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**COUNSEL** | PORTFOLIOS

## **IMPORTANT NOTICE**

Effective October 1, 2024, Counsel Portfolio Services Inc. and Canada Life Investment Management Ltd. have amalgamated to form Canada Life Investment Management Ltd. (CLIML). CLIML will now act as the fund manager, portfolio manager, trustee, and promoter for all Counsel funds. This change does not impact the management of the Counsel funds, and no action is required on your part.

Updating websites, materials, and forms to reflect this change will take some time. Until then, any references to Counsel Portfolio Services Inc. – whether online, in banking transactions or in print, including materials accompanying this notice – should be understood as referring to Canada Life Investment Management Ltd.

Please keep this notice with your records.

**Re: Counsel Portfolio Services Inc. Locking-In Supplement for Life Income Fund (LIF) or Restricted Life Income Fund (RLIF) or Prescribed Retirement Income Fund (PRIF) or Locked-in Retirement Income Fund (LRIF)**

Thank you for opening a registered account with Counsel Portfolio Services Inc. When you opened the account you signed Counsel's application and Declaration of Trust, which governs your registered account.

We are pleased to provide you with this Locking-In Supplement which completes your account contract. This supplement provides additional information regarding the rules that govern your plan.

If you have any questions or concerns regarding this Locking-In Supplement, please contact your Financial Advisor or Client Relations at 1-877-216-4979.

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

Sincerely,  
**COUNSEL PORTFOLIO SERVICES INC.**

**LOCKING-IN SUPPLEMENT FOR  
A LIF, RLIF, PRRIF OR LRIF**

**1. Definitions:** In this Locking-in Supplement:

- (a) unless otherwise defined, terms defined in the Declaration have the same meaning in this Locking in Supplement;
- (b) Declaration: means the declaration of trust creating your Counsel Portfolio Services Inc. Retirement Income Fund;
- (c) LIF: means a "LIF", "life income fund" or "life income fund" contract as defined in pension legislation, other than a RLIF;
- (d) life annuity: means a "life annuity", "life annuity contract", "annuity contract", "life pension", "immediate life annuity" and "deferred life annuity", as defined in pension legislation, that conforms with the Tax Act and pension legislation;
- (e) Alberta LIF Addendum: means Schedule 2 to the Employment Pension Plan Regulations (Alberta), as amended from time to time;
- (f) LIRA/Locked-in RSP: means a "LIRA", "locked-in retirement account" or "locked-in retirement account" contract as defined in pension legislation and where those terms are not defined, means an RRSP that satisfies the conditions under pension legislation for receiving funds that originate from an RPP, other than a RLSP;
- (g) LRIF: means a "LRIF", "locked-in retirement income fund" or "locked-in retirement income fund" contract as defined in pension legislation;
- (h) Maximum Amount: means the maximum amount permitted by pension legislation to be paid to you from your Plan during a calendar year which for a PRRIF is the maximum amount permitted by the Tax Act and for a LIF, RLIF or LRIF is more fully described in this Locking-in Supplement;
- (i) Minimum Amount: means the minimum amount required by the Tax Act to be paid to you from your Plan during a calendar year or where New Brunswick pension legislation governs your Plan, the minimum amount for a year shall be the greater of the minimum amount under the Tax Act and the amount determined by dividing the value of your Plan at the beginning of the year by the number of years between January 1 of the year and December 31 of the year you reach age 90 (inclusive);
- (j) Nova Scotia LIF Addendum: means the Nova Scotia LIF Addendum in Schedule IV of the regulations to Nova Scotia pension legislation, as amended from time to time;
- (k) pension: means a "pension", "pension benefit" or "retirement pension" as defined in pension legislation and used in the context of a LIF, RLIF or LRIF, as applicable, and in the case of a PRRIF means "retirement income" as defined in the Tax Act;
- (l) pension legislation: means one of the *Employment Pension Plans Act* (Alberta), the *Pension Benefits Standards Act* (British Columbia), the *Pension Benefits Standards Act, 1985* (Canada), the *Pension Benefits Act* (Manitoba), the *Pension Benefits Act* (New Brunswick), the *Pension Benefits Act, 1997* (Newfoundland and Labrador), the *Pension Benefits Act* (Nova Scotia), the *Pension Benefits Act* (Ontario), the *Supplemental Pension Plans Act* (Quebec), or the *Pension Benefits Act, 1992* (Saskatchewan), whichever governs assets transferred or to be transferred to your Plan directly or indirectly from an RPP and for greater certainty, the term pension legislation includes regulations made under that statute and if your Plan is an Ontario LIF, Schedule 1.1 to the pension legislation that governs your Plan;

- (m) PRRIF: means a "prescribed RRIF" as defined in Manitoba pension legislation or a "registered retirement income fund contract" that meets the requirements of Saskatchewan pension legislation;
- (n) RLIF: means a "restricted life income fund" as defined in Federal pension legislation;
- (o) RLSP: means a "restricted locked-in savings plan" as defined in Federal pension legislation;
- (p) RPP: means a pension plan or a supplemental pension plan governed by pension legislation or established by other legislative authority and registered under the Tax Act;
- (q) spouse: means a person recognized as your spouse or, where contemplated by pension legislation, your cohabiting partner, common-law partner or pension partner for the purposes of pension legislation in context of a LIF, RLIF, PRRIF or LRIF, as applicable, provided however that where the context requires, a spouse refers only to a person recognized as a spouse or common-law partner for the purposes of the Tax Act; and
- (r) YMPE: means the Year's Maximum Pensionable Earnings as defined in the *Canada Pension Plan* unless Quebec pension legislation governs your Plan, then it means the maximum pensionable earnings under the *Act respecting the Quebec Pension Plan*.

**2. Conflict and Compliance:** The provisions of this Locking-in Supplement form part of the Declaration if your Plan is: (a) a PRRIF; or (b) a RRIF and locked-in assets are transferred or will be transferred to your Plan directly or indirectly from an RPP. If your Plan is an Alberta LIF, a British Columbia LIF or Nova Scotia LIF, the Alberta LIF Addendum, the British Columbia LIF Addendum or the Nova Scotia LIF Addendum, as applicable, is incorporated by reference into this Locking-in Supplement and all the provisions of the Alberta LIF Addendum, the British Columbia LIF Addendum or the Nova Scotia LIF Addendum, as applicable, form part of this Locking-in Supplement. If there is any inconsistency between the provisions of this Locking-in Supplement and the other provisions of the Declaration, the provisions of this Locking-in Supplement apply. If there is any inconsistency between the provisions of the Alberta LIF Addendum, the British Columbia LIF Addendum or the Nova Scotia LIF Addendum and the other provisions of this Locking-in Supplement, the provisions of the Alberta LIF Addendum, the British Columbia LIF Addendum or the Nova Scotia LIF Addendum, as applicable, apply. We will comply with all relevant provisions of pension legislation.

**3. Purpose:** We will hold transfers accepted by us for your Plan, investments made with those amounts and any income and capital gains realized in respect of those investments in trust for the purposes of providing you with a pension in accordance with the Tax Act and pension legislation. The assets of your Plan may not be withdrawn, commuted or surrendered except as permitted by the Tax Act and pension law.

**4. Transfers to your Plan:** The only assets that may be transferred to your Plan are assets transferred directly or indirectly from an RPP a LIRA/Locked-in RSP, a RLSP; if permitted by pension legislation, a LIF, RLIF, PRRIF or LRIF; or another source permitted by the Tax Act and pension legislation from time to time. We will not accept any amount transferred to your Plan: (a) from a source or in circumstances not permitted by the Tax Act and pension legislation; or (b) in circumstances that would require us to begin making payments from your Plan contrary to pension legislation. For example, where Saskatchewan pension legislation governs your Plan, we will not accept any amount transferred to your Plan unless: (a) you are at least 55 years of age or if you are younger, you have provided evidence satisfactory to us that any RPP from which assets were directly or indirectly transferred provided for retirement at your age; and (b) your spouse has provided consent in the

form and manner required by pension legislation. **Locked-in assets governed by pension legislation of one jurisdiction may not be commingled in your Plan with non-locked-in assets or locked-in assets governed by pension legislation of another jurisdiction.** Where New Brunswick pension legislation governs your Plan, if the amount transferred to your Plan was determined in a way that differentiated based on your gender, amounts subsequently transferred to your Plan must have been differentiated on the same basis.

5. **Investments:** The investments held in your Plan must comply with the investment rules imposed by the Tax Act for a RRIF. Where your Plan is a LIF governed by Manitoba pension legislation, your Plan may not directly or indirectly hold any mortgage if you or your spouse is the mortgagor or if the mortgagor is your parent, sibling or child or the spouse of any of those people.
6. **Retirement Income:** The assets of your Plan will be used to provide you with an income that will begin on or before December 31 of the second fiscal year of your Plan. In each calendar year, the total amount of payments to you from your Plan (including any direct transfers to the issuer of your RRSP, RRIF or life annuity as described by paragraph 15 [Transfers from your LIF, RLIF or LRIF to a Non-locked-in Plan] of this Locking-in Supplement), may not be less than the Minimum Amount or more than the Maximum Amount, except as otherwise permitted by this Locking-in Supplement. For the first fiscal year of your Plan, the Minimum Amount is zero. For each calendar year you must complete the forms and declarations that we provide and indicate on those forms the amount and frequency of payments to be made during the year, including any portion of the payment to be made in accordance with paragraph 8 [Increasing the Maximum Amount paid to a Young Annuitant] of this Locking-in Supplement. The amount that you specify may vary from year to year.
7. **Calculation of Maximum Amount under a LIF, RLIF or LRIF:** If your Plan is a LIF, RLIF or LRIF, the Maximum Amount for a year will not be less than the Minimum Amount and will be calculated as at the beginning of each year according to the formula and other rules in pension legislation and may be recalculated from time to time during the year if permitted by pension legislation. For example:
  - (a) if your Plan is a Federal LIF, RLIF or a Newfoundland and Labrador LIF, the Maximum Amount for a year will be calculated by dividing the value of the assets of your Plan at the beginning of that year by the value of a pension that makes a \$1.00 annual payment at the beginning of each fiscal year up to and including the year in which you reach age 90. The value of the \$1.00 annual payment will be established at the beginning of the fiscal year for a Newfoundland and Labrador LIF and on January 1 of the fiscal year in which the calculation is made for a Federal LIF or a RLIF. For a Newfoundland and Labrador LIF, the value of the \$1.00 annual payment will be established (i) using an interest rate of not more than 6% or, an interest rate of more than 6% may be used for the first fifteen years after the valuation date if that rate does not exceed the rate obtained on long-term bonds issued by the Government of Canada for the November before the year of valuation, as compiled by Statistics Canada and available on the Bank of Canada website as V122487 (formerly published in the Bank of Canada Review as CANSIM Series B-14013), and (ii) using a rate not exceeding 6% for subsequent years. For a Federal LIF or a RLIF, the value of the \$1.00 annual payment will be established using an interest rate (iii) for the first fifteen years after January 1 of the year in which the Federal LIF or the RLIF (as the case may be) is valued, that is less than or equal to the monthly average yield on Government of Canada marketable bonds of maturity over 10 years, as published by the Bank of Canada, for the second month before the beginning of the calendar year, and (iv) for any subsequent year, that is not more than 6%. The Maximum Amount under a Federal LIF or a RLIF for a year including or after the year you reach age 90 will be the value of the assets of your Plan immediately before a payment is made.
  - (b) if your Plan is a Newfoundland and Labrador LRIF, the Maximum Amount for a year will be the greatest of: (i) the income, gains and losses earned from the time your Plan was established to the end of its last completed fiscal year and with respect to any portion of your Plan that was directly derived from a LIF, the income, gains and losses earned by the LIF in its last complete fiscal year, less all income paid to you from your Plan; (ii) the income, gains and losses earned during the immediately previous fiscal year; and (iii) in the first or second fiscal year of your Plan, 6% of the fair market value of your Plan at the beginning of that fiscal year.

