

# Addendum for Locked-In Pension Transfer to a Locked-In Retirement Account (LIRA)

For transfers pursuant to The Pension Benefits Act, 1992 (Saskatchewan)

## BMO InvestorLine Inc. Self-Directed Retirement Savings Plan

Plan Issuer — BMO Trust Company

100 King St. W., 41st Floor, Toronto, Ontario M5X 1H3

Acting through its Agent, BMO InvestorLine Inc.

Client name	Branch code	Account number
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Upon receipt of locked-in pension assets ("Locked-In Assets") to the above-named plan pursuant to the Pension Benefits Act, 1992 (Saskatchewan), the Plan Carrier and Planholder further agree as follows:

### 1. Pension Legislation

For purposes of this Addendum, the word "Act" means The Pension Benefits Act, 1992 (Saskatchewan) and the word "Regulations" means The Pension Benefits Regulations, 1993, made under the Act.

### 2. Definitions

All terms in this Addendum have the same meaning provided in the Act or the Regulations. "Locked-In Assets" includes interest, gains and losses. In this Addendum, "Plan" has the same meaning given in the declaration of trust for the retirement savings plan to which the Locked-in Assets are transferred. "Planholder" means the planholder, accountholder or annuitant under the declaration of trust and application form, and includes the "owner" of the "contract" as those terms are used in the Regulations.

### 3. Spouse

The word "spouse" means a person:

- who is married to the Planholder; or
- if the Planholder is not married, with whom the Planholder is cohabiting as spouses at the relevant time and who has been cohabiting continuously with the Planholder as his or her spouse for at least one year prior to the relevant time.

Notwithstanding anything to the contrary contained in the Plan, this Addendum or any endorsements forming a part thereof, 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).

### 4. Requirement to Provide Pension

Except as otherwise provided in this Addendum, all Locked-In Assets that are subject to any transfer to or from the Plan are 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 the Regulations.

### 5. Only Locked-In Assets, Except Separate Account

Assets that are not locked-in will not be transferred to or held under the Plan, unless the Locked-In Assets are to be held in a separate account which will contain only Locked-In Assets.

### 6. Investments

The Plan Carrier and the Planholder hereby affirm that the Locked-In Assets shall be invested in a manner that complies with the rules for the investment of the assets of a registered retirement savings plan pursuant to the Income Tax Act (Canada) and the regulations thereunder.

### 7. No Withdrawals, etc.

Except as provided in the Act or the Regulations, no Locked-In Assets shall be withdrawn, surrendered or commuted (except where an amount is required to be paid to the Planholder to reduce the amount of overcontribution penalty tax payable under Part X.1 of the Income Tax Act (Canada), to the extent permitted by the Act and the Regulations).

### 8. Transfers Out

Subject to paragraph 17 of this Addendum, no transfer of Locked-In Assets from the Plan is permitted except:

- to another LIRA that conforms with section 29 of the Regulations;
- to purchase a life annuity contract, as provided by subsection 146(1) of the Income Tax Act (Canada).
- to purchase a registered retirement income fund that conforms with section 29.1 of the Regulations; or
- to a pension plan, as a transfer pursuant to clause 32(2)(a) of the Act.

### 9. Notice of Locked-In Status on Transfer

The Plan Carrier, before transferring out Locked-In Assets from the Plan pursuant to paragraph 8 of this Addendum, will advise the transferee in writing of the locked-in status of the Locked-In Assets and make acceptance of the transfer subject to the conditions provided for in the Regulations.

### 10. Provision of Pension on Improper Transfer

If the Plan Carrier does not comply with paragraph 9 of this Addendum and the transferee fails to pay the Locked-In Assets transferred in the form of a pension or in the manner required by the Regulations, the Plan Carrier will provide or ensure the provision of the pension referred to in paragraph 11 of this Addendum.

### 11. Provision of Pension on Improper Pay Out

Where Locked-In Assets are paid out contrary to the Act or the Regulations, the Plan Carrier will provide or ensure the provision of a pension in the amount of the pension that would have been provided had the Locked-In Assets not been paid out.

