



Re: Locking-in Supplement for A LIRA or LRSP

We are pleased to provide you with this Locking-In Supplement which forms part of the Mackenzie Investments Multi-Plan Application and the Mackenzie Retirement Savings Plan Declaration of Trust. This Locking-In Supplement contains additional provisions that govern your B.C., Alberta, New Brunswick and Newfoundland Locked-In Retirement Account (LIRA) or Locked-In RSP (LRSP)

We ask that you review this Addendum and keep this copy for your records.

If you have any questions regarding this Addendum, please contact your Financial Advisor or Client Relations at 1-800-387-0614.

Thank you for continuing to make Mackenzie Investments a part of your long-term investment plan.

Sincerely,

MACKENZIE INVESTMENTS

Locking-in supplement for a British Columbia, Alberta, and New Brunswick or Newfoundland LIRA or Locked-In RSP

1. **Definitions:** In this Locking-in Supplement:

- (a) unless otherwise defined, terms defined in the Declaration have the same meaning in this Locking-in Supplement;
- (b) Declaration: means the declaration of trust creating your Mackenzie Retirement Savings Plan;
- (c) LIF: means a "LIF" or "life income fund" as defined in pension legislation, other than a RLIF;
- (d) life annuity: means a "life annuity", "life annuity contract", "annuity contract", "life pension", "immediate life annuity" and "deferred life annuity", as defined in pension legislation, that conforms with the Tax Act and pension legislation;
- (e) LIRA/Locked-in RSP: 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 an RRSP that satisfies the conditions under pension legislation for receiving funds that originate from an RPP, other than a RLSP;
- (f) Alberta LIRA Addendum: means Schedule 1 to the Employment Pension Plan Regulations (Alberta), as amended from time to time;
- (g) LRIF: means a "LRIF" or "locked-in retirement income fund" as defined in pension legislation;
- (h) pension: means a "pension", "pension benefit" or "retirement pension" as defined in pension legislation and used in the context of a LIRA/Locked-in RSP or RLSP;
- (i) pension legislation: means one of the Employment Pension Plans Act (Alberta), the Pension Benefits Standards Act (British Columbia), the Pension Benefits Act (New Brunswick), the Pension Benefits Act, 1997 (Newfoundland and Labrador), whichever governs locked-in assets transferred or to be transferred to your Plan directly or indirectly from an RPP and for greater certainty, the term pension legislation includes regulations made under that statute;
- (j) PRRIF: means a "prescribed RRIF" as defined in Manitoba pension legislation or a "registered retirement income fund contract" that meets the requirements of Saskatchewan pension legislation;
- (k) RLIF: means a "restricted life income fund" as defined in Federal pension legislation;
- (l) RLSP: means a "restricted locked-in savings plan" as defined in Federal pension legislation;
- (m) RPP: means a pension plan or a supplemental pension plan governed by pension legislation or established by other legislative authority and registered under the Tax Act;
- (n) spouse: means a person recognized as your spouse or, where contemplated by pension legislation, your cohabiting partner, common-law partner or pension partner for the purposes of pension legislation in context of a LIRA/Locked-in RSP or RLSP provided however that where the context requires, a spouse refers only to a person recognized as a spouse or common-law partner for the purposes of the Tax Act; and
- (o) YMPE: means the "Year's Maximum Pensionable Earnings" as defined in the Canada Pension Plan.

2. **Conflict and Compliance:** The provisions of this Locking-in Supplement, form part of the Declaration if your Plan is an RRSP and locked-in assets are transferred or will be transferred to your Plan directly or indirectly from an RPP. If your Plan is an Alberta LIRA, a British Columbia LIRA or the

Alberta LIRA Addendum, the British Columbia LIRA Addendum. If there is any inconsistency between the provisions of this Locking-in Supplement, the Alberta LIRA Addendum or the British Columbia LIRA Addendum and the other provisions of the Declaration, the provisions of this Locking-in Supplement will apply. If there is any inconsistency between the provisions of the Alberta LIRA Addendum or the British Columbia LIRA Addendum or the Nova Scotia LIRA Addendum and the other provisions of this Locking-in Supplement, the provisions of the Alberta LIRA Addendum, the British Columbia LIRA Addendum will apply. We will comply with all relevant provisions of pension legislation.

3. **Purpose:** We will hold contributions accepted by us for your Plan, investments made with those amounts and any income and capital gains realized in respect of those investments in trust for the purposes of providing you with a pension in accordance with the Tax Act and pension legislation.
4. **Contributions to your Plan:** The only assets that may be contributed to your Plan are locked-in assets transferred directly or indirectly from an RPP; if permitted by pension legislation a LIRA/Locked-in RSP, RLSP, LIF, RLIF, PRRIF or LRIF; a life annuity the capital of which originated from an RPP; or another source permitted by the Tax Act and pension legislation from time to time. We will not accept any amount contributed to your Plan from a source or in circumstances not permitted by the Tax Act and pension legislation. Locked-in assets governed by pension legislation of one jurisdiction may not be commingled in your Plan with non-locked-in assets 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.
5. **Investments:** The investments held in your Plan must comply with the investment rules imposed by the Tax Act for an RRSP. Where Newfoundland and Labrador 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.
6. **Withdrawals:** The assets of your Plan may only be withdrawn, transferred or surrendered in the manner contemplated by this Locking-in Supplement and where:
 - (a) a payment is made to reduce taxes otherwise payable under Part X.1 of the Tax Act;
 - (b) you withdraw all of the assets of your Plan in circumstances permitted by pension legislation;
 - (c) you are subject to a disability or terminal illness that considerably reduces your life expectancy;
 - (d) a payment is made to effect a division of assets upon relationship breakdown or in satisfaction of an order for support or maintenance;
 - (e) the assets of your Plan are transferred to an RPP, LIRA/ Locked-in RSP, RLSP, LIF, RLIF, PRRIF or LRIF or are used to establish a life annuity;
 - (f) a payment is made after your death; or
 - (g) otherwise permitted by the Tax Act and pension legislation from time to time.

