

**ADDENDUM TO THE COMPUTERSHARE TRUST COMPANY OF CANADA SELF-DIRECTED RETIREMENT SAVINGS PLAN**

**THIS ADDENDUM** dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**BETWEEN:**

(herein referred to as the "**Annuitant**")

**AND:** **COMPUTERSHARE TRUST COMPANY OF CANADA**, a trust company existing under the laws of Canada, and having an office at 100 University Ave, Toronto, ON, M5J 2Y1 (herein referred to as the "**Trustee**")

**WHEREAS** the Annuitant has established a Computershare Trust Company of Canada Self-Directed Retirement Savings Plan specimen plan number **574-653** (the "**RSP**") and Annuitant Account number \_\_\_\_\_ with the Trustee under the relevant provisions of the *Income Tax Act* (Canada) and the Regulations thereunder (collectively, the "**Tax Act**");

**AND WHEREAS** the Annuitant has established by virtue of this Addendum a locked-in retirement account (the "**LIRA**") established as a locked-in registered retirement savings plan under the Tax Act to receive certain benefits (the "**Benefits**") which are subject to the locking-in provisions of the Act and Regulations as defined below;

**AND WHEREAS** the Annuitant wishes to have the present value of the Benefits transferred to the LIRA with the Trustee;

**AND WHEREAS** the Trustee is willing to accept such transfer;

**NOW THEREFORE** this Addendum witnesseth, and the parties hereto agree for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, as follows:

**Definitions**

1. For the purposes of this Addendum, "**Act**" means the *Pension Benefits Act* (Ontario) and "**Regulations**" means R.R.O. 1990, Reg. 909.
2. Words and phrases used in this Addendum have the following meanings: "**excess amount**" has the meaning given to it in the Regulations; "**former member**", "**member**", "**Minister**", "**pension**", "**pension benefit**", "**spouse**", "**Superintendent**" and "**Year's Maximum Pensionable Earnings**" have the same meaning given to them in the Act; "**life income fund**" means a RRIF that meets the requirements set out in Schedule 1.1 of the Regulations; "**locked-in-retirement account**" means a RRSP that meets the requirements set out in Schedule 3 of the Regulations; "**locked-in retirement income fund**" means a RRIF that meets the requirements set out in Schedule 2 of the Regulations; "**RRIF**" means a registered retirement income fund established in accordance with the Tax Act; "**RRSP**" means a registered retirement savings plan established in accordance with the Tax Act.
3. Notwithstanding anything to the contrary contained in the RSP and this Addendum, including any endorsements forming a part thereof, "**spouse**" does not include any person who is not recognized as a spouse or common-law partner for the purposes of any provision of the Tax Act respecting RRSPs.

**Contributions**

4. The Annuitant acknowledges that all of the Benefits to be transferred into the LIRA are pension benefits which are and will be subject to the locking-in provisions of the Act. The Annuitant further acknowledges that the present value of such Benefits to be transferred into the LIRA are being transferred from a former employer's registered pension plan, a life income fund, a locked-in retirement income fund or another locked-in retirement account.
5. The Benefits transferred into the LIRA, and all investment earnings thereon (the "**LIRA Assets**"), shall be deemed to be locked-in during the lifetime of the Annuitant and shall not be used in any way except as provided herein, or as required or permitted by law.
6. Assets that are not locked-in pursuant to the Act will not be transferred to or held under the LIRA.

**Withdrawal of Assets**

7. Subject to this Addendum and the provisions of the Act and the Regulations, no LIRA Assets will be withdrawn except
  - a) prior to maturity, to transfer the LIRA Assets to the pension fund of a registered pension plan;
  - b) prior to maturity, to transfer the LIRA Assets to another locked-in retirement account;
  - c) to purchase an immediate or deferred life annuity in accordance with subsection 146(1) of the ITA under an insurance contract that meets the requirements of section 22 of the Regulations; and
  - d) prior to maturity, to transfer the LIRA Assets to a life income fund; and
  - e) to pay it in accordance with section 49 or 67 of the Act or sections 22.2 or 22.3 of the Regulations.

**Spousal Consent**

8. The transfer of LIRA Assets to a life income fund shall not be made until the Trustee has received the consent of the Annuitant's spouse, if applicable.