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### For transfers pursuant to The Pension Benefits Act, 1992 (Saskatchewan)

#### 12. Indemnity

Should the Plan Carrier or its agent be required to provide or ensure the provision of a pension pursuant to paragraphs 10 or 11 of this Addendum, or pursuant to the Act, the Planholder or the Planholder's heirs, administrators, or executors will indemnify and hold harmless the Plan Carrier or its agent on demand of all Locked-In Assets improperly paid out or transferred, to the extent that such Locked-In Assets were received by or accrued to the benefit of any recipient.

#### 13. Pension Must Commence Prior to Maturity

The Plan matures by the end of the calendar year in which the Planholder attains the age of 71 or such greater age permitted by the Income Tax Act (Canada). The Planholder must commence receipt of a pension or transfer the Locked-In Assets pursuant to subparagraph 8 (iii) of this Addendum once the plan matures. If the Plan Carrier does not receive instructions from the Planholder by the end of the calendar year in which the Planholder become age 71, the Plan Carrier will transfer the Locked-In Assets pursuant to subparagraph 8(iii) of this Addendum. The Planholder will also be responsible for any related administration expenses.

#### 14. Joint Life Pension

The Plan Carrier and Planholder hereby acknowledge that a pension to be provided to the Planholder who was a member of the pension plan from which the Locked-In Assets were transferred and who has a spouse at the date when the pension commences shall comply with section 34 of the Act (the pension will be payable during the lives of the Planholder and the Planholder's spouse, and after the death of the Planholder will continue to be payable to the surviving spouse for life), unless the spouse of the Planholder files a waiver with the Plan Carrier in the manner and form required by the Act and Regulations.

#### 15. Disability and Shortened Life Expectancy

Subject to paragraph 14 of this Addendum, the Locked-In Assets may be withdrawn in a lump sum or series of payments for the purposes of subsection 39(2) of the Act, where a physician certifies, in a form satisfactory to the Plan Carrier, that due to mental or physical disability the life expectancy of the Planholder is shortened considerably and such certificate is provided to the Plan Carrier.

#### 16. Withdrawal of Small Amounts

The Locked-In Assets may be withdrawn from the Plan as a lump sum if:

- a. the amount of the Locked-In Assets does not exceed 20% of Year's Maximum Pensionable Earnings in effect in the year in which the withdrawal occurs; and
- b. the Planholder certifies in a form satisfactory to the Plan Carrier that the Planholder has no other locked-in assets.

#### 17. Death of Planholder

Upon the death of the Planholder who was a member of the pension plan from which the Locked-In Assets were transferred, the surviving spouse is entitled to the Locked-In Assets and may, within 180 days following the day on which proof of death of the Planholder who was a member or former member is provided to the Plan Carrier, elect:

- a. to transfer the Locked-In Assets to:
  - i. another plan that permits the transfer, if any payment from the other plan is a payment that would otherwise be required by the Act;
  - ii. a prescribed RRSP;

- iii. an insurance company to purchase a deferred pension that is not commutable and that will not commence earlier than the earliest day on which the pension could have commenced pursuant to the plan; or
  - iv. any other prescribed retirement plan that is registered pursuant to the Income Tax Act (Canada); or
- b. to receive a lump sum payment equal to the amount of the Locked-In Assets.

A surviving spouse who fails to make an election within 180 days under paragraphs (a) or (b) above is deemed to have elected paragraph (b).

If the Planholder who was a member of the pension plan from which the Locked-In Assets were transferred dies leaving no surviving spouse, a lump sum payment equal to the amount of Locked-In Assets to which a surviving spouse would have been entitled pursuant to paragraphs (a) or (b) above is to be paid:

- a. to the designated beneficiary of the Planholder; or
- b. if there is no validly designated beneficiary, to the estate of the Planholder.

The Plan Carrier must receive satisfactory evidence of death, satisfactory evidence as to whether or not the Planholder had a spouse at the date of the Planholder's death, and any other documents as the Plan Carrier may require.

#### 18. Waiver of Spouse's Entitlement on Death

At any time before the date of death of the Planholder, the spouse of the Planholder:

- a. may waive the spouse's entitlement to the Locked-In Assets by delivering a written and signed waiver in Form 0.1 to the Plan Carrier; and
- b. may revoke a waiver delivered pursuant to clause (a) above by delivering to the Plan Carrier a written and signed notice of revocation in a form satisfactory to the Plan Carrier.

