

PROVINCE OF MANITOBA

Steadyhand Investment Funds Inc.
1747 West 3rd Avenue
Vancouver, BC V6J 1K7

Annuitant's Name (Please print)

Social Insurance Number

RIF Account Number

Upon receipt of funds representing a one-time or prescribed transfer of no more than fifty percent (50%) of the funds in a Manitoba LIF or LRIF by a LIF or LRIF owner not less than 55 years of age, the Trustee further agrees to, and the Annuitant acknowledges, the following:

1. **Definitions.** In this Addendum:

- (a) **Act** means the *Income Tax Act* (Canada), as amended from time to time;
- (b) **LIF** means a "LIF" or "life annuity contract" as defined in Pension Legislation that conforms with the Act and Pension Legislation;
- (c) **life annuity** means "life annuity contract" as defined in Pension Legislation that conforms with the Act and Pension Legislation;
- (d) **LIRA** means a "LIRA" or "locked-in retirement account" as defined in Pension Legislation and, where those terms are not defined, means a registered retirement savings plan that satisfies the conditions under Pension Legislation for receiving funds that originate from an RPP;
- (e) **LRIF** means an "LRIF" or "locked-in retirement income fund" as defined in Pension Legislation;
- (f) **Pension Legislation** means the *Pension Benefits Act* (Manitoba) and the Regulations thereunder;
- (g) **prescribed RIF** means a "registered retirement income fund" as defined in Section 21.4 of the Pension Legislation;
- (h) **RPP** means a registered pension plan governed by Pension Legislation or established by other legislative authority;
- (i) **Spouse** means a "spouse" as defined in Pension Legislation in the context of a prescribed RIF; provided, however, it only includes a person recognized as a spouse or common-law partner for the purposes of the Act;
- (j) **Trustee** means Canadian Western Trust Company;
- (k) The terms "Annuitant" and "Fund" shall have the same meanings as are given to them in the Declaration of Trust; and
- (l) Words defined in Pension Legislation have the same meanings in this Addendum unless otherwise defined herein.

2. **Compliance.** If locked-in funds are transferred or will be transferred to the Fund, directly or indirectly, from an RPP, the additional provisions of this Addendum form part of the Declaration of Trust. In case of any inconsistency between this Addendum and the Declaration of Trust, this Addendum will apply. The Trustee will comply with all relevant provisions of Pension Legislation.
3. **Transfers to the Fund.** Only property representing locked-in funds originating, directly or indirectly, from an RPP, a LIRA, a LIF, an LRIF, a life annuity the capital of which originated from an RPP, or another source permitted by the Act and Pension Legislation may be transferred to the Fund. The Trustee will not accept any transfers to the Fund from a source or in circumstances not permitted by Pension Legislation. The transfer may only be made after the Trustee receives consent from the Spouse in the form and manner required by Pension Legislation.
4. **Investments.** The investments held in the Fund must comply with the investment rules imposed by the Act for a registered retirement income fund. The Fund may not directly or indirectly hold any mortgages where the mortgagor is the Annuitant, or the spouse, parent, brother, sister or child of the Annuitant, or the spouse of a parent, brother, sister, or child of the Annuitant.
5. **Fiscal Year of the Fund.** The fiscal year of the Fund ends on December 31 of each year and will not exceed 12 months.
6. **Value of the Fund.** For the purpose of a transfer of assets, the purchase of a life annuity contract, a payment or transfer on the death of the Annuitant, or transfer to the Spouse on marriage break-up, the value of the contract shall be the aggregate market value of the securities held in the Fund as of the market closing immediately prior to such payment or transfer.

The Trustee, to establish the value of the Fund, will use a recognized pricing service, contact the issuer for value, or use the Financial Post or other leading financial papers. In the case of a purchase of a life annuity, all assets would be sold at market value on the date of sale.

7. **Annual Information Statement.** The Trustee will provide the Annuitant with the information as specified in Pension Legislation.
8. **Payment of Income.** The Annuitant will be paid an income, the amount of which may vary annually and which will commence not later than the last day of the second fiscal year of the Fund. After receipt of the information specified in paragraph 7, if any, the Annuitant will establish the amount of income to be paid during each fiscal year of the Fund at the beginning of that fiscal year and after the receipt of the information as outlined in Pension Legislation. If the Annuitant fails to establish the amount of income to be paid during each fiscal year of the Fund, the minimum amount required under the Act shall be deemed to be the amount to be paid.

If the Trustee guarantees the rate of return of the Fund over a period that is greater than one year and that ends at the end of a fiscal year, the Annuitant may establish the amount of income to be paid during that period at the beginning of that period. Where the amount of income to be paid to the Annuitant is fixed at an interval of more than one year, paragraphs 9 and 10 of this Addendum will apply with such modifications as the circumstances require to determine, at the date of the beginning of the first fiscal year of the Fund in the interval, the amount of income to be paid for each fiscal year in that interval.

9. **Determination of Income to be Paid.** The amount of income paid during a fiscal year of the Fund may not be less than the minimum amount required to be paid under the Act.
10. **Income to be Paid Out in the Initial Year.** For the initial fiscal year of the Fund, the minimum amount to be paid, as referred to in paragraph 9 of this Addendum, will be set at zero.

