



## Addendum for “Locked-In” Money Transferred from a Pension Plan (Federal)

The undersigned applicant (the “Annuitant”) has applied for a locked-in:

- (✓ Please check one.)
- HSBC Bank Canada Retirement Savings Plan (337-001)**
  - or an  **HSBC Trust Company Retirement Savings Plan (544-001)**
  - or an  **HSBC Mutual Funds Retirement Savings Plan (544-004)**
  - or an  **HSBC Pooled Funds Retirement Savings Plan (544-008)**
  - or an  **HSBC InvestDirect Self-Directed Retirement Savings Plan (544-010)**
- (the “Plan”)

In this addendum (the “Addendum”), if “HSBC Bank Canada Retirement Savings Plan” is checked-off, the issuer (the “Issuer”) is HSBC Bank Canada. If “HSBC Trust Company Retirement Savings Plan”, “HSBC Mutual Funds Retirement Savings Plan”, “HSBC Pooled Funds Retirement Savings Plan” or “HSBC InvestDirect Self-Directed Retirement Savings Plan” is checked off, the Issuer is HSBC Trust Company (Canada), a subsidiary of HSBC Bank Canada. This Addendum is signed by either an authorized agent of or an authorized representative for the Issuer.

1. The Annuitant acknowledges that all or a portion of the Annuitant’s pension benefits (the “Benefits”) being transferred to the Plan are subject to the locking-in provisions of the Pension Benefits Standards Act, 1985 (Canada) (the “Act”) of Canada, R.S.C. 1985, c.32, as amended, or Regulations made under that Act (the “Regulations”).
2. Notwithstanding anything to the contrary contained in the Plan, including any endorsements forming a part thereof, the term “spouse” herein does not include any person who is not recognized as a spouse or common-law partner for the purposes of any provision of the Income Tax Act (Canada) or this Act, as the case may be, respecting Registered Retirement Savings Plans (“RRSP’s”).
3. The Benefits transferred into the Plan, including all investment earnings, shall be locked-in during the lifetime of the Annuitant, and shall be used to provide a pension as required by the Act and Regulations.
4. No transfer of Benefits from the Plan is permitted except:
  - 4.1 to transfer the Benefits on the relevant conditions specified in the Regulations to another locked-in RRSP,
  - 4.2 to purchase a life annuity contract, as stipulated in subsection 146(1) of the Income Tax Act (Canada),
  - 4.3 to transfer the Benefits to another registered pension plan,
  - 4.4 to transfer the Benefits to a Life Income Fund (“LIF”) or restricted life income fund, on the relevant conditions specified in the Regulations.
5. Subject to this Addendum, no withdrawal, commutation or surrender of Benefits is permitted except where an amount is required to be paid to the Annuitant to reduce the amount of tax otherwise payable under Part X.1 of the Income Tax Act (Canada) and permitted by the Regulations.
6. Except as provided in the Act or Regulations, the Benefits may not be assigned, charged, alienated, anticipated or given as security and are exempt from execution, seizure or attachment, and any transaction purporting to assign, charge, alienate, anticipate, or give as security, the Benefits is void.

