

# ADDENDUM TO THE RETIREMENT SAVINGS PLAN DECLARATION OF TRUST ESTABLISHING A LOCKED-IN RETIREMENT ACCOUNT

## Ontario (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 Ontario, 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 *Regulation Made Under the 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 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”)**”, “**locked-in retirement income fund (“LRIF”)**”, “**pension benefit**”, “**RRIF**”, “**RRSP**” and “**Superintendent**” 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).
4. **Transfers from the Plan:** I may not withdraw the Property from the Plan except:
  - (a) to transfer it to the pension fund of a registered pension plan;
  - (b) to transfer it to another LIRA that meets the requirements specified in section 21 of the Regulation;

- (c) to purchase an immediate or deferred life annuity, in accordance with the definition of retirement income in subsection 146(1) of the *Income Tax Act* (Canada), that is provided by a person authorized under the laws of Canada or a province to sell annuities as defined in section 248 of the *Income Tax Act* (Canada) under an insurance contract that meets the requirements of section 22 of the Regulation;
  - (d) to transfer it to a LIF or an LRIF on the relevant conditions specified in Schedule 1 and Schedule 2 to the Regulation, respectively; or
  - (e) to pay the Property in accordance with sections 49 or 67 of the Pension Act or this Addendum.
5. **No Assignment:** The Property in the Plan may not be assigned, charged, alienated, anticipated or given as security, except as permitted by subsection 65(3) of the Pension Act, and any transaction purporting to assign, charge, alienate, anticipate or give the Property as security is void.
6. **No Withdrawals:** The Property in the Plan may not be commuted, withdrawn or surrendered in whole or in part during the lifetime of the member or former member except as permitted in sections 49 or 67 of the Pension Act and this Addendum or 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), and any transaction in contravention of this paragraph of the Addendum is void.
7. **Small Pensions:** I may, upon application, withdraw all the Property in the Plan or transfer the Property to an RRSP or RRIF if, at the time I sign the application:
- (a) I am at least 55; and
  - (b) the value of all assets in all LIFs, LRIFs and LIRAs owned by me is less than 40% of the year's maximum pensionable earnings as defined in the *Canada Pension Plan* (Canada) for the calendar year in which I signed the application and the value of which is determined in accordance with the most recent statement about each fund or account given to me and dated within one year before I signed the application.
8. **Shortened Life Expectancy:** I may, upon application, withdraw all or part of the Property in the Plan if, at the time the application is signed by me, I have an illness or physical disability that is likely to shorten my life expectancy to less than two years and the application is accompanied by a statement of opinion, signed by a physician who is licensed to practice medicine in a jurisdiction in Canada, that I meet the foregoing medical requirement.
9. **Non-Resident Status:** I may, upon application, withdraw all of the Property in the Plan if:
- (a) at the time I sign the application, I am a non-resident of Canada as determined by the Canada Revenue Agency for the purposes of the *Income Tax Act* (Canada);
  - (b) I make the application at least 24 months after my date of departure from Canada; and

- (c) my application is accompanied by a written determination from the Canada Revenue Agency that I am a non-resident for the purposes of the *Income Tax Act (Canada)*.
10. **Identifiable Securities:** If the Property in the Plan consists of identifiable and transferable securities, the transfer or purchase referred to in paragraph 7 of this Addendum may, with my consent, be effected by remittance of those securities.
11. **Applications:** The applications described in paragraphs 7, 8 and 9 of this Addendum must be made on a form approved by the Superintendent, signed by me, submitted to the Trustee and accompanied by:
- (a) a declaration described in subsection 22.1(2) of the Regulation about my Spouse; or
  - (b) a statement signed by me attesting to the fact that none of the Property in the Plan is derived, directly or indirectly, from a pension benefit provided in respect of my employment.
12. **Excess Transfers:** I may, upon application, withdraw Property from the Plan in an amount, calculated by the Trustee on the date of withdrawal, not greater than the sum of:
- (a) the amount, if any, by which the amount transferred, directly or indirectly, into the Plan from a registered pension plan of which I was a member exceeds the amount prescribed for such transfer under the *Income Tax Act (Canada)*; and
  - (b) any subsequent investment earnings, including any unrealized capital gains or losses, attributable to the excess transferred to the Plan, referred to subclause (a), and as calculated by the Trustee;
- provided that the application is made on a form approved by the Superintendent, signed by me, submitted to the Trustee and is accompanied by:
- (c) a written statement from the administrator of the registered pension plan from which the Property in the Plan originated setting out the excess amount that was transferred; or
  - (d) a written statement from the Canada Revenue Agency setting out the excess amount that was transferred into the Plan.
13. **Applications:** Where I submit an application under paragraphs 7, 8, 9 or 12 of this Addendum:
- (a) the Trustee is entitled to rely on the information I provide in the application;
  - (b) an application that meets the requirements of the applicable section of the Regulation constitutes authorization to the Trustee to make the payment or transfer, as applicable, from the Plan; and
  - (c) the Trustee shall make the payment or transfer no more than 30 days after the date the Trustee receives my completed application and accompanying documents;

and, in the case of applications submitted under paragraphs 7, 8 or 9 of this Addendum:

