



## RE: Saskatchewan LIRA Addendum

We are pleased to provide you with this Addendum which forms part of the DOT contained in the Application signed by you. This Addendum contains additional provisions that govern your Locked-In Retirement Account (LIRA).

We ask that you review this Addendum and keep this copy for your records.

If you have any questions regarding this Addendum, please contact your Financial Advisor or Client Relations at 1-800-387-0614.

Thank you for continuing to make Mackenzie Investments a part of your long-term investment plan.

Sincerely,

**MACKENZIE INVESTMENTS**

## ADDENDUM

### Definitions

1. The "Application" refers to the Mackenzie Multi-Plan Application. The "DOT" refers to the Mackenzie Retirement Savings Plan Declaration of Trust contained in the Application.
2. This Addendum shall form part of the DOT contained in the Application. The provisions of this Addendum shall take precedence over any provisions to the contrary contained in the DOT, so long as those provisions do not contravene the *Income Tax Act* (Canada).
3. "Pension Legislation" refers to the *Pension Benefits Act*, 1992 of Saskatchewan ("the Act") and its Regulations ("the Regulations").
4. A "Saskatchewan LIRA" refers to a Locked-in Retirement Account governed by the Pension Legislation, and will hereinafter be referred to in this Addendum as "the LIRA".
5. The Annuitant (hereinafter referred to as the "Applicant") of the LIRA, hereby transfers money and other property to B2B Trustco (the "Trustee"), which agrees to act as trustee of the trust created hereunder. The Trustee's Head Office is located at 199 Bay Street, Suite 600, PO Box 279 STN Commerce Court, Toronto, Ontario M5L 0A2.
6. Any term in the Addendum has the meaning provided in the Pension Legislation.
7. For greater certainty, any reference herein to the term "spouse" has the meaning as defined in the Pension Legislation.

### Establishing the LIRA

8. Only money that is locked-in under the Act will be transferred to or held under the LIRA.

9. Money in the LIRA shall not be withdrawn, surrendered, or commuted except in accordance with the Pension Legislation and this Addendum.
10. Subject to paragraphs 25 and 26 of this Addendum, the balance of the locked-in money in the LIRA may not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment, and any transaction that purports to assign, charge, alienate or anticipate the locked-in money in the LIRA is void.
11. Where locked-in money is paid out contrary to the Pension Legislation, the Trustee will provide or ensure the provision of a pension in the amount of the pension that would have been provided had the locked-in money not been paid out.
12. The locked-in money includes interest, gains and losses.

### Investments within the account

13. The locked-in money will be invested in a manner that complies with the rules for the investment of money in a registered retirement savings plan pursuant to the *Income Tax Act* (Canada).

### Transferring assets from the LIRA

14. Subject to paragraph 19 of this Addendum, no transfer out of locked-in money from the LIRA is permitted except:
  - a. to another LIRA contract;
  - b. to purchase a life annuity contract;
  - c. to purchase a registered retirement income fund contract;
  - d. to a plan on the conditions referred to in clause 32(2)(a) of the Act;
  - e. to a pooled retirement savings account contract on the conditions set out in subsection 16(19) of *The Pooled Registered Pension Plans (Saskatchewan)*

*Regulations*, provided that if the owner of the LIRA was a member of the plan, or a member of the pooled registered pension plan, from which the money was transferred and the owner has a spouse, no transfer shall be made unless the owner's spouse waives his or her entitlement to a pension that complies with section 34 of the Act by delivering a written and signed waiver in Form 3 to the issuer of the contract before the transfer;

- f. to a pooled retirement income account contract on the conditions set out in subsection 17(7) of *The Pooled Registered Pension Plans (Saskatchewan) Regulations*.
15. A life annuity contract purchased with the money in the LIRA may not vary according to the sex of the Applicant.
  16. The Trustee, before transferring out locked-in money from the LIRA pursuant to paragraph 14 of this Addendum, will advise the transferee in writing of the locked-in status of the money and make acceptance of the transfer subject to the conditions provided for in the Regulation.
  17. If the Trustee does not comply with paragraph 16 of this Addendum and the transferee fails to pay the money transferred in the form of a pension or in the manner required by the Regulation, the Trustee will provide or ensure the provision of the pension referred to in paragraph 11 of this Addendum.
  18. The pension to be provided to the Applicant who was a member of the plan, or a member of the pooled registered pension plan, from which the money was transferred; and has a spouse at the date when the pension commences shall comply with Section 34 of the Act, except that a waiver of entitlement shall be filed with the Trustee.

#### **Death of the Applicant**

19. On the death of the Applicant who was a member of the plan or a member of the pooled registered pension plan from which the money was transferred:
  - a. The surviving spouse is entitled to the locked-in money in the LIRA;
  - b. If there is no surviving spouse, the designated beneficiary of the Applicant is entitled to the locked-in money in the LIRA;
  - c. If there is no surviving spouse or designated beneficiary of the Applicant, the estate of the Applicant is entitled to the locked-in money in the LIRA;
  - d. The locked-in money in the LIRA will be transferred to the surviving spouse, the designated beneficiary or the estate of the Applicant, as the case may be, in accordance with paragraphs 20 – 24 of this Addendum.
20. Subject to paragraph 21 of this Addendum, a surviving spouse who is entitled to the locked-in money in a contract pursuant to subparagraph 19(a) of this Addendum may, within 180 days following the day on

which proof of death of the member or former member is provided to the Trustee, elect:

- a. To transfer the locked-in money in the contract in accordance with subsection 32(2) of the Act; or
  - b. To receive a lump sum payment equal to the locked-in money in the LIRA.
21. A surviving spouse who fails to make an election pursuant to paragraph 20 of this Addendum is deemed to have elected to receive the pension in the form of a lump sum payment pursuant to paragraph 20(b) of this Addendum.
  22. If the Applicant was a member of the pension plan or a member of the pooled registered pension plan from which the money was transferred, and the Applicant dies leaving no surviving spouse, a lump sum payment equal to the locked-in money to which a surviving spouse would have been entitled pursuant to paragraph 20 of this Addendum is to be paid:
    - a. To the designated beneficiary of the Applicant; or
    - b. If there is no validly designated beneficiary, to the estate of the Applicant.
  23. Any time before the death of the Applicant, the spouse of the Applicant:
    - a. May waive the spouse's entitlement pursuant to paragraph 20 of this Addendum by delivering a written and signed waiver in the prescribed form to the Trustee; and
    - b. May revoke a waiver delivered pursuant to clause (a) by delivering a written and signed notice of revocation to the Trustee.
  24. If a waiver pursuant to paragraph 23 of this Addendum is in effect on the date of death of the Applicant, paragraph 22 of this Addendum applies as if the Applicant died leaving no surviving spouse.

#### **Withdrawals from the LIRA – Marriage breakdown**

25. The LIRA is subject, with any necessary modification, to the division on spousal relationship breakdown provisions in Part VI of the Act.

#### **Withdrawals from the LIRA – Maintenance orders**

26. The locked-in money in the LIRA is subject to attachment for the purpose of enforcing a maintenance order as defined in *The Enforcement of Maintenance Orders Act* (Saskatchewan).
27. Where an amount has been attached under the provisions of paragraph 26 of this Addendum, the Trustee shall deduct from the locked-in money in the LIRA:
  - a. an amount, not to exceed \$250, that reasonably represents the cost to the Trustee of complying with the attachment,
  - b. the total amount of taxes, if any, that are required to be deducted or withheld as a result of the attachment, and
  - c. the lesser of :
    - A. the amount attached, and
    - B. the remainder of the locked-in money in the LIRA

28. Where an amount has been attached under the provisions of paragraph 26 of this Addendum,
- a. the Applicant has no further claim or entitlement to any pension respecting the amount attached, and
  - b. the Trustee is not liable to any person by reason of having made payment in respect of said attachment.

#### **Withdrawals from the LIRA – Shortened life expectancy**

29. Notwithstanding the provisions of this Addendum, but subject to paragraph 18 of this Addendum, a lump sum or series of payments may be made to the Applicant, where a physician certifies that due to mental or physical disability the life expectancy of the Applicant is shortened considerably.

#### **Withdrawals from the LIRA – Small accounts**

30. Notwithstanding the provisions of this Addendum, but subject to paragraph 31 of this Addendum, the Applicant may withdraw the locked-in money as a lump sum if the amount of the locked-in money in the LIRA does not exceed 20% of the Year's Maximum Pensionable Earnings in effect in the year in which the withdrawal occurs.
31. The Trustee shall not permit a withdrawal under paragraph 30 of this Addendum unless the Trustee is satisfied that the Applicant has no other locked-in money.

#### **Withdrawals from the LIRA – Non-resident Applicant**

32. Notwithstanding the provisions of this Addendum, the Applicant may withdraw the locked-in money as a lump sum payment:
- a. If the Applicant:
    - i. is a non-resident of Canada, as determined for the purposes of the *Income Tax Act* (Canada),
    - ii. has not resided in Canada for at least two consecutive years,
    - iii. provides the Trustee with written evidence that the Canada Revenue Agency has determined that the owner is a non-resident of Canada for the purposes of the *Income Tax Act* (Canada), and
    - iv. completes and files with the issuer a certificate of non-residency in the prescribed form; and
  - b. if the Applicant has a spouse, the Applicant obtains the spouse's consent to the withdrawal and waiver of entitlements in the prescribed form, and file a copy of the completed form with the Trustee.

#### **Withdrawals from the LIRA – Financial hardship**

33. Notwithstanding the provisions of this Addendum, the Applicant may withdraw all or part of the locked-in money:
- a. subject to and in accordance with section 29.01 of the Regulations, if the Applicant's expected total income from all sources, before taxes, for the 12 months after the date on which the application for withdrawal is signed by the Applicant of the contract is 66 2/3% or less of the Year's Maximum Pensionable Earnings for the year in which the application is signed;
  - b. subject to and in accordance with section 29.02 of the Regulations, if the Applicant, the Applicant's spouse or a dependant of either has incurred or will incur medical expenses and those medical expenses are not paid by, and are not subject to reimbursement from, any other source;
  - c. subject to and in accordance with section 29.03 of the Regulations, if the Applicant or the Applicant's spouse has received a written demand with respect to arrears in the payment of rent for the Applicant's or the spouse's principal residence, and the Applicant or spouse could face eviction if the arrears remain unpaid;
  - d. subject to and in accordance with section 29.04 of the Regulations, if the Applicant or the Applicant's spouse has received a written demand with respect to a default on a debt that is secured against the Applicant's or the spouse's principal residence, and the Applicant or spouse could face eviction or legal action if the amount in default remains unpaid;
  - e. subject to and in accordance with section 29.05 of the Regulations, if the Applicant requires the money to pay the first month's rent, security deposit or pet damage deposit required to be paid to obtain a principal residence for the Applicant or the Applicant's spouse.

#### **Amending the Addendum**

34. This Addendum is subject to all applicable legislation, as may be amended from time to time, which will prevail over any inconsistent or conflicting provisions in the Addendum.