



British Columbia Addendum to Contracts for a Locked-in Registered Retirement Savings Plan (Locked-in RRSP)

The owner (undersigned) has applied to B2B Trust (Trustee) for a locked-in RRSP (Fund) to receive and hold locked-in pension assets as per the British Columbia Pension Benefits Standards Act (the "Act"). The owner and the Trustee agree that this Addendum forms part of the Declaration of Trust for the Fund as follows:

Notwithstanding any term in this Addendum or the Declaration of Trust, the Fund shall be maintained as a locked-in RRSP that conforms with the Act, the Regulation (defined below) and the Income Tax Act (Canada).

Interpretation

1. For the purposes of this Addendum the word "Regulation" means the British Columbia *Pension Benefits Standards Regulations*.
2. For the purposes of this Addendum the words used herein shall have the meaning provided in the Act or the Regulation. The titles used herein are used for convenience only and do not affect any rights or liabilities under this Addendum or the Declaration of Trust.
3. The word "spouse" means, in relation to another person:
 - a) a person who at the relevant time was married to that other person, and who, if living separate and apart from that other person at the relevant time, did not live separate and apart from that other person for longer than the 2 year period immediately preceding the relevant time, or
 - b) if paragraph (a) does not apply, a person who was living and cohabiting with that other person in a marriage-like relationship, including a marriage-like relationship between persons of the same gender, and who had been living and cohabiting in that relationship for a period of at least 2 years immediately preceding the relevant time;

Notwithstanding the terms of this Addendum, the term "spouse" does not include any person who is not recognized as a spouse for the purposes of any provision of the Income Tax Act (Canada) respecting an RRSP.

Provision of a pension

4. Subject to the explicit terms of the Act and the Regulation, all assets, including all investment earnings, that are subject to any transfer to or from the Fund are to be used to provide or secure a pension as required by the Act and the Regulation.

Assets transferred into the Fund

5. The owner declares that all assets transferred into the Fund originate directly or indirectly from:
 - a) a registered pension plan;
 - b) another locked-in RRSP;
 - c) a life income fund (LIF); or,
 - d) a life annuity contract.

All such transfers must comply with the *Income Tax Act* (Canada).

Investment of Fund assets

6. The assets of the Fund will be invested in a manner that complies with the rules for the investment of RRSP assets contained in the *Income Tax Act* (Canada) and the regulations under the *Income Tax Act* (Canada) and will not be invested, directly or indirectly, in any mortgage in respect of which the mortgagor is the owner of the Fund or the parent, brother, sister or child of the owner or the spouse of any of those persons.

No assignment of Fund assets and marriage breakdown

7. Subject to the explicit terms of the Act or the Regulation, no withdrawal, commutation or surrender of money is permitted and the benefits in the Fund may not be assigned, charged, alienated or anticipated and are exempt from execution, seizure or attachment and any transaction purporting to assign, charge, alienate or anticipate the benefits is void except where an amount is required to be paid to the owner to reduce the amount of tax otherwise payable under the *Income Tax Act* (Canada).
8. The entitlement of any person to a benefit from assets of the Fund is subject to entitlements arising under a matrimonial property order under Part 6 of the *Family Relations Act* (B.C.) filed with the Trustee.

Small amount withdrawal

9. A lump sum payment equal to the value of the Fund assets may be made on application, satisfactory to the Trustee, by the owner to the Trustee for the payment, at any time:
 - a) if the value of this Fund does not exceed 20% of the YMPE for the calendar year in which the application is made, or
 - b) if
 - i) the owner has attained the age of 65 years at the end of the preceding fiscal year;
 - ii) the value of this Fund and of other plans and contracts belonging to the owner does not exceed 40% of the YMPE for the year in which the application is made; and,
 - iii) the application is accompanied by a completed declaration in a form satisfactory to the Trustee.

If the Fund does not meet the eligibility requirements for a small amount withdrawal under this Addendum, it may not be severed so as to transform it into two or more contracts that are so eligible.

Non-resident withdrawal

10. A lump sum withdrawal may be made by an owner, if the owner applies to the Trustee with written evidence, to the satisfaction of the Trustee, that:
 - i) the owner has been absent from Canada for 2 or more years,
 - ii) the owner has become a non-resident of Canada as determined for the purposes of the *Income Tax Act* (Canada) and such non-residency status has been confirmed by Canada Revenue Agency, and
 - iii) the owner completes and files, to the satisfaction of the Trustee, a certificate of non-residency in Form 6 in the manner described in section 23.1(2) of the Regulation.

Shortened life expectancy withdrawal

11. The owner may apply for the withdrawal of assets as a lump sum or series of payments for the purposes of section 40(2) of the Act if a physician certifies, to the Trustee's satisfaction, that due to a physical disability the life expectancy of the owner is likely to be shortened considerably, but the payment may only be made if the spouse of the owner has waived, to the satisfaction of the Trustee, the joint life pension entitlement in the form and manner set out in Form 2 of Schedule 2 of the Regulation.

