HIGHSTREET ASSET MANAGEMENT INC. RETIREMENT INCOME FUND
LIF/SASKATCHEWAN PRIF ADDENDUM

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LIF ADDENDUM
PART A

PART A: This Part applies only if your Plan is governed by the Employment Pension Plans Act (Alberta). Otherwise, Part B applies where your Plan is governed by the Pension Benefits Standards Act (British Columbia); Part C applies where your Plan is governed by the Pension Benefits Act (Manitoba); Part D applies where your Plan is governed by The Pension Benefits Act, 1992 (Saskatchewan); and Part E applies where any other pension legislation governs your Plan.

IMPORTANT NOTES: This addendum forms an integral part of the LIF to which it is attached. The provisions of this addendum prevail over other provisions of the LIF in the event of any conflict or inconsistency. The LIF (including this addendum) is also subject to section 40 of the Regulation and all other provisions of the Act and the Regulation (excluding this addendum) that apply to LIFs 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 LIF vehicle and as such may not necessarily reflect fully or accurately the rights and obligations in the legislation.

I,__________________________________

(insert name of LIF 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 LIF of which this addendum forms part applies, I, the owner, and we

CIBC Mellon Trust Company

(in this addendum referred to as "the LIF issuer"), having signed the LIF 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.

* As the original owner (if applicable) I have identified in that agreement any pension partner, as defined in paragraph (1)(1)(n) below, that I have at the time when this LIF is issued.

Part 1
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 life income fund, 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)"life income fund issuer" means the issuer of this life income fund;

(e)"life income fund maximum amount", in relation to the income that may be paid out of a life income fund to an owner in a calendar year, means the greatest of the life income fund minimum amount for that year, the preceding year's life income fund investment returns, and (iii)the amount determined by the following formula:

<u>life income fund balance</u> withdrawal factor where

"CANSIM rate", in relation to a period of not more than 12 months for which interest is payable, means the rate of interest on long term bonds issued by the Government of Canada for the month of November preceding the year in relation to which the withdrawal factor is being calculated, determined by reference to the Canadian Socio Economic Information Management System (CANSIM) Series V 122487 compiled by Statistics Canada and available on the website maintained by the Bank of Canada;

"life income fund balance", in relation to a life income fund, means

(i)in the calendar year in which the fund is established, the balance of the fund as at the date on which the fund is established, and

(ii)in every subsequent calendar year, the balance of the fund as at January 1 of the calendar year in which the calculation is made;

"withdrawal factor" means the actuarial present value, on January 1 of the year in which the calculation is made, of an annuity of $1 payable at the beginning of each year between that date and December 31 of the year during which the owner reaches the age of 90 years and calculated by using

for the first 15 years in relation to which the actuarial present value is determined, the greater of the following: (A) 6% per year; (B) the CANSIM rate;

for each year after the first 15 years, 6% per year;

(f)"life income fund minimum amount", in relation to the income that may be paid out of a life income fund to an owner in a calendar year, means the minimum amount of income that, under the Income Tax Regulations (Canada), is required to be paid out of the member's life income fund in that year;

(g)"locked-in money" means money in a pension plan the withdrawal, surrender or receipt of which is restricted under section 70 of the Act,

money transferred under section 99(1) of the Act, and

money to which clause (a), 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 life

income fund under section 135(1)(a) of the Regulation or paid to the life income fund issuer under section 135(1)(b) or (2) of the Regulation;
(h)"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; (i)"owner" means a member owner or a pension partner owner;
(j)"pension partner" means a person who is a pension partner within the meaning of subsection (2);
(k)"pension partner owner" means an owner of a locked-in vehicle if (i) the locked-in vehicle contains locked-in money from that plan, and
the pension partner owner's entitlement to the locked-in money in the locked-in vehicle arose by virtue of
the death of the member of a pension plan or a member owner, or
(B)a break down of the marriage between the pension partner owner and the member of a pension plan, or the pension partner owner and the member owner;
(l)"Regulation" means the Employment Pension Plans Regulation;
(m)"this life income fund" means the life income fund to which this addendum applies.
Persons are pension partners 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 3 years;
if clause (a) does not apply, they have been living with each other in a marriage-like relationship
for a continuous period of at least 3 years preceding the date, or
of some permanence, if there is a child of the relationship by birth or adoption.
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.

Part 2
Transfers In and Transfers and Payments Out of Life Income Fund
Limitation of deposits to this account
2(1) Subject to subsection (2), the only money that may be deposited in this life income fund is (a)locked-in money from a pension plan if
(i)this life income fund is owned by a member owner, or
(ii)this life income fund is owned by a pension partner owner
(b)money deposited by the life income fund issuer under section 135(1)(a) of the Regulation or paid to by the life income fund issuer for deposit to this life income fund under section 135(1)(b) or (2) of the Regulation, or
(c)money deposited by the life income fund issuer from a locked-in retirement account under section 114(2) of the Regulation or from another life income fund under section 132(1) of the Regulation.
(2) The issuer of the life income fund must not accept a transfer to the life income fund of locked-in money unless the original or a certified copy of the signed waiver form in Form 7, 10, 14 or 15, as applicable, has been provided to the life income fund issuer.

Payments out
3(1) The owner of this life income fund must, at the beginning of each calendar year, notify the life income fund issuer in writing of the amount of income that is to be paid out of the life income fund during that year, which amount must accord with subsection (5).
(2) Subject to subsection (3), the owner of this life income fund may, at any time that money is transferred to this life income fund, notify the life income fund issuer in writing of the amount of income that is to be paid out of the life income fund during that year, which amount must accord with subsection (5).
(3) The additional payment in subsection (2) may not be made if the money that transferred into this life income fund was previously in another life income fund or a life income type benefits account.
(4) The owner of this life income fund may, at any time during a calendar year, change the amount of income that is to be paid out of the life income fund during that year to a different amount that accords with subsection (5).
(5) There must be paid from a life income fund in each calendar year an amount of income that accords with the following:
(a)not less than the life income fund minimum amount applicable to the owner for that year;
(b)not more than the life income fund maximum amount applicable to the owner for that year.

Limitation on withdrawals from this account
4(1) Money in this life income fund, including investment earnings, is for use in the provision of retirement income.
(2) Despite subsection (1), money may be withdrawn from this life income fund in the following limited circumstances:
(a)by way of a transfer to another life income fund on the relevant conditions specified in this addendum;
(b)to purchase a life annuity in accordance with section 7(1);
(c)by way of a transfer to a pension plan if the plan text document of the plan allows the transfer;
(d)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 life income fund must not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment.
(4) The life income fund 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 life income fund.

General liability on improper payments or transfers
5 If the life income fund issuer pays or transfers money from this life income fund contrary to the Act or the

Regulation,
(a)subject to clause (b), the life income fund issuer must,
(i)if less than all of the money in this life income fund is improperly paid or transferred, deposit into this life income fund an amount of money equal to the money that had been improperly paid or transferred, or (ii)if all of the money in this life income fund is improperly paid or transferred, establish a new life income fund for the owner and deposit into that new life income fund 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 life income fund to an issuer that is authorized under the Regulation to issue life income funds,
(ii) the act or omission that is contrary to the Act or the Regulation is the failure of the life income fund 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 life income fund 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
6(1) If this life income fund 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 life income fund 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 life income fund identifiable and transferable securities, unless otherwise stipulated in the contract to which this is an addendum, if that transfer is approved by the life income fund issuer and consented to by the owner.

Restrictions on transfers
7(1) The money in this life income fund must not be transferred to an insurance company for the purchase of a life annuity unless
(a)there is no differentiation amongst the annuitants on the basis of gender, and
(b)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 different from the form of pension described in subclause (i), a waiver in Form 11 signed by the member owner's pension partner and provided to the life income fund issuer not more than 90 days before the transfer.
(2) The money in this life income fund must not be transferred to a locked-in retirement account.

Part 3
Death of Owner
Transfers on death of owner who was a pension plan member
8(1) If a member owner of a life income fund dies, the life income fund issuer must pay, by way of a lump sum payment, the money in the life income fund:
(a) to the deceased member owner's surviving pension partner;
(b) if the deceased member owner has no pension partner at the time of death, or if the deceased member owner has a surviving pension partner and a waiver in Form 16, signed by the surviving pension partner has been provided to the life income fund issuer
(i) to the deceased member owner's designated beneficiary, or
(ii) if there is no living designated beneficiary, to the personal representative of the deceased member owner's estate.
(2) A payment under subsection (1) must be made within 60 days after the delivery to the issuer of the documents required to effect the payment.

Transfers on death of pension partner owner
9(1) If a pension partner owner of a life income fund dies, the life income fund issuer must pay, by way of a lump sum payment, the money in the life income fund,
(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.
(2) A payment under subsection (1) must be made within 60 days after the delivery to the issuer of the documents required to effect the payment.

Part 4
Withdrawal, Commutation and Surrender
YMPE based lump sum payment
10 The life income fund issuer will, on application, provide to the owner of the life income fund 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 life income fund 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 life income fund does not exceed 40% of the YMPE for the calendar year in which the application is made.

Splitting of contract
11 If this life income fund is not eligible for a lump sum payment option referred to in section 10, assets in the life income fund must not be divided and transferred to 2 or more, life income funds, pension plans or annuities or any combination of them if that transfer would make any one or more of those vehicles eligible for a lump sum payment under section 71(1) or (2) of the Act.

Shortened life payments

12 On application by the owner of this life income fund referred to in section 71(4)(a) of the Act, the life income fund issuer will pay, to the owner, a payment, or series of payments for a fixed term, of all or part of the assets held in the life income fund 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 life income fund issuer.

Non residency for tax purposes

13 The life income fund issuer will, on application, provide to the owner of the life income fund 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), or

(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 life income fund issuer.

Financial hardship

14 The life income fund issuer will, on application made in accordance with section 140(3) of the Regulation, provide to the owner of the life income fund a lump sum amount, up to the amount prescribed under section 140(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 140(4) of the Regulation.

PART B: This Part applies only if your Plan is governed by *The Pension Benefits Act* (British Columbia)

PART 1 - DEFINITIONS AND INTERPRETATION

Definitions and interpretation

1 (1) 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;

"life income fund issuer" means the issuer of this life income fund;

"life income fund maximum amount", in relation to the income that may be paid out of a life income fund to an owner in a calendar year, means the greatest of

(a) the investment returns for the most recently completed calendar year for the owner's life income fund,
(b) the minimum amount of income that, under the Income Tax Act (Canada) or the Income Tax Regulations (Canada), is required to be paid out of the owner's life income fund that year, and
(c) the amount determined by dividing the life income fund balance by the withdrawal factor

where

"CANSIM rate", in relation to a period of not more than 12 months for which interest is payable, means the rate of interest on long-term bonds issued by the government of Canada for the month of November preceding the calendar year in relation to which the withdrawal factor is being calculated, determined by reference to the Canadian SocioEconomic Information Management System (CANSIM) Series VI22487 compiled by Statistics Canada and available on the website maintained by the Bank of Canada;

"life income fund balance", in relation to a life income fund, means

(a) in the calendar year in which the fund is established, the balance of the owner's life income fund as at the date on which the fund is established, and
(b) in every subsequent calendar year, the balance of the owner's life income fund as at January 1 of the calendar year in which the calculation is made;

"withdrawal factor" means the actuarial present value on January I of the calendar year in which the calculation is made of an annuity of $1, payable at the beginning of each calendar year between that date and December 31 of the calendar year during which the owner reaches the age of 90 years, and calculated by using

(a) for the first 15 calendar years in relation to which the actuarial present value is determined, the greater of the following:
    (i) 6% per year;
    (ii) the CANSIM rate, and

(b) for each calendar year after the first 15 calendar years, 6% per year;

"locked-in money" means

(a) money the withdrawal, surrender or receipt of which is restricted under section 68 of the Act,
(b) money to which paragraph (a) applies that has been transferred out of a pension plan
    (i) to one or more locked-in retirement accounts or life income funds, and any interest on that money, or
    (ii) to an insurance company to purchase an annuity that is permitted under the Act,

(c) money in a 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
(d) 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;

"member owner" means the owner of this life income fund if

(a) the owner was a member of a pension plan, and
(b) this life income fund contains locked-in money from that plan;

"owner", in relation to this life income fund, means

(a) the member owner of this life income fund, or
(b) the spouse owner of this life income fund;

"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 life income fund if this life income fund contains locked-in money from a pension plan and the owner is

(a) the spouse or former spouse of a member of the pension plan or member owner whose entitlement to the locked-in money in this life income fund arose by virtue of a breakdown of the marriage or marriage-like relationship between the owner and the member or member owner, or

(b) the surviving spouse of a deceased member of the pension plan or member owner whose entitlement to the locked-in money in this life income fund arose by virtue of the death of the member or member owner;

"this life income fund" means the life income fund to which this addendum applies.

