



Addendum for “Locked-In” Money Transferred from a Pension Plan (Newfoundland and Labrador)

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 Act (the “Act”) of Newfoundland and Labrador, or Regulations made under that Act (the “Regulations”). 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 benefit as required by the Act and Regulations, except as otherwise provided by the Act, the Regulations or Directive No.4.
2. For the purposes of this Addendum, the words “LIRA”, “owner” and “principal beneficiary” have the same meanings as are respectively given to these words in Directive No 4. In addition, this Addendum incorporates other definitions in the Act, the Regulations and Directive No. 4, as necessary.
3. Notwithstanding anything to the contrary contained in this Addendum, including any endorsements forming a part thereof, “principal beneficiary” 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 a retirement savings plan.
4. The Plan may be purchased with respect to an entitlement to a pension under a pension plan by:
 - (a) a member or former member of a pension plan; or
 - (b) the principal beneficiary or former principal beneficiary of a 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.
5. No transfer of benefits from the Plan is permitted except:
 - (a) before December 31 of the year in which the Annuitant reaches the age at which a pension benefit is required to begin under the Income Tax Act (Canada), to transfer the Benefits to another LIRA on the relevant conditions specified in the Act and Regulations and that meets the requirements of Directive No. 4,

- (b) before December 31 of the year in which the Annuitant reaches the age at which a pension benefit is required to begin under the Income Tax Act (Canada), to transfer the Benefits 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,
- (c) to purchase a life annuity contract, as stipulated in subsection 146(1) of the Income Tax Act (Canada), and on the conditions specified in the Act, the Regulations and the applicable Directive,
- (d) to transfer the Benefits to a life income fund on the conditions specified in the Act, the Regulations and the applicable Directive,
- (e) to transfer the Benefits to a locked-in retirement income fund on the conditions referred to in the Act, applicable Directive and Regulations.

In the case of the annuity referred to in sub-paragraph 5(c), the annuity shall not commence before the Annuitant attains the earlier of the age of 55 years or the earliest date on which the Annuitant is entitled to receive a pension benefit under a pension plan from which money was transferred to the Plan.

6. The fiscal year of the Plan shall end on December 31 of each calendar year and each fiscal year of the Plan shall not exceed 12 months.
7. Subject to this Addendum and Directive No. 4, no withdrawal, commutation or surrender of Benefits is permitted except where an amount is required to be paid to the taxpayer to reduce the amount of tax otherwise payable under part X.1 of the Income Tax Act (Canada) and permitted by the Act or the Regulations.
8. The Annuitant will not assign, charge, anticipate or give as security money under the Plan except as permitted by the Act.
9. Notwithstanding paragraph 7 of this Addendum, the value of the Benefits may be paid to the Annuitant, in a lump sum or a series of payments provided that a physician certifies that due to an illness or a mental or physical disability, the life expectancy of the Annuitant is likely to be shortened considerably, but a payment may only be made if the "principal beneficiary" of the Annuitant who is a former member has waived the joint and survivor pension entitlement in a form and manner provided by the Superintendent.
10. The Annuitant directs the investment of the money in the Plan. 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.
11. Where money is paid out of the Plan contrary to the Act, Directive No. 4 or this Addendum, the 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.
12. The Issuer, before transferring the Benefits to another 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.
13. 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, on the conditions specified in the Act, the Regulations and the applicable Directive;
 - (b) transfer the money to an acknowledged LIF on the conditions specified in the Act, the Regulations and the applicable Directive; or
 - (c) transfer the money to an acknowledged LRIF on the relevant conditions specified in the Act, applicable Directives and Regulations.
14. 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.

15. The Issuer affirms that the pension to be provided to the Annuitant who is a former member and has a "principal beneficiary" at the date the pension commences shall be in the form of a joint and survivor pension under which not less than 60% shall continue to the survivor for the survivor's lifetime following the death of the former member unless the principal beneficiary has waived entitlement in the form and manner required by the Superintendent.
16. (a) On death of an Annuitant who is former member of a pension plan and has a "principal beneficiary", the surviving "principal beneficiary", or where there is no surviving "principal beneficiary" or the surviving "principal beneficiary" has waived entitlement in the form and manner provided by the Superintendent, a designated beneficiary, or where there is no designated beneficiary, the estate of the Annuitant is entitled to a lump sum payment of the full value of the Plan.