If permitted or required by pension legislation: (a) the Maximum Amount for the first fiscal year of your Plan will be pro-rated over the number of months remaining in the year, with a part month counting as a full month; (b) if the assets of your Plan are derived from assets transferred directly or indirectly from another LIF, RLIF or LRIF (as the case may be) of yours, then subject to the requirement to pay the Minimum Amount, the Maximum Amount will be zero for the first fiscal year of your Plan or the fiscal year of transfer or the first fiscal year following that transfer, as required by pension legislation; and (c) the Maximum Amount for a year will be increased if you transfer assets to your Plan during that year that have never before been held in a LIF or LRIF provided the increase is not more than the Maximum Amount that would have applied if the assets had been transferred to a newly established LIF or LRIF.

8. **Increasing the Maximum Amount paid to a Young Annuitant:** Where Newfoundland and Labrador or Quebec pension legislation governs your Plan, we will make payments to you from your Plan which, in total, are greater than the Maximum Amount for a year after receiving your written application, in the form required by pension legislation, stipulating the number and amount of payments that you would like to receive if: (a) you were under 65 years of age at the beginning of the year in which the application is made; and (b) the amount requested is not greater than the maximum amount permitted by pension legislation. Your entitlement under this paragraph will be zero for a year if you were less than 54 years of age or more than 64 years of age at the beginning of the year unless Quebec pension legislation governs your Plan, in which case, we will make monthly payments if: (a) you provide us with a declaration, in the form required by pension legislation, declaring your expected income (excluding payments from your Plan) for the next 12 months; (b) your expected income, as stated in your declaration, is not greater than 40% of the YMPE; (c) none of the monthly payments exceed one-twelfth of the difference between 40% of the YMPE and three-quarters of your expected income as stated in your declaration; (d) you undertake to promptly request us to suspend the payments as soon as your income equals 40% of the YMPE; and (e) you have not previously requested a suspension of monthly payments. Where Newfoundland and Labrador pension legislation governs your Plan, we will make the payments if: (a) your application stipulates the amount of pension income that you expect to receive from LIFs, RLIFs, life annuities and RPPs (other than Canada Pension Plan income) during the calendar year in which your application is made; (b) your expected pension income, as stated in your application, is less than 40% of the YMPE for the year; (c) your spouse has provided a waiver in the form and manner required by pension legislation; and (d) in the first fiscal year of your Plan, the maximum amount that may be paid under this paragraph is pro-rated over the number of months remaining in the year, with a part month counting as a full month.
9. **Collapsing a Small LIF, RLIF or LRIF:** If the total value of your Plan and such locked-in assets in such other plans as prescribed by pension legislation does not exceed 50% of the YMPE for the year (or a lesser amount specified by pension legislation) and you have reached age 65 (or a lesser age specified by pension legislation), we will make a lump-sum payment from your Plan equal to the value of your Plan after receiving your request, signed declaration or attestation in the form and manner required by pension legislation and satisfactory evidence that all the necessary conditions stipulated by pension legislation are satisfied. We will endeavour to make the payment within 30 days after receiving satisfactory instructions and any other documentation that we consider necessary.
10. **Collapsing your LIF, RLIF or LRIF after you become a Non-resident:** Where Federal, New Brunswick, Ontario or Quebec pension legislation governs your Plan, we will make a lump-sum payment to you from your Plan equal to the value of your Plan after receiving: (a) your request; (b) any document or information required by pension legislation; (c) satisfactory written evidence that the Canada Revenue Agency has determined that you (and where New Brunswick pension legislation governs your Plan, your spouse) are a non-resident of Canada for the purposes of the Tax Act; (d) where New Brunswick pension legislation governs your Plan, satisfactory written evidence that you and your spouse, if any, are not Canadian citizens; and (e) where New Brunswick or Ontario pension legislation governs your Plan, a waiver from your spouse in the form required by pension legislation. Where Federal, Ontario or Quebec pension legislation governs your Plan, we will not make the payment until you have been absent from Canada for at least two years.
11. **Shortened Life Expectancy:** We will make a lump-sum or series of payments to you from your Plan which, in total, may be greater than the Maximum Amount for the years in which payments are made, but only to the extent and in the manner permitted by pension legislation, after receiving: (a) a request; (b) a medical certificate signed by a physician certifying that you are subject to a physical disability or, where contemplated by pension legislation, a terminal illness or mental disability, that considerably reduces (or where Québec pension governs your Plan, reduces) your life expectancy; (c) where Ontario pension legislation governs your Plan, the medical certificate certifies that your illness or physical disability is likely to reduce your life expectancy to less than 2 years; (d) where Manitoba, New Brunswick, Newfoundland and Labrador or Ontario pension legislation governs your Plan, a waiver from your spouse in the form and manner required by pension legislation; and (e) any other document or information required by pension legislation. We will endeavour to make a payment within 30 days after receiving satisfactory instructions and any other documentation that we consider necessary.
12. **Low Income/Medical-Related Financial Hardship:** If Federal pension legislation governs your Plan, you may withdraw an amount (federal) from your Plan up to the lesser of the amount determined by the formula set out in the Federal pension legislation and 50% of the YMPE minus any amount withdrawn in the calendar year under this paragraph – from any LIF or RLIF (as the case may be) – or under the corresponding financial hardship provisions of your LIF, LIRA/Locked-in RSP, RLSP or RLIF (where applicable), if
  - (a) you certify that you have not made a withdrawal in the calendar year under this paragraph – from any LIF or RLIF (as the case may be) – or under the corresponding financial hardship provisions of your LIF, LIRA/

