

## Locked-In Retirement Account Amending Agreement (Québec) Supplemental Pension Plans Act of Québec

has applied for a CIBC Investor Services Inc.

(Customer - the "Annuitant")

Locked-In Retirement Account with CIBC Trust Corporation as Trustee.

To that end, the Annuitant has opened a Retirement Savings Plan Number \_\_\_\_\_ (the "Plan") with funds which  
being transferred from a pension plan governed by the Québec Pension Law, or which otherwise qualify for transfer to a LIRA.

The Annuitant and CIBC Investor Services agree as follows:

### 1. Definitions

In this Agreement, unless the context otherwise requires, the following words and expressions shall have the respective meanings attributed thereto herein below:

"**Agreement**" means this Locked-In Retirement Account Amending Agreement, as it may be amended, replaced, restated or otherwise modified from time to time;

"**Annuitant**" means the person whose name is set out at the beginning of this Agreement;

"**CIBC Investor Services**" means CIBC Investor Services Inc., the Trustee's agent for certain administrative tasks in respect of this LIF;

"**Declaration of Trust**" means the CIBC Investor Services Inc. Self-Directed Retirement Savings Plan Declaration of Trust;

"**LIF**" means a plan which has been registered as a registered retirement income fund under the Tax Act and which meets the requirements (where not inconsistent) of Québec Pension Law;

"**LIRA**" means a plan which has been registered as a registered retirement savings plan under the Tax Act and which meets the requirements (where not inconsistent) of section 29 of the Pension Regulations;

"**Pension**" means a life pension provided under an annuity contract described in section 30 of the Pension Regulations, provided that it must qualify as retirement income under the Tax Act and the Taxation Act;

"**Pension Regulations**" means the *Regulation Respecting Supplemental Pension Plans*, as amended, replaced, restated or otherwise modified from time to time;

"**Plan**" has the meaning attributed thereto at the beginning of this Agreement;

"**Québec Act**" means the *Supplemental Pension Plans Act of Québec*, as amended, replaced, restated or otherwise modified from time to time;

"**Québec Pension Law**" means collectively the Québec Act and the Pension Regulations;

"**RRIF**" means a plan which has been registered as a registered retirement income fund under the Tax Act;

"**Spouse**" has the meaning given in section 85 of the Québec Act; however, a "Spouse" does not include any person who is not recognized as a spouse or common-law partner for the purpose of any provision in the Tax Act respecting registered retirement savings plans. Generally, "**Annuitant's Spouse**" means a person who is:

- a) married to or in a civil union with the Annuitant; or
- b) has been living in a conjugal relationship with an unmarried Annuitant or one who is not in a civil union, whether the person is of the opposite or the same sex, for a period of not less than 3 years, or for a period of not less than one year if:
  - i) at least one child is born, or to be born, of their union;
  - ii) they have adopted, jointly, at least one child while living together in a conjugal relationship; or
  - iii) one of them has adopted at least one child who is the child of the other, while living together in a conjugal relationship;

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended, replaced, restated or otherwise modified from time to time;

"**Taxation Act**" means the *Taxation Act* (Québec), as amended, replaced, restated or otherwise modified from time to time; and

"**Trustee**" means CIBC Trust Corporation, the trustee of this LIRA.

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## 2. Declaration of Trust

The Annuitant has signed either the CIBC Investor's Edge Self-Directed Retirement Savings Plan application form or CIBC Imperial Investor Service Self-Directed Retirement Savings Plan application form, agreeing to be bound by the terms of the Declaration of Trust. The Annuitant agrees to be bound by the terms of this Agreement, as well. If there is a conflict between the provisions of the Declaration of Trust and those of this Agreement, the latter shall prevail to the extent necessary to resolve the conflict, as long as the Tax Act is not contravened. If there is a conflict between this Agreement or the Declaration of Trust and the Québec Pension Law, the latter shall prevail to the extent necessary to resolve the conflict, as long as the Tax Act is not contravened. The Tax Act shall prevail, in case of conflict with any of the foregoing.

