

## LIRA/LRSP ADDENDUM

**PART A: This Part applies only if your Plan is governed by the Employment Pension Plans Act (Alberta). Otherwise, Part B applies.**

**IMPORTANT NOTES: This addendum forms an integral part of the LIRA to which it is attached. The provisions of this addendum prevail over other provisions of the LIRA in the event of any conflict or inconsistency. The LIRA (including this addendum) is also subject to section 39 of the Regulation and all other provisions of the Act and the Regulation (excluding this addendum) that apply to LIRAs and in the event of any conflict or inconsistency, that other legislation prevails. This addendum is only a general and abbreviated description of the legal rights and obligations relating to the LIRA vehicle and as such may not necessarily reflect fully or accurately the rights and obligations in the legislation. It should be noted that there are transitional arrangements in place covering mainly the period between August 2006 and the end of 2007, that are not necessarily reflected in this addendum, and that may also affect relationships with LRIFs.**

I, \_\_\_\_\_  
(insert name of LIRA owner)  
(in this addendum referred to as “the owner”) certify that I am:  
 the original owner\*  
 a surviving pension partner owner  
 a non-member-pension partner owner as defined in paragraph 1 of this addendum.  
[Please tick the box that applies to you.]

With respect to Alberta locked-in money to which the LIRA of which this addendum forms part applies, I, the owner, and we \_\_\_\_\_  
CIBC Mellon Trust Company  
(in this addendum referred to as “the LIRA issuer”), having signed the LIRA agreement to which this addendum is attached, agree that the provisions set out in this addendum constitute fundamental terms of the contract between us and agree to comply with those provisions, subject to the above-mentioned legislation.

### Part 1 General Provisions

#### Interpretation

**1(1)** The following terms, used in this addendum, have the meanings respectively given them as indicated below, except where the context otherwise requires:

- (a) “the Act” means the *Employment Pension Plans Act* of Alberta, “the Regulation” means the *Employment Pension Plans Regulation* (Alberta Regulation 35/2000) under that Act, and “EPPA/R” means either or both, as applicable, all as amended to the time as of which the legislation is being interpreted;
- (b) “acknowledged” means, in relation to a financial institution, currently acknowledged under section 38 of the Regulation in relation to LIRAs or LIFs, as applicable;
- (c) “Alberta locked-in money” means money in a pension plan, LIRA or LIF

- (i) that
  - (A) originally belonged to a member who terminated membership in Alberta,
  - (B) belongs to a surviving pension partner of
    - (I) a member who died while employed in Alberta,
    - (II) a former member who terminated membership while employed in Alberta, or
    - (III) the original owner of a LIRA, or
  - (C) belongs to a non-member-pension partner owner owing to the application of Parts 4 of the legislation and originally belonged to a member who was employed in Alberta at the end of the period of joint accrual referred to in section 57(a) of the Regulation, and
- (ii) with respect to which the locking-in requirements of the legislation are still required to be met;
- (d) “annuity” means a non-commutable life annuity contract issued or to be issued by an insurance business licensed to do business in Canada that meets the conditions in paragraph 60(l) of the federal *Income Tax Act* and will not commence before the annuitant reaches 50;
- (e) “DC RIA” (an acronym for defined contribution retirement income account) means an account created under defined contribution provisions of a pension plan that provides the benefits referred to in section 46(8) of the Act under section 46.1 of the Regulation;
- (f) “DC RIA benefits” means the benefits referred to in clause (e);
- (g) “financial institution” means the issuer of a LIRA (including this one) or a LIF, as the case may be and, where the context relates to an annuity, includes an insurance business referred to in clause (d);
- (h) “Form”, followed by a number, means the form in Schedule 1 to the Regulation corresponding to that number;
- (i) “non-member-pension partner owner” means a pension partner who owns this LIRA as a result of the application of the marriage breakdown/matrimonial property order/agreement rules in EPPA/R;
- (j) “Option”,
  - (i) followed by the numeral “1”, means the option in Part 1 of Form 6 agreeing to the unlocking of up to 50% of commuted value or the value of the vehicle account in question,
  - (ii) followed by the numeral “2”, means the option in Part 1 of Form 6 giving up the right to receive the minimum 60% survivor payments, and
  - (iii) followed by the numeral “3”, means the option in Part 2 of Form 6 giving up all rights as automatic designated beneficiary;
- (k) “original owner” means the individual who was the member or former member of a pension plan and who made a transfer under section 30(5) or 38 of the Act or section 39, 40, 41 or 46.1 of the Regulation at any time, the assets deriving from which transfer are now held in this LIRA;
- (l) “owner” means the original owner, a surviving pension partner owner or a non-member-pension partner owner;