(2) Persons are spouses 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 2 years;

(b) they have been living with each other in a marriage-like relationship for a period of at least 2 years immediately preceding the date.

(3) 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 LIFE INCOME FUND

Limitation on deposits to this life income fund

2 (1) Subject to subsection (2), the only money that may be deposited in this life income fund is

(a) locked-in money transferred from a pension plan if
  (i) this life income fund is owned by a member owner, or
  (ii) this life income fund is owned by a spouse owner, or

(b) money deposited by the life income fund issuer under section 124 (1) of the Regulation or paid to the life income fund issuer for deposit to this life income fund under section 124 (2) or (3) (b) of the Regulation.

(2) The life income fund issuer must not accept a transfer of locked-in money to this life income fund unless

(a) a copy of the consent required by section 103 (2) (c) or confirmation required by section 121 (1) (b) (ii) of the Regulation has been provided to the issuer, and

(b) if the locked-in money is coming from a pension plan by way of a transfer by a member of the plan or from a locked-in retirement account by way of a transfer by the owner of the account, the member or member owner or spouse owner, within the meaning of paragraph (a) of the definition of "spouse owner", is at least 50 years of age.

(3) For the purpose of subsection (2) (a), the spouse's consent or confirmation is valid for each successive transfer of money in this life income fund to another life income fund or a life income type benefits account in a pension plan.

Payment of retirement income

3 (1) The owner of this life income fund must, at the beginning of each calendar year, notify the life income fund issuer in writing of the amount of income that is to be paid out of the life income fund during that year, which amount must accord with subsection (5).

(2) If the owner of this life income fund fails to notify the life income fund issuer in accordance with subsection (1) in any calendar year, the life income fund issuer must, subject to subsection (4), pay to the owner, in that year, the minimum amount of income that, under the Income Tax Act (Canada) or the Income Tax Regulations (Canada), is required to be paid out of the owner's life income fund in that year.

(3) The owner of this life income fund must, at any time that money is transferred to this life income fund, other than from another life income fund or a life income type benefits account in a pension plan, notify the life income fund issuer in writing of the amount of income that is to be paid out of the life income fund during that year, which amount must accord with subsection (5).

(4) The owner of this life income fund may, at any time during a calendar year, change the amount of income that is to be paid out of this life income fund during that year to a different amount that accords with subsection (5).

(5) There must be paid from a life income fund in each calendar year an amount of income that is

(a) not less than the minimum amount of income that, under the Income Tax Act (Canada) or the Income Tax Regulations (Canada), is required to be paid out of the owner's life income fund in that year, and

(b) not more than the life income fund maximum amount applicable to the owner's life income fund for that year.

Limitation on payments and transfers from this life income fund

4 (1) Money in this life income fund, including investment earnings, is for use in the provision of retirement income.

(2) Despite subsection (1), money may be paid or transferred from this life income fund in the following circumstances:

(a) by way of a transfer to another life income fund on the applicable conditions set out in this addendum; by way of a transfer to a locked-in retirement account;

(b) by way of a transfer to an insurance company to purchase an annuity in accordance with section 7;

(c) by way of a transfer to a pension plan if the plan text

document of the plan allows the transfer;
(d) in accordance with Part 4 of this addendum.

(3) Without limiting subsections (1) and (2) of this section and in accordance with section 70 of the Act, money in this life income fund must not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment.

(4) The life income fund 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 life income fund.

General liability for improper payments or transfers
5 If the life income fund issuer pays or transfers money from this life income fund contrary to the Act or the Regulation,
(a) subject to paragraph (b), the life income fund issuer must,
- (i) if less than all of the money in this life income fund is improperly paid or transferred, deposit into this life income fund 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 life income fund is improperly paid or transferred, establish a new life income fund for the owner and deposit into that new life income fund 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 life income fund to an issuer (the "transferee issuer") that is authorized under the Regulation to issue life income funds,
- (ii) the transfer is contrary to the Act or the Regulation in that the life income fund issuer failed to advise the transferee issuer that the money is locked-in money, and
- (iii) the life income fund 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 life income fund 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
6 (l) If this life income fund 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 life income fund issuer and with the consent of the owner, by the transfer of those securities.

(2) There may be transferred to this life income fund identifiable and transferable securities, unless otherwise stipulated in the contract to which this is an addendum, if that transfer is approved by the life income fund issuer and consented to by the owner.

Retirement income from annuity
7 (l) The money in this life income fund 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 begin 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 life income fund 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 life income fund issuer, that section 145 of the Family Law Act applies.

(2) A transfer under subsection (1) must be made within 60 days after the receipt by the life income fund issuer

of all records that are necessary for the issuer to make the transfer.

PART 3 - DEATH OF OWNER

Payment on death of member owner
8 (1) Subject to subsection (2), if this life income fund is owned by a member owner who has died and he or she is survived by a spouse, the life income fund issuer must pay the money in this life income fund to the surviving spouse.

(2) If this life income fund 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 life income fund 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 life income fund issuer, that section 145 of the Family Law Act applies,

the life income fund issuer must pay the money in this life income fund to the member owner's designated beneficiary or, if there is no living designated beneficiary, to the personal representative of the member owner's estate.

(3) A payment under subsection (1) or (2) must be made within 60 days after the receipt by the life income fund issuer of all records that are necessary for the issuer to make the payment.

Payment on death of spouse owner
9 (1) If this life income fund is owned by a spouse owner who has died, the life income fund issuer must pay the money in this life income fund 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 life income fund issuer of all records that are necessary for the issuer to make the payment.

PART 4 - APPLICATIONS TO UNLOCK ALL OR PART OF LIFE INCOME FUND

Lump-sum payment of small account balance
10 (1) On application by the owner of this life income fund, the life income fund issuer will pay to the owner

the lump-sum amount referred to in section 69 (2) of the Act and section 126 of the Regulation if, on the date of the application,

(a) the balance of this life income fund 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 life income fund 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 life income fund issuer of all records that are necessary for the issuer to make the payment.

No splitting of contract
11 If this life income fund is not eligible for the lump-sum payment option referred to in section 10 of this addendum, the money in this life income fund 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 10 of this addendum or section 69 (1) or (2) of the Act.

Shortened life
12 (1) On application by the owner of this life income fund, the life income fund 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 life income fund 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 life income fund 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 life income fund 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 life income fund 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 life income fund 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
13 (1) On application by the owner of this life income fund, the life income fund issuer will pay to the owner the lump-sum amount referred to in section 69 (4) (b) of the Act and section 128 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 life income fund 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 life income fund 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 life income fund issuer, that section 145 of the Family Law Act applies.

(2) A payment under subsection (l) must be made within 60 days after the receipt by the life income fund issuer of all records that are necessary for the issuer to make the payment.

Financial hardship

14 (1) On application by the owner of this life income fund in accordance with section 129 of the Regulation, the life income fund 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 129 (5) of the Regulation, if

(a) the owner meets the requirements of the financial hardship exception set out in section 129 (4) of the Regulation, and

(b) this life income fund 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 life income fund 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 life income fund 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 life income fund issuer of all records that are necessary for the issuer to make the payment.

PART C:This Part applies only if your Plan is governed by the Pension Benefits Act (Manitoba).

Life Income Fund (LIF) Addendum To RRIF Contract

THIS IS AN ADDENDUM TO A RRIF CONTRACT BETWEEN:

____
(the "Owner")

AND

____
(the "Issuer")

IMPORTANT NOTES:

- A life income fund (LIF) is a registered retirement income fund (RRIF) to which the additional terms and conditions in this addendum apply. Together, this addendum and the RRIF contract to which it is attached form your LIF contract.
- The money in your LIF is locked in, and may be used only to provide you with retirement income. As owner, you may set your annual income from the LIF, but it cannot be less than the minimum required by the *Income Tax Act* (Canada), and it cannot be more than the maximum determined by a formula in this addendum.
- This addendum is prescribed by the *Pension Benefits Regulation*, a regulation under *The Pension Benefits Act* of Manitoba. It is subject to the provisions of the Act and the regulation that apply to LIFs (the "legislation").
- If the legislation conflicts with a provision of this addendum, the legislation overrides that provision.
- If this addendum conflicts with a provision of the RRIF contract, the addendum overrides that provision.
- The legislation has provisions relating to LIFs that are not set out in this addendum.

I, the Owner, certify that:

□ A. The following statements apply to me:
- While in Manitoba, I ceased to be an active member of a pension plan or member of a pooled registered pension plan.
- Some or all of the amount transferred or to be transferred to this LIF is attributable, directly or indirectly, to a pension benefit credit that I earned as a member of a pension plan or to funds in a PRPP account that I earned as a member of a pooled registered pension plan.

□ B. Some or all of the amount transferred or to be transferred to this LIF is attributable, directly or indirectly, to a pension benefit credit or funds in a PRPP account that my current or former spouse or common-law partner earned as a member of a pension plan or a member of a pooled registered pension plan.

Check box A OR box B above, whichever applies to you. If you checked box A, you must also check box C OR box D below, whichever applies to you.

□ C. I have no spouse or common-law partner.

□ D. My spouse or common-law partner is identified in the RRIF contract to which this addendum is attached.

We agree that the terms and conditions of this addendum, together with the terms and conditions of the RRIF contract to which this addendum is attached, form the LIF contract between us.

____________________	____________________
Authorized representative of the Issuer	Owner

GENERAL PROVISIONS

Interpretation

1(1) The following definitions apply in this addendum, except where the context otherwise requires.

"Act" means *The Pension Benefits Act* of Manitoba, as from time to time amended. (« *Loi* »)

"Issuer" means the financial institution named on the first page of this addendum as the Issuer. (« émetteur »)

"legislation" means the Act and the regulation. (« mesures législatives »)

LIF ADDENDUM
PART C

"LIF" means the life income fund established by the Issuer for your benefit under this contract. (« FRV »)

"pooled registered pension plan" means a pooled registered pension plan as defined in *The Pooled Registered Pension Plans (Manitoba) Act*. (« régime de pension agréé collectif » ou « RPAC »)

"PRPP account" means a PRPP account as defined in *The Pooled Registered Pension Plans (Manitoba) Act*. (« compte d'un participant » ou « compte RPAC »)

"regulation" means the *Pension Benefits Regulation*, as from time to time amended. (« règlement »)

"RRIF contract" means the RRIF contract to which this addendum is attached. (« contrat de FERR »)

"transfer" does not include payments to you as income under the LIF. (« transfert »)

"you" means the individual named on the first page of this addendum as the Owner. (« vous »)

1(2) This addendum uses other terms that are defined in the legislation. They have the same meaning here as in the legislation.

1(3) Unless the context otherwise requires, a reference in this addendum to a page or provision is a reference to that page or provision of this addendum.

1(4) You are

(a) a **"member-owner"**, if you checked Box A on page 1; or
(b) a **"non-member owner"**, if you checked Box B on page 1.

When addendum takes effect
2(1) Subject to subsection (2), this addendum takes effect

(a) when the RRIF contract is signed by you and the Issuer, if the addendum is completed and attached to the contract at the time of signing; or
(b) when the addendum is completed and attached to the contract with your written authorization, if it is attached to the contract after the contract is signed.

