

# POOLED REGISTERED PENSION PLANS REGULATIONS

## INTERPRETATION

### Definitions

#### 1. The following definitions apply in these Regulations.

“Act”  
« *Loi* »

“Act” means the *Pooled Registered Pension Plans Act*.

“child”  
« *enfant* »

“child”, in relation to a person, means

- (a) an individual of whom the person is the legal parent;
- (b) an individual who is wholly dependent on the person for support and of whom the person has, or immediately before the individual attained the age of 19 years had, in law or in fact, the custody and control;
- (c) a child of the person’s spouse or common-law partner; and
- (d) a spouse or common-law partner of a child of the person.

“costs”  
« *coûts* »

“costs” means all fees, levies and other charges that reduce a member’s return on investment other than those that are triggered by the member’s actions.

“debt obligation”  
« *titre de créance* »

“debt obligation” means a bond, debenture, note or other evidence of indebtedness of an entity.

“deferred life annuity”  
« *prestation viagère différée* »

“deferred life annuity” has the same meaning as in subsection 2(1) of the *Pension Benefits Standards Regulations, 1985*.

“entity”  
« *entité* »

“entity” means

- (a) a corporation, trust, partnership or fund or an unincorporated association or organization; or
- (b) Her Majesty in right of Canada or of a province or the government of a foreign country or of a political subdivision of a foreign country, or an agency of any of them.

“immediate life annuity”  
« *prestation viagère immédiate* »

“immediate life annuity” has the same meaning as in subsection 2(1) of the *Pension Benefits Standards Regulations, 1985*.

“life income fund”  
« *fonds de revenu viager* »

“life income fund” means a registered retirement income fund that meets the conditions set out in section 41.

“loan”  
« *prêt* »

“loan” includes a deposit, financial lease, conditional sales contract, repurchase agreement and any other similar arrangement for obtaining money or credit, but does not include investments in securities or the making of an acceptance, endorsement or other guarantee mechanism.

“locked-in  
RRSP”  
« REÉR  
immobilisé »

“locked-in RRSP” means a registered retirement savings plan that meets the conditions set out in section 38.

“marketplace”  
« marché »

“marketplace” means

- (a) an exchange;
- (b) a quotation and trade-reporting system;
- (c) any other entity not included in paragraph (a) or (b) that
  - (i) constitutes, maintains or provides a market or facility for bringing together buyers and sellers of securities or derivatives,
  - (ii) brings together the orders for securities or derivatives of multiple buyers and sellers, and
  - (iii) uses established, non-discretionary methods under which the orders interact and with which the buyers and sellers entering the orders agree to the terms of a trade.

“market value”  
« valeur  
marchande »

“market value”, in respect of an asset, means the price that would be obtained for the purchase or sale of the asset in an open market under conditions requisite to a fair transaction between parties who are at arm’s length and acting prudently, knowledgeably and willingly.

“person”  
« personne »

“person” includes an entity.

“PRPP”  
« RPAC »

“PRPP” means a pooled registered pension plan.

“registered  
retirement  
income fund”  
« fonds  
enregistré de  
revenu de  
retraite »

“registered retirement income fund” has the same meaning as in subsection 146.3(1) of the *Income Tax Act*.

“registered  
retirement  
savings plan”  
« régime  
enregistré  
d’épargne-  
retraite »

“registered retirement savings plan” has the same meaning as in subsection 146(1) of the *Income Tax Act*.

“related party”  
« apparenté »

“related party”, in respect of a PRPP, means a person — other than Her Majesty in right of Canada or of a province, or an agency of either one of them, or a bank, trust company or other financial institution that holds the assets of the PRPP but that is not the administrator of the PRPP — who is

- (a) an officer, an employee or a member of the board of directors of the administrator of the PRPP;

- (b) responsible for holding or investing the assets of the PRPP, or an officer, director or employee of the person who is responsible for holding or investing those assets;
- (c) a member of the PRPP;
- (d) the spouse or common-law partner or a child of any person referred to in any of paragraphs (a) to (c);
- (e) a corporation that is directly or indirectly controlled by a person referred to in any of paragraphs (a) to (d);
- (f) an entity in which a person referred to in paragraph (a) or (b), or the spouse or common-law partner or a child of such a person, has a substantial investment; or
- (g) an entity that has a substantial investment in the administrator of the PRPP.

“restricted life income fund”  
« fonds de revenu viager restreint »

“restricted life income fund” means a registered retirement income fund that meets the conditions set out in section 40.

“restricted locked-in savings plan”  
« régime d’épargne immobilisé restreint »

“restricted locked-in savings plan” means a registered retirement savings plan that meets the conditions set out in section 39.

“security”  
« titre » ou « valeur mobilière »

“security” means

- (a) in respect of a corporation, a share of any class of shares of the corporation or a debt obligation of the corporation, and includes a warrant of the corporation, but does not include a deposit with a financial institution or a document evidencing such a deposit; and
- (b) in respect of any other entity, any ownership interest in or debt obligation of the entity.

“voting share”  
« action avec droit de vote »

“voting share” means a share of any class of shares of a corporation that carries voting rights under all circumstances or by reason of an event that has occurred and is continuing or by reason of a condition that has been fulfilled.

## GENERAL

Indirect investments

**2.** For the purposes of these Regulations, the making, holding or acquiring of an investment indirectly by an administrator on behalf of a PRPP, the holding, acquiring or owning of property indirectly by an administrator on behalf of a PRPP or the lending of money indirectly by an administrator on behalf of a PRPP includes the making, holding, acquiring, owning or lending of an investment, a property or money, as the case may be, by a mutual fund, a pooled fund, a segregated fund or a trust fund in which the funds of a member’s account have been invested.

