Effective date of the rider:

Annexed and incorporated into the Plan number:

Annuitant:

Locked-In Retirement Account provisions for Newfoundland and Labrador

This rider will form part of the RSP declaration of trust (the "Plan") if the annuitant has requested that this Plan be registered as a locked-in retirement account (hereinafter referred to as "LIRA"). In case of contradiction between this rider and the Act, the last shall prevail.

1. For purposes of this rider the word:
   - "Act" means the *Pension Benefits Act* of Newfoundland as amended from time to time.
   - "Locked-in" means a legislative or contractual requirement that the money invested in the Plan, except as provided for in the Act and the Regulations, may only be converted into a Life Annuity that conforms with the specific provisions of the Act and has been approved by the Superintendent.
   - "Transfer" has the same meaning as defined in the *Income Tax Act* (Canada).
   - "LIRA" means a registered retirement savings arrangement know as a Locked-in Retirement Account, as defined in the Regulations.
   - "Annuitant" means the member or former member of a pension plan who 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 Annuitant if the Principal Beneficiary or former Principal Beneficiary is entitled to a pension benefit as a result of the death of the Annuitant or as a result of marriage breakdown.
   - "Principal Beneficiary" means the spouse of the Annuitant, or where the Annuitant has a Cohabiting partner, the Annuitant's Cohabiting partner.
   - "Regulations" means the Pension Benefits Act Regulations passed under the Act, as amended from time to time.
   - "Superintendent" means the Superintendent of Pensions (Newfoundland).

   All other capitalized terms used in this rider but not defined herein have the definition provided for by the Act or Regulations.

2. Notwithstanding anything to the contrary contained in the Plan, including any riders forming a part thereof, "Spouse" or "Cohabiting partner" 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) and the underlying Regulations.

3. All money transferred to the Plan, including all investment earnings, shall be used to provide a pension benefit and shall not be withdrawn except,
   i. before maturity, to Transfer the money to a pension fund of a registered pension plan;
   ii. before maturity, to transfer the money to another Locked-in Retirement Account;
   iii. to purchase a Life Annuity contract that is provided by a person authorized under the laws of Canada or a province to sell annuities as defined in subsection 146(1) of the *Income Tax Act* (Canada) under an insurance contract that meets the requirements of the Directives 4 and 6 issued under the Act, commencing not before the person who is to receive the pension benefit obtains the earlier of;
      a) age of 55 years, or
      b) the earliest date on which the Annuitant is entitled to receive a pension benefit under a pension plan from which the money was transferred to this Plan as a result of termination of employment or termination of the plan.
   iv. to transfer the money to a Life Income Fund that meets the requirements of Directive 5 issued under the Act; or
   v. to transfer to a Locked-in Retirement Income Fund that meets requirements of Directive 17 issued under the Act.

4. The Trustee undertakes to make any Transfer requested by the Annuitant, when permitted under this Plan or the Act, within 30 days from the date of receiving the request from the Annuitant.

5. All money transferred to this Plan, plus interest, shall not be assigned, charged, anticipated or given as security except as permitted by the Act and the Regulations and any transaction purporting to assign, charge, anticipate, or give the money transferred, as security is void.

6. Except as provided in Part VI of the Act, all money transferred to the Plan, plus interest, shall not be commuted or surrendered during the lifetime of the Annuitant and any transaction purporting to surrender or commute the money transferred is void.

7. The money invested in the Plan must be invested in a manner that complies with the rules of investment contained in the *Income Tax Act* (Canada) and must 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.

8. If money invested in the Plan is paid out contrary to the Act or Directive 4 issued under the Act, 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.

9. The money invested in the Plan shall not be transferred unless:
   i. a transfer would be permitted under the Act, and
   ii. the subsequent transferee agrees to administer the amount transferred as a pension benefit in accordance with the Act.

10. Before transferring the money invested in the Plan to another financial institution, the Trustee will advise the transferee financial institution in writing that the amount transferred must be administered as a pension benefit under the Act.

11. The pension benefit payable to the Annuitant 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.

12. On the death of the Annuitant 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 an 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 Locked-In Retirement Account. Where the Annuitant 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 beneficiary, to the Annuitant's estate.

13. The Annuitant acknowledges that the money being transferred to the Plan is subject to the Locking-in provisions of the Act, and money that is not Locked-in will not be transferred to or held under this Plan.

14. The Plan is subject to the provisions set out in the Act and the Regulations concerning the division of pension benefits on marriage breakdown.

15. Notwithstanding the foregoing, the money in the Plan may be paid to the Annuitant in a lump sum or in a 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. Such payment may only be made if the Principal Beneficiary of the Annuitant has waived the joint and survivor pension entitlement in the form and manner required by the Superintendent.

16. Notwithstanding the foregoing, the money in the Plan may be paid in 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 Life Income Funds and Locked-in Retirement Income Funds and LIRAs owned by him or her and governed by Newfoundland pension benefits legislation is less than 10 percent of the year's maximum pensionable earnings (YMPE) under the Canada Pension Plan (CPP) 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 asset in all Life Income Funds and Locked-in Retirement Income Funds and LIRAs governed by Newfoundland pension benefits legislation is less than 40 percent of the YMPE under the CPP for the calendar year.

   The application for payment shall be:
   a) on a form approved by the Superintendent, and
   b) accompanied by a waiver by the Principal Beneficiary of the Annuitant of a joint and survivor pension entitlement, in the form and manner required by the Superintendent.

17. Where the sums invested in this Plan result from the transfer of the commuted value of a pension

benefit, the Trustee shall be advised as to whether the commuted value was determined on a basis that differentiated on the basis of sex.

18. Where the commuted value of a pension benefit which was transferred to this Plan was determined in a manner that did not differentiate on the basis of sex, the immediate or deferred Life Annuity purchased with the amounts invested in this Plan shall not differentiate on the basis of the sex of the recipient.

19. The Trustee shall not amend the Plan except where the Trustee has given the Annuitant at least ninety days notice of a proposed amendment and in accordance with the Act.

20. If the proposed amendment would result in a reduction in the Annuitant's benefits under the Plan, the Annuitant may request the transfer of money in accordance with paragraph 3 of this rider, before the effective date of the amendment.

21. The Trustee on receipt of an application from an Annuitant will refund an amount in order to reduce the amount of tax otherwise payable under Part X.I of the *Income Tax Act* (Canada).

Denis Ricard
President

Caroline Gilbert
Director

1080 Grande Allée West
PO Box 1907, Station Terminus
Québec, Quebec G1K 7M3

LIRA NL 2007-DR-CG.docx