## 3. Application of Agreement

This Agreement applies only to the funds transferred to this LIRA in accordance with section 4 of the Plan, together with interest or earnings on those funds.

## 4. Origin of Funds

The only amounts that may be transferred into this LIRA and included in the Plan as a "Contribution" (as that term is defined in the Declaration of Trust) are sums originating, directly or initially, from:

- a) the fund of a registered pension plan governed by the Québec Act;
- b) a plan described in subparagraphs 28(1), (2), (2.1), (2.2), (3.1) or (5) of the Pension Regulations; or
- c) another LIRA.

## 5. Transfers, Conversions and Lump Sum Withdrawals Out of this LIRA

Transfers, conversions and lump sum withdrawals are allowed from this LIRA only if they comply with this section 5 or with section 6. They are subject to the restrictions, if any, imposed by the investment options where funds in this LIRA are invested.

- a) **Permitted Transfers Out During the Annuitant's Lifetime:** The Annuitant may transfer all or part of the balance of the funds in this LIRA to the following funds, unless the agreed to term of the investments has not expired:
  - i) a registered pension plan governed by the Québec Act;
  - ii) a supplemental pension plan governed by an act emanating from a legislative authority other than the Parliament of Québec and granting entitlement to a deferred pension;
  - iii) a supplemental pension plan established by an act emanating from the Parliament of Québec or from another legislative authority;
  - iv) the Locked-in Account of a Voluntary Retirement Savings Plan governed by the Voluntary Retirement Savings Plans Act (chapter R-17.0.1);
  - v) the Locked-in Account of an equivalent Voluntary Retirement Savings Plan emanating from a legislative authority other than the Parliament of Québec if the Member buys into this plan through his/her employment;
  - vi) a Life Income Fund referred to in section 18;
  - vii) a Locked-in Retirement Account referred to in section 29; or
  - viii) an annuity contract, referred to in section 30 of the Pension Regulations and in accordance with subsection 146(1) of the Tax Act.

Such transfer shall be done in accordance with the requirements of the Québec Pension Law and the Tax Act. The request for transfer will be processed after CIBC Investor Services, on behalf of the Trustee, receives the proposed transferee's acknowledgement that the funds being transferred are locked-in under the Québec Pension Law. Transfers under this subsection may be effected, at the option of CIBC Investor Services or the Trustee, by delivery of investment securities held in this Plan.

- b) **Conversion into a Pension:** The Annuitant may convert the balance of the funds held in this LIRA into a life pension at any time, unless the term agreed to for the investments has not expired.

In addition, the balance of the LIRA may only be converted into a Pension guaranteed by an insurer and established for the duration of the life of the Annuitant alone or for the duration of the life of the Annuitant and his/her spouse, if the following conditions, where applicable, are met:

- i) **Equal Payments:** The insurer guarantees that Pension payments will be periodic, of equal amounts which will not vary, unless each payment is uniformly increased in accordance with an index or a rate provided for in the annuity contract or uniformly adjusted by reason of a seizure affected on the Annuitant's benefits, a redetermination of the Annuitant's pension, a partition of the Annuitant's benefits in favour of his/her Spouse, or by reason of the election provided for in subparagraph 3 of the first paragraph of section 93 of the Québec Act.