7. Notwithstanding paragraph 5 of this Addendum:
  - 7.1 the value of the Benefits may be paid to the Annuitant in a lump sum provided that a physician certifies in the manner set out in the Act and Regulations that due to a mental or physical disability, the life expectancy of the Annuitant is likely to be shortened considerably.
  - 7.2 the Annuitant may withdraw an amount from the Plan up to the lesser of the amount determined by the formula set out in section 20(1.1) of the Regulations and 50% of the Year's Maximum Pensionable Earnings minus any amount withdrawn in the calendar year under section 20.1(1)(m), 20.2(1)(e) or 20.3(l)(m) of the Regulations, in respect of the amount of expenditures that the Annuitant expects to make on medical or disability-related treatment or adaptive technology for the calendar year, subject to the requirements in the Regulations.
  - 7.3 the Annuitant may withdraw any amount from the Plan if the Annuitant has ceased to be a resident of Canada for at least two years, subject to the requirements in the Regulations.
  - 7.4 in the calendar year in which the Annuitant reaches 55 years of age or in any subsequent calendar year, the value of the Benefits may be paid to the Annuitant in a lump sum if (i) the Annuitant certifies that the total value of all assets in all locked-in registered retirement savings plans, life income funds, restricted locked-in savings plans and restricted life income funds that were created as a result of a transfer of pension benefit credits under section 16.4 or 26 of the Act, a transfer under the Regulations, or a transfer under Section 50, 53, or 54 of the *Pooled Registered Pension Plans Act or Pooled Registered Pension Plans Regulations*, is less than or equal to 50% of the Year's Maximum Pensionable Earnings; and (ii) the Annuitant provides all completed forms required by the Regulations to the Issuer.
8. The Benefits will be invested in a manner that complies with the rules for the investment of RRSP money contained in the Income Tax Act (Canada) and the regulations thereunder and will not be invested, directly or indirectly, in any mortgage in respect of which the mortgagor is the Annuitant or the parent, brother, sister or child of the Annuitant, the spouse of the Annuitant or the spouse of the parent, brother, sister or child of the Annuitant.
9. Where the Benefits are paid out contrary to the Act or this Addendum, the Issuer will provide or ensure the provision of a pension equal in value to the pension that would have been provided if the Benefits had not been so paid out.
10. The Issuer, before transferring the Benefits to another financial institution, will advise the transferee financial institution in writing of the locked-in status of the Benefits and make its acceptance of the transfer subject to the conditions provided for in this Addendum together with the provisions of the Act and Regulations.
11. If the Issuer does not comply with paragraph 10 and the transferee financial institution fails to pay the Benefits transferred by the Issuer in the form of a pension or in the manner required by this Addendum, the Issuer will provide or ensure the provision of the pension referred to in paragraph 9.
12. If the Annuitant should die prior to the purchase of the life annuity contract specified in paragraph 4.2 of this Addendum, the money in the Plan, shall:
  - 12.1 if the Annuitant is survived by a spouse,
    - 12.1.1 be applied to purchase a life annuity contract for the Annuitant's spouse as specified in subparagraph 60(1)(ii) of the Income Tax Act (Canada) on the relevant conditions specified in the Regulations, or,
    - 12.1.2 be transferred on the relevant conditions specified in the Regulations to another locked-in RRSP or LIF or restricted life income fund or a pension plan, on the relevant conditions specified in the Regulations, for the Annuitant's spouse,
  - 12.2 if the Annuitant is not survived by a spouse (or the surviving spouse waives spousal entitlement in the form and manner set out in the Act and Regulations):
    - 12.2.1 be paid in a lump sum to the Annuitant's designated beneficiary, or,
    - 12.2.2 if no beneficiary has been designated, be paid in a lump sum to the Annuitant's estate.

13. No money that is not locked-in will be transferred to or held under the Plan unless the locked-in money is to be held in a separate account which will contain only locked-in money.
14. If the Annuitant has not provided the Issuer with the necessary documentation to start a pension, the Issuer will, before the end of the calendar year in which the Annuitant attains the age of 71 years,
  - 14.1 purchase an immediate life annuity contract, as stipulated in subsection 146 (1) of the Income Tax Act (Canada), for the Annuitant, or
  - 14.2 transfer the money to a LIF or Locked-in Retirement Income Fund ("LRIF") on the relevant conditions specified in the Act and Regulations.
15. Any benefits representing the commuted value of a deferred pension transferred from a pension plan and to be subject to the locking-in provisions of this Act, shall include a statement from the administrator of the pension plan as to whether or not the benefit was determined in a manner that differentiated on the basis of the sex of the Annuitant. If a statement from an administrator indicates that the commuted value transferred was determined in a manner that differentiated on the basis of the sex of the Annuitant, any further monies that may be subsequently transferred into this Plan will be monies that also differentiate on the same basis. Where the commuted value transferred was not determined in a manner that differentiated on the basis of sex of the Annuitant, an immediate or deferred life annuity purchased by the funds in the Plan shall not differentiate as to sex.
16. **The Annuitant acknowledges that if, in the year the Annuitant reaches 55 years of age or in any subsequent year, a transfer from the Plan to a newly created RLIF takes place, the Annuitant may make a one-time transfer of up to 50% of the RLIF's value to a RRSP or RRIF. Such transfer must occur within 60 days of creation of the RLIF.**
17. The conditions of this Addendum shall take precedence over the provisions in the applicable agreement or declaration of trust governing the Plan in the event of conflicting or inconsistent provisions.

The Annuitant transferor of locked-in pension money to be transferred to the Issuer to purchase the above-noted Plan acknowledges and agrees that the Plan and any earnings thereon are locked-in and shall not be available to the undersigned except as a pension, life annuity contract or otherwise as provided in this Addendum.

\_\_\_\_\_  
Applicant's Name (Please Print)

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Branch/Account Number

\_\_\_\_\_  
Authorized Agent of/Representative  
for the Issuer

\_\_\_\_\_  
Plan Number

\$ \_\_\_\_\_  
Amount Received