Control

**3.** (1) For the purposes of these Regulations,

(a) a person or an administrator of a PRPP controls a corporation if securities of the corporation to which are attached more than 50% of the votes that may be cast to elect the directors of the corporation are beneficially owned by the person or the administrator and the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the corporation;

(b) a person or an administrator of a PRPP controls an unincorporated entity, other than a limited partnership, if more than 50% of the ownership interests into which the unincorporated entity is divided are beneficially owned by the person or the administrator and the person or the administrator is able to direct the business and affairs of the unincorporated entity;

(c) the general partner of a limited partnership controls the limited partnership;  
and

(d) a trustee of a trust controls the trust.

Presumed  
control

(2) For the purposes of these Regulations, a person or an administrator of a PRPP who controls an entity controls any other entity that is controlled by the entity.

Affiliates

**4.** For the purposes of these Regulations, an entity is affiliated with another entity if the entity is controlled by the other entity or if both entities are controlled by the same person.

Substantial  
investment

**5.** For the purposes of these Regulations, a person or an administrator of a PRPP has a substantial investment in

(a) an unincorporated entity if the person or the administrator, or an entity controlled by the person or the administrator, beneficially owns more than 25% of the ownership interests in the unincorporated entity; and

(b) a corporation if

(i) the voting rights attached to voting shares of the corporation that are beneficially owned by the person or the administrator, or by an entity controlled by the person or the administrator, exceed 10% of the voting rights attached to all of the outstanding voting shares of the corporation, or

(ii) the shares of the corporation that are beneficially owned by the person or the administrator, or by an entity controlled by the person or the administrator, represent ownership of more than 25% of the shareholders' equity of the corporation.

Associated

**6.** For the purposes of these Regulations, a person or an administrator of a PRPP is associated with

(a) a corporation that the person or the administrator controls and every affiliate of every such corporation;

(b) a person who controls the person or the administrator;

- (c) a partner who has a substantial investment in a partnership in which the person or the administrator has a substantial investment;
- (d) a trust or estate or succession in which the person or the administrator has a substantial investment or for which the person or the administrator serves as a trustee or in a similar capacity to a trustee;
- (e) the spouse or common-law partner of the person; and
- (f) a brother, sister or child or other descendant of the person, or the spouse or common-law partner of any of them.

## LICENSING

Prescribed  
conditions

**7.** For the purposes of subsection 11(1) of the Act, the Superintendent may, on application, issue a licence authorizing a corporation to be an administrator if

(a) the corporation submits to the Superintendent a five-year business plan that includes

(i) the reasons why the corporation believes that the PRPPs that it intends to administer will be sustainable over the course of the business plan,

(ii) the number of plans that the corporation intends to have registered as PRPPs,

(iii) a description of how the corporation intends to meet the requirement to provide the PRPPs to its members at low cost, and

(iv) an estimate of the costs and of the fees, levies and other charges that would be triggered by the actions of a member;

(b) the corporation has the financial resources required for the administration of a PRPP;

(c) the corporation has procedures in place that are sufficient to identify, manage and control the risks associated with the PRPPs;

(d) the corporation has the operational capability to administer a PRPP;

(e) the officers and directors of the corporation are of good character, having demonstrated honesty, integrity and ethical behaviour in all of their professional activities; and

(f) the corporation provides, on the request of the Superintendent, any document or information required to assess whether the corporation meets the conditions set out in paragraphs (b) to (e).

## PERMITTED INVESTMENTS

Permitted  
investments

**8.** (1) Every PRPP must provide that the funds in a member's account are to be

(a) invested in accordance with sections 9 to 14; and

(b) invested

(i) in a name that clearly indicates that the investment is held in trust for the PRPP and, if the investment is capable of being registered, registered in that name,

(ii) in the name of a financial institution, or a nominee of it, in accordance with a custodial agreement or trust agreement that is entered into on behalf of the PRPP with the financial institution and that clearly indicates that the investment is held for the PRPP, or

(iii) in the name of CDS Clearing and Depository Services Inc., or a nominee of it, in accordance with a custodial agreement or trust agreement that is entered into on behalf of the PRPP with a financial institution and that clearly indicates that the investment is held for the PRPP.

Custodial agreement

(2) For the purposes of subsection (1), a custodial agreement must provide that an investment made or held on behalf of a PRPP under the agreement does not constitute an asset of the custodian or nominee.

10% limit

**9.** (1) The administrator of a PRPP must not, directly or indirectly, invest more than 10% of the total market value of the funds in a member's account in, or lend more than 10% of the total market value of the funds in a member's account to

- (a) any one person;
- (b) associated persons; or
- (c) affiliated corporations.

Exception

(2) Subsection (1) does not apply in respect of the funds in a member's account that are held by a bank, trust company or other financial institution to the extent that the funds are fully insured by the Canada Deposit Insurance Corporation, by Assuris or by any similar provincial body established for the purpose of providing insurance against loss of deposits with trust companies or other financial institutions.

Exception

(3) Subsection (1) does not apply to investments

- (a) in a mutual fund, a pooled fund or a segregated fund that meets the requirements applicable to a PRPP that are set out in section 10;
- (b) in an unallocated general fund of a person that is authorized to carry on a life insurance business in Canada;
- (c) that are made in accordance with sections 12 to 14 of Schedule III to the *Pension Benefits Standards Regulations, 1985*;
- (d) in securities issued or fully guaranteed by the Government of Canada, the government of a province, or an agency of either one of them;

- (e) in a fund composed of mortgage-backed securities that are fully guaranteed by the Government of Canada, the government of a province, or an agency of either one of them;
- (f) in a fund that replicates the composition of a widely recognized index of a broad class of securities that are traded at a marketplace; or
- (g) that involve the purchase of a contract or agreement in respect of which the return is based on the performance of a widely recognized index of a broad class of securities traded at a marketplace.

