

**NORTHWEST & ETHICAL INVESTMENTS L.P.
RETIREMENT INCOME FUND, RIF-1503**

**Agreement under
the Manitoba Pension Benefits Act
for Transfers
to a
LOCKED-IN RETIREMENT INCOME FUND (LRIF)**

WHEREAS the undersigned Annuitant has applied for a Retirement Income Fund (the Fund), as indicated above trustee by Concentra Trust (the Trustee) to receive and hold funds governed by The *Pension Benefits Act*, C.C.S.M. c.P32 (the Act) and the Regulation 188/87R, as amended, (the Regulation) thereto.

AND WHEREAS the Trustee has agreed to apply for registration of the Fund, as a Retirement Income Fund, with Canada Revenue Agency (CRA) and to accept the funds referred to.

NOW IT IS HEREBY UNDERSTOOD AND AGREED, by and between the Annuitant and the Trustee, that the full amount of funds transferred by the _____ Registered Retirement Savings Plan (RRSP)/Registered Retirement Income Fund (RRIF), or from the _____ Pension Plan to the Fund, inclusive of all future investment earnings and gains or losses accruing thereto, shall be governed firstly by the terms and provisions of this Agreement and thereafter by the Fund as approved by CCRA from time to time.

The Trustee and the Annuitant further agree to the following:

1. For the purposes of this Agreement, the words "approved", "contract", "financial institution", "fund", "life annuity contract", "life income fund" (LIF), "locked-in retirement account" (LIRA), "locked-in retirement income fund" (LRIF), "prescribed RRIF", "reference rate", "spouse", "transfer" and "VB Account" shall have the same meaning as given to these words in Sections 1, 18.1 and 18.2 of the Regulation.
2. For the purposes of this Agreement, the words "common-law partner", "common-law relationship", "pension benefit credit" and "pension plan" shall have the same meaning as given to these words in Section 1(1) of the Act.
3. Notwithstanding anything to the contrary contained in this Agreement, including any endorsements forming a part thereof, "spouse" shall include the term "common-law partner" as defined herein, but 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* (Canada) (the *Income Tax Act*) respecting RRIF.
4. In accordance with the requirements of subsection 21(18) of the Act, the Fund does not provide for or permit
 - a) different pensions, annuities or benefits; or
 - b) different options as to pensions, annuities or benefitsbased on differences in sex.

5. Where the Annuitant, who is the member or former member of the pension plan dies, the balance of the Fund shall be paid
 - a) where the surviving spouse of the Annuitant has not received or is not entitled to receive a transfer under paragraph 7 of this Agreement, to that surviving spouse; and
 - b) where there is no surviving spouse, to the designated beneficiary under the Fund or the estate of the Annuitant.
6. Where the Annuitant is the member or former member of the pension plan and has a spouse and uses all or any part of the Fund to purchase a life annuity contract, the life annuity shall be a joint pension in accordance with subsections 23 and 24 of the Act unless a Pension Waiver, in the form and manner prescribed, has been completed by the spouse and the Annuitant.
7. In the event of breakdown of marriage or common-law relationship, the balance of the Fund where the Annuitant is the member or former member of the Pension Plan shall be divided between the spouses pursuant to subsection 31(2) of the Act and may be transferred only to a retirement benefit plan that is subject to section 18.1 of the Regulation.
8. The Annuitant will be paid an income, beginning not later than during the second fiscal year of the Fund, the amount of which may vary annually.
9. The fiscal year of the Fund ends on December 31 of each year.
10. After receipt of information specified in paragraph 14 of this Agreement, the amount of income to be paid from the Fund during a fiscal year shall be established by the Annuitant at the beginning of each fiscal year.
11. The Annuitant may, to the extent permitted by the *Income Tax Act* and subject to the maturity of the term of any investments held under the Fund, transfer all or part of the balance of the Fund
 - a) to another LRIF or LIF on the relevant conditions specified in the Regulation and in accordance with the provisions of paragraphs 146.3(2)(e) and (e.1) or (e.2) as applicable, of the *Income Tax Act*;
 - b) to purchase a life annuity contract, as stipulated in paragraph 60(l) of the *Income Tax Act* and that meets the requirements of the Regulation;
 - c) to a LIRA that is administered in accordance with section 18.1 of the Regulation;
 - d) a VB Account that is administered in accordance with section 18.5 of the Regulation,and the Trustee shall cause the transfer to be made within thirty days of the later of receipt of the properly documented request to transfer by the Annuitant or the maturity of the term of the investment to be transferred.
12. If the minimum payment required for the year has not been satisfied prior to the transfer occurring, the Trustee will withhold adequate funds to satisfy this minimum payment requirement.

13. Where a Fund holds identifiable and transferable securities, the transfer may, at the option of the Trustee and with the consent of the Annuitant, be effected by remittance of the investment securities of the Fund.
14. The Trustee will supply the information specified in subsections 18.3(11) to (14) of the Regulation.
15. In making any transfer of funds from the Fund the Trustee undertakes to ensure the name of the proposed transferee financial institution is on the Superintendent of Pension's (Manitoba) list of approved financial institutions for the LIRA, LIF and LRIF, and will advise such transferee in writing that the balance of the Fund must be administered as a deferred life annuity under the Act, and will make the latter's acceptance of the transfer subject to the conditions of sections 18.1 and 18.2 of the Regulation.
16. If the Trustee makes any payout contrary to this Agreement, or makes any transfer not in compliance with paragraph 15 of this Agreement and the transferee financial institution fails to administer the balance of the funds transferred as a deferred life annuity under the Act or in the manner required by sections 18.1 and 18.2 of the Regulation, the Trustee undertakes to provide or ensure the provision of an LRIF equal in value to the balance that was paid or transferred. The Trustee has a right of action against the Annuitant for the recovery of such funds.
17. Except as provided by paragraph 7 of this Agreement and sections 14.1 to 14.3 of the *Garnishment Act*, C.C.S.M. c.G20 the balance of the Fund may not be assigned, charged, anticipated or given as security and that any transaction purporting to do so is void; and is exempt from execution, seizure or attachment.
18. The monies of the Fund shall be invested in a manner that complies with the rules for the investment of RRIF monies as provided for in the *Income Tax Act*, and shall not be invested, directly or indirectly, in any mortgage in respect of which the mortgagor is:
 - a) the Annuitant;
 - b) the spouse, parent, brother, sister or child of the Annuitant; or
 - c) the spouse of a parent, brother, sister or child of the Annuitant.
19. Where the Trustee is properly required, within the terms of this Agreement, to liquidate investments held in the Fund for the purposes of any transfer as permitted or required by this Agreement or to effect payment or transfer on death of the Annuitant or payment pursuant to a garnishing order issued under the *Garnishment Act* or pursuant to a breakdown of marriage or common-law relationship, the value of the assets will be determined as the equivalent of the full principal value plus the full amount of any accrued interest owing, both without deduction except as provided for in the applicable legislation, at the date of the transfer or at the date of payout resulting from the death of the Annuitant or garnishing order issued under the *Garnishment Act*. It is understood and agreed, between the Trustee and the Annuitant, that unmaturing investments held within the Fund are not capable of being redeemed for the purposes of transfer to another LRIF, or to a LIRA, LIF, prescribed RRIF or life annuity contract.
20. The Trustee may amend the Fund, by supply of advance written notice to the Annuitant, only to the extent it remain in conformity with the Fund approved by the superintendent under subsection 18.1(7) of the Regulation.

21. Where as evidenced by the written opinion of a qualified medical practitioner, the life expectancy of the Annuitant is likely to be shortened considerably due to mental or physical disability, the Fund provides for the withdrawal of a pension benefit credit as a payment or series of payments for purposes of subsection 21(6) of the Act, provided that if the Annuitant is the member or former member of the pension plan, the joint pension referred to in paragraph 6 of this Agreement is waived by the spouse and the Annuitant in the former and manner prescribed.
22. The amount of income paid during a fiscal year of the Fund will not exceed the maximum amount:
- a) for the first fiscal year of the Fund, 6% of:
 - the total Fund balance on January 1 of the year, and
 - all amounts transferred to the Fund in the year, other than amounts transferred directly or indirectly from a LIF, LRIF or VB Account
 - b) for the second fiscal year of the Fund, the greatest of the following amounts will apply:
 - the Fund balance at the beginning of the year less the difference between the amounts transferred to the Fund before that time and the amounts transferred out of the Fund before that time, and
 - income/gains earned by the Fund during the immediately preceding year, net of any losses realized by the Fund in that year, and
 - 6% of the Fund balance at the beginning of the year, and
 - if money in the Fund was transferred to it directly from a LIF, the total investment income earned by the Fund and LIF in the first fiscal year of the Fund,

plus 6% of the total of all amounts transferred to the Fund in the year, other than amounts transferred directly or indirectly to the Fund from a LIF or LRIF
 - c) for the third and any subsequent fiscal year, the greater of
 - the Fund balance at the beginning of the year less the difference between the amounts transferred to the Fund before that time and all amounts transferred out of the Fund before that time, and
 - income/gains earned by the Fund during the immediately preceding year, net of any losses realized by the Fund in that year,

plus 6% of the total of all amounts transferred to the LRIF in the year, other than amounts transferred directly or indirectly to the Fund from a LIF or LRIF,
- except that if the maximum amount is less than the minimum amount, the minimum amount prevails.
23. The amount of income paid during a fiscal year of the Fund will not be less than the minimum amount required to be paid under the *Income Tax Act*. For the initial fiscal year of the Fund, the minimum amount to be paid, as referred to in paragraph 22 of this Agreement, will be set at zero. If the money in the Fund is derived from money

transferred directly or indirectly during the first fiscal year of the Fund from another LRIF or from a LIF of the Annuitant, the maximum amount will be equal to zero, except to the extent that the *Income Tax Act* requires the payment of a higher amount.

- 24. If in any fiscal year of the Fund, an additional transfer is made to the Fund and that additional transfer has never been under a LIF or LRIF before, an additional withdrawal will be allowed in that fiscal year. Such additional withdrawal will not exceed the maximum amount that would be calculated under this Agreement if the additional transfer were being transferred into a separate LRIF and not the Fund.
- 25. The Trustee hereby affirms the provisions contained in the Declaration of Trust.
- 26. The conditions of this Agreement will take precedence over the provisions in the Declaration of Trust in the case of conflicting or inconsistent provisions.

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

By execution of this Agreement the Annuitant hereby agrees to abide by the provisions stated in this Agreement.

Executed at the _____ of _____, in the Province of _____, this _____ day of _____, 20_____.

By the **Annuitant** _____ **Witness** _____

By Northwest & Ethical Investments L.P.
As Agent for the Trustee,
Concentra Trust
333 3rd Ave N
SASKATOON SK S7K 2M2

Per: _____

Per: _____

ANNUITANT IDENTIFICATION *(Please Print)*

NAME: _____ ADDRESS: _____ CONTRACT #: _____
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