

CI INVESTMENT SERVICES INC. SELF-DIRECTED RETIREMENT SAVINGS PLAN

CRA Specimen Plan No. 0667-003

Plan Issuer – TSX Trust Company

300-100 Adelaide Street West
Toronto, Ontario M5H 4H1

Acting through its Agent, CI Investment Services Inc.

1. **Legislation.** For the purposes of this Addendum, “Act” means the *Pension Benefits Act, 1997* (Newfoundland & Labrador), “Regulation” means the *Pension Benefits Act Regulations* made under the Act, “Directives” means the *Directives* of the Superintendent, “Tax Act” means the *Income Tax Act* (Canada) and the regulations made thereunder, as amended from time to time, and “YMPE” means the Year’s Maximum Pensionable Earnings under the Canada Pension Plan for a specified calendar year.
2. **Definitions.** All terms in this Addendum, which are used in the Act, Regulation or Directives have the same meaning as under the Act, the Regulation or Directives. “Plan” means the CI Investment Services Inc. Self-Directed Retirement Savings Plan, “Planholder” means the (1) planholder or annuitant under the Declaration of Trust and application form in respect of the Plan, and (2) “owner” as defined in Directive No. 4, which is the member or former member of a pension plan who has made a transfer pursuant to section 40 of the Act to a LIRA and, unless otherwise stated, includes the Principal Beneficiary or former Principal Beneficiary of the member or former member if the Principal Beneficiary or former Principal Beneficiary is entitled to a pension benefit as a result of the death of the member or former member or as a result of marriage breakdown.
3. **Spouse, Cohabiting Partner and Principal Beneficiary.** “Spouse” means a person who:
 - (a) is married to the Planholder,
 - (b) is married to the Planholder by a marriage that is voidable and has not been voided by a judgment of nullity, or
 - (c) has gone through a form of a marriage with the Planholder, in good faith, that is void and is cohabiting or has cohabited with the Planholder within the preceding year.

“Cohabiting Partner” means a person who:

- (a) in relation to a Planholder who has a Spouse, is not the Spouse of the Planholder who has cohabited continuously with the Planholder in a conjugal relationship for not less than 3 years, or
- (b) in relation to a Planholder who does not have a Spouse, has cohabited continuously with the Planholder in a conjugal relationship for not less than 1 year.

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

“Principal Beneficiary” means the Spouse of a Planholder, or where the Planholder has a Cohabiting Partner, the Planholder’s Cohabiting Partner.

For the purposes of any provision of the Tax Act respecting registered retirement savings plans, “Spouse”, “Cohabiting Partner” and “Principal Beneficiary” do not include any person who is not recognized as a spouse or common-law partner under the Tax Act.

4. **Transfers Out of the Plan.** Except as otherwise permitted in Directive No. 4, all money transferred to the Plan, including all investment earnings, shall be used to provide a pension benefit and shall not be withdrawn except:
 - (a) before December 31st in the year in which the Planholder 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 Planholder 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 Planholder obtains the earlier of:
 - (i) age of 55 years; or

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- (ii) the earliest date on which the Planholder would have been entitled to receive a pension benefit under the pension plan from which the money was transferred to the Plan;
 - (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
5. **Joint and Survivor Pension Benefit.** 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.
6. **Withdrawal for Shortened Life Expectancy.** Notwithstanding any other provision in this Addendum, money in the Plan may be withdrawn as a lump sum or series of payments if a medical practitioner certifies that due to mental or physical disability the life expectancy of the Planholder is likely to be shortened considerably. However, where the Planholder is a former member of a pension plan, such payment may only be made if the Principal Beneficiary of the Planholder has waived the joint and survivor pension entitlement in the form and manner required by the Superintendent.
7. **Withdrawal of Small Amounts.** Notwithstanding any other provision in this Addendum, upon application by the Planholder to the Plan Issuer, a lump sum payment equal to the value of the Plan may be made if, at the time the Planholder signs the application,
- (a) either:
 - (i) the value of all assets in all LIRAs, Life Income Funds, and Locked-in Retirement Income Funds which are held by the Planholder and subject to the Act is less than 10 percent of the YMPE for the calendar year in which the application is made; or
 - (ii) where the Planholder 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 LIRAs, Life Income Funds, and Locked-in Retirement Income Funds which are held by the Planholder 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 Planholder has not made a withdrawal due to financial hardship under section 8 hereof from the Plan or, where part of the Plan corresponds to amounts transferred directly or indirectly from another LIRA, Life Income Fund, or Locked-in Retirement Income Fund, the Planholder has not made a withdrawal under section 8 hereof from the original retirement savings arrangement.

An application for payment under this section 7 hereof shall be on a form approved by the Superintendent and, where the Planholder is a former member of a pension plan, accompanied by a waiver of the joint and survivor pension entitlement, in the form and manner required by the Superintendent.