**Transfers from the LIRA**

9. Before transferring LIRA Assets to another financial institution, the Trustee shall advise the transferee financial institution in writing of the locked-in status of the LIRA Assets, and shall make the transferee financial institution's acceptance of the transfer subject to the condition that the assets transferred must be administered as a pension or deferred pension under the Act and the Regulations.
10. The Trustee shall not permit any transfer from the LIRA except
  - a) where the transfer is permitted under the Act and the Regulations; and

- b) the subsequent transferee agrees to administer the assets transferred as a pension or deferred pension in accordance with the Act and the Regulations.

#### **Fiscal Year**

11. The fiscal year of the LIRA ends on December 31st of each year and will not exceed twelve months.

#### **Investments**

12. The LIRA Assets will be invested and reinvested in accordance with the provisions of the RSP, the Act, the Regulations and the Tax Act.

#### **Spousal Rights**

13. The pension to be provided to the Annuitant who:
- was a member of the registered pension plan from which LIRA Assets were transferred; and
  - has a spouse at the date when the pension commences;
- shall comply with section 44 of the Act, unless a waiver of entitlement in accordance with section 46 of the Act is filed with the Trustee within the period of twelve months immediately preceding the commencement of payment of the pension benefit.

#### **No Assignment**

14. The LIRA Assets may not be assigned, charged, alienated, anticipated or given as security and any transaction purporting to assign, charge, alienate, anticipate or give as security LIRA Assets is void, except as permitted by subsection 65(3) of the Act.

#### **No Seizure**

15. The LIRA Assets are exempt from execution, seizure or attachment and assets payable from the LIRA are exempt from execution, seizure or attachment, except as provided in section 66 of the Act.

#### **No Commutation, Withdrawal or Surrender**

16. The LIRA Assets cannot, subject to this Addendum, be commuted, withdrawn or surrendered, in whole or in part, during the lifetime of the Annuitant, except where an amount is required to be paid to the Annuitant, or otherwise permitted or required by law. Any transaction that contravenes this paragraph is void.

Further, and without limiting the foregoing, a withdrawal may be made from the LIRA in accordance with paragraph 146(2)(c.1) of the Tax Act where the account is paid to a taxpayer to reduce the amount of tax otherwise payable by the taxpayer under Part X.1 of the Tax Act.

#### **Death of Annuitant**

17. On the death of the Annuitant, the Trustee shall (i) administer the assets in the LIRA in accordance with sections 11 and 12 of Schedule 3 of the Regulations; and (ii) give the person entitled to such assets the information described in subsection 14(2) of Schedule 3 of the Regulations, determined as of the date of the Annuitant's death.

#### **Division on Marriage Breakdown**

18. The LIRA is subject, with any necessary modification, to the division on marriage breakdown provisions in section 51 of the Act.

#### **Life Annuity Contract**

19. The LIRA Assets shall be used to purchase either a deferred or an immediate life annuity contract. Any such contract so purchased shall comply with the provisions of the Tax Act, the Act, and the Regulations. The annuity shall not begin before the earlier of:
- the earliest date on which the Annuitant is entitled to receive pension benefits under the Act as a result of termination of employment or termination of membership in any pension plan from which assets were transferred into the LIRA; or
  - the earliest date on which the Annuitant is entitled to receive pension benefits under any pension plan described in clause (a) of this paragraph as a result of termination of employment or termination of membership in the LIRA.
20. An immediate or deferred life annuity purchased with the LIRA Assets shall not differentiate on the basis of the sex of the beneficiary if the value of the Benefits was determined in a manner that did not differentiate on the basis of sex.

#### **Financial Hardship Withdrawals**

21. If the Trustee receives from the Annuitant a duly completed application, in a form that is both current and approved by the Superintendent for use with a particular category of financial hardship, and if the Trustee determines that all related requirements of section 8.1, 8.2, 8.3 or 8.4, as applicable, of Schedule 3 of the Regulations have been satisfied, the Trustee shall permit a withdrawal from the LIRA of the amount applied for by the Annuitant and permitted under the Regulations, and shall pay such amount to the Annuitant, outside of any tax-deferred account, in a lump sum, less any applicable withholding tax and fees. Only one application per calendar year under each of sections 8.2, 8.3 and 8.4 is permitted and only one application per calendar year in respect of a particular person is permitted under section 8.1.
22. The Trustee may rely upon the information provided by the Annuitant in an application made pursuant to paragraph 21 and such application shall constitute sufficient authorization for the Trustee to make the withdrawal from the LIRA as requested by the Annuitant. The withdrawal will occur within thirty days of receipt by the Trustee of a completed application form and accompanying documentation.