(b) Where the Annuitant 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 designated beneficiary, to the Annuitant's estate.
17. The Plan and any related contracts, are subject, with any necessary modifications, to the division of pension benefits on marriage breakdown provisions in Part VI of the Act.
18. Notwithstanding paragraph 7, a lump sum payment equal to the value of the entire Plan shall be paid to the Annuitant on application by the Annuitant to the Issuer for payment if, at the time the Annuitant signs the application, the following conditions are met:
 - (a) i) the value of all assets in all LIFs, LRIFs and LIRAs owned by the Annuitant and governed by Newfoundland pension benefits legislation is less than 10 percent of the year's maximum pensionable earnings under the Canada Pension Plan for the calendar year in which the application is made; or

ii) where the Annuitant has reached the earlier of age 55 or the earliest date on which the Annuitant (who is a member or a 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 LIFs, LRIFs and LIRAs which are held by the Annuitant subject to the Newfoundland pension benefits legislation is less than 40 percent of the year's maximum pensionable earnings under the Canada Pension Plan for the calendar year in which the application is made; and
 - (b) within the same calendar year the Annuitant has not made a withdrawal due to financial hardship under section 14 of Directive No. 4 from the Plan or, where part of the Plan corresponds to amounts transferred directly or indirectly from another LIRA, LIF or LRIF, the Annuitant has not made a withdrawal due to financial hardship under section 14 of Directive No. 4 from the original retirement savings arrangement.
19. An application for payment under section 118 shall be:
 - (a) on a form approved by the Superintendent, and
 - (b) accompanied by a waiver by the "principal beneficiary" of a former member of a pension plan of joint and survivor pension entitlement, in the form and manner required by the Superintendent.
20. Notwithstanding paragraph 7, a lump sum payment from the Plan shall be paid to the Annuitant on application by the Annuitant to the Issuer for payment due to financial hardship in the circumstances and subject to the conditions set out in section 14 of Directive No. 4. The Annuitant may apply for withdrawal once within a calendar year for each category of financial hardship described in subsection 14(c)(i) of Directive No. 4 in respect of each LIRA, LIF or LRIF. The Annuitant may complete an application to withdraw an amount no greater than the sum of the amounts set out in section 14(c)(i) of Directive No. 4 and the amount of any applicable tax required to be withheld by the Issuer. The application shall be made in the form provided by the Superintendent together with any supporting documentation required by the Regulations and specified in the form and documentation required by Directive No. 18. Where the Annuitant is a former member of a pension plan, the application shall be accompanied by the written consent of the principal beneficiary of the Annuitant in the form and manner required by the Superintendent.
21. Notwithstanding paragraph 7, a lump sum payment equal to the value of the entire Plan shall be paid to the Annuitant on application by the Annuitant to the Issuer for payment where the Annuitant provides the Issuer with:

- (a) a statutory declaration in accordance with the Evidence Act confirming they have resided outside Canada for at least two consecutive calendar years and are residing at the time of signing the declaration; and
 - (b) if the Annuitant is a former member of a pension plan, the written consent of the principal beneficiary of the Annuitant in the form and manner required by the Superintendent.
22. The value of the Plan for the purpose of (a) a transfer of assets; (b) the purchase of a life annuity contract; and (c) a payment or transfer on the death of the Annuitant is equal to the total market value of the investments held in the Plan. The value of any mutual funds held in the Plan shall be determined in accordance with the determination of net asset value per unit set out in the then current prospectus and/or annual information form of that mutual fund. The Issuer in accordance with applicable industry practices shall determine the market value of all other assets held in the Plan and such valuation shall be conclusive for all purposes hereof.
23. Subject to the remainder of this paragraph and as provided in Directive No. 4, the Issuer shall not amend this Addendum except where the Issuer has given the Annuitant at least 90 days' written notice and an explanation of the proposed amendment. An amendment that would result in a reduction in the Annuitant's benefits under the Plan is permitted only where the Issuer is required by law to make the amendment and the Annuitant is entitled to transfer the balance in the Plan according to the terms of the Addendum that existed before the amendment is made. In making an amendment that would result in such reduction, the Issuer shall provide the Annuitant written notice of the nature of the amendment and shall allow the Annuitant at least 90 days after the notice is given to transfer all or part of the balance in the Plan. Notice under this paragraph shall either be sent by mail to the Annuitant's address as set out in the Issuer's records or, subject to receiving the Annuitant's authorization, be delivered to the Annuitant by electronic means provided that e-communication is accessible by the Annuitant and capable of being retained to be usable for subsequent reference.

The Annuitant transferor of locked-in pension money to be transferred to the Issuer to purchase the 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	