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- (m) “paragraph” and “Part” mean a paragraph and a Part, respectively, of this addendum;
- (n) “pension partner” means, in relation to an original owner,
  - (i) a person who, at the relevant time, was married to that original owner and had not been living separate and apart from that original owner for 3 or more consecutive years, or
  - (ii) if there is no such married person, a person, if there is any, who, immediately preceding that time, had lived with that original owner in a conjugal relationship
    - (A) for a continuous period of at least 3 years, or
    - (B) of some permanence, if there is a child of the relationship by birth or adoption, but does not include any person who is not recognized as a spouse or common-law partner for the purposes of any provision of the federal income tax legislation respecting RRSPs;
- (o) “retirement income commencement” means the time when the former member or original owner initially transfers or transferred the money from a pension plan or a LIRA to a LIF, a DC RIA or an LRIF (before its abolition);
- (p) “surviving pension partner owner” means an individual who made a transfer of money under section 39(6) of the Act or section 39(27) of the Regulation;

(2) Terms used in this addendum and not defined in subparagraph (1) but defined generally in EPPA/R have the meanings assigned to them in EPPA/R.

(3) Reference in this addendum to the execution of a waiver also requires the provision of it to the applicable pension plan administrator or financial institution for it to be effective.

**Voluntary disposition**

2 In general, the owner may not assign or otherwise voluntarily dispose of this LIRA or any rights or obligations under it to another person, but this is subject to the exceptions dealt with later.

**Involuntary access**

3(1) In general, the money in this LIRA may not be seized, attached or otherwise taken by another person, except that the money is subject to the provisions of the *Maintenance Enforcement Act* and the marriage breakdown rules.

(2) The exceptions referred to in subparagraph (1) will or may continue to apply if the money is transferred from this LIRA to another financial vehicle.

**General rule on early withdrawal, etc.**

4 No early voluntary withdrawal, commutation or surrender of money in this LIRA will be permitted except in accordance with Part 4 or the transitional (temporary) maximum 50% unlocking option in Schedule 1.1 to the Regulation.

**Locking in**

5 Money that is not Alberta locked-in money will not be transferred to or continue to be held in this LIRA.

**Investment**

6 The money in this LIRA will be invested in a manner that complies with the rules for the investment of RRSP money contained in the federal income tax legislation.

**Retirement income**

7(1) All the money in this LIRA, including investment earnings, is to be used ultimately to obtain an annuity or retirement income that is required or permitted by EPPA/R.

(2) The annuity or retirement income ultimately to be obtained for an original owner with a pension partner at the time payment of that income commences is to be at least on a 60% joint life basis that satisfies section 40 of the Act, unless that pension partner executes Option 2 of the Form 6 waiver.

**Splitting of contract**

8 This LIRA, if not eligible for the payment allowed by paragraph 21, may not be split so as to change it into 2 or more LIRAs, LIFs, DC RIAs or annuities or any combination of them that would make any of them so eligible.

**Pension partner waiver**

9 A pension partner may be entitled to money from this LIRA on the death of the original owner but, while the original owner is still alive, the pension partner may waive entitlement to that money by executing Form 3.

**Disclosure statements**

10(1) The LIRA issuer will provide to the owner, at least annually, a statement showing

- (a) the LIRA account balance at the beginning and the end of the period covered by the statement, and
- (b) the investment gains and losses earned in, the amounts transferred into, the payments made out of, and the fees charged against, the account in that period.

(2) Where money is paid out from this LIRA, the LIRA issuer will provide to the owner a statement showing

- (a) the LIRA account balance at the beginning of the period covered by the statement and at the date of the payment out, and
- (b) the matters specified in subparagraph (1)(b).

**Part 2**

**Transfers In and Transfers and Payments Out of LIRA**

**Transfer-in requirements**

11(1) The LIRA issuer

- (a) warrants to the owner that it is, and will make every endeavour while this contract exists to remain, on the Superintendent's list of acknowledged financial institutions for LIRAs, and

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(b) will ensure that only Alberta locked-in money is transferred to this LIRA.

- (2) A transfer to this LIRA may be made only from
- (a) the non-DC RIA portion of a plan or another LIRA, or
  - (b) an old locked-in RRSP under an agreement under the predecessor legislation of 1966.

**Transfers to other vehicles**

**12** A transfer of money from this LIRA is permitted to be made only to

- (a) the non-DC RIA portion of a plan on a locked-in basis,
- (b) a DC RIA,
- (c) another LIRA,
- (d) a LIF, or
- (e) an annuity.