2(2) If you are a member-owner with a spouse or common-law partner, this addendum does not take effect, and no money may be transferred to your LIF, until the Issuer receives a copy of a joint pension waiver signed by your spouse or common-law partner.

Manitoba locked-in money
3(1) Only Manitoba locked-in money may be transferred to or held in your LIF.

3(2) Money may be transferred or withdrawn from your LIF only as required or permitted by this addendum or the legislation.

3(3) You may not assign this LIF or any of your rights under this contract to any person, except as required or permitted by this addendum or the legislation.

Protection of retirement income
4 No money or investments in this LIF can be seized, attached or otherwise taken by any creditor, except

(a) to enforce a maintenance order against you; or
(b) if you are a member-owner with a spouse or common-law partner, to enforce a division of your pension benefit credit on a breakdown of your relationship.

LIF to be registered and administered as a RRIF
5(1) The Issuer must register this LIF as a RRIF, and must ensure that it continues to qualify for registration as a RRIF.

5(2) Money in this LIF is to be invested in accordance with the investment rules applicable to RRIFs and in accordance with the regulation.

Issuer is and will remain registered
6 The Issuer

(a) warrants that it is registered, as required by the regulation, in relation to LIF contracts; and
(b) agrees to take all reasonable steps to ensure that it will remain registered for the duration of this contract.

Fiscal year
7 The fiscal year for this LIF is the calendar year.

Annual statement

8 Within 60 days after the beginning of each year, the Issuer must provide you with a statement that contains the following information:

(a) the amounts of any transfers to, or transfers from, the LIF during the previous year;
(b) the income and gains, net of losses, earned by the LIF during the previous year;
(c) the amounts paid to you out of the LIF in the previous year;
(d) the amount and nature of any fees charged to the LIF during the previous year;
(e) the LIF account balances at the beginning and at the end of the previous year;
(f) the minimum amount that must be paid to you out of the LIF during the current year;
(g) the maximum amount that may be paid to you out of the LIF during the current year, which is determined according to sections 18.2 or 18.3;
(h) instructions for you to notify the Issuer about how much to pay you out of the LIF during the current year, and when to pay it.

Statement before and after transfer

9(1) If an amount has been transferred from the LIF, or becomes transferable as of a specified date, the Issuer must prepare a statement showing the LIF account balance as of the date of the transfer or the specified date.

9(2) The Issuer must provide the statement

(a) to you, if you are transferring the amount to another vehicle;
(b) to you and your spouse or common-law partner (or former spouse or common-law partner), if the transfer is being made to effect a division of your pension benefit credit because of a breakdown in your relationship; or
(c) to the person entitled to the death benefit under the LIF (your surviving spouse or common-law partner, your designated beneficiary or your estate, as the case may be), if the transfer is made because of your death.

LIF TRANSFERS

Permitted transfers to LIF

10 An amount may be transferred to this LIF only from

(a) a pension plan under one of the following provisions of the Act:
   (i) if you are a member-owner, subsection 21(13.1) (transfer to LIF after ceasing active membership), or
   (ii) if you are a non-member-owner, subsection 21(26.2) (transfer by surviving spouse or common-law partner on pre-retirement death) or clause 31(4)(b) (transfer by person entitled to division of pension benefit credit);

(b) another LIF or a LIRA to which no amount has been transferred or contributed other than Manitoba locked-in money;
(c) a VB account;
(d) an RRSP to which no amount has been transferred or contributed other than Manitoba locked-in money; or
(e) a pooled registered pension plan.

Permitted transfers to other vehicle

11 An amount may be transferred from this LIF only to

(a) another LIF;
(b) a pension plan;
(c) a VB account;
(d) a LIRA;
(e) a prescribed RRIF;
(f) an insurer to purchase a life annuity contract; or
(g) a pooled registered pension plan.

Restriction against splitting LIF

12 You may not transfer an amount from this LIF if, as a result of the transfer, the amount transferred or the amount remaining in the LIF would be eligible for withdrawal under Division 6 of Part 10 (commutation of small pension and withdrawals of small LIRAs and LIFs).

Issuer's duties when transferring to another vehicle

13(1) Before transferring an amount from the LIF to another vehicle, the Issuer must

(a) be satisfied that
   (i) in the case of a transfer to a LIRA or another LIF, the issuer of the LIRA or LIF is registered with the Superintendent of Pensions as an issuer of that type of vehicle,
   (ii) in the case of a transfer to a pension plan or pooled registered pension plan, the transfer is permitted by the terms of the plan, or
   (iii) in the case of a transfer to an insurer, the transferred amount will be used only to purchase a life annuity contract;

(b) advise the issuer or administrator of the other vehicle that the amount being transferred is Manitoba locked-in money,

(c) be satisfied that the issuer has ascertained that receiving financial institution, pension plan administrator or pooled registered pension plan administrator will treat the money as Manitoba locked-in money,
(d) if you are a member-owner with a spouse or common-law partner, provide to the issuer or administrator of the other vehicle a copy of any consent or waiver provided by your spouse or common-law partner in relation to the LIF;
(e) if you have previously made a one-time transfer under section 21.4 of the Act or Division 4 of Part 10 of the regulation, provide to the issuer or administrator of the other vehicle a copy of any statement from the Superintendent of Pensions received by the Issuer in relation to that transfer; and
(f) provide you with the statement required by section 9 (statement before and after transfer).

13(2) When transferring an amount from the LIF to another vehicle as permitted by section 11, the Issuer must comply with the applicable provisions of the legislation and the *Income Tax Act* (Canada).

Liability for failure to comply
14 If the Issuer transfers an amount out of the LIF in contravention of the legislation or this addendum, the Issuer may be required by the legislation to provide, or fund the provision of, benefits that could have been provided under the LIF if the transfer had not occurred.

Transfer of securities
15 When an amount is to be transferred from the LIF to the issuer or administrator of another vehicle, the Issuer may, with your consent, effect the transfer by transferring transferable securities held by the LIF.

YOUR INCOME FROM THE LIF

When do your income payments begin?
16 The Issuer must begin making payments to you out of the LIF no later than December 31 of the year following the year in which the LIF was established.

You set your annual income from the LIF
17(1) Within 60 days after the beginning of each year, you will receive the annual statement described in section 8. Within 60 days after receiving that statement, you must notify the Issuer in writing of the total amount to be paid to you out of the LIF for the year.

17(2) If the Issuer guarantees a rate of return for the LIF for a period longer than a year, your notice for the first year of the period must specify the total amount to be paid in each year that ends at or before the end of the period for which the rate of return is guaranteed.

17(3) The amount that you set as your income from the LIF for the year must be

(a) not less than the minimum amount that the *Income Tax Act* (Canada) requires you to be paid; and
(b) subject to that minimum, not more than the maximum amount determined for the year under section 18.

Subject to those minimum and maximum amounts (which will be set out in your latest annual statement), you may revise the amount at any time during the year by written notice to the Issuer.

17(4) If you fail to specify the amount to be paid for the year, the Issuer will pay you the minimum amount before the end of the year.

17(5) In the first year of this contract, you are not required to receive a minimum amount unless the amount transferred to this contract was transferred from another LIF. In that case, in the year of the transfer you will continue to be paid amounts that you were being paid for that year under the other LIF.

Your maximum annual income from the LIF
18(1) Subsection (2) applies when the rate of return for the LIF is not guaranteed beyond the end of the year. If the LIF's rate of return is guaranteed for a multi-year period, subsection (2) applies to the first year of the period, and subsection (3) applies to each year of the period after the first year.

18(2) The total of the amounts to be paid to you out of the LIF for a fiscal year must not exceed the amount determined by clause (a) or the amount determined by (b), whichever is greater:

(a) the amount determined by the following formula:

$$\text{Maximum amount} = F \times (B + T)$$

In this formula,

F is the factor (from the table at the end of this addendum) that corresponds to the reference rate for the year and your age at the end of the immediately preceding year,

B is the balance of the LIF at the beginning of the year, T is the total of all amounts transferred to the LIF in the year, other than amounts transferred directly or indirectly from another LIF, a PRPP account or a VB account;

(b) the total of

(i) the income and gains, net of losses, earned in the LIF in the immediately preceding year, and
(ii) 6% of all amounts transferred to the LIF during the current year, other than amounts transferred directly or indirectly from another LIF, a PRPP account or a VB account.

18(3) The total of the amounts to be paid to you out of the LIF for the second or subsequent fiscal year of a multi-year period for which the LIF's rate of return is guaranteed must not exceed the maximum determined by the following formula:

Maximum amount = $M \times B_1/B_2$

In this formula,

M is the maximum amount payable to you for the first year of the multi-year period (which is determined under subsection 18(2);

B_1 is the LIF balance at the beginning of year;

B_2 is the reference balance as at the beginning of the year, calculated as

(a) the reference balance as at the beginning of the previous year, minus M,

plus

(b) the amount determined under clause (a) multiplied by the reference rate for the year, if it is one of the first 16 fiscal years of the LIF, or by 6% in any other case.

For the purpose of clause (a), in determining the maximum payable in the second year of the multi-year period, the reference balance as at the beginning of the previous year is the LIF balance at the beginning of the period.

18(4) If the maximum determined under subsection (2) or (3) is less than the minimum amount that the *Income Tax Act* (Canada) requires you to receive from the LIF, you must be paid the minimum.

18(5) For the purpose of subsections (2) and (3), **"reference rate"** for a year means the greater of 6% and the percentage determined for the year by

(a) adding 0.5% to the average yield as at November 30 of the immediately preceding year, as published by the Bank of Canada in the *Bank of Canada Review* and expressed as a percentage, for Government of Canada long-term bonds identified as CANSIM Series V 122487; and
(b) converting the rate determined under clause (a), based on semi-annual compounding of interest, to an effective annual rate of interest, and rounding it to the nearest multiple of 0.5%.

DEATH OF OWNER

Death benefit
19(1) Upon your death, the balance in the LIF is payable as a death benefit to the person entitled to it under this section.

19(2) The death benefit is payable to your surviving spouse or common-law partner if

(a) you are a member-owner;
(b) immediately before your death, you and your spouse or common-law partner were not living separate and apart from each other by reason of a breakdown in your relationship; and
(c) the Issuer has not received a death benefit waiver signed the spouse or common-law partner that has not been revoked.

19(3) For the purpose of clause (2)(c), **"death benefit waiver"** includes the following:

(a) a waiver under section 20;
(b) a waiver under subsection 21(26.3) of the Act in respect of a pension benefit credit to which the balance in this LIF is directly or indirectly attributable; and
(c) a waiver under section 10.25 of Division 2 of Part 10 of the regulation in respect of a LIRA to which the balance in this LIF is directly or indirectly attributable.

19(4) If the death benefit is not payable to your surviving spouse or common-law partner, it is payable to your designated beneficiary or, if you have not designated a beneficiary, to your estate.

19(5) Within 90 days after receiving the necessary documentation, the Issuer must pay the death benefit as a lump sum to the person entitled to it. But, if that person is your spouse or common-law partner, he or she may, subject to the *Income Tax Act* (Canada), direct the Issuer to transfer it directly to an RRSP or RRIF, and the Issuer must transfer it accordingly.

Death benefit waiver

20(1) Your spouse or common-law partner may, before or after your death, waive his or her entitlement or potential entitlement to the death benefit in accordance with section 10.41 of Division 2 of Part 10 of the regulation (death benefit under LIF). Upon request by you or your spouse or common-law partner, the Issuer must provide the information and form required for the waiver.

20(2) A death benefit waiver may be revoked by you and your spouse or common-law partner by signing a joint revocation of that waiver and filing it with the Issuer.