Any transaction that is contrary to this paragraph is void. We will endeavour to make any requested payment or transfer within 30 days after receiving satisfactory instructions and any other documentation that we consider necessary.
7. **Refunds:** We will make payments pursuant to paragraph 8 [Withdrawals and Refunds] of the Declaration to reduce taxes otherwise payable under Part X.1 of the Tax Act. Where New Brunswick pension legislation governs your Plan, the payment (less taxes required to be withheld) will be deposited into a sub-account of your Plan. The sub-account will not be an RRSP.
8. **Collapsing a Small LIRA/Locked-in RSP or RLSP:** If the total value of your Plan and such locked-in assets in such other plans as prescribed by pension legislation does not exceed 50% of the YMPE for the year (or a lesser amount specified by pension legislation) and you have reached age 65 (or a lesser age specified by pension legislation), we will make a lump-sum payment from your Plan equal to the value of your Plan after receiving your request, signed declaration or attestation in the form and manner required by pension legislation and satisfactory evidence that all the necessary conditions stipulated by pension legislation are satisfied.
9. **Collapsing your Plan after you become a Non-resident:** Where New Brunswick pension legislation governs your Plan, we will make a lump-sum payment to you from your Plan equal to the value of your Plan after receiving: (a) your request; (b) any document or information required by pension legislation; (c) satisfactory written evidence that the Canada Revenue Agency has determined that you (and where New Brunswick pension legislation governs your Plan, your spouse) are a non-resident of Canada for the purposes of the Tax Act; (d) where New Brunswick pension legislation governs your Plan, satisfactory written evidence that you and your spouse, if any, are not Canadian citizens; and (e) where New Brunswick pension legislation governs your Plan, a waiver from your spouse in the form required by pension legislation.
10. **Shortened Life Expectancy:** We will make a lump-sum or series of payments to you from your Plan, but only to the extent and in the manner permitted by pension legislation, after receiving: (a) a request; (b) a medical certificate signed by a physician certifying that you are subject to a physical disability or, where contemplated by pension legislation, a terminal illness or mental disability, that considerably reduces (or where Québec pension legislation governs your Plan, reduces) your life expectancy; (c) where New Brunswick, Newfoundland and Labrador, pension legislation governs your Plan, a waiver from your spouse in the form and manner required by pension legislation; and (e) any other document or information required by pension legislation.
11. **Spousal Payments after Relationship Breakdown:** 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. Within the limits permitted by pension legislation, we may deduct from your Plan our cost of complying with an order for support or maintenance.
12. **Spousal Entitlement after Relationship Breakdown:** Your spouse's entitlement to survivor benefits under your Plan will end upon divorce or annulment unless: (a) your spouse is named as a beneficiary of your Plan; Your spouse's entitlement to survivor benefits under your Plan may end upon separation.
 13. **Transfers from your Plan:** Subject to any restrictions imposed by the Tax Act or pension legislation, all or any part of the assets of your Plan may be transferred to the issuer of an RPP or life annuity or, if permitted by pension legislation, a LIRA/Locked-in RSP, RLSP, LIF, RLIF, PRRIF or LRIF. Before transferring assets from your Plan, we will: (a) confirm that the transfer is permitted under pension legislation and the Tax Act; (b) confirm that the issuer of the recipient plan is on the list of acknowledged financial institutions and the recipient plan is on the list of LIRAs/ Locked-in RSPs, RLSPs, LIFs, RLIFs or LRIFs if such a list is maintained by the Superintendent of Pensions; (c) notify the issuer of the recipient plan of the locked-in status of the assets being transferred and the pension legislation that governs the assets; and (d) obtain the commitment of the issuer of the recipient plan to administer the transferred assets according to pension legislation. We will comply with any other requirement imposed by pension legislation.
 14. **Maturity:** Any assets held in your Plan on December 31 of the year in which you reach the maximum age for maturity specified by the Tax Act or an earlier age if specified by pension legislation must be used to establish a life annuity that conforms with the Tax Act and pension legislation. If we do not receive satisfactory instructions by September 30 of that year, you will be deemed to have instructed us to transfer the assets of your Plan on or before December 31 of that year to a LIF, LRIF or life annuity selected by us and we will not be liable for any resulting loss.
 15. **Life Annuity:** A life annuity established with the assets of your Plan must comply with pension legislation in addition to the rules imposed by the Tax Act. A life annuity established with the assets of your Plan 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 unless a spousal waiver has been provided in the form and manner required by pension legislation and has not been revoked. Your spouse's right to a life annuity as your survivor may be waived (and the waiver may be revoked) in the form and manner stipulated by pension legislation. Payments under the life annuity may not begin before the earliest date permitted by pension legislation. If your spouse is entitled to payments under the life annuity after your death, those payments must be at least 60 percent 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.
 16. **Beneficiary Designation:** The designation of a person other than your spouse as the beneficiary of your Plan will not be valid if you have a spouse who is entitled to survivor benefits under your Plan because of pension legislation. Your spouse's right to be the beneficiary of your Plan may be waived (and the waiver may be revoked) in the form and manner stipulated by pension legislation.
 17. **Death:** Following your death, the assets of your Plan will be paid to the person who was your spouse on the date of your death or will be used to provide that person with a pension unless that person is not entitled to survivor benefits under pension legislation. If pension legislation permits or requires that person to receive survivor benefits in a form other than a lump-sum payment, that person may instruct us to transfer the assets of your Plan to the issuer of an RRSP, LIRA/Locked-in RSP, RLSP, RRIF, LIF, RLIF, PRRIF, LRIF or life annuity as permitted by pension legislation and the Tax Act. If you did not have a spouse on the relevant date or if your spouse is not entitled to survivor benefits under pension legislation, the assets of your Plan will be paid to your designated beneficiary, if that person was living at the date of your death and if not, to your legal representatives. The assets of your Plan will be paid out of your Plan within 60 days after we receive all releases and other documents that we request. If we have not received satisfactory instructions by that date, we may transfer the assets of your Plan as permitted or required by pension legislation and we will not be liable for any resulting loss.
 18. **Other Payments and Transfers:** We will make a lump sum or series of payments or transfers from your Plan not otherwise provided for in this Locking-in Supplement but only in the manner and to the extent specifically permitted by pension legislation and only after receiving your request and any documents and information required by us and pension legislation.
 19. **Payments or Transfers made Contrary to Pension Legislation:** Where Newfoundland and Labrador pension legislation governs your Plan, if assets are paid out of your Plan contrary to pension legislation or are transferred out of your Plan contrary to paragraph 14 [Transfers from your Plan] of this Locking-in Supplement, we will ensure that you receive a pension 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.
 20. **Assignment and Seizure:** The assets of your Plan may not be assigned, charged, alienated, anticipated, given as security or subjected to execution, seizure or attachment except as permitted by the Tax Act and pension law. A transaction that is contrary to this paragraph is void.
 21. **Amendments:** From time to time we may amend the Declaration (including this Locking-in Supplement) provided that if the amendment does not disqualify your Plan as a LIRA/Locked-in RSP or RLSP and, if required by law, the amendment is approved by the authorities administering the Tax Act and pension legislation. Amendments that do not reduce your benefits but are required to ensure that your Plan continues to comply with the law will be effective without notice. Any other amendment will be effective not less than 30 days (or 90 days where required by pension legislation) after notice has been provided to you. Where required by pension legislation, you will also be provided with notice of your entitlement to transfer assets out of your Plan.

