

**NORTHWEST & ETHICAL INVESTMENTS L.P.
RETIREMENT SAVINGS PLAN, RSP 145-723**

**Agreement Under
The Province of Newfoundland and Labrador *Pension Benefits Act, 1997*
for Transfers to a
LOCKED-IN RETIREMENT ACCOUNT (LIRA)**

Whereas the undersigned Annuitant has applied for a retirement savings plan (the "Plan") with Concentra Trust (the "Trustee") to receive and hold those funds in accordance with the *Pension Benefits Act, 1997* (Newfoundland and Labrador) (the "Act") and the *Pension Benefits Act Regulations* (Newfoundland and Labrador) (the "Regulations"), as both may be amended from time to time.

And whereas the Plan consists of an application, a declaration of trust and the addendum or addenda thereto, where applicable.

And whereas the Trustee has agreed to apply for registration of the Plan as a registered retirement savings plan with the Canada Revenue Agency (the "CRA"), and to accept the funds referred to above.

It is hereby understood and agreed, by and between the Annuitant and the Trustee, that the full amount of funds transferred to the Plan, inclusive of all future investment earnings, gains and losses accruing thereto, shall be governed firstly by the terms and provisions of this addendum (the "Addendum"), as set out below, and thereafter by the Plan, as approved by the CRA from time to time, effective from the time of transfer of the locked-in funds to the Plan.

Terms and Conditions:

1. For the purpose of this Addendum, the following definitions apply:
 - a) "Annuitant" means the applicant of the Plan, who is the member or former member of a pension plan, has obtained the written consent of his or her principal beneficiary, if any, has made a transfer pursuant to section 40 of the Act to a LIRA and, unless otherwise stated, includes the principal beneficiary or former principal beneficiary of the member or former member if the principal beneficiary or former principal beneficiary is entitled to a pension benefit as a result of the death of the member or former member or as a result of marriage breakdown;
 - b) "Directive" means any directive issued by the Superintendent under the Act and the Regulations, as may be amended from time to time;
 - c) "financial institution" means the savings institution or insurance company providing a LIRA;
 - d) "fiscal year" means a fiscal year of the LIRA;
 - e) "*Income Tax Act*" means the *Income Tax Act* (Canada);
 - f) "LIRA" means a registered retirement savings plan established in accordance with the *Income Tax Act* that is locked-in in accordance with the Regulations and meets the conditions set out in Directive No. 4, known as a Locked-in Retirement Account;
 - g) "life annuity contract" means an arrangement made to purchase, through a person authorized under the laws of Canada or a province to sell annuities as defined in the *Income Tax Act*, a non-commutable pension, in accordance with Directive No. 6, that will not commence before that person attains the age of 55 years, or, if that person provides evidence to the satisfaction of the financial institution that the plan or any of the plans from which the money was transferred provided for payment of the pension at an earlier age, that earlier age;
 - h) "list" means the appropriate list of retirement savings arrangements established and maintained under section 18 of the Regulations;
 - i) "principal beneficiary" means the Spouse of a member or former member, or where the

member or former member has a cohabiting partner, the member or former member's cohabiting partner, as defined in the Act;

- j) "Spouse" has the same meaning as defined in Part I of the Act. However, notwithstanding anything to the contrary contained in this Addendum, "spouse" does not include any person who is not recognized as a spouse or common-law partner for the purposes of any provision of the *Income Tax Act* respecting registered retirement savings plans;
- k) "YMPE" means the Year's Maximum Pensionable Earnings under the Canada Pension Plan for a specified calendar year;
- l) The words "cohabiting partner", "Locked-in Income Fund" or "LIF", "Locked-in Retirement Income Fund" or "LRIF", "pension benefit", and "Superintendent" have the same meaning given to them in the Act, the Regulations, and/or the Directives.

- 2. The Trustee will maintain the Plan as a LIRA in accordance with the Act, the Regulations and the Directives.
- 3. The Annuitant's powers respecting investment of the assets held under the Plan are set out in the Plan declaration of trust.
- 4. The Annuitant agrees not to assign, charge, anticipate or give as security money payable under the Plan except as permitted under the Act.
- 5. The Plan is subject, with any necessary modifications, to the division of pension benefits on marriage breakdown provisions in Part VI of the Act.
- 6. The value of the Plan will be determined based on the fair market value of the assets held under the Plan, or as determined in accordance with the Plan declaration of trust.
- 7. The fiscal year of the Plan ends on December 31 of each year and will not exceed 12 months.
- 8. The pension benefit payable to the Annuitant, who is a former member and 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 the former member unless the principal beneficiary waives the entitlement in the form and manner required by the Superintendent.
- 9. If money is paid out of the Plan contrary to the Act or Directive No. 4, the Trustee 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.
- 10. Except as otherwise permitted in Directive No. 4, all money transferred, including all investment earnings, shall be used to provide a pension benefit and shall not be transferred except:
 - a) before December 31st in the year in which the Annuitant reaches the age at which a pension benefit is required to begin under the *Income Tax Act*, to transfer the money to the pension fund of a registered pension plan subject to the Act or to a registered pension plan subject to the pension benefits legislation of a designated province, as defined in the Act, or of Canada;
 - b) before December 31st in the year in which the Annuitant reaches the age at which a pension benefit is required to begin under the *Income Tax Act*, to transfer the money to another LIRA that meets the requirements of Directive No. 4;
 - c) to purchase a life annuity contract that meets the requirements of the Superintendent, commencing not before the owner obtains the earlier of:
 - (i) age of 55 years, or
 - (ii) the earliest date on which the Annuitant would have been entitled to receive a