- (d) any document required to be signed by me or my Spouse is a nullity if it is signed more than 60 days before the Trustee receives it; and
  - (e) the Trustee shall provide me with a receipt stating the date on which the Trustee received my application and/or document.
14. **Financial Hardship:** The Trustee is authorized to pay me Property from the Plan, in accordance with Part III of the Regulation, where the Trustee receives the Superintendent's written consent in respect of my application to the Superintendent for such withdrawal in situations of financial hardship. The Trustee must make the payment within 30 days of receiving the written consent, however, the written consent is a nullity and the Trustee is not required to pay Property from the Plan if the written consent is received by the Trustee more than 12 months after the date the Superintendent signed it.
  15. **Transfers from the Plan:** The Trustee will not permit any subsequent transfer of Property from the Plan except where such transfer is permitted under the Pension Act and the Regulation and the transferee agrees to administer the amount transferred as a pension or deferred pension in accordance with the Pension Act and the Regulation.
  16. **Conditions for Transfer:** The Trustee will, before transferring Property from the Plan, advise the transferee in writing that the amount transferred must be administered as a pension or deferred pension under the Pension Act and the Regulation.
  17. **Survivor's Benefits:** Upon my death, a benefit equal to the value of the Property in the Plan is to be paid to my Spouse or, if I am not survived by a Spouse or my Spouse is otherwise disentitled, my named beneficiary or, if no beneficiary has been so designated, my estate is entitled to receive a benefit equal to the value of the Property in the Plan. A determination of whether I have a Spouse will be made on the date of my death, and for greater certainty, a Spouse living separate and apart from me on the date of my death is not entitled to receive the value of the Property in the Plan.
  18. **No Entitlement:** My Spouse is not entitled to receive the value of the Property in the Plan in accordance with paragraph 17 of this Addendum unless I was a member or former member of a registered pension plan from which assets were transferred directly or indirectly to purchase the Plan.
  19. **Transfer of Survivor's Benefits:** The benefit described in paragraph 17 of this Addendum may be transferred to an RRSP or an RRIF in accordance with the *Income Tax Act (Canada)*.
  20. **Spousal Waiver:** My Spouse may waive his or her entitlement to receive the survivor's benefit described in paragraph 17 of this Addendum by delivering to the Trustee a written waiver in a form approved by the Superintendent. My Spouse may cancel a waiver delivered pursuant to this paragraph by delivering a written and signed notice of cancellation to the Trustee before the date of my death.
  21. **Value of Survivor's Benefits:** For the purposes of paragraph 17 of this Addendum, the value of the Property in the Plan includes all accumulated investment earnings, including any unrealized capital gains and losses, of the Plan from the date of my death until the date of payment.

22. **Commencement of Annuity:** The annuity referred to in subclause 4(c) of this Addendum must not begin before the earlier of:

- (a) the earliest date on which the former member is entitled to receive pension benefits under the Pension Act as a result of termination of employment or termination of membership in any registered pension plan from which Property in the Plan originated; and
- (b) the earliest date on which the former member is entitled to receive pension benefits under any registered pension plan described in subclause (a) as a result of termination of employment or termination of membership in the registered pension plan.

23. **Differentiation on the Basis of Sex:** The commuted value of:

- (a) the pension benefit accrued before 1987, if any, and transferred to the Plan was (was not); and
- (b) the pension benefit accrued after 1986, if any, and transferred to the Plan was not;

determined on a basis that differentiated on the basis of sex. An immediate or deferred life annuity that is purchased with Property from the Plan shall not differentiate on the basis of the sex if the commuted value of the pension benefit that was transferred into the Plan was determined in a manner that did not differentiate on the basis of sex.

\_\_\_\_\_   
 Plan Number

\$ \_\_\_\_\_   
 Amount of Original Contribution

\_\_\_\_\_   
 Signature of Witness

\_\_\_\_\_   
 Signature of Plan Owner

\_\_\_\_\_   
 Print First and Last Name of Witness   
 Owner

\_\_\_\_\_   
 Print First and Last Name of Plan

\_\_\_\_\_   
 Date

\_\_\_\_\_   
 Social Insurance Number



Accepted by **Fidelity Clearing Canada ULC** as   
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