#### **Withdrawal of Excess Amount**

23. If an excess amount is transferred directly or indirectly to the LIRA, the Annuitant may, upon application to the Trustee in accordance with section 22.2 of the Regulations, withdraw an amount which is not greater than the sum of the excess amount and any subsequent investment earnings, including any unrealized capital gains or losses, attributable to the excess amount as calculated by the Trustee, provided the application is made on a form approved by the Superintendent, signed by the Annuitant and accompanied by one of the following documents:
- a written statement from the administrator of the pension plan from which assets were transferred into the LIRA setting out the excess amount that was transferred into the LIRA; or
  - a written statement from the Canada Revenue Agency setting out the excess amount that was transferred into the LIRA.
24. The Trustee may rely upon the information provided by the Annuitant in an application made pursuant to paragraph 23 and such application shall constitute sufficient authorization for the Trustee to make the withdrawal from the LIRA as requested by the Annuitant. The withdrawal will occur within thirty days of receipt by the Trustee of a completed application form and accompanying document

### **Withdrawal of Small Amount at 55**

25. A withdrawal or a transfer to an RRSP or RRIF of all the assets in the LIRA may be made upon application by the Annuitant to the Trustee in accordance with section 6 of Schedule 3 of the Regulations provided the following conditions are met:
- i) the Annuitant has attained the age of fifty-five years at the time of execution of the application;
  - ii) the value of all assets in all life income funds, locked-in retirement income funds and locked-in retirement accounts owned by the Annuitant is less than 40% of the Year's Maximum Pensionable Earnings for the calendar year in which the application is made; and
  - iii) the application is made on a form approved by the Superintendent, signed by the Annuitant and provided to the Trustee within sixty days of execution, accompanied by one of the following documents:
    - a) a Declaration about a Spouse, as described in paragraph 32; or
    - b) a statement signed by the Annuitant within sixty days of receipt by the Trustee attesting to the fact that none of the assets in the LIRA are derived, directly or indirectly, from a pension benefit provided in respect of any employment of the Annuitant.
26. The value of all assets in all life income funds, locked-in retirement income funds and locked-in retirement accounts owned by the Annuitant when the Annuitant signs the application shall be determined in accordance with the most recent statement about each fund or account given to the Annuitant. Each such statement must be dated within one year of the execution of the application by the Annuitant.
27. The Trustee may rely upon the information provided by the Annuitant in an application made pursuant to paragraph 25 and such application shall constitute sufficient authorization for the Trustee to make the withdrawal or transfer from the LIRA as requested by the Annuitant. The withdrawal or transfer will occur within thirty days of receipt by the Trustee of a completed application form and accompanying document.

### **Shortened Life Expectancy Withdrawal**

28. Withdrawal of all or part of the balance of the LIRA may be made on application by the Annuitant to the Trustee in accordance with section 8 of Schedule 3 of the Regulations for the withdrawal provided the following conditions are met:
- i) at the time of execution of the application the Annuitant has an illness or physical disability that is likely to shorten the Annuitant's life expectancy to less than two years;
  - ii) the application is made on a form approved by the Superintendent, signed by the Annuitant and provided to the Trustee within sixty days of execution, accompanied by the following documents:
    - a) a statement signed within the twelve months before it is provided to the Trustee by a physician who is licensed to practice medicine in a jurisdiction in Canada that, in the opinion of the physician, the Annuitant has an illness or physical disability that is likely to shorten the Annuitant's life expectancy to less than two years; and
    - b)
      - 1) a Declaration about a Spouse, as described in paragraph 32; or
      - 2) a statement signed by the Annuitant within sixty days of receipt by the Trustee attesting to the fact that none of the assets in the LIRA are derived, directly or indirectly, from a pension benefit provided in respect of any employment of the Annuitant.
29. The Trustee may rely upon the information provided by the Annuitant in an application made pursuant to paragraph 28 and such application shall constitute sufficient authorization to the Trustee to make the withdrawal from the LIRA as requested by the Annuitant. The withdrawal will occur within thirty days of receipt by the Trustee of a completed application form and accompanying documentation.

