

ADDENDUM FOR LOCKED-IN RETIREMENT ACCOUNT (LIRA)
Pursuant to the *Pension Benefits Act, 1997* (Newfoundland & Labrador)

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

Plan Issuer – TSX Trust Company
300-100laide 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, 1997* (Newfoundland & Labrador), “Regulation” means the *Pension Benefits Act Regulations* made under the Act, “Directives” means the *Directives* of the Superintendent, “Tax Act” means the *Income Tax Act* (Canada) and the regulations made thereunder, as amended from time to time.
2. **Definitions.** All terms in this Addendum, which are used in the Act, Regulation or Directives have the same meaning as under the Act, the Regulation or Directives. “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, Cohabiting Partner and Principal Beneficiary.** “Spouse” means a person who:
 - (a) is married to the Planholder,
 - (b) is married to the Planholder by a marriage that is voidable and has not been voided by a judgment of nullity, or
 - (c) has gone through a form of a marriage with the Planholder, in good faith, that is void and is cohabiting or has cohabited with the Planholder within the preceding year.

“Cohabiting Partner” means a person who:

- (d) in relation to a Planholder who has a Spouse, is not the Spouse of the Planholder who has cohabited continuously with the Planholder in a conjugal relationship for not less than 3 years, or
- (e) in relation to a Planholder who does not have a Spouse, has cohabited continuously with the Planholder in a conjugal relationship for not less than 1 year

and is cohabiting or has cohabited with the Planholder within the preceding year.

“Principal Beneficiary” means the Spouse of a Planholder or where the Planholder has a Cohabiting Partner, the Planholder’s Cohabiting Partner.

For the purposes of any provision of the Tax Act respecting registered retirement savings plans, “Spouse”, “Cohabiting Partner” and “Principal Beneficiary” do not include any person who is not recognized as a spouse or common-law partner under the Tax Act.

4. **Tax Act.** The Plan must comply with the conditions of the Tax Act and once registered the Plan shall remain registered.
5. **Only Locked-In Assets, Except Separate Account.** Money that is not locked-in shall not be transferred to or held under the Plan, other than a life annuity contract, that holds or will hold locked-in money, unless the locked-in money is to be held in a separate account.
6. **Investments.** All money in the Plan shall be invested in a manner that complies with the rules of investment contained in the Tax Act and will not be invested directly or indirectly in any mortgage in respect of which the mortgagor is the owner of the money or the parent, brother, sister or child of the owner of the money or the Principal Beneficiary of any of those persons.
7. **Transfers Out of the Plan.** All money transferred to the Plan, including all investment earnings, shall be used to provide a pension benefit and shall not be withdrawn except:
 - (a) before maturity, to transfer the money to the pension fund of a registered pension plan;

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- (b) before maturity, to transfer the money to another LIRA that meets the requirements of Directive No. 4;
 - (c) to transfer the money to a life income fund that meets the requirements of Directive No. 5;
 - (d) to transfer the money to a locked-in retirement income fund that meets the requirements of Directive No. 17; or
 - (e) to purchase a life annuity contract that is provided by a person under the laws of Canada or a province to sell annuities as defined in the Tax Act under an insurance contract that meets the requirements of Directives No. 4 and No. 6, commencing not before the person who is to receive the pension benefit obtains the earlier of:
 - (i) age of 55 years, or
 - (ii) the earliest date on which the former member is entitled to receive a pension benefit under a pension plan from which the money was transferred to the Plan as a result of termination of employment or termination of the plan.
8. **Subsequent Transfer.** The Plan Issuer shall advise in writing any subsequent transferee that the amount transferred must be administered as a pension benefit under the Act. The Plan Issuer shall not permit any subsequent transfer except
- (a) where the transfer would be permitted under the Act, and
 - (b) the subsequent transferee agrees to administer the amount transferred as a pension benefit in accordance with the Act.
9. **Joint and Survivor Pension Benefit.** The pension benefit payable to a former member who has a Principal Beneficiary at the date the pension commences shall be a joint and survivor pension benefit with at least 60% continuing to be payable to the survivor for life after the death of either, unless the Principal Beneficiary waives the entitlement in a form and manner set out in a form provided by the Superintendent.
10. **Withdrawal for Shortened Life Expectancy.** Notwithstanding any other provision in this Addendum, money in the Plan may be withdrawn as a lump sum or series of payments if a medical practitioner certifies that due to mental or physical disability the life expectancy of the Planholder is likely to be shortened considerably. But where the Planholder is a former member of a pension plan such payment may only be made if the Principal Beneficiary of the Planholder has waived the joint and survivor pension entitlement in the form and manner required by the Superintendent.
11. **Withdrawal of Small Amounts.** Notwithstanding any other provision in this Addendum, a lump sum payment equal to the value of the Plan may be made on application by the Planholder to the Plan Issuer for payment if, at the time the Planholder signs the application, the following conditions are met:
- (a) the value of all assets in all LIFs, LRIFs, and LIRAs owned by him or her and governed by the Act is less than 10 percent of the year's maximum pensionable earnings under the Canada Pension Plan for that calendar year; or
 - (i) the Planholder has reached the earlier age of 55 or the earliest date on which the Planholder would have been entitled to receive a pension benefit under the plan from which money was transferred, and
 - (ii) the value of the Planholder's assets in all LIFs, LRIFs and LIRAs governed by the Act is less than 40 percent of the year's maximum pensionable earnings under the Canada Pension Plan for that calendar year.