**Transfer-out requirements**

**13(1)** The LIRA issuer will not transfer money from this LIRA unless, to the extent applicable, it

- (a) has ascertained that the transferee financial institution, if issuing a LIRA or LIF, is on the appropriate Superintendent's acknowledgement list,
- (b) has ascertained that the transferee pension plan will treat the money as Alberta locked-in money,
- (c) has advised the transferee financial institution or pension plan administrator that the money being transferred is Alberta locked-in money,
- (d) provides that transferee with a certified copy,
  - (i) if the transfer is being made to another LIRA or the non-DC RIA portion of a pension plan by an original owner who has a pension partner at the time of the transfer who has previously executed a Form 3 waiver, of that waiver, or
  - (ii) if the transfer is being made to a LIF, a DC RIA or an annuity other than a minimum 60% joint life annuity by an original owner with a pension partner at the time of the transfer, of an executed Option 2 of the Form 6 waiver,
- (e) has provided the owner with a statement under paragraph 10(2), and
- (f) if the transfer is to a LIF, DC RIA or annuity, has offered the owner the maximum 50% unlocking option provided for in Schedule 1.1 to the Regulation subject, if the owner is an original owner with a pension partner at the time of the transfer, to the pension partner's having previously exercised Option 1 of the Form 6 waiver, and the LIRA issuer will otherwise ensure that the EPPA/R rules on transfers out are obeyed.

(2) Unless a pension partner referred to in subparagraph (1)(d)(ii) executes Option 2 of the Form 6 waiver, that pension partner is the designated beneficiary for any death benefit.

(3) Where an Option 1 of the Form 6 waiver was executed, the LIRA issuer will keep a certified copy of it.

**Potential consequences of breach**

**14** If the LIRA issuer disobeys any of the requirements in paragraph 13(1), it may have to fund the recipient vehicle (again if need be) to ensure that those entitled to the benefits of the recipient vehicle receive them in the form and manner required by EPPA/R.

**General liability on payment out**

**15** If money is paid out to an individual person contrary to EPPA/R, the LIRA issuer will ensure the provision of appropriate income to the owner, in accordance with EPPA/R, as if that legislation has not been breached.

**Prohibition against double indemnity**

**16** Where the owner, as a result of EPPA/R, obtains, in effect, a double payment or a payment as well as a continuing interest in the LIRA, the owner may be liable to repay amounts to which EPPA/R did not entitle him/her.

**Federal tax legislation requirements**

**17** Without mention of other provisions of the federal tax legislation to which a transfer is or may be subject, any transfer made under paragraph 13(1) is subject to paragraph 146.3(2)(e.1) or (e.2) of the federal *Income Tax Act*.

**Remittance of securities**

**18** Where this LIRA holds identifiable and transferable investment securities, the transfers out referred to in this Part may, unless otherwise stipulated, at the option of the LIRA issuer and with the consent of the owner, be effected by the remittance of any such securities.

**Part 3  
Death of Owner**

**Disposition of balance on death**

**19(1)** Within 60 days after the delivery to the LIRA issuer of the documents required by it following the death of the original owner with a surviving pension partner who has not executed the Form 3 waiver, the LIRA balance will be transferred, subject to paragraph 13, on that surviving pension partner's behalf to

- (a) a LIRA,
  - (b) a LIF,
  - (c) an annuity that is not a minimum 60% joint life annuity, or
  - (d) a pension plan on a locked-in basis,
- as that surviving pension partner chooses.

(2) Within 60 days after the delivery to the LIRA issuer of the documents required by it following the death of the owner other than an owner referred to in subparagraph (1), the LIRA balance will be paid to the original owner's designated beneficiary or, if there is no valid designation of beneficiary, to the original owner's estate as a cash lump sum.

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**Part 4**

**Withdrawal, Commutation and Surrender**

**YMPE based lump sum payment**

**21** The LIRA issuer will on application make a lump sum payment of the whole LIRA balance,

- (a) at any time if the LIRA balance does not exceed 20% of the Year's Maximum Pensionable Earnings (YMPE) under the Canada Pension Plan for the year in which the application is made, or
- (b) if the owner is at least 65 and the value of the LIRA does not exceed 40% of the YMPE for the year in which the application is made.

**Non-residency for tax purposes**

**22** The LIRA issuer will make a lump sum payment of the entire LIRA balance if the owner applies to it with written evidence that the Canada Revenue Agency has confirmed that the owner is a non-resident for the purposes of the federal tax legislation and, where that owner is an original owner who has a pension partner at the time when the application is made, if such a pension partner has executed a Form 5 waiver.

