

AGF INVESTMENTS

# LOCKED-IN ADDENDUM

NEWFOUNDLAND & LABRADOR LIRA

NEWFOUNDLAND & LABRADOR LIF

NEWFOUNDLAND & LABRADOR LRIF

## LOCKED-IN RETIREMENT ACCOUNT NEWFOUNDLAND ADDENDUM

### SUPPLEMENTARY AGREEMENT ESTABLISHING A LOCKED-IN RETIREMENT ACCOUNT UNDER THE AGF RETIREMENT SAVINGS PLAN

The Annuitant named in the Application Form has established the Plan with AGF Investments Inc. as agent for Computershare Trust Company of Canada as trustee and issuer, which has received funds originating from a registered pension plan governed by the provisions of the Act and regulations thereunder. In accordance with the Act, regulations and the declaration of trust governing the Plan and except as otherwise may be permitted or provided for under the Act and regulations from time to time, the following forms part of the terms and conditions applicable to the funds, which are binding upon the Annuitant and the Trustee and their respective successors and assigns effective from the time of the transfer of the funds to the Plan.

#### Definitions

1. For the purposes of this Addendum, "**Tax Act**" means the *Income Tax Act* (Canada) and regulations thereunder, "**Act**" means the *Pension Benefits Act, 1997* (Newfoundland), "**Regulations**" means the Regulations under the *Pension Benefits Act, 1997* (Newfoundland) and "**Directive**" means a Directive issued under the *Pension Benefits Act, 1997* (Newfoundland), all as amended from time to time.
2. For the purposes of this Addendum, the words "**locked-in retirement account**", "**life income fund**", and "**locked-in retirement income fund**" shall have the same meanings as are given to these words in Directive No. 4, Directive No. 5 and Directive No. 17, respectively, and the words, "**commuted value**", "**former member**", "**life annuity**", "**member**", "**pension benefit**", "**pension plan**", "**principal beneficiary**", "**Superintendent**", and "**YMPE**" shall have the same meanings as are respectively given to these words in the section 2 of the Act.
3. For the purposes of this Addendum, "**life annuity contract**" shall have the same meaning as are given to these words in Directive No. 4.
4. Notwithstanding anything to the contrary contained in the RSP Declaration of Trust and this Addendum, including any endorsements forming a part thereof, "**principal beneficiary**" does not include any person who is not recognized as a spouse or common-law partner for the purposes of any provision of the Tax Act respecting registered retirement savings plans.

#### Contributions

5. The Annuitant acknowledges that all of the Benefits to be transferred to the LIRA and all investment earnings thereon are subject to the locking-in provisions of the Act. The Annuitant further acknowledges that the present value of the Benefits to be transferred to the LIRA is being transferred from a former employer's registered pension plan or from another LIRA. Only assets that are locked-in pursuant to the Act will be transferred to or held under the LIRA.
6. The assets in the LIRA shall include all property deposited into the LIRA and all investment earnings thereon (the "**LIRA Assets**").

#### Investments

7. The LIRA Assets shall be invested by the Annuitant in a manner that complies with the rules of investment contained in the Tax Act and the RSP Declaration of Trust

#### Valuation

8. The method and factors used to establish the value of the LIRA Assets upon the Annuitant's death, upon the establishment of a life annuity or upon a transfer of assets from the LIRA are as set out hereinafter. The LIRA Assets shall be valued at their fair market value immediately prior to the date (the "**Valuation Date**") on which such assets are used to purchase a life annuity contract or otherwise transferred or paid out of the LIRA. In order to determine the fair market value regard may be had to any comparable arm's length transactions that occur on the Valuation Date or within a reasonable time prior to the Valuation Date. Where possible such arm's length transactions should involve a cash sale of assets of the same class or kind as those held by the LIRA. If a comparison of this nature is not possible, then regard may be had to arm's length transactions that involve assets of a similar class or kind, with such modifications as the circumstances may require. If arm's length transactions involving assets of a similar class or kind are not available, then regard may be had to such other considerations as may reasonably be considered to be relevant, including, without limitation, the book value of the asset or the replacement cost of the asset.

#### Fiscal Year End

9. The fiscal year of the LIRA ends on the 31st day of December of each year and will not exceed twelve (12) months (the "**Fiscal Year**").

#### Transfers

10. The Trustee shall not permit any transfer except where:
  - (a) a transfer would be permitted under the Act and section 146 of the Tax Act; and
  - (b) the Trustee has advised the transferee in writing that the amount transferred must be administered as a pension benefit under the Act, and the transferee agrees to administer the amount transferred as a pension benefit in accordance with the Act.
11. Except as otherwise permitted in Directive No. 4, all money transferred to the LIRA, including all investment earnings, shall be used to provide a pension benefit and shall not be transferred except:
  - (a) before December 31st in the year in which the Annuitant reaches the age at which a pension benefit is required to begin under the Tax Act, to transfer the money to the pension fund of a registered pension plan subject to the Act or to a registered pension plan subject to the pension benefits legislation of a designated province, as defined in the Act, or of Canada;
  - (b) before December 31st in the year in which the Annuitant reaches the age at which a pension benefit is required to begin under the Tax Act, to transfer the money to another LIRA that meets the requirements of Directive No. 4;
  - (c) to purchase a life annuity contract that meets the requirements of the Superintendent, commencing not before the Annuitant obtains the earlier of:
    - (i) age of 55 years; or
    - (ii) the earliest date on which the Annuitant would have been entitled to receive a pension benefit under the pension plan from which the money was transferred to the LIRA;
  - (d) to transfer the money to a life income fund that meets the requirements of Directive No. 5;
  - (e) to transfer the money to a locked-in retirement income fund that meets the requirements of Directive No. 17.

#### Shortened Life Expectancy

12. Notwithstanding any other provision contained in this Addendum, a lump sum payment or a series of payments may be made to the Annuitant if a medical practitioner certifies that due to mental or physical disability the life expectancy of the Annuitant is likely to be shortened considerably, but where the Annuitant is a former member of a pension plan such payment may only be made if the principal beneficiary of the Annuitant has waived the joint and survivor pension entitlement in the form and manner required by the Superintendent.

