of sex of the recipient.

Account number	First and last name of plan owner (print)	Date (dd-mm-yyyy)
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