Alberta LIRA Addendum

IMPORTANT NOTES:

If your Plan is an Alberta LIRA, the Alberta LIRA Addendum (which is Schedule 1 to the Employment Pension Plans Regulations (Alberta)) forms an integral part of the Declaration that governs your Plan. As required by Alberta Pension Legislation, Schedule 1 is reproduced below.

Part 1 – General Interpretation

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) “Act” means the Employment Pension Plans Act (SA 2012 cE 8.1);
 - (b) “designated beneficiary”, in relation to the owner of this locked in retirement account, means a beneficiary designated under section 71(2) of the Wills and Succession Act;
 - (c) “life annuity” means a non commutable arrangement to provide, on a deferred or immediate basis, a series of periodic payments for the life of the annuity holder or for the lives jointly of the annuity holder and the annuity holder’s pension partner;
 - (d) “locked in retirement account issuer” means the issuer of this locked in retirement account;
 - (e) “locked in money” means
 - (i) money in a pension plan the withdrawal, surrender or receipt of which is restricted under section 70 of the Act,
 - (ii) money transferred under section 99(1) of the Act, and
 - (iii) money to which subclause (i) applies, that has been transferred out of the plan, and any interest on that money, whether or not that money had been transferred to one or more locked in vehicles after it was transferred from the plan, and includes money that was deposited into this locked in retirement account under section 116(1) (a) of the Regulation or paid to the locked in retirement account issuer under section 116(1)(b) or (2) of the Regulation;
 - (f) “member owner” means an owner of a locked in vehicle if
 - (i) the owner was a member of a pension plan, and
 - (ii) the locked in vehicle contains locked in money from that plan;
 - (g) “owner” means a member owner or a pension partner owner;
 - (h) “pension partner” means a person who is a pension partner within the meaning of subsection (2);
 - (i) “pension partner owner” means an owner of a locked in vehicle if
 - (i) the owner is a pension partner, former pension partner or surviving pension partner of a pension plan or a member owner,
 - (ii) the locked in vehicle contains locked in money from that plan, and
 - (iii) the pension partner owner’s entitlement to the