### Withdrawal of Small Balances

13. Notwithstanding any other provision contained in this Addendum, a lump sum payment equal to the value of the entire LIRA may be made to the Annuitant on application by the Annuitant to the Trustee for payment if, at the time the Annuitant signs the application,
- (a) Either:
    - (i) the value of the Annuitant's assets in all locked-in retirement accounts, life income funds and locked-in retirement income funds held by the Annuitant and subject to the Act is less than 10 per cent of the YMPE for that calendar year in which the application is made; or
    - (ii) where the Annuitant has reached the earlier of age 55 or the earliest date on which the member or former member would have been entitled to receive a pension benefit under the pension plan from which the money was transferred, the value of all assets in all locked-in retirement accounts, life income funds and locked-in retirement income funds held by the Annuitant and subject to the Act is less than 40 percent of the YMPE for the calendar year in which the application is made;
- and
- (b) within the same calendar year, the Annuitant has not made a withdrawal due to financial hardship under paragraph 15 hereof from the LIRA or, where part of the LIRA corresponds to amounts transferred directly or indirectly from another locked-in retirement account, life income fund and locked-in retirement income fund the Annuitant has not made a withdrawal under paragraph 15 hereof from the original retirement savings arrangement.
14. An application for payment under paragraph 13 shall be:
- (a) on a form approved by the Superintendent; and
  - (b) where the Annuitant is a former member of a pension plan, accompanied by a waiver of joint and survivor pension entitlement by the principal beneficiary of the Annuitant, in the form and manner required by the Superintendent.

### Withdrawal Due to Financial Hardship

15. Notwithstanding any other provision hereof, a lump sum withdrawal due to financial hardship may be made from the LIRA, subject to the following:
- (a) an application for a withdrawal due to financial hardship under this paragraph 15 must be made directly to the Trustee;
  - (b) the Annuitant may apply for withdrawal due to financial hardship once within a calendar year for each category of financial hardship described in paragraph 15(c) below in respect of each locked-in retirement account, locked-in retirement income fund and life income fund;
  - (c) subject to any requirements outlined in this paragraph 15, the Annuitant is eligible to complete an application to withdraw an amount not greater than the sum of the following amounts:
    - (i) an amount with respect to one of the following categories:
      - (A) Low Income: Where the Annuitant's expected total income for the one-year period following the date on which the application is signed, from all sources other than the withdrawal amount, is not more than 66.66% of the YMPE for the calendar year in which the application is signed, the amount determined by subtracting 75% of the expected total income from 50% of the YMPE for the calendar year in which the application for the withdrawal is signed;
      - (B) Medical Expenses: Where the Annuitant is unable to pay for medical expenses incurred or to be incurred by the Annuitant, the Annuitant's principal beneficiary, or a dependent of either and the medical expenses are not paid by and are not subject to reimbursement from any other source, the amount required to pay these medical expenses;
      - (C) Disability-related Expenses: Where the Annuitant is unable to pay for disability related expenses incurred or to be incurred by the Annuitant, the Annuitant's principal beneficiary, or a dependent of either and the expenses are not paid by and are not subject to reimbursement from any other source, the amount required to pay these disability related expenses;
      - (D) Mortgage Payments: Where the Annuitant or the Annuitant's principal beneficiary has received a written notice in respect of a default on a mortgage that is secured against the principal residence of the Annuitant or the Annuitant's principal beneficiary which will result in foreclosure or power of sale if the default is not rectified, the amount required to rectify the default;
      - (E) Rental Arrears: Where the Annuitant or the Annuitant's principal beneficiary has received a written notice in respect of arrears in the payment of rent for the principal residence of the Annuitant or the Annuitant's principal beneficiary and the Annuitant or the principal beneficiary could be evicted if the arrears remain unpaid, the amount required to pay the rental arrears; or
      - (F) First Month's Rent and Security Deposit: Where the Annuitant is unable to pay the first month's rent and the security deposit required to rent a principal residence for the Annuitant or the Annuitant's principal beneficiary, the amount required to pay the first month's rent and the security deposit;
    - (ii) the amount of any applicable tax required to be withheld by the Trustee.

An application for withdrawal under paragraph 15 shall be:

- (d) on a form approved by the Superintendent and shall include any supporting documentation required by the Act, which are specified on the form; and
- (e) where the Annuitant is a former member of a pension plan, accompanied by the written consent of the principal beneficiary of the former member, in the form and manner required by the Superintendent.

### Withdrawal Due to Non-Residency

16. Notwithstanding any other provision hereof, a lump sum payment equal to the value of the entire LIRA may be made where the Annuitant provides the Trustee with:
- (a) a statutory declaration in accordance with the Evidence Act confirming they have resided outside Canada for at least 2 consecutive calendar years and are residing outside of Canada on the date of signing the declaration; and
  - (b) where the Annuitant is a former member of a pension plan, the written consent of the principal beneficiary of the former member, in the form and manner required by the Superintendent.

### Spousal Rights

17. A pension benefit payable to an Annuitant who is a former member and who has a principal beneficiary at the date the pension commences, shall be a joint and survivor pension benefit with at least 60% continuing to be payable to the survivor for life after the death the former member unless the principal beneficiary waives the entitlement in the form and manner required by the Superintendent.

### Death of Annuitant

18. On the death of an Annuitant who was a former member of a pension plan who has a principal beneficiary, the surviving principal beneficiary is entitled to a lump sum payment of the full value of the LIRA (the "Payment"). If the Annuitant is not survived by a principal beneficiary

or the surviving principal beneficiary waives his or her entitlement in the form and manner required by the Superintendent, the designated beneficiary shall be entitled to receive the Payment. If there is no designated beneficiary, the estate of the Annuitant shall be entitled to receive the Payment.

19. On the death of an Annuitant who is not a former member of a pension plan, the full value of the LIRA shall be paid to the designated beneficiary or, where there is no designated beneficiary, to the Annuitant's estate.

**Marriage Breakdown**

20. The LIRA is subject, with any necessary modifications, to the division of pension benefits on marriage breakdown provisions in Part VI of the Act.

**Pay Out Contrary to Law**

21. If money is paid out contrary to the Act or Directive No. 4, the party paying out such amount will provide or ensure the provision of a pension benefit equal in value to the pension benefit that would have been provided had the money not been paid out.

**No Assignment**

22. The LIRA Assets shall not be assigned, charged, anticipated or given as security except as permitted under the Act.

**Amendment**

23. Subject to paragraph 20 hereof, the Trustee may, from time to time, amend this Addendum at its discretion, or in order to bring it into compliance with the Act, the Regulations, a Directive, and the Tax Act, by giving ninety (90) days written notice and an explanation of the proposed amendment.

24. In the event that a proposed amendment to this Addendum would result in a reduction in the Annuitant's benefits hereunder, such amendment will only be made if the Trustee is required by law to make the amendment, and the Annuitant will be entitled to transfer all or part of the LIRA Assets during the ninety (90) day notice period.

25. When making an amendment described in paragraph 24 above, the Trustee must provide written notice to the Annuitant of the nature of the amendment and allow the Annuitant at least 90 days after the written notice is given to transfer all or part of the LIRA Assets.