11. **Payments after Marriage Breakdown.** The property of the Fund may be subject to division under family law and Pension Legislation. The Trustee will make a payment or payments out of the Fund to the extent and in the manner permitted or required by applicable law:
- (a) to effect a division of property, provided the payment is made pursuant to a court order, marriage contract or separation agreement under applicable 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.
12. **Beneficiary Designation.** The designation of a person other than the Annuitant's Spouse as the beneficiary of the Fund will not be valid if the Annuitant has a Spouse who is entitled to survivor benefits under the Fund because of Pension Legislation. The Annuitant may designate a person other than the Annuitant's Spouse provided that the Spouse waives his / her status as a designated beneficiary in the form and manner required by Pension Legislation.
13. **Death of Annuitant.** Following the death of the Annuitant, the property of the Fund will be paid to the surviving Spouse of the Annuitant unless the surviving Spouse is not entitled to survivor benefits under Pension Legislation. The surviving Spouse may instruct the Trustee to transfer the property of the Fund to a registered retirement savings plan, a registered retirement income fund, or a life annuity as permitted by Pension Legislation and paragraph 60(l) of the Act.

If there is no surviving Spouse or where the surviving Spouse waives the spousal entitlement in the form and manner required by Pension Legislation, the property of the Fund will be paid to the person designated as beneficiary of the Fund, or if no such person has been designated, to the legal representative of the deceased Annuitant's estate.

14. **Transfers from the Fund.** Subject to any restrictions imposed by the Act and by Pension Legislation and after payment to the Annuitant of the minimum amount for the year, the property of the Fund may be transferred to another prescribed RIF or used to purchase a life annuity in accordance with paragraph 60(l) of the Act. Where the Fund holds identifiable and transferable securities, the transfer or purchase may, unless otherwise stipulated, at the option of the Trustee and with the consent of the Annuitant, be effected by remittance of the investment securities of the Fund.

Before transferring property of the Fund, the Trustee will:

- (a) confirm that the transfer is permitted under Pension Legislation and the Act;
- (b) write to the issuer of the recipient plan to notify it of the pension legislation that governs the property; and
- (c) not permit the transfer unless the issuer of the recipient plan agrees to administer the transferred property according to Pension Legislation.

If the Trustee does not comply with the above, and the issuer of the recipient plan fails to pay the money transferred in the form of a pension or in the manner required or permitted by Pension Legislation, the Trustee will provide or ensure the provision of the pension in a manner and in an amount that would have been provided had such property not been paid out.

If, prior to the transfer, the minimum required payment for the fiscal year, by reason of the application of paragraph 9, has not been satisfied, the Trustee will withhold adequate funds to satisfy this minimum payment requirement in accordance with paragraph 146.3(2)(e.1) or (e.2) of the Act.

Where property is being transferred to a prescribed RIF, the Annuitant's Spouse must provide a consent or waiver in the form and manner required by Pension Legislation.

15. **Payments or Transfers Contrary to Pension Legislation.** If property is transferred or paid out of the Fund contrary to Pension Legislation, the Trustee will ensure that the Annuitant receives a life annuity or an amount and, if required by Pension Legislation in a manner that would have been provided if the property had not been transferred or paid out of the Fund.
16. **Prohibition.** The property of the Fund may not be assigned, charged, alienated, anticipated or given as security or subjected to execution, seizure or attachment, except as permitted by Pension Legislation. A transaction that is contrary to this paragraph is void.
17. **Amendments.** From time to time, the Trustee may amend the Declaration of Trust (including this Addendum), if the amendment does not disqualify the Fund as a prescribed RIF and if the amendment is filed with and approved by Canada Revenue Agency. The Trustee will provide the Annuitant with 90 days written notice (including notice of the Annuitant's entitlement to transfer the property out of the Fund) of any amendment that reduces benefits under the Fund.

Signature of Annuitant

Date (yyyy/mm/dd)

Accepted by:
Steadyhand Investment Funds Inc. as agent for
Canadian Western Trust Company
 200 – 750 Cambie Street
 Vancouver, BC V6B 0A2

Authorized Signature

TO BE COMPLETED BY THE ANNUITANT:

CURRENT MARITAL STATUS:
 (This data is necessary in order to complete prescribed government forms.)

Single
 Married
 Common law
 Divorced
 Separated

Spousal Information:

Name: _____

SIN: _____ Birth Date: _____

Please mail the completed addendum with your Transfer Authorization for Registered Investments to:

Steadyhand Investment Funds Inc.
 1747 West 3rd Avenue
 Vancouver, BC V6J 1K7

COMMENTS AND INSTRUCTIONS

This form must be completed where the retiring member of a pension plan wishes to

- elect a form of pension or purchase a life annuity that provides the spouse or common-law partner with less than the 60% joint survivor pension required by *The Pension Benefits Act*, or no survivor pension; or
- transfer the funds to a Life Income Fund (LIF) or Variable Benefit.