Voting shares      **10.** (1) The administrator of a PRPP must not, directly or indirectly, invest the assets of the PRPP in the securities of a corporation to which are attached more than 30% of the votes that may be cast to elect the directors of the corporation.

Exception          (2) Subsection (1) does not apply to investments that are made in accordance with sections 12 to 14 of Schedule III to the *Pension Benefits Standards Regulations, 1985*.

Transaction        (3) For the purposes of sections 11 to 13, “transaction” includes

- (a) the making of an investment in securities;
- (b) the taking of an assignment of, or otherwise acquiring, a loan made by a third party;
- (c) the taking of a security interest in securities or a hypothec on securities; and
- (d) any modification, renewal or extension of a prior transaction.

It does not include the making of a variable payment, the transfer of funds into a member’s account or the withdrawal of funds from a member’s account.

Related party transactions      **11.** For the purposes of sections 12 and 13,

- (a) if a transaction is entered into by, or on behalf of, a PRPP with a person who the administrator of the PRPP, or any person acting on the administrator’s behalf, knows will become a related party to the PRPP, the person is considered to be a related party of the PRPP in respect of the transaction; and
- (b) the fulfilment of an obligation under the terms of any transaction, including the payment of interest on a loan or deposit, is part of the transaction and not a separate transaction.

Prohibition — related party      **12.** (1) Subject to sections 13 and 14, the administrator of a PRPP must not, directly or indirectly,

- (a) lend funds in a member’s account to a related party or invest those funds in the securities of a related party; or
- (b) enter into a transaction with a related party on behalf of the PRPP.

12-month period (2) Subject to sections 13 and 14, during the period of 12 months after the day on which a person ceases to be a related party of a PRPP, the administrator of the PRPP must not, directly or indirectly,

(a) lend funds in a member's account to that person or invest those funds in the securities of that person; or

(b) enter into a transaction with that person on behalf of the PRPP.

Exception —  
services of a  
related party

**13.** (1) The administrator of a PRPP may engage the services of any related party for the operation or administration of the PRPP under terms and conditions that are not less favourable than those, including those relating to price, rent or interest rate, that would apply to a similar transaction in an open market under conditions requisite to a fair transaction between parties who are at arm's length and acting prudently, knowledgeably and willingly.

Exception —  
securities of a  
related party

(2) The administrator of a PRPP may invest in the securities of a related party that are

(a) held by a mutual fund, a pooled fund or a segregated fund

(i) that meets the requirements applicable to a PRPP that are set out in section 10, and

(ii) in which investors other than the administrator and its affiliates may invest and are invested;

(b) held by a fund that replicates the composition of a widely recognized index of a broad class of securities traded at a marketplace; or

(c) issued or fully guaranteed by the Government of Canada, the government of a province or an agency of either one of them.

Non-application

**14.** Sections 9 to 13 do not apply in respect of

(a) investments in a corporation that are held by, or on behalf of, a PRPP as a result of an arrangement, within the meaning of subsection 192(1) of the *Canada Business Corporations Act*, for the reorganization or liquidation of the corporation or for the amalgamation of the corporation with another corporation, if the investments are to be exchanged for shares or debt obligations; or

(b) assets that are acquired by, or on behalf of, a PRPP through the realization of a security interest or a hypothec held by, or on behalf of, the PRPP and that are held for a period not exceeding two years after the day on which the assets were acquired.

## INVESTMENT CHOICES

Default option  
— prescribed  
period

**15.** For the purposes of subsection 23(3) of the Act, if a member does not make an investment choice referred to in subsection 23(1) of the Act within 60 days after the day on which the notice referred to in paragraph 41(2)(a) of the Act is received, the

investment option chosen by the administrator as the default option will apply to the member's account.

- Default option      **16.** (1) An administrator of a PRPP must offer the same default option for all of the PRPPs that it administers.
- Default option  
— investments      (2) The default option must be
- (a) a balanced fund; or
  - (b) a portfolio of investments that takes into account a member's age.
- Investment  
options      **17.** The administrator of a PRPP must provide
- (a) no more than six investment options including the default option in the PRPP; and
  - (b) the same investment options to all members of the PRPP.
- Notice — option  
no longer  
available      **18.** (1) The administrator of a PRPP must notify a member in writing as soon as feasible after the administrator becomes aware that the member's investment option will no longer be available.
- Default options      (2) If the member does not choose another investment option within 60 days after the day on which the notice is received, the administrator must invest the member's funds in an option that is similar to the previous option or in the default option.
- No fee, charge  
or levy      (3) There must be no fee, charge or other levy associated with the transfer of the funds in a member's account into a new investment option under this section.
- Content of  
notice      (4) The notice must
- (a) for each investment option that is still available, include the description required under paragraph 23(c);
  - (b) indicate that the member has 60 days after the day on which the notice is received to choose another option; and
  - (c) indicate the administrator's obligations under subsection (2) if the member does not choose another option within that period.

#### PERMITTED INDUCEMENTS

- Permitted  
inducements      **19.** An administrator may give, offer or agree to give or offer to an employer and an employer may demand, accept or offer or agree to accept from an administrator, as an inducement to enter into a contract with the administrator in respect of a PRPP
- (a) a product or a service on more favourable terms or conditions than the administrator would otherwise offer if the inducement is for the equal benefit of the employees of that employer who are eligible to be members of the PRPP; or
  - (b) in relation to a transfer of assets into the PRPP administered by the administrator, an amount no greater than the employer's costs associated with the transfer of assets into that PRPP.

## LOW-COST PLAN

- Criteria      **20.** The following criteria must be used to determine whether a PRPP is being provided to its members at low cost:
- (a) costs are to be at or below those incurred by members of defined contribution plans that provide investment options to groups of 500 or more members; and
  - (b) costs are to be the same for all members of a PRPP.

