



Life Income Fund Amending Agreement Newfoundland and Labrador Pension Legislation

LIF Account number

You, _____ (the "Annuitant") are entitled to pension monies which
(print name of Annuitant)
are governed by the Newfoundland and Labrador pension legislation, and wish to transfer Your pension monies into a Life Income Fund ("LIF") as identified below:

Check one only:

- CIBC Deposit LIF¹
- CIBC Personal Portfolio Services LIF (CIBC SI)²
- CIBC Personal Portfolio Services LIF (CIBC ISI)²
- CIBC Imperial Investor Service LIF²
- CIBC Investor's Edge LIF²
- CIBC Wood Gundy LIF²
- CIBC Trust LIF²

¹ Issued by the Canadian Imperial Bank of Commerce (the "Issuer").

² Issued by CIBC Trust Corporation (the "Issuer").

To that end, You have signed the applicable RRIF Application Form, agreeing to be bound by it and the terms of the retirement income fund agreement or declaration of trust that governs the RRIF ("Plan Document") and you agree to the terms of this Agreement as well. Unless otherwise defined elsewhere in it, all capitalized words in this Agreement have the meaning set out at the end of this Agreement.

You, the Annuitant, certify that:

Check one only:

- You are a "Pension Plan Member" (meaning that You were a member of the Pension Plan from which the Locked-In Funds in this LIF originated).
- You are a "Non-Pension Plan Member", meaning that You obtained the Locked-In Funds
 - under a division of property as a result of marriage breakdown with a Pension Plan Member; or
 - as a Principal Beneficiary of a Pension Plan Member and received the Locked-In Funds in this LIF as a Principal Beneficiary death benefit.

Acknowledgements:

1. Principal Beneficiary Death Benefit

You understand that if you are a Pension Plan Member, as certified above, the death benefit provision governing this LIF will require the Issuer upon your death to pay the LIF proceeds to your Principal Beneficiary as defined in this Agreement.

2. Certification By Annuitant Regarding Principal Beneficiary

You must certify to Us whether You have a Principal Beneficiary, as set out below, by completing the statement below. If You are a Pension Plan Member and You have a Principal Beneficiary, a transfer into this LIF from a pension plan or LIRA will be made only if Your Principal Beneficiary has shown his/her consent to the opening of this LIF and the transfer to it of the Locked-In Funds by signing the statement below.

Check one: You certify that

- You **do not** have a "Principal Beneficiary" within the special meaning of this term set out below.
- You **do** have a "Principal Beneficiary" within the special meaning of this term set out below and he/she has provided consent by signing the statement below.

"Principal Beneficiary" means Your Spouse, or where you have a Cohabiting Partner, Your Cohabiting Partner.

"Spouse" means either of two persons who:

- a) are married to each other,

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- b) are married to each other by a marriage that is voidable and has not been voided by a judgment of nullity, or
- c) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or have cohabited within the preceding year,

and includes a former Spouse of a Pension Plan Member.

"Cohabiting Partner",

- a) in relation to a Pension Plan Member who has a Spouse, means a person who is not the spouse of the Pension Plan Member who has cohabited continuously with the Pension Plan Member in a conjugal relationship for not less than 3 years, or
- b) in relation to a Pension Plan Member who does not have a Spouse, means a person who has cohabited continuously with the Pension Plan Member in a conjugal relationship for not less than one year,

and is cohabiting or has cohabited with the member or former member within the preceding year.

By signing below, you are certifying to the statement of information regarding Principal Beneficiary which you have selected above. You also acknowledge that you have read, understand and agree that the following terms and conditions govern the funds held under this LIF.

<hr/>	<hr/>	X	
Date (mmm/dd/yyyy)	Name of Annuitant		Signature of Annuitant (sign within box)
<hr/>	<hr/>	X	
Date (mmm/dd/yyyy)	Name of Authorized Representative of the Issuer (Insert address of applicable Issuer/Agent)		Signature of Authorized Representative of the Issuer (sign within box)

Consent of Annuitant's Principal Beneficiary to Purchase LIF

I **consent** to the purchase of this Life Income Fund by the Annuitant, who is my Spouse or Cohabiting Partner, and the transfer to it of the Annuitant's Pension Benefits.

