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## Part I – Ontario RPP New LIRA Addendum

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

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

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

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

Sincerely,

MACKENZIE INVESTMENTS

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## PART II – ADDENDUM

### Definitions

1. The “Application” refers to the Mackenzie Multi-Plan Application. The “DOT” refers to the Declaration of Trust Mackenzie Retirement Savings Plan.
2. This Addendum shall form part of the DOT contained in the Application. The provisions of this Addendum shall take precedence over any provisions to the contrary contained in the DOT, so long as those provisions do not contravene the *Income Tax Act* (Canada)
3. “Pension Legislation” refers to the *Pension Benefits Act* of Ontario (“the Act”) and its Regulations (“the Regulations”).
4. An “Ontario LIRA” refers to a Locked-in Retirement Account governed by the Pension Legislation, and will hereinafter be referred to in this Addendum as a “LIRA”.
5. The individual whose signature appears on this Addendum is the “Applicant” under the Retirement Savings Plan, and the Applicant hereby transfers money and other property to B2B Trustco (the “Trustee”), which agrees to act as trustee of the trust created hereunder. The Trustee’s Head Office is located at 199 Bay Street, Suite 600, PO Box 279 STN Commerce Court, Toronto, Ontario M5L 0A2.
6. The following terms, where used in this Addendum, shall have the same meaning as in the Pension Legislation:
  - a. “Former Member”;
  - b. “Member”;
  - c. “Pension Plan”;
  - d. “Pension Benefit”;
  - e. “Spouse”; and
  - f. “Year’s Maximum Pensionable Earnings” (“YMPE”).
7. Notwithstanding anything to the contrary contained in this Addendum, the term “Spouse” does not include any person who is not recognized as a spouse or common-law partner under the *Income Tax Act* (Canada).

### Establishing the account

8. The investments in the account shall be governed by and in accordance with the investment provisions of the RSP.
9. The Applicant cannot assign, charge, anticipate or give as security money in the account except as required by an order under the *Family Law Act*, a family arbitration award, or a domestic contract.
10. Money in the account cannot be commuted, withdrawn or surrendered, in whole or in part, except as permitted by section 49 or 67 of the Act, section 22.2 of the Regulations, or Schedule 3 of the Regulations, and any transaction that contravenes this is void.
11. The fiscal year of the account shall end on December 31 of each year and must not exceed 12 months.

### Transferring assets from the account

12. The Applicant may transfer any or all of the assets in the account:
  - a. to the pension fund of a Pension Plan registered under the pension benefits legislation in any Canadian jurisdiction or to a Pension Plan provided by a government in Canada;
  - b. to another LIRA,
  - c. to a Life Income Fund that is governed by Schedule 1.1; or
  - d. to purchase an immediate or deferred life annuity that meets the requirements of Section 22 of the Regulations.
13. The Trustee agrees to make any transfer requested by the Applicant in accordance with paragraph 12 of this Addendum within 30 days after the Applicant requests it. This does not apply with respect to the transfer of assets held as securities whose term of investment extends beyond the 30-day period:
14. If the assets of the account consist of identifiable and transferable securities, the Trustee may transfer the securities with the consent of the Applicant.