locked in money in the locked in vehicle arose by virtue of

- (A) the death of the member of a pension plan or a member owner, or
 - (B) a breakdown of the marriage between the pension partner owner and the member of a pension plan, or the pension partner owner and the member owner;
- (j) “Regulation” means the Employment Pension Plans Regulation;
 - (k) “this locked in retirement account” means the locked in retirement account to which this addendum applies.
- (2) Persons are pension partners for the purposes of this addendum on any date on which one of the following applies:
 - (a) they
 - (i) are married to each other, and
 - (ii) have not been living separate and apart from each other for a continuous period longer than 3 years;
 - (b) if clause (a) does not apply, they have been living with each other in a marriage like relationship
 - (i) for a continuous period of at least 3 years preceding the date, or
 - (ii) of some permanence, if there is a child of the relationship by birth or adoption.
 - (3) Terms used in this addendum and not defined in subsection (1) but defined generally in the Act or Regulation have the meanings assigned to them in the Act or Regulation, respectively.

Part 2 – Transfers In and Transfers and Payments Out of Locked in Retirement Account

Limitation of deposits to this account

2. The only money that may be deposited in this locked in retirement account is
 - (a) locked in money from a pension plan if
 - (i) this locked in retirement account is owned by a member owner, or
 - (ii) this locked in retirement account is owned by pension partner owner, and
 - (b) money deposited by the locked in retirement account issuer under section 116(1)(a) of the Regulation or paid to the locked in retirement account issuer for deposit to this locked in retirement account under section 116(1)(b) or (2) of the Regulation.

Limitation on withdrawals from this account

3. (1) Money in this locked in retirement account, including investment earnings, is for use in the provision of retirement income.
- (2) Despite subsection (1), money may be withdrawn from this locked in retirement account in the following limited circumstances:
 - (a) by way of a transfer to another locked in retirement account on the relevant conditions specified in this addendum;
 - (b) to purchase a life annuity in accordance with section 6(3);
 - (c) by way of a transfer to a pension plan if the plan text document of the plan allows the transfer;
 - (d) by way of a transfer to a life income fund in

accordance with Division 3 of Part 9 of the Regulation;

(e) in accordance with Part 4 of this addendum.

- (3) Without limiting subsections (1) and (2) and in accordance with in section 72 of the Act, money in this locked in retirement account must not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment.
- (4) The locked in retirement account issuer must comply with any applicable requirements of the Act and the Regulation before allowing a payment or transfer of any of the money in this locked in retirement account.

General liability on improper payments or transfers

4. If the locked in retirement account issuer pays or transfers money from this locked in retirement account contrary to the Act or the Regulation,
 - (a) subject to clause (b), the locked in retirement account issuer must,
 - (i) if less than all of the money in this locked in retirement account is improperly paid or transferred, deposit into this locked in retirement account an amount of money equal to the money that had been improperly paid or transferred, or
 - (ii) if all of the money in this locked in retirement account is improperly paid or transferred, establish a new locked in retirement account for the owner and deposit into that new locked in retirement account an amount of money equal to the amount of money that had been improperly paid or transferred, or
 - (b) if
 - (i) the money is transferred out of this locked in retirement account to an issuer that is authorized under the Regulation to issue locked in retirement accounts,
 - (ii) the act or omission that is contrary to the Act or the Regulation is the failure of the locked in retirement account issuer to advise the transferee issuer that the money is locked in money, and
 - (iii) the transferee issuer deals with the money in a manner that is contrary to the manner in which locked in money is to be dealt with under the Act or the Regulation,
 the locked in retirement account issuer must pay to the transferee issuer, in accordance with the requirements of the Act and the Regulation relating to transfers of locked in money, an amount equal to the amount dealt with in the manner referred to in subclause (iii).

Remittance of securities

5. (1) If this locked in retirement account holds identifiable and transferable securities, the transfers referred to in this Part may, unless otherwise stipulated in the contract to which this is an addendum, be effected, at the option of the locked in retirement account issuer and with the consent of the owner, by the transfer of any such securities.
- (2) Subject to section 2, there may be transferred to this locked in retirement account identifiable and transferable securities, unless otherwise stipulated in the contract to which this is an addendum, if that transfer is approved by the locked in retirement account issuer and consented to by the owner.

Retirement income

6. (1) This locked in retirement account may be converted to retirement income, whether in the form of a life income fund or a life annuity, at any time after the owner of the locked in retirement account reaches 50 years of age, and must be converted to retirement income on or before the last date on which a person is allowed under the *Income Tax Act* (Canada) to start receiving a pension from a registered pension plan.
- (2) The money in this locked in retirement account must not be transferred to a life income fund unless
 - (a) payments under the life income fund cannot commence before the owner of the locked in retirement account reaches 50 years of age,
 - (b) subject to clause (c)(ii), the owner has made an election for unlocking under section 71(5)(b) of the Act that meets the conditions set out in Schedule 3 and the amount unlocked, if any, has been paid to the owner, and
 - (c) if the owner is a member owner who has a pension partner,
 - (i) a waiver in Form 10 has been signed by the owner's pension partner and provided to the locked in retirement account issuer, and
 - (ii) if the owner has elected the unlocking option, a waiver in Form 14 has been signed by the owner's pension partner and provided to the locked in retirement account issuer.
- (3) The money in this locked in retirement account must not be transferred to an insurance company for the purchase a life annuity unless
 - (a) payments under the annuity will not commence before the owner of the locked in retirement account reaches 50 years of age,
 - (b) payments under the annuity commence on or before the last date on which a person is allowed under the *Income Tax Act* (Canada) to start receiving a pension from a registered pension plan,
 - (c) there is no differentiation amongst the annuitants on the basis of gender, and
 - (d) if the owner is a member owner and if the member owner has a pension partner,
 - (i) the life annuity is in the form of a joint and survivor pension as described in section 90(2) of the Act, or
 - (ii) in the case of a life annuity that is in a form that is different from the form of pension described in subclause (i), a waiver in Form 11 signed by the member owner's pension partner has been provided to the locked in retirement account issuer not more than 90 days before the transfer
- (4) A transfer under subsection (2) or (3) must be made within 60 days after the delivery to the locked in retirement account issuer of the documents required to effect the transfer.