<hr/>	<hr/>	X	
Date (mmm/dd/yyyy)	Name of Principal Beneficiary		Signature of Principal Beneficiary (if applicable, see section 2 above) (sign within box)

General Terms and Provisions

1. Restrictions on Transfers into this LIF

This LIF may be opened only by a person who is:

- a) a Pension Plan Member whose Principal Beneficiary has consented to the opening of this LIF (if the Annuitant has a Principal Beneficiary at the time this LIF is opened); or
- b) a Non-Pension Plan Member.

2. Payments from this LIF

- a) **Commencement:** Payments out of this LIF must not begin before the earlier of age 55 or the earliest date on which the Pension Plan Member could receive a Pension Benefit under the Pension Act or the originating Pension Plan from which the money was transferred and not later than the second fiscal year of the LIF;
- b) **Minimum Annual Payments:** The Annual Payment must not be less than the Minimum Amount;
- c) **Maximum Annual Payments:** The Annual Payments for each Fiscal Year may not exceed the "Maximum Amount" being the greater of (i) and (ii) as follows:
 - i) the amount calculated using the following formula

$$\frac{C}{F}$$

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In which

"C" = the balance in the LIF at the beginning of the Fiscal Year,

"F" = the present value at the beginning of the Fiscal Year of a pension of which the annuity payment is \$1 and which is payable at the beginning of each Fiscal Year between that date and the 31st day of December of the year during which the Annuitant reaches ninety years of age and

- ii) the amount of the investment earnings, including any unrealized capital gains or losses, of the LIF in the immediately previous Fiscal Year.
- d) **Value of F:** The value of F in subparagraph 2(c) above must be established at the beginning of each Fiscal Year of the LIF using an interest rate as follows:
 - i) for the first fifteen years after the date of the valuation, the greater of 6% per year and the percentage obtained on long-term bonds issued by the Government of Canada for the month of November preceding the year of the valuation, as compiled by Statistics Canada and published in the Bank of Canada Review under identification number V122487 in the CANSIM System
 - ii) For the sixteenth and each subsequent year, a rate of 6% per year.
- e) **Additional Temporary Income Payments:** The following deals with additional temporary income payments:
 - i) Subject to paragraph e)ii) the Annuitant is entitled to receive and may apply to the Issuer for additional temporary income where:
 - A. the maximum amount of income the Annuitant is entitled to receive for the Temporary Income Application Year, calculated as "B" under ii) below, is less than 40% of the YMPE under the CPP for the Temporary Income Application Year; and
 - B. the Annuitant has not reached his or her 65th birthday at the beginning of the Temporary Income Application Year;
 - ii) the amount of the additional temporary income paid out of the LIF in a Fiscal Year must not exceed the "maximum" using the following formula:
A-B
In which
"A" = 40% of the YMPE for the Temporary Income Application Year.
"B" = the maximum amount of income the Annuitant is entitled to receive from all LIFs, LRIFs, Life Annuity Contracts and pension plans governed by the Pension Act or established under any Act of Canada or another Province or Territory, except income from a pension under the CPP, for the Temporary Income Application Year
An application for additional temporary income shall be
 - A. on a form approved by the Superintendent;
 - B. where the Annuitant is a Pension Plan Member, accompanied by the written consent of the Annuitant's Principal Beneficiary; and
 - C. submitted to the Issuer at the beginning of the Fiscal Year, unless otherwise permitted by the Issuer.
- f) **Pro-rating of Payments in First Fiscal Year:** In the Fiscal Year in which this LIF is opened, Annual Payments and, if there are additional payments under subsection 2(e), those additional payments shall be adjusted in proportion to the number of months in that Fiscal Year divided by 12 with any part of an incomplete month as a one month.
- g) **Adjustments to Payments Due to Transfers In:** If part of the LIF corresponds to amounts transferred directly or indirectly from another LIF or LRIF of the Annuitant during the Fiscal Year, Annual Payments and, if there are additional payments under subsection 2(e), those additional payments, shall be deemed to be zero in respect of the part transferred in. Notwithstanding above, the Issuer may allow money to be paid to the Annuitant provided the total amount received by the Annuitant from all financial institutions in respect of that part transferred in during the Fiscal Year does not exceed Annual Payments and, if there are additional payments under subsection 2(e), those additional payments. In this case, the Issuer must receive information, in writing, from the prior financial institution(s) which confirms the amount already paid in the Fiscal Year in respect of that part of the LIF.
- h) **Establishment by Annuitant of Annual Payments:** The Annuitant must decide and inform the Issuer as to the amount of each payment and the Annual Payments to be paid out of the LIF each year, either at the beginning of the Fiscal Year or at another time agreed to by the Issuer, and the decision expires at the end of the Fiscal Year to which it relates. If the Annuitant does not decide and inform the Issuer of the Annual Payment for a Fiscal Year, the Annual Payment will be the Minimum Amount.