## 0% CONTRIBUTION RATE

- Condition      **21.** (1) A member may set a contribution rate of 0% if 12 months have elapsed since the member's contributions to the PRPP began.
- Duration      (2) The rate may be set at 0% for a period of 3 to 60 months. There is no limit on the number of times that the rate may be set at 0%.
- Contents of notice      (3) The notice to be provided to the administrator under subsection 45(2) of the Act must be in writing and include
- (a) the member's name and contact information and the name of the member's employer; and
  - (b) the period for which the contribution rate is to be set at 0%.
- Duties of administrator      (4) The administrator must
- (a) no more than 60 days after the day on which the administrator is notified under subsection 45(2) of the Act
    - (i) provide the member with written confirmation of when the contribution rate will be set at 0% and when contributions will resume, and
    - (ii) ensure that the member's contribution rate is set at 0%; and
  - (b) no fewer than 90 days before the day on which contributions are to resume, provide the member with written notice of the day of resumption and the contribution rate on resumption.

## GENERAL REQUIREMENTS

- Advance notice to employees      **22.** The notice required under subsection 41(1) of the Act must include the expected effective date of the contract and
- (a) inform the employees that once the employer enters into the contract with the administrator the employees will be automatically enrolled and become members of the PRPP;
  - (b) inform the employees of the notice requirement under subsection 41(2) of the Act and who will send the notice;

(c) inform the employees of a member's right to terminate their membership in the PRPP by notifying the employer within 60 days after the day on which the notice that is referred to in subsection 41(2) of the Act is received; and

(d) inform the employees of the existence of any deposit accounts, loans, letters of credit or insurance policies that are held by the employer with the administrator.

**23.** For the purposes of paragraph 41(2)(b) of the Act, the notice must

(a) inform the employee of the notice requirements set out in section 29 and include a form that would meet those requirements if completed by the employee;

(b) indicate that, if an administrator offers investment options and a member has not communicated an investment choice within 60 days after receiving the notice, the default option will apply;

(c) include a description of each investment option that indicates

(i) its investment objective,

(ii) the type of investments and the degree of risk associated with it,

(iii) its top ten holdings by market value,

(iv) its performance history,

(v) that its past performance is not necessarily an indication of its future performance,

(vi) the name and a description of the benchmark that best reflects the composition of the investment option,

(vii) the cost associated with the investment option, expressed as a percentage or a fixed amount, and

(viii) its target asset allocation;

(d) indicate the contribution rates offered to members;

(e) indicate the default contribution rate if a member does not make a choice;

(f) indicate the employer's contribution rate;

(g) indicate the date when contributions will begin to be deducted;

(h) explain the members' right to set their contribution rate to zero;

(i) explain how the contributions may be adjusted;

(j) include a list of any fees, levies and other charges that would be triggered by a member's actions;

(k) list any other costs, expressed as a percentage or a fixed amount;

(l) explain the locking-in provisions of the PRPP;

(m) provide the address of the Financial Consumer Agency of Canada's web page pertaining to the cost of PRPPs;

(n) explain an employee's right to opt back into the PRPP; and

(o) explain how to obtain more information about the PRPP.

Explanation of  
PRPP

**24.** A PRPP must provide that the explanation referred to in subparagraph 57(1)(a)(i) of the Act shall be provided on a website and, on request, directly to the member.

Information to  
be provided

**25.** For the purposes of subparagraph 57(1)(a)(ii) of the Act, a PRPP must provide

(a) that each member and each employer shall be given on a website and, on request, directly to the member, a description of

(i) each investment option in accordance with paragraph 23(c),

(ii) the transfer options available to the member and the costs associated with those options, and

(iii) any fees, levies and other charges that would be triggered by the member's actions;

(b) that each member shall, if the PRPP provides for variable payments, be given a statement no more than 18 months before and no fewer than 6 months before the day on which the member reaches 55 years of age, that indicates

(i) the member's right to elect to receive variable payments starting at 55 years of age, and

(ii) how more information in relation to variable payments may be obtained; and

(c) that each member will be given, on request, the details of any transactions that have occurred in the member's account, including any fees, levies and other charges incurred.

Prescribed  
information —  
written  
statement

**26.** For the purposes of subparagraph 57(1)(b) of the Act, the written statement must show

(a) the member's investment option;

(b) for the year, the opening balance, any contributions, the change in the investments' value — net of costs — and the closing balance;

(c) for a member who elects to receive variable payments,

(i) the date of birth used to determine the minimum variable payment,

(ii) the date the variable payment began to be paid,

(iii) the minimum and maximum allowable variable payments as well as the variable payment that the member is to receive,

- (iv) the investment options from which the variable payments were made and in what proportion they were made from each option,
- (v) the payment frequency over the year,
- (vi) an indication of how the member may change their election regarding the amount to be paid during the year and from which investment option the amount is to be paid, and
- (vii) a list of the transfer options available under subsection 50(1) of the Act;
- (d) a summary of any transactions in the year;
- (e) the name and a description of the benchmark that best reflects the composition of the member's investment option as well as an explanation of the choice of that benchmark;
- (f) the performance history of the member's investment option over 1, 3, 5 and 10 years compared to that of the benchmark;
- (g) the degree of risk associated with the investment option;
- (h) a statement that the investment option's past performance is not necessarily an indication of its future performance;
- (i) any costs, expressed as a percentage or a fixed amount;
- (j) any fees, levies and other charges triggered by the member's actions;
- (k) the member's and employer's contributions; and
- (l) the name of the member's spouse or common-law partner or designated beneficiary, if any.