26. Any notice under paragraphs 23 or 25 shall either be sent by mail to the Annuitant's address as set out in the records of the financial institution or, subject to receiving the authorization of the Annuitant, be delivered to the Annuitant by electronic means provided that the e-communication is accessible by the Annuitant and capable of being retained to be usable for subsequent reference.

27. Any and all amendments to this Addendum must be made with the concurrence of the authorities administering the Act and the Tax Act.

**RSP Declaration of Trust Affirmed**

28. The Trustee hereby affirms that the provisions contained in the RSP Declaration of Trust and this Addendum take effect as of the date of the transfer into the LIRA.

**Interpretation**

29. The conditions of this Addendum will take precedence over the provisions of the RSP Declaration of Trust in the case of conflicting or inconsistent provisions, provided however that the LIRA at all times complies with the conditions of registration under the Tax Act.

30. All references herein to any statute, regulation, directive or any provision thereof shall mean such statute, regulation, directive or any provision thereof as the same may be re-enacted or replaced from time to time.

31. This Addendum shall be governed in accordance with the laws of the Province of Newfoundland and Labrador and the federal laws of Canada applicable therein.

## SUPPLEMENTARY AGREEMENT ESTABLISHING A LOCKED-IN RETIREMENT INCOME FUND UNDER THE AGF RETIREMENT INCOME FUND

The Annuitant named in the Application Form has established the Fund with AGF Investments Inc. as agent for Computershare Trust Company of Canada as trustee and issuer, which has received funds originating from a registered pension plan governed by the provisions of the Act and regulations thereunder. In accordance with the Act, regulations and the declaration of trust governing the Fund and except as otherwise may be permitted or provided for under the Act and regulations from time to time, the following forms part of the terms and conditions applicable to the funds, which are binding upon the Annuitant and the Trustee and their respective successors and assigns effective from the time of the transfer of the funds to the Fund.

### Definitions

1. For the purposes of this Addendum, "**Tax Act**" means the *Income Tax Act* (Canada) and the Regulations thereunder, "**Act**" means the *Pension Benefits Act, 1997* (Newfoundland), "**Regulations**" means the Regulations under the *Pension Benefits Act, 1997* (Newfoundland) and "**Directive**" means a Directive issued under the *Pension Benefits Act, 1997* (Newfoundland), all as amended from time to time.
2. For the purposes of this Addendum, the words "**locked-in retirement account**", "**life income fund**" and "**locked-in retirement income fund**" shall have the same meanings as are given to these words in Directive No. 4, Directive No. 5 and Directive No. 17, respectively, and the words "**commuted value**", "**former member**", "**life annuity**", "**member**", "**pension benefit**", "**pension plan**", "**principal beneficiary**", and "**Superintendent**" and "**YMPE**" shall have the same meanings as are respectively given to these words in section 2 of the Act.
3. For the purposes of this Addendum, "**life annuity contract**" shall have the same meaning as are given to these words in Directive No. 17.
4. Notwithstanding anything to the contrary contained in the RIF Declaration of Trust and this Addendum, including any endorsements forming a part thereof, "**principal beneficiary**" does not include any person who is not recognized as a spouse or common-law partner for the purposes of any provision of the Tax Act respecting registered retirement income funds.

### Contributions

5. The Annuitant acknowledges that all of the Benefits to be transferred to the LRIF and all investment earnings thereon are subject to the locking-in provisions of the Act. The Annuitant further acknowledges that the present value of such Benefits to be transferred to the LRIF is being transferred from a former employer's registered pension plan, from a locked-in retirement account, a life income fund or another locked-in retirement income fund. Only assets that are locked-in pursuant to the Act will be transferred to or held under the LRIF.
6. The assets in the LRIF shall include all property deposited into the LRIF and all investment earnings thereon (the "**LRIF Assets**").
7. The LRIF Assets shall be invested by the Annuitant in a manner that complies with the rules of investment contained in the Tax Act and the RIF Declaration of Trust.

### Valuation

8. The method and factors used to establish the value of the LRIF Assets upon the Annuitant's death, upon the establishment of a life annuity or upon a transfer of assets from the LRIF are as set out hereinafter. The LRIF Assets shall be valued at their fair market value immediately prior to the date (the "**Valuation Date**") on which such assets are used to purchase a life annuity contract or otherwise transferred or paid out of the LRIF. In order to determine the fair market value regard may be had to any comparable arm's length transactions that occur on the Valuation Date or within a reasonable time prior to the Valuation Date. Where possible such arm's length transactions should involve a cash sale of assets of the same class or kind as those held by the LRIF. If a comparison of this nature is not possible, then regard may be had to arm's length transactions that involve assets of a similar class or kind, with such modifications as the circumstances may require. If arm's length transactions involving assets of a similar class or kind are not available, then regard may be had to such other considerations as may reasonably be considered to be relevant, including, without limitation, the book value of the asset or the replacement cost of the asset.

### Fiscal Year End

9. The fiscal year of the LRIF ends on the 31st day of December of each year and will not exceed twelve (12) months (the "**Fiscal Year**").
10. Except as otherwise permitted in Directive No. 17, all money transferred, including all investment earnings, shall be used to provide a pension benefit and shall not be transferred except:
  - (a) before December 31st in the year in which the Annuitant reaches the age at which a pension benefit is required to begin under the Tax Act, to transfer the money to the pension fund of a registered pension plan subject to the Act or to a registered pension plan subject to the pension benefits legislation of a designated province, as defined in the Act, or of Canada;
  - (b) before December 31st in the year in which the Annuitant reaches the age at which a pension benefit is required to begin under the Tax Act, to transfer the money to a locked-in retirement account that meets the requirements of Directive No. 4;
  - (c) to purchase a life annuity contract that meets the requirements of the Superintendent;
  - (d) to transfer the money to another life income fund that meets the requirements of Directive No. 5; or
  - (e) transfer the money to a locked-in retirement income fund that meets the requirements of Directive No. 17.
11. Any such transfer is subject to, and must be in accordance with, the terms of the investments held in the LRIF.

### Commencement of Payments

12. The Annuitant will be paid an income, the amount of which may vary annually, which will not begin before the earlier of fifty-five (55) or the earliest date on which the Annuitant could receive a pension benefit under the Act or under the originating pension plan from which assets were transferred, and not later than the last day of the second Fiscal Year of the LRIF.