Part 3 – Death of Owner

Transfers on death of member owner

7. (1) Subject to subsections (2) and (3), if a member owner dies and he or she is survived by a pension partner, the locked in retirement account issuer must transfer any money that remains in this locked in retirement account,

within 60 days after the delivery to the locked in retirement account issuer of the documents required to effect the transfer, to whichever of the following the surviving pension partner elects:

- (a) a pension plan if the plan text document of the plan allows the transfer;
 - (b) another locked in retirement account;
 - (c) a life income fund in accordance with section 6(2);
 - (d) an insurance company to purchase a life annuity in accordance with section 6(3).
- (2) If the surviving pension partner is a non resident, any money that remains in the locked in retirement account must be paid to the surviving pension partner in a lump sum.
- (3) If a member owner of a locked in retirement account dies and
- (a) he or she is not survived by a pension partner, or
 - (b) he or she has a surviving pension partner and a waiver in Form 12 signed by the surviving pension partner is provided to the locked in retirement account issuer the locked in retirement account issuer must pay any money that remains in the locked in retirement account, within 60 days after the delivery to the issuer of the documents required to effect the payment, to the designated beneficiary or, if there is no living designated beneficiary, to the personal representative of the member owner's estate.
- (4) Where a waiver in Form 12 is signed by the surviving pension partner and provided to the locked in retirement account issuer, that pension partner is not entitled to receive money in the locked in retirement account under subsection (3) as the member owner's designated beneficiary.

Transfers on death of pension partner owner

8. If a pension partner owner dies, the locked in retirement account issuer must pay any money that remains in this locked in retirement account, within 60 days after the delivery to the locked in retirement account issuer of the documents required to effect the transfer,
- (a) to the pension partner owner's designated beneficiary, or
 - (b) if there is no living designated beneficiary, to the personal representative of the pension partner owner's estate.

Part 4 – Withdrawal, Commutation and Surrender

YMPE based lump sum payment

9. The locked in retirement account issuer will, on application, provide to the owner of the locked in retirement account the lump sum amount referred to in section 71(2) of the Act if, at the time of the application,
- (a) the balance of the locked in retirement account does not exceed 20% of the Year's Maximum Pensionable Earnings (YMPE) under the Canada Pension Plan for the calendar year in which the application is made, or
 - (b) the owner is at least 65 years of age and the balance of the locked in retirement account does not exceed 40% of the YMPE for the calendar year in which the application is made.

Splitting of contract

10. If this locked in retirement account is not eligible for a lump sum payment option referred to in section 9, assets in the locked in retirement account must not be divided and transferred to 2 or more locked in retirement accounts, life income funds, pension plans or annuities or any combination of them if that transfer would make the money in any one or more of those vehicles eligible to be paid out by way of a lump sum payment under section 71(1) or (2) of the Act.

Shortened life payments

11. On application by the owner of this locked in retirement account referred to in section 71(4)(a) of the Act, the locked in retirement account issuer will pay, to the owner, a payment, or series of payments for a fixed term, of all or part of the money held in the locked in retirement account if
- (a) a medical practitioner certifies that the owner has a disability or illness that is terminal or to likely shorten the owner's life considerably, and
 - (b) at the time of the application, if the owner is a member owner and has a pension partner, a waiver in Form 13 signed by the pension partner has been provided to the locked in retirement account issuer,

Non residency for tax purposes

12. The locked in retirement account issuer will, on application, provide to the owner of the locked in retirement account the lump sum amount referred to in section 71(4)(b) of the Act if,
- (a) the owner includes in the application written evidence that the Canada Revenue Agency has confirmed that the owner is a non resident for the purposes of the *Income Tax Act* (Canada), and
 - (b) at the time of the application, a waiver in Form 13 signed by the pension partner has been provided to the locked in retirement account issuer.

Financial hardship

13. The locked in retirement account issuer will, on application made in accordance with section 121(3) of the Regulation, provide to the owner of the locked in retirement account a lump sum amount, up to the amount prescribed under section 121(5) of the Regulation, if, at the time of the application, the owner meets the requirements of the financial hardship exception set out in section 121(4) of the Regulation.

Maximum 50% unlocking

14. The locked in retirement account issuer will, on a transfer to a life income fund, provide to the owner of the locked in retirement account a lump sum amount equal to a maximum of 50% of the value of the locked in retirement account, if, at the time of the transfer,
- (a) the owner meets the requirements for the 50% unlocking set out in Schedule 3 of the Regulation, and
 - (b) at the time of the application, if the owner is a member owner and has a pension partner, a waiver in Form 14 signed by the pension partner has been provided to the locked in retirement account issuer not more than 90 days before the transfer.