15. For the purposes of the purchase of an life annuity referred to in paragraph 12(d) of this Addendum,
- a. a determination as to whether the Applicant has a spouse is to be made on the date the annuity is purchased, if the annuity is an immediate life annuity;
  - b. the annuity shall not differentiate on the basis of the sex of the beneficiary if the commuted value of the pension benefit that was transferred into the account was determined in a manner that did not differentiate on the basis of sex;
  - c. the commuted value of the pension benefit that was transferred into the fund will be deemed to have been determined in a manner that did not differentiate on the basis of sex, unless the Applicant furnishes the Trustee with information to the contrary; and
  - d. payments out of a life annuity must not begin before the earlier of:
    - i. the earliest date on which the owner of the annuity would have been entitled as a Former Member to receive pension benefits under the Act as a result of termination of employment or termination of membership in any pension plan from which money was transferred into the LIRA; or
    - ii. the earliest date on which the owner of the annuity would have been entitled as a Former Member to receive pension benefits under any pension plan described in clause (i) as a result of termination of employment or termination of membership in the plan; but
  - e. despite paragraph 15(d) of this Addendum, payments under the life annuity must begin no earlier than the date on which the Applicant reaches 55 years of age, if none of the money in the account used to purchase the annuity is derived, directly or indirectly, from a pension benefit provided in respect of any employment of the Applicant.
16. The Trustee shall not make a transfer described in paragraph 12 of this Addendum except where:
- a. the transfer is permitted under the Act and the Regulations; and
  - b. The transferee agrees to administer the amount transferred in accordance with this Act and the Regulations; and
  - c. the Trustee advises the transferee in writing that the amount transferred must be administered in accordance with the Act and the Regulations. .
17. On the death of the Applicant, the Applicant's Spouse or if there is none or if the Spouse is otherwise disentitled, the Applicant's named beneficiary or, if there is none, the Applicant's estate is entitled to a benefit equal to the value of the assets in the account. This benefit may be transferred to an RRSP or RRIF in accordance with the *Income Tax Act* (Canada).
18. Notwithstanding paragraph 17 of this Addendum,
- a. a Spouse of the Applicant is not entitled to receive the value of the assets in the account unless the Applicant was a Member or Former Member of a Pension Plan from which assets were transferred directly or indirectly to purchase the account; and
  - b. a Spouse living separate and apart from the Applicant on the date of the Applicant's death is not entitled to receive the value of the assets from the account.
19. For the purposes of paragraph 17 of this Addendum,
- a. a determination as to whether the Applicant has a Spouse is made on the date of the Applicant's death; and
  - b. the value of the assets in the account includes all accumulated investment earnings, including any unrealized capital gains and losses, of the account from the date of death until the date of payment.
20. A Spouse of the Applicant may waive his or her entitlement to receive the survivor's benefit described in paragraph 17 of this Addendum by delivering to the Trustee a written waiver in a form approved by the Chief Executive Officer. A Spouse who has delivered a waiver may cancel it by delivering a written and signed notice of cancellation to the Trustee before the date of death of the Applicant.

#### **Withdrawals from the account – marriage breakdown**

21. The value of the assets in the account is subject to division in accordance with the terms of an order under the *Family Law Act* of Ontario, a family arbitration award, or a domestic contract.
22. An order under Part I (Family Property) of the *Family Law Act*, a family arbitration award or a domestic contract is not effective to the extent that it purports to entitle a Spouse or Former Spouse of the Applicant to the transfer of a lump sum that exceeds 50 per cent of the assets in the account, determined on the family law valuation date.
23. Payments under a life annuity referred to in paragraph 12(d) of this Addendum are subject to division in accordance with the terms of an order under the *Family Law Act*, a family arbitration award, or a domestic contract;
24. An order under Part I (Family Property) of the *Family Law Act*, a family arbitration award or a domestic contract is not effective to the extent that it purports to entitle a Spouse or Former Spouse of the Applicant to a share that exceeds 50 per cent of the payments under the life annuity, determined on the family law valuation date.

#### **Withdrawals from the account – Small accounts, non-residents, shortened life expectancy, financial hardship**

25. An application under any of paragraphs 31-37 of this Addendum to withdraw money or transfer assets from the account must be made on a form approved by the Chief Executive Officer and must be given to the Trustee.
26. The Trustee is entitled to rely upon the information provided by the Applicant in the application to withdraw money or transfer assets from the account under any of paragraphs 31-37 of this Addendum, as the case may be.
27. An application that meets the requirements of any of paragraphs 31-37 of this Addendum constitutes authorization to the Trustee to make the payment or transfer from the account in accordance with that or those paragraphs.

#### **Death of Applicant – Survivor's benefits**

17. On the death of the Applicant, the Applicant's Spouse or if there is none or if the Spouse is otherwise disentitled, the Applicant's named beneficiary or, if there is none, the Applicant's estate is entitled to a benefit equal to the value of the assets in the account. This benefit may be transferred to an RRSP or RRIF in accordance with the *Income Tax Act* (Canada).
18. Notwithstanding paragraph 17 of this Addendum,

  - a. a Spouse of the Applicant is not entitled to receive the value of the assets in the account unless the Applicant was a Member or Former Member of a

28. The Trustee is required to make the payment or transfer to which the Applicant is entitled under any of paragraphs 31-37 of this Addendum within 30 days after the Trustee receives the completed application and the accompanying documents required by that or those paragraphs.
29. If the Applicant is required by any of paragraphs 31-37 of this Addendum to give a document to the Trustee, then the document is a nullity in the following circumstances:
- If the document is one that must be signed by the Applicant or by his or her Spouse, it is a nullity if it is signed by either of them more than 60 days before the Trustee receives it;
  - In any other case, if the document is required by any of paragraphs 34-37 of this Addendum, it is a nullity if it is signed or dated more than 12 months before the Trustee receives it.
30. Where the Trustee receives a document required by any of paragraphs 31-37 of this Addendum, the Trustee shall give the Applicant a receipt for the document stating the date on which it was received.