Information  
return —  
prescribed  
information

**27.** For the purposes of subsection 58(1) of the Act, an information return of a PRPP must contain

- (a) a list of the investment options offered by the administrator that identifies the default option;
- (b) the performance history of each investment option;
- (c) any costs, expressed as a percentage or a fixed amount;
- (d) a list of any fees, levies and other charges triggered by a member's actions;
- (e) a statement of the PRPP's total assets and of the amounts held in each investment option;
- (f) a statement of the asset allocation in each investment option and a list of the investments held in each investment option;
- (g) the default contribution rate set by the administrator;
- (h) a list of the employers who are participating in the PRPP;
- (i) the number of members in the PRPP;

- (j) an auditor’s report on the PRPP’s assets; and
- (k) a certificate of the administrator or of any person who prepared, compiled or filed any information on their behalf that certifies that the information provided to the Superintendent is accurate.

Notice —  
termination by  
employer

**28.** The notice required under section 19 of the Act is to be provided no more than 180 days and no less than 30 days before the effective date of termination of participation in the PRPP.

Notice —  
termination by  
employee

**29.** The notice required under subsection 41(5) of the Act is to be in writing and shall include

- (a) the date of the notice and the employee’s date of birth and signature; and
- (b) a statement that the employee has decided to terminate their membership in the PRPP.

Statement on  
termination or  
death

**30.** For the purposes of paragraphs 57(1)(d) and (e) of the Act, the statement must provide

- (a) for the current year, the opening balance, the contributions, the change in the investments’ value — net of costs — and the closing balance on the date of the termination or death;
- (b) the amount of any variable payments made from the account during that year;
- (c) a statement that the balance on the date of termination or death is not final and may change;
- (d) a summary of any transactions in that year; and
- (e) the transfer options available and information on how to transfer the funds.

## REMITTANCES

Employee  
contributions

**31.** An employer must remit employee contributions to the administrator no later than 30 days after the end of the period in respect of which the contributions were deducted.

Employer  
contributions

**32.** An employer must remit employer contributions to the administrator at least monthly and no more than 30 days after the end of the period in respect of which the amount is required to be paid under the PRPP.

Notice — breach  
of contract

**33.** The notice required under section 18 of the Act is to be provided no more than 60 days after the day on which the employer fails to comply with the provisions of the contract respecting the remittance of contributions.

## LOCKING-IN

Exceptions — s.  
47 of the Act

**34.** The provisions of a PRPP that are required by section 47 of the Act do not apply to

(a) an account if the member who holds the account has ceased to be a resident of Canada for at least two years and is no longer employed by an employer that is participating in the PRPP; and

(b) an amount withdrawn from a member's account where the withdrawal is required

(i) to reduce the amount of tax that would otherwise be payable by the member under Part X.1 of the *Income Tax Act* to the extent that the reduction cannot be achieved by a withdrawal from a registered retirement savings plan; or

(ii) to avoid the revocation of the registration of the PRPP under the *Income Tax Act*.

Disability **35.** For the purposes of paragraph 47(2)(a) of the Act, “disability” means a mental or physical condition that a physician has certified as being likely to shorten considerably the life expectancy of a member.

#### VARIABLE PAYMENTS

Prescribed age **36.** The age of 55 years is prescribed for the purposes of section 48 of the Act as the age at which a member may elect to receive variable payments from the funds in their account.

Payment amount **37.** (1) A member who has elected to receive variable payments may decide the amount that they are to receive as a variable payment for any calendar year.

Parameters (2) The payment is to be not less than the minimum amount required under subsection 8506(5) of the *Income Tax Regulations* and, for any calendar year before the year in which the member reaches 90 years of age, not more than the amount determined by the formula

$$A \times B$$

where

A is, for the first calendar year, the balance in the member's account on the day on which the variable payment arrangement is entered into and, for every subsequent calendar year, that balance at the beginning of the calendar year; and

B is

(a) for each of the first 15 years, not more than the monthly average yield on Government of Canada marketable bonds of maturity over 10 years, as published by the Bank of Canada, for the month of November before the beginning of each calendar year, and

(b) for any subsequent year, not more than 6%.

Default amount (3) If a member has not notified the administrator of the amount to be paid as a variable payment for a calendar year within 90 days after the day on which the statement required under paragraph 57(1)(b) of the Act is received, the minimum

amount determined under subsection 8506(5) of the *Income Tax Regulations* is to be paid as a variable payment for that year.

Initial year

(4) For the calendar year in which the variable payment is established, the amount to be paid is multiplied by the number of months remaining in that year and then divided by 12, with any part of an incomplete month counting as one month.

#### TRANSFER OF FUNDS AND PURCHASE OF LIFE ANNUITIES

Prescribed  
locked-in RRSP

**38.** (1) A locked-in RRSP is prescribed for the purposes of 50(1)(b) and (3)(b), 53(4)(b) and 54(2)(b) of the Act if it

(a) provides that the funds may only be

(i) transferred to another locked-in RRSP,

(ii) transferred to a pension plan if the pension plan permits such a transfer and if the pension plan administers the benefit attributed to the transferred funds as if the benefit were that of a pension plan member,

(iii) transferred to a PRPP,

(iv) used to purchase an immediate life annuity or a deferred life annuity, or

(v) transferred to a life income fund or to a restricted life income fund;

(b) provides that, on the death of the holder of the locked-in RRSP, the funds shall be paid to the holder's survivor by

(i) transferring the funds to another locked-in RRSP,

(ii) transferring the funds to a pension plan if the pension plan permits such a transfer and if the pension plan administers the benefit attributed to the transferred funds as if the benefit were that of a pension plan member,

(iii) transferring the funds to a PRPP,

(iv) using the funds to purchase an immediate life annuity or a deferred life annuity, or

(v) transferring the funds to a life income fund or to a restricted life income fund;