- Locked-in RSP, RLSP or RLIF (where applicable) other than within the last 30 days before such certification,
- (b) you attest to us, in writing, as to the basis of the financial withdrawal and as to the existence of a spouse (and the spouse's consent, where required), in the forms and manner required by Federal pension legislation; and
  - (c) you provide us with such other certifications as required by the Federal pension legislation.
13. **Financial Hardship (Ontario):** If Ontario pension legislation governs your Plan, you may withdraw, upon an application to us in the prescribed form and manner together with all other documents as required by Ontario pension legislation, an amount from your Plan for reasons of financial hardship relating to medical expenses, rental or mortgage arrears relating to your principal residence, payment of first and last months' rent of your principal residence or low income (all as described in Ontario pension legislation) or such other financial hardship circumstances as may be provided by Ontario pension legislation. The amount to be withdrawn is subject to a minimum amount and a maximum amount prescribed by Ontario pension legislation. An application that meets all the applicable requirements of Ontario pension legislation constitutes authorization to us to make the payment or transfer from your Plan pursuant to the application and in accordance with Ontario pension legislation.
  14. **Spousal Payments after Relationship Breakdown:** The assets of your Plan and any life annuity established with the assets of your Plan may be subject to division under family law and pension law. After receiving satisfactory evidence of entitlement and confirmation that a payment is not prohibited by pension law, a payment or payments will be made out of your Plan but only to the extent and in the manner permitted by law: (a) to effect a division of assets provided the payment is made pursuant to applicable marital property legislation; or (b) pursuant to an execution, seizure, attachment or other process of law in satisfaction of an order for support or maintenance. Within the limits permitted by pension legislation, we may deduct from your Plan our cost of complying with an order for support or maintenance.
  15. **Spousal Entitlement after Relationship Breakdown:** Your spouse's entitlement to survivor benefits under your Plan will end upon divorce or annulment (and where Québec pension governs your Plan, nullity or dissolution of a civil union) unless: (a) your spouse is named as a beneficiary of your Plan; or (b) Quebec legislation governs your Plan and you have notified us that the payment of a life annuity to your spouse will continue despite the relationship breakdown. Your spouse's entitlement to survivor benefits under your Plan may end upon separation.
  16. **Transfers from your LIF, RLIF or LRIF to a Non-locked-in Plan:** If your Plan is a LIF or LRIF, the maximum amount that may be transferred in any fiscal year from your Plan to the issuer of your RRSP, RRIF or life annuity that conforms with the Tax Act but does not conform with pension legislation, is the Maximum Amount for the fiscal year, except that where New Brunswick pension legislation governs your Plan, on one occasion during your lifetime, you may transfer an amount (in addition to and separate from the Maximum Amount) from your Plan or another LIF of yours to your RRIF if: (a) you obtain the written approval of the New Brunswick Superintendent of Pensions; and (b) the amount is no more than the lesser of: (i) 3 times the Maximum Amount for the fiscal year; and (ii) 25 percent of the value of your Plan on the first day of the fiscal year. Where Quebec pension legislation governs your Plan, when determining the total amount that may be transferred, the Maximum Amount will be calculated on the assumption that you are not entitled to an additional amount by virtue of being at least 54 years of age but under 65 years of age. If your Plan is a RLIF and it is established in the calendar year in which you reach 55 years of age or in any subsequent calendar year, you may transfer 50% of the assets in your Plan to a RRSP or a RRIF within 60 days after the establishment of your Plan if (a) your Plan was created as the result of the transfer of a pension benefit credit from an RPP or a transfer from a LIRA/Locked-in RSP or a LIF, governed by Federal pension legislation; and (b) if you attest to us, in writing, as to the existence of a spouse (and the spouse's consent, where required), in the form and manner required by the Federal pension legislation.
  17. **Other Transfers from your Plan:** Subject to any restrictions imposed by the Tax Act or pension legislation, all or any part of the assets of your Plan may be transferred to the issuer of an RPP, LIRA/Locked-in RSP, RLSP, LIF, RLIF, PRRIF, LRIF or life annuity. Before transferring assets from your Plan, we will: (a) confirm that the transfer is permitted under pension legislation and the Tax Act; (b) confirm that the issuer of the recipient plan is on the list of acknowledged financial institutions and the recipient plan is on the list of LIRAs/Locked-in RSPs, RLSPs, LIFs, RLIFs or LRIFs if such a list is maintained by the Superintendent of Pensions; (c) notify the issuer of the recipient plan of the locked-in (or, for a transfer to a PRRIF, the non-locked-in) status of the assets being transferred and the pension legislation that governs the assets; and (d) obtain the commitment of the issuer of the recipient plan to administer the transferred assets according to pension legislation. We will comply with any other requirement imposed by pension legislation.
  18. **Maturity of a LIF:** If your Plan is a LIF governed by Newfoundland and Labrador pension legislation, any assets held in your Plan on December 31 of the year in which you reach the maximum age for maturity specified by pension legislation must be used to establish an immediate life annuity that conforms with the Tax Act and pension legislation. If we do not receive satisfactory instructions by September 30 of that year, you will be deemed to have instructed us to liquidate the investments of your Plan and use the proceeds on or before December 31 of that year to establish an immediate life annuity selected by us and we will not be liable for any resulting loss.
  19. **Life Annuity:** Except for the life annuity referred to in paragraph 15 [Transfers from your LIF, RLIF or LRIF to a Non-locked-in Plan] of this Locking-in Supplement, a life annuity established with the assets of your Plan must comply with pension legislation in addition to the rules imposed by the Tax Act. A life annuity established with the assets of your Plan must be established for your life. However, if you have a spouse on the date contemplated by pension legislation and the Tax Act, the life annuity must be established for the life of the survivor of you and your spouse unless your spouse is not entitled by virtue of a breakdown of your relationship or a spousal waiver has been provided in the form and manner required by pension legislation and has not been revoked. Your spouse's right to a life annuity as your survivor may be waived in the form and manner stipulated by pension legislation before payments under the life annuity begin. The waiver may be revoked in accordance with pension legislation. Where required by pension legislation, an insurer must guarantee payments under the life annuity but not for a period longer than 90 years minus the age of you or your spouse at the time the life annuity was acquired. Where Quebec pension legislation governs your Plan, the guarantee period of a life annuity established with assets of your Plan may not be longer than the day before you would reach age 90. If your spouse is entitled to payments under the life annuity after your death, those payments must be at least 60 percent (or where Manitoba pension legislation governs your Plan, 66 2/3 percent) of the amount to which you were entitled before your death. The life annuity may not differentiate based on your gender except to the extent permitted by pension legislation. Where Quebec pension legislation governs your Plan, the equal periodic payments under the life annuity may be uniformly increased because of an index or a rate provided for in the contract and that conforms with the adjustments permitted by the Tax Act or may be uniformly adjusted because of (a) a seizure of the assets of your Plan; (b) a redetermination of your pension; (c) the division of assets of your Plan with your spouse after relationship breakdown; (d) the payment of a temporary pension as provided for in section 91.1 of pension legislation; or (e) an election under subsection 93(3) of pension legislation relating to payments after your death.
  20. **Beneficiary Designation:** The designation of a person other than your spouse as the beneficiary of your Plan will not be valid if you have a spouse who is entitled to survivor benefits under your Plan because of pension legislation. Your spouse's right to be the beneficiary of your Plan may be waived (and the waiver may be revoked) in the form and manner stipulated by pension legislation.
  21. **Death:** Following your death, the assets of your Plan will be paid to the person who was your spouse on the date of your death or will be used to provide that person with a pension unless that person is not entitled to survivor benefits under pension legislation. If pension legislation permits or requires that person to receive survivor benefits in a form other than a lump-sum payment, that person may instruct us to: (a) continue the payments referred to in paragraph 6 [Retirement Income] of this Locking-in Supplement to him or her provided that person is the successor annuitant of your Plan; or (b) transfer the assets of your Plan to the issuer of an RRSP, LIRA/Locked-in RSP, RLSP, RRIF, LIF, RLIF, LRIF or life annuity as permitted by pension legislation and the Tax Act. If you did not have a spouse on the relevant date or if your spouse is not entitled to survivor benefits under pension legislation, the assets of your Plan will be paid to your designated beneficiary, if that person was living at the date of your death and if not, to your legal representatives. The assets of your Plan will be paid out of your Plan within 60 days after we receive all releases and other documents that we request. If we have not received satisfactory instructions by that date, we may transfer the assets of your Plan as permitted or required by pension legislation and we will not be liable for any resulting loss.
  22. **Other Payments or Transfers:** We will make a lump sum or series of payments or transfers from your Plan not otherwise provided for in this Locking-in Supplement but only in the manner and to the extent specifically permitted by pension legislation and only after receiving your request and any documents and information required by us and pension legislation.
  23. **Payments or Transfers made Contrary to Pension Legislation:** Where Manitoba or Saskatchewan pension legislation governs your Plan, if assets are paid out of your Plan contrary to pension legislation or are transferred out of your Plan contrary to paragraph 16 [Other Transfers from your Plan] of this Locking-in Supplement, we will ensure that you receive a pension in an amount and if required by pension legislation, in a manner that would have been provided if the assets had not been transferred or paid out of your Plan. Where Quebec pension legislation governs your Plan, if the total payments made to you during a fiscal year of your Plan are more than the amounts permitted to be paid under your Plan or pension legislation, upon receipt of your request, we will pay to your Plan an amount equal to the surplus payment unless the surplus payment is attributable to a false statement made by you.
  24. **Fiscal Year:** The fiscal year of your Plan will end on December 31 of each year and may not exceed 12 months.

25. **Valuation:** On any given day, the value of your Plan will be determined based on the value of the assets owned by your Plan at the close of business on that day net of any fees or expenses properly chargeable to your Plan.
26. **Statements:** You will be sent a statement of your account together with any additional information required by pension legislation: (a) following the end of each fiscal year of your Plan; (b) as of the date of a transfer of assets out of your Plan; (c) any other time required by pension legislation; and (d) following receipt of your request. Your spouse, designated beneficiary or legal representatives, as applicable, will be given a statement of your account as of the date of your death.
27. **Assignment and Seizure:** The assets of your Plan and payments from your Plan may not be assigned, charged, alienated, anticipated, given as security or subjected to execution, seizure or attachment except as permitted by the Tax Act and pension law. A transaction that is contrary to this paragraph is void.
28. **Amendments:** From time to time we may amend the Declaration (including this Locking-in Supplement) provided that the amendment does not disqualify your Plan as a LIF, RLIF, PRRIF or LRIF, as applicable, and, if required by law, the amendment is approved by the authorities administering the Tax Act and pension legislation. Where New Brunswick, Newfoundland and Labrador, Nova Scotia or Ontario pension legislation governs your Plan, no amendment will be made that will reduce your benefits under your Plan unless the amendment is required to cause your Plan to comply with the law. Amendments that do not reduce your benefits but are required to ensure that your Plan continues to comply with the law will be effective without notice, unless Newfoundland and Labrador or Nova Scotia pension legislation governs your Plan. Any other amendment will be effective not less than 30 days' (or 90 days' where required by pension legislation) after notice has been provided to you. Where required by pension legislation, you will also be provided with notice of your entitlement to transfer assets out of your Plan. Where Newfoundland and Labrador pension legislation governs your Plan, notice will be sent by registered mail.

Locking-in Supplement  
Revised: October 2015

## ALBERTA LIF ADDENDUM

**IMPORTANT NOTES: If your Plan is an Alberta LIF, the Alberta LIF Addendum (which is Schedule 2 to the Employment Pension Plans Regulations (Alberta)) forms an integral part of the Declaration that governs your Plan. As required by Alberta Pension Legislation, Schedule 2 is reproduced below.**

### PART 1 – GENERAL INTERPRETATION

#### Interpretation

1. (1) The following terms, used in this addendum, have the meanings respectively given them as indicated below, except where the context otherwise requires:
- (a) "Act" means the *Employment Pension Plans Act* (SA 2012 cE 8.1);
- (b) "designated beneficiary", in relation to the owner of this life income fund, means a beneficiary designated under section 71(2) of the *Wills and Succession Act*;
- (c) "life annuity" means a non commutable arrangement to provide, on a deferred or immediate basis, a series of periodic payments for the life of the annuity holder or for the lives jointly of the annuity holder and the annuity holder's pension partner;
- (d) "life income fund issuer" means the issuer of this life income fund;
- (e) "life income fund maximum amount", in relation to the income that may be paid out of a life income fund to an owner in a calendar year, means the greatest of
- (i) the life income fund minimum amount for that year,
- (ii) the preceding year's life income fund investment returns, and
- (iii) the amount determined by the following formula:
- $$\frac{\text{life income fund balance}}{\text{withdrawal factor}}$$

where

"CANSIM rate", in relation to a period of not more than 12 months for which interest is payable, means the rate of interest on long term bonds issued by the Government of Canada for the month of November preceding the year in relation to which the withdrawal factor is being calculated, determined by reference to the Canadian Socio Economic Information Management System (CANSIM) Series V 122487 compiled by Statistics Canada and available on the website maintained by the Bank of Canada;

"life income fund balance", in relation to a life income fund, means

(i) in the calendar year in which the fund is established, the balance of the fund as at the date on which the fund is established, and

- (ii) in every subsequent calendar year, the balance of the fund as at January 1 of the calendar year in which the calculation is made;

"withdrawal factor" means the actuarial present value, on January 1 of the year in which the calculation is made, of an annuity of \$1 payable at the beginning of each year between that date and December 31 of the year during which the owner reaches the age of 90 years and calculated by using

- (i) for the first 15 years in relation to which the actuarial present value is determined, the greater of the following:
- (A) 6% per year;
- (B) the CANSIM rate;
- (ii) for each year after the first 15 years, 6% per year;
- (f) "life income fund minimum amount", in relation to the income that may be paid out of a life income fund to an owner in a calendar year, means the minimum amount of income that, under the Income Tax Regulations (Canada), is required to be paid out of the member's life income fund in that year;
- (g) "locked in money" means
- (i) money in a pension plan the withdrawal, surrender or receipt of which is restricted under section 70 of the Act,
- (ii) money transferred under section 99(1) of the Act, and
- (iii) money to which clause (a), applies, that has been transferred out of the plan, and any interest on that money, whether or not that money had been transferred to one or more locked in vehicles after it was transferred from the plan,

and includes money that was deposited into this life income fund under section 135(1)(a) of the Regulation or paid to the life income fund issuer under section 135(1)(b) or (2) of the Regulation;

- (h) "member owner" means an owner of a locked in vehicle if
- (i) the owner was a member of a pension plan, and
- (ii) the locked in vehicle contains locked in money from that plan;
- (i) "owner" means a member owner or a pension partner owner;
- (j) "pension partner" means a person who is a pension partner within the meaning of subsection (2);
- (k) "pension partner owner" means an owner of a locked in vehicle if
- (i) the locked in vehicle contains locked in money from that plan, and
- (ii) the pension partner owner's entitlement to the locked in money in the locked in vehicle arose by virtue of
- (A) the death of the member of a pension plan or a member owner, or
- (B) a breakdown of the marriage between the pension partner owner and the member of a pension plan, or the pension partner owner and the member owner;
- (l) "Regulation" means the Employment Pension Plans Regulation;
- (m) "this life income fund" means the life income fund to which this addendum applies.

