

LRSP Contract (federal)

Changes have been made to the contract to keep it in compliance with the regulations and to harmonize it with our other similar contracts. Some terms are replaced by others: for example, "fiduciary" replaces "financial institution" throughout the contract. Despite these changes, the content of the contract remains essentially the same, as it is largely modeled on the applicable regulations.

The following table presents the main differences between the new version of the contract and the one it replaces. Minor differences are not shown in this table. To view the full version of the contract, please go to nbc.ca/notices, under Registered plans, or call 1-844-413-5610 or 514-413-5610.

| New version | Old version |
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| <p>The contract governs the investments made in the account.</p> <p>Investments: The assets held under the Account will be invested by the Trustee in the manner provided by the Declaration. All investments must comply with the rules set out in the Tax Act regarding investments in a registered retirement savings plan. (s. 4 of the contract)</p> | No corresponding provision |
| <p>The contract sets out the conditions applicable to the transfer of assets from the account to another account.</p> <p>Permitted Transfers : (...)The Trustee may deduct from the assets being transferred all amounts to be retained pursuant to the Tax Act, as well as any fees and disbursements to which it is entitled.</p> <p>Such transfer will be effected within a reasonable time from the receipt of instructions from the Annuitant in a form deemed satisfactory by the Trustee. Once the transfer is completed in compliance with all conditions relating thereto, the Trustee is released from any liability in connection therewith. (s. 5 of the contract - extract)</p> | No corresponding mentions |
| <p>The contract provides that the liquidation of the investments for permitted purposes may be restricted.</p> <p>Restrictions : (...) The Annuitant agrees that, unless otherwise provided by law, the Trustee may never be obliged to refund in advance the investments held under the Account for purposes of transfer, payment or withdrawal and may, at its entire discretion, either (i) delay the requested transfer, payment or withdrawal; or (ii) where investments consist of identifiable and transferable securities, effect the transfer, payment or withdrawal by the remittance of such securities. (s. 7 of the contract – extract)</p> | No corresponding mentions |
| <p>The contract sets out the situations where the assets in the account can be withdrawn by the annuitant. The low value of the locked-in assets may give rise to a withdrawal, as provided for by the applicable regulations.</p> <p>Permitted Withdrawals: A withdrawal, commutation or surrender of assets, in whole or in part, held in the Account is not permitted and will be void, except in the following circumstances:</p> <p>a) Small Amount Starting at 55. In the calendar year in which the Annuitant reaches 55 years of age or in any subsequent calendar year, the assets in the Account may be paid to the Annuitant in a lump sum if</p> <p>(i) the Annuitant certifies that the total value of all assets in all Locked-in RRSPs, LIFs, Restricted Locked-in RRSPs and Restricted LIFs 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 Regulation or a transfer under section 50, 53 or 54 of the Pooled Registered Pension Plans Act or the Pooled Registered Pension Plans Regulations, is less than or equal to 50% of the Year's Maximum Pensionable Earnings, and</p> <p>(ii) the Annuitant gives a copy of Form 2 and Form 3 of Schedule V of the Regulation to the Trustee. (s. 9a) of the contract)</p> | No corresponding paragraph |
| <p>The contract includes a provision allowing the trustee to modify the contract under certain conditions.</p> <p>Amendments: The Trustee may not amend this Agreement without first notifying the Annuitant, unless the amendment is intended to satisfy the requirements of any applicable law or does not have the effect of reducing the benefits payable under this Agreement. The amended Agreement must remain compliant with the Act and the Regulation as well as with</p> | No corresponding provision |

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| the Tax Act. (s. 10 of the contract) | |
| The contract provides for the law applicable to the contract. | |
| Governing Law: This Agreement is to be governed by and construed in accordance with the laws applicable in the province of residence of the Annuitant. (s. 12 of the contract) | No corresponding provision |