



## New Brunswick Addendum to Contracts for Locked-in Pension Transfers to a Locked-in Retirement Account (LIRA)

Upon receipt of the locked-in pension assets pursuant to the *Pension Benefits Act* (New Brunswick) and in accordance with the instructions of the owner to transfer the assets to a New Brunswick locked-in retirement account (LIRA), B2B Trust and the owner agree that the provisions of this Addendum are appended to and form additional terms of the Contract for this retirement savings arrangement, as follows:

### Definitions

1. For the purposes of this Addendum the word "Act" means the *Pension Benefits Act* (New Brunswick), as amended and the word "Regulation" means New Brunswick Regulation 91-195, being the General Regulation – Pension Benefits Act, as amended.
2. All the terms in this Addendum which are used in the Act or the Regulation have the same meaning as in the Act or the Regulation. In this Addendum, "Contract", means the above-named retirement savings arrangement governed by the terms contained in the application form including the Declaration of Trust, as well as the additional terms contained in this Addendum. "Locked-in assets" means all the assets in the LIRA at any time and includes any interest or other earnings realized or accrued to that time.
3. The word "spouse" means a person who,
  - a) at the relevant time,
    - i. is married to the owner,
    - ii. is party to a marriage with the owner that is voidable and has not been avoided by a declaration of nullity,
    - iii. is party to marriage with the owner contracted in good faith but nevertheless void and has cohabited with the owner in the preceding year, or
  - b) if not married to the owner,
    - i. is cohabiting with the owner in a conjugal relationship for not less than 3 years in which one person has been substantially dependent on the other for support, or
    - ii. is in a relationship of some permanence with the owner where there is a child born of whom the owner and the spouse are the natural parents and they have cohabited within the preceding year;

Notwithstanding anything to the contrary contained in this Contract, for the purposes of any provision of the *Income Tax Act* (Canada) respecting registered retirement savings plans, "spouse" does not include any person who is not recognized as a spouse or common-law partner under the *Income Tax Act* (Canada).

### Transfers In

4. The only assets that may be transferred into the account are assets originating, directly or indirectly, from:
  - a) the fund of a pension plan that conforms with the Act and the Regulation or with similar legislation in another jurisdiction;
  - b) another retirement savings arrangement that conforms with the Act and the Regulation; or
  - c) a life or deferred life annuity that conforms with the Act and the Regulation.

5. If the information provided on New Brunswick Form 3.2 indicates that the commuted value transferred was determined on transfer in a manner that differentiated, while the owner was a member of the registered pension plan, on the basis of the sex of the owner, the only assets that may subsequently be transferred into the account are assets that are also differentiated on the same basis.
6. No Locked-in assets shall be used to purchase a life or deferred life annuity that differentiates on the basis of the annuitant's sex unless the commuted value of the deferred pension transferred from the plan into the account was determined on transfer in a manner that differentiated, while the owner of the account was a member of the plan, on the basis of sex of the owner.

#### **Transfers Out**

7. Except as provided for in the Regulation, the balance of the Locked-in assets, in whole or in part, may be converted at any time only into a life or life deferred annuity that conforms to section 23 of the Regulation.
8. Unless the Contract provides for an early cashing-in value before the expiration of the term agreed to for the investment, the owner is entitled at any time after the term has expired, but on or before the 31st day of December in the year in which the owner reaches age 71 (or such greater age for maturity as is permitted by the *Income Tax Act* (Canada)):
  - a) to transfer, before a conversion referred to in paragraph 7 of this Addendum, the balance of the Locked-in assets, in whole or in part, to the pension fund of a pension plan that conforms with the Act and the Regulation or with similar legislation in another jurisdiction or to a retirement savings arrangement that conforms with the Act and the Regulation; or
  - b) to convert the balance of the Locked-in assets, in whole or in part, into a life or deferred life annuity that conforms with section 23 of the Regulation.
9. The owner is not permitted to make a transfer under subparagraph 8a) of this Addendum, to a pension plan that is not registered in New Brunswick unless
  - a) the pension plan is registered for persons employed in a designated jurisdiction; and
  - b) the owner is employed in that jurisdiction by an employer who is making contributions on behalf of the owner to the pension fund that is to receive the amount to be transferred.
10. Before assets are transferred out of the account, New Brunswick Form 3.2 (with any necessary modifications) must be completed.
11. A transfer under this Addendum may, at the option of B2B Trust, be effected by the remittance to the owner of the investment securities respecting the account.
12. No Locked-in assets transferred shall be assigned, charged, anticipated, given as security or subjected to execution, seizure, attachment or other process of law except under and in accordance with section 44 or subsection 57(6) of the Act. Any transaction in contravention of this provision is void.
13. No Locked-in assets transferred shall be commuted or surrendered during the lifetime of the owner except under and in accordance with this Addendum, section 44 of the Act or subsection 57(6) of the Act. Any transaction in contravention of this provision is void.
14. Unless the Contract provides for an early cashing-in value before the expiration of the term agreed to for the investments, if there are Locked-in assets that may be transferred under subparagraph 8a) or 23a) of this Addendum, such assets shall be transferred no more than 30 days after the owner's application for the transfer.