- (2) Persons are pension partners for the purposes of this addendum on any date on which one of the following applies:
- (a) they
- (i) are married to each other, and
- (ii) have not been living separate and apart from each other for a continuous period longer than 3 years;
- (b) if clause (a) does not apply, they have been living with each other in a marriage like relationship
- (i) for a continuous period of at least 3 years preceding the date, or
- (ii) of some permanence, if there is a child of the relationship by birth or adoption.
- (3) Terms used in this addendum and not defined in subsection (1) but defined generally in the Act or Regulation have the meanings assigned to them in the Act or Regulation.

### PART 2

#### TRANSFERS IN AND TRANSFERS AND PAYMENTS OUT OF LIFE INCOME FUND

##### Limitation of deposits to this account

2. (1) Subject to subsection (2), the only money that may be deposited in this life income fund is
- (a) locked in money from a pension plan if
- (i) this life income fund is owned by a member owner, or
- (ii) this life income fund is owned by a pension partner owner
- (b) money deposited by the life income fund issuer under section 135(1)(a) of the Regulation or paid to by the life income fund issuer for deposit to this life income fund under section 135(1)(b) or (2) of the Regulation, or

- (c) money deposited by the life income fund issuer from a locked in retirement account under section 114(2) of the Regulation or from another life income fund under section 132(1) of the Regulation.
- (2) The issuer of the life income fund must not accept a transfer to the life income fund of locked in money unless the original or a certified copy of the signed waiver form in Form 7, 10, 14 or 15, as applicable, has been provided to the life income fund issuer.

#### Payments out

- 3. (1) The owner of this life income fund must, at the beginning of each calendar year, notify the life income fund issuer in writing of the amount of income that is to be paid out of the life income fund during that year, which amount must accord with subsection (5).
- (2) Subject to subsection (3), the owner of this life income fund may, at any time that money is transferred to this life income fund, notify the life income fund issuer in writing of the amount of income that is to be paid out of the life income fund during that year, which amount must accord with subsection (5).
- (3) The additional payment in subsection (2) may not be made if the money that transferred into this life income fund was previously in another life income fund or a life income type benefits account.
- (4) The owner of this life income fund may, at any time during a calendar year, change the amount of income that is to be paid out of the life income fund during that year to a different amount that accords with subsection (5).
- (5) There must be paid from a life income fund in each calendar year an amount of income that accords with the following:
  - (a) not less than the life income fund minimum amount applicable to the owner for that year;
  - (b) not more than the life income fund maximum amount applicable to the owner for that year.

#### Limitation on withdrawals from this account

- 4. (1) Money in this life income fund, including investment earnings, is for use in the provision of retirement income.
- (2) Despite subsection (1), money may be withdrawn from this life income fund in the following limited circumstances:
  - (a) by way of a transfer to another life income fund on the relevant conditions specified in this addendum;
  - (b) to purchase a life annuity in accordance with section 7(1);
  - (c) by way of a transfer to a pension plan if the plan text document of the plan allows the transfer;
  - (d) in accordance with Part 4 of this addendum.
- (3) Without limiting subsections (1) and (2) and in accordance with section 72 of the Act, money in this life income fund must not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment.
- (4) The life income fund issuer must comply with any applicable requirements of the Act and the Regulation before allowing a payment or transfer of any of the money in this life income fund.

#### General liability on improper payments or transfers

- 5. If the life income fund issuer pays or transfers money from this life income fund contrary to the Act or the Regulation,
  - (a) subject to clause (b), the life income fund issuer must,
    - (i) if less than all of the money in this life income fund is improperly paid or transferred, deposit into this life income fund an amount of money equal to the money that had been improperly paid or transferred, or
    - (ii) if all of the money in this life income fund is improperly paid or transferred, establish a new life income fund for the owner and deposit into that new life income fund an amount of money equal to the amount of money that had been improperly paid or transferred,
  - or
  - (b) if
    - (i) the money is transferred out of this life income fund to an issuer that is authorized under the Regulation to issue life income funds,
    - (ii) the act or omission that is contrary to the Act or the Regulation is the failure of the life income fund issuer to advise the transferee issuer that the money is locked in money, and
    - (iii) the transferee issuer deals with the money in a manner that is contrary to the manner in which locked in money is to be dealt with under the Act or the Regulation,

the life income fund issuer must pay to the transferee issuer, in accordance with the requirements of the Act and the Regulation relating to transfers of locked in money, an amount equal to the amount dealt with in the manner referred to in subclause (iii).

#### Remittance of securities

- 6. (1) If this life income fund holds identifiable and transferable securities, the transfers referred to in this Part may, unless otherwise stipulated in

the contract to which this is an addendum, be effected, at the option of the life income fund issuer and with the consent of the owner, by the transfer of any such securities.

- (2) Subject to section 2, there may be transferred to this life income fund identifiable and transferable securities, unless otherwise stipulated in the contract to which this is an addendum, if that transfer is approved by the life income fund issuer and consented to by the owner.

#### Restrictions on transfers

- 7. (1) The money in this life income fund must not be transferred to an insurance company for the purchase of a life annuity unless
  - (a) there is no differentiation amongst the annuitants on the basis of gender, and
  - (b) if the member owner has a pension partner,
    - (i) the life annuity is in the form of a joint and survivor pension as described in section 90(2) of the Act, or
    - (ii) in the case of a life annuity that is different from the form of pension described in subclause (i), a waiver in Form 11 signed by the member owner's pension partner and provided to the life income fund issuer not more than 90 days before the transfer.
- (2) The money in this life income fund must not be transferred to a locked in retirement account.

### PART 3 DEATH OF OWNER

#### Transfers on death of owner who was a pension plan member

- 8. (1) If a member owner of a life income fund dies, the life income fund issuer must pay, by way of a lump sum payment, the money in the life income fund:
  - (a) to the deceased member owner's surviving pension partner;
  - (b) if the deceased member owner has no pension partner at the time of death, or if the deceased member owner has a surviving pension partner and a waiver in Form 16, signed by the surviving pension partner has been provided to the life income fund issuer
    - (i) to the deceased member owner's designated beneficiary, or
    - (ii) if there is no living designated beneficiary, to the personal representative of the deceased member owner's estate.
- (2) A payment under subsection (1) must be made within 60 days after the delivery to the issuer of the documents required to effect the payment.

#### Transfers on death of pension partner owner

- 9. (1) If a pension partner owner of a life income fund dies, the life income fund issuer must pay, by way of a lump sum payment, the money in the life income fund,
  - (a) to the pension partner owner's designated beneficiary, or
  - (b) if there is no living designated beneficiary, to the personal representative of the pension partner owner's estate.
- (2) A payment under subsection (1) must be made within 60 days after the delivery to the issuer of the documents required to effect the payment.

### PART 4 WITHDRAWAL, COMMUTATION AND SURRENDER

#### YMPE based lump sum payment

- 10. The life income fund issuer will, on application, provide to the owner of the life income fund the lump sum amount referred to in section 71(2) of the Act if, at the time of the application,
  - (a) the balance of the life income fund does not exceed 20% of the Year's Maximum Pensionable Earnings (YMPE) under the Canada Pension Plan for the calendar year in which the application is made, or
  - (b) the owner is at least 65 years of age and the balance of the life income fund does not exceed 40% of the YMPE for the calendar year in which the application is made.

#### Splitting of contract

- 11. If this life income fund is not eligible for a lump sum payment option referred to in section 10, assets in the life income fund must not be divided and transferred to 2 or more, life income funds, pension plans or annuities or any combination of them if that transfer would make any one or more of those vehicles eligible for a lump sum payment under section 71(1) or (2) of the Act.

#### Shortened life payments

- 12. On application by the owner of this life income fund referred to in section 71(4)(a) of the Act, the life income fund issuer will pay, to the owner, a payment, or series of payments for a fixed term, of all or part of the assets held in the life income fund if
  - (a) a medical practitioner certifies that the owner has a disability or illness that is terminal or to likely shorten the owner's life considerably, and
  - (b) at the time of the application, if the owner is a member owner and has a pension partner, a waiver in Form 13 signed by the pension partner has been provided to the life income fund issuer.

## Non residency for tax purposes

13. The life income fund issuer will, on application, provide to the owner of the life income fund the lump sum amount referred to in section 71(4)(b) of the Act if,
- (a) the owner includes in the application written evidence that the Canada Revenue Agency has confirmed that the owner is a non resident for the purposes of the Income Tax Act (Canada), or
  - (b) at the time of the application, if the owner is a member owner and has a pension partner, a waiver in Form 13 signed by the pension partner has been provided to the life income fund issuer.

## Financial hardship

14. The life income fund issuer will, on application made in accordance with section 140(3) of the Regulation, provide to the owner of the life income fund a lump sum amount, up to the amount prescribed under section 140(5) of the Regulation, if, at the time of the application, the owner meets the requirements of the financial hardship exception set out in section 140(4) of the Regulation.

Alberta LIF Addendum  
Revised: October 2014

# BRITISH COLUMBIA LIF ADDENDUM TO TO RETIREMENT INCOME FUND TRUST AGREEMENT

## SCHEDULE 2

### (SECTION 116)

## PENSION BENEFITS STANDARDS REGULATION LIFE INCOME FUND ADDENDUM

### PART 1 - DEFINITIONS AND INTERPRETATION

#### Definitions and interpretation

- 1 (1) Subject to subsection (3), the following terms, used in this addendum, have the meanings given to them below, except where the context otherwise requires:

**"Act"** means the Pension Benefits Standards Act, S.B.C. 2012, c. 30;

**"annuity"** means a non-commutable life annuity contract that is issued or issuable by an insurance company to provide, on a deferred or immediate basis, a series of periodic payments for the life of the annuity holder or for the lives jointly of the annuity holder and the annuity holder's spouse;

**"designated beneficiary"** has the same meaning as in the Wills, Estates and Succession Act;

**"life income fund issuer"** means the issuer of this life income fund;

**"life income fund maximum amount"**, in relation to the income that may be paid out of a life income fund to an owner in a calendar year, means the greatest of

- (a) the investment returns for the most recently completed calendar year for the owner's life income fund,
- (b) the minimum amount of income that, under the Income Tax Act (Canada) or the Income Tax Regulations (Canada), is required to be paid out of the owner's life income fund that year, and
- (c) the amount determined by dividing the life income fund balance by the withdrawal factor where

**"CANSIM rate"**, in relation to a period of not more than 12 months for which interest is payable, means the rate of interest on long-term bonds issued by the government of Canada for the month of November preceding the calendar year in relation to which the withdrawal factor is being calculated, determined by reference to the Canadian Socio-Economic Information Management System (CANSIM) Series VI22487 compiled by Statistics Canada and available on the website maintained by the Bank of Canada;

**"life income fund balance"**, in relation to a life income fund, means

- (a) in the calendar year in which the fund is established, the balance of the owner's life income fund as at the date on which the fund is established, and
- (b) in every subsequent calendar year, the balance of the owner's life income fund as at January 1 of the calendar year in which the calculation is made;

**"withdrawal factor"** means the actuarial present value on January 1 of the calendar year in which the calculation is made of an annuity of \$1, payable at the beginning of each calendar year between that date and December 31 of the calendar year during which the owner reaches the age of 90 years, and calculated by using

