ADDENDUM FOR LOCKED-IN RETIREMENT ACCOUNT (LIRA)

Pursuant to the *Pension Benefits Act* (New Brunswick)

FIDELITY CLEARING CANADA ULC SELF-DIRECTED RETIREMENT SAVINGS PLAN
CRA Specimen Plan No. 0667-001

Plan Insurer – TSX Trust Company
301 – 100 Adelaide Street West.
Toronto, Ontario M5H 4H1
Acting through its agent, Fidelity Clearing Canada ULC

1. **Legislation.** For the purposes of this Addendum, "Act" means the *Pension Benefits Act* (New Brunswick), "Regulation" means the *Regulation 91-195* made under the Act and the "Tax Act" means the *Income Tax Act* (Canada) and regulations, as amended from time to time.

2. **Definitions.** All terms in this Addendum which are used in the Act or Regulation have the same meaning as under the Act or Regulation. "Plan" means the Fidelity Clearing Canada ULC Self-Directed Retirement Savings Plan. "Planholder" means the planholder or annuitant under the Declaration of Trust and application form in respect of the Plan.

3. **Spouse and Common-Law Partner.** "Spouse" means either of two persons who:

   (a) are married to each other,
   (b) are married to each other by a marriage that is voidable and has not been avoided by a declaration of nullity, or
   (c) have gone through a form of marriage with each other in good faith that is void and have cohabited within the preceding year.

   "Common-Law Partner" means either of two persons who, not being married to each other, are cohabiting in a conjugal relationship at the relevant time and have so cohabited for a continuous period of at least two years immediately before the relevant time.

   If a person falling within the meaning of "Spouse" and a person falling within the meaning of "Common-Law Partner" both claim a right or a benefit under this Plan, the Spouse is entitled to the right or benefit, if he or she is otherwise eligible, unless there is a valid domestic contract between the Planholder and such person, or a decree, order or judgment of a competent tribunal, that bars the Spouse's claim.

   For the purposes of any provision of the Tax Act respecting registered retirement savings plans, "Spouse" or "Common-Law Partner" does not include any person who is not recognized as a spouse or common-law partner under the Tax Act.

4. **Transfers Into the Plan.** The only money that may be transferred into the Plan are sums 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, if the money is being transferred under section 36 of the Act or under a similar provision in legislation in another jurisdiction;
   (b) another locked-in retirement account or a life income fund that conforms with the Act and the Regulation; or
   (c) a life or deferred life annuity under a contract that conforms with the Act and the Regulation;

   Only money that is locked-in may be transferred to and held under the Plan.

   The form provided by the Superintendent must be completed by the Planholder, the Plan Issuer and the transferor financial institution or the pension plan administrator (as the case may be), for the transfer of money into the Plan.

5. **Differentiation on the Basis of Sex.** If the information provided on the form for transferring money into the Plan provided by the Superintendent indicates that the commuted value transferred was determined on transfer in a manner that differentiated, while the Planholder was a member of the plan, on the basis of the sex of the Planholder, the only money that may subsequently be transferred into the Plan is money that is also differentiated on the same basis.
   No money, including interest, transferred into the Plan shall subsequently 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 deferred pension transferred from the plan into the Plan was determined on transfer in a manner that differentiated, while the

Planholder was a member of the pension plan, on the basis of the sex of the Planholder.

6. **Conversion to Annuity Prior to Maturity.** Except as otherwise provided in this Addendum or the Regulation, the balance of the money in the Plan, in whole or in part, may be converted at any time only into a life or deferred life annuity that conforms with the Regulation.

7. **Transfers Out of the Plan.** Unless the Plan provides for an early cashing-in value before the expiration of the term agreed to for the investment, the Planholder is entitled at any time after the term has expired and in accordance with the Regulation:

   (a) to transfer before a conversion referred to in clause 6 of this Addendum, the balance of the money in the Plan, 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, provided that if the pension plan is not registered in New Brunswick, it is registered for persons employed in a designated jurisdiction and the Planholder is employed in that jurisdiction by an employer who is making contributions on behalf of the Planholder to the pension fund that is to receive the amount transferred);
   (b) to transfer before a conversion referred to in clause 6 of this Addendum, in whole or in part, to a retirement savings arrangement that conforms with the Act and the Regulation; or
   (c) to convert the balance of the money in the Plan, in whole or in part, into a life or deferred life annuity that conforms with the Regulation.

   Subsections 21(8.1) to (11) of the Regulation apply, to the extent applicable, with necessary modifications.

8. **No Surrender or Commutation.** No money in the Plan shall be commuted or surrendered during the lifetime of the Planholder except under clause 9 or 10 of this Addendum, or permitted by the Act. Any transaction in contravention of this clause is void.