**PART B: This Part applies if your Plan is governed by pension legislation other than the *Employment Pension Plans Act* (Alberta). Otherwise, Part A applies.**

**1. Definitions:** Unless otherwise defined, terms defined in the Declaration have the same meaning in this Part B of this Addendum ("Part B"):

- a) Declaration: means the declaration of trust for your Plan;
- b) LIF: means a "LIF", "life income fund" or "life income fund contract" as defined in pension legislation;
- c) life annuity: means "annuity contract", "deferred life annuity", "immediate life annuity", "life annuity", "life annuity contract", or "life pension", as defined in pension legislation, that conforms with the Tax Act and pension legislation;
- d) LIRA/LRSP: means a "LIRA", "locked-in retirement account" or "locked-in retirement account contract" as defined in pension legislation and, where those terms are not defined, means a registered retirement savings plan that satisfies the conditions under pension legislation for receiving funds that originate from an RPP;
- e) LRIF: means an "LRIF", "locked-in retirement income fund" or "locked-in retirement income fund contract" as defined in pension legislation;
- f) pension legislation: means one of the *Pension Benefits Standards Act* (British Columbia) and regulations thereunder, the *Pension Benefits Standards Act, 1985* (Canada) and regulations thereunder, the *Pension Benefits Act* (Manitoba) and regulations thereunder, the *Pension Benefits Act* (New Brunswick) and regulations thereunder,

**Life threatening condition**

**23** The LIRA issuer will on application make a lump sum payment to the owner of the entire LIRA balance or an equivalent series of payments if a physician certifies that the owner has a terminal illness or that due to a disability the owner's life is likely to be considerably shortened, but the LIRA issuer may make the payment or payments, in the case of an original owner who has a pension partner at the time when the application for payment is made, only if such a pension partner has executed a Form 5 waiver.

**Financial hardship**

**24** The LIRA issuer will make a lump sum payment or a series of payments, on application to the LIRA issuer by the owner, if the owner has previously applied to the Superintendent for a release of all or part of the money due to financial hardship and the Superintendent has given written consent to that application.

**Part X.1 of federal tax legislation**

**25** The owner may withdraw from this LIRA such amount of money as is required to be paid to the owner to reduce the amount of tax otherwise payable under Part X.1 of the federal *Income Tax Act*.

- g) Plan: means the **CIBC Mellon General Retirement Savings Plan** to which locked-in monies have been or will be transferred for you, the annuitant named in the application, that accompanies this Part B;
- h) PRIF: means a "registered retirement income fund contract" as defined in Saskatchewan pension legislation;
- i) RLIF: means a restricted life income fund that meets the requirements of the Federal pension legislation;
- j) RLSP: means a restricted locked-in savings plan that meets the requirements of the Federal pension legislation;
- k) RPP: means a registered pension plan or a registered supplemental pension plan governed by pension legislation or established by other legislative authority and registered under the Tax Act;
- l) RRIF: means a "registered retirement income fund" as defined in Tax Act;
- m) RRSP: means a registered retirement savings plan governed by the Tax Act;
- n) spouse: means a "spouse" as defined in the applicable pension legislation in the context of a LIRA/LRSP and includes, where Federal, Manitoba or Nova Scotia the *Pension Benefits Act, 1997* (Newfoundland) and regulations thereunder, the *Pension Benefits Act* (Nova Scotia) and regulations thereunder, the *Pension Benefits Act* (Ontario) and regulations thereunder, the *Supplemental Pension Plans Act* (Quebec) and regulations thereunder, or *The Pension Benefits Act, 1992* (Saskatchewan) and regulations thereunder, whichever governs locked-in monies transferred or to be transferred to your Plan directly or indirectly from an RPP;

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pension legislation governs your Plan, a “common law partner” within the meaning of the applicable Federal, Manitoba or Nova Scotia pension legislation, where Newfoundland pension legislation governs your Plan, a “cohabiting partner” within the meaning of Newfoundland pension legislation; and where other applicable pension legislation grants or permits benefits analogous to spousal benefits to such persons, a common-law or same-sex partner, but only to the extent required under such pension legislation; provided however, where the context requires, it only includes a person recognized as a spouse or common-law partner for the purposes of the Tax Act;

- o) Tax Act: means the *Income Tax Act* (Canada), as amended from time to time;
- p) Trustee: means CIBC Mellon Trust Company, having its principal office at 320 Bay Street, Toronto, Ontario M5H 4A6;
- q) YMPE: means the Year’s Maximum Pensionable Earnings as defined in the Tax Act; and
- r) YMPE Threshold: means, where Federal pension legislation governs your Plan, 50% of the YMPE for the year and, where any other applicable pension legislation governs your Plan, 40% of the YMPE for a year or such other amount as set out in the applicable pension legislation.

**2. Application:** If locked-in monies are transferred or will be transferred to your Plan directly or indirectly from an RPP, the additional provisions of this Part B form part of the Declaration. In the case of any inconsistency between this Part B and the Declaration, this Part B will apply. The Trustee will comply with all relevant provisions of pension legislation. Except as expressly provided in this Part B, all money, including all investment earnings, subject to any transfer to or from your Plan, is to be used to provide or secure a pension as required by applicable pension legislation. Where Manitoba pension legislation governs your Plan, all the benefit credit, including investment earnings, that is subject to a transfer shall be administered as a deferred life annuity.