- (a) for the first 15 calendar years in relation to which the actuarial present value is determined, the greater of the following:
  - (i) 6% per year;
  - (ii) the CANSIM rate, and
- (b) for each calendar year after the first 15 calendar years, 6% per year;

**"locked-in money"** means

- (a) money the withdrawal, surrender or receipt of which is restricted under section 68 of the Act,
- (b) money to which paragraph (a) applies that has been transferred out of a pension plan
  - (i) to one or more locked-in retirement accounts or life income funds, and any interest on that money, or
  - (ii) to an insurance company to purchase an annuity that is permitted under the Act,
- (c) money in a locked-in retirement account that was deposited into the locked-in retirement account under section 105 (1) of the Regulation or paid to the locked-in retirement account issuer under section 105 (2) or (3) (b) of the Regulation, and
- (d) money in a life income fund that was deposited into the life income fund under section 124 (1) of the Regulation or paid to the life income fund issuer under section 124 (2) or (3) (b) of the Regulation;

**"member owner"** means the owner of this life income fund if

- (a) the owner was a member of a pension plan, and
- (b) this life income fund contains locked-in money from that plan;

**"owner"**, in relation to this life income fund, means

- (a) the member owner of this life income fund, or
- (b) the spouse owner of this life income fund;

**"Regulation"** means the Pension Benefits Standards Regulation enacted under the Pension Benefits Standards Act, S.B.C. 2012, c. 30;

**"spouse"** means a person who is a spouse within the meaning of subsection (2);

**"spouse owner"** means the owner of this life income fund if this life income fund contains locked-in money from a pension plan and the owner is

- (a) the spouse or former spouse of a member of the pension plan or member owner whose entitlement to the locked-in money in this life income fund arose by virtue of a breakdown of the marriage or marriage-like relationship between the owner and the member or member owner, or
- (b) the surviving spouse of a deceased member of the pension plan or member owner whose entitlement to the locked-in money in this life income fund arose by virtue of the death of the member or member owner;

**"this life income fund"** means the life income fund to which this addendum applies.

- (2) Persons are spouses for the purposes of this addendum on any date on which one of the following applies:
  - (a) they
    - (i) are married to each other, and
    - (ii) have not been living separate and apart from each other for a continuous period longer than 2 years;
  - (b) they have been living with each other in a marriage-like relationship for a period of at least 2 years immediately preceding the date.
- (3) Terms used in this addendum that are not defined in subsection (1) but are defined in the Act or the Regulation have the meanings given to them in the Act or the Regulation.

### PART 2 - TRANSFERS IN AND TRANSFERS AND PAYMENTS OUT OF LIFE INCOME FUND

#### Limitation on deposits to this life income fund

- 2 (1) Subject to subsection (2), the only money that may be deposited in this life income fund is
- (a) locked-in money transferred from a pension plan if
    - (i) this life income fund is owned by a member owner, or
    - (ii) this life income fund is owned by a spouse owner, or
  - (b) money deposited by the life income fund issuer under section 124 (1) of the Regulation or paid to the life income fund issuer for deposit to this life income fund under section 124 (2) or (3) (b) of the Regulation.
- (2) The life income fund issuer must not accept a transfer of locked-in money to this life income fund unless
- (a) a copy of the consent required by section 103 (2) (c) or confirmation required by section 121 (1) (b) (ii) of the Regulation has been provided to the issuer, and
  - (b) if the locked-in money is coming from a pension plan by way of a transfer by a member of the plan or from a locked-in retirement account by way of a transfer by the owner of the account, the member or member owner or spouse owner, within the meaning of paragraph (a) of the definition of "spouse owner", is at least 50 years of age.
- (3) For the purpose of subsection (2) (a), the spouse's consent or confirmation is valid for each successive transfer of money in this life

income fund to another life income fund or a life income type benefits account in a pension plan.

### **Payment of retirement income**

- 3 (1) The owner of this life income fund must, at the beginning of each calendar year, notify the life income fund issuer in writing of the amount of income that is to be paid out of the life income fund during that year, which amount must accord with subsection (5).
- (2) If the owner of this life income fund fails to notify the life income fund issuer in accordance with subsection (1) in any calendar year, the life income fund issuer must, subject to subsection (4), pay to the owner, in that year, the minimum amount of income that, under the Income Tax Act (Canada) or the Income Tax Regulations (Canada), is required to be paid out of the owner's life income fund in that year.
- (3) The owner of this life income fund must, at any time that money is transferred to this life income fund, other than from another life income fund or a life income type benefits account in a pension plan, notify the life income fund issuer in writing of the amount of income that is to be paid out of the life income fund during that year, which amount must accord with subsection (5).
- (4) The owner of this life income fund may, at any time during a calendar year, change the amount of income that is to be paid out of this life income fund during that year to a different amount that accords with subsection (5).
- (5) There must be paid from a life income fund in each calendar year an amount of income that is
- not less than the minimum amount of income that, under the Income Tax Act (Canada) or the Income Tax Regulations (Canada), is required to be paid out of the owner's life income fund in that year, and
  - not more than the life income fund maximum amount applicable to the owner's life income fund for that year.

### **Limitation on payments and transfers from this life income fund**

- 4 (1) Money in this life income fund, including investment earnings, is for use in the provision of retirement income.
- (2) Despite subsection (1), money may be paid or transferred from this life income fund in the following circumstances:
- by way of a transfer to another life income fund on the applicable conditions set out in this addendum;
  - by way of a transfer to a locked-in retirement account;
  - by way of a transfer to an insurance company to purchase an annuity in accordance with section 7;
  - by way of a transfer to a pension plan if the plan text document of the plan allows the transfer;
  - in accordance with Part 4 of this addendum.
- (3) Without limiting subsections (1) and (2) of this section and in accordance with section 70 of the Act, money in this life income fund must not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment.
- (4) The life income fund issuer must comply with any applicable requirements of the Act and the Regulation before allowing a payment or transfer of any of the money in this life income fund.

### **General liability for improper payments or transfers**

- 5 If the life income fund issuer pays or transfers money from this life income fund contrary to the Act or the Regulation,
- subject to paragraph (b), the life income fund issuer must,
    - if less than all of the money in this life income fund is improperly paid or transferred, deposit into this life income fund an amount of money equal to the amount of money that was improperly paid or transferred, or
    - if all of the money in this life income fund is improperly paid or transferred, establish a new life income fund for the owner and deposit into that new life income fund an amount of money equal to the amount of money that was improperly paid or transferred, or
  - if
    - the money is transferred out of this life income fund to an issuer (the "transferee issuer") that is authorized under the Regulation to issue life income funds,
    - the transfer is contrary to the Act or the Regulation in that the life income fund issuer failed to advise the transferee issuer that the money is locked-in money, and
    - the life income fund issuer deals with the money in a manner that is contrary to the manner in which locked-in money must be dealt with under the Act or the Regulation,the life income fund issuer must pay to the transferee issuer, in accordance with the requirements of the Act and the Regulation relating to transfers of locked-in money, an amount equal to the amount dealt with in the manner referred to in subparagraph (iii).

### **Remittance of securities**

- 6 (1) If this life income fund holds identifiable and transferable securities, the transfers referred to in this Part may, unless otherwise stipulated in the contract to which this is an addendum, be made, at the option of the life income fund issuer and with the consent of the owner, by the transfer of those securities.
- (2) There may be transferred to this life income fund identifiable and transferable securities, unless otherwise stipulated in the contract to which this is an addendum, if that transfer is approved by the life income fund issuer and consented to by the owner.

### **Retirement income from annuity**

- 7 (1) The money in this life income fund must not be transferred to an insurance company to purchase an annuity unless
- payments under the annuity do not begin until the member owner or spouse owner, within the meaning of paragraph (a) of the definition of "spouse owner", as the case may be, has reached 50 years of age,
  - payments under the annuity begin on or before the last date on which a person is allowed under the Income Tax Act (Canada) to begin receiving a pension from a registered pension plan,
  - there is no differentiation among the annuitants on the basis of gender, and
  - if the owner is a member owner who has a spouse,
    - the annuity is in the form of a joint and survivor pension referred to in section 80 (2) of the Act, or
    - one of the following has been provided to the life income fund issuer:
      - a waiver in Form 2 of Schedule 3 of the Regulation signed by the spouse in the presence of a witness and outside the presence of the member not more than 90 days before the date that payments are to begin;
      - confirmation, in a form and manner satisfactory to the life income fund issuer, that section 145 of the Family Law Act applies.
- (2) A transfer under subsection (1) must be made within 60 days after the receipt by the life income fund issuer of all records that are necessary for the issuer to make the transfer.

## **PART 3 - DEATH OF OWNER**

### **Payment on death of member owner**

- 8(1) Subject to subsection (2), if this life income fund is owned by a member owner who has died and he or she is survived by a spouse, the life income fund issuer must pay the money in this life income fund to the surviving spouse.
- (2) If this life income fund is owned by a member owner who has died and
- he or she is not survived by a spouse, or
  - he or she is survived by a spouse and one of the following has been provided to the life income fund issuer:
    - a waiver in Form 4 of Schedule 3 of the Regulation signed by the spouse before the member owner's death in the presence of a witness and outside the presence of the member owner;
    - confirmation, in a form and manner satisfactory to the life income fund issuer, that section 145 of the Family Law Act applies,the life income fund issuer must pay the money in this life income fund to the member owner's designated beneficiary or, if there is no living designated beneficiary, to the personal representative of the member owner's estate.
- (3) A payment under subsection (1) or (2) must be made within 60 days after the receipt by the life income fund issuer of all records that are necessary for the issuer to make the payment.

### **Payment on death of spouse owner**

- 9 (1) If this life income fund is owned by a spouse owner who has died, the life income fund issuer must pay the money in this life income fund to the spouse owner's designated beneficiary, or, if there is no living designated beneficiary, to the personal representative of the spouse owner's estate.
- (2) A payment under subsection (1) must be made within 60 days after the receipt by the life income fund issuer of all records that are necessary for the issuer to make the payment.

## **PART 4 - APPLICATIONS TO UNLOCK ALL OR PART OF LIFE INCOME FUND**

### **Lump-sum payment of small account balance**

- 10 (1) On application by the owner of this life income fund, the life income fund issuer will pay to the owner the lump-sum amount referred to in section 69 (2) of the Act and section 126 of the Regulation if, on the date of the application,
- the balance of this life income fund does not exceed 20% of the Year's Maximum Pensionable Earnings (YMPE) under the Canada Pension Plan for the calendar year in which the application is made, or



- (b) the owner is at least 65 years of age and the balance of this life income fund does not exceed 40% of the YMPE for the calendar year in which the application is made.
- (2) A payment under subsection (1) must be made within 60 days after the receipt by the life income fund issuer of all records that are necessary for the issuer to make the payment.

