

RLSP ADDENDUM

This Addendum is governed by the *Pension Benefits Standards Act, 1985 (Canada)* and regulations thereunder (the “pension legislation”).

1. Definitions: Unless otherwise defined, terms defined in the Declaration have the same meaning as in this Addendum:

- a) Declaration: means the declaration of trust for your Plan;
- b) LIF: means a “life income fund” as defined in the pension legislation;
- c) life annuity: means an “immediate life annuity” or a “deferred life annuity” as defined in the pension legislation, that conforms with the Tax Act and the pension legislation;
- d) LRSP: means a “locked-in registered retirement savings plan” as defined in the pension legislation;
- e) Plan: means the **CIBC Mellon General Retirement Savings Plan** to which locked-in monies have been or will be transferred for you, the annuitant named in the application, that accompanies this Addendum;
- f) RLIF: means a “restricted life income fund” as defined in the pension legislation;
- g) RLSP: means a “restricted locked-in savings plan” as defined in the pension legislation;
- h) RPP: means a registered pension plan or a registered supplemental pension plan governed by the pension legislation or established by other legislative authority and registered under the Tax Act;
- i) RRIF: means a registered retirement income fund governed by the Tax Act;
- j) RRSP: means a registered retirement savings plan governed by the Tax Act;
- k) spouse: means a “spouse” as defined in the pension legislation in the context of a LRSP and includes, a “common law partner” within the meaning of the pension legislation, but only to the extent required under the pension legislation; provided however, where the context requires, it only includes a person recognized as a spouse or common-law partner for the purposes of the Tax Act;
- l) Tax Act: means the *Income Tax Act* (Canada), as amended from time to time;
- m) Trustee: means CIBC Mellon Trust Company, having its principal office at 320 Bay Street, Toronto, Ontario M5H 4A6;
- n) YMPE: means the Year’s Maximum Pensionable Earnings as defined in the Tax Act; and
- o) YMPE Threshold: means 50% of the YMPE for the year.

2. Application: If locked-in monies are transferred or will be transferred to your Plan directly from an RLIF or another RLSP (the capital of which originated from an RPP), the additional provisions of this Addendum form part of the Declaration. In the case of any inconsistency between this Addendum and the Declaration, this Addendum will apply. The Trustee will comply with all relevant provisions of the pension legislation.

3. Contributions to your Plan: The only assets which may be contributed to your Plan are assets transferred directly from an RLIF or another RLSP (the capital of which originated from an RPP) or any other source permitted by the Tax Act and the pension legislation from time to time. The Trustee will not accept any contributions to your Plan from a source or in circumstances not permitted by the pension legislation. **Locked-in assets governed by the pension legislation may not be commingled in your Plan with non-locked-in assets, locked-in assets governed by other locked-in legislation of the pension legislation, or locked-in assets governed by pension legislation of another jurisdiction.** The Trustee will not accept any transfers to your Plan from a source or in circumstances not permitted by the Tax Act and the pension legislation.

4. Investments: The investments held in your Plan must comply with the investment rules imposed by the Tax Act for an RRSP. You may direct the investments to be made by your Plan, subject to any limitation set out in the Declaration, and are responsible for ensuring compliance with these rules.

5. Withdrawals: You may only withdraw, transfer or surrender the assets of your Plan in the manner contemplated by this Addendum and where:

- a) a payment is made to reduce taxes otherwise payable under Part X.1 of the Tax Act;
- b) you are subject to a disability that considerably reduces your life expectancy;
- c) subject to Section 11 of this Addendum, a payment is made to effect a division of assets upon breakdown of the spousal relationship or in satisfaction of an order for support or maintenance;
- d) the assets of your Plan are transferred to an RLIF or another RLSP on the terms required by the pension legislation or converted into a life annuity on the terms required by the pension legislation and the Tax Act;
- e) a payment is made after your death in accordance with Section 18 of this Addendum; or
- f) permitted by the Tax Act and the pension legislation from time to time.

Any transaction that is contrary to this Section is void.

6. Refunds: The Trustee will make a payment pursuant to paragraph 6 of the Declaration to reduce taxes otherwise payable under Part X.1 of the Tax Act.

7. Shortened Life Expectancy: The Trustee will make a lump sum payment to you from your Plan after receiving:

- a) a written request in a form satisfactory to it; and
- b) a medical certificate signed by a physician certifying that you are subject to a mental or physical disability that considerably reduces your life expectancy.

Payment under this Section is subject to Section 16 of this Addendum.

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8. Lump-sum Payment to Non-Residents: You may receive a lump-sum payment from your Plan equal to the value of your Plan where you have ceased to be a resident of Canada for at least two calendar years.

Payment under this Section is subject to Section 16 of this Addendum.

9. Small Balances: In the calendar year in which you turn 55 years of age or in a any subsequent calendar year, the funds may be paid to you in a lump sum if

- a) you certify that the total value of all assets in your LRSPs, RLSPs, LIFs, and RLIFs that were created as a result of the transfer of pension benefit credits is less than or equal to the YMPE Threshold, and
- b) you provide a copies of the prescribed forms to the Trustee.

Upon an application in accordance with this Section 9, you may also choose to transfer the assets in your Plan (subject to the transferability of the assets) or the value of your Plan to an RRSP or RRIF.

Payment under this Section is subject to Section 16 of this Addendum.