**3. Contributions to your Plan:** The only assets which may be contributed to your Plan are locked-in assets transferred directly or indirectly from an RPP, LIRA/LRSP, life annuity (the capital of which originated from an RPP) or any other source permitted by the Tax Act and pension legislation from time to time. The Trustee will not accept any contributions to your Plan from a source or in circumstances not permitted by pension legislation. **Locked-in assets governed by the pension legislation of one jurisdiction may not be commingled in your Plan with non-locked-in assets, locked-in assets governed by other locked-in legislation of the pension legislation, or locked-in assets governed by pension legislation of another jurisdiction.** Where New Brunswick pension legislation governs your Plan, if the amount transferred to your Plan was determined in a way that differentiated based on your gender, amounts subsequently transferred to your Plan must have been differentiated on the same basis.

**4. Investments:** The investments held in your Plan must comply with the investment rules imposed by the Tax Act for an RRSP. You may direct the investments to be made by your Plan, subject to any limitation set out in the Declaration, and are responsible for ensuring compliance with these rules. Where British Columbia, Manitoba or Newfoundland pension legislation governs your Plan, your Plan may not directly or indirectly hold any mortgage if you or your spouse is the mortgagor or if the mortgagor is your parent, sibling or child or the spouse of any of those people.

**5. Withdrawals:** You may only withdraw, transfer or surrender the assets of your Plan in the manner contemplated by this Part B and where:

- a) a payment is made to reduce taxes otherwise payable under Part X.1 of the Tax Act;
- b) you are subject to a disability that considerably reduces your life expectancy;
- c) a lump sum payment is made under British Columbia, Newfoundland, Nova Scotia, Ontario, or Quebec pension legislation;
- d) subject to Section 11 of this Part B, a payment is made to effect a division of assets upon breakdown of the spousal relationship or in satisfaction of an order for support or maintenance;
- e) the assets of your Plan are transferred to an RPP, LIRA/LRSP, LIF, LRIF, RLIF or PRRIF on the terms required by applicable pension legislation or converted into a life annuity on the terms required by applicable pension legislation and the Tax Act;
- f) a payment is made after your death in accordance with Section 18 of this Part B; or
- g) permitted by the Tax Act and pension legislation from time to time.

Any transaction that is contrary to this Section is void.

**6. Refunds:** The Trustee will make a payment pursuant to paragraph 6 of the Declaration to reduce taxes otherwise payable under Part X.1 of the Tax Act.

**7. Shortened Life Expectancy:** The Trustee will make a lump sum or series of payments to you from your Plan after receiving:

- a) a written request in a form satisfactory to it; and
- b) a medical certificate signed by a physician certifying that you are subject to a physical or, where permitted by applicable pension legislation, mental disability that considerably reduces your life expectancy,

subject to Section 16 of this Part B.

**8. Lump-sum Payment to Non-Residents:** Where British Columbia or Ontario pension legislation governs your Plan, you may apply in the prescribed manner to the Superintendent for a withdrawal of locked-in funds if:

- a) you have been absent from Canada for 2 or more years; and

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- b) you have become a non-resident of Canada as determined for purposes of the Tax Act.

Where British Columbia pension legislation governs your Plan, you must also have completed and filed a certificate of non-residency in the prescribed form.

Where Ontario pension legislation governs your Plan, your application, with a copy to the Trustee, must also be accompanied by the following documents:

- a) a written determination from the Canada Revenue Agency that you are a non-resident for the purpose of the Tax Act; and  
b) either a spousal declaration or a statement signed by you attesting to the fact that none of the money in the Plan is derived, directly or indirectly, from a pension benefit provided in respect of your employment.

Where Federal pension legislation governs your Plan, you may receive a lump-sum payment from your Plan equal to the value of your Plan where you have ceased to be a resident of Canada for at least two calendar years.

Where New Brunswick pension legislation governs your Plan, you may receive a lump-sum payment from your Plan equal to the value of your Plan if:

- a) you and your spouse, if any, are not Canadian citizens, and  
b) you and your spouse, if any, are not resident in Canada for the purposes of the Tax Act.

Where Quebec pension legislation governs your Plan, you may receive a lump-sum payment from your Plan equal to the value of your Plan if you provide the Trustee with evidence satisfactory to it that you have not resided in Canada for the previous two years.

Payment under this Section is subject to Section 16 of this Part B.