3. Transfers and Withdrawals Out of this LIF

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- a) **Permitted Transfers:** The only transfers that will be allowed from this LIF are those which comply with sections 3 and 4 of this Agreement. The Annuitant may transfer all or part of the Locked-In Funds:
- i) to another LIF or LRIF owned by the Annuitant;
 - ii) to purchase an immediate Life Annuity Contract that meets the requirements of the Superintendent; or
 - iii) before December 31 of the Fiscal Year in which the Annuitant reaches age 71 (or other such age as the Tax Act may prescribe from time to time) to a LIRA owned by the Annuitant;
- provided that the Minimum Amount is first paid out. The transfer will be processed within 30 days after the Annuitant requests it. However, this does not apply with respect to the transfer of assets whose term of investment extends beyond the 30-day period. The transfer may be affected by transferring out any or all identifiable and transferable securities held in the LIF, if You wish and We agree.
- b) **Shortened Life Expectancy:** The balance of this LIF may be withdrawn as a lump sum or series of payments if:
- i) a medical practitioner certifies in writing to the satisfaction of the Issuer that due to mental or physical disability the life expectancy of the Annuitant is likely to be shortened considerably; and
 - ii) if, for an Annuitant who is a Pension Plan Member, his/her Principal Beneficiary has waived his/her right to a joint and survivor pension in the form and manner acceptable to the Superintendent.
- c) **Cash-Out of "Small" Plan:** The Issuer shall pay the Annuitant a lump sum equal to the value of the Locked-In Funds if the following provisions are met:
- the Annuitant has reached the earlier of
- i) age 55 or the earliest date on which the Pension Plan Member would have been entitled to receive a Pension Benefit under the pension plan from which the Locked-In Funds originated;
 - ii) the value of all assets in all LIFs, LRIFs and LIRAs owned by the Annuitant is less than 40% of the YMPE for the current Fiscal Year;
 - iii) the Annuitant has not, within the same Fiscal Year, elected to receive additional temporary income payments under subsection 2(e) above, or, where a part of the LIF corresponds to amount transferred directly or indirectly from another LIF or LRIF, elected to receive additional temporary income from the LIF or LRIF;
 - iv) the Annuitant provides the Issuer with a properly completed copy of the form approved for this purpose by the Superintendent; and
 - v) where the Annuitant is a Pension Plan Member and has a Principal Beneficiary, the signed waiver of the Principal Beneficiary in the form and manner required by the Superintendent.

4. Death of Annuitant

- a) **Where the Annuitant was a Pension Plan Member:** If the Annuitant was a Pension Plan Member and dies, the Issuer will pay or transfer the Locked-In Funds In a lump sum to:
- i) the Principal Beneficiary, if the Annuitant is survived by a Principal Beneficiary and the Principal Beneficiary has not waived the entitlement in the form and manner acceptable by the Superintendent;
 - ii) if paragraph 4(a)(i) above does not apply, the beneficiary(ies) designated by the Annuitant in accordance with the Plan Document; or
 - iii) if paragraph 4(a)(ii) does not apply and the Annuitant did not designate a beneficiary, the Annuitant's estate.
- b) **Where the Annuitant is Non-Pension Plan Member:** If the Annuitant is a Non-Pension Plan Member, as indicated on the first page of this Agreement, and dies, the Issuer will pay or transfer the Locked-In Funds In a lump sum to:
- i) the beneficiary(ies) designated by the Annuitant in accordance with the Plan Document; or
 - ii) if the Annuitant did not designate a beneficiary, the Annuitant's estate.
- d) **Documents required:** Before any payment is made under subsections 4(a) or 4(b) above, the Issuer is entitled to receive, in a form acceptable to it:
- i) if the Annuitant is a Pension Plan Member, evidence as to whether or not the Annuitant had a Principal Beneficiary at the date of the Annuitant's death and, if there was a Principal Beneficiary, the Principal Beneficiary's name; and
 - ii) any other documents it may require in accordance with the Plan Document.