### Establishment of Payment Amounts

13. The Annuitant is to decide the amount of income to be paid out of the LRIF during each Fiscal Year of the LRIF at the beginning of that Fiscal Year, or at such other time as may be agreed upon by the Trustee and the Annuitant, and such decision will expire at the end of the Fiscal Year to which it relates. If the Annuitant does not decide the amount to be paid out of the LRIF, the minimum amount discussed below will be paid.
14. The amount of income paid out of the LRIF during a Fiscal Year will not be less than the minimum amount prescribed for registered retirement income funds under the Tax Act (the "**Minimum Amount**"), and will not exceed the maximum amount (the "**Maximum Amount**"), subject to paragraphs 15, 16, 17, 18 and 19 of this Addendum, where the Maximum Amount is the greatest of:
  - (a) the amount of the investment earnings, including any unrealized capital gains or losses, earned from the time the LRIF was established to the end of the most recently completed fiscal year and, with respect to any money in the contract that is derived directly from money transferred from a life income fund, the amount of the investment earnings, including any unrealized capital gains or losses, earned in the life income fund in the final complete fiscal year, less the sum of all income paid to the Annuitant from the LRIF;
  - (b) the amount of the investment earnings, including any unrealized capital gains or losses, of the LRIF in the immediately previous fiscal year; and
  - (c) if the payment is being made in the fiscal year in which the LRIF was established or in the fiscal year immediately following its

establishment, 6% of the fair market value of the LRIF at the beginning of that fiscal year.

Where the Maximum Amount is less than the Minimum Amount, the Minimum Amount will be paid.

#### **Additional Temporary Income Payments**

15. Subject to paragraph 16 of this Addendum, the Annuitant shall be entitled to receive additional temporary income from the LRIF provided that:
  - (a) the Annuitant submits to the Trustee an application for additional temporary income on a form approved by the Superintendent, accompanied by the written consent of the principal beneficiary of an Annuitant where the Annuitant is a former member of a pension plan (the "ATI Application");
  - (b) the maximum amount of income the Annuitant is entitled to receive for the calendar year in which the ATI Application is made, calculated as "B" under paragraph 16, is less than 40% of the YMPE for the calendar year in which the ATI Application is made; and
  - (c) the Annuitant has not attained the age of sixty-five (65) years at the beginning of the Fiscal Year in which the Annuitant makes the ATI Application.
16. The amount of additional temporary income paid out of the LRIF in a Fiscal Year shall not exceed the maximum temporary income amount (the "Maximum Temporary Income Amount"), which is calculated as follows:  
Maximum Temporary Income Amount = A-B where
  - A = 40% of the YMPE for the calendar year in which the ATI Application is made; and
  - B = the maximum amount of income the Annuitant is entitled to receive from all Life Income Funds, LRIFs, life annuity contracts and pension plans governed by the Act or the pension benefits legislation of a designated province, as defined in the Act, or of Canada, excluding income from a pension under the Canada Pension Plan and excluding any withdrawals due to financial hardship from a retirement savings arrangement, for the calendar year in which the application is made.

#### **Payments During Initial Fiscal Year**

17. For the initial Fiscal Year of the LRIF, the Maximum Amount and the Maximum Temporary Income Amount will be adjusted in proportion to the number of months in the Fiscal Year divided by 12, with any part of an incomplete month counting as one month.

#### **Adjustments to Payments Due to Transfers-in**

18. If a part of the LRIF corresponds to amounts transferred directly or indirectly from another LRIF or a life income fund of the Annuitant during the fiscal year, the Maximum Amount and the Maximum Temporary Income Amount shall be deemed to be zero in respect of the part transferred in. Notwithstanding this paragraph 18, the Trustee may allow money to be paid to the Annuitant provided that the total amount received by the Annuitant from all Trustees in respect of that part transferred in during the fiscal year does not exceed the Maximum Amount for that part. In this case, the Trustee must receive information, in writing, from the prior Trustee(s) which confirms that amount already paid in the fiscal year in respect of that part of the LRIF.
19. If in any Fiscal Year of the LRIF, an additional transfer is made to the LRIF and that additional transfer has never been under a life income fund or locked-in retirement income fund before, an additional withdrawal will be allowed in that Fiscal Year. The additional amount of withdrawal will not exceed the maximum amount that would be calculated under this Addendum if the additional transfer were being transferred into a separate locked-in retirement income fund and not this LRIF.

#### **Shortened Life Expectancy**

20. Notwithstanding any other provision contained in this Addendum, a lump sum payment or a series of payments may be made to the Annuitant if a medical practitioner certifies that due to mental or physical disability the life expectancy of the Annuitant is likely to be shortened considerably, but where the Annuitant is a former member of a pension plan such payment may only be made if the principal beneficiary of the Annuitant has waived the joint and survivor pension entitlement in the form and manner required by the Superintendent.

#### **Withdrawal of Small Balances**

21. Notwithstanding any other provision contained in this Addendum, a lump sum payment equal to the value of the entire LRIF may be made to the Annuitant on application by the Annuitant to the Trustee for payment if, at the time the Annuitant signs the application, the following conditions are met:
  - (a) the Annuitant has reached the earlier of age fifty-five (55) or the earliest date on which the Annuitant would have been entitled to receive a pension benefit under the plan from which assets were transferred,
  - (b) the value of the Annuitant's assets in all locked-in retirement accounts, life income funds and locked-in retirement income funds which are held by the Annuitant and subject to the Act is less than 40% of the YMPE for the calendar year in which the application is made,
  - (c) within the same fiscal year, the Annuitant has not elected to receive additional temporary income under paragraph 15 hereof from the LRIF or, where part of the LRIF corresponds to amounts transferred directly or indirectly from another LRIF or life income fund, the Annuitant has not elected to receive additional temporary income from that LRIF or life income fund; and
  - (d) within the same calendar year, the Annuitant has not made a withdrawal due to financial hardship under paragraph 23 hereof from the LRIF or, where part of the LRIF corresponds to amounts transferred directly or indirectly from a locked-in retirement account, life income fund, or another LRIF, the Annuitant has not made a withdrawal due to financial hardship from the original retirement savings arrangement.
22. An application for payment under Paragraph 21 shall be:
  - (a) on a form approved by the Superintendent, and
  - (b) where the Annuitant is a former member of a pension plan, accompanied by a waiver of joint and survivor pension entitlement, in the form and manner provided by the Superintendent.

