



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

The undersigned LIRA owner (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. This Addendum is signed by either an authorized agent of or an authorized representative for the Issuer.

Notwithstanding anything to the contrary contained in the Plan, where “locked-in” contributions are transferred from a pension plan pursuant to the provisions of the Pension Benefits Act (Saskatchewan) the provisions in this Addendum shall govern the Plan.

1. In this Addendum the word “Act” means the Pension Benefits Act, 1992 (Saskatchewan) and the word “Regulation” means The Pension Benefits Regulations, 1993 under the Act.
2. In this Addendum the words “life annuity contract”, “locked-in retirement account contract”, “registered retirement income fund contract”, “pension”, “spouse” and other terms have the meanings assigned to them by the Act and the Regulation.
3. 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 (RRSPs).
4. Subject to paragraph 5, all money, including interest, gains and losses, that is subject to any transfer to or from the Plan, is to be used to provide or secure a pension that would, but for the transfer and previous transfers, if any, be required by the Act and the Regulation.
5. 5.1 No transfer of money from the Plan, as the case may be, is permitted except:
 - (a) to transfer the money to another acknowledged LIRA on the relevant conditions specified in the Act and the Regulation;
 - (b) to purchase a life annuity contract;
 - (c) to transfer the money to a plan on the conditions referred to in Section 32(2)(a) of the Act;
 - (d) to purchase a registered retirement income fund contract;
 - (e) subject to clause 5.2, to transfer to a pooled retirement saving account contract on the conditions set out in subsection 16(19) of the Pooled Registered Pension Plans (Saskatchewan) Regulations;

(f) to transfer to a pooled retirement income account contract on the conditions set out in subsection 17(7) of the Pooled Registered Pension Plans (Saskatchewan) Regulations.

- 5.2 If the Annuitant who was a member of the plan from which the money was transferred elects to transfer the money under paragraph 5.1(e) of this Addendum and the Annuitant has a spouse, no transfer shall be made unless the Annuitant's spouse waives his/her entitlement to a pension that complies with section 34 of the Act by delivering a written and signed waiver in Form 3 prescribed by the Regulation to the Issuer.
6. 6.1 Subject to paragraphs 9, 6.2 and 6.3, no withdrawal, commutation or surrender of locked-in money 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).
- 6.2 Withdrawal of money as a lump sum is permitted if the amount of locked-in money in the contract does not exceed 20% of the Year's Maximum Pensionable Earnings in effect in the year in which the withdrawal occurs. However, the Issuer will not permit a withdrawal unless the Issuer is satisfied that the Annuitant has no other locked-in money.
- 6.3 Withdrawal of money as a lump sum is permitted if (a) the Annuitant (i) is a non-resident of Canada as determined for the purposes of the Income Tax Act (Canada); (ii) has not resided in Canada for at least two consecutive years; (iii) provides the Issuer with written evidence that the Canada Revenue Agency has determined that the Annuitant is a non-resident of Canada for the purposes of the Income Tax Act (Canada); and (iv) completes and files with the Issuer a certificate of non-residency in Form 4 prescribed by the Regulation; and (b) if the Annuitant has a spouse, the Annuitant obtains the spouse's consent to withdrawal and waiver of entitlements in Form 5 prescribed by the Regulation and files a copy of the completed Form with the Issuer.
7. 7.1 Subject to paragraphs 7.2 and 15, the money in the Plan may not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment, and any transaction purporting to assign, charge, alienate or anticipate the money is void;
- 7.2 Locked-in money in the Plan is subject to attachment for the purpose of enforcing a maintenance order as defined in *The Enforcement of Maintenance Orders Act*.

Where an amount has been attached the Issuer shall deduct from the locked-in money in the contract the lesser of (a) the amount attached and (b) the remainder of the locked-in money in the contract, and no more than \$250 as the cost to the Issuer of complying with the attachment. The Issuer will also deduct the total amount of taxes, if required, as a result of the attachment.

Where an amount has been attached, the Annuitant has no further claim to any pension respecting the amount attached and the Issuer is not liable to any person because it made payment pursuant to the attachment or entitlement.

8. The Issuer hereby acknowledges that the pension to be provided to the Annuitant who:
- (a) was a member of the plan from which the money was transferred, and
 - (b) has a spouse at the date when the pension commences,
- shall comply with Section 34 of the Act, unless the spouse waives the entitlement in the manner and in the form required by the Act and the Regulation.
9. Subject to paragraph 8, a lump sum payment or a series of payments may be made to the Annuitant where a physician certifies that due to a mental or physical disability, the life expectancy of the Annuitant is shortened considerably.
10. Money in the Plan 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.

11. Where money in the Plan is paid out contrary to the Act or this Addendum, the Issuer will provide or ensure the provision of a pension in the amount of the pension that would have been provided if the money had not been paid out.
12. The Issuer, before transferring out money from the Plan pursuant to paragraph 5 of this Addendum, will advise the transferee financial institution in writing of the locked-in status of the money and make its acceptance of the transfer subject to the conditions provided for in the Regulation and this Addendum.
13. If the Issuer does not comply with paragraph 13 and the transferee financial institution fails to pay the money transferred by the Issuer in the form of a pension or in the manner required by the Regulation and this Addendum, the Issuer will provide or ensure the provision of the pension referred to in paragraph 11.
14. The Plan shall be subject, with any necessary modification, to the division on spousal relationship breakdown provisions in Part VI of the Act.
15. On the death of the Annuitant referred to in paragraph 8(a) of this Addendum:
 - (a) the surviving spouse is entitled to the money in the Plan;
 - (b) if there is no surviving spouse, then the designated beneficiary is entitled to the money in the Plan;
 - (c) if there is no surviving spouse or designated beneficiary then the Annuitant's estate is entitled to the money in the Plan;
 - (d) the money in the Plan will be transferred to the surviving spouse, designated beneficiary or the Annuitant's estate in accordance with paragraphs (e) to (h) below;
 - (e) a surviving spouse may, within 180 days following the day on which proof of death of the Annuitant is provided to the Issuer elect to (i) transfer the money in the Plan in accordance with section 32(2) of the Act; or (ii) receive a lump sum payment equal to the money in the Plan;
 - (f) if the Annuitant dies leaving no surviving spouse, the money in the Plan will be paid in a lump sum to a designated beneficiary or if there is no validly designated beneficiary, then to the Annuitant's estate;
 - (g) an Annuitant's spouse may, at any time before the Annuitant's death: (i) waive entitlement as a spouse by delivering a written and signed waiver to the Issuer in the form as authorized by the Regulations provided that the spouse has the right to revoke any such waiver by delivering a written and signed notice of revocation to the Issuer;
 - (h) if a waiver is in effect on the date of death of the Annuitant, paragraph 16(f) applies as if the Annuitant died leaving no surviving spouse.
 - (i) if money from the Plan is used to purchase a life annuity it shall be in accordance with paragraph 60 (1) of the Income Tax Act (Canada).
16. 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.
17. 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 RIF on the relevant conditions specified in the Act and Regulation.
18. A life annuity contract purchased with the money in the Plan may not vary according to the sex of the Annuitant.
19. 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 within 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