#### No splitting of contract

- 11 If this life income fund is not eligible for the lump-sum payment option referred to in section 10 of this addendum, the money in this life income fund must not be divided and transferred to 2 or more locked-in retirement accounts, life income funds, pension plans or annuities or any combination of them if that transfer would make the money in anyone or more of them eligible for a lump-sum payment option under section 10 of this addendum or section 69 (1) or (2) of the Act.

#### Shortened life

- 12 (1) On application by the owner of this life income fund, the life income fund issuer will pay to the owner the payment, or series of payments for a fixed term, referred to in section 69 (4) (a) of the Act of all or part of the money held in this life income fund if
- (a) a medical practitioner certifies that the owner has an illness or a disability that is terminal or likely to shorten the owner's life considerably, and
  - (b) this life income fund is owned by a member owner and the member owner does not have a spouse, or, if the member owner does have a spouse, one of the following has been provided to the life income fund issuer:
    - (i) a waiver in Form 1 of Schedule 3 of the Regulation signed by the spouse in the presence of a witness and outside the presence of the member owner not more than 90 days before the date of the withdrawal;
    - (ii) confirmation, in a form and manner satisfactory to the life income fund issuer, that section 145 of the Family Law Act applies.
- (2) A payment under subsection (1) must be made, or a series of payments under subsection (1) must begin, within 60 days after the receipt by the life income fund issuer of all records that are necessary for the issuer to make the payment or begin the series of payments.

#### Non-residency for tax purposes

- 13 (1) On application by the owner of this life income fund, the life income fund issuer will pay to the owner the lump-sum amount referred to in section 69 (4) (b) of the Act and section 128 of the Regulation if
- (a) the owner includes in the application
    - (i) a statement signed by the owner that the owner has been absent from Canada for 2 or more years, and
    - (ii) written evidence that the Canada Revenue Agency has confirmed that the owner is a non-resident for the purposes of the Income Tax Act (Canada), and
  - (b) this life income fund is owned by a member owner and the member owner does not have a spouse, or, if the member owner does have a spouse, one of the following has been provided to the life income fund issuer:
    - (i) a waiver in Form 1 of Schedule 3 of the Regulation signed by the spouse in the presence of a witness and outside the presence of the member owner not more than 90 days before the date of the withdrawal;
    - (ii) confirmation, in a form and manner satisfactory to the life income fund issuer, that section 145 of the Family Law Act applies.
- (2) A payment under subsection (1) must be made within 60 days after the receipt by the life income fund issuer of all records that are necessary for the issuer to make the payment.

#### Financial hardship

- 14 (1) On application by the owner of this life income fund in accordance with section 129 of the Regulation, the life income fund issuer will pay to the owner the lump-sum amount referred to in section 69 (4) (c) of the Act, up to the amount prescribed under section 129 (5) of the Regulation, if
- (a) the owner meets the requirements of the financial hardship exception set out in section 129 (4) of the Regulation, and
  - (b) this life income fund is owned by a member owner and the member owner does not have a spouse, or, if the member owner does have a spouse, one of the following has been provided to the life income fund issuer:
    - (i) a waiver in Form 1 of Schedule 3 of the Regulation signed by the spouse in the presence of a witness and outside the presence of the member owner not more than 90 days before the date of the withdrawal;

- (ii) confirmation, in a form and manner satisfactory to the life income fund issuer, that section 145 of the Family Law Act applies.

- (2) A payment under subsection (1) must be made within 60 days after the receipt by the life income fund issuer of all records that are necessary for the issuer to make the payment.

British Columbia LIF Addendum  
Revised: October 2015

## SCHEDULE 4: NOVA SCOTIA LIF ADDENDUM (Pension Benefits Regulations)

Note: This document is Schedule 4 to the Pension Benefits Regulations (Nova Scotia). It forms part of the regulations and must be read, construed and interpreted in conjunction with the Pension Benefits Act and its regulations. Definitions for this Schedule

1. In this Schedule,
  - "Act" means the *Pension Benefits Act*;
  - "domestic contract", as defined in Section 2 of the regulations, means a written agreement referred to in, and for the purpose of Section 74 of the Act that provides for a division between spouses of any pension benefit, deferred pension or pension and includes a marriage contract as defined in the *Matrimonial Property Act*;
  - "federal Income Tax Act", as defined in Section 2 of the regulations, means the *Income Tax Act* (Canada) and, unless specified otherwise, includes the regulations made under that Act;
  - "owner" means any of the following persons, as set out in subsection 205(2) of the regulations, who has purchased a LIF:
    - (i) a former member who is entitled to make a transfer under clause 61(1)(b) of the Act,
    - (ii) a spouse of a person who was a member, and who is entitled to make a transfer under clause 61(1)(b) of the Act,
    - (iii) a person who has previously transferred an amount under clause 61(1)(b) of the Act into a LIRA or LIF,
    - (iv) a person who has previously transferred an amount into a LIF as a result of a division of any pension benefit, deferred pension or pension under Section 74 of the Act,
    - (v) a spouse who is entitled to transfer a lump sum as a result of a division of any pension benefit, deferred pension or pension under Section 74 of the Act;
  - "regulations" means the Pension Benefits Regulations made under the Act;
  - "spouse", as defined in the Act, means either of 2 persons who
    - (i) are married to each other,
    - (ii) are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity,
    - (iii) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or, if they have ceased to cohabit, have cohabited within the 12-month period immediately preceding the date of entitlement, and
    - (iv) are domestic partners within the meaning of Section 52 of the Vital Statistics Act, or
    - (v) not being married to each other, are cohabiting in a conjugal relationship with each other, and have done so continuously for at least
      - (A) 3 years, if either of them is married, or
      - (B) 1 year, if neither of them is married;
  - "temporary income" means income payments from a LIF that, in accordance with Section 9 of this Schedule, are paid to an owner before they turn 65 years old;
  - "Superintendent" means the Superintendent of Pensions, as defined in the Act.

#### Fiscal year of LIFs

- 2 (1) In this Schedule, "fiscal year" means the fiscal year of a LIF.
- (2) A fiscal year must end on December 31 and must not be longer than 12 months.

#### Reference rate criteria

- 3 A reference rate in this Schedule for a fiscal year must meet all of the following criteria:
  - (a) it must be based on the month-end nominal rate of interest earned on long-term bonds issued by the Government of Canada for November of the year immediately before the beginning of the fiscal year, as compiled by Statistics Canada and published in the Bank of Canada Review as CANSIM Series V122487, with the following adjustments applied successively to that nominal rate:
    - (i) an increase of 0.5%,
    - (ii) the conversion of the increased rate, based on interest compounded semi-annually, to an effective annual rate of interest,
    - (iii) the rounding of the effective interest rate to the nearest multiple of 0.5%;
  - (b) it must not be less than 6%.

## Note Re Requirements of the Pension Benefits Act and Regulations

Prohibitions on transactions from Section 91 of Act

Under Section 91 of the Act, money held in a LIF must not be commuted or surrendered in whole or in part except as permitted by this Schedule and the regulations including, without limiting the generality of the foregoing, the following Sections of the regulations:

- Sections 211 through 230, respecting withdrawal in circumstances of financial hardship
- Section 231, respecting withdrawal in circumstances of considerably shortened life expectancy
- Section 232, respecting withdrawal in circumstances of non-residency
- Section 233, respecting withdrawal of small amounts at age 65
- Section 198, respecting the transfer of an excess amount, as defined in that Section.

Pursuant to subsection 91(2) of the Act, any transaction that contravenes Section 91 of the Act is void.

### Values of assets in LIFs subject to division

The value of the assets in a LIF is subject to division in accordance with all of the following:

- an order of the Supreme Court of Nova Scotia that provides for the division of any pension benefits under Section 74 of the Act
- a domestic contract that provides for the division of any pension benefit, deferred pension or pension under Section 74 of the Act
- the regulations

### Money held in LIFs

The following requirements are set out in the *Pension Benefits Act* and are applicable to LIFs governed by this Schedule:

- Money held in a LIF must not be assigned, charged, or given as security except as permitted by subsection 88(3) of the Act or Section 90 of the Act, and any transaction purporting to assign, charge, anticipate or give the money in the LIF as security is void.
- Money held in a LIF is exempt from execution, seizure or attachment except for the purpose of enforcing a maintenance order as permitted by Section 90 of the Act.

### Periodic payments of income out of LIFs

- 4 (1) An owner must be paid an income from their LIF, the amount of which may vary, annually.
- (2) Income payments from a LIF must begin no earlier than
- (a) the earliest date that the owner would have been entitled to receive a pension under any pension plan from which the money was transferred; or
- (b) if all of the money in a LIF is derived from sources other than a pension benefit provided in respect of any employment of the owner, the date the owner turns 55 years old.
- (3) Income payments from a LIF must begin no later than the end of a LIF's 2nd fiscal year.

### Amount of income payments from LIFs

- 5 (1) Subject to the minimum amount in Section 6 of this Schedule, an owner of a LIF must establish the amount of income to be paid during each fiscal year at the beginning of the fiscal year and after they have received the information required by Section 14 of this Schedule.
- (2) Except as provided in subsection (5), an owner of a LIF must notify the financial institution providing the LIF of the amount to be paid out of the LIF each year and any owner who does not do so is deemed to have selected the minimum amount determined under Section 6 of this Schedule.
- (3) The owner's notice required by subsection (2) must be given either
- (a) except as provided in subsection (5), at the beginning of the fiscal year;
- (b) at a time agreed to by the financial institution providing the LIF.
- (4) The owner's notice required by subsection (2) expires at the end of the fiscal year to which it relates.
- (5) If a financial institution providing a LIF guarantees the rate of return of the LIF over a period that is greater than 1 year, the period must end at the end of a fiscal year and the owner may establish the amount of income to be paid during the period at the beginning of the period.

### Minimum annual LIF withdrawal

- 6 (1) The amount of income that is paid out of a LIF during a fiscal year must not be less than the minimum amount prescribed for a registered retirement income fund by the federal *Income Tax Act*, determined on the basis of the owner's age or the age of the owner's spouse if the spouse is younger than the owner.
- (2) Despite Sections 7, 8, 10, 11 and 12 of this Schedule, if the minimum amount specified by subsection (1) is greater than the maximum amount determined under those Sections for a fiscal year, then the minimum amount under subsection (1) must be paid out of the LIF during the fiscal year.

### Pro-rating amount of withdrawal if initial fiscal year less than 12 months

- 7 If the initial fiscal year is less than 12 months long, the maximum amount determined under Sections 8, 10, 11 and 12 of this Schedule must be adjusted in proportion to the number of months in that fiscal year divided by 12, with any part of an incomplete month counting as 1 month.

### Maximum annual life income from LIF that does not provide for temporary income

- 8 The maximum annual amount of life income to be paid each year from a LIF from which no temporary income is paid is determined by the following formula:
- $$\text{maximum payable} = F \times B$$
- in which
- F = is the factor in Schedule 5: Life Income Fund—Factor F that corresponds to the reference rate for the fiscal year and the owner's age at the end of the previous year
- B = the balance of the LIF at the beginning of the fiscal year, increased by any money transferred to the LIF after the beginning of that fiscal year and reduced by any money transferred from another LIF, to the LIF, in the same year.