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- ii) **Spouse Pension:** If the Annuitant is a former member of the Pension plan from which the funds held in this LIRA originated, the insurer guarantees that if the Annuitant dies, the Annuitant's Spouse will receive a Pension (the "**Spouse Pension**") equal to at least 60% of the amount of the Pension that the Annuitant was receiving during his/her lifetime, including during any replacement period, the amount of any temporary pension payable thereunder, as the case may be. The Annuitant's Spouse may waive his/her right to a Spouse Pension by means of a written notice addressed to CIBC Investor Services on behalf of the Trustee. Such waiver may itself be revoked by the Annuitant's Spouse by way of a written notice addressed to CIBC Investor Services on behalf of the Trustee or the insurer before the date of conversion, in whole or in part, of the LIRA. The Annuitant's Spouse's right to a Spouse Pension is subject to section 7 below.
- c) **Lump Sum Withdrawals:** The Annuitant is entitled to withdraw, in whole or in part, the funds held in this Plan in any of the following cases:
  - i) The Annuitant may withdraw all or part of the balance of the funds held under this Plan and receive a payment or a series of payments where a physician certifies that a physical or mental disability has reduced his/her life expectancy;
  - ii) The Annuitant may apply to CIBC Investor Services, acting on behalf of the Trustee, for the lump sum payment to the Annuitant of the entire balance of this Plan, if the Annuitant is at least 65 years of age at the end of the calendar year preceding the calendar year during which the application is made. The Annuitant must provide CIBC Investor Services on behalf of the Trustee with a declaration which conforms with that prescribed in schedule O.2 to the Pension Regulations. The application will be approved only if the total sums credited to the Annuitant in all retirement savings instruments mentioned in that schedule do not exceed 40% of the "maximum pensionable earnings" under the *Act respecting the Québec Pension Plan* for the calendar year in which the application is made;
  - iii) The Annuitant may, unless the agreed to term of the investments has not expired, require that the total balance of the fund held under this Plan be paid to him/her in a lump sum if he/she has not resided in Canada since at least two years;
  - iv) The seizable portion of the balance of the LIRA may be paid in a lump sum in execution of a judgment rendered in favour of the Annuitant's Spouse that gives entitlement to a seizure for unpaid alimony; or
  - v) In accordance with the Tax Act, the Annuitant may withdraw funds where an amount is required to be paid to the Annuitant to reduce the amount of tax which is otherwise payable under Part X.1 of the Tax Act.

## **6. Withdrawal After Death of Annuitant**

If the Annuitant dies before transferring out, converting or withdrawing the balance of this LIRA in accordance with section 5 above, the balance of this LIRA must be paid:

- a) to the Annuitant's Spouse (subject to section 7 below); or
- b) if there is no Annuitant's Spouse on the date of the Annuitant's death, to the Annuitant's successors in accordance with the terms of the Declaration of Trust.

If paragraph 6(a) applies, the Annuitant's Spouse will receive the balance of the LIRA in cash, as it is no longer locked-in. He/She may then if he/she wishes and if the relevant Tax Act requirements are met, do a direct transfer of the balance of this LIRA to a RRIF, an RRSP or an annuity which is a "retirement income" within the meaning of the Tax Act.

Before any payment is made after the Annuitant's death, the Trustee or CIBC Investor Services acting on behalf of the Trustee is entitled to request, in a form acceptable to it:

- c) evidence as to whether or not there was an Annuitant's Spouse on the date of the Annuitant's death, and if so, the identity of the Annuitant's Spouse; and
- d) any other documents it may require in accordance with the Declaration of Trust.

The Annuitant's Spouse may waive his/her right to receive the balance of this LIRA, as aforesaid, by way of a written notice addressed to the Trustee and CIBC Investor Services. Such waiver may itself be revoked by the Annuitant's Spouse by way of a written notice addressed to the Trustee and CIBC Investor Services before the Annuitant's death.

## **7. Loss of Annuitant's Spouse's Rights**

The Annuitant's Spouse ceases to be entitled to the death benefits in sections 5(b)(ii) and 6(a) upon separation from bed and board, divorce, annulment of marriage, breakdown or annulment of civil union or, in the case of an unmarried Annuitant's Spouse or one who is not in a civil union, upon cessation of the conjugal relationship with the Annuitant, unless the Annuitant has transmitted to the Trustee and/or CIBC Investor Services copy of a notice addressed to the pension committee and giving instructions for the payment of the Spouse Pension to his/her Spouse, notwithstanding the divorce, annulment of marriage, breakdown or annulment of civil union, separation from bed and board or cessation of conjugal relationship, as the case may be.