British Columbia LIRA Addendum to Retirement Savings Plan Trust Agreement

SCHEDULE 1 (Section 99)

PENSION BENEFITS STANDARDS REGULATION LOCKED-IN RETIREMENT ACCOUNT ADDENDUM

PART 1 – DEFINITIONS AND INTERPRETATION

Definitions and interpretation

- 1 (l) Subject to subsection (3), the following terms, used in this addendum, have the meanings given to them below, except where the context otherwise requires:
- “Act”** means the Pension Benefits Standards Act, S.B.C. 2012, c. 30;
- “annuity”** means a non-commutable life annuity contract that is issued or issuable by an insurance company to provide, on a deferred or immediate basis, a series of periodic payments for the life of the annuity holder or for the lives jointly of the annuity holder and the annuity holder’s spouse;
- “designated beneficiary”** has the same meaning as in the Wills, Estates and Succession Act;
- “locked-in money”** means
- money the withdrawal, surrender or receipt of which is restricted under section 68 of the Act,
 - money to which paragraph (a) applies that has been transferred out of a pension plan
 - to this locked-in retirement account or any other locked-in retirement account or life income fund, and any interest on that money, or
 - to an insurance company to purchase an annuity that is permitted under the Act,
 - money in this locked-in retirement account that was deposited into the locked-in retirement account under section 105 (1) of the Regulation or paid to the locked-in retirement account issuer under section 105 (2) or (3) (b) of the Regulation, and
 - money in a life income fund that was deposited into the life income fund under section 124 (1) of the Regulation or paid to the life income fund issuer under section 124 (2) or (3) (b) of the Regulation;
- “locked-in retirement account issuer”** means the issuer of this locked-in retirement account;
- “member owner”** means the owner of this locked-in retirement account if
- the owner was a member of a pension plan, and
 - this locked-in retirement account contains locked-in money from that plan;
- “owner”**, in relation to this locked-in retirement account, means
- the member owner of this locked-in retirement account, or
 - the spouse owner of this locked-in retirement account;
- “Regulation”** means the Pension Benefits Standards Regulation enacted under the Pension Benefits Standards Act, S.B.C. 2012, c. 30;
- “spouse”** means a person who is a spouse within the meaning of subsection (2);
- “spouse owner”** means the owner of this locked-in retirement account if this locked-in retirement account contains locked-in money from a pension plan and the owner is
- the spouse or former spouse of a member of the pension plan or member owner whose entitlement to

- the locked-in money in this locked-in retirement account arose by virtue of a breakdown of the marriage or marriage-like relationship between the owner and the member or member owner, or
- the surviving spouse of a deceased member of the pension plan or member owner whose entitlement to the locked-in money in this locked-in retirement account arose by virtue of the death of the member or member owner;

“this locked-in retirement account” means the locked-in retirement account to which this addendum applies.

- Persons are spouses for the purposes of this addendum on any date on which one of the following applies:
 - they
 - are married to each other, and
 - have not been living separate and apart from each other for a continuous period longer than 2 years;
 - they have been living with each other in a marriage-like relationship for a period of at least 2 years immediately preceding the date.
- Terms used in this addendum that are not defined in subsection (1) but are defined in the Act or the Regulation have the meanings given to them in the Act or the Regulation.

PART 2 – TRANSFERS IN AND TRANSFERS AND PAYMENTS OUT OF LOCKED-IN RETIREMENT ACCOUNT

Limitation on deposits to this locked-in retirement account

- 2 The only money that may be deposited in this locked-in retirement account is
- locked-in money transferred from a pension plan if
 - this locked-in retirement account is owned by a member owner, or
 - this locked-in retirement account is owned by a spouse owner, or
 - money deposited by the locked-in retirement account issuer under section 105 (1) of the Regulation or paid to the locked-in retirement account issuer for deposit to this locked-in retirement account under section 105 (2) or (3) (b) of the Regulation.

Limitation on payments and transfers from this locked-in retirement account

- Money in this locked-in retirement account, including investment earnings, is for use in the provision of retirement income.
- Despite subsection (1), money may be paid or transferred from this locked-in retirement account in the following circumstances:
 - by way of a transfer to another locked-in retirement account on the applicable conditions set out in this addendum;
 - by way of a transfer to purchase an annuity in accordance with section 6 (3);
 - by way of a transfer to a pension plan if the plan text document of the plan allows the transfer;
 - by way of a transfer to a life income fund in accordance with Division 3 of Part 9 of the Regulation;
 - in accordance with Part 4 of this addendum.
- Without limiting subsections (1) and (2) of this section and in accordance with section 70 of the Act, money in this locked-in retirement account must not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment.

- (4) The locked-in retirement account issuer must comply with any applicable requirements of the Act and the Regulation before allowing a payment or transfer of any of the money in this locked-in retirement account.