### Withdrawal of temporary income from LIFs

- 9 (1) A LIF may provide that the owner is entitled to temporary income in accordance with this Section and Sections 10 and 11 of this Schedule.
- (2) An owner of a LIF from which temporary income may be paid who is at least 54 years old but under 65 years old at the end of the calendar year before the date they apply, may apply in an approved form to the financial institution that provides a LIF for payment of temporary income from the LIF.
- (3) Temporary income must not be paid under a LIF
- (a) before the owner is 55 years old; and
- (b) after the end of the year in which the owner turns 65 years old.
- (4) Temporary income is not payable if any portion of a payment out of a LIF is transferred to a registered retirement savings plan or a registered retirement income fund.

### Maximum temporary income for fiscal year

- 10 (1) Except as provided in subsection (2), the maximum temporary income that may be paid during a fiscal year out of a LIF from which temporary income may be paid must be the lesser of the following amounts:
- (a) the amount calculated by the following formula:
- $$(50\% \text{ of the YMPE}) - T$$
- in which
- YMPE = the Year's Maximum Pensionable Earnings for the fiscal year
- T = the total of temporary income for the owner from a pension plan or from other LIFs of the owner for that fiscal year;
- (b) the amount calculated by the following formula:
- $$F \times B \times D$$
- in which
- F = is the factor in Schedule 5: Life Income Fund—Factor F that corresponds to the reference rate for the fiscal year and the owner's age at the end of the previous year
- B = the balance of the LIF at the beginning of the fiscal year, increased by any money transferred to the LIF after the beginning of that fiscal year and reduced by any money transferred from another LIF, to the LIF, in the same year
- D = the factor in Schedule 6: Life Income Fund—Temporary Income Factor D that corresponds to the owner's age at the end of the previous fiscal year.
- (2) If the amount determined under clause (1)(b) is less than 50% of the Year's Maximum Pensionable Earnings, then the maximum temporary income paid out of a LIF during a fiscal year must be the lesser of the following amounts:
- (a) the amount calculated under clause (1)(a);
- (b) the balance of the LIF at the beginning of the fiscal year, increased by any money transferred to the LIF after the beginning of that fiscal year and reduced by any money transferred from another LIF to the LIF in the same year.

### Maximum life income withdrawal from LIFs

- 11 The maximum life income to be paid from a LIF from which a temporary income is paid is determined by the following formula, provided that the maximum must not be less than zero:
- $$\text{maximum payable} = (F \times B) - (Y \div D)$$
- in which
- F = the factor in Schedule 5: Life Income Fund—Factor F that corresponds to the reference rate for the fiscal year and the owner's age at the end of the previous year
- B = the balance of the LIF at the beginning of the fiscal year, increased by any money transferred to the LIF after the beginning of that fiscal year and reduced by any money transferred from another LIF, to the LIF, in the same year

Y = the maximum annual temporary income determined under Section 10 of this Schedule

D = the factor in Schedule 6: Life Income Fund—Temporary Income Factor D that corresponds to the owner's age at the end of the previous year.

**Maximum annual income payable if financial institution guarantees rate of return of LIFs**

12 (1) If a financial institution that provides a LIF guarantees the rate of return of the LIF over a period greater than 1 year and the owner establishes the amount of income to be paid during that period, the maximum income that may be paid during each of the fiscal years during the period must be determined at the beginning of each fiscal year in the period in accordance with this Section.

(2) For each year after the initial fiscal year, the maximum income to be paid for the fiscal year under a LIF described in subsection (1) is equal to the lesser of the following amounts:

- (a) the balance of the LIF at the time of payment in that year;
- (b) the amount determined by the following formula:

$$\text{maximum income} = (I \times B) \div RB$$

in which

I = the maximum income determined for the initial fiscal year under Section 11 of this Schedule

B = the balance of the LIF at the beginning of the fiscal year

RB = the reference balance determined at January 1 of the year as calculated under subsection (3).

(3) For the formula in clause (2)(b), the reference balance ("RB") must be calculated by the following formula:

$$RB = (PRB - I) + ((PRB - I) \times RR/100)$$

in which

PRB = the reference balance

(i) at the beginning of the previous year, or

(ii) for the 2nd year of the period, the LIF balance at the beginning of the 1st year of the period

I = the maximum income determined for the initial fiscal year

RR = the reference rate for the year, if the fiscal year is one of the first 16 fiscal years of the LIF, or by 6% for any other year.

**Income in excess of maximum**

13 If income paid to an owner under a LIF during a fiscal year exceeds the maximum that may be paid, the balance of the LIF must not be reduced by the excess unless the payment is attributable to incorrect information provided by the owner.

**Information to be provided annually by financial institution**

14 At the beginning of each fiscal year, a financial institution providing a LIF must provide all of the following information to an owner about their LIF:

- (a) with respect to the previous fiscal year:
  - (i) the sums deposited,
  - (ii) any accumulated investment earnings including any unrealized capital gains or losses,
  - (iii) the payments made out of the LIF,
  - (iv) any withdrawals from the LIF made under the following circumstances, in accordance with Sections 211 to 230 of the regulations:
    - (A) a mortgage default circumstance, as defined in clause 212(1)(a) of the regulations,
    - (B) a medical expense circumstance, as defined in clause 212(1)(b) of the regulations,
    - (C) a rental default circumstance, as defined in clause 212(1)(c) of the regulations,
    - (D) a reduced income circumstance, as defined in clause 212(1)(d) of the regulations,
  - (v) any transfers made out of the LIF,
  - (vi) the fees charged against the LIF;
- (b) the value of the assets in the LIF at the beginning of the fiscal year;
- (c) the minimum amount that must be paid out as income to the owner during the current fiscal year;
- (d) the maximum amount that may be paid out as income to the owner during the current fiscal year;
- (e) for a LIF that provides for temporary income, and the owner was at least 54 years old but under 65 years old at the end of the previous year,
  - (i) how the owner may apply for temporary income to be paid to them after they turn 55 years old, and
  - (ii) a statement that payment of temporary income will reduce the income that would otherwise be paid to the owner after age 65;

- (f) a statement that the maximum amount of income that may be paid to the owner during the fiscal year will not be increased if assets held in another LIF during the year are transferred to the LIF;
- (g) if the beginning of the fiscal year is later than the beginning of the calendar year, a statement as to whether any sums deposited were held in another LIF during the year, and the amount of those deposits;
- (h) a statement that if the owner wishes to transfer the balance of the LIF, in whole or in part, and still receive the income determined for the fiscal year from the LIF, then an amount must be retained in the LIF that is at least equal to the difference between the income determined for the fiscal year and the income already received from the LIF since the beginning of the fiscal year;
- (i) a statement that if the owner dies before the balance in the LIF is used to purchase a life annuity contract or is transferred under Section 15 of this Schedule, then the financial institution must provide the owner's spouse or beneficiary or the personal representative of their estate with the information in clauses (a) and (b), determined as of the date the owner died;
- (j) a statement that if the balance of the LIF is transferred to another financial institution or used to purchase a life annuity, then the financial institution must provide the owner the information in clauses (a) and (b), determined as of the date of the transfer or annuity purchase;
- (k) a statement that if the balance of the LIF is transferred to another financial institution or used to purchase a life annuity, then the financial institution must comply with Section 209 of the regulations, in accordance with subsection 15(6) of this Schedule.

**Transferring assets from LIFs**

- 15 (1) An owner of a LIF may transfer all or part of the assets in the LIF as follows:
- (a) to either of the following:
    - (i) another LIF,
    - (ii) a LIRA held by another financial institution, if permitted under the federal Income Tax Act; or
  - (b) to purchase an immediate life annuity;
- (2) The date of a transfer under subsection (1) must not be later than 30 days after the owner requests it, unless any of the following apply:
- (a) the financial institution providing the LIRA does not have all the information necessary to complete the transaction, in which case the 30-day period begins to run from the date the financial institution has all the necessary information;
  - (b) the transfer is in respect of assets held as securities whose term of investment extends beyond the 30-day period, in which case the 30-day period begins to run from the date the term of investment expires.
- (3) If assets in a LIF consist of identifiable and transferable securities, the financial institution providing the LIF may transfer the securities with the consent of the owner.
- (4) If assets held in a LIF are transferred to another LIF at any time in the current fiscal year, the maximum amount of income that may be paid to the owner of the LIF must not be increased.
- (5) A financial institution providing a LIF must advise the financial institution to which the assets of the LIF are transferred
- (a) that the assets were held in a LIF in the current year; and
  - (b) whether the assets were determined in a manner that differentiated on the basis of sex.
- (6) If the balance of a LIF is transferred to another financial institution or used to purchase a life annuity, the financial institution providing the LIF must comply with Section 209 of the regulations.

**Information to be provided by financial institution on transfer of balance of LIFs**

16 If the balance of the LIF is transferred to another financial institution or used to purchase a life annuity, the financial institution making the transfer must provide the owner with all of the information required to be provided annually under clauses 14(a) to (h) of this Schedule, determined as of the date of the transfer or annuity purchase.

**Information to be provided upon transfer of additional amounts to LIFs**

- 17 No later than 30 days after the date that money in locked-in funds that has not been held in a LIF at any time in the current year is transferred to a LIF, the financial institution providing the LIF must provide the owner with all of the following information:
- (a) the information required to be provided annually under clauses 14(a) to (f) of this Schedule, determined as of the date of the transfer;
  - (b) the balance of the LIF used to determine the maximum amount that may be paid to the owner as income during the fiscal year.

**Death benefits not entitled to receive the value of the assets in the LIF under clause (1)(a) if any of the following conditions apply:**

- 18 (1) If the owner of a LIF dies, the following are entitled to receive a benefit equal to the value of the assets in the LIF, subject to subsections (4) and (5):

**SCHEDULE 5: LIFE INCOME FUND – FACTOR F**  
*(Pension Benefits Regulations)*

Note: This document is Schedule 5 to the Pension Benefits Regulations (Nova Scotia). It forms part of the regulations and must be read, construed and interpreted in conjunction with the Pension Benefits Act and its regulations.