LUMP SUM WITHDRAWALS

Overview — when you may withdraw balance

21(1) Under the regulation, you might be entitled to withdraw the balance of your LIF in the following circumstances:

(a) you are a non-resident of Canada for the purposes of the Income Tax Act (Canada) and have had that status for at least two years (*see Division 5 of Part 10 of the regulation*);

(b) the total of the Manitoba locked-in money in all your LIFs and LIRAs, plus interest at the prescribed rate to the end of the year in which you turn 65, is less than 40% of the YMPE for the year in which you apply for the withdrawal (*see Division 6 of Part 10 of the regulation*);

(c) you have a shortened life expectancy of less than two years (*see Division 7 of Part 10 of the regulation*);

(d) you are 55 or older and you make a request for a once in a lifetime withdrawal of up to 50% of the balance in your LIFs and pension plan, if the plan permits (*see Division 4 of Part 10 of the regulation)*.

21(2) If any of these circumstances apply to you, you may request the Issuer to provide the information and forms necessary for you to apply for a withdrawal. Subject to the regulation, the Issuer must provide you with the relevant information and forms.

LIF ADDENDUM
PART C

SCHEDULE TO LIF ADDENDUM

This table is used to determine the factor (F) in the formula in subsection 18(2).
The column heading is the "reference rate" as defined in subsection 18(5).

Age	6.00%	6.50%	7.00%	7.50%	8.00%	8.50%	9.00%	9.50%	10.00%	10.50%	11.00%	11.50%	12.00%	12.50%	13.00%	13.50%
under 55	0.061	0.063	0.066	0.069	0.072	0.075	0.078	0.081	0.084	0.087	0.090	0.093	0.097	0.100	0.103	0.107
55	0.064	0.067	0.070	0.073	0.076	0.079	0.082	0.085	0.088	0.091	0.094	0.097	0.101	0.104	0.107	0.111
56	0.065	0.067	0.070	0.073	0.076	0.079	0.082	0.085	0.088	0.091	0.095	0.098	0.101	0.104	0.108	0.111
57	0.065	0.068	0.071	0.074	0.077	0.080	0.083	0.086	0.089	0.092	0.095	0.098	0.102	0.105	0.108	0.112
58	0.066	0.069	0.071	0.074	0.077	0.080	0.083	0.086	0.090	0.093	0.096	0.099	0.102	0.106	0.109	0.112
59	0.067	0.069	0.072	0.075	0.078	0.081	0.084	0.087	0.090	0.093	0.097	0.100	0.103	0.106	0.110	0.113
60	0.067	0.070	0.073	0.076	0.079	0.082	0.085	0.088	0.091	0.094	0.097	0.101	0.104	0.107	0.110	0.114
61	0.068	0.071	0.074	0.077	0.079	0.082	0.086	0.089	0.092	0.095	0.098	0.101	0.105	0.108	0.111	0.115
62	0.069	0.072	0.074	0.077	0.080	0.083	0.086	0.089	0.093	0.096	0.099	0.102	0.105	0.109	0.112	0.115
63	0.070	0.073	0.075	0.078	0.081	0.084	0.087	0.090	0.094	0.097	0.100	0.103	0.106	0.110	0.113	0.116
64	0.071	0.074	0.076	0.079	0.082	0.085	0.088	0.091	0.095	0.098	0.101	0.104	0.107	0.111	0.114	0.117
65	0.072	0.075	0.077	0.080	0.083	0.086	0.089	0.093	0.096	0.099	0.102	0.105	0.108	0.112	0.115	0.118
66	0.073	0.076	0.079	0.082	0.085	0.088	0.091	0.094	0.097	0.100	0.103	0.106	0.110	0.113	0.116	0.119
67	0.074	0.077	0.080	0.083	0.086	0.089	0.092	0.095	0.098	0.101	0.104	0.108	0.111	0.114	0.117	0.121
68	0.076	0.078	0.081	0.084	0.087	0.090	0.093	0.096	0.100	0.103	0.106	0.109	0.112	0.115	0.119	0.122
69	0.077	0.080	0.083	0.086	0.089	0.092	0.095	0.098	0.101	0.104	0.107	0.111	0.114	0.117	0.120	0.123
70	0.079	0.082	0.085	0.088	0.091	0.094	0.097	0.100	0.103	0.106	0.109	0.112	0.115	0.119	0.122	0.125
71	0.081	0.084	0.087	0.089	0.092	0.095	0.098	0.102	0.105	0.108	0.111	0.114	0.117	0.120	0.123	0.127
72	0.083	0.086	0.089	0.092	0.095	0.098	0.101	0.104	0.107	0.110	0.113	0.116	0.119	0.122	0.125	0.129
73	0.085	0.088	0.091	0.094	0.097	0.100	0.103	0.106	0.109	0.112	0.115	0.118	0.121	0.124	0.127	0.131
74	0.088	0.091	0.094	0.097	0.099	0.102	0.105	0.108	0.111	0.114	0.117	0.120	0.124	0.127	0.130	0.133
75	0.091	0.094	0.097	0.100	0.102	0.105	0.108	0.111	0.114	0.117	0.120	0.123	0.126	0.129	0.132	0.135
76	0.094	0.097	0.100	0.103	0.106	0.109	0.112	0.114	0.117	0.120	0.123	0.126	0.129	0.132	0.135	0.138
77	0.098	0.101	0.104	0.107	0.110	0.112	0.115	0.118	0.121	0.124	0.127	0.130	0.133	0.136	0.139	0.142
78	0.103	0.106	0.109	0.111	0.114	0.117	0.120	0.123	0.126	0.128	0.131	0.134	0.137	0.140	0.143	0.146
79	0.108	0.111	0.114	0.117	0.119	0.122	0.125	0.128	0.131	0.134	0.137	0.139	0.142	0.145	0.148	0.151
80	0.115	0.117	0.120	0.123	0.125	0.128	0.131	0.133	0.136	0.139	0.142	0.144	0.147	0.150	0.153	0.155
81	0.121	0.124	0.127	0.129	0.132	0.135	0.137	0.140	0.143	0.145	0.148	0.151	0.153	0.156	0.159	0.161
82	0.129	0.132	0.134	0.137	0.139	0.142	0.145	0.147	0.150	0.153	0.155	0.158	0.161	0.163	0.166	0.169
83	0.138	0.140	0.143	0.146	0.148	0.151	0.154	0.156	0.159	0.161	0.164	0.167	0.169	0.172	0.175	0.177
84	0.148	0.151	0.153	0.156	0.159	0.161	0.164	0.167	0.169	0.172	0.174	0.177	0.180	0.182	0.185	0.187
85	0.160	0.163	0.165	0.168	0.171	0.173	0.176	0.179	0.181	0.184	0.187	0.189	0.192	0.194	0.197	0.200
86	0.173	0.176	0.179	0.182	0.184	0.187	0.190	0.193	0.195	0.198	0.200	0.200	0.200	0.200	0.200	0.200
87	0.189	0.191	0.194	0.197	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200
88 or over	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200

LIF ADDENDUM
PART D

PART D: This Part applies only if your Plan is governed by *The Pension Benefits Act*, 1992 (Saskatchewan).

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

a) Act: means *The Pension Benefits Act, 1992* (Saskatchewan), as amended, supplemented, restated or replaced from time to time;
b) Declaration: means the declaration of trust for your Plan;
c) LIF: means a "life income fund contract" that was entered into before the repeal of Section 30 of the Regulation;
d) life annuity: means a "life annuity contract" as defined in the Regulation, that conforms with the Tax Act, the Act and the Regulation;
e) LIRA: means a "locked-in retirement account contract" as defined in the Regulation;
f) LRIF: means a "locked-in retirement income fund contract" that was entered into before the repeal of Section 31 of the Regulation;
g) Minimum Amount: means the minimum amount required to be paid to you from your Plan in a calendar year, as calculated under the Tax Act or under the Regulation, whichever results in the greater amount;
h) Plan: the **Highstreet Asset Management Inc. Retirement Income Fund** to which locked-in monies have or will be transferred for you, the annuitant named in the application, that accompanies this Part D;
i) Pension Plan: means a "plan" as defined in Section 2 of the Act;
j) Pooled Retirement Income Contract: means a contract that meets the requirements set out in the *Pooled Registered Pension Plans (Saskatchewan) Regulations*;
k) Pooled Retirement Savings Account Contract: means a contract that meets the requirements set out in the *Pooled Registered Pension Plans (Saskatchewan) Regulation;*
l) PRIF: means a prescribed retirement income fund governed by the Act and the Regulation;
m) PRPP: means a pooled registered pension plan as defined in the Tax Act;
n) Regulation: means *The Pension Benefits Regulations, 1993*, as amended, supplemented, restated or replaced from time to time;
o) RRIF: means a "registered retirement income fund" as defined in the Regulation that conforms with the Tax Act;
p) RRSP: means a registered retirement savings plan governed by the Tax Act;
q) spouse: means a "spouse" as defined in the Act; 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;
r) Tax Act: means the *Income Tax Act* (Canada), as amended from time to time; and
s) Trustee: means CIBC Mellon Trust Company.

2) The Trustee hereby affirms the provisions contained in the Declaration and this Part D. The additional provisions of this Part D form part of the Declaration. The conditions of this Part D will take precedence over other provisions in the Declaration in the case of conflicting or inconsistent provisions.

3) The Trustee will only accept transfers to your Plan made pursuant to a direction or authorization in a form acceptable to the Trustee and representing assets transferred from:

a) a LIRA;
b) a LIF;
c) an LRIF;
d) another PRIF;
e) a Pension Plan, as a transfer pursuant to Section 32 of the Act;
f) a policy as defined by Section 42 of The Pension Benefits Regulation;
g) the Saskatchewan Pension Plan established by The Saskatchewan Pension Plan Act;
h) a PRIF;
i) a Pooled Retirement Savings Contract;
j) a Pooled Retirement Income Contract; or
k) any other source permitted by the Act or the Regulation from time to time.

4) Where money in your Plan is paid out contrary to the Act or Section 29.1 of the Regulation, the Trustee will provide or ensure the provision of an amount that would have been provided pursuant to the Plan if the money in the Plan had not been paid out.

5) No assets may be transferred to your Plan unless:

a) either:
   (i) you are at least 55 years of age; or
   (ii) you provide evidence to the satisfaction of the Trustee that the Pension Plan or any of the Pension Plans in which the assets to be transferred originated (directly or indirectly) provides for retirement at an earlier age, you have attained that earlier age; and
b) a consent to transfer in the form prescribed by the Regulation has been signed by your spouse and filed with one of the following, as the case may require:
   (i) the issuer, in the case of a LIRA;
   (ii) the carrier, in the case of a LIF or LRIF;
   (iii) the administrator, in the case of a Pension

Plan;

(iv) the issuer, in the case of a policy mentioned in subsection 3(f) of this Part D;

(v) the Saskatchewan Pension Plan Board of Trustees, in the case of the Saskatchewan Pension Plan; or

(vi) the administrator of a PRPP.

6) Notwithstanding the other provisions of this Part D, the Trustee may accept a transfer of moneys into the Plan from any of the sources listed in paragraph 3 of this Part D, from a contact that is not a prescribed retirement plan for the purposes of clause 32(2)(d) of the Act or from an RRSP if:

a) the Tax Act permits the transfer; and
b) in the case of a transfer from any of the sources listed in paragraph 3 of this Part D, the requirement of paragraph 5(b) of this Part D have been met.

7) In accordance with section 63 of the Act:

a) the money in your Plan may not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment, and
b) any transaction that purports to assign, charge, alienate or anticipate the money in the Plan is void.

8) Your Plan is subject with any necessary modification, to the division on spousal relationship breakdown provisions in Part VI of the Act.

9) Pursuant to section 50 of the Act, the money in the Plans is subject to attachment for the purpose of enforcing a maintenance order as defined in *The Enforcement of Maintenance Orders Act* (Saskatchewan).

10) Where an amount has been attached pursuant to The Enforcement of Maintenance Orders Act (Saskatchewan), the Trustee shall deduct from your Plan an amount, not to exceed $250.00, that reasonably represents the cost to the Trustee of complying with the attachment.

