

ADDENDUM TO THE CREDENTIAL SECURITIES INC. SELF-DIRECTED RETIREMENT SAVINGS PLAN

THIS ADDENDUM dated the ___ day of _____, 20_____.

BETWEEN:

_____ (herein referred to as the "Annuitant")

AND: **COMPUTERSHARE TRUST COMPANY OF CANADA**, a trust company existing under the laws of Canada and having an office at 510 Burrard St – 3rd Flr., Vancouver B.C. V6C 3B9 (herein referred to as the "Trustee")

WHEREAS the Annuitant has established a Credential Securities Inc. Self-Directed Retirement Savings Plan specimen plan number 574-572 under Annuitant account number _____ (the "RSP") with the Trustee under the relevant provisions of the Tax Act as defined below;

AND WHEREAS the Annuitant, by virtue of this Addendum, has established the RSP as a locked-in retirement account ("LIRA") in order to receive certain benefits (the "Benefits"), which are subject to the locking-in provisions of the Act and the Regulations as defined below;

AND WHEREAS the Trustee is willing to accept the transfer of the Benefits into the LIRA

NOW THEREFORE this Addendum witnesseth, and the parties hereto agree for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, as follows:

Definitions

1. For the purposes of this Addendum, "Tax Act" means the *Income Tax Act* (Canada) and regulations thereunder, "Act" means the *Pensions Benefits Act, 1997* (Newfoundland), "Regulations" means the Regulations under the *Pension Benefits Act, 1997* (Newfoundland) and "Directive" means a Directive issued under the *Pension Benefits Act, 1997* (Newfoundland), all as amended from time to time.
2. For the purposes of this Addendum, the words "locked-in retirement account", "life income fund", and "locked-in retirement income fund" shall have the same meanings as are given to these words in Directive No. 4, Directive No. 5 and Directive No. 17, respectively, and the words, "commuted value", "former member", "life annuity", "pension benefit", "pension plan", "principal beneficiary", and "Superintendent" shall have the same meanings as are respectively given to these words in the section 2 of the Act.
3. For the purposes of this Addendum, "life annuity contract" means an arrangement made to purchase a life annuity, through a person authorized under the laws of Canada or a province thereof to sell annuities as defined in the Tax Act, under an insurance contract that meets the requirements of Directive No. 4 and Directive No. 6, and shall not commence before the Annuitant attains the earlier of:
 - (a) fifty-five (55) years of age; or
 - (b) the earliest date on which the former member is entitled to receive a pension benefit under a pension plan from which money was transferred into the LIRA as a result of termination of employment or termination of the plan.
4. Notwithstanding anything to the contrary contained in the RSP Declaration of Trust and 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 Tax Act respecting registered retirement savings plans.

Contributions

5. The Annuitant acknowledges that all of the Benefits to be transferred to the LIRA and all investment earnings thereon are subject to the locking-in provisions of the Act. The Annuitant further acknowledges that the present value of the Benefits to be transferred to the LIRA is being transferred from a former employer's registered pension plan or from another LIRA. Only assets that are locked-in pursuant to the Act will be transferred to or held under the LIRA.
6. The assets in the LIRA shall include all property deposited into the LIRA and all investment earnings thereon (the "LIRA Assets").

Investments

7. The LIRA Assets shall be invested in a manner that complies with the rules of investment contained in the Tax Act and the RSP Declaration of Trust, and shall 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 or the principal beneficiary of any of those persons.

Transfers

8. The Trustee shall not permit any transfer except where:
 - (a) a transfer would be permitted under the Act and section 146 of the Tax Act; and
 - (b) the Trustee has advised the transferee in writing that the amount transferred must be administered as a pension benefit under the Act, and the transferee agrees to administer the amount transferred as a pension benefit in accordance with the Act.
9. The LIRA Assets shall be used to provide a pension benefit and shall not be withdrawn except:
 - (a) before maturity, to transfer the LIRA Assets to the pension fund of a registered pension plan;
 - (b) before maturity, to transfer the LIRA Assets to another locked-in retirement account;
 - (c) to purchase a life annuity contract as defined in paragraph 3 hereof, and, provided that where the commuted value of a pension benefit, which was transferred to the LIRA, was determined in a manner that did not differentiate on the basis of sex; the life annuity purchased with the funds shall not differentiate on the basis of the sex;
 - (d) before maturity, to transfer the LIRA Assets to a life income fund that meets the requirements of Directive No. 5;
 - (e) before maturity, to transfer the LIRA Assets to a locked-in retirement income fund that meets the requirements of Directive No. 17; or
 - (f) 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 Tax Act.
10. Except as provided in Part VI of the Act, the LIRA Assets shall not be surrendered or commuted during the lifetime of the Annuitant and any transaction purporting to surrender or commute the LIRA Assets is void.