(c) provides that, subject to subsection 53(3) of the Act, the funds, or any interest or right in those funds, shall not be transferred, charged, attached, anticipated or given as security and that any transaction appearing to do so is void or, in Quebec, null;

(d) sets out the method of determining the value of the locked-in RRSP, including the valuation method used to establish its value on the death of the holder or on a transfer of assets; and

(e) provides that the holder of the locked-in RRSP may withdraw an amount from that plan up to the lesser of the amount determined by the formula set out in

subsection (2) and 50% of the Year's Maximum Pensionable Earnings minus any amount withdrawn in the calendar year under this paragraph or paragraph 39(1)(f), 40(1)(k) or 41(1)(k)

(i) if the holder certifies that they have not made a withdrawal in the calendar year under this paragraph or paragraph 39(1)(f), 40(1)(k) or 41(1)(k) other than within the last 30 days before the day on which the certification is made,

(ii) if,

(A) in the event that the value determined for M in subsection (2) is greater than zero,

(I) the holder certifies that they expect to make expenditures on a medical or disability-related treatment or adaptive technology during the calendar year in excess of 20% of their expected income for that calendar year determined in accordance with the *Income Tax Act*, other than any amount withdrawn in the calendar year under this paragraph or paragraph 39(1)(f), 40(1)(k) or 41(1)(k), and

(II) a physician certifies that the medical or disability-related treatment or adaptive technology is required, or

(B) the holder's expected income for the calendar year determined in accordance with the *Income Tax Act* — other than any amount withdrawn under this paragraph or paragraph 39(1)(f), 40(1)(k) or 41(1)(k) other than within the last 30 days before the day on which the certification is made — is less than 75% of the Year's Maximum Pensionable Earnings, and

(iii) if the holder obtains the consent of their spouse or common law partner, if any and completes and gives a copy of Form 1 and Form 2 of the schedule to the financial institution with whom the contract or arrangement for the locked-in RRSP was entered into.

Amount (2) The relevant amount for the purposes of paragraph (1)(e), 39(1)(f), 40(1)(k) or 41(1)(k) is the amount determined by the formula

$$M + N$$

where

M is the total amount of the expenditures that the holder expects to make on the medical or disability-related treatment or adaptive technology during the calendar year; and

N is the greater of zero and the amount determined by the formula

$$P - Q$$

where

P is 50% of the Year's Maximum Pensionable Earnings, and

Q is two-thirds of the holder's total expected income for the calendar year determined in accordance with the *Income Tax Act*, other than any amount withdrawn in the calendar year under paragraph (1)(e), 39(1)(f), 40(1)(k) or 41(1)(k).

Lump sum

(3) The locked-in RRSP may provide that the funds may be paid to the holder in a lump sum if a physician certifies that, owing to mental or physical disability, the holder's life expectancy is likely to be considerably shortened.

Prescribed  
restricted  
locked-in  
savings plan

**39.** (1) A restricted locked-in savings plan is prescribed for the purposes of paragraphs 50(1)(b) and (3)(b), 53(4)(b) and 54(2)(b) of the Act if it

(a) provides that the funds may only be

- (i) transferred to another restricted locked-in savings plan,
- (ii) transferred to a pension plan if the plan permits such a transfer and if the pension plan administers the benefit attributed to the transferred funds as if the benefit were that of a pension plan member,
- (iii) transferred to a PRPP,
- (iv) used to purchase an immediate life annuity or a deferred life annuity, or
- (v) transferred to a restricted life income fund;

(b) provides that, on the death of the holder of the restricted locked-in savings plan, the funds shall be paid to the holder's survivor by

- (i) transferring the funds to another restricted locked-in savings plan or to a locked-in RRSP,
- (ii) transferring the funds to a pension plan if the pension plan permits such a transfer and if the pension plan administers the benefit attributed to the transferred funds as if the benefit were that of a pension plan member,
- (iii) transferring the funds to a PRPP,
- (iv) using the funds to purchase an immediate life annuity or a deferred life annuity, or
- (v) transferring the funds to a life income fund or to a restricted life income fund;

(c) provides that, subject to subsection 53(3) of the Act, the funds, or any interest or right in those funds, shall not be transferred, charged, attached, anticipated or given as security and that any transaction appearing to do so is void or, in Quebec, null;

(d) sets out the method of determining the value of the restricted locked-in savings plan, including the valuation method used to establish its value on the death of the holder or on a transfer of assets;

(e) provides that, in the calendar year in which the holder of the restricted locked-in savings plan reaches 55 years of age or in any subsequent calendar year, the funds may be paid to the holder in a lump sum if the holder

(i) certifies that the total value of all assets in all locked-in RRSPs, life income funds, restricted locked-in savings plans and restricted life income funds that were created as a result of the transfer, a transfer under the *Pension Benefits Standards Act, 1985* or a transfer from another PRPP is not more than 50% of the Year's Maximum Pensionable Earnings, and

(ii) obtains the consent of their spouse or common law partner, if any and completes and gives a copy of Form 2 and Form 3 of the schedule to the financial institution with whom the contract or arrangement for the restricted locked-in savings plan was entered into; and

(f) provides that the holder of the restricted locked-in savings plan may withdraw an amount from that plan up to the lesser of the amount determined by the formula set out in subsection 38(2) and 50% of the Year's Maximum Pensionable Earnings minus any amount withdrawn in the calendar year under this paragraph or paragraph 38(1)(e), 40(1)(k) or 41(1)(k)

(i) if the holder certifies that they have not made a withdrawal in the calendar year under this paragraph or paragraph 38(1)(e), 40(1)(k) or 41(1)(k) other than within the last 30 days before the day on which the certification is made,

(ii) if,

(A) in the event that the value determined for M in subsection 38(2) is greater than zero,