11) To the extent permitted by the Tax Act and the Act, you will be allowed to transfer all or part of the assets of your Plan,

a) to another PRIF;
b) to a LIRA;
c) to purchase a life annuity contract that meets the requirements specified in Section 34 of the Act;
d) to a plan that:
   (i) provides for the payment of variable benefits in accordance with section 29.2 of the Regulation; and
   (ii) permits the transfer.
e) to a PRPP.

12) On your death, if you were a member of a plan or a member of a PRPP from which the money was transferred, either directly or indirectly, the balance of the money in the Plan, to the extent permitted by the Tax Act shall be paid:

a) where you have a spouse at the date of your death and your spouse survives you for 30 days or more, to the surviving spouse unless a spouse's waiver in the form prescribed by the Regulation has been signed by the spouse and filed with the Trustee; or
b) where there is no surviving spouse, where your spouse does not survive you for 30 days or more or where the surviving spouse has signed a spouse's waiver in the form prescribed by the Regulations and the waiver has been filed with the Trustee, to a designated beneficiary, or if there is no designated beneficiary, to the personal representative of your estate in his or her representative capacity.

13) This Part D is subject to all applicable legislation, as may be amended from time to time, which will prevail over any inconsistent or conflicting provisions in this Part D.

PART E: This Part applies if your Plan is governed by pension legislation other than the *Employment Pension Plans Act* (Alberta), in which case Part A applies; the *Pension Benefits Standards Act* (British Columbia), in which case B applies; the *Pension Benefits Act* (Manitoba), in which case Part C applies; or *The Pension Benefits Act, 1992* (Saskatchewan), in which case Part D applies. If your Plan is governed by the *Pension Benefits Act* (Nova Scotia), it will be governed by Part E, as supplemented by Schedule 4 to the *Pension Benefits Act* ("Schedule 4"), which is attached hereto.

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

a) Declaration: means the declaration of trust for your Plan;

b) LIF: means an "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) Maximum Amount: means the maximum amount under pension legislation permitted to be paid to you from your Plan in a calendar year, as more fully described in this Part E, but shall not be less than the minimum amount, as calculated under the Tax Act;

g) Maximum Life Income: means the maximum life income permitted to be paid to you from your Plan in a fiscal year, as calculated under the applicable pension legislation as more fully described in this Part E;

h) Minimum Amount: means the minimum amount required to be paid to you from your Plan during a calendar year, as calculated under the Tax Act or under pension legislation, whichever results in the greater amount;

i) pension legislation: means one of the *Pension Benefits Standards Act, 1985* (Canada) and regulations thereunder, 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 or the *Supplemental Pension Plans Act* (Quebec) and regulations thereunder, whichever governs locked-in monies transferred or to be transferred to your Plan directly or indirectly from an RPP;

j) Plan: means the **Highstreet Asset Management Inc. Retirement Income Fund** to which locked-in monies have been or will be transferred for you, the annuitant named in the application, that accompanies this Part E;

k) PRPP: means a pooled registered pension plan as defined in the Tax Act;

l) RLIF: means a restricted life income fund that meets the requirements of the Federal pension legislation;

m) RLSP: means a restricted locked-in savings plan that meets the requirements of the Federal pension legislation;

n) 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;

o) RRIF: means a registered retirement income fund governed by the Tax Act;

p) RRSP: means a registered retirement savings plan governed by the Tax Act;

q) Schedule 0.6 Factor: means the number for a fiscal year of your Plan obtained from Schedule 0.6 of the regulations to the Quebec pension legislation for the "reference rate for the year" and your age on December 31 of the preceding year;

r) Schedule 0.7 Factor: means the number for a fiscal year of your Plan obtained from Schedule 0.7 of the regulations to the Quebec pension legislation for your age on December 31 of the preceding year;

s) spouse: means a "spouse" as defined in the applicable pension legislation in the context of a LIF and includes, where Federal pension legislation governs your Plan, a "common law partner" within the meaning of the Federal pension legislation, where Newfoundland pension legislation governs your Plan, a "cohabiting partner" within the meaning of Newfoundland pension legislation, and includes, 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;

t) Superintendent: means the Superintendent of Financial Services or the Superintendent of Pensions, as applicable;

u) Tax Act: means the *Income Tax Act* (Canada), as amended from time to time;

v) Temporary Income: means the temporary income permitted to be paid in a year to you from your Plan, as more fully described in Section 11 of this Part E;

w) Temporary Income Factor: means, where Nova Scotia pension legislation governs your Plan, the factors contained in Schedule 6 of the Nova Scotia regulations and where other pension legislation governs your Plan, the factor, if any, prescribed by such other pension legislation;

x) Trustee: means CIBC Mellon Trust Company, having its principal office at 1 York Street, Suite 900, Toronto, Ontario M5J 0B6;

y) VRSP: means the locked in account of a voluntary retirement savings plan governed by the *Voluntary Retirement Savings Plans Act* (Quebec);

z) YMPE: means maximum pensionable earnings or Year's Maximum Pensionable Earnings, as applicable, as defined under applicable pension legislation; and YMPE Threshold: means, where Federal or Nova Scotia pension legislation applies to your Plan, 50% of the YMPE for the year and, where any other applicable pension legislation applies to 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 and you have selected the LIF as your plan type on the application that accompanies the Declaration, you must provide a spousal consent or waiver as set out in Section 18 of this Part E. The additional provisions of this Part E (and, where your Plan is governed by Nova Scotia pension legislation, Schedule 4) form part of the Declaration. In case of any inconsistency between this Part E and the Declaration, this Part E will apply. Where your Plan is governed by Nova Scotia pension legislation, in case of any inconsistency between this Part E and Schedule 4, Schedule 4 will apply. The Trustee will comply with all relevant provisions of pension legislation. Except as expressly provided in this Part E, 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.

3. Transfers to your Plan: The only assets that may be transferred to your Plan are locked-in assets transferred directly or indirectly from an RPP, PRPP, LIRA/LRSP, another LIF, an LRIF (if permitted by pension legislation), a VRSP or another source permitted by the Tax Act and pension legislation from time to time. **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.** The Trustee will not accept any transfers to your Plan:

a) from a source or in circumstances not permitted by the Tax Act and pension legislation; or

b) in circumstances that would require the Trustee to begin making payments from your Plan contrary to pension legislation.

For example, where Newfoundland pension legislation governs your Plan, payments may not begin before the earlier of age 55 or the earliest date on which you would otherwise receive a pension or, where Nova Scotia or Ontario pension legislation governs your Plan, payments from your Plan may not begin earlier than 10 years before the earliest normal retirement date provided under any of the RPPs from which locked-in monies have been transferred. 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. Where Nova Scotia or Ontario pension legislation governs your Plan, if the commuted value of a pension benefit which was transferred to your Plan was determined in a manner that did not differentiate on the basis of sex, the immediate or deferred life annuity purchased with the money in your Plan shall not differentiate on the basis of your sex. Where Quebec pension legislation governs your Plan and you are entitled to receive Temporary Income and a pension under an RPP, for the purposes of replacing that pension with monthly payments from your Plan, you may apply once a year to transfer an amount from the RPP to your Plan, in addition to other permitted transfers, equal to the lesser of:

a) the amount required to allow the monthly payments to continue until the end of the year; and

b) the value of your pension benefit under the RPP.

The commuted value of the pension benefit that was transferred to your Plan was determined in a manner that,

- differentiated
- did not differentiate

on the basis of sex.

4. Investments: The investments held in your Plan must comply with the investment rules imposed by the Tax Act for a RRIF. 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.

5. Retirement Income: In each calendar year, the total amount of payments to you from your Plan (including any direct transfers to your RRSP, RRIF or life annuity as described by Section 15 of this Part E) may not be less than the Minimum Amount and more than the Maximum Amount, except as otherwise permitted by this Part E. For each calendar year you must complete the forms and declarations provided to you in connection with payments to be made from your Plan and indicate on those forms the amount and frequency of payments to be made during the year, including, where Quebec pension legislation governs your Plan, any portion of the payment to be made in the form of an Additional Entitlement. If Newfoundland, Ontario pension legislation governs your Plan, payments will begin no later than the last day of the second fiscal year of your Plan.

6. Calculation of Maximum Amount (other than for a Quebec LIF): Unless Quebec pension legislation governs your Plan, the Maximum Amount for a fiscal year of your Plan will be calculated by dividing the value of your Plan at the beginning of that year by the value of a pension that makes a $1.00 annual payment at the beginning of each fiscal year up to and including the year in which you reach age 90. Where Nova Scotia pension legislation governs your Plan, the Maximum Amount for the year will be calculated by taking the sum of the value of your Plan at the beginning of that year plus the amount of any transfers to your Plan other than transfers directly or indirectly from a LIF or LRIF, and multiplying that sum by the factor from the Schedule to the Regulations under such pension legislation that corresponds to the reference rate for that year and your age on December 31 of the preceding year.

Where Ontario pension legislation governs your Plan the Maximum Amount paid during the fiscal year of the Plan must not exceed the greatest of the following amounts:

a) The investment earnings, including any unrealized capital gains or losses, of the Plan in the previous fiscal year.

b) If the amount of your Plan is derived from amounts transferred directly from another LIF, or LRIF, and if the income is being paid out of your Plan in the fiscal year following the fiscal year in which your Plan is established, the sum of,
   (i) the investment earnings, including ay unrealized capital gains or losses, of the transferring fund in the previous fiscal year, and
   (ii) the investment earnings, including any unrealized capital gains or losses, of the receiving plan in the previous fiscal year.

c) The amount calculated by dividing the value of your Plan at the beginning of that year by the value of a pension that makes a $1.00 annual payment at the beginning of each fiscal year up to and including the year in which you reach age 90.

If the Minimum Amount is greater than the Maximum Amount, the Minimum Amount will be paid out of your Plan during the fiscal year.

Where Federal pension legislation governs your Plan, the Maximum Amount determined above applies to each fiscal year of your Plan before the year in which you reach age 90. For the year in which you reach age 90 and all subsequent years, the Maximum Amount for the year is the total value of your Plan immediately before payment.

Where New Brunswick, Newfoundland or Ontario pension legislation governs your Plan, the value of the $1.00 annual payment will be established at the beginning of the fiscal year of your Plan. The value of the $1.00 annual payment will be established using an interest rate of not more than 6% or, an interest rate of more than 6% may be used for the first fifteen years after the valuation date if that rate does not exceed the rate obtained on long term bonds issued by the Government of Canada for the November before the year of valuation or the month before the valuation date, whichever month is specified by pension legislation, as compiled by Statistics Canada and published in the Bank of Canada Review as CANSIM Series - B14013 or, where Ontario pension legislation governs your Plan, CANSIM Series - V122487, and using a rate not exceeding 6% for subsequent years.

Where Federal pension legislation governs your Plan, the value of the $1.00 annual payment will be established on January 1 of the fiscal year in which the calculation is made. The value of the $1.00 annual payment will be established using an interest rate that for the first 15 years after January 1 of the year in which the life income fund is valued, is less than or equal to the monthly average yield on Government of Canada marketable bonds of maturity over 10 years, as published in the Bank of Canada, for the second month before the beginning of the calendar year, and using a rate not exceeding 6% for subsequent years.

Unless New Brunswick, Nova Scotia or Ontario pension legislation governs your Plan, in the first fiscal year of your Plan, the Maximum Amount will be pro rated over the number of months remaining in the year, with a part month counting as a full month. If the assets of your Plan are derived from assets transferred directly or indirectly from another LIF or LRIF of yours during the first fiscal year of your Plan then the Maximum Amount for the year of transfer will be zero except to the extent that the Tax Act requires the payment of a higher amount. Where Nova Scotia pension legislation governs your Plan, the Maximum Amount for a year may be increased if you transfer assets that have never before been held in a LIF to your Plan during that year provided the increase is not more than the Maximum Amount that would have applied if the assets had been transferred to a newly established LIF. Where Newfoundland pension legislation governs your Plan, the Maximum Amount for the first fiscal year will be adjusted to reflect the actual number of months in the first fiscal year divided by 12.

