Clear Form

PROVINCE OF NOVA SCOTIA LOCKED-IN RETIREMENT ACCOUNT (LIRA) ADDENDUM AGREEMENT CANADIAN WESTERN TRUST COMPANY, TRUSTEE

Annuitant's Name (Please print)	Social Insurance Number	LIRA Account Number

Upon receipt of locked-in funds, the Trustee further agrees to, and the Annuitant acknowledges, the following:

1. **Definitions**. In this Addendum:

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

(b) **LIF** means a "LIF" or "life income fund" as defined in Pension Legislation;

(c) **life annuity** means "life annuity contract" as defined in Pension Legislation that conforms with the Income Tax Act and Pension Legislation;

(d) **LIRA** means a "LIRA" or "locked-in retirement account" 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) **Pension Legislation** means the *Pension Benefits Act* (Nova Scotia) and its Regulations, governing locked-in funds transferred or to be transferred to the Plan directly or indirectly from an RPP;

(f) **RPP** means a registered pension plan governed by Pension Legislation or established by other legislative authority;

(g) **Schedule 3** means the Nova Scotia LIRA Addendum attached hereto and forming Schedule 3 of the Regulations under Pension Legislation;

(h) **Spouse** means a "spouse" or "common-law partner" as defined in Pension Legislation; provided, however, it only includes a person recognized as a spouse or common-law partner for the purposes of the Income Tax Act;

(i) **Trustee** means Canadian Western Trust Company;

(j) The terms "Annuitant" and "Plan" shall have the same meanings as are given to them in the Declaration of Trust; and

(k) Words defined in Pension Legislation have the same meanings in this Addendum unless otherwise defined herein.

2. **Compliance.** If locked-in funds are transferred or will be transferred to the Plan, directly or indirectly, from an RPP, the additional provisions of this Addendum form part of the Declaration of Trust. In case of any inconsistency between this Addendum and the Declaration of Trust, this Addendum will apply. The Trustee has filed the Declaration of Trust (including this Addendum) with and caused it to be accepted by the appropriate pension authorities in Canada. The Trustee will comply with all relevant provisions of Pension Legislation.

Subject to paragraphs 6, 7, 10, 11, 14, 15, and 16 of this Addendum, all money, including all investment earnings, that is subject to any transfer to or from the Plan as defined by the Declaration of Trust, is to be used

to provide or secure a pension that would, but for the transfer and previous transfers, if any, be required by the Act and Pension Legislation. The property of the Plan is exempt from execution, seizure or attachment, except as permitted in paragraph 8 or as permitted by Pension Legislation.

3. **Transfers to the Plan.** Only property representing locked-in funds originating directly or indirectly from an RPP, a LIRA, a life annuity the capital of which originated from an RPP, or another source permitted by the Act and Pension Legislation from time to time, may be transferred to the Plan. The Trustee will not accept any transfers to the Plan from a source or in circumstances not permitted by Pension Legislation. The Trustee is entitled to rely upon the information provided by the Annuitant to transfer into the Plan.

4. **Provision of Information by Trustee.** The Trustee agrees to provide the information described in Section 4 of Schedule 3 to the Annuitant.

5. **Investments.** The investments held in the Plan must comply with the investment rules imposed by the Income Tax Act for a registered retirement savings plan. The Plan may not directly or indirectly hold any mortgages where the mortgagor is the Annuitant, or the parent, brother, sister or child of the Annuitant, or the Spouse of any of those persons.

6. **Withdrawals.** Subject to paragraphs 7, 10, 11, 12, 14, 15, and 16 of this Addendum, no withdrawal, commutation or surrender of property is permitted except where:

   (a) an amount is required to be paid to the Annuitant to reduce the amount of tax otherwise payable under Part X.1 of the Act in respect of this Plan; or

   (b) as may be permitted by the Income Tax Act and Pension Legislation from time to time. Any such payment may only be made after the Trustee receives a waiver from the Spouse in the form and manner required by Pension Legislation.

   Any transaction that is contrary to this paragraph is void.

7. **Disability Payments.** The Annuitant may withdraw all or a part of the property of the Plan where the life expectancy of the Annuitant is to be shortened to less than 2 years due to an illness or physical disability, as evidenced by the written opinion of a qualified medical practitioner. The payment or payments may only be made after the Trustee receives an application from the Annuitant in the form and manner required by Pension Legislation. The Trustee must give the Annuitant a receipt for the application stating the date on which it was received.