- pension benefit under the pension plan from which the money was transferred to the Plan;
- d) to transfer the money to a LIF that meets the requirements of Directive No. 5; or
 - e) to transfer the money to a LRIF that meets the requirements of Directive No. 17.
11. The Trustee shall not affect a transfer to a LIRA provided by a financial institution unless the Trustee has:
 - a) ascertained that the transferee financial institution's name and LIRA are currently on the list of approved retirement savings arrangements; and
 - b) advised the transferee financial institution in writing that, subject to Part VI of the Act, no withdrawal, commutation, or surrender of money is permitted except as otherwise provided for under Directive No. 4.
 12. If the Trustee is a transferee financial institution under section 6 of Directive No. 4, it shall not permit any subsequent transfer except where:
 - a) a 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.
 13. If the Trustee is a transferee financial institution under section 6 of Directive No. 4, it shall advise in writing any subsequent transferee that the amount transferred must be administered as a pension benefit under the Act.
 14. Notwithstanding paragraph 10 of this Addendum, the Annuitant may withdraw money 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 Annuitant is likely to be shortened considerably. Where the Annuitant is a former member of a pension plan, such payment may only be made if the principal beneficiary of the former member has waived the joint and survivor pension entitlement in the form and manner required by the Superintendent.
 15. Notwithstanding paragraph 10 of this Addendum, the Annuitant is entitled to withdraw a lump sum payment equal to the value of the entire Plan on application to the Trustee if, at the time the Annuitant signs the application:
 - a) either:
 - (i) the value of all assets in all LIRAs, LIFs, and LRIFs which are held by the Annuitant and subject to the Act is less than 10% of the YMPE for the calendar year in which the application is made; or
 - (ii) the Annuitant has reached the earlier of age 55 or the earliest date on which the member or former member would have been entitled to receive a pension benefit under the plan from which money was transferred, the value of all assets in all LIRAs, LIFs, and LRIFs which are held by the Annuitant and subject to the Act is less than 40% of the YMPE for the calendar year in which the application is made;
 - and
 - b) within the same calendar year, the Annuitant has not made a withdrawal due to financial hardship under paragraph 17 of this Addendum from the Plan or, where part of the Plan corresponds to amounts transferred directly or indirectly from another LIRA, LIF, or LRIF, the Annuitant has not made a withdrawal under paragraph 17 of this Addendum from the original retirement savings arrangement.
 16. An application under paragraph 15 of this Addendum shall be:
 - a) on a form approved by the Superintendent; and
 - b) where the Annuitant is a former member of a pension plan, accompanied by a waiver of the joint and survivor pension entitlement, in the form and manner required by the Superintendent.