5. Amendments:

This Agreement may be amended only in accordance with the following provisions :

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- a) Subject to subsection b) below, the Issuer shall not amend the Agreement except where the Issuer has given the Annuitant at least ninety days' notice of a proposed amendment;
- b) An amendment that would result in a reduction of the Annuitant's benefits under the Agreement is permitted only where,
 - i) the Issuer is required by law to make the amendment; and
 - ii) the Annuitant is entitled to transfer the balance in the LIF under the terms of the Agreement that existed before the amendment is made;
- c) When making an amendment under subsection b) above the Issuer shall,
 - i) notify the Annuitant of the LIF of the nature of the amendment; and
 - ii) allow the Annuitant at least ninety days after the notice is given to transfer all or part of the balance in the LIF.
- d) Notice under subsections a) and c) above shall be sent by registered mail to the Annuitant's address as set out in the records of the Issuer.

6. Miscellaneous

- a) **Value of LIF; Plan Investments:** Other than for a withdrawal under section 2, the value of this LIF on any particular date is the market value of all property held in this LIF, as determined by Us, at the close of business on the previous business date in accordance with industry standards and using the market prices in its pricing system, less any amounts payable from this LIF at that time in accordance with the terms of the Plan Document. That value is conclusive and binding upon the parties to this Agreement, Your Principal Beneficiary, Your successors and personal representatives and Your Principal Beneficiary's successors and personal representatives.
- b) **Your Investment Powers:** The Annuitant's investment powers with respect to the funds in this LIF are as set out in the Plan Document.
- c) **Annual and Other Statements:** The Issuer will provide the information required to be provided in the Directive to the Annuitant or if the Annuitant dies before the balance of the Locked-In Funds are transferred out the person entitled to the balance of the Locked-in Funds.
- d) **No Assignment, etc.:** You agree not to assign, charge, anticipate or give as security money payable under the LIF.
- e) **Funds Paid Out Contrary to the Act or the Directive:** If money is paid out of this LIF contrary to the Pension Act or the Directive, the Issuer 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.
- f) **Conflict with Plan Document and Pension Rules:** If there is a conflict between this Agreement and the RRIF Application Form or the Plan Document, the provisions of this Agreement will prevail to the extent necessary to resolve the conflict. If there is a conflict between this Agreement, the RRIF Application Form or the Plan Document and the Pension Rules, the provision in the Pension Rules will prevail to the extent necessary to resolve the conflict.
- g) **Tax Liability:** The Issuer and the Annuitant agree that the Issuer and the Annuitant will act at all times in accordance with the Tax Act. In the event of a conflict between the Pension Rules and/or this Agreement with the Tax Act, then the Tax Act will prevail to the extent necessary to resolve the conflict. The Issuer is not liable for any adverse tax consequences which may result to the Annuitant, the Principal Beneficiary or either his or her heirs, successors or assigns due to any such conflict.
- h) **Renumbering:** If any provision of the Pension Rules or Tax Act referred to in this Agreement is renumbered due to a change in law, then that reference is to be considered to be to the provision as renumbered.
- i) **Headings:** Headings in this Agreement are for ease of reference only, and do not affect its interpretation.