   The Trustee is entitled to rely upon the information provided by the Annuitant in such application. The application that meets the requirements of the Regulations under Pension Legislation constitutes an authorization to the Trustee to pay money to the Annuitant from the Plan in accordance with Pension Legislation. The Trustee will make the payments to which the Annuitant is entitled under the Regulations under Pension Legislation within 30 days after the Trustee receives the completed application and accompanying documentation.

8. **Payments after Marriage Breakdown.** The property of the Plan may be subject to division under family law and Pension Legislation. The Trustee will make a payment or payments out of the Plan to the extent and in the manner permitted or required by applicable law:

   (a) to effect a division of property, provided the payment is made pursuant to an order from the Supreme Court of Nova Scotia; or

   (b) pursuant to an execution, seizure, attachment or other process of law in satisfaction of an order for support or maintenance.

9. **Beneficiary Designation.** The designation of a person other than the Annuitant's Spouse as the beneficiary of the Plan will not be valid if the Annuitant has a Spouse who is entitled to survivor benefits under the Plan because of Pension Legislation.

10. **Death of Annuitant.** Following the death of the Annuitant, the property of the Plan will be paid to the surviving Spouse of the Annuitant unless the surviving Spouse is not entitled to survivor benefits under Pension Legislation. The surviving Spouse may instruct the Trustee to transfer the property of the Plan to a LIRA, LIF, or life annuity as permitted by Pension Legislation and paragraph 60(l) of the Income Tax Act.

    If there is no surviving Spouse or where the surviving Spouse waives the spousal entitlement in the form and manner required by Pension Legislation, the property of the Plan will be paid to the person designated as beneficiary of the Plan, or if no such person has been designated, to the legal representative of the deceased Annuitant's estate.

11. **Transfers from the Plan.** Subject to any restrictions imposed by the Income Tax Act, the property of the Plan may be transferred to the issuer of an RPP, LIRA, LIF, or life annuity. Where the Plan holds identifiable and transferable securities, the transfer or purchase may, unless otherwise stipulated, at the option of the Trustee and with the consent of the Annuitant, be effected by remittance of the investment securities of the Plan.

    Before transferring property of the Plan, the Trustee will:

    (a) write to the issuer of the recipient plan to notify it of the locked-in status of the property being transferred and Pension Legislation that governs the property; and

    (b) not permit the transfer unless the issuer of the recipient plan agrees to administer the transferred property according to Pension Legislation.

    If the Trustee does not comply with the above, and the issuer of the recipient plan fails to pay the money transferred in the form of a pension or in the manner required by the Pension Legislation, the Trustee will provide or ensure the provision of the pension in a manner and in an amount that would have been provided had such property not been paid out.

12. **Maturity.** On or before December 31 of the year in which the Annuitant reaches age 71 (or such other date or age specified by the Income Tax Act for commencement of a retirement income), the property of the Plan must be used to purchase a life annuity that conforms with subsection 146(1) of the Income Tax Act and Pension Legislation. If the Annuitant fails to provide satisfactory written instructions to the Trustee, by December 31 of that year, for the purchase of the life annuity, the Trustee shall transfer the property of the Plan into a LIF opened and registered by the Trustee for such purpose in the name of the Annuitant. It is the sole responsibility of the Annuitant to ensure that any such property is a qualified investment for a LIF and to convert any unqualified investment into cash. Upon transfer of such property or cash to the LIF:

    (a) if the Annuitant has a Spouse, the Spouse will be the beneficiary upon the Annuitant's death; otherwise, the Annuitant shall be deemed not to have elected to designate any beneficiary upon death; and

    (b) the Annuitant shall be subject to all the terms and conditions of the LIF as stated in the documents pertaining thereto as if the Annuitant had at that time instructed the Trustee, to purchase the LIF and had signed the appropriate documents to effect such transfer, and had refrained from making the designation referred to herein.

13. **Life Annuity.** In addition to the rules imposed by the Income Tax Act, a life annuity purchased with the

property of the Plan must comply with Pension Legislation and must be established for the Annuitant's life. However, if the Annuitant has a Spouse on the date payments under the life annuity begin, the life annuity must be established for the lives jointly of the Annuitant and the Annuitant's Spouse, unless the Annuitant and the Spouse has provided a waiver in the form and manner required by Pension Legislation. Where the surviving Spouse is entitled to payments under the life annuity after the Annuitant's death, those payments must be at least 60 percent of the amount to which the Annuitant was entitled prior to the Annuitant's death. The life annuity may not differentiate based on gender except to the extent permitted by Pension Legislation.

The life annuity may not commence before the earlier of:

(a) the earliest date on which the former member is entitled to receive pension benefits under Pension Legislation as a result of termination of employment or termination of membership in any pension plan from which the money was transferred into the LIRA; and

(b) the earliest date on which the former member is entitled 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.