**9. Small Balances:** If British Columbia, New Brunswick, Newfoundland, Nova Scotia, Ontario, or Quebec pension legislation governs your Plan, the Trustee will make a lump-sum payment to you from your Plan equal to the value of your Plan following the receipt of your written application in a form satisfactory to it accompanied by a declaration in the form prescribed by applicable pension legislation, where:

- a) (i) British Columbia pension legislation governs your Plan and you have reached age 65;  
(ii) Newfoundland pension legislation governs your Plan and you have either reached age 55 or would be entitled to receive a pension benefit under the RPP where the money originated;  
(iii) Nova Scotia or Quebec pension legislation governs your Plan and you were at least 65 years of age on December 31 of the year before you requested the lump-sum payment; or

- (iv) Ontario pension legislation governs your Plan and you have reached age 55; and  
b) the total value of your LIRAs, LIFs and LRIFs plus  
(i) where British Columbia or Nova Scotia pension legislation governs your Plan, the total value of your defined contribution RPPs, or  
(ii) where Quebec pension legislation governs your Plan, the total value of your defined contribution RPPs and your defined benefit and defined benefit-defined contribution RPPs in application of provisions similar to those of a defined contribution RPP,

as stated in your declaration, does not exceed the YMPE Threshold for the year you requested the lump-sum payment.

Where Federal or Ontario pension legislation governs your Plan, upon an application in accordance with this Section 9, you may also choose to transfer the assets in your Plan (subject to the transferability of the assets) or the value of your Plan to an RRSP or RRIF.

In addition to the preceding requirements, if New Brunswick pension legislation governs your Plan, the total of the pension adjustments reported to you by the Canada Revenue Agency for the two taxation years immediately preceding the request for withdrawal of the lump-sum payment must be zero for the Trustee to make a lump-sum payment as described in this Section.

If British Columbia pension legislation governs your Plan and the value of your Plan exceeds 20% of the YMPE for a calendar year, your Plan shall not be divided into two or more LIRAs or LIFs, such that the LIRAs or LIFs have a resulting balance less than 40% of the YMPE for that year.

If British Columbia pension legislation governs your Plan, the Trustee will make a lump-sum payment to you from your Plan equal to the value of your Plan, following the receipt of your written request in a form satisfactory to it, if the value of your Plan does not exceed 20% of the YMPE for that calendar year.

If Newfoundland pension legislation governs your Plan, the Trustee will make a lump-sum payment to you from your Plan equal to the value of your Plan, following the receipt of your written request in a form satisfactory to it accompanied by a declaration in the form prescribed by applicable pension legislation, if the total value of your LIRAs, LIFs and LRIFs does not exceed 10% of the YMPE for that calendar year.

Payment under this Section is subject to Section 16 of this Part B.

**10. Financial Hardship:** Where Federal pension legislation governs your Plan, you may withdraw an amount from your Plan determined by the following formula:

$$M + N$$

where

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- M is the total amount of the expenditures that you expect to make on medical or disability-related treatment or adaptive technology for the calendar year, and
- N is the greater of zero and the amount determined by the following formula:

$$P - Q$$

where

P is the YMPE Threshold, and

Q is two thirds of your total expected income for the calendar year determined in accordance with the Tax Act, excluding withdrawals in the calendar year for financial hardship from your LRSP, RLSP, LIF or RLIF.

- a) if you certify that you have not made a withdrawal in the calendar year from any LRSP, RLSP, LIF or RLIF other than within the last 30 days before this certification,
- b) if the value of M, in the above formula, is greater than zero,
  - (i) you certify that you expect to make expenditures on medical or disability-related treatment or adaptive technology for the calendar year in excess of 20% of your total expected income for that calendar year determined in accordance with the Tax Act, excluding withdrawals in the calendar year from your LRSP, RLSP, LIF or RLIF, and
  - (ii) a physician certifies that such medical or disability-related treatment or adaptive technology is required, and
- c) if you provide a copies of the prescribed forms to the Trustee.

Payment under this Section is subject to Section 16 of this Part B.

**11. Spousal Entitlement after Breakdown of Spousal Relationship:** Your spouse's entitlement under your Plan may end upon separation, divorce or annulment unless:

- a) you name your spouse as a beneficiary of your Plan;
- b) Federal, New Brunswick, Newfoundland, Nova Scotia or Saskatchewan pension legislation governs your Plan, in which case spousal entitlement may not cease by virtue of separation;
- c) British Columbia or Manitoba pension legislation governs your Plan and your spouse has not received his or her entitlement from your Plan and has not opted out in the manner required by that pension legislation; or
- d) Quebec pension legislation governs your Plan and the assets of your Plan were not divided after breakdown of the spousal relationship and you have notified the Trustee in writing that the payment of a life annuity to your spouse will continue despite the breakdown of the spousal relationship.