9. **Overcontribution.** Subject to the Act and the Regulation, the Planholder may withdraw an amount from the Plan where

   (a) the amount is withdrawn to reduce the amount of tax that would otherwise be payable under Part X.1 of the Tax Act by the Planholder; and
   (b) the Plan Issuer, notwithstanding section 20 of the Regulation, establishes a sub-account, that is not a registered retirement savings plan, of the Plan, and the Planholder deposits the amount withdrawn, less any amount required to be withheld by the Plan Issuer under the Tax Act, into the sub-account.

10. **Withdrawal for Shortened Life Expectancy.** The Planholder may withdraw the balance of the money in the Plan, in whole or in part, and receive a payment or a series of payments if a physician certifies in writing to the Plan Issuer that the Planholder suffers from a significant physical or mental disability that considerably reduces life expectancy and, if the Planholder has a Spouse or Common-Law Partner, the Planholder delivers to the Plan Issuer a waiver completed by the Spouse or Common-Law Partner in the form provided by the Superintendent.

11. **Withdrawal for Small Amount.** The Planholder may withdraw the balance of the Plan if:

   (a) the total assets held by the Planholder in all locked-in retirement accounts, life income funds and life or deferred life annuities 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 Planholder by the Canada Revenue Agency for the two taxation years immediately preceding the request for withdrawal is zero.

12. **Withdrawal for Non-Residency.** The Planholder may, in accordance with the Regulation, withdraw the balance of the money in the Plan if:

   (a) the Planholder and his or her Spouse or Common-Law Partner, if any, are not Canadian citizens;
   (b) the Planholder and his or her Spouse or Common-Law Partner, if any, are not resident in Canada for the purposes of the Tax Act; and
   (c) the Planholder's Spouse or Common-Law Partner, if any, waives, in the form provided by the Superintendent, any rights that he or she may have in the Plan under the Act, the Regulation or this Addendum.

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13. **Commuted Value on Division.** The commuted value of the Planholder's benefits provided under the Plan shall be determined in accordance with the Act and the Regulation if it is divided under section 44 of the Act.

14. **Marriage Breakdown Provisions.** Sections 27 to 33 of the Regulation apply with necessary modifications to the division of money in the Plan on the breakdown of a marriage or a common-law partnership.

15. **No Assignment.** No money in the Plan shall be assigned, charged, anticipated, given as security or subjected to execution, seizure, attachment or other process of law except as provided by the Act. Any transaction in contravention of this clause is void.

16. **Death of the Planholder.** If the Planholder dies before signing a contract under which an annuity is purchased under clause 6 of this Addendum, the balance of the money in the Plan shall be paid:

    (a) to the Planholder's Spouse or Common-Law Partner, unless the Spouse or Common-Law Partner waives in the form provided by the Superintendent all rights that he or she may have in the Plan under the Act, the Regulation or this Addendum;
    (b) if the Planholder has a Spouse or a Common-Law Partner who has waived all rights under paragraph (a) above or if the Planholder does not have a Spouse or Common-Law Partner, to a beneficiary on death designated by the Planholder; or
    (c) if the Planholder has a Spouse or Common-Law Partner who has waived all rights under paragraph (a) above or if the Planholder does not have a Spouse or Common-Law Partner and the Planholder has not designated a beneficiary on death, to the estate of the Planholder.

17. **Investment.** The assets in the Plan shall be invested and reinvested as provided in the Declaration of Trust in respect of the Plan.

18. **Transfer of Securities.** A transfer under clause 7(a), 7(b) or 20(a) of this Addendum may, at the option of the Plan Issuer and if not otherwise stipulated in this Addendum, be effected by the remittance to the Planholder of the investment securities respecting the Plan.

19. **Timing of Transfers.** Unless the Plan provides for an early cashing-in value before the expiration of the term agreed to for the investments, if there is money invested in the Plan that may be transferred under clause 7(a), 7(b) or 20(a) of this Addendum, such funds shall be transferred no more than 30 days after the Planholder's application for the transfer.

20. **Amendment.** An amendment to this Addendum shall not be made:

    (a) that would result in a reduction of the benefits arising from the Plan unless the Planholder is entitled, before the effective date of the amendment, to transfer the balance of the money in the Plan in accordance with clause 7 of this Addendum and, unless a notice is delivered to the Planholder at least 90 days before the effective date, describing the amendment and the date on which the Planholder may exercise the entitlement to transfer;
    (b) unless the Plan and this Addendum as amended remain in conformity with the Act and the Regulation; or
    (c) except to bring the Plan or this Addendum into conformity with requirements under an Act of the New Brunswick Legislature or other legislation in another jurisdiction.

21. **Conflict.** If there is a conflict between the Act or the Regulation and a provision in this Addendum, the Act or the Regulation will prevail.