#### **Withdrawal Due to Financial Hardship**

23. Notwithstanding any other provision hereof, a lump sum withdrawal due to financial hardship may be made from the LRIF, subject to the following:
  - (a) an application for a withdrawal due to financial hardship under this paragraph 23 must be made directly to the Trustee;
  - (b) the Annuitant may apply for withdrawal due to financial hardship once within a calendar year for each category of financial hardship described in paragraph 23(c) below in respect of each locked-in retirement account, locked-in retirement income fund and life income fund;
  - (c) subject to any requirements outlined in this paragraph 23, the Annuitant is eligible to complete an application to withdraw an amount not greater than the sum of the following amounts:
    - (1) an amount with respect to one of the following categories:
      - A. Low Income: Where the Annuitant's expected total income for the one-year period following the date on which the application is signed, from all sources other than the withdrawal amount, is not more than 66.66% of the YMPE for the calendar year in which the application is signed, the amount determined by subtracting 75% of the expected total income from 50% of the YMPE for the calendar year in which the application for the withdrawal is signed;
      - B. Medical Expenses: Where the Annuitant is unable to pay for medical expenses incurred or to be incurred by the Annuitant, the Annuitant's principal beneficiary, or a dependent of either and the medical expenses are not paid by and are not subject to reimbursement from any other source, the amount required to pay these medical expenses;

- C. Disability-related Expenses: Where the Annuitant is unable to pay for disability related expenses incurred or to be incurred by the Annuitant, the Annuitant's principal beneficiary, or a dependent of either and the expenses are not paid by and are not subject to reimbursement from any other source, the amount required to pay these disability related expenses;
- D. Mortgage Payments: Where the Annuitant or the Annuitant's principal beneficiary has received a written notice in respect of a default on a mortgage that is secured against the principal residence of the Annuitant or the Annuitant's principal beneficiary which will result in foreclosure or power of sale if the default is not rectified, the amount required to rectify the default;
- E. Rental Arrears: Where the Annuitant or the Annuitant's principal beneficiary has received a written notice in respect of arrears in the payment of rent for the principal residence of the Annuitant or the Annuitant's principal beneficiary and the Annuitant or the principal beneficiary could be evicted if the arrears remain unpaid, the amount required to pay the rental arrears; or
- F. First Month's Rent and Security Deposit: Where the Annuitant is unable to pay the first month's rent and the security deposit required to rent a principal residence for the Annuitant or the Annuitant's principal beneficiary, the amount required to pay the first month's rent and the security deposit; and

(2) the amount of any applicable tax required to be withheld by the Trustee.

An application for withdrawal under paragraph 23 shall be:

- (a) on a form approved by the Superintendent and shall include any supporting documentation required by the Act, which are specified on the form; and
- (b) where the Annuitant is a former member of a pension plan, accompanied by the written consent of the principal beneficiary of the former member, in the form and manner required by the Superintendent.

#### **Withdrawal Due to Non-Residency**

24. Notwithstanding any other provision hereof, a lump sum payment equal to the value of the entire LRIF may be made where the Annuitant provides the Trustee with:

- (a) a statutory declaration in accordance with the Evidence Act confirming they have resided outside Canada for at least 2 consecutive calendar years and are residing outside of Canada on the date of signing the declaration; and
- (b) where the Annuitant is a former member of a pension plan, the written consent of the principal beneficiary of the former member, in the form and manner required by the Superintendent.

#### **Spousal Rights**

25. The pension benefit payable to a former member who has a principal beneficiary at the date the pension commences shall be a joint and survivor pension benefit with at least 60% continuing to be payable to the survivor for life after the death of the former member unless the principal beneficiary waives the entitlement in the form and manner required by the Superintendent.

#### **Withdrawals**

26. No commutation or surrender of LRIF Assets is permitted, and withdrawals are limited to those permitted under the Act, the Regulations, the Directives, and the Tax Act.

#### **Death of Annuitant**

- 27. On the death of an Annuitant who was a former member of a pension plan and has a principal beneficiary, the surviving principal beneficiary is entitled to a lump sum payment of the full value of the LRIF (the "**Payment**"). If the Annuitant is not survived by a principal beneficiary or the surviving principal beneficiary waives his or her entitlement in the form and manner required by the Superintendent, the designated beneficiary shall be entitled to the Payment. If there is no designated beneficiary, the estate of the Annuitant shall be entitled to receive the Payment.
- 28. On the death of an Annuitant who is not a former member of a pension plan, the full value of the LRIF shall be paid to the designated beneficiary or, where there is no designated beneficiary, to the Annuitant's estate.

#### **Marriage Breakdown**

29. All contracts establishing LRIFs are subject, with any necessary modifications, to the division of pension benefits on marriage breakdown provisions in Part VI of the Act.

#### **Pay Out Contrary to Law**

30. If money is paid out contrary to the Act or Directive No. 17, the Trustee will provide or ensure the provision of a pension benefit equal in value to the pension benefit that would have been provided had the money not been paid out.

#### **Statements**

31. The Trustee shall provide to the Annuitant, at the beginning of each fiscal year of the LRIF, a statement indicating: (i) the sums deposited, amount of investment earnings including unrealized capital gains and losses, the payments made out of the LRIF and the fees charged against the LRIF during the previous fiscal year; (ii) the value of the assets in the LRIF as of the beginning of the fiscal year; (iii) the minimum amount that must be paid out of the LRIF to the Annuitant during the current fiscal year; (iv) the maximum amount that may be paid out of the LRIF to the Annuitant during the current fiscal year and (v) if applicable that the Annuitant may be entitled to receive additional amount under paragraph 15 during the current year. If the Annuitant dies before the LRIF is used to purchase a life annuity, the Trustee shall provide the person entitled to receive the balance of the LRIF with the information set out above, determined as of the date of death of the Annuitant.

#### **No Assignment**

32. The Annuitant hereby agrees that none of the LRIF Assets may be assigned, charged, anticipated or given as security money payable under the LRIF except as permitted under the Act.

#### **Amendment**

33. Subject to paragraph 29 hereof, the Trustee may, from time to time, amend this Addendum at its discretion or in order to bring it into compliance with the Act, the Regulations, a Directive, and the Tax Act, by giving ninety (90) days written notice and an explanation of the proposed amendment.

34. In the event that a proposed amendment to this Addendum would result in a reduction in the Annuitant's benefits hereunder, such amendment will only be made if the Trustee is required by law to make the amendment, and the Annuitant will be entitled to transfer all or part of the LRIF Assets during the ninety (90) day notice period.

35. When making an amendment described in paragraph 34 above, the Trustee must provide written notice to the Annuitant of the nature of the amendment and allow the Annuitant at least 90 days after the written notice is given to transfer all or part of the LRIF assets.

36. Any notice under paragraphs 33 or 35 shall either be sent by mail to the Annuitant's address as set out in the records of the financial institution or, subject to receiving the authorization of the Annuitant, be delivered to the Annuitant by electronic means provided that the e-communication is accessible by the Annuitant and capable of being retained to be usable for subsequent reference.

37. Any and all amendments to this Addendum must be made with the concurrence of the authorities administering the Act and the Tax Act.

#### **RIF Declaration of Trust Affirmed**

38. The Trustee hereby affirms that the provisions contained in the RIF Declaration of Trust and this Addendum takes effect as of the date first above

written.