8. **Withdrawals due to Financial Hardship.** Notwithstanding any other provision in this Addendum, a lump sum withdrawal due to financial hardship may be made from the Plan, subject to the following:
- (a) an application for a withdrawal due to financial hardship under this section 8 hereof must be made directly to the Plan Issuer;
 - (b) the Planholder may apply for withdrawal due to financial hardship once within a calendar year for each category of financial hardship described in section 8(c)(i) hereof below in respect of each LIRA, Life Income Fund, or Locked-in Retirement Income Fund;
 - (c) subject to any requirements outlined in this section 8 hereof, the Planholder 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:

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- (A) Low Income: Where the Planholder'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 Planholder is unable to pay for medical expenses incurred or to be incurred by the Planholder, the Planholder'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 Planholder is unable to pay for disability related expenses incurred or to be incurred by the Planholder, the Planholder'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 Planholder or the Planholder'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 Planholder or the Planholder'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 Planholder or the Planholder's Principal Beneficiary has received a written notice in respect of arrears in the payment of rent for the principal residence of the Planholder or the Planholder's Principal Beneficiary and the Planholder 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 Planholder is unable to pay the first month's rent and the security deposit required to rent a principal residence for the Planholder or the Planholder's Principal Beneficiary, the amount required to pay the first month's rent and the security deposit;

and

- (ii) the amount of any applicable tax required to be withheld by the Plan Issuer.

An application for withdrawal under this section 8 hereof shall be:

- (a) on a form approved by the Superintendent and shall include any supporting documentation required by the Regulations, which are specified on the form; and
 - (b) where the Planholder 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.
9. **Withdrawal due to Non-Residency.** Notwithstanding any other provision in this Addendum, a lump sum payment equal to the value of the entire Plan may be made where the Planholder provides the Plan Issuer 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 Planholder 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.
10. **Marriage Breakdown Provisions.** The Plan is subject, with any necessary modifications, to the division of pension benefits on marriage breakdown provisions in Part VI of the Act.

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11. **Death of Planholder.** On the death of a former member of a pension plan who has a Principal Beneficiary, the surviving Principal Beneficiary, or where there is no surviving Principal Beneficiary or the surviving Principal Beneficiary had waived entitlement in the form and manner required by the Superintendent, a designated beneficiary, or where there is no designated beneficiary, the estate of the member or former member is entitled to a lump sum payment of the full value of the Plan.

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

12. **Planholder's Investment Power.** The assets in the Plan shall be invested and re-invested by the Planholder as provided in the Declaration of Trust in respect of the Plan.
13. **Valuation.** For determining the value of the assets in the Plan on a particular date (including on the death of the Planholder and on the transfer of assets from the Plan) (a "Valuation Date"), the assets in the Plan shall be valued at their fair market value immediately prior to the Valuation Date. The fair market value shall be determined as follows:
- (a) by using information of arm's length transactions involving a cash sale of assets of the same classes or kinds as those in the Plan that occurred on the date immediately prior to the Valuation Date or within a reasonable time prior to the Valuation Date; or
 - (b) if the information under paragraph (a) is not available, by using information of arm's length transactions involving a cash sale of assets of similar classes or kinds as those in the Plan that occurred on the date immediately prior to the Valuation Date or within a reasonable time prior to the Valuation Date; or
 - (c) if the information under paragraphs (a) and (b) is not available, by using such other reasonably relevant information such as the book value of the assets in the Plan.
14. **No Assignment.** The Planholder agrees not to assign, charge, anticipate or give as security money under a LIRA except as permitted under the Act.
15. **Provision of Pension on Improper Pay Out.** If money in the Plan is paid out contrary to the Act or Directive No. 4, the Plan 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.
16. **Amendment.** Subject to the remainder of this section 16 hereof, the Plan Issuer shall not amend this Addendum except where the Plan Issuer has given the Planholder at least ninety days' written notice and an explanation of the proposed amendment. An amendment that would result in a reduction in the Planholder's benefits under the Plan is permitted only where:
- (a) The Plan Issuer is required by law to make the amendment; and
 - (b) The Planholder is entitled to transfer the balance in the Plan under the terms of the Addendum that existed before the amendment is made.

When making such an amendment that would result in a reduction in the Planholder's benefits under the Plan, the Plan Issuer shall:

- (a) Provide written notice to the Planholder of the nature of the amendment; and
- (b) Allow the Planholder at least ninety days after the written notice is given to transfer all or part of the balance in the Plan.

Notice under this section 16 hereof shall either be sent by mail to the Planholder's address as set out in the records of the Plan Issuer or, subject to receiving the authorization of the Planholder, be delivered to the Planholder by electronic means provided that the e-communication is accessible by the Planholder and capable of being retained to be usable for subsequent reference.

17. **Conflict between Legislation and Addendum.** If there is a conflict between the Act or the Regulation or Directive No. 4 and a provision in this Addendum, the Act or the Regulation or Directive No. 4 will prevail.
18. **Fiscal Year.** The fiscal year of the Plan ends on the 31st day of December and does not exceed twelve months.