(I) the holder certifies that they expect to make expenditures on a medical or disability-related treatment or adaptive technology during the calendar year in excess of 20% of their expected income for that calendar year determined in accordance with the *Income Tax Act*, other than any amount withdrawn in the calendar year under this paragraph or paragraph 38(1)(e), 40(1)(k) or 41(1)(k), and

(II) a physician certifies that the medical or disability-related treatment or adaptive technology is required, or

(B) the holder's expected income for the calendar year determined in accordance with the *Income Tax Act* — other than any amount withdrawn under this paragraph or paragraph 38(1)(e), 40(1)(k) or 41(1)(k) within the last 30 days before the day on which the certification is made — is less than 75% of the Year's Maximum Pensionable Earnings, and

(iii) if the holder obtains the consent of their spouse or common law partner, if any, and completes and gives a copy of Form 1 and Form 2 of the schedule to

the financial institution with whom the contract or arrangement for the restricted locked-in savings plan was entered into.

Lump sum

(2) The restricted locked-in savings plan may provide that the funds may be paid to the holder in a lump sum if a physician certifies that, owing to mental or physical disability, the holder's life expectancy is likely to be considerably shortened.

Prescribed  
restricted life  
income fund

**40.** (1) A restricted life income fund is prescribed for the purposes of paragraphs 50(1)(b) and (3)(b), 53(4)(b) and 54(2)(b) of the Act if it

(a) sets out the method of determining the value of the restricted life income fund, including the valuation method used to establish its value on the death of the holder or on a transfer of assets;

(b) provides that the holder of the restricted life income fund shall, at the beginning of each calendar year or at any other time agreed to by the financial institution with whom the contract or arrangement was entered into, decide the amount to be paid out of the fund in that year;

(c) provides that in the event that the holder of the restricted life income fund does not notify the financial institution with whom the contract or arrangement for the restricted life income fund was entered into of the amount to be paid out of the fund in a calendar year the minimum amount determined in accordance with the *Income Tax Act* shall be paid out in that year;

(d) provides that for any calendar year before the calendar year in which the holder of the restricted life income fund reaches 90 years of age the amount of income paid out of the life income fund shall not exceed the amount determined by the formula

$$A \times B$$

where

A is, for the first calendar year, the balance in the member's account on the day on which the initial amount was transferred into the restricted life income fund and, for every subsequent calendar year, that balance at the beginning of the calendar year, and

B is

(a) for each of the first 15 years, not more than the monthly average yield on Government of Canada marketable bonds of maturity over 10 years, as published by the Bank of Canada, for the month of November before the beginning of each calendar year, and

(b) for any subsequent year, not more than 6%;

(e) provides that, for the calendar year in which the contract or arrangement was entered into, the amount determined under paragraph (d) shall be multiplied by the

number of months remaining in that year and then divided by 12, with any part of an incomplete month counting as one month;

(f) provides that if on the day on which the restricted life income fund was established part of the fund was composed of funds that had been held in another restricted life income fund of the holder earlier in the calendar year in which the fund was established, the amount determined under paragraph (d) is deemed to be zero in respect of that part of the fund for that calendar year;

(g) provides that the funds in the restricted life income fund may only be

- (i) transferred to another restricted life income fund,
- (ii) transferred to a restricted locked-in savings plan, or
- (iii) used to purchase an immediate life annuity or a deferred life annuity;

(h) provides that, on the death of the holder of the restricted life income fund, the funds shall be paid to the holder's survivor by

- (i) transferring the funds to another restricted life income fund or to a life income fund,
- (ii) transferring the funds to a locked-in RRSP or to a restricted locked-in savings plan, or
- (iii) using the funds to purchase an immediate life annuity or a deferred life annuity;

(i) provides that, subject to subsection 53(3) of the Act, the funds, or any interest or right in those funds, shall not be transferred, charged, attached, anticipated or given as security and that any transaction appearing to do so is void or, in Quebec, null;

(j) provides that, in the calendar year in which the holder of the restricted life income fund reaches 55 years of age or in any subsequent calendar year, the funds may be paid to the holder in a lump sum if the holder

- (i) certifies that the total value of all assets in all locked-in RRSPs, life income funds, restricted locked-in savings plans and restricted life income funds that were created as a result of the transfer, a transfer under the *Pension Benefits Standards Act, 1985* or a transfer from another PRPP is not more than 50% of the Year's Maximum Pensionable Earnings, and
- (ii) obtains the consent of their spouse or common law partner, if any, and completes and gives a copy of Form 2 and Form 3 of the schedule to the financial institution with whom the contract or arrangement for the restricted life income fund was entered into;

(k) provides that the holder of the restricted life income fund may withdraw an amount from that fund up to the lesser of the amount determined by the formula set

out in subsection 38(2) and 50% of the Year's Maximum Pensionable Earnings minus any amount withdrawn in the calendar year under this paragraph or paragraph 38(1)(e), 39(1)(f) or 41(1)(k)

(i) if the holder certifies that they have not made a withdrawal in the calendar year under this paragraph or paragraph 38(1)(e), 39(1)(f) or 41(1)(k) other than within the last 30 days before the day on which the certification is made,

(ii) if,

(A) in the event that the value determined for M in subsection 38(2) is greater than zero,

(I) the holder certifies that they expect to make expenditures on a medical or disability-related treatment or adaptive technology during the calendar year in excess of 20% of the holder's expected income for that calendar year determined in accordance with the *Income Tax Act*, other than any amount withdrawn in the calendar year under this paragraph or paragraph 38(1)(e), 39(1)(f) or 41(1)(k), and

(II) a physician certifies that the medical or disability-related treatment or adaptive technology is required, or