## **8. Statements**

The Annuitant is entitled to receive, at least once a year, a statement indicating the sums deposited, their source, the accumulated earnings, the fees debited since the last statement and the balance of the LIRA.

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**9. Indemnification**

The Annuitant, the Annuitant's Spouse, any beneficiary receiving proceeds payable hereunder and the personal legal representatives of the Annuitant, if any, shall at all times indemnify and save harmless the Trustee and CIBC Investor Services against any and all damages, losses, expenses, including reasonable legal fees, liabilities, penalties or other costs incurred by the Trustee and CIBC Investor Services, as a result of any claim, demand, assessment, action, suit, legal or other proceedings related, directly or indirectly, to the holding and depositing of the investments in this LIRA or arising from the performance by the Trustee and CIBC Investor Services of duties and obligations contemplated hereunder or related in any other manner to the provisions hereof, other than as a result of the latter's gross negligence or wilful misconduct.

**10. Tax Liability**

If the LIRA becomes liable for tax, interest or penalties under the Québec Pension Law or similar provincial legislation, the Annuitant authorizes the Trustee and CIBC Investor Services to redeem sufficient securities in the LIRA to pay such liability.

**11. No Benefit, Advantage, Loan or Assignment**

Unless permitted under the relevant provisions of the Tax Act, the Taxation Act, the Québec Pension Law, provincial securities legislation, provincial legislation governing investment dealers, and any other governing legislation applying to locked-in-retirement funds, including any regulations, policies, rules, decrees, court orders or other provisions thereunder, as amended from time to time, no benefit, advantage or loan that is conditional in any way on the existence of the LIRA may be extended to the Annuitant or to any person with whom the Annuitant does not deal at arm's length. Neither the LIRA nor any payment required to be made in accordance with the provisions hereof may be assigned in whole or in part nor be pledged, hypothecated, charged or otherwise encumbered, attached or disposed of.

**12. Renumbering**

If any provision of the Québec Pension Law or the Tax Act referred to in this Agreement is renumbered, then that reference is to be considered to be to the provision as renumbered.

**13. Headings**

Headings in this Plan are for ease of reference only, and will not affect its interpretation.

**14. Amendments**

Any amendment to this Agreement (including to increase or add new fees) must comply with the Québec Pension Law and the Tax Act, which means that the Agreement as amended must remain in conformity with the standard agreement which has been registered with the Retraite Québec and with the Canada Revenue Agency. Additionally, the Trustee or CIBC Investor Services shall give the Annuitant prior written notice of the amendment. If the proposed amendment reduces the benefits under this Plan, the Trustee or CIBC Investor Services shall give the Annuitant 90 days prior written notice and the right to transfer out or convert the balance of the LIRA in accordance with section 5 above, prior to the effective date of the amendment, regardless of the restrictions, if any, imposed by the investment options in which the funds in this LIRA are invested.

**15. Errors**

If a sum is paid from this Plan contrary to any of its provisions or of the Pension Regulations, the Annuitant may, unless the payment is attributable to a false declaration by him/her, require that the Trustee pay him/her, as a penalty, a sum equal to the irregular payment.

**16. Governing Law**

This Agreement shall be construed, enforced and governed according to the laws of the province of Québec and the laws of Canada applicable therein.

**17. English Language**

The Parties acknowledge that they have expressly requested and are satisfied that this Agreement, the Declaration of Trust as well as all documents related hereto or thereto be drawn up in English.

*Les parties aux présentes reconnaissent qu'elles ont expressément exigé que le présent contrat, la déclaration de fiducie ainsi que tous documents relatifs à ces derniers soient rédigés en anglais et s'en déclarent satisfaites.*

\_\_\_\_\_  
Date (Month day, year)

X

\_\_\_\_\_  
Annuitant's Signature (sign within box)

\_\_\_\_\_  
Date (Month day, year)

X

\_\_\_\_\_  
This application is accepted by CIBC Investor Services Inc. as agent for and on behalf of CIBC Trust Corporation (sign within box)