An application for payment under this clause shall be on a form approved by the Superintendent and accompanied by a waiver by the Principal Beneficiary of a former member of a pension plan of joint and survivor pension entitlement, in the form and manner required by the Superintendent.

12. **Marriage Breakdown Provisions.** The Plan is subject, with any necessary modifications, to the division of pension benefits on marriage breakdown provisions in Part VI of the Act.

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13. **Death of Planholder.** On the death of a former member who has a Principal Beneficiary, the surviving Principal Beneficiary, or where there is no surviving Principal Beneficiary or the surviving Principal Beneficiary had waived entitlement in the form and manner required by the Superintendent, a designated beneficiary, or where there is no designated beneficiary, the estate of the member or former member is entitled to a lump sum payment of the full value of the Plan.

Where the Planholder is not a former member, the full value of the Plan shall be paid to the designated beneficiary or, where there is no beneficiary, to the Planholder's estate.

14. **Differentiation on the Basis of Sex.** Where the commuted value of a pension benefit which was transferred to the Plan was determined in a manner that did not differentiate on the basis of sex, an immediate or deferred life annuity purchased with the funds in the Plan shall not differentiate on the basis of the sex of the recipient.
15. **No Commutation or Surrender.** Except as provided in the Act, the money in the Plan shall not be commuted or surrendered during the lifetime of the Planholder. Any transaction purporting to surrender or commute the money in the Plan is void.
16. **No Assignment.** The money in the Plan shall not be assigned, charged, anticipated or given as security except as permitted by the Regulation. Any transaction purporting to assign, change, anticipate or give the money in the Plan as security is void.
17. **Provision of Pension on Improper Pay Out.** If money in the Plan is paid out contrary to the Act or Directive No. 4, the Plan Issuer will provide or ensure the provision of a pension benefit equal in value to the pension benefit that would have been provided had the money not been paid out.
18. **Amendment.** The Plan Issuer may, from time to time, unilaterally and without notice, amend this Addendum for compliance with the Act, the Regulation and the Tax Act.

The Plan Issuer may, from time to time, unilaterally make other amendments to this Addendum provided that no amendment shall be made to the Plan unless the Plan as amended remains in conformity with the Act and the Regulation and with the Tax Act. The Plan Issuer shall provide notice of such other amendment to the Planholder at least 30 days prior to the effective date of the amendment.

19. **Conflict between Legislation and Addendum.** If there is a conflict between the Act or the Regulation or Directive No. 4 and a provision in this Addendum, the Act or the Regulation or Directive No. 4 will prevail.

To be completed by the transferor institution:

Determination of Commuted Value on the Basis of Sex. Was the commuted value of the pension benefit that was transferred into the Plan determined in a manner that differentiated on the basis of sex? **YES** **NO**