### **Withdrawal by Non-Resident Annuitants**

30. On or after January 1, 2008, a withdrawal equal to the value of the entire LIRA may be made upon application by the Annuitant to the Trustee in accordance with section 7 of Schedule 3 of the Regulations provided the following conditions are met:
- i) at the time of signing such application, the Annuitant is a non-resident of Canada as determined by the Canada Revenue Agency for the purposes of the Tax Act and the application is made a least twenty-four months after the Annuitant's date of departure from Canada;
  - ii) the application is made on a form approved by the Superintendent, signed by the Annuitant and provided to the Trustee within sixty days of execution accompanied by the following documents:
    - a) written determination from the Canada Revenue Agency that the Annuitant is a non-resident for the purposes of the Tax Act; and
    - b)
      - 1) a Declaration about a Spouse, as described in paragraph 32; or
      - 2) a statement signed by the Annuitant within sixty days of receipt of the above-noted application by the Trustee attesting to the fact that none of the money in the LIRA is derived, directly or indirectly, from a pension benefit provided in respect of any employment of the Annuitant.
31. The Trustee may rely upon the information provided by the Annuitant in an application made pursuant to paragraph 30 and such application shall constitute sufficient authorization for the Trustee to make the withdrawal from the LIRA as requested by the Annuitant. The withdrawal will occur within thirty days of receipt by the Trustee of a completed application form and accompanying documentation.

### **Declaration about a Spouse**

32. Any of the following documents constitutes a Declaration about a Spouse for the purposes of a withdrawal from the LIRA under paragraphs 25, 28 and 30, provided that it is received by the Trustee within sixty days of execution:
- i) a statement signed by the Annuitant's spouse that the spouse consents to the withdrawal from the LIRA;
  - ii) a statement signed by the Annuitant attesting to the fact that the Annuitant does not have a spouse;
  - iii) a statement signed by the Annuitant attesting to the fact that the Annuitant is living separate and apart from the Annuitant's spouse on the date the Annuitant signs the application to make the withdrawal from the LIRA.

**Amendment**

33. The Trustee will not amend this Addendum except in accordance with section 13 of Schedule 3 of the Regulation, including by giving ninety days' notice of a proposed amendment when required. No amendment shall have the effect of disqualifying the LIRA as a registered retirement savings plan within the meaning of the Tax Act.

**Declaration of Trust Affirmed**

34. The Trustee hereby affirms the provisions contained in the RSP and this Addendum to take effect as of the date first above written.

**Interpretation**

35. The conditions of this Addendum will take precedence over the provisions of the RSP in the case of conflicting or inconsistent provisions. Should any provisions of this Addendum be inconsistent with any provisions or requirements of the Act, the Regulations or the Tax Act, including any provisions amended or enacted after the date hereof, then the provisions of the Act, the Regulations or the Tax Act (as the case may be) shall prevail to the extent of any such inconsistency.

36. The LIRA Assets may be dealt with only in accordance with the provisions of the RSP as modified by this Addendum, the Act, the Regulations and the Tax Act.

37. All references herein to any statute, regulation or any provision thereof shall mean such statute, regulation or any provision thereof as the same may be re-enacted or replaced from time to time.

38. This Addendum shall be construed and enforced according to the laws of the Province of Ontario and all provisions hereof shall be administered according to the laws of that Province and of Canada as applicable hereunder.

**Counterparts**

39. This Addendum may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one instrument.

**IN WITNESS WHEREOF** the parties have executed this Addendum as of the date first written above and shall bind the Trustee, its Agents and the Annuitant and their respective successors and assigns effective from the date of transfer of assets into the LIRA.

**YOUR CURRENT MARITAL STATUS:**

(This data is necessary in order to complete prescribed government forms.)

- |            |          |
|------------|----------|
| Single     | Married  |
| Common law | Divorced |
| Separated  | Widowed  |

**NAME OF ANNUITANT (PLEASE PRINT)**

**SIGNATURE OF ANNUITANT**

**COMPUTERSHARE TRUST COMPANY OF CANADA**

per:

per:

**TO BE COMPLETED BY THE TRANSFERRING INSTITUTION:**

UNLESS INDICATED BELOW\*, THE COMMUTED VALUE OF THE BENEFITS TRANSFERRED TO THE LIRA GOVERNED BY THIS ADDENDUM WAS NOT DETERMINED IN A MANNER THAT DIFFERENTIATED ON THE BASIS OF SEX.

\*(Check here)