



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

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”)

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. The individual signing for the LIRA issuer is either an authorized agent of or an authorized representative for the LIRA 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 Act (the “Act”) of New Brunswick, or Regulation 91-195 made under the legislation.
2. A reference to “spouse” in this Addendum includes a “common-law partner” as defined in the Act. Notwithstanding anything to the contrary contained in the Plan, including any endorsements forming a part thereof, “spouse” 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) respecting Registered Retirement Savings Plans (RRSP’s).
3. The pension benefits of a pension plan (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 Regulation.

The only money that may be transferred into the Plan are the sums originating, directly or indirectly, from:

- (i) the fund of a registered pension plan that conforms with the Act and the Regulation or with similar legislation in another jurisdiction, if the money is being transferred under section 36 of the Act or under a similar provision in legislation in another jurisdiction,
  - (ii) another retirement savings arrangement that conforms with the Act, the Regulation and the Income Tax Act, or
  - (iii) a life or deferred life annuity under a contract that conforms with the Act and Regulations.
4. No transfer of Benefits from the Plan is permitted except:
    - 4.1 to transfer the Benefits to a life income fund or another locked-in retirement account on the conditions specified in the Act and the Regulation,
    - 4.2 to purchase a life or deferred life annuity contract, as stipulated in subsection 146(1) of the Income Tax Act (Canada) and which conforms with section 23 of the Regulation, and on the condition specified in the Act and the legislation,

4.3 to transfer the Benefits to another registered pension plan on the conditions specified in the Act and Regulation.

5. Except as permitted by this Addendum, the Act or the Regulation, no withdrawal, commutation or surrender of Benefits is permitted and any transaction purporting to withdraw, commute or surrender the Benefits is void.
6. Except as provided in the Act or Regulation, the Benefits may not be assigned, charged, alienated, anticipated or given as security, and are exempt from execution, seizure, attachment, or any other process of law, and any transaction purporting to do so is void.
7. Except as provided elsewhere in the Regulation, the balance of the Benefits in the Plan, in whole or in part, may be converted at any time only into a life or deferred life annuity that conforms to section 23 of the Regulation and subsection 146(1) of the Income Tax Act.
8. The Annuitant may withdraw the Benefits if (i) the Annuitant and his or her spouse, if any, are not Canadian citizens, (ii) the Annuitant and his or her spouse, if any, are not resident in Canada for the purposes of the Income Tax Act (Canada) and (iii) the Annuitant's spouse, if any, waives, on the applicable Form, any rights that he or she may have to the Benefits as provided by the Act, the Regulation or this Addendum.
9. The commuted value of the Annuitant's Benefits shall be determined in accordance with the Act and the Regulation if it is divided under section 44 of the Act.
10. Notwithstanding paragraph 5 of this Addendum, the value of the Benefits may be paid to the Annuitant, in a lump sum, or a series of payments, if (i) a physician certifies in writing to the Issuer that the Annuitant suffers, in whole or in part, from a significant physical or mental disability that considerably reduces life expectancy and (ii) if the Annuitant has a spouse, the Annuitant delivers to the Issuer a completed spousal waiver in an approved Form.
11. Notwithstanding any provision in this Addendum, the Issuer may permit the Annuitant to withdraw the balance of the Benefits if (a) the Annuitant and, if applicable, the Annuitant's spouse, request that the balance be withdrawn by delivering a completed required by the Regulation to the Issuer, and (b) the Issuer is satisfied, based upon the information provided in Forms required by Regulations and any other information that has been requested by the Issuer, that (i) the reported present distribution of assets transferred from pension plans connected with employment in the Province is consistent with the amounts reported to have been transferred from such pension funds, and (ii) the total assets held by the Annuitant in all life income funds, locked in retirement accounts and life or deferred life annuity, would be commutable upon termination of employment if they were held in a pension fund under a pension plan that permitted payment of the commuted value of the pension benefit in accordance with section 34 of the Act, and (iii) the total of the pension adjustments reported to the Annuitant by the Canada Revenue Agency for the two taxation years immediately preceding the request for the withdrawal is zero.
12. 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.
13. 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 paid out.
14. 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 Regulation.
15. If the Issuer does not comply with clause 11 or 12 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 clause 11.
16. The Issuer affirms that the pension to be provided to the Annuitant who has a spouse shall be in the form of a joint-and-last survivor pension under which not less than 60% of the value of the annuity payment shall continue to the survivor for the survivor's lifetime following the death of the Annuitant or the spouse. The

Annuitant's spouse may waive entitlement to the survivor pension required by filing the appropriate waiver required under the Act with the Issuer.

17. If the Annuitant should die prior to the signing of a contract for the purchase of the life annuity contract specified in paragraph 4.2 of this Addendum, the money in the Plan shall:
  - (a) if the Annuitant is survived by a spouse:
    - (i) be paid to the Annuitants spouse.
  - (b) if the Annuitant is not survived by a spouse:
    - (i) be paid to the Annuitant's designated beneficiary, or,
    - (ii) if no beneficiary has been designated, be paid to the Annuitant's estate.
18. 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.
19. A life or deferred life annuity contract purchased with benefits in the Plan may not vary according to the sex of the Annuitant. Any benefits representing the commuted value of a deferred pension or a defined contribution 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 on transfer in a manner that differentiated, while the Annuitant was a member of the pension plan, 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, while the Annuitant was a member of the pension plan, on the basis of the sex of the Annuitant, monies transferred into this Plan will be monies that also differentiate on the same basis.
20. 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 or such other age as prescribed by the Income Tax Act (Canada),
  - (a) purchase an immediate life annuity contract, as stipulated in subsection 146(1) of the Income Tax Act (Canada), for the Annuitant, or
  - (b) transfer the money to an acknowledged LIF or LRIF on the relevant conditions specified in the Act and Regulation.
21. An amendment to this Addendum shall not be made
  - (a) that would result in a reduction of the benefits arising from this Plan unless the Annuitant is entitled, before the effective date of the amendment, to transfer the balance of the Benefits in accordance with paragraph 4 of this Addendum and, unless a notice is delivered to the Annuitant at least ninety (90) days before the effective date, describing the amendment and the date on which the Annuitant may exercise the entitlement to transfer,
  - (b) unless the Addendum as amended remain in conformity with the Act and the Regulation, except to bring the Addendum into conformity with requirements under an Act of the Legislature or other legislation in another jurisdiction.
22. Unless the Addendum or the applicable agreement or declaration of trust provide for an early cashing-in value before the expiration of the term agreed to for the investments, if there is money invested in the Plan that may be transferred under paragraph 4.3 or 21(a) of this Addendum, such funds shall be transferred no more than thirty (30) days after the Annuitant's application for the transfer.
23. The provisions of this Addendum and the applicable agreement or declaration of trust governing the Plan are subject to those provisions of the Act and Regulation dealing with the division of Benefits in the Plan on marriage breakdown.
24. The conditions of this Addendum will 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 within Plan acknowledges and agrees that the Plan and any earnings thereon are locked-in and shall not be available to the Annuitant 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