7. Calculation of Maximum Amount under a Quebec LIF: Where Quebec pension legislation governs your Plan, the Maximum Amount for a fiscal year of your Plan will be the total of the Maximum Life Income and your Temporary Income for that year. The Maximum Amount for a fiscal year will be calculated as at the beginning of each fiscal year and, following your written request, which must be accompanied by written declarations in the form prescribed by Quebec pension legislation, will be recalculated from time to time during the year.

Where Quebec pension legislation governs your Plan, the Maximum Life Income for a fiscal year of your Plan will be the difference between:

a) the product obtained when the Schedule 0.6 Factor for that year is multiplied by the total value of your Plan at the beginning of that year and any assets subsequently transferred to your Plan during that year (excluding any transferred assets that did not originate, directly or indirectly, from another LIF of yours or from a VRSP of yours); and
b) the number resulting from the division of your Temporary Income for that year by the Schedule 0.7 Factor for that year.

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

a) you have been absent from Canada for 2 or more years; and
b) you have become a non resident of Canada as determined for purposes of the Tax Act.

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 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.

If you have become a non resident of Canada as determined for the purposes of the Tax Act and applicable pension legislation so allows, you may withdraw some or all of the assets of your Plan if you meet the requirements of applicable pension legislation for such a withdrawal.

Payment under this Section is subject to Section 18 of this Part E.

9. Small Balances: Where Federal, 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 its 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) Federal pension legislation governs your Plan and you will be at least age 55 in the calendar year of your request for the lump sum payment;
(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 from which 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 Federal legislation governs your Plan, the total value of RLIFs and RLSPs, 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.

Where New Brunswick pension legislation governs your Plan, you may apply in the prescribed manner to the Superintendent of that province for a withdrawal of locked-in funds if:

a) you have not previously used this provision; and

b) the amount you are applying for does not exceed the lesser of:

(i) 25% of your Plan value at the beginning of the fiscal year, and

(ii) three times the Maximum Amount in the fiscal year that would be permitted under Section 6 of this Part E.

The withdrawal of locked-in funds may occur at any time during the calendar year, but the amount to be withdrawn is based on the amount in your Plan at the beginning of the fiscal year of your Plan. With the approval of the Superintendent of that province, the amount may be transferred to a RRIF from which you may then make withdrawals.

Payment under this Section is subject to Section 19 of this Part E.

10. Financial Hardship: Where Ontario pension legislation governs your Plan, you may make an application in the prescribed from to the Trustee for the commutation or surrender, in whole or in part of the balance of your Plan.

Where Nova Scotia pension legislation governs your Plan, you may make an application to the Superintendent of that province for the commutation or surrender, in whole or in part, of the balance of your Plan. The Superintendent may consent to such commutation or surrender, if satisfied as to the existence of such circumstances of financial hardship as may be prescribed.

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

$$M + N$$

where

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 LIF, LRSP, RLSP, or RLIF.

a) if you certify that you have not made a withdrawal in the calendar year from any LIF, LRSP, RLSP, or RLIF 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 LIF, LRSP, RLSP, 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 18 of this Part E.

11. Temporary Income: Where Newfoundland, Nova Scotia or Quebec pension legislation governs your Plan, you are entitled to receive additional temporary income from your Plan upon receipt of an application, satisfactory to the Trustee, that complies with applicable pension legislation. You must file such application after reaching age 54 and before the end of the year in which you reach age 65. You are not entitled to additional temporary income after the end of the year in which you reach age 65.

The amount of temporary income paid out of your Plan in a fiscal year may not exceed the lowest of:

a) where Newfoundland or Nova Scotia pension legislation governs your Plan, the YMPE Threshold less your temporary income from any other pension plan, life annuity contract, LIF, LIRA, or LRIF (excluding income from the Canada Pension Plan);
b) where Nova Scotia pension legislation governs your Plan, the amount determined in accordance with Section 10 of Schedule 4;
c) where Quebec pension legislation governs your Plan, the YMPE Threshold less:
   (i) your income from any pension plans or pension contracts funded by capital from a pension plan and
   (ii) your temporary income from any other LIF of yours; and
d) where Quebec pension legislation governs your Plan, the product of:
   (i) the balance of your Plan at the start of the year, plus any transfers to your Plan during that year and less any transfers from another LIF of yours or a VRSP or yours,
   (ii) the Schedule 0.6 Factor, and
   (iii) the Schedule 0.7 Factor.

In addition, where Newfoundland pension legislation governs your Plan,

e) the maximum amount of additional temporary income for any fiscal year will be zero if, at the beginning of that fiscal year, any part of your Plan corresponds to sums transferred directly or indirectly from a LIF or another LRIF of yours; and
f) the maximum amount of additional temporary income for the first fiscal year will be adjusted to reflect the actual number of months in the first fiscal year divided by 12.

Where Newfoundland pension legislation governs your Plan, in addition to the above requirement, the total pension income you receive for the calendar year in which the application for temporary income is made from all LIFs, LRIFs, life annuities and registered pension plans governed by Newfoundland pension legislation or an Act of Canada or a province, except income from a pension plan under the Canada Pension Plan (Canada), must be less than the YMPE Threshold.

Where Quebec pension legislation governs your Plan, in addition to the above requirement, you must provide the Trustee with:

a) your written request stipulating the number and amount of payments that you would like to receive during the year;
b) your written declaration, in the form prescribed by Quebec pension legislation, stating the amount of income (excluding payments from your Plan) that you expect to receive for the 12 months following your request; and
c) your written undertaking to promptly notify the Trustee as soon as your income, as stated in your declaration, equals the YMPE Threshold for the year in which monthly payments will be made and to request the Trustee to stop making the monthly payments at that time.

Where Quebec pension legislation governs your Plan, the Trustee will make the monthly payments requested in your application, if:

a) your expected income, as stated in your declaration, is not more than the YMPE Threshold for the year;
b) none of the monthly payments requested exceed one twelfth of the difference between the YMPE Threshold for the year and three quarters of your income, as stated in the declaration; and
c) you have not previously requested a suspension of monthly payments.

Payment under this Section is subject to Section 18 of this Part E.

12. Shortened Life Expectancy: Unless your Plan is governed by Quebec pension legislation, the Trustee will make a lump sum or series of payments to you from your Plan which, in total, may be greater than the Maximum Amount for the years in which payments are made, after receiving:

a) a written request in a form satisfactory to the Trustee; 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.

Payments under this Section are subject to Section 18 of this Part E.

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

a) your spouse is named as a beneficiary of your Plan;
b) Federal, New Brunswick, Newfoundland or Nova Scotia pension legislation governs your Plan, in which case spousal entitlement may not cease by virtue of separation;
c) Ontario pension legislation governs your Plan, upon a breakdown of your spousal relationship your Plan may be divided between you and your spouse or former spouse according to a court order or other legal proceeding under the *Family Law Act* (Ontario); or
d) Quebec pension legislation governs your Plan, your spouse ceases to be entitled to the benefits provided under this Part E upon separation from bed and board, divorce, nullity of marriage, nullity or dissolution of civil union or, in the case of an unmarried spouse or civil union spouse, upon cessation of the conjugal relationship, unless you have notified the Trustee in writing that your spouse's entitlement 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 of 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 of your Plan following breakdown of the spousal relationship.

14. 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.

15. Transfers from your Plan to a Non locked-in Plan: In any fiscal year of your Plan, the total amount that may be transferred from your Plan to your RRSP, RRIF or life annuity that conforms with the Tax Act but does not conform with pension legislation, may not be more than the Maximum Amount for the year. Where Quebec pension legislation governs your Plan, when determining the total amount that may be transferred, the Maximum Amount will be calculated on the assumption that your Additional Entitlement is zero.

Where Schedule 1.1 of the Ontario pension legislation governs your Plan, you may, upon application in accordance with the prescribed requirements, either withdraw or transfer to an RRSP or RRIF an amount representing up to 50% of the total market value of the assets transferred into your Plan from a LIRA or RPP, or in accordance with the terms of an order under the *Family Law Act* or a domestic contract; provided that such application is given to the Trustee within 60 days of the transfer of assets.

If Federal legislation governs your Plan, in the calendar year in which you turn 55 or in any subsequent calendar year, you may transfer 50% of the balance in the Plan to a RRSP or a RRIF within 60 days of the establishment of the Plan provided that: (a) the Plan was created as the result of the transfer of a pension benefit credit under section 26 of the pension legislation or a transfer from a LRSP or a LIF; and (b) you provide the Trustee the prescribed form.

Payments under this Section are subject to Section 18 of this Part E.

16. Transfers from your Plan to another Locked-in Plan: Subject to any restrictions imposed by paragraph 146.3(2)(e.1) or (e.2) of the Tax Act or applicable pension legislation, all or any part the assets of your Plan may be transferred to a RPP, LIRA/LRSP, LIF, LRIF, RLIF, life annuity, or any other plan permitted by the Tax Act and pension legislation. Before making this transfer, 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 New Brunswick, Newfoundland, Nova Scotia 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 that province; and
b) the recipient plan is on the list of LIRA/LRSPs, LIFs or LRIFs maintained by the Superintendent of that province.

Where New Brunswick pension legislation governs your Plan, you are not entitled to transfer any 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.

Where Quebec pension legislation governs your Plan, you may transfer all or a part of the balance of your Plan into:

a) a pension plan governed by the Quebec pension legislation;
b) a supplemental pension plan governed by an act emanating from a legislative authority other than the Parliament of Quebec and granting entitlement to a deferred pension;
c) a supplemental pension plan established by an act emanating from the Parliament of Quebec or from another legislative authority; or
d) a VRSP

Subject to any restrictions under the terms and conditions of investments held in your Plan, the Trustee will endeavor to transfer your Plan within 30 days after it has received your written instructions and any other documents it considers necessary to effect the transfer.

17. Life Annuity: Except as provided in Section 15 of this Part E, 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, in addition to the rules imposed by paragraph 60(l) of the Tax Act. 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.

A life annuity purchased 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, subject to Section 18 of this Part E. Where required by pension legislation, payments under the life annuity must be guaranteed by an insurer but not for a period longer than 90 years minus the age of you or your spouse at the time the life annuity was acquired. Unless Federal pension legislation governs your Plan, if your spouse is entitled to payments under the life annuity after your death, those payments must be at least 60% of the amount to which you were entitled before 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 periodic amounts paid under the life annuity must be equal, unless each amount to be paid is uniformly increased in accordance with an index or a rate provided for in the annuity contract and which conforms with the adjustments permitted by the Tax Act or uniformly adjusted by reason of a seizure effected on your benefits, a redetermination of your pension, a partition of your benefits in favour of your spouse, the payment of a temporary pension in accordance with the conditions provided in section 91.1 of the Act of the Quebec pension legislation or the election provided for in subparagraph 3 of the first paragraph of section 93 of the Act of the Quebec pension legislation. Additionally, in the event of your death, the insurer guarantees your spouse, who has not waived it, a life pension equal to at least 60% of the amount of your pension, including, during the replacement period, the amount of any temporary pension.

18. Spousal Waiver: Your spouse's rights under the applicable pension legislation may be waived before payments begin, provided the spousal consent or 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.

19. Beneficiary Designation: Subject to Section 18 of this Part E, 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.

20. Death: Following your death, the assets of your Plan will be paid to your designated beneficiary under your Plan in accordance with Section 19 of this Part E 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:

a) continue the payments from your Plan to him or her, in which case your spouse will be deemed to be the annuitant of your Plan with the same rights as if she or he had been the original annuitant; or

b) transfer the assets of your Plan to a RPP, RRSP, LIRA/LRSP, RRIF, LIF, LRIF, RLIF, life annuity as permitted by pension legislation and paragraph 60(l) of the Tax Act.

If your spouse does not give the Trustee satisfactory instructions within 90 days after the Trustee has been notified of your death, the Trustee may, in its sole discretion, transfer the assets of your Plan as permitted or required by pension legislation and the Trustee will not be liable for any resulting loss. 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.