7. Definitions

- a) **"Agreement"** means this LIF amending agreement;
- b) **"Annual Payment"** means the total amount paid from this LIF in a Fiscal Year, which must comply with the terms of section 2 of this Agreement;
- c) **"Annuitant"** means the person whose name is set out at the top of this Agreement; that person is the "owner" of the LIF as defined in the Directive;
- d) **"Cohabiting Partner"** means

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- i) in relation to a Pension Plan Member who has a Spouse, means a person who is not the spouse of the Pension Plan Member who has cohabited continuously with the Pension Plan Member in a conjugal relationship for not less than 3 years, or
- ii) in relation to a Pension Plan Member who does not have a Spouse, means a person who has cohabited continuously with the Pension Plan Member in a conjugal relationship for not less than one year,
and is cohabiting or has cohabited with the member or former member within the preceding year;
- e) **"CPP"** means the Canada Pension Plan;
- f) **"Directive"** means means Directive No. 5 under the Pension Act, "Life Income Fund Requirements" as amended from time to time;
- g) **"Fiscal Year"** means calendar year, which ends on December 31 of each year and may never exceed 12 months in length;
- h) **"Issuer"** means either:
 - i) CIBC Trust Corporation, where the Plan Document is a declaration of trust; or
 - ii) Canadian Imperial Bank of Commerce, where the Plan Document is the CIBC Retirement Income Fund Agreement.
- i) **"LIF"** means a RRIF which meets the requirements, where not inconsistent, of a "life income fund" under the Pension Rule;
- j) **"Life Annuity Contract"** means a contract which complies with the requirements for an annuity under paragraph 60(l) of the Tax Act as well as the requirements of the Pension Rules with respect to life annuities;
- k) **"LIRA"** means an RRSP which meets the requirements, where not inconsistent, of a "locked-in retirement account" under the Pension Rules;
- l) **"Locked-In Funds"** means all money and other property transferred into this LIF and all earnings on it;
- m) **"LRIF"** means a RRIF which meets the requirements, where not inconsistent, of a "locked-in retirement income fund" under the Pension Rules;
- n) **"Maximum Amount"** means the amount determined in accordance with section 2(c) of this Agreement;
- o) **"Minimum Amount"** means the amount prescribed under the Tax Act as the minimum amount to be paid out of a RRIF each Year;
- p) **"Non-Pension Plan Member"** means a person who
 - i) received the Locked-In Funds in this LIF under a division of property as a result of marriage breakdown with a Pension Plan Member; or
 - ii) is a Principal Beneficiary of a Pension Plan Member and received the Locked-In Funds in this LIF as a Principal Beneficiary death benefit.
- q) **"Pension Act"** means the *Pension Benefits Act* of Newfoundland and Labrador, as amended from time to time;
- r) **"Pension Benefit"** has the meaning set out in the Pension Rules;
- s) **"Pension Plan"** means a pension plan to which the Pension Act applies;
- t) **"Pension Plan Member"** means a member or former member of the Pension Plan from which the Locked-In Funds originated;
- u) **"Pension Rules"** means the Pension Act, the Regulations under the Pension Act and the Directive, collectively;
- v) **"Plan Document"** means the retirement income fund agreement or declaration of trust that governs the RRIF;
- w) **"Principal Beneficiary"** means the Spouse of a Pension Plan Member, or where the Pension Plan Member has a Cohabiting Partner, the Pension Plan Member's Cohabiting Partner;
- x) **"RRIF"** means a registered retirement income fund under the Tax Act;
- y) **"RRIF Application Form"** means the application form signed by You to establish this LIF;
- z) **"RRSP"** means a registered retirement savings plan under the Tax Act;
- aa) **"Spouse"** means, either of two persons who,
 - i) are married to each other,
 - ii) are married to each other by a marriage that is voidable and has not been voided by a judgment of nullity, or,
 - iii) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or have cohabited within the preceding year,
and includes a former Spouse of a Pension Plan Member;

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- bb) **"Superintendent"** means the Superintendent of Pensions for Newfoundland and Labrador;
- cc) **"Tax Act"** means the *Income Tax Act* (Canada) and the Regulations under it, as amended from time to time;
- dd) **"Temporary Income Application Year"** means the calendar year in which the Annuitant makes an application for additional temporary income payments;
- ee) **"We/Us/Our"** means the Issuer and where applicable, the agent, who acts on behalf of the Issuer for certain administrative tasks in respect of this LIF;
- ff) **"YMPE"** means the year's maximum pensionable earnings under the CPP;
- gg) **"You"** and **"Your"** refer to the individual whose name is set out at the beginning of this Agreement and who is the Annuitant of this LIF.