#### **Withdrawals**

15. The owner may withdraw an amount from the account if
  - a) The amount is withdrawn to reduce the amount of tax that would otherwise be payable under Part X.1 of the *Income Tax Act* (Canada) by the owner, and
  - b) B2B Trust establishes a sub-account, that is not a registered retirement savings plan, of the locked-in retirement account, and the owner deposits the amount withdrawn, less any amount required to be withheld by B2B Trust under the *Income Tax Act* (Canada), into the sub-account.

16. The owner may withdraw the balance of the Locked-in assets if
- a) the owner and his or her spouse, if any, are not Canadian citizens;
  - b) the owner and his or her spouse, if any, are not resident in Canada for the purposes of the *Income Tax Act* (Canada); and
  - c) the owner's spouse, if any, waives on New Brunswick Form 3.5, any rights that he or she may have in the account under the Act, the Regulation, or the Contract.
17. Notwithstanding any provision in the Act or the Regulation, B2B Trust may permit an owner to withdraw the balance of a locked-in retirement account if
- a) the owner requests that the balance be withdrawn by delivering completed New Brunswick Forms 3.6 and 3.7 where applicable, to B2B Trust; and
  - b) B2B Trust is satisfied, based upon the information provided in New Brunswick Forms 3.6 and 3.7 and any other information that has been requested by B2B Trust, that
    - i. the reported present distribution of assets transferred from pension funds connected with employment in New Brunswick is consistent with the amounts reported to have been transferred from such pension funds, and
    - ii. the requested withdrawal is permitted in accordance with paragraph 18 of the Addendum.
18. An owner may withdraw the balance of a LIRA if
- a) the total assets held in all retirement savings arrangements by the owner would be commutable upon termination of employment if they were held in a pension fund under a pension plan that permitted payment of the commuted value of the pension benefit in accordance with section 34 of the Act; and
  - b) the total of the pension adjustments reported to the owner by the Canada Revenue Agency for the 2 taxation years immediately preceding the request for withdrawal is zero.
19. The owner may withdraw the balance of the Locked-in assets, in whole or in part, and receive a payment or a series of payments if a physician certifies in writing to B2B Trust, in a form satisfactory to B2B Trust that the owner suffers from a significant physical or mental disability that considerably reduces life expectancy. If the owner has a spouse, the owner must deliver a completed spousal waiver in New Brunswick Form 3.01 to B2B Trust.

### **Marriage Breakdown Provisions**

20. The commuted value of the owner's benefits provided under the Contract shall be determined in accordance with the Act and the Regulation if it is divided on an application to divide marital property under section 44 of the Act.
21. Sections 27 to 33 of the Regulation apply with the necessary modifications to the division on marriage breakdown of the Locked-in assets.

### **Death of Owner**

22. If the owner dies before signing a contract under which a life or deferred life annuity is purchased that conforms to section 23 of the Regulation, the balance of the Locked-in assets shall be paid:
- a) to the owner's spouse, unless the spouse waives on New Brunswick Form 3.02 all rights that he or she may have in the account under the Act, the Regulation or the Contract;
  - b) if the owner has a spouse who has waived all rights under subparagraph a) or if the owner does not have a spouse, to a beneficiary on death designated by the owner, or
  - c) if the owner has a spouse who has waived all rights under subparagraph a) or if the owner does not have a spouse and if the owner has not designated a beneficiary on death, to the estate of the owner.

**Amendment**

23. An amendment to the Contract shall not be made:

- a) that would result in a reduction of the benefits arising from the Contract unless the owner is entitled, before the effective date of the amendment, to transfer the balance of the Locked-in assets in accordance with paragraph 8 and, unless a notice is delivered to the owner at least 90 days before the effective date, describing the amendment and the date on which the owner may exercise the entitlement to transfer;
- b) unless the Contract as amended remains in conformity with the Act and the Regulation; or
- c) except to bring the Contract into conformity with requirements under a statute of the New Brunswick Legislature or legislation in another jurisdiction.

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**

  
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B2B Trust Authorized Signature

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Name of Owner

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

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Date (mm/dd/yyyy)

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| Signature Guarantee |
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