**Interpretation**

- 39. The conditions of this Addendum will take precedence over the provisions in the RIF Declaration of Trust in the case of conflicting or inconsistent provisions.
- 40. All references to any statute, regulation, directive or any provision thereof shall mean such statute, regulation, directive or any provision thereof as the same may be re-enacted or replaced from time to time.
- 41. This Addendum shall be governed in accordance with the laws of the Province of Newfoundland and the federal laws of Canada applicable therein.



## SUPPLEMENTARY AGREEMENT ESTABLISHING A LIFE INCOME FUND UNDER THE AGF RETIREMENT INCOME FUND

The Annuitant named in the Application Form has established the Fund with AGF Investments Inc. as agent for Computershare Trust Company of Canada as trustee and issuer, which has received funds originating from a registered pension plan governed by the provisions of the Act and regulations thereunder. In accordance with the Act, regulations and the declaration of trust governing the Fund and except as otherwise may be permitted or provided for under the Act and regulations from time to time, the following forms part of the terms and conditions applicable to the funds, which are binding upon the Annuitant and the Trustee and their respective successors and assigns effective from the time of the transfer of the funds to the Fund.

### Definitions

1. For the purposes of this Addendum, "**Tax Act**" means the *Income Tax Act* (Canada) and the Regulations thereunder, "**Act**" means the *Pension Benefits Act, 1997* (Newfoundland), "**Regulations**" means the Regulations under the *Pension Benefits Act, 1997* (Newfoundland) and "**Directive**" means a Directive issued under the *Pension Benefits Act, 1997* (Newfoundland), all as amended from time to time.
2. For the purposes of this Addendum, the words "**locked-in retirement account**", "**life income fund**" and "**locked-in retirement income fund**" shall have the same meanings as are given to these words in Directive No. 4, Directive No. 5 and Directive No. 17, respectively, and the words "**commuted value**", "**former member**", "**life annuity**", "**member**", "**pension benefit**", "**pension plan**", "**principal beneficiary**", "**Superintendent**", and "**YMPE**" shall have the same meanings as are respectively given to these words in section 2 of the Act.
3. For the purposes of this Addendum, "**life annuity contract**" shall have the same meaning as are given to these words in Directive No. 5.
4. Notwithstanding anything to the contrary contained in the RIF Declaration of Trust and this Addendum, including any endorsements forming a part thereof, "principal beneficiary" does not include any person who is not recognized as a spouse or common-law partner for the purposes of any provision of the Tax Act respecting registered retirement income funds.

### Contributions

5. The Annuitant acknowledges that all of the Benefits to be transferred to the LIF and all investment earnings thereon are subject to the locking-in provisions of the Act. The Annuitant further acknowledges that the present value of such Benefits to be transferred to the LIF is being transferred from a former employer's registered pension plan, from a locked-in retirement account, a locked-in retirement income fund or another life income fund. Only assets that are locked-in pursuant to the Act will be transferred to or held under the LIF.
6. The assets in the LIF shall include all property deposited into the LIF and all investment earnings thereon (the "**LIF Assets**").

### Investments

7. The LIF Assets shall be invested by the Annuitant in a manner that complies with the rules of investment contained in the Tax Act and the RIF Declaration of Trust.

### Valuation

8. The method and factors used to establish the value of the LIF Assets upon the Annuitant's death, upon the establishment of a life annuity or upon a transfer of assets from the LIF are as set out hereinafter. The LIF Assets shall be valued at their fair market value immediately prior to the date (the "**Valuation Date**") on which such assets are used to purchase a life annuity contract or otherwise transferred or paid out of the LIF. In order to determine the fair market value regard may be had to any comparable arm's length transactions that occur on the Valuation Date or within a reasonable time prior to the Valuation Date. Where possible such arm's length transactions should involve a cash sale of assets of the same class or kind as those held by the LIF. If a comparison of this nature is not possible, then regard may be had to arm's length transactions that involve assets of a similar class or kind, with such modifications as the circumstances may require. If arm's length transactions involving assets of a similar class or kind are not available, then regard may be had to such other considerations as may reasonably be considered to be relevant, including, without limitation, the book value of the asset or the replacement cost of the asset.

### Fiscal Year End

9. The fiscal year of the LIF ends on the 31st day of December of each year and will not exceed twelve (12) months (the "**Fiscal Year**").

### Transfers

10. Except as otherwise permitted in Directive No. 5, all money transferred, including all investment earnings, shall be used to provide a pension benefit and shall not be transferred except:
  - (a) before December 31st in the year in which the Annuitant reaches the age at which a pension benefit is required to begin under the Tax Act, to transfer the money to the pension fund of a registered pension plan subject to the Act or to a registered pension plan subject to the pension benefits legislation of a designated province, as defined in the Act, or of Canada;
  - (b) before December 31st in the year in which the Annuitant reaches the age at which a pension benefit is required to begin under the Tax Act, to transfer the money to a locked-in retirement account that meets the requirements of Directive No. 4;
  - (c) to purchase an immediate life annuity contract that meets the requirements of the Superintendent;
  - (d) to transfer the money to another life income fund that meets the requirements of Directive No. 5; or
  - (e) transfer the money to a locked-in retirement income fund that meets the requirements of Directive No. 17.
11. Any such transfer is subject to, and must be in accordance with, the terms of the investments held in the LIF.

### Commencement of Payments

12. The Annuitant will be paid an income, the amount of which may vary annually, which will not begin before the earlier of fifty-five (55) or the earliest date on which the Annuitant could receive a pension benefit under the Act or under the originating pension plan from which assets were transferred, and not later than the last day of the second Fiscal Year of the LIF.

### Establishment of Payment Amounts

13. The Annuitant is to decide the amount of income to be paid out of the LIF during each Fiscal Year of the LIF at the beginning of that Fiscal Year, or at such other time as may be agreed upon by the Trustee and the Annuitant, and such decision will expire at the end of the Fiscal Year to which it relates. If the Annuitant does not decide the amount to be paid out of the LIF, the minimum amount discussed below will be paid.
14. The amount of income paid out of the LIF during a Fiscal Year will not be less than the minimum amount prescribed for registered retirement income funds under the Tax Act (the "**Minimum Amount**"), and will not exceed the maximum amount (the "**Maximum Amount**"), subject to paragraphs 15, 16, 17, 18 and 19 of this Addendum, where the Maximum Amount is the greater of:
  - (a) the amount calculated using the formula  $C/F$  in which,  
C= the value of the assets in the LIF on the first day of the Fiscal Year; and  
F= the present value on the first day of the Fiscal Year of a pension of which the annuity payment is \$1 payable at the beginning of each Fiscal Year between that date and December 31st of the year in which the Annuitant attains ninety (90) years of age.