10. Financial Hardship: You may withdraw an amount from your Plan determined by the following formula:

$$M + N$$

where

M is the total amount of the expenditures that you expect to make on medical or disability-related treatment or adaptive technology for the calendar year, and

N is the greater of zero and the amount determined by the following formula:

$$P - Q$$

where

P is the YMPE Threshold, and

Q is two thirds of your total expected income for the calendar year determined in accordance with the Tax Act, excluding withdrawals in the calendar year for financial hardship from your LRSP, RLSP, LIF or RLIF.

- a) if you certify that you have not made a withdrawal in the calendar year from any LRSP, RLSP, LIF or RLIF other than within the last 30 days before this certification,
- b) if the value of M, in the above formula, is greater than zero,
 - (i) you certify that you expect to make expenditures on medical or disability-related treatment or adaptive technology for the calendar year in excess of 20% of your total expected income for that calendar year determined in accordance with the Tax Act,

excluding withdrawals in the calendar year from your LRSP, RLSP, LIF or RLIF, and

- (ii) a physician certifies that such medical or disability-related treatment or adaptive technology is required, and
- c) if you provide a copies of the prescribed forms to the Trustee.

Payment under this Section is subject to Section 16 of this Addendum.

11. Spousal Entitlement after Breakdown of Spousal Relationship: Your spouse's entitlement under your Plan may end upon divorce or annulment, unless you name your spouse as a beneficiary of your Plan. Spousal entitlement may not cease by virtue of separation.

12. Payments after Breakdown of Spousal Relationship: The assets of your Plan and any life annuity purchased 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 the pension legislation, 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 the 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.

13. Transfers from your Plan: Subject to any restrictions imposed by the Tax Act or the pension legislation, all or any part of the assets of your Plan may be transferred to an RPP, RLIF, another RLSP or a life annuity. Before transferring assets of your Plan, the Trustee will:

- a) confirm that the transfer is permitted under the pension legislation and the Tax Act;
- b) write to the issuer of the recipient plan to notify it of the locked-in status of the assets being transferred and the pension legislation that governs the assets; and
- c) not permit the transfer unless the issuer of the recipient plan agrees to administer the transferred assets in accordance with the pension legislation.

Transfers under this Section are subject to Section 16 of this Addendum.

14. Maturity: On or before December 31 of the year in which you reach age 71 (or another age specified by the Tax Act), the assets of your Plan must be used to purchase a life annuity in accordance with subsection 146(1) of the Tax Act and the pension legislation. If you do not provide the Trustee with satisfactory written instructions by September 30 of that year or such other time as may be required by the Trustee, you will be deemed to have instructed it to transfer the assets of your Plan on or before December 31 of that year to a CIBC Mellon General Retirement

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Income Fund (with an RLIF addendum); another RLIF; or a life annuity selected by the Trustee in its sole discretion and it will not be liable for any resulting loss.

15. Life Annuity: In addition to the rules imposed by subsection 146(1) of the Tax Act, a life annuity purchased with the assets of your Plan must comply with the pension legislation, including, without limitation, any applicable requirements with respect to the commencement of the life annuity.

The life annuity purchased must be established for your life. However, if you have a spouse on the date payments under the life annuity begin, the life annuity must be established for the life of the survivor of you and your spouse, subject to Section 16 of this Addendum. If your spouse is entitled to payments under the life annuity after your death, those payments must be at least 60% 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 the pension legislation.

16. Spousal Waiver: Your spouse's right under the pension legislation may be waived before payments begin, provided the spousal consent or waiver is given to the Trustee in the form and manner stipulated by the pension legislation and in the circumstances specified in the pension legislation. The waiver may be revoked where permitted by the pension legislation.

17. Beneficiary Designation: Subject to Section 16 of this Addendum, the designation of a person other than your spouse as the beneficiary of your Plan will not be valid for that portion of your Plan to which your spouse is entitled to survivor benefits under your Plan under the pension legislation.

18. Death: Following your death, the assets of your Plan will be paid to your designated beneficiary in accordance with Section 17 of this Addendum or, if you have not designated a beneficiary or if your designated beneficiary predeceases you, to your estate. If the pension legislation does not permit your spouse to receive a lump

sum payment, your spouse may instruct the Trustee to transfer the assets of your Plan to:

- a) another RLSP or a LRSP,
- b) a RPP, if the RPP permits such a transfer and if the RPP administers the benefit attributed to the transferred funds as if the benefit were that of a plan member with two years' membership in the RPP,
- c) a LIF or to a RLIF, or

to purchase a life annuity, in accordance with paragraph 60(1) of the Tax Act, with such assets.

19. Prohibition: The assets of your Plan may not be assigned, charged, anticipated or given as security except as permitted by the Tax Act and the pension legislation. A transaction that is contrary to this Section is void.

20. Form of Payment: Where permitted by the pension legislation, if:

- a) your Plan holds identifiable and transferable securities and
- b) the issuer of the recipient plan consents,

the Trustee may make any transfer contemplated by Section 13 of this Addendum by way of remittance of such securities.

21. Reliance: The Trustee is entitled to rely on the information contained in your application and the application for payment or asset transfer under Sections 7, 8, 9 and 10 of this Addendum. Such application authorizes the Trustee to pay the money to you or, where permitted, to transfer it to an RRSP or RRIF. Where required, you must provide the Trustee with statements, dated within one year of such application, showing the value of all your LRSPs, LIFs, RLIFs, RLSPs, and defined contribution pension plans.

21. Amendments: From time to time, the Trustee may amend this Addendum if the amendment does not disqualify your Plan as an RLSP and if the amendment is filed with the Canada Revenue Agency.

Revised: July, 2008