(B) the holder's expected income for the calendar year determined in accordance with the *Income Tax Act* — other than any amount withdrawn under this paragraph or paragraph 38(1)(e), 39(1)(f) or 41(1)(k) within the last 30 days before the day on which the certification is made — is less than 75% of the Year's Maximum Pensionable Earnings, and

(iii) if the holder obtains the consent of their spouse or common law partner, if any, and completes and gives a copy of Form 1 and Form 2 of the schedule to the financial institution with whom the contract or arrangement for the restricted life income fund was entered into; and

(J) provides that, if the restricted life income fund is established in the calendar year in which the holder of the fund reaches 55 years of age or in any subsequent calendar year, the holder of the fund may transfer 50% of the funds in that fund to a registered retirement savings plan or a registered retirement income fund within 60 days after the day on which the restricted life income fund is established if

(i) the restricted life income fund was created as the result of the transfer, a transfer under the *Pension Benefits Standards Act, 1985*, a transfer from another PRPP or a transfer from a locked-in RRSP or a life income fund, and

(ii) the holder obtains the consent of their spouse or common law partner, if any, and completes and gives a copy of Form 2 of the schedule to the financial institution with whom the contract or arrangement for the restricted life income fund was entered into.

Lump sum

(2) The restricted life income fund may provide that the funds may be paid to the holder in a lump sum if a physician certifies that, owing to mental or physical disability, the holder's life expectancy is likely to be considerably shortened.

Prescribed life income fund

**41.** (1) A life income fund is prescribed for the purposes of paragraphs 50(1)(b) and (3)(b), 53(4)(b) and 54(2)(b) of the Act if it

(a) sets out the method of determining the value of the life income fund, including the valuation method used to establish its value on the death of the holder or on a transfer of assets;

(b) provides that the holder of the life income fund shall, at the beginning of each calendar year or at any other time agreed to by the financial institution with whom the contract or arrangement was entered into, decide the amount to be paid out of the life income fund in that year;

(c) provides that in the event that the holder of the life income fund does not notify the financial institution with whom the contract or arrangement for the life income fund was entered into of the amount to be paid out of the life income fund in a calendar year, the minimum amount determined in accordance with the *Income Tax Act* shall be paid out of the life income fund in that year;

(d) provides that, for any calendar year before the calendar year in which the holder of the life income fund reaches 90 years of age, the amount of income paid out of the life income fund shall not exceed the amount determined by the formula

$$A \times B$$

where

A is, for the first calendar year, the balance in the member's account on the day on which the initial amount was transferred into the life income fund and, for every subsequent calendar year, the balance at the beginning of the calendar year, and

B is

(a) for each of the first 15 years, not more than the monthly average yield on Government of Canada marketable bonds of maturity over 10 years, as published by the Bank of Canada, for the month of November before the beginning of each calendar year, and

(b) for any subsequent year, not more than 6%;

(e) provides that, for the calendar year in which the contract or arrangement was entered into, the amount determined under paragraph (d) shall be multiplied by the number of months remaining in that year and then divided by 12, with any part of an incomplete month counting as one month;

(f) provides that if on the day on which the life income fund was established part of the life income fund was composed of funds that had been held in another life

income fund of the holder earlier in the calendar year in which the fund was established, the amount determined under paragraph (d) is deemed to be zero in respect of that part of the life income fund for that calendar year;

(g) provides that the funds in the life income fund may only be

- (i) transferred to another life income fund or to a restricted life income fund,
- (ii) transferred to a locked-in RRSP, or
- (iii) used to purchase an immediate life annuity or a deferred life annuity;

(h) provides that, on the death of the holder of the life income fund, the funds shall be paid to the holder's survivor by

- (i) transferring the funds to another life income fund or to a restricted life income fund,
- (ii) transferring the funds to a locked-in RRSP, or
- (iii) using the funds to purchase an immediate life annuity or a deferred life annuity;

(i) provides that, subject to subsection 53(3) of the Act, the funds or any interest or right in those funds, shall not be transferred, charged, attached, anticipated or given as security and that any transaction appearing to do so is void or, in Quebec, null;

(j) provides that, in the calendar year in which the holder of the life income fund reaches 55 years of age or in any subsequent calendar year, the funds may be paid to the holder in a lump sum if the holder

(i) certifies that the total value of all assets in all locked-in RRSPs, life income funds, restricted locked-in savings plans and restricted life income funds that were created as a result of the transfer, a transfer under the *Pension Benefits Standards Act, 1985* or a transfer from another PRPP is not more than 50% of the Year's Maximum Pensionable Earnings, and

(ii) obtains the consent of their spouse or common law partner, if any, and completes and gives a copy of Form 2 and Form 3 of the schedule to the financial institution with whom the contract or arrangement for the life income fund was entered into; and

(k) provides that the holder of the life income fund may withdraw an amount from that fund up to the lesser of the amount determined by the formula set out in subsection 38(2) and 50% of the Year's Maximum Pensionable Earnings minus any amount withdrawn in the calendar year under this paragraph or under paragraph 38(1)(e), 39(1)(f) or 40(1)(k)

(i) if the holder certifies that they have not made a withdrawal in the calendar year under this paragraph or paragraph 38(1)(e), 39(1)(f) or 40(1)(k) other than within the last 30 days before the day on which the certification is made,

(ii) if,

(A) in the event that the value determined for M in subsection 38(2) is greater than zero,

(I) the holder certifies that they expect to make expenditures on a medical or disability-related treatment or adaptive technology during the calendar year in excess of 20% of the holder's expected income for that calendar year determined in accordance with the *Income Tax Act*, other than any amount withdrawn in the calendar year under this paragraph or paragraph 38(1)(e), 39(1)(f) or 40(1)(k), and

(II) a physician certifies that the medical or disability-related treatment or adaptive technology is required, or

(B) the holder's expected income for the calendar year determined in accordance with the *Income Tax Act* — other than any amount withdