

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

**Locked-in Retirement Account (LIRA) Agreement**  
**in respect of pension monies governed by the**  
**Newfoundland and Labrador *Pension Benefits Act*, 1997**  
**(and Regulations thereunder)**

WHEREAS the undersigned Annuitant has applied for a Retirement Savings Plan (the Plan) trusted by Concentra Trust (the Trustee) to receive and hold funds governed by the Province of Newfoundland and Labrador *Pension Benefits Act* (the Act) and the Regulations and Directives (the Regulations) thereto.

AND WHEREAS the term Annuitant herein means the member or former member of a pension plan who has made a transfer pursuant to section 40 of the Act to a Locked-in Retirement Account (LIRA) as defined in the Regulation and that meets the conditions set-out in this Agreement, 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.

AND WHEREAS for the purposes of this Agreement, the word "spouse" "cohabiting partner" or "principal beneficiary" shall have the same meaning as is given to these words in Part 1 of the Act. If, however, there is no person to whom the definition of "spouse," "cohabiting partner" or "principal beneficiary" in Part 1 of the Act applies, the term "common-law partner" as defined in the *Income Tax Act* (Canada) ("the *Income Tax Act*") for the purposes of Registered Retirement Savings Plans (RRSPs) applies. Notwithstanding anything to the contrary contained in this Agreement, including any endorsements forming a part thereof, "spouse," "cohabiting partner" or "principal beneficiary" do 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 RRSPs.

AND WHEREAS the Trustee has agreed to apply for the registration of the Plan as a Registered Retirement Savings Plan under the *Income Tax Act* and to accept the funds referred to. Once registered, the Plan shall remain registered.

NOW IT IS HEREBY UNDERSTOOD AND AGREED, by and between the Annuitant and the Trustee, that the full amount of locked-in funds transferred from the \_\_\_\_\_ Registered Retirement Savings Plan (RRSP), or from the \_\_\_\_\_ Registered Pension Plan (RPP), to this, inclusive of all future investment earnings and gains or losses accruing thereto, shall be governed firstly by the terms and conditions of this Agreement and thereafter by the Plan as approved by Canada Revenue Agency (CRA) from time to time, effective from the time of transfer of the locked-in funds to the Plan. In the event the provisions of this Agreement conflict with the Act, the provisions of the Act shall prevail.

1. No funds transferred to the Plan, inclusive of future investment earnings and gains or losses accruing thereto, can be withdrawn except:
  - a) prior to maturity, to transfer the funds to the pension fund of an RPP
  - b) prior to maturity, to transfer the funds to another LIRA

- c) to purchase a life annuity provided by any company authorized to issue an insurance contract that meets the requirements of sub-section 146(1) of the *Income Tax Act*, the Act and the Regulations, provided that the annuity does not commence before the earlier of:
- (i) the Annuitant attaining the age of 55 years; or
  - (ii) the earliest date on which the Annuitant is entitled to receive pension benefits under a pension plan from which money was transferred into the LIRA as a result of termination of employment or termination of the Plan;
- nor later than the RRSP maturity date provided in the *Income Tax Act*.
- d) prior to maturity to transfer the funds to a life income fund (LIF) that meets the requirements of the Regulations, or
- e) prior to maturity to transfer the funds to a locked in retirement income fund (LRIF) that meets the requirements of the Regulations, or
- f) prior to maturity as may be required to comply with the requirements of paragraph 146(2)(c.1) of the *Income Tax Act*.
2. All funds transferred, plus interest shall not be assigned, charged, anticipated or given as security except as permitted by section 37 of the Regulations. Any transaction purporting to assign, charge, anticipate or give the money transferred as security is void.
3. Except as permitted in Part VI of the Act, all funds transferred, plus interest, shall not be commuted or surrendered during the lifetime of the Annuitant and that any transaction purporting to surrender or commute the money transferred is void.
4. All funds shall be invested in a manner that complies with the rules of the *Income Tax Act* and will not be invested directly or indirectly in any mortgage in respect of which the mortgagor is the Annuitant or the parent, brother, sister or child of the Annuitant or the principal beneficiary of any of those persons.
5. If the funds are paid out contrary to the Act or Regulations, 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.
6. The Trustee will not permit any subsequent transfer to be made from the Plan except
- a) where such transfer would be permitted under the Act, and
  - b) where the subsequent transferee agrees to administer the amount transferred as a pension benefit in accordance with the Act and the Regulations, and the Trustee shall advise the subsequent transferee in writing that the amount transferred must be administered as a pension benefit in accordance with the Act and the Regulations.
7. The pension benefit payable to an Annuitant who is the former member of the pension plan and 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 of Pensions;

8. On the death of an Annuitant who is a former member 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 of Pensions, 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 LIRA.

Where the Annuitant is not a former member, the full value of the contract shall be paid to the designated beneficiary or, where there is no beneficiary, to the estate of the Annuitant.

9. Money that is not locked in shall not be transferred to or held under a contract, 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.
10. The Plan is subject to the division of pension benefits on marriage breakdown provision in Part VI of the Act.
11. Where the commuted value of the pension benefit transferred to the Plan was determined in a manner that did not differentiate on the basis of sex, the life annuity purchased with the funds in the arrangement shall not differentiate on the basis of the sex of the recipient. For purposes of this specific Plan, the pension benefit transferred

differentiated

did not differentiate

on the basis of the sex of the Annuitant.

12. Notwithstanding paragraph 1 of this Agreement, the Plan may provide for the withdrawal of 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, but where the Annuitant is a former member of the pension plan, the payment may only be made if the principal beneficiary of the Annuitant has waived the joint and survivor pension entitlement in a form and manner required by the Superintendent of Pensions.
13. Notwithstanding paragraph 1 of this Agreement, the contract shall provide for a lump sum payment equal to the value of the entire Plan on application by the Annuitant to the Trustee for payment if, at the time the Annuitant signs the application, the following conditions are met,
  - a) the value of all assets in all LIFs, LRIFs and LIRAs owned by the Annuitant and governed by Newfoundland and Labrador pension benefits legislation is less than 10 percent of the year's maximum pensionable earnings under the Canada Pension Plan for that calendar year; or

- b) (i) the Annuitant has reached the earlier of age 55 or the earliest date on which the Annuitant would have been entitled to receive a pension benefit under the Plan from which money was transferred, and
  - (ii) the value of the Annuitant's assets in all LIFs, LRIFs and LIRAs governed by Newfoundland and Labrador pension benefits legislation is less than 40 percent of the year's maximum pensionable earnings under the Canada Pension Plan for that calendar year.
- 14. An application for such payment, as provided for in paragraph 13 of this Agreement, shall be:
  - a) on a form approved by the Superintendent of Pensions, and
  - b) 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 of Pensions.
- 15. The Trustee will not accept any funds into the Plan that are not locked-in under the provisions of the Act.
- 16. The contract must comply with the conditions of registration under the *Income Tax Act* and once registered, the contract shall remain registered.

By execution of this Agreement 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 Agreement.

By execution of this Agreement, the Annuitant hereby agrees to abide by the provisions stated and to waive the right to request amendment of the Plan or of this Agreement 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

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**ANNUITANT IDENTIFICATION**  
*(print annuitant information)*

NAME \_\_\_\_\_

CONTRACT # \_\_\_\_\_