General liability for improper payments or transfers

- 4 If the locked-in retirement account issuer pays or transfers money from this locked-in retirement account contrary to the Act or the Regulation,
- (a) subject to paragraph (b), the locked-in retirement account issuer must,
- (i) if less than all of the money in this locked-in retirement account is improperly paid or transferred, deposit into this locked-in retirement account an amount of money equal to the amount of money that was improperly paid or transferred, or
- (ii) if all of the money in this locked-in retirement account is improperly paid or transferred, establish a new locked-in retirement account for the owner and deposit into that new locked-in retirement account an amount of money equal to the amount of money that was improperly paid or transferred, or
- (b) if
- (i) the money is transferred out of this locked-in retirement account to an issuer (the “transferee issuer”) that is authorized under the Regulation to issue locked-in retirement accounts,
- (ii) the transfer is contrary to the Act or the Regulation in that the locked-in retirement account issuer failed to advise the transferee issuer that the money is locked-in money, and
- (iii) the transferee issuer deals with the money in a manner that is contrary to the manner in which locked-in money must be dealt with under the Act or the Regulation,
- the locked-in retirement account issuer must pay to the transferee issuer, in accordance with the requirements of the Act and the Regulation relating to transfers of locked-in money, an amount equal to the amount dealt with in the manner referred to in subparagraph (iii).

Remittance of securities

- 5 (1) If this locked-in retirement account holds identifiable and transferable securities, the transfers referred to in this Part may, unless otherwise stipulated in the contract to which this is an addendum, be made, at the option of the locked-in retirement account issuer and with the consent of the owner, by the transfer of those securities.
- (2) There may be transferred to this locked-in retirement account identifiable and transferable securities, unless otherwise stipulated in the contract to which this is an addendum, if that transfer is approved by the locked-in retirement account issuer and consented to by the owner.

Retirement income

- 6 (1) Subject to subsections (2) and (3), this locked-in retirement account may be converted to a life income fund or annuity any time after the owner of the locked-in retirement account reaches 50 years of age, and must be converted to retirement income on or before the last date on which a person is allowed under the *Income Tax Act* (Canada) to start receiving a pension from a registered pension plan.

- (2) The money in this locked-in retirement account must not be transferred to a life income fund unless
- (a) the member owner or spouse owner, within the meaning of paragraph (a) of the definition of “spouse owner”, as the case may be, is at least 50 years of age, and
- (b) if the owner is a member owner and the member owner has a spouse, one of the following has been provided to the locked-in retirement account issuer:
- (i) a consent in Form 3 of Schedule 3 of the Regulation signed by the spouse in the presence of a witness and outside the presence of the member owner not more than 90 days before the date of the transfer;
- (ii) confirmation, in a form and manner satisfactory to the locked-in retirement account issuer, that section 145 of the Family Law Act applies.
- (3) The money in this locked-in retirement account must not be transferred to an insurance company to purchase an annuity unless
- (a) payments under the annuity do not begin until the member owner or spouse owner, within the meaning of paragraph (a) of the definition of “spouse owner”, as the case may be, has reached 50 years of age,
- (b) payments under the annuity begin on or before the last date on which a person is allowed under the *Income Tax Act* (Canada) to start receiving a pension from a registered pension plan.
- (c) there is no differentiation among the annuitants on the basis of gender, and
- (d) if the owner is a member owner who has a spouse,
- (i) the annuity is in the form of a joint and survivor pension referred to in section 80 (2) of the Act, or
- (ii) one of the following has been provided to the locked-in retirement account issuer:
- (A) a waiver in Form 2 of Schedule 3 of the Regulation signed by the spouse in the presence of a witness and outside the presence of the member not more than 90 days before the date that payments are to begin;
- (B) confirmation, in a form and manner satisfactory to the locked-in retirement account issuer, that section 145 of the Family Law Act applies.
- (4) A transfer under subsection (2) or (3) must be made within 60 days after the receipt by the locked-in retirement account issuer of all records that are necessary for the issuer to make the transfer.

PART 3 – DEATH OF OWNER

Transfer or payment on death of member owner

- 7 (1) Subject to subsection (2), if this locked-in retirement account is owned by a member owner who has died and he or she is survived by a spouse, the locked-in retirement account issuer must transfer the money in the locked-in retirement account to whichever of the following the surviving spouse elects:
- (a) a pension plan, if the plan text document of the plan allows the transfer;
- (b) another locked-in retirement account;
- (c) a life income fund;
- (d) an insurance company to purchase an annuity in accordance with section 6 (3) of this addendum.

- (2) If this locked-in retirement account is owned by a member owner who has died and
- (a) he or she is not survived by a spouse, or
 - (b) he or she is survived by a spouse and one of the following has been provided to the locked-in retirement account issuer:
 - (i) a waiver in Form 4 of Schedule 3 of the Regulation signed by the spouse before the member owner's death in the presence of a witness and outside the presence of the member owner;
 - (ii) confirmation, in a form and manner satisfactory to the locked-in retirement account issuer, that section 145 of the Family Law Act applies,
 the locked-in retirement account issuer must pay the money in this locked-in retirement account to the member owner's designated beneficiary. If, if there is no living designated beneficiary, to the personal representative of the member owner's estate.
- (3) If a waiver or confirmation has been provided under subsection (2) (b) to the locked-in retirement account issuer, the surviving spouse is not entitled to receive money from this locked-in retirement account under subsection (2) (b) (i) as the member owner's designated beneficiary.
- (4) A transfer under subsection (1) or a payment under subsection (2) must be made within 60 days after the receipt by the locked-in retirement account issuer of all records that are necessary for the issuer to make the transfer or payment.