If this waiver is in effect at the date of death of the Planholder, the provisions of this Addendum will apply to be as if the Planholder died leaving no surviving spouse

#### 19. No Assignment etc.

The Locked-In Assets may not be assigned, charged, alienated or anticipated and are exempt from execution, seizure or attachment. Any transaction purporting to assign, charge, alienate or anticipate the Locked-In Assets is void. This paragraph is subject to paragraphs 20 and 21 of this Addendum.

#### 20. Attachment for Maintenance Order

The Locked-In Assets are subject to attachment for the purpose of enforcing a maintenance order as defined in The Enforcement of Maintenance Orders Act. When an amount has been so attached, the Plan Carrier shall deduct (i) an amount, not to exceed \$250, that reasonably represents its costs of complying with the attachment; (ii) the total amount of taxes that are required to be deducted or withheld; and (iii) the lesser of the amount attached and the remainder of the Locked-In Assets. Where an amount has been so attached, the Planholder will have no further claim or entitlement to any pension respecting the amount attached; and the Plan Carrier is not liable to any person by reason of having made payment pursuant to the attachment.

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#### 21. Division on Breakdown of Spousal Relationship

The Locked-In Assets in the Plan shall be subject, with any necessary modification, to the division on spousal relationship breakdown provisions in Part VI of the Act.

#### 22. Terms of Investments; Transfers and Payments

All transfers and payments from the Plan are subject to the terms of the investments and will be subject to the withholding of any applicable tax and deduction of all reasonable expenses, costs, fees and charges. Transfers and payments may be made in cash or in kind, in accordance with the instructions of the Planholder and subject to the terms of the investments and the requirements of the Plan Carrier or the Agent.

#### 23. Amendment

The Plan Carrier may from time to time amend this Addendum by giving 30 days notice to the Planholder, provided that such amendment will not contravene the Act, the Regulations or the Income Tax Act (Canada).

#### 24. Information to be Provided by Plan Carrier

At the beginning of each fiscal year, the Plan Carrier must provide the following information to the Planholder:

- a. amounts transferred to the Plan, any accumulated investment earnings including any unrealized capital gains or losses, any transfers, payments or withdrawals from the Plan and any fees, expenses, costs and charges to the Plan during the previous fiscal year; and

- b. the value of the Locked-In Assets as of the beginning of the fiscal year.

If the Locked-In Assets are transferred out of the Plan, the information must be determined as of the date of transfer.

Upon the death of the Planholder, the person entitled to receive the Locked-In Assets must be provided the information determined as of the date of the Planholder's death.

#### 25. Headings and Renumbering

Headings in this Addendum are for ease of reference only and do not affect its interpretation.

If any provision of the Pension or Income Tax Legislation referred to in this Addendum are renumbered due to a change in law, then that reference is considered to be updated to reflect the renumbering.

#### 26. Conflict between Legislation and Addendum

If there is a conflict between the applicable Pension or Income Tax Legislation and this Addendum, the Legislation will prevail to the extent necessary to resolve the conflict.

### The following must be completed

#### ► The Planholder represents to the Plan Carrier that the Planholder is : (Please check **one** box)

- a former member of the registered pension plan from which the Locked-In Assets originate; or
- a surviving spouse or former spouse of a former member of the registered pension plan from which the Locked-In Assets originate.

A life annuity contract purchased with the Locked-In Assets in the Plan may/may not vary according to the sex of the Planholder. A life annuity contract purchased with the Locked-In Assets in the Plan accumulated in a policy as defined in Section 42 of the former regulations may vary according to the sex of the Planholder.

Were the Locked-In Assets in the Plan accumulated in a locked-in retirement savings plan under the Act prior to January 1, 1993? (Please check **one** box)

- Yes  No

#### ► Client/Planholder acknowledgement

Client/Planholder name (please print)

Client/Planholder signature

Date (DD-MMM-YYYY)

SIGN  
HERE

#### ► Plan carrier (by its agent)

Authorized person signature

Date (DD-MMM-YYYY)

SIGN  
HERE