Shortened Life Expectancy

11. Notwithstanding any other provision contained in this Addendum, a lump sum payment or a series of payments may be made to the Annuitant if a medical practitioner certifies that due to mental or physical disability the life expectancy of the Annuitant is likely to be shortened considerably, but where the Annuitant is a former member of a pension plan such payment may only be made if the principal beneficiary of the Annuitant has waived the joint and survivor pension entitlement in a form and manner required by the Superintendent.

Withdrawal of Small Balances

12. Notwithstanding any other provision contained in this Addendum, a lump sum payment equal to the value of the entire LIRA may be made to the Annuitant on application by the Annuitant to the Trustee for payment if, at the time the Annuitant signs the application, the following conditions are met:
- (a) the value of all assets in all locked-in retirement accounts, life income funds and locked-in retirement income funds owned by the Annuitant and governed by the Newfoundland pension benefits legislation is less than 10 per cent of the year's maximum pensionable earnings under the Canada Pension Plan for that calendar year; or
 - (b) (i) the Annuitant has reached the earlier of age fifty-five (55) or the earliest date on which the Annuitant would have been entitled to receive a pension benefit under the plan from which money was transferred, and
 - (ii) the value of the Annuitant's assets in all locked-in retirement accounts, life income funds and locked-in retirement income funds owned by the Annuitant and governed by the Newfoundland pension benefits legislation is less than 40 per cent of the year's maximum pensionable earnings under the Canada Pension Plan for that calendar year.
13. An application for payment under Paragraph 12 shall be:
- (a) on a form approved by the Superintendent; and
 - (b) where the Annuitant is a former member of a pension plan, accompanied by a waiver of joint and survivor pension entitlement by the principal beneficiary of the Annuitant, in the form and manner required by the Superintendent.

Spousal Rights

14. A pension benefit payable to an Annuitant who is a former member and who has a principal beneficiary at the date the pension commences, shall be a joint and survivor pension benefit with at least 60% continuing to be payable to the survivor for life after the death of either unless the principal beneficiary waives the entitlement in a form and manner set out in a form provided by the Superintendent.

Death of Annuitant

15. On the death of the Annuitant who is former member of a pension plan and who has a principal beneficiary, the surviving principal beneficiary is entitled to a lump sum payment of the full value of the LIRA (the "Payment"). If the Annuitant is not survived by a principal beneficiary or the surviving principal beneficiary waives his or her entitlement in the form and manner required by the Superintendent, the designated beneficiary shall be entitled to the Payment. If no beneficiary has been designated, the Annuitant's estate shall be entitled to the Payment.
16. Where the Annuitant is not a former member of a pension plan, the full value of the LIRA shall be paid to the designated beneficiary, or where there is no beneficiary, to the Annuitant's estate.

Marriage Breakdown

17. The LIRA is subject, with any necessary modifications, to the division of pension benefits on marriage breakdown provisions in Part VI of the Act.

Pay Out Contrary to Law

18. If money is paid out contrary to the Act or Directive No. 4, the party paying out such amount 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.

No Assignment

19. The LIRA Assets shall be assigned, charged, anticipated or given as security except as permitted by section 37 of the Regulations, and any transaction purporting to assign, charge, anticipate or give any LIRA Assets as security is void.

Amendment

20. The Trustee may, from time to time, unilaterally and without other notice, amend this Addendum in order to bring it into compliance with the Act, the Regulations, a Directive, and the Tax Act.

RSP Declaration of Trust Affirmed

21. The Trustee hereby affirms that the provisions contained in the RSP Declaration of Trust and this Addendum take effect as of the date first written above.

Interpretation

22. The conditions of this Addendum will take precedence over the provisions of the RSP Declaration of Trust in the case of conflicting or inconsistent provisions, provided however that the LIRA at all times complies with the conditions of registration under the Tax Act.
23. All references herein to any statute, regulation, directive or any provision thereof shall mean such statute, regulation, directive or any provision thereof as the same may be re-enacted or replaced from time to time.
24. This Addendum shall be governed in accordance with the laws of the Province of Newfoundland and the federal laws of Canada applicable therein.

Counterparts

25. This Addendum may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one instrument.

IN WITNESS WHEREOF the parties hereto have read and executed this Addendum as of the date first written above and shall bind the Trustee, its agents and the Annuitant and their respective successors and assigns effective from the date of transfer of assets into the LIRA.

ANNUITANT'S CURRENT MARITAL STATUS:

(This data is necessary in order to complete prescribed government forms.)

<input type="checkbox"/>	Single	<input type="checkbox"/>	Married
<input type="checkbox"/>	Common law	<input type="checkbox"/>	Divorced
<input type="checkbox"/>	Separated	<input type="checkbox"/>	Widowed

NAME OF ANNUITANT (please PRINT)

SIGNATURE OF ANNUITANT

COMPUTERSHARE TRUST COMPANY OF CANADA

Per _____

Per _____