21. Payments or Transfers made Contrary to Pension Legislation: Where Nova Scotia 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 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 the total payments made to you during a fiscal year of your Plan, are more than the amounts permitted to be paid under your Plan or pension legislation, the value of your Plan for a subsequent year will be determined without taking into account the surplus payment unless the surplus payment is attributable to a false statement made by you.

22. Fiscal Year: The fiscal year of your Plan will end on December 31 of each year and may not exceed 12 months.

23. Valuation: On any given day (and for all purposes, including the valuation of your Plan for the purpose of a transfer of assets or purchase of an annuity or a payment on your death), 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. Accounting and Reporting: The Trustee will maintain an account of your Plan reflecting:

a) transfers to your Plan;
b) the name, number and cost of investments purchased or sold by your Plan;
c) distributions received by your Plan;
d) cash;
e) withdrawals, transfers and expenses paid from your Plan;
f) the balance of your account; and
g) the minimum and maximum amounts that may be paid out of your Plan.

Before April of each year, it will provide you with any applicable tax reporting required to be filed with your personal income tax return for the previous year. Where Nova Scotia pension legislation governs your Plan, the Trustee agrees to provide the information described in Section 14 of Schedule 4, attached hereto, to the persons indicated in that Section.

25. Statements: You will be given a statement of your account:

a) following the end of each fiscal year of your Plan;
b) as of the date of a transfer of assets out of your Plan;
c) where Quebec pension legislation governs your Plan, within 30 days following a transfer of assets to your Plan from a source other than a LIF; and
d) where Quebec pension legislation governs your Plan, within 30 days following your request for payment in the form an Additional Entitlement.

Your spouse, designated beneficiary or legal representatives, as applicable, will be given a statement of your account as of the date of your death. Where Quebec pension legislation governs your Plan and you are under 65 years of age, your annual statement will provide additional information regarding the terms and conditions of your entitlement to an alternate form of retirement income or an additional entitlement, the maximum additional entitlement that you may request, the impact of receiving an additional entitlement on the Maximum Amount that may be paid to you from your Plan when you reach age 65 and any other information or copies of declarations that may be required by Quebec pension legislation.

26. Prohibition: The assets of your Plan may not be withdrawn, commuted or surrendered except as permitted by pension law. The assets of your Plan and payments from your Plan may not be pledged, assigned, charged, alienated, anticipated, 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.

27. 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 15 or 16 of this Part E by way of remittance of such securities.

28. Reliance: The Trustee is entitled to rely on the information contained in your application and the application for payment or asset transfer under Sections 8, 9, 10, 11 ,12 and 15 of this Part E. 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.

29. Amendments: From time to time, the Trustee may amend this Part E if the amendment does not disqualify your Plan as a LIF and if the amendment is filed with Canada Revenue Agency and, where required by law, applicable provincial authorities. Where New Brunswick, Newfoundland, Nova Scotia or Ontario 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 and, where your Plan is governed by Newfoundland or Nova Scotia pension legislation, you were entitled to transfer the balance in your Plan under the terms of your Plan that existed before the amendment was made. You will be given 90 days' written notice (including notice of your entitlement to transfer assets out of your Plan) of any amendment that reduces benefits under your Plan. Where Newfoundland pension legislation governs your Plan, you will be given 90 days' notice, by registered mail, of all amendments. Where Nova Scotia pension legislation governs your Plan, you will be given 90 days prior notice of all amendments.

Revised: December 2020

LIF ADDENDUM
PART E

Schedule 4: Nova Scotia LIF Addendum
(*Pension Benefits Regulations*)

Note: This document is Schedule 4 to the *Pension Benefits Regulations* (Nova Scotia). It forms part of the regulations and must be read, construed and interpreted in conjunction with the *Pension Benefits Act* and its regulations.

Definitions for this Schedule

1 In this Schedule,

"Act" means the *Pension Benefits Act*;

"domestic contract", as defined in Section 2 of the regulations, means a written agreement referred to in and for the purpose of Section 74 of the Act, or Section 14 of the *Pooled Registered Pension Plans Act*, that provides for a division between spouses of any pension benefit, deferred pension, pension, LIRA or LIF and includes a marriage contract as defined in the *Matrimonial Property Act*;

"federal *Income Tax Act*", as defined in Section 2 of the regulations, means the *Income Tax Act* (Canada) and, unless specified otherwise, includes the regulations made under that Act;

"owner" means any of the following persons, as set out in subsection 205(2) of the regulations, who has purchased a LIF:

(i) a former member who is entitled to make a transfer under clause 61(1)(b) of the Act,

(ii) a spouse of a person who was a member, and who is entitled to make a transfer under clause 61(1)(b) of the Act,

(iii) a person who has previously transferred an amount under clause 61(1)(b) of the Act into a LIRA or LIF,

(iv) a person who has previously transferred an amount into a LIF as a result of a division of any pension benefit, deferred pension or pension under Section 74 of the Act,

(v) a spouse who is entitled to transfer a lump sum as a result of a division of any pension benefit, deferred pension or pension under Section 74 of the Act,

(vi) if the funds in the account of a pooled registered pension plan are used for the purchase, a person who transfers the amount in accordance with the *Pooled Registered Pension Plans Act* and the *Pooled Registered Pension Plans Regulations*;

"regulations" means the *Pension Benefits Regulations* made under the Act;

"spouse", as defined in the Act, means either of 2 persons who

(i) are married to each other,

(ii) are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity,

(iii) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or, if they have ceased to cohabit, have cohabited within the 12-month period immediately preceding the date of entitlement, and

(iv) are domestic partners within the meaning of Section 52 of the *Vital Statistics Act*, or

(v) not being married to each other, are cohabiting in a conjugal relationship with each other, and have done so continuously for at least

(A) 3 years, if either of them is married, or

(B) 1 year, if neither of them is married;

"temporary income" means income payments from a LIF that, in accordance with Section 9 of this Schedule, are paid to an owner before they turn 65 years old;

"Superintendent" means the Superintendent of Pensions, as defined in the Act.

Fiscal year of LIFs

2 **(1)** In this Schedule, "fiscal year" means the fiscal year of a LIF.

(2) A fiscal year must end on December 31 and must not be longer than 12 months.

Reference rate criteria

3 A reference rate in this Schedule for a fiscal year must meet all of the following criteria:

(a) it must be based on the month-end nominal rate of interest earned on long-term bonds issued by the Government of Canada for November of the year immediately before the beginning of the fiscal year, as compiled by Statistics Canada and published in the Bank of Canada Review as CANSIM Series V122487, with the following adjustments applied successively to that nominal rate:

(i) an increase of 0.5%,

(ii) the conversion of the increased rate, based on interest compounded semi-annually, to an effective annual rate of interest,

(iii) the rounding of the effective interest rate to the nearest multiple of 0.5%;

(b) it must not be less than 6%.

Note Re Requirements of the *Pension Benefits Act* and *Regulations* and the *Pooled Registered Pension Plans Act* and its regulations

Prohibitions on transactions from Section 91 of Act

Under Section 91 of the Act and Section 12 of the *Pooled Registered Pension Plans Act*, money held in a LIF must not be commuted or surrendered in whole or in part except as permitted by this Schedule and the regulations including, without limiting the generality of the foregoing, the following Sections of the regulations:

- Sections 211 through 230, respecting withdrawal in circumstances of financial hardship
- Section 231, respecting withdrawal in circumstances of considerably shortened life expectancy
- Section 232, respecting withdrawal in circumstances of non-residency
- Section 233, respecting withdrawal of small amounts at age 65
- Section 198, respecting the transfer of an excess amount, as defined in that Section.

Pursuant to subsection 91(2) of the Act and subsection 12(2) of the *Pooled Registered Pension Plans Act*, any transaction that contravenes Section 91 of the Act or Section 12 of the *Pooled Registered Pension Plans Act* is void.

LIF ADDENDUM
PART E

Values of assets in LIF subject to division
The value of the assets in a LIF is subject to division in accordance with all of the following: • an order of the Supreme Court of Nova Scotia that provides for the division of a pension benefit, deferred pension or pension under Section 74 of the Act, or a division of the funds in a pooled registered pension plan account under Section 14 of the *Pooled Registered Pension Plans Act* • a domestic contract that provides for the division of a pension benefit, deferred pension or pension under Section 74 of the Act, or a division of the funds in a pooled registered pension plan account under Section 14 of the *Pooled Registered Pension Plans Act* • the regulations
Money held in LIF
The following requirements are set out in the *Pension Benefits Act* and are applicable to LIFs governed by this Schedule: • Money held in a LIF must not be assigned, charged, or given as security except as permitted by subsection 88(3) of the Act, Section 90 of the Act, subsection 12(3) of the *Pooled Registered Pension Plans Act* or Section 13 of the *Pooled Registered Pension Plans Act*, and any transaction purporting to assign, charge, anticipate or give the money in the LIF as security is void. • Money held in a LIF is exempt from execution, seizure or attachment except for the purpose of enforcing a maintenance order as permitted by Section 90 of the Act or Section 13 of the *Pooled Registered Pension Plans Act*.

Periodic payments of income out of LIFs

4 **(1)** An owner must be paid an income from their LIF, the amount of which may vary, annually.

(2) Income payments from a LIF must begin no earlier than

(a) the earliest date that the owner would have been entitled to receive a pension under any pension plan from which the money was transferred; or

(b) if all of the money in a LIF is derived from sources other than a pension benefit provided in respect of any employment of the owner, the date the owner turns 55 years old.

(3) Income payments from a LIF must begin no later than the end of a LIF's 2nd fiscal year.

Amount of income payments from LIFs

5 **(1)** Subject to the minimum amount in Section 6 of this Schedule, an owner of a LIF must establish the amount of income to be paid during each fiscal year at the beginning of the fiscal year and after they have received the information required by Section 14 of this Schedule.

(2) Except as provided in subsection (5), an owner of a LIF must notify the financial institution providing the LIF of the amount to be paid out of the LIF each year and any owner who does not do so is deemed to have selected the minimum amount determined under Section 6 of this Schedule.

(3) The owner's notice required by subsection (2) must be given either

(a) except as provided in subsection (5), at the beginning of the fiscal year;

(b) at a time agreed to by the financial institution providing the LIF.

(4) The owner's notice required by subsection (2) expires at the end of the fiscal year to which it relates.

(5) If a financial institution providing a LIF guarantees the rate of return of the LIF over a period that is greater than 1 year, the period must end at the end of a fiscal year and the owner may establish the amount of income to be paid during the period at the beginning of the period.

Minimum annual LIF withdrawal

6 **(1)** The amount of income that is paid out of a LIF during a fiscal year must not be less than the minimum amount prescribed for a registered retirement income fund by the federal *Income Tax Act*, determined on the basis of the owner's age or the age of the owner's spouse if the spouse is younger than the owner.

(2) Despite Sections 7, 8, 10, 11 and 12 of this Schedule, if the minimum amount specified by subsection (1) is greater than the maximum amount determined under those Sections for a fiscal year, then the minimum amount under subsection (1) must be paid out of the LIF during the fiscal year.

Pro-rating amount of withdrawal if initial fiscal year less than 12 months

7 If the initial fiscal year is less than 12 months long, the maximum amount determined under Sections 8, 10, 11 and 12 of this Schedule must be adjusted in proportion to the number of months in that fiscal year divided by 12, with any part of an incomplete month counting as 1 month.

Maximum annual life income from LIF that does not provide for temporary income

8 The maximum annual amount of life income to be paid each year from a LIF from which no temporary income is paid is determined by the following formula:

$$\text{maximum payable} = F \times B$$

in which

F = is the factor in Schedule 5: Life Income Fund—Factor F that corresponds to the reference rate for the fiscal year and the owner's age at the end of the previous year

B = the balance of the LIF at the beginning of the fiscal year, increased by any money transferred to the LIF after the beginning of that fiscal year and reduced by any money transferred from another LIF, to the LIF, in the same year.