Payment on death of spouse owner

- 8 (1) If this locked-in retirement account is owned by a spouse owner who has died, the locked-in retirement account issuer must pay the money in this locked-in retirement account to the spouse owner's designated beneficiary or, if there is no living designated beneficiary, to the personal representative of the spouse owner's estate.
- (2) A payment under subsection (1) must be made within 60 days after the receipt by the locked-in retirement account issuer of all records that are necessary for the issuer to make the payment.

PART 4 – APPLICATIONS TO UNLOCK ALL OR PART OF LOCKED-IN RETIREMENT ACCOUNT

Lump-sum payment of small account balance

- 9 (1) On application by the owner of this locked-in retirement account, the locked-in retirement account issuer will pay to the owner the lump-sum amount referred to in section 69 (2) of the Act and section 107 of the Regulation if, on the date of the application,
- (a) the balance of the locked-in retirement account does not exceed 20% of the Year's Maximum Pensionable Earnings (YMPE) under the Canada Pension Plan for the calendar year in which the application is made, or
 - (b) the owner is at least 65 years of age and the balance of this locked-in retirement account does not exceed 40% of the YMPE for the calendar year in which the application is made.
- (2) A payment under subsection (1) must be made within 60 days after the receipt by the locked-in retirement account issuer of all records that are necessary for the issuer to make the payment.

No splitting of contract

- 10 If this locked-in retirement account is not eligible for the lump-sum payment option referred to in section 9 of this addendum, money in this locked-in retirement account must not be divided and transferred to 2 or more locked-in retirement accounts, life income funds, pension plans or annuities or any combination of them if that transfer would make the money in anyone or more of them eligible for a lump-sum payment option under section 9 of this addendum or section 69 (1) or (2) of the Act,

Shortened life

- 11 (1) On application by the owner of this locked-in retirement account, the locked-in retirement account issuer will pay to the owner the payment, or series of payments for a fixed term, referred to in section 69 (4) (a) of the Act of all or part of the money held in this locked-in retirement account if
- (a) a medical practitioner certifies that the owner has an illness or a disability that is terminal or likely to shorten the owner's life considerably, and
 - (b) this locked-in retirement account is owned by a member owner and the member owner does not have a spouse, or, if the member owner does have a spouse, one of the following has been provided to the locked-in retirement account issuer:
 - (i) a waiver in Form 1 of Schedule 3 of the Regulation signed by the spouse in the presence of a witness and outside the presence of the member owner not more than 90 days before the date of the withdrawal;
 - (ii) confirmation, in a form and manner satisfactory to the locked-in retirement account issuer, that section 145 of the Family Law Act applies.
- (2) A payment under subsection (1) must be made, or a series of payments under subsection (1) must begin, within 60 days after the receipt by the locked-in retirement account issuer of all records that are necessary for the issuer to make the payment or begin the series of payments.

Non-residency for tax purposes

- 12 (1) On application by the owner of this locked-in retirement account, the locked-in retirement account issuer will pay to the owner the lump-sum amount referred to in section 69 (4) (b) of the Act and section 109 of the Regulation if
- (a) the owner includes in the application
 - (i) a statement signed by the owner that the owner has been absent from Canada for 2 or more years, and
 - (ii) written evidence that the Canada Revenue Agency has confirmed that the owner is a non-resident for the purposes of the *Income Tax Act* (Canada), and
 - (b) this locked-in retirement account is owned by a member owner and the member owner does not have a spouse, or, if the member owner does have a spouse, one of the following has been provided to the locked-in retirement account issuer:
 - (i) a waiver in Form 1 of Schedule 3 of the Regulation signed by the spouse in the presence of a witness and outside the presence of the member owner not more than 90 days before the date of the withdrawal;
 - (ii) confirmation, in a form and manner satisfactory to the locked-in retirement account issuer, that section 145 of the Family Law Act applies.

- (2) A payment under subsection (1) must be made within 60 days after the receipt by the locked-in retirement account issuer of all records that are necessary for the issuer to make the payment.

Financial hardship

- 13 (1) On application by the owner of this locked-in retirement account in accordance with section 110 of the Regulation, the locked-in retirement account issuer will pay to the owner the lump-sum amount referred to in section 69 (4) (c) of the Act, up to the amount prescribed under section 110 (5) of the Regulation, if
- (a) the owner meets the requirements of the financial hardship exception set out in section 110 (4) of the Regulation, and
 - (b) this locked-in retirement account is owned by a member owner and the member owner does not have a spouse, or, if the member owner does have a spouse, one of the following has been provided to

the locked-in retirement account issuer:

- (i) a waiver in Form 1 of Schedule 3 of the Regulation signed by the spouse in the presence of a witness and outside the presence of the member owner not more than 90 days before the date of the withdrawal;
 - (ii) confirmation, in a form and manner satisfactory to the locked-in retirement account issuer, that section 145 of the Family Law Act applies.
- (2) A payment under subsection (1) must be made within 60 days after the receipt by the locked-in retirement account issuer of all records that are necessary for the issuer to make the payment. British Columbia LIRA Addendum

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