This table is used to determine the factor (F) in the formulas in Sections 8, 10 and 11 of Schedule 4: Nova Scotia LIF Addendum. The reference rate in the column heading is as defined in Section 3 of Schedule 4: Nova Scotia LIF Addendum.

|            |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Under 55   | 0.061 | 0.063 | 0.066 | 0.069 | 0.072 | 0.075 | 0.078 | 0.081 | 0.084 | 0.087 | 0.090 | 0.093 | 0.097 | 0.100 | 0.103 | 0.107 |
| 55         | 0.064 | 0.067 | 0.070 | 0.073 | 0.076 | 0.079 | 0.082 | 0.085 | 0.088 | 0.091 | 0.094 | 0.097 | 0.101 | 0.104 | 0.107 | 0.111 |
| 56         | 0.065 | 0.067 | 0.070 | 0.073 | 0.076 | 0.079 | 0.082 | 0.085 | 0.088 | 0.091 | 0.095 | 0.098 | 0.101 | 0.104 | 0.108 | 0.111 |
| 57         | 0.065 | 0.068 | 0.071 | 0.074 | 0.077 | 0.080 | 0.083 | 0.086 | 0.089 | 0.092 | 0.095 | 0.098 | 0.102 | 0.105 | 0.108 | 0.112 |
| 58         | 0.066 | 0.069 | 0.071 | 0.074 | 0.077 | 0.080 | 0.083 | 0.086 | 0.090 | 0.093 | 0.096 | 0.099 | 0.102 | 0.106 | 0.109 | 0.112 |
| 59         | 0.067 | 0.069 | 0.072 | 0.075 | 0.078 | 0.081 | 0.084 | 0.087 | 0.090 | 0.093 | 0.097 | 0.100 | 0.103 | 0.106 | 0.110 | 0.113 |
| 60         | 0.067 | 0.070 | 0.073 | 0.076 | 0.079 | 0.082 | 0.085 | 0.088 | 0.091 | 0.094 | 0.097 | 0.101 | 0.104 | 0.107 | 0.110 | 0.114 |
| 61         | 0.068 | 0.071 | 0.074 | 0.077 | 0.079 | 0.082 | 0.086 | 0.089 | 0.092 | 0.095 | 0.098 | 0.101 | 0.105 | 0.108 | 0.111 | 0.115 |
| 62         | 0.069 | 0.072 | 0.074 | 0.077 | 0.080 | 0.083 | 0.086 | 0.089 | 0.093 | 0.096 | 0.099 | 0.102 | 0.105 | 0.109 | 0.112 | 0.115 |
| 63         | 0.070 | 0.073 | 0.075 | 0.078 | 0.081 | 0.084 | 0.087 | 0.090 | 0.094 | 0.097 | 0.100 | 0.103 | 0.106 | 0.110 | 0.113 | 0.116 |
| 64         | 0.071 | 0.074 | 0.076 | 0.079 | 0.082 | 0.085 | 0.088 | 0.091 | 0.095 | 0.098 | 0.101 | 0.104 | 0.107 | 0.111 | 0.114 | 0.117 |
| 65         | 0.072 | 0.075 | 0.077 | 0.080 | 0.083 | 0.086 | 0.089 | 0.093 | 0.096 | 0.099 | 0.102 | 0.105 | 0.108 | 0.112 | 0.115 | 0.118 |
| 66         | 0.073 | 0.076 | 0.079 | 0.082 | 0.085 | 0.088 | 0.091 | 0.094 | 0.097 | 0.100 | 0.103 | 0.106 | 0.110 | 0.113 | 0.116 | 0.119 |
| 67         | 0.074 | 0.077 | 0.080 | 0.083 | 0.086 | 0.089 | 0.092 | 0.095 | 0.098 | 0.101 | 0.104 | 0.108 | 0.111 | 0.114 | 0.117 | 0.121 |
| 68         | 0.076 | 0.078 | 0.081 | 0.084 | 0.087 | 0.090 | 0.093 | 0.096 | 0.100 | 0.103 | 0.106 | 0.109 | 0.112 | 0.115 | 0.119 | 0.122 |
| 69         | 0.077 | 0.080 | 0.083 | 0.086 | 0.089 | 0.092 | 0.095 | 0.098 | 0.101 | 0.104 | 0.107 | 0.111 | 0.114 | 0.117 | 0.120 | 0.123 |
| 70         | 0.079 | 0.082 | 0.085 | 0.088 | 0.091 | 0.094 | 0.097 | 0.100 | 0.103 | 0.106 | 0.109 | 0.112 | 0.115 | 0.119 | 0.122 | 0.125 |
| 71         | 0.081 | 0.084 | 0.087 | 0.089 | 0.092 | 0.095 | 0.098 | 0.102 | 0.105 | 0.108 | 0.111 | 0.114 | 0.117 | 0.120 | 0.123 | 0.127 |
| 72         | 0.083 | 0.086 | 0.089 | 0.092 | 0.095 | 0.098 | 0.101 | 0.104 | 0.107 | 0.110 | 0.113 | 0.116 | 0.119 | 0.122 | 0.125 | 0.129 |
| 73         | 0.085 | 0.088 | 0.091 | 0.094 | 0.097 | 0.100 | 0.103 | 0.106 | 0.109 | 0.112 | 0.115 | 0.118 | 0.121 | 0.124 | 0.127 | 0.131 |
| 74         | 0.088 | 0.091 | 0.094 | 0.097 | 0.099 | 0.102 | 0.105 | 0.108 | 0.111 | 0.114 | 0.117 | 0.120 | 0.124 | 0.127 | 0.130 | 0.133 |
| 75         | 0.091 | 0.094 | 0.097 | 0.100 | 0.102 | 0.105 | 0.108 | 0.111 | 0.114 | 0.117 | 0.120 | 0.123 | 0.126 | 0.129 | 0.132 | 0.135 |
| 76         | 0.094 | 0.097 | 0.100 | 0.103 | 0.106 | 0.109 | 0.112 | 0.114 | 0.117 | 0.120 | 0.123 | 0.126 | 0.129 | 0.132 | 0.135 | 0.138 |
| 77         | 0.098 | 0.101 | 0.104 | 0.107 | 0.110 | 0.112 | 0.115 | 0.118 | 0.121 | 0.124 | 0.127 | 0.130 | 0.133 | 0.136 | 0.139 | 0.142 |
| 78         | 0.103 | 0.106 | 0.109 | 0.111 | 0.114 | 0.117 | 0.120 | 0.123 | 0.126 | 0.128 | 0.131 | 0.134 | 0.137 | 0.140 | 0.143 | 0.146 |
| 79         | 0.108 | 0.111 | 0.114 | 0.117 | 0.119 | 0.122 | 0.125 | 0.128 | 0.131 | 0.134 | 0.137 | 0.139 | 0.142 | 0.145 | 0.148 | 0.151 |
| 80         | 0.115 | 0.117 | 0.120 | 0.123 | 0.125 | 0.128 | 0.131 | 0.133 | 0.136 | 0.139 | 0.142 | 0.144 | 0.147 | 0.150 | 0.153 | 0.155 |
| 81         | 0.121 | 0.124 | 0.127 | 0.129 | 0.132 | 0.135 | 0.137 | 0.140 | 0.143 | 0.145 | 0.148 | 0.151 | 0.153 | 0.156 | 0.159 | 0.161 |
| 82         | 0.129 | 0.132 | 0.134 | 0.137 | 0.139 | 0.142 | 0.145 | 0.147 | 0.150 | 0.153 | 0.155 | 0.158 | 0.161 | 0.163 | 0.166 | 0.169 |
| 83         | 0.138 | 0.140 | 0.143 | 0.146 | 0.148 | 0.151 | 0.154 | 0.156 | 0.159 | 0.161 | 0.164 | 0.167 | 0.169 | 0.172 | 0.175 | 0.177 |
| 84         | 0.148 | 0.151 | 0.153 | 0.156 | 0.159 | 0.161 | 0.164 | 0.167 | 0.169 | 0.172 | 0.174 | 0.177 | 0.180 | 0.182 | 0.185 | 0.187 |
| 85         | 0.160 | 0.163 | 0.165 | 0.168 | 0.171 | 0.173 | 0.176 | 0.179 | 0.181 | 0.184 | 0.187 | 0.189 | 0.192 | 0.194 | 0.197 | 0.200 |
| 86         | 0.173 | 0.176 | 0.179 | 0.182 | 0.184 | 0.187 | 0.190 | 0.193 | 0.195 | 0.198 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 |
| 87         | 0.189 | 0.191 | 0.194 | 0.197 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 |
| 88 or over | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 | 0.200 |

**SCHEDULE 6: LIFE INCOME FUND –  
TEMPORARY INCOME FACTOR D**  
*(Pension Benefits Regulations)*

Note: This document is Schedule 6 to the Pension Benefits Regulations (Nova Scotia). It forms part of the regulations and must be read, construed and interpreted in conjunction with the Pension Benefits Act and its regulations.

This table is used to determine the temporary income factor (D) in the formula in Sections 10 and 11 of Schedule 4: Nova Scotia LIF Addendum.

| Age        | Temporary Income Factor D |
|------------|---------------------------|
| Under 54   | 1                         |
| 54         | 1.691                     |
| 55         | 1.706                     |
| 56         | 1.804                     |
| 57         | 1.953                     |
| 58         | 2.151                     |
| 59         | 2.379                     |
| 60         | 2.705                     |
| 61         | 3.202                     |
| 62         | 4.090                     |
| 63         | 5.811                     |
| 64         | 10.989                    |
| 65 or over | 1                         |

- (a) the owner's spouse;
  - (b) if there is no spouse or if the spouse is otherwise disentitled under subsection (4) or (5), the owner's named beneficiary;
  - (c) if there is no named beneficiary, the personal representative of the owner's estate.
- (2) For the purposes of subsection (1), a determination as to whether an owner of a LIF has a spouse must be made as of the date the owner dies.
  - (3) For the purposes of subsection (1), the value of the assets in a LIF includes all accumulated investment earnings, including any unrealized capital gains and losses, of the LIF from the date of death until the date of payment.
  - (4) A spouse is not entitled to receive the value of the assets in the LIF under clause (1)(a) if the owner of the LIF was not a member or former member of a pension plan from which the assets were transferred, directly or indirectly, to purchase the LIF.
  - (5) A spouse who is living separate and apart from the owner of a LIF without a reasonable prospect of resuming cohabitation on the date the owner dies is
    - (a) the spouse delivered a written waiver to the financial institution in accordance with Section 19 of this Schedule;
    - (b) the spouse is not entitled to receive any amount in respect of the assets in the LIF in accordance with the terms of a domestic contract that provides for the division of any pension benefit, deferred pension or pension under Section 74 of the Act;
    - (c) the spouse is not entitled to receive any amount in respect of the assets in the LIF, by court order, in accordance with a court order respecting a division of a pension benefit, deferred pension or pension under Section 74 of the Act.
  - (6) The benefit described in subsection (1) may be transferred to an RRSP or a RRIF in accordance with the federal Income Tax Act.

**Waiver of entitlement to death benefits by spouse**

- 19 (1) A spouse of an owner of a LIF may waive their entitlement to receive a benefit described in Section 18 of this Schedule from the LIF, by delivering, any time before the death of the owner, a written waiver in an approved form to the financial institution providing the LIF.
- (2) A spouse who delivers a waiver under subsection (1) may cancel it by delivering a written and signed notice of cancellation to the financial institution before the date the owner of the LIF dies.

**Information to be provided by financial institution on death of owner**

- 20 If the owner of a LIF dies before the balance in the LIF is transferred or used to purchase a life annuity contract, the financial institution providing the LIF must give the information required to be provided annually under clauses 14(a) to (g) of this Schedule, determined as of the date of the owner's death, to any person entitled to receive the assets in the LIF under subsection 18(1) of this Schedule.