Withdrawal of temporary income from LIFs

9 **(1)** A LIF may provide that the owner is entitled to temporary income in accordance with this Section and Sections 10 and 11 of this Schedule.

(2) An owner of a LIF from which temporary income may be paid who is at least 54 years old but under 65 years old at the end of the calendar year before the date they apply, may apply in an approved form to the financial institution that provides a LIF for payment of temporary income from the LIF.

(3) Temporary income must not be paid under a LIF

(a) before the owner is 55 years old; and

(b) after the end of the year in which the owner turns 65 years old.

(4) Temporary income is not payable if any portion of a payment out of a LIF is transferred to a registered retirement savings plan or a registered retirement income fund.

Maximum temporary income for fiscal year

10 **(1)** Except as provided in subsection (2), the maximum temporary income that may be paid during a fiscal year out of a LIF from which temporary income may be paid must be the lesser of the following amounts:

(a) the amount calculated by the following formula:

(50% of the YMPE) - T

in which

YMPE = the Year's Maximum Pensionable Earnings for the fiscal year

T = the total of bridging benefits and other periodic income paid to the owner from a pension plan or annuity or from temporary income from other LIFs for that fiscal year;

(b) the amount calculated by the following formula:

$F \times B \times D$

in which

F = is the factor in Schedule 5: Life Income Fund—Factor F that corresponds to the reference rate for the fiscal year and the owner's age at the end of the previous year

B = the balance of the LIF at the beginning of the fiscal year, increased by any money transferred to the LIF after the beginning of that fiscal year and reduced by any money transferred from another LIF, to the LIF, in the same year

D = the factor in Schedule 6: Life Income Fund—Temporary Income Factor D that corresponds to the owner's age at the end of the previous fiscal year.

(2) If the amount determined under clause (1)(b) is less than 50% of the Year's Maximum Pensionable Earnings, then the maximum temporary income paid out of a LIF during a fiscal year must be the lesser of the following amounts:

(a) the amount calculated under clause (1)(a);

(b) the balance of the LIF at the beginning of the fiscal year, increased by any money transferred to the LIF after the beginning of that fiscal year and reduced by any money transferred from another LIF to the LIF in the same year.

Maximum life income withdrawal from LIFs

11 The maximum life income to be paid from a LIF from which a temporary income is paid is determined by the following formula, provided that the maximum must not be less than zero:

maximum payable = $(F \times B) - (Y \div D)$

in which

F = the factor in Schedule 5: Life Income Fund—Factor F that corresponds to the reference rate for the fiscal year and the owner's age at the end of the previous year

B = the balance of the LIF at the beginning of the fiscal year, increased by any money transferred to the LIF after the beginning of that fiscal year and reduced by any money transferred from another LIF, to the LIF, in the same year

Y = the maximum annual temporary income determined under Section 10 of this Schedule

D = the factor in Schedule 6: Life Income Fund—Temporary Income Factor D that corresponds to the owner's age at the end of the previous year.

Maximum annual income payable if financial institution guarantees rate of return of LIFs

12 **(1)** If a financial institution that provides a LIF guarantees the rate of return of the LIF over a period greater than 1 year and the owner establishes the amount of income to be paid during that period, the maximum income that may be paid during each of the fiscal years during the period must be determined at the beginning of each fiscal year in the period in accordance with this Section.

(2) For each year after the initial fiscal year, the maximum income to be paid for the fiscal year under a LIF described in subsection (1) is equal to the lesser of the following amounts:

(a) the balance of the LIF at the time of payment in that year;

(b) the amount determined by the following formula:

$$\text{maximum income} = (I \times B) \div RB$$

in which

I = the maximum income determined for the initial fiscal year under Section 11 of this Schedule

B = the balance of the LIF at the beginning of the fiscal year

RB = the reference balance determined at January 1 of the year as calculated under subsection (3).

(3) For the formula in clause (2)(b), the reference balance ("RB") must be calculated by the following formula:

$$RB = (PRB - I) + ((PRB - I) \times RR/100)$$

in which

PRB = the reference balance

(i) at the beginning of the previous year, or

(ii) for the 2nd year of the period, the LIF balance at the beginning of the 1st year of the period

I = the maximum income determined for the initial fiscal year

RR = the reference rate for the year, if the fiscal year is one of the first 16 fiscal years of the LIF, or by 6% for any other year.

LIF ADDENDUM
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Income in excess of maximum

13 If income paid to an owner under a LIF during a fiscal year exceeds the maximum that may be paid, the balance of the LIF must not be reduced by the excess unless the payment is attributable to incorrect information provided by the owner.

Information to be provided annually by financial institution

14 At the beginning of each fiscal year, a financial institution providing a LIF must provide all of the following information to an owner about their LIF:

(a) with respect to the previous fiscal year:

(i) the sums deposited,

(ii) any accumulated investment earnings including any unrealized capital gains or losses,

(iii) the payments made out of the LIF,

(iv) any withdrawals from the LIF made under the following circumstances, in accordance with Sections 211 to 230 of the regulations:

(A) a mortgage default circumstance, as defined in clause 212(1)(a) of the regulations,

(B) a medical expense circumstance, as defined in clause 212(1)(b) of the regulations,

(C) a rental default circumstance, as defined in clause 212(1)(c) of the regulations,

(D) a reduced income circumstance, as defined in clause 212(1)(d) of the regulations,

(v) any transfers made out of the LIF,

(vi) the fees charged against the LIF;

(b) the value of the assets in the LIF at the beginning of the fiscal year;

(c) the minimum amount that must be paid out as income to the owner during the current fiscal year;

(d) the maximum amount that may be paid out as income to the owner during the current fiscal year;

(e) for a LIF that provides for temporary income, and the owner was at least 54 years old but under 65 years old at the end of the previous year,

(i) how the owner may apply for temporary income to be paid to them after they turn 55 years old, and

(ii) a statement that payment of temporary income will reduce the income that would otherwise be paid to the owner after age 65;

(f) a statement that the maximum amount of income that may be paid to the owner during the fiscal year will not be increased if assets held in another LIF during the year are transferred to the LIF;

(g) if the beginning of the fiscal year is later than the beginning of the calendar year, a statement as to whether any sums deposited were held in another LIF during the year, and the amount of those deposits;

(h) a statement that if the owner wishes to transfer the balance of the LIF, in whole or in part, and still receive the income determined for the fiscal year from the LIF, then an amount must be retained in the LIF that is at least equal to the difference between the income determined for the fiscal year and the income already received from the LIF since the beginning of the fiscal year;

(i) a statement that if the owner dies before the balance in the LIF is used to purchase a life annuity contract or is transferred under Section 15 of this Schedule, then the financial institution must provide the owner's spouse or beneficiary or the personal representative of their estate with the information in clauses (a) and (b), determined as of the date the owner died;

(j) a statement that if the balance of the LIF is transferred to another financial institution or used to purchase a life annuity, then the financial institution must provide the owner the information in clauses (a) and (b), determined as of the date of the transfer or annuity purchase;

(k) a statement that if the balance of the LIF is transferred to another financial institution or used to purchase a life annuity, then the financial institution must comply with Section 209 of the regulations, in accordance with subsection 15(6) of this Schedule.

Transferring assets from LIFs

15 **(1)** An owner of a LIF may transfer all or part of the assets in the LIF as follows:

(a) to either of the following:

(i) another LIF,

(ii) a LIRA, if permitted under the federal *Income Tax Act*;

(b) to purchase an immediate life annuity; or

(c) for an owner who is a member or former member of a pension plan that provides for variable pension benefits, to the owner's variable benefits account in accordance with Section 150 of the regulations, if the transfer is permitted by the plan.

(2) The date of a transfer under subsection (1) must not be later than 30 days after the owner requests it, unless any of the following apply:

(a) the financial institution providing the LIRA does not have all the information necessary to complete the transaction, in which case the 30- day period begins to run from the date the financial institution has all the necessary information;

(b) the transfer is in respect of assets held as securities whose term of investment extends beyond the 30-day period, in which case the 30-day period begins to run from the date the term of investment expires.

(3) If assets in a LIF consist of identifiable and transferable securities, the financial institution providing the LIF may transfer the securities with the consent of the owner.

(4) If assets held in a LIF are transferred to another LIF at any time in the current fiscal year, the maximum amount of income that may be paid to the owner of the LIF must not be increased.

(5) A financial institution providing a LIF must advise the financial institution to which the assets of the LIF are transferred

(a) that the assets were held in a LIF in the current year; and

(b) whether the assets were determined in a manner that differentiated on the basis of sex.

(6) If the balance of a LIF is transferred to another financial institution or used to purchase a life annuity, the financial institution providing the LIF must comply with Section 209 of the regulations.

Information to be provided by financial institution on transfer of balance of LIFs

16 If the balance of the LIF is transferred to another financial institution or used to purchase a life annuity, the financial institution making the transfer must provide the owner with all of the information required to be provided annually under clauses 14(a) to (h) of this Schedule, determined as of the date of the transfer or annuity purchase.

Information to be provided upon transfer of additional amounts to LIFs

17 No later than 30 days after the date that money in locked-in funds that has not been held in a LIF at any time in the current year is transferred to a LIF, the financial institution providing the LIF must provide the owner with all of the following information:

(a) the information required to be provided annually under clauses 14(a) to (f) of this Schedule, determined as of the date of the transfer;

(b) the balance of the LIF used to determine the maximum amount that may be paid to the owner as income during the fiscal year.

Death benefits

18 **(1)** If the owner of a LIF dies, the following are entitled to receive a benefit equal to the value of the assets in the LIF, subject to subsections (4) and (5):

(a) the owner's spouse;

(b) if there is no spouse or if the spouse is otherwise disentitled under subsection (4) or (5), the owner's named beneficiary;

(c) if there is no named beneficiary, the personal representative of the owner's estate.

(2) For the purposes of subsection (1), a determination as to whether an owner of a LIF has a spouse must be made as of the date the owner dies.

(3) For the purposes of subsection (1), the value of the assets in a LIF includes all accumulated investment earnings, including any unrealized capital gains and losses, of the LIF from the date of death until the date of payment.

(4) A spouse is not entitled to receive the value of the assets in a LIF under clause (1)(a) if the owner of the LIF was not

(a) a member or former member of a pension plan from which the assets were transferred, directly or indirectly, to purchase the LIF; or

(b) a member of a pooled registered pension plan from which the assets were transferred, directly or indirectly, to purchase the LIF.

(5) A spouse who, as of the date the owner of the LIF dies, is living separate and apart from the owner without a reasonable prospect of resuming cohabitation is not entitled to receive the value of the assets in the

LIF under clause (1)(a) if any of the following conditions apply:

(a) the spouse delivered a written waiver to the financial institution in accordance with Section 19 of this Schedule;

(b) the terms of a written agreement respecting the division of the LIF entered into before the date of the owner's death disentitle, or do not expressly or impliedly entitle, the spouse to receive an amount under the LIF;

(c) the terms of a court order issued before the owner's death disentitle, or do not expressly or impliedly entitle, the spouse to receive an amount under the LIF.

(6) The benefit described in subsection (1) may be transferred to an RRSP or a RRIF in accordance with the federal *Income Tax Act*.

Waiver of entitlement to death benefits by spouse

19 **(1)** A spouse of an owner of a LIF may waive their entitlement to receive a benefit described in Section 18 of this Schedule from the LIF, by delivering, any time before the death of the owner, a written waiver in an approved form to the financial institution providing the LIF.

(2) A spouse who delivers a waiver under subsection (1) may cancel it by delivering a written and signed notice of cancellation to the financial institution before the date the owner of the LIF dies.

Information to be provided by financial institution on death of owner

20 If the owner of a LIF dies before the balance in the LIF is transferred or used to purchase a life annuity contract, the financial institution providing the LIF must give the information required to be provided annually under clauses 14(a) to (g) of this Schedule, determined as of the date of the owner's death, to any person entitled to receive the assets in the LIF under subsection 18(1) of this Schedule.