14. **Option to Withdraw Small Balances.** The Annuitant may apply to the Trustee for a lump sum payment equal to the value of the entire contract if, on the date the Annuitant signs the application, the Annuitant is at least 55 years of age, and the value of the Annuitant's assets in all LIRAs, LIFs, and RPPs providing defined contribution benefits governed by Pension Legislation is less than 50 percent of the year's maximum pensionable earnings under the Canada Pension Plan for that calendar year. Such application by the Annuitant must be in the form and manner required by Pension Legislation. The Trustee will give the Annuitant a receipt for the application stating the date on which it was received.

The Trustee is entitled to rely upon the information provided by the Annuitant in such application. The application that meets the requirements of the Regulations under Pension Legislation constitutes an authorization to the Trustee to pay money to the Annuitant from the Plan in accordance with Pension Legislation. The Trustee will make the payments to which the Annuitant is entitled under the Regulations under Pension Legislation within 30 days after the Trustee receives the completed application for and accompanying documentation.

The value of all assets in all LIRAs, LIFs, and RPPs providing defined contribution benefits governed by Pension Legislation owned by the Annuitant when he / she signs the application under the Regulations under Pension Legislation will be determined in accordance with the most recent statement about each LIRA or LIF given to the Annuitant, and each statement must be dated within one year before the Annuitant signs the application.

15. **Option to Withdraw Due to Financial Hardship.** The Annuitant may apply to the Trustee for a lump sum payment of not less than $500 in cases of serious financial hardship as specified in Pension Legislation. Such application by the Annuitant must be in the form and manner required by Pension Legislation, and, if the Annuitant has a Spouse on the date the Annuitant signs the application, must be accompanied by a waiver by the Spouse, in the form and manner required by Pension Legislation.

The Trustee is entitled to rely upon the information provided by the Annuitant in such application. An application that meets the requirements of the Regulations under Pension Legislation constitutes an authorization to the Trustee to pay money to the Annuitant from the Plan in accordance with Pension Legislation. The Trustee will make the payments to which the Annuitant is entitled under the Regulations under Pension Legislation within 30 days after the Trustee receives the completed application form and accompanying documentation.

The value of the assets in the LIRA owned by the Annuitant when he / she signs the application will be determined in accordance with the most recent statement about the LIRA given to the Annuitant, and each statement must be dated within one year before the Annuitant signs the application

16. **Option to Withdraw due to Non-Residency (Permanent Departure from Canada).** The Annuitant may apply to the Trustee for a withdrawal of all or part of the money in their LIRA if the Annuitant has ceased to be a resident of Canada for at least the 2 immediately previous calendar years. The Annuitant must provide a written declaration signed by the Annuitant that they have not been a resident of Canada for at least the 2 immediately previous calendar years.

Such application by the Annuitant must be in the form and manner required by Pension Legislation, and, if the Annuitant has a Spouse on the date the Annuitant signs the application, must be accompanied by a waiver by the Spouse, in the form and manner required by Pension Legislation.

The Trustee is entitled to rely upon the information provided by the Annuitant in such application. An application that meets the requirements of the Regulations under Pension Legislation constitutes an authorization to the Trustee to pay the money to the Annuitant from the Plan in accordance with Pension Legislation. The Trustee will make the payments to which the Annuitant is entitled under the Regulations under Pension Legislation within 30 days after the Trustee receives the completed application form and accompanying documentation.

17. **Prohibition.** The property of the Plan may not be assigned, charged, alienated, anticipated or given as security or subjected to execution, seizure or attachment, except as permitted by Pension Legislation. A transaction that is contrary to this paragraph is void.

18. **Amendments.** From time to time, the Trustee may amend the Declaration of Trust (including this Addendum), if the amendment does not disqualify the Plan as a LIRA and if the amendment is filed with and approved by Canada Revenue Agency and applicable provincial authorities. The Trustee will give the Annuitant with 90 days written notice (including notice of the Annuitant's entitlement to transfer the property out of the Plan) of a proposed amendment, other than an amendment required by law.

The Trustee will not amend the LIRA if the amendment will result in a reduction in the Annuitant's rights under the Plan, unless the Trustee is required by law to make the amendment, and the Annuitant is entitled to transfer the property of the Plan under the terms of the Plan that existed before the amendment was made. The Trustee will notify the Annuitant of the nature of such an amendment and permit the Annuitant at least 90 days after the notice is given to transfer all or part of the property of the Plan.