17. Notwithstanding paragraph 10 of this Addendum, the Annuitant is entitled to withdraw a lump sum payment due to financial hardship, subject to the following:
- a) an application for a withdrawal due to financial hardship under this paragraph must be made directly to the Trustee;
 - b) the Annuitant may apply for withdrawal due to financial hardship once within a calendar year for each category of financial hardship described in paragraph 17(c)(i) of this Addendum in respect of each LIRA, LIF, or LRIF;
 - c) subject to any requirements outlined in this paragraph, the Annuitant is eligible to complete an application to withdraw an amount not greater than the sum of the following amounts:
 - (i) an amount with respect to one of the following categories:
 - (A) Low Income: Where the Annuitant's expected total income for the one year period following the date on which the application is signed, from all sources other than the withdrawal amount, is not more than 66.66% of the YMPE for the calendar year in which the application is signed, the amount determined by subtracting 75% of the expected total income from 50% of the YMPE for the calendar year in which the application for the withdrawal is signed;
 - (B) Medical Expenses: Where the Annuitant is unable to pay for medical expenses incurred or to be incurred by the Annuitant, the Annuitant's principal beneficiary, or a dependent of either and the medical expenses are not paid by and are not subject to reimbursement from any other source, the amount required to pay these medical expenses;
 - (C) Disability-related Expenses: Where the Annuitant is unable to pay for disability-related expenses incurred or to be incurred by the Annuitant, the Annuitant's principal beneficiary, or a dependent of either and the expenses are not paid by and are not subject to reimbursement from any other source, the amount required to pay these disability-related expenses;
 - (D) Mortgage Payments: Where the Annuitant or the Annuitant's principal beneficiary has received a written notice in respect of a default on a mortgage that is secured against the principal residence of the Annuitant or the Annuitant's principal beneficiary which will result in foreclosure or power of sale if the default is not rectified, the amount required to rectify the default;
 - (E) Rental Arrears: Where the Annuitant or the Annuitant's principal beneficiary has received a written notice in respect of arrears in the payment of rent for the principal residence of the Annuitant or the Annuitant's principal beneficiary and the Annuitant or the principal beneficiary could be evicted if the arrears remain unpaid, the amount required to pay the rental arrears; or
 - (F) First Month's Rent and Security Deposit: Where the Annuitant is unable to pay the first month's rent and the security deposit required to rent a principal residence for the Annuitant or the Annuitant's principal beneficiary, the amount required to pay the first month's rent and the security deposit; and
 - (ii) the amount of any applicable tax required to be withheld by the Trustee.
18. An application under paragraph 17 of this Addendum shall be:
- a) on a form approved by the Superintendent and shall include any supporting documentation required by the Regulations, which are specified on the form; and
 - b) where the Annuitant is a former member of a pension plan, accompanied by the written consent of the principal beneficiary of the former member, in the form and manner required by the Superintendent.
19. Notwithstanding paragraph 10 of this Addendum, the Annuitant is entitled to withdraw a lump sum amount equal to the value of the entire Plan where the Annuitant provides the Trustee with:
- a) a statutory declaration in accordance with the *Evidence Act* confirming the Annuitant has resided outside Canada for at least 2 consecutive calendar years and is residing outside of Canada on the date of signing the declaration; and

- b) where the Annuitant is a former member of a pension plan, the written consent of the principal beneficiary of the former member, in the form and manner required by the Superintendent.
20. On the death of an Annuitant who is the former member of a pension plan and 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 Annuitant is entitled to a lump sum payment of the full value of the Plan.
 21. On the death of the Annuitant who is not a former member of a pension plan, the full value of the Plan shall be paid to the designated beneficiary or, where there is no designated beneficiary, to the Annuitant's estate.
 22. Subject to paragraph 23 of this Addendum, the Trustee shall not amend the Addendum governing the Plan except where the Trustee has given the Annuitant at least 90 days' written notice and an explanation of the proposed amendment.
 23. An amendment that would result in a reduction in the Annuitant's benefits under the Addendum is permitted only where:
 - a) the Trustee is required by law to make the amendment; and
 - b) the Annuitant is entitled to transfer the balance in the Plan under the terms of the Addendum that existed before the amendment is made.
 24. When making an amendment under paragraph 23 of this Addendum, the Trustee shall:
 - a) provide written notice to the Annuitant of the nature of the amendment; and
 - b) allow the Annuitant at least 90 days after the written notice is given to transfer all or part of the balance in the Plan.
 25. Notice under paragraphs 22 and 24 of this Addendum shall either be sent by mail to the Annuitant's address as set out in the records of the Trustee or, subject to receiving the authorization of the Annuitant, be delivered to the Annuitant by electronic means provided that the e-communication is accessible by the Annuitant and capable of being retained to be usable for subsequent reference.
 26. Subject to the provisions of this Addendum and Part VI of the Act, no withdrawal, commutation or surrender of the assets held under the Plan is permitted, except where an amount is required to be paid to reduce the amount of tax otherwise payable under Part X.1 of the *Income Tax Act*.
 27. The Trustee will not accept any funds into the Plan that are not locked-in under the provisions of the Act.
 28. This Addendum may be amended from time to time by the Trustee as permitted and in accordance with the terms and conditions of this Addendum. However, in the event of changes to the Act, the Regulations or the Directives, this Addendum will be considered to have been amended to conform to such changes effective the date such changes come into force.

By execution of this Addendum, the Trustee hereby undertakes to administer the transferred locked-in funds and all subsequent earnings on these funds in accordance with the provisions of this Addendum.

By execution of this Addendum, the Annuitant hereby agrees to abide by the provisions stated and to waive any right to request amendment of the Plan or of this Addendum to receive any funds except as expressly provided for herein.

Signed this _____ day of _____, 20 _____.

Signature of Annuitant _____

Accepted by authorized officer, as agent for the Trustee

Concentra Trust
333 3rd Avenue North
Saskatoon, SK S7K 2M2

ANNUITANT IDENTIFICATION
(print annuitant information)

NAME _____

CONTRACT # _____