The value "F" must be established at the beginning of each fiscal year of the LIF. The interest rate for each of the first fifteen fiscal years of the period referred to in the definition of "F" is the greater of six percent (6%) and the nominal rate of interest on long-term bonds issued by the Government of Canada for November of the year before the beginning of the fiscal year, as published in the Bank of Canada Review under identification number V122487 in the CANSIM system. For the sixteenth and each subsequent fiscal year of the period referred to in the definition of "F", the interest rate is 6%.)

- (b) the amount of the investment earnings, including any unrealized capital gains or losses, of the LIF in the immediately previous fiscal year.

Where the Maximum Amount is less than the Minimum Amount, the Minimum Amount will be paid.

#### **Additional Temporary Income Payments**

15. Subject to paragraph 16 of this Addendum, the Annuitant shall be entitled to receive additional temporary income from the LIF provided that:
  - (a) the Annuitant submits to the Trustee at the beginning of the Fiscal year (unless otherwise permitted by the Trustee) an application for additional temporary income on a form approved by the Superintendent, accompanied by the written consent of the principal beneficiary of an Annuitant where the Annuitant is a former member of a pension plan (the "**ATI Application**");
  - (b) the total pension income received by the Annuitant for the calendar year in which the ATI Application is made from all pension plans, life annuities, life income funds and locked-in retirement income funds governed by the Newfoundland pension benefits legislation or established or governed by an Act of Canada or a Province, except income from a pension under the *Canada Pension Plan* (the "**CPP**"), is less than 40% of the YMPE for the calendar year in which the ATI Application is made; and
  - (c) the Annuitant has not attained the age of sixty-five (65) years at the beginning of the Fiscal Year in which the Annuitant makes the ATI Application.
16. The amount of the temporary income paid out of the LIF in a Fiscal Year shall not exceed the maximum temporary income amount (the "**Maximum Temporary Income Amount**"), which is calculated as follows:
  - (a) Maximum Temporary Income Amount = A-B where  
A = 40% of the YMPE for the calendar year in which the ATI Application is made; and  
B = the total pension income to be received by the Annuitant for the calendar year in which the ATI Application is made from all pension plans, life annuities, life income funds and locked-in retirement income funds governed by the Act or the pension benefits legislation of a designated province as defined in the Act, or of Canada, excluding income from a pension under the CPP and excluding any withdrawals due to financial hardship from a retirement savings arrangement, for the calendar year in which the application is made.

#### **Payments During Initial Fiscal Year**

17. For the initial Fiscal Year of the LIF, the Maximum Amount and the Maximum Temporary Income Amount will be adjusted in proportion to the number of months in the Fiscal Year divided by 12, with any part of an incomplete month counting as one month.
18. If LIF Assets are derived from assets transferred directly or indirectly during the first Fiscal Year of the LIF from another life income fund or locked-in retirement income fund of the Annuitant, the Maximum Amount and the Maximum Temporary Income Amount shall be deemed to be zero.

#### **Adjustments to Payments Due to Transfers-in**

19. If in any Fiscal Year of the LIF, an additional transfer is made to the LIF and that additional transfer has never been under a life income fund or locked-in retirement income fund before, an additional withdrawal will be allowed in that Fiscal Year. The additional amount of withdrawal will not exceed the maximum amount that would be calculated under this Addendum if the additional transfer were being transferred into a separate life income fund and not this LIF.

#### **Shortened Life Expectancy**

20. Notwithstanding any other provision contained in this Addendum, a lump sum payment or a series of payments may be made to the Annuitant if a medical practitioner certifies that due to mental or physical disability the life expectancy of the Annuitant is likely to be shortened considerably, but where the Annuitant is a former member of a pension plan such payment may only be made if the principal beneficiary of the Annuitant has waived the joint and survivor pension entitlement in the form and manner required by the Superintendent.

#### **Withdrawal of Small Balances**

21. Notwithstanding any other provision contained in this Addendum, a lump sum payment equal to the value of the entire LIF may be made to the Annuitant on application by the Annuitant to the Trustee for payment if, at the time the Annuitant signs the application, the following conditions are met:
  - (a) the Annuitant has reached the earlier of age fifty-five (55) or the earliest date on which the Annuitant would have been entitled to receive a pension benefit under the plan from which assets were transferred,
  - (b) the value of the Annuitant's assets in all locked-in retirement accounts, life income funds and locked-in retirement income funds which are held by the Annuitant and subject to the Act is less than 40% of the YMPE for that calendar year in which the application is made,
  - (c) within the same Fiscal Year, the Annuitant has not elected to receive additional temporary income under paragraph 15 or where part of the LIF Assets correspond to amounts transferred directly from another life income fund or locked-in retirement income fund, the Annuitant has not elected to receive additional temporary income from that life income fund or locked-in retirement income fund; and
  - (d) within the same calendar year, the Annuitant has not made a withdrawal due to financial hardship under paragraph 23 hereof from the LIF or, where part of the LIF corresponds to amounts transferred directly or indirectly from a locked-in retirement income fund, locked-in retirement account, or another life income fund, the Annuitant has not made a withdrawal due to financial hardship from the original retirement savings arrangement.
22. An application for payment under paragraph 21 shall be:
  - (a) on a form approved by the Superintendent, and
  - (b) where the Annuitant is a former member of a pension plan, accompanied by a waiver of joint and survivor pension entitlement by the principal beneficiary of the Annuitant, in the form and manner required by the Superintendent.

#### **Withdrawal Due to Financial Hardship**

23. Notwithstanding any other provision hereof, a lump sum withdrawal due to financial hardship may be made from the LIF, subject to the following:
  - (a) an application for a withdrawal due to financial hardship under this paragraph 23 must be made directly to the Trustee;
  - (b) the Annuitant may apply for withdrawal due to financial hardship once within a calendar year for each category of financial hardship described in paragraph 23(c) below in respect of each locked-in retirement account, locked-in retirement income fund and life income fund;
  - (c) subject to any requirements outlined in this paragraph 23, the Annuitant is eligible to complete an application to withdraw an amount

not greater than the sum of the following amounts:

1. an amount with respect to one of the following categories:
  - A. Low Income: Where the Annuitant's expected total income for the one-year period following the date on which the application is signed, from all sources other than the withdrawal amount, is not more than 66.66% of the YMPE for the calendar year in which the application is signed, the amount determined by subtracting 75% of the expected total income from 50% of the YMPE for the calendar year in which the application for the withdrawal is signed;
  - B. Medical Expenses: Where the Annuitant is unable to pay for medical expenses incurred or to be incurred by the Annuitant, the Annuitant's principal beneficiary, or a dependent of either and the medical expenses are not paid by and are not subject to reimbursement from any other source, the amount required to pay these medical expenses;
  - C. Disability-related Expenses: Where the Annuitant is unable to pay for disability related expenses incurred or to be incurred by the Annuitant, the Annuitant's principal beneficiary, or a dependent of either and the expenses are not paid by and are not subject to reimbursement from any other source, the amount required to pay these disability related expenses;
  - D. Mortgage Payments: Where the Annuitant or the Annuitant's principal beneficiary has received a written notice in respect of a default on a mortgage that is secured against the principal residence of the Annuitant or the Annuitant's principal beneficiary which will result in foreclosure or power of sale if the default is not rectified, the amount required to rectify the default;
  - E. Rental Arrears: Where the Annuitant or the Annuitant's principal beneficiary has received a written notice in respect of arrears in the payment of rent for the principal residence of the Annuitant or the Annuitant's principal beneficiary and the Annuitant or the principal beneficiary could be evicted if the arrears remain unpaid, the amount required to pay the rental arrears; or
  - F. First Month's Rent and Security Deposit: Where the Annuitant is unable to pay the first month's rent and the security deposit required to rent a principal residence for the Annuitant or the Annuitant's principal beneficiary, the amount required to pay the first month's rent and the security deposit;
- and
2. the amount of any applicable tax required to be withheld by the Trustee.

An application for withdrawal under paragraph 23 shall be:

- (d) on a form approved by the Superintendent and shall include any supporting documentation required by the Act, which are specified on the form; and
- (e) where the Annuitant is a former member of a pension plan, accompanied by the written consent of the principal beneficiary of the former member, in the form and manner required by the Superintendent.

#### **Withdrawal Due to Non-Residency**

24. Notwithstanding any other provision hereof, a lump sum payment equal to the value of the entire LIF may be made where the Annuitant provides the Trustee with:
- (a) a statutory declaration in accordance with the Evidence Act confirming they have resided outside Canada for at least 2 consecutive calendar years and are residing outside of Canada on the date of signing the declaration; and
  - (b) where the Annuitant is a former member of a pension plan, the written consent of the principal beneficiary of the former member, in the form and manner required by the Superintendent.

#### **Spousal Rights**

25. The pension benefit payable to a former member who has a principal beneficiary at the date the pension commences shall be a joint and survivor pension benefit with at least 60% continuing to be payable to the survivor for life after the death of the former member unless the principal beneficiary waives the entitlement in the form and manner required by the Superintendent.

#### **Withdrawals**

26. No commutation or surrender of LIF Assets is permitted, and withdrawals are limited to those permitted under the Act, the Regulations, the Directives, and the Tax Act.

#### **Death of Annuitant**

27. On the death of an Annuitant who was a former member of a pension plan who has a principal beneficiary, the surviving principal beneficiary is entitled to a lump sum payment of the full value of the LIF (the "Payment"). If the Annuitant is not survived by a principal beneficiary or the surviving principal beneficiary waives his or her entitlement in the form and manner required by the Superintendent, the designated beneficiary shall be entitled to receive the Payment. If there is no designated beneficiary, the estate of the Annuitant shall be entitled to receive the Payment.
28. On the death of an Annuitant who is not a former member of a pension plan, the full value of the LIF shall be paid to the designated beneficiary or, where there is no designated beneficiary, to the Annuitant's estate.

#### **Marriage Breakdown**

29. All contracts establishing LIFs are subject, with any necessary modifications, to the division of pension benefits on marriage breakdown provisions in Part VI of the Act.

#### **Pay Out Contrary to Law**

30. If money is paid out contrary to the Act or Directive No. 5, the Trustee will provide or ensure the provision of a pension benefit equal in value to the pension benefit that would have been provided had the money not been paid out.

#### **Statements**

31. The Trustee shall provide to the Annuitant, at the beginning of each fiscal year of the LIF, a statement indicating: (i) the sums deposited, amount of investment earnings including capital gains and losses, the payments made out of the LIF and the fees charged against the LIF during the previous fiscal year; (ii) the value of the assets in the LIF as of the beginning of the fiscal year; (iii) the minimum amount that must be paid out of the LIF to the Annuitant during the current fiscal year; (iv) the maximum amount that may be paid out of the LIF to the Annuitant during the current fiscal year and (v) if applicable that the owner may be entitled to receive additional amount under paragraph 15 during the current year. If the Annuitant dies before the LIF is used to purchase a life annuity, the Trustee shall provide the person entitled to receive the balance of the LIF with the information set out above, determined as of the date of death of the Annuitant.

#### **No Assignment**

32. The Annuitant hereby agrees that none of the LIF Assets may be assigned, charged, anticipated or given as security money payable under a LIF except as permitted under the Act.

#### **Amendment**

33. Subject to paragraph 29 hereof, the Trustee may, from time to time, amend this Addendum at its discretion, or in order to bring it into compliance

with the Act, the Regulations, a Directive, and the Tax Act, by giving ninety (90) days written notice and an explanation of the proposed amendment.

34. In the event that a proposed amendment to this Addendum would result in a reduction in the Annuitant's benefits hereunder, such amendment will only be made if the Trustee is required by law to make the amendment, and the Annuitant will be entitled to transfer all or part of the LIF Assets during the ninety (90) day notice period.
35. When making an amendment described in paragraph 34 above, the Trustee must provide written notice to the Annuitant of the nature of the amendment and allow the Annuitant at least 90 days after the written notice is given to transfer all or part of the LIF Assets.
36. Any notice under paragraphs 33 or 35 shall either be sent by mail to the Annuitant's address as set out in the records of the financial institution or, subject to receiving the authorization of the Annuitant, be delivered to the Annuitant by electronic means provided that the e-communication is accessible by the Annuitant and capable of being retained to be usable for subsequent reference.
37. Any and all amendments to this Addendum must be made with the concurrence of the authorities administering the Act and the Tax Act.

**RIF Declaration of Trust Affirmed**

38. The Trustee hereby affirms that the provisions contained in the RIF Declaration of Trust and this Addendum take effect as of the date of the transfer of assets into the LIF.

**Interpretation**

39. The conditions of this Addendum will take precedence over the provisions in the RIF Declaration of Trust in the case of conflicting or inconsistent provisions.
40. All references to any statute, regulation, directive or any provision thereof shall mean such statute, regulation, directive or any provision thereof as the same may be re-enacted or replaced from time to time.
41. This Addendum shall be governed in accordance with the laws of the Province of Newfoundland and Labrador and the federal laws of Canada applicable therein.

**AGF Investments Inc.**

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