_____ _____

Signature of Annuitant Date

Accepted by:
Canadian Western Trust Company
300 – 750 Cambie Street
Vancouver, BC V6B 0A2

_____

Authorized Signature

TO BE COMPLETED BY THE ANNUITANT:

CURRENT MARITAL STATUS:
(This data is necessary in order to complete prescribed government forms.)

☐ Single ☐ Married ☐ Common law ☐ Divorced ☐ Separated

Spousal Information:

Name: _____

SIN: _____ Birth Date: _____

TO BE COMPLETED BY THE TRANSFERRING INSTITUTION

Is the Annuitant the individual that is or was a member of the pension plan from which locked-in funds originated?

☐ Yes ☐ No

The amount of the benefit transferred to the LIRA governed by this Addendum was determined in a manner that differentiated on the basis of sex: ☐ Yes ☐ No

The Normal Retirement Age of the Registered Pension Plan the transferring benefit originated from is age_ _____ and, if applicable, the Early Retirement Age is age _____

Schedule 3: Nova Scotia LIRA Addendum

(*Pension Benefits Regulations*)

Note: This document is Schedule 3 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 200(2) of the regulations, who has purchased a LIRA:

(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 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 LIRA 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*,

(vii) a former member of the Public Service Superannuation Plan under the *Public Service Superannuation Act* who is entitled to make a transfer in accordance

with the Public Service Superannuation Plan,

(viii) a spouse of a person who is a member of the Service Superannuation Plan under the *Public Service Superannuation Act* who is entitled to make a transfer in accordance with the Public Service Superannuation Plan,

(ix) a former member of the Teachers' Pension Plan who is entitled to make a transfer in accordance with subclause 24(11)(b)(ii) or 24(12)(b)(ii) of the *Teachers' Pension Regulations*,

(x) a spouse of a person who was a member of the Teachers' Pension Plan who is entitled to make a transfer in accordance with subclause 41(4)(b) of the *Teachers' Pension 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,

(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;

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

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 LIRA 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 55
- 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.

Value of assets in LIRA subject to division

The value of the assets in a LIRA is subject to division in accordance with all of the following:

- an order of the Supreme Court of Nova Scotia that provides for a 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 LIRA

The following requirements are set out in the *Pension Benefits Act* and are applicable to LIRAs governed by this Schedule:

- Money held in a LIRA 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 LIRA as security is void.
- Money held in a LIRA 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*.

Transferring assets from LIRAs

2 **(1)** An owner of a LIRA may transfer all or part of the assets in the LIRA to any of the following:

(a) the pension fund of a pension plan registered under the pension benefits legislation in any Canadian jurisdiction or to the pension fund of a pension plan provided by a government in Canada;

(b) a LIRA held by another financial institution;

(c) a LIF;

(d) a life annuity;

(e) a pooled registered pension 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.

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

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

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

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

Information to be provided by financial institution on transfers of assets of LIRAs

3 If the assets in a LIRA are transferred, the financial institution providing the LIRA must give the owner the information required by Section 4 of this Schedule, determined as of the date of the transfer.

Information to be provided annually by financial institution

4 At the beginning of each fiscal year of a LIRA, a financial institution providing the LIRA must provide all of the following information to the owner about their LIRA as of the end of the previous fiscal year:

(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 LIRA,

(iv) any withdrawals from the LIRA,

(v) the fees charged against the LIRA;

(b) the value of the assets in the LIRA at the beginning of the fiscal year of the LIRA.

Death benefits

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

(a) the owner's spouse;

(b) if there is no spouse or if the spouse is 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 LIRA 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 LIRA includes all accumulated investment earnings, including any unrealized capital gains and losses, of the LIRA 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 LIRA under clause (1)(a) if the owner of the LIRA was not

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

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

(5) A spouse who, as of the date the owner of a LIRA 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 LIRA 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 6 of this Schedule;

(b) the terms of a written agreement respecting the division of the LIRA that was 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 LIRA;

(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 LIRA.

(6) The benefit described in subsection (1) may be transferred to a registered retirement savings arrangement in accordance with the federal *Income Tax Act*.

Waiver of entitlement to death benefits by spouse

6 **(1)** A spouse of an owner of a LIRA may waive their entitlement to receive a benefit described in Section 5 of this Schedule from the LIRA, by delivering, any time before the death of the owner, a written waiver in an approved form to the financial institution providing the LIRA.

(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 LIRA dies.

Information to be provided by financial institution on death of owner

7 If the owner of LIRA dies, the financial institution providing the LIRA must give the information required by Section 4 of this Schedule, determined as of the date of the owner's death, to any person who is entitled to receive the assets in the LIRA under subsection 5(1) of this Schedule.