Where New Brunswick pension legislation governs your Plan, Sections 27 to 33 of the Regulations under that pension legislation apply, with necessary modifications, to the division of assets in your

Plan following breakdown of the spousal relationship. Where Nova Scotia pension legislation governs your Plan, Sections 68 to 83 of the Regulations under that pension legislation apply to the division of assets in your Plan following breakdown of the spousal relationship.

**12. Payments after Breakdown of Spousal Relationship:** The assets of your Plan and any life annuity purchased with the assets of your Plan may be subject to division under family law and pension law. After receiving satisfactory evidence of entitlement and confirmation that a payment is not prohibited by pension law, a payment or payments will be made out of your Plan but only to the extent and in the manner permitted by law:

- a) to effect a division of assets provided the payment is made pursuant to applicable marital property legislation; or
- b) pursuant to an execution, seizure, attachment or other process of law in satisfaction of an order for support or maintenance.

**13. Transfers from your Plan:** Subject to any restrictions imposed by the Tax Act or the applicable pension legislation, all or any part of the assets of your Plan may be transferred to an RPP, RRSP, LIRA/LRSP, RRIF, LIF, PRRIF, LRIF, RLIF or life annuity. Before transferring assets of your Plan, the Trustee will:

- a) confirm that the transfer is permitted under pension legislation and the Tax Act;
- b) write to the issuer of the recipient plan to notify it of the locked-in status of the assets being transferred and the pension legislation that governs the assets; and
- c) not permit the transfer unless the issuer of the recipient plan agrees to administer the transferred assets according to pension legislation.

Where British Columbia, Manitoba, New Brunswick Newfoundland or Quebec pension legislation governs your Plan, the Trustee will also confirm that:

- a) the issuer of the recipient plan is on the list of financial institutions maintained by the Superintendent of Pensions of that province; and
- b) the recipient plan is on the list of LIRA/LRSPs, LIFs, or LRIFs maintained by the Superintendent of Pensions of that province.

Where Saskatchewan pension legislation governs your Plan and you wish to transfer the assets of your Plan to a PRRIF, the Trustee shall also confirm that you have reached age 55 or that you meet the early retirement age established by the RPP where the money originated. Where New Brunswick or Manitoba pension legislation governs your Plan, subject to any restrictions under the terms and conditions of investments held in your Plan, the Trustee will endeavour to transfer the assets of your Plan within 30 days after it has received your written instruction and any other documentation it considers necessary to effect the transfer. Where New Brunswick pension legislation governs your Plan, you are not entitled to transfer any

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part of the assets of your Plan to an RPP that is not registered in New Brunswick unless:

- a) the RPP is registered for persons employed in a designated jurisdiction, and
- b) you are employed in that jurisdiction by an employer who is making contributions on your behalf to the pension fund that is to receive the amount to be transferred.

Transfers under this Section are subject to Section 16 of this Part B.

**14. Maturity:** On or before December 31 of the year in which you reach age 71 (or another age specified by the Tax Act), the assets of your Plan must be used to purchase a life annuity in accordance with subsection 146(1) of the Tax Act and pension legislation. If you do not provide the Trustee with satisfactory written instructions by September 30 of that year or such other time as may be required by the Trustee, you will be deemed to have instructed it to transfer the assets of your Plan on or before December 31 of that year to a CIBC Mellon General Retirement Income Fund (with an LIF/Saskatchewan RRIF addendum, LRIF addendum, or RLIF addendum); another LIF; if Federal pension legislation governs your Plan, another RLIF; another LRIF; if Saskatchewan pension legislation governs your Plan, a PRRIF; or a life annuity selected by the Trustee in its sole discretion and it will not be liable for any resulting loss.

**15. Life Annuity:** In addition to the rules imposed by subsection 146(1) of the Tax Act, a life annuity purchased with the assets of your Plan must comply with pension legislation, including, without limitation, any applicable requirements with respect to the commencement of the life annuity. Where Newfoundland pension legislation governs your Plan, the life annuity must not commence before you reach age 55 or the earliest date on which you would otherwise receive a pension benefit under the RPP from which the money originated.

The life annuity purchased must be established for your life. However, if you have a spouse on the date payments under the life annuity begin, the life annuity must be established for the life of the survivor of you and your spouse, subject to Section 16 of this Part B. If your spouse is entitled to payments under the life annuity after your death, those payments must be at least 60% (or where Manitoba pension legislation governs your Plan, 66⅔%) of the amount to which you were entitled before your death. The life annuity may not differentiate based on your gender except to the extent permitted by pension legislation.

Where Quebec pension legislation governs your Plan, the payments under the life annuity may be uniformly adjusted because of:

- a) an index or a rate provided for in the contract and that conforms with the adjustments permitted by the Tax Act;
- b) the division of assets of your Plan with your spouse after breakdown of the spousal relationship; or
- c) an election under subsection 93(3) of the Quebec pension legislation relating to payments after your death.