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

31. Notwithstanding any other provisions of the Addendum, the Applicant may apply to withdraw all the money in the account or transfer the assets to an RRSP or RRIF if the Applicant meets the conditions set forth in section 6 of Schedule 3 to the Regulations, which include that:
- the Applicant must be at least age 55; and
  - the value of all assets in all LIFs, LRIFs and LIRAs owned by the Applicant (as determined in accordance with the most recent statement about each fund or account given to the Applicant) must be less than 40% of the YMPE for that calendar year.

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

32. Notwithstanding any other provisions of the Addendum, the Applicant may apply to withdraw all or part of the money in the account if the Applicant provides evidence that the Applicant meets the conditions set forth in section 8 of Schedule 3 to the Regulations relating to an illness or physical disability of the Applicant which is likely to shorten the Applicant's life expectancy to less than two years.

#### **Withdrawals from the account – Non-resident**

33. Notwithstanding any other provisions of the Addendum, the Applicant may apply to withdraw all the money in the account if the Applicant meets the conditions set forth in section 7 of Schedule 3 to the Regulations, which include that
- the Applicant must be a non-resident of Canada as determined by Canada Revenue Agency for the purposes of the *Income Tax Act* (Canada), and
  - the application must be made at least 24 months after the Applicant's date of departure from Canada.

#### **Withdrawals from the account – Financial hardship – Medical expenses**

34. Notwithstanding any other provisions of the Addendum, the Applicant may, once during a calendar year, apply to withdraw money in the account if the

Applicant provides evidence that the Applicant meets the conditions set forth in section 8.1 of Schedule 3 to the Regulations under the Act, which include that

- The Applicant, his or her Spouse, or a dependant, has incurred or will incur medical expenses relating to an illness or physical disability of any of them;
- The minimum amount that may be withdrawn is \$500; and
- The maximum amount that may be withdrawn is the lesser of "X" and "G", where
  - "X" is 50 per cent of the YMPE for the year in which the application is signed; and
  - "G" is the sum of the amount of the person's medical expenses that have been incurred and an estimate of the total amount of the person's medical expenses for the 12 months after the date on which the application is signed.

#### **Withdrawals from the account – Financial hardship – Arrears in the payment of rent or mortgage**

35. Notwithstanding any other provisions of the Addendum, the Applicant may, once during a calendar year, apply to withdraw money in the account if the Applicant provides evidence that the Applicant meets the conditions set forth in section 8.2 of Schedule 3 to the Regulations under the Act, which include that
- The Applicant or his or her Spouse has received a written demand in respect of
    - arrears in the payment of rent on the Applicant's principal residence, and the Applicant could face eviction if the debt remains unpaid; or
    - a default on a debt that is secured against the Applicant's principal residence, and the Applicant could face eviction if the amount in default remains unpaid;
  - The minimum amount that may be withdrawn is \$500; and
  - The maximum amount that may be withdrawn is the lesser of "X" and "H", where
    - "X" is 50 per cent of the YMPE for the year in which the application is signed; and
    - "H" is, with respect to arrears in the payment of rent, the sum of the total amount of arrears of rent and the total amount of rent payable for a period of 12 months or, with respect to a default on a secured debt, the sum of the total amount of the payments that are in default and the total amount of payments due and interest payable on the debt for the 12 months after the date on which the application is signed.

#### **Withdrawals from the account – Financial hardship – First and last months' rent**

36. Notwithstanding any other provisions of the Addendum, the Applicant may, once during a calendar year, apply to withdraw money in the account if the Applicant provides evidence that the Applicant meets the conditions set forth in section 8.3 of Schedule 3 to the Regulations under the Act, which include that
- The Applicant or his or her Spouse requires money to pay the first and last months' rent to obtain a

- principal residence for the Applicant;
- b. The minimum amount that may be withdrawn is \$500; and
- c. The maximum amount that may be withdrawn is the lesser of "J" and "K", where
  - i. "J" is 5 per cent of the YMPE for the year in which the application is signed; and
  - ii. "K" is the amount required for the first and last months' rent.