Prior to completing this form, the spouse or common-law partner should consider obtaining independent legal advice concerning his or her individual rights and the effect of this waiver as well as qualified financial advice about the financial consequences.

This form must be completed where the owner of a Locked-In Retirement Account (LIRA) wishes to

- transfer the funds to a Life Income Fund (LIF) or Variable Benefit; or
- withdraw all or a part of the LIRA account balance as a result of shortened life expectancy.

This form must be

- completed in its entirety;
- signed by the spouse or common-law partner, and witnessed while the member is not present, within 60 days before the member's pension commences;
- filed with the plan administrator;
- used for benefits earned under pension plans subject to *The Pension Benefits Act* of Manitoba;
- provided to the transferee if funds are moved from one financial institution to another; and
- before money is transferred to another vehicle permitted under the Regulation, provided to the administrator of the vehicle receiving the money.

For further information please contact the plan administrator or financial institution.

Definitions

Administrator

Means in relation to a pension plan, the person or body of persons responsible for administering the plan, and in relation to a LIRA, the financial institution responsible for administering the plan or fund.

Common-law partner of a member or member-owner means

(a) a person who, with the member or former member, registered a common-law relationship under section 13.1 of *The Vital Statistics Act*, or

(b) a person who, not being married to the member or former member, cohabited with him or her in a conjugal relationship

(i) for a period of at least three years, if either of them is married, or

(ii) for a period of at least one year, if neither of them is married.

Joint survivor pension

Means a form of pension that pays a pension on retirement to the member or member-owner for his or her lifetime and, after death, to the spouse or common-law partner for his or her lifetime.

60% joint survivor pension

Means the **joint survivor pension** required by *The Pension Benefits Act* that pays a pension to the member for his or her lifetime and, after death, provides the spouse or common-law partner with a pension for his or her lifetime that is at least 60% of the pension that was payable to the member.

Member

Means an employee or former employee who is accruing or entitled to a pension under a pension plan, but is not yet retired and receiving a pension under the plan.

Member-owner

Means the individual identified in the LIRA contract as the annuitant and who as a former member of a pension plan transferred a pension benefit credit directly or indirectly to that LIRA.

Spouse

Where used in relation to another spouse means the person who is married to that other spouse, and “spouses” mean two persons who are married to each other.

Variable Benefit

Means a retirement benefit payable to a member from a pension plan that is subject to the requirements of the Act and pays an adjustable flow of retirement income to the member based on prescribed annuity factors.



**FORM 5A - WAIVER OF 60% JOINT SURVIVOR PENSION
FOR PENSION PLAN OR LOCKED-IN RETIREMENT ACCOUNT**

*The Pension Benefits Act, Sections 23, Pension Benefits Regulation, Section 3.35,
Section 10.2 of Division 1, and Section 10.22 of Division 2 of Part 10*

This form should be completed where:

The retiring member of a pension plan wishes to

- elect a form of pension or purchase a life annuity that provides the spouse or common-law partner with less than the 60% joint survivor pension required by *The Pension Benefits Act*, or no survivor pension; or
- transfer the funds to Life Income Fund (LIF) or Variable Benefit.

The owner of a Locked-In Retirement Account (LIRA) wishes to

- transfer the funds to a Life Income Fund (LIF) or Variable Benefit; or
- withdraw all or a part of the LIRA account balance as a result of shortened life expectancy.

I, _____, am the spouse or common-law partner
(as described above) of _____.
(name of member or member-owner)

The member or member-owner earned benefits under a pension plan subject to *The Pension Benefits Act* of Manitoba (Act) and was employed in Manitoba on the day he or she ceased to be an active member of the plan.

I understand that under the Act

- I am entitled to a joint survivor pension on the member's death that must be at least 60% of the pension payment that was payable to the member;
- I may waive my entitlement to the 60% joint survivor pension after receiving certain information and completing this waiver;
- if I sign this waiver I will no longer be entitled to the 60% joint survivor pension;
- this waiver may be revoked before the retirement of the member or member-owner by filing with the administrator a written revocation signed by me.

I certify that

- I have read this waiver and understand it;
- I have read the member's retirement statement or a statement from the financial institution showing the balance in the owner's account and know the amount of the benefit I am giving up;
- I am aware of the consequences of waiving the 60% joint survivor pension, and despite the consequences, I waive it;

- I am not living separate and apart from the spouse or common-law partner by reason of a breakdown of our relationship;
- the member or member-owner is not present while I am signing this form;
- I am signing this form of my own free will without duress, coercion or compulsion of any kind; and
- I realize that:
 - this form only gives a general description of the legal rights I have under the Act and the regulation, and
 - if I wish to understand exactly what my legal rights are, I must read the Act and the regulation and seek legal advice.

I hereby waive my entitlement to the 60% joint survivor pension by signing this form in the presence of a witness.

I sign this form at

_____ (city/town) _____ (province/territory/state) _____ (country)

this _____ day of _____, _____

(signature of spouse or common-law partner)

I, _____, of _____
(print name of witness)

(print address of witness)

do witness the signature of the spouse or common-law partner who signed this form before me outside of the presence of the member or member-owner.

(signature of witness)