Transfers of assets out of the Fund

12. Except as explicitly permitted by the Act or the Regulation, no transfer of assets from the Fund is permitted except:
- a) to transfer the assets to another underwriter's locked-in RRSP contract or to another acknowledged savings institution to purchase a contract, on the relevant conditions specified in section 29 of the Regulation;
 - b) to purchase of a life annuity contract that complies with the *Income Tax Act* (Canada);
 - c) to transfer the assets to a pension plan in accordance with section 33(2)(a) of the Act; or,
 - d) to transfer the assets to an approved LIF on the relevant conditions specified in section 30 of the Regulation.
13. If assets from the Fund are paid out contrary to the Act or the Regulation, the Trustee will provide or ensure the provision to the owner of a pension equal in value to the pension that would have been provided had the money not been paid out.
14. If the owner receives assets that were related to the Fund from a subsequent underwriter in violation of the Act or the Regulation, the Fund or subsequent fund or underwriter has a right of action against the recipient for such assets.
15. The Trustee will, before transferring the assets of the Fund to a subsequent underwriter:
- i) ensure that the subsequent underwriter's name and contract are on the Superintendent's list of savings institutions and insurance companies under section 29(3) of the Regulation;
 - ii) advise the subsequent underwriter in writing of the requirement to lock-in the assets and that the assets had been held under a LIF governed by the Regulation;
 - iii) make the subsequent underwriter's acceptance of the transfer subject to the conditions provided for in the Regulation; and,

If the Trustee does not comply with these requirements and the subsequent underwriter fails to pay the assets transferred in the form of a pension or in the manner required or permitted by section 29 of the Regulation, or, if any payout from the Fund is made contrary to section 29(7) of the Regulation, the Trustee will provide or ensure the provision to the owner of the pension that would have been provided had the assets not been paid out.

16. If the owner receives assets from a subsequent underwriter in violation of the Act or the Regulation, the Fund or subsequent fund or subsequent underwriter has a right of action against the recipient for such assets.
17. The owner must commence receipt of a pension or transfer the assets of the Fund as per this Addendum before the end of the calendar year in which the owner of the contract attains the age of 71 years or greater age as per the *Income Tax Act* (Canada). If the owner does not provide instruction to the Trustee prior to the deadline set-out herein, the Trustee will transfer the assets of the Fund to a LIF for the benefit of the owner. If the Trustee does not receive instruction, the Trustee shall not be responsible for any losses, including administrative expenses.
18. The Trustee reserves the right to process all payments or transfers out of the Fund subject to any withholding taxes, deductions, deduction of costs and the terms of each investment.

Joint and survivor pension payment

19. The pension payable to a former member who has a spouse at the date the pension commences is to be a joint pension payable during the joint lives of the former member and the spouse with at least 60% continuance to be payable to the survivor for life after the death of either unless the spouse waives the entitlement, to the satisfaction of the Trustee, in the form and manner set out in Form 3 of Schedule 2 of the Regulation.

Death of owner

20. On the death of a former member who has a spouse, and within sixty (60) days after the submission to the Trustee of the relevant documents required by it following the death, the assets will be used to provide a pension for the surviving spouse, unless the surviving spouse waives spousal entitlement, to the satisfaction of the Trustee, in the form and manner set out in Form 4 of Schedule 2 of the Regulation and will be transferred

- a) to another locked-in RRSP on the relevant conditions specified in section 29 of the Regulation,
- b) to purchase a life annuity contract in accordance with the term of the Income Tax Act (Canada), or
- c) to an approved LIF on the conditions specified in section 30 of the Regulation,

as the case may be.

21. Within sixty (60) days after the submission to the Trustee of the relevant documents required by it following the death of an owner, and if the owner is not survived by a spouse or the surviving spouse waives spousal entitlement, to the satisfaction of the Trustee, in the form and manner set out in Form 4 of Schedule 2 of the Regulation, the assets of the Fund will be paid to or on behalf of the designated beneficiary or, if no beneficiary has been designated, to the owner's estate.

22. If the Fund holds identifiable and transferable securities, the transfers referred to in this Addendum may, unless otherwise stipulated, at the option of the Trustee and with the consent of the owner, be effected by remittance of the investment securities of the Fund.

Separate accounts

23. Assets that are not locked-in will not be transferred to or held under the Fund, other than a life annuity contract, that holds, or will hold, locked-in assets, unless the locked-in assets are to be held in a separate account.

Differentiation based on sex of owner

24. Assets of the fund, including interest, that are transferred under section 29 of the Regulation may not be subsequently used to purchase a life annuity contract that differentiates on the basis of the annuitant's sex.

Amendment of this Addendum

25. The Trustee may amend the terms of this Addendum. The Trustee will provide the owner with thirty (30) days' notice of any such amendment unless required by the Act, the Regulation or *Income Tax Act* (Canada) to make amendments by an earlier deadline.

Precedence of Addendum and indemnity for the benefit of the Trustee

26. The Trustee and the owner hereby affirm the provisions contained in the Declaration of Trust, and that the conditions of this Addendum will take precedence over other provisions in the Declaration of Trust in the case of conflicting or inconsistent provisions.

27. If the Trustee is to be required to make any payments out of the Fund under conditions not provided for under this Addendum, the owner will indemnify, release and hold harmless the Trustee. This indemnity will be binding on the owner's legal representatives, heirs, assigns and successors.

28. The owner hereby acknowledges receipt of a copy of this Addendum.

Please send completed Addendum to :

B2B Trust

130 Adelaide Street West, Suite 200, Toronto, Ontario M5H 3P5

Toll Free: 1.800.263.8349 or locally at 416.947.7427

b2btrust.com

Signature of Guarantee



B2B Trust Authorized Signature

Date (mm/dd/yyyy)

Name of Annuitant (owner)

Signature of Annuitant (owner)

Date (mm/dd/yyyy)