**16. Spousal Waiver:** Your spouse's right under the applicable pension legislation may be waived before payments begin, provided the spousal consent or waiver (and, where Manitoba pension legislation governs your Plan, your waiver) is given to the Trustee in the form and manner stipulated by that pension legislation and in the circumstances specified in that pension legislation. The waiver may be revoked where permitted by applicable pension legislation.

**17. Beneficiary Designation:** Subject to Section 16 of this Part B, the designation of a person other than your spouse as the beneficiary of your Plan will not be valid for that portion of your Plan to which your spouse is entitled to survivor benefits under your Plan because of pension legislation.

**18. Death:** Following your death, the assets of your Plan will be paid to your designated beneficiary in accordance with Section 17 of this Part B or, if you have not designated a beneficiary or if your designated beneficiary predeceases you, to your estate. If pension legislation does not permit your spouse to receive a lump sum payment, your spouse may instruct the Trustee to transfer the assets of your Plan to an RRSP (if Saskatchewan pension legislation governs your Plan), LIRA/LRSP, LIF, LRIF, RLIF, RRIF (if Saskatchewan pension legislation governs your Plan), or life annuity in accordance with paragraph 60(1) of the Tax Act and pension legislation.

Where Newfoundland pension legislation governs your Plan, if you are not a former member (as defined in Newfoundland pension legislation) or you do not have a surviving spouse, the full value of your Plan will be paid to your designated beneficiary or, if there is no designated beneficiary, to your estate. Where other than Saskatchewan pension legislation governs your Plan, if your spouse does not give the Trustee satisfactory instructions within 90 days after it has been notified of your death, it will, in its sole discretion, transfer the assets of your Plan as permitted or required by pension legislation and it will not be liable for any resulting loss. Where Saskatchewan pension legislation governs your Plan, if your Spouse does not give the Trustee satisfactory instructions within 180 days after it has been notified of your death, your Spouse is deemed to have elected to receive a lump sum payment.

**19. Payments or Transfers Contrary to Pension Legislation:** Where British Columbia, Manitoba, Newfoundland or Saskatchewan pension legislation governs your Plan, if assets are transferred or paid out of your Plan contrary to pension legislation, the Trustee will ensure that you receive a life annuity (or, if Manitoba pension legislation governs your Plan, a pension benefit credit) in an amount and if required by pension legislation, in a manner that would have been provided if the assets had not been transferred or paid out of your Plan. Where Quebec pension legislation governs your Plan, if assets are transferred or paid out of your Plan contrary to pension legislation, the value of your Plan will be determined without taking into account the irregular payment, unless it was attributable to a false declaration made by you.



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**20. Prohibition:** The assets of your Plan may not be assigned, charged, alienated, anticipated or given as security or subjected to execution, seizure or attachment, except as permitted by the Tax Act and pension legislation. A transaction that is contrary to this Section is void.

**21. Form of Payment:** Where permitted by applicable pension legislation, if:

- a) your Plan holds identifiable and transferable securities and
- b) the issuer of the recipient plan consents,

the Trustee may make any transfer contemplated by Section 13 of this Part B by way of remittance of such securities.

**22. Reliance:** The Trustee is entitled to rely on the information contained in your application and the application for payment or asset transfer under Sections 7, 8, 9 and 10 of this Part B. Such application authorizes the Trustee to pay the money to you or, where permitted, to transfer it to an RRSP or RRIF. Where required, you must provide the Trustee with statements, dated within one year of such application, showing the value of all your LIRA/LRSPs, RLSPs, LIFs, LRIFs RLIFs and defined contribution pension plans (where pension legislation requires). Where pension legislation requires, the Trustee shall make the payment or transfer within 30

days after it receives your completed application form and applicable accompanying documents.

**23. Value of Your Plan:** On any given day (and for all purposes), the value of your Plan will be determined based on the value of the assets of your Plan at the close of business on that day net of any fees or expenses properly chargeable to your Plan.

**24. Amendments:** From time to time, the Trustee may amend this Part B if the amendment does not disqualify your Plan as an LIRA/LRSP and if the amendment is filed with Canada Revenue Agency and, where required by law, applicable provincial authorities. Where Manitoba pension legislation governs your Plan, you will be given prior notice of the amendment, unless the amendment is required to comply with the Manitoba pension legislation. Where New Brunswick pension legislation governs your Plan, no amendment may be made that would reduce benefits under your Plan unless the amendment is required to comply with the law. Where New Brunswick or Quebec pension legislation governs your Plan, you will be given 90 days' written notice (including notice of your entitlement to transfer the assets out of your Plan) of any amendment that reduces benefits under your Plan.

Revised: July, 2008

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