



**Ontario Addendum to contracts for a
Locked-In Retirement Account (LIRA)
According to Schedule 3 of the Regulation**

Upon receipt of locked-in money B2B Trust (the "Trustee") declares as follows:

1. For the purposes of this Addendum the word "Act" refers to the *Pension Benefits Act* (Ontario) as amended and the word "Regulation" refers to Regulation 909, R.R.O. 1990, as amended. All words used herein shall have the meaning provided in the Act, the Regulation or Schedule 3 of the Regulation, as applicable.
2. Spouse means either of two persons who:
 - a) are married to each other; or
 - b) are not married to each other and are living together in a conjugal relationship,
 - i. continuously for a period of not less than three years; or
 - ii. in a relationship of some permanence, if they are the natural or adoptive parents of a child, both as defined in the *Family Law Act* (Ontario).

Notwithstanding anything to the contrary contained in the LIRA, this Addendum or any endorsements forming a part thereof, for the purposes of any provision of the *Income Tax Act* 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).

3. The Annuitant declares to be a former member or a spouse or former spouse of a person who was a member and that the funds being transferred to the LIRA come directly or initially from an amount transferred under the paragraph 42(1)(b) of the Act or all or part of the assets of a locked-in retirement account.
4. The Trustee affirms that the money in the LIRA, including all investment earnings, shall be invested in a manner that complies with the rules for the investment of money in a registered retirement savings plan pursuant to the *Income Tax Act* (Canada) and the Regulation, and that no part of the money shall be invested, directly or indirectly, in any mortgage in respect of which the mortgagor is the Annuitant or the parent, brother, sister or child of the Annuitant or the spouse of any such person.
5. The money in the LIRA may not be assigned, charged, anticipated or given as security except as required by an order under the *Family Law Act* (Ontario) or by a domestic contract as defined in Part IV of that Act, subject to the maximum set out in subsection 66(4) of the Act.
6. The money in the LIRA cannot be commuted, withdrawn or surrendered in whole or in part, except as permitted by section 49 or 67 of the Act, section 22.2 or Schedule 3 of the Regulation. Furthermore, any transaction that contravenes the above restrictions is void and of no effect.
7. The value of the LIRA, at the relevant time, shall be the fair market value of the LIRA upon:
 - a) the death of the Annuitant;
 - b) the establishment of life annuity;
 - c) a transfer of assets from the LIRA;
8. The commuted value of the pension benefit transferred into the LIRA:
 - was determined on a basis that differentiated on the basis of sex.
 - was not determined on a basis that differentiated on the basis of sex.
9. The fiscal year of the LIRA must end on December 31 and shall not exceed 12 months.

10. Prior to maturity date prescribed or required for in paragraph 146(2) (b.4) of the *Income Tax Act* (Canada), the Annuitant may transfer all or part of the assets of the LIRA:
- a) to a pension fund of a pension plan registered under any Canadian jurisdiction or to a pension plan provided by a government in Canada;
 - b) to another locked in retirement account that is governed by Schedule 3 of the Regulation;
 - c) to a life income fund that is governed by Schedule 1.1;
 - d) to purchase an immediate life annuity that meets the requirements of section 22 of the Regulations and paragraph 60 (1) of the *Income Tax Act* (Canada). For the purposes of the annuity in question:
 - i. Spousal status is determined on the date the annuity is purchased;
 - ii. payments under the life annuity are subject to division in accordance with the terms of an order under the *Family Law Act* (Ontario) or a domestic contract as defined in Part IV of the Act; and
 - iii. shall not differentiate on the basis of the sex of the beneficiary if the commuted value of the pension benefit that was transferred into the LIRA was determined in a manner that did not differentiate on the basis of sex; and

Payments made under a life annuity referred to in 10(d) must not begin before the earlier of,

- a) the earliest date on which the Annuitant would have been entitled as a former member to receive pension benefits under the Act as a result of termination of employment or termination of membership in any pension plan, from which money was transferred directly or indirectly into the locked-in retirement account; or
 - b) the earliest date on which the Annuitant would have been entitled as a former member to receive pension benefits under any pension plan described in clause (a) as a result of termination of employment or termination of membership in the plan.
11. The Trustee shall in no case complete a transfer described in paragraph 10 except where:
- a) the transfer is permitted under the Act and the Regulation; and
 - b) the transferee agrees to administer the amount transferred in accordance with the Act and this Regulation
12. The Annuitant may, upon an application in conformity with the requirements of the Act and the Regulation, withdraw all of the assets in the LIRA or transfer said assets to an RRSP before the maturity date prescribed or required for in paragraph 146(2)(b.4) of the *Income Tax Act* (Canada), or to a RRIF, as applicable, provided that, when the Annuitant signs the application:
- a) he or she is at least 55 years of age; and
 - b) the value of all assets in all life income funds, locked-in retirement income funds and locked-in retirement accounts owned by him or her is less than 40 per cent of the Year's Maximum Pensionable Earnings for that calendar year, as defined in Act.

The valuation of all assets in all life income funds, locked-in retirement income funds and locked-in retirement accounts shall be determined using the most recent statement about each fund or account given to the owner. Each statement shall be dated within one year prior to the Annuitant signing the above-mentioned application.

13. The Annuitant may withdraw all of the money in the LIRA if, when the Annuitant signs an application to withdraw the assets in the account:
- a) the Annuitant is a non resident for the purposes of the *Income Tax Act* (Canada); and
 - b) the application is made at least 24 months after his or her departure date from Canada.
14. The Annuitant may withdraw all or part of the money in the LIRA if, when the Annuitant signs an application to withdraw all or part of the assets, the Annuitant has an illness or physical disability that is likely to shorten the Annuitant's life expectancy to less than two years.

15. Any application under paragraphs 13 or 14 shall not be accepted unless it is in conformity with all prescribed requirements as set out in the Act and Regulation.
16. The Trustee agrees to make such payment or transfer, as applicable, pursuant to paragraphs 10, 12, 13 and 14 of this Addendum, within thirty (30) days after the Trustee has received such a request or completed application from the Annuitant. This obligation does not apply with respect to the transfer of assets under paragraph 10 of this Addendum held as securities whose term of investment extends beyond the thirty (30) day period. If the assets in the LIRA consist of identifiable and transferable securities, the Trustee may transfer the securities with the consent of the Annuitant.
17. The Trustee shall be entitled to rely upon any information provided by the Annuitant in an application made under this Addendum.
18. Upon the death of the Annuitant, the Annuitant's spouse, if eligible pursuant to section 11 of Schedule 3 of the Regulation, or, if there is none or if the spouse is otherwise disentitled, the Annuitant's designated beneficiary or, if there is none, the Annuitant's estate, is entitled to receive a benefit equal to the value of the assets in the LIRA. The benefit may be transferred to a RRSP or a RRIF, in accordance with the provisions of the *Income Tax Act (Canada)*.

The Annuitant's spouse may waive his or her entitlement to receive a benefit under the present section by delivering a written waiver to that effect compliant with the applicable requirements of the Act and Regulation. The Annuitant's spouse may then cancel said waiver by sending a written and signed notice to that effect at any time prior to the death of the Annuitant.

19. The Trustee may amend the terms and conditions of LIRA on a ninety (90) day notice to the Annuitant, sent by mail to the Annuitant's address as set out in the record of the Trustee, indicating the nature of the amendment. This amendment may not reduce in any way the rights of the Annuitant, unless the amendment is required by law and the Annuitant is given at least ninety (90) days from the date of notification of the amendment to transfer the assets in the LIRA pursuant to the terms of the contract that existed before the amendment was made.
20. At the beginning of each fiscal year, the Trustee shall provide to the Annuitant the following information: the value of the assets in the LIRA and, with respect to the previous year, the sums deposited, any accumulated investment earnings, including any unrealized capital gains or losses, the payments made out of the LIRA, the withdrawals taken out of the LIRA and the fees charged against the LIRA.

In the case of the transfer of assets pursuant to paragraph 10 of this Addendum, the Trustee shall remit the information described above as of the date of the transfer.

In the case of receipt of assets in the event of the death of the Annuitant pursuant to paragraph 18 of this Addendum, the Trustee shall remit the information described above as of the date of the Annuitant's death.

The Trustee hereby affirms the provisions of the Retirement Savings Plan, and that the conditions of this Addendum will take precedence over other provisions in the Declaration of Trust, should there be a conflict between the two.

The Annuitant attests to having read this Addendum in its entirety and agrees to be bound by the conditions and declarations contained herein.

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



 B2B Trust Authorized Signature

 Name of Annuitant

 Signature of Annuitant

 Date (mm/dd/yyyy)

Signature Guarantee