#### **Withdrawals from the account – Financial hardship – Low income**

37. Notwithstanding any other provisions of the Addendum, the Applicant may, once during a calendar year, apply to withdraw money in the account if the Applicant provides evidence that the Applicant meets the conditions set forth in section 8.4 of Schedule 3 to the Regulations under the Act, which include that
  - a. The Applicant's expected total income from all sources, before taxes, for the 12 months after the date on which the application is signed is 66 2/3 per cent or less of the YMPE for the year in which the application is signed,
  - b. The minimum amount that may be withdrawn is \$500; and
  - c. The maximum amount that may be withdrawn is calculated using the formula, "X-L", where
    - i. "X" is 50 per cent of the YMPE for the year in which the application is signed; and
    - ii. "L" is 75 per cent of the Applicant's expected total income from all sources, before taxes, for the 12 months after the date on which the application is signed.

#### **Amending the Addendum**

38. This Addendum is subject to all applicable legislation, as may be amended from time to time, which will prevail over any inconsistent or conflicting provisions in the Addendum. The Trustee agrees not to amend the contract except as provided for by section 13 of Schedule 3 to the Regulations.
39. The Trustee will give the Applicant at least 90 days notice of a proposed amendment, other than an amendment described in paragraph 40 of this Addendum.
40. The Trustee will not amend the Addendum if the amendment would result in a reduction of the Applicant's rights under the account, unless:
  - a. the Trustee is required by law to make the amendment; and
  - b. the Application is entitled to transfer the assets in the account under the terms of the Addendum that exist before the amendment is made.
41. When making an amendment described in paragraph 40 of this Addendum, the Trustee will notify the Applicant of the nature of the amendment and allow the Applicant at least 90 days after the notice is given to transfer all or part of the assets in the account.
42. Notices under paragraphs 38-41 of this Addendum shall be in writing and sent to the Applicant's address as set out in the records of the Trustee.

#### **Information to be provided by the Trustee**

43. At the beginning of each fiscal year, the Trustee will provide the following information to the Applicant:
  - 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 account;
    - iv. the withdrawals taken out of the account; and
    - v. the fees charged against the account.
  - b. The value of the assets in the account as of the beginning of the fiscal year.
44. If the assets in the account are transferred in accordance with paragraph 12 of this Addendum, the Trustee will provide the Applicant with the information described in paragraph 43 of this Addendum, determined as of the date of the transfer.
45. Upon the death of the Applicant, the Trustee will provide the person entitled to receive the assets in the account with the information described in paragraph 43 of this Addendum, determined as of the date of the Applicant's death.

#### **If this LIRA receives transfers from Nortel wind-up**

46. If some or all of the funds transferred into this LIRA derive from the wind-up of either the Nortel Networks Limited Managerial and Non-Negotiated Pension Plan or the Nortel Networks Negotiated Pension Plan, then if this LIRA is later transferred to a Life Income Fund that is governed by Schedule 1.1, that Life Income Fund:
  - a. must satisfy the requirements that apply to a life income fund governed by Schedule 1.1 to the General Regulation, other than the following requirements of that Schedule:
    - i. Section 1 of that Schedule and paragraphs 9-11 of this Addendum, which specify the persons who are entitled to purchase the life income fund, and
    - ii. Section 8 of that Schedule and paragraph 41 of this Addendum, which governs the withdrawal or transfer of amounts transferred into the life income fund from a pension fund, a locked-in retirement income fund or another life income fund.
  - b. must not permit the Applicant to withdraw or transfer from the fund under section 8 of Schedule 1.1 to the General Regulation or paragraph 41 of this Addendum, any amount transferred into the fund under subsection 102 (2) of the Act.

#### **Other**

47. No money that is not locked-in under the Act will be transferred to or held under the account.
48. For further information regarding the value of the assets in the LIRA, the Applicant shall refer to the Simplified Prospectus and the Annual Information Form for the particular investment funds the Applicant's LIRA assets are invested in.
49. The Applicant undertakes to inform the Trustee of any change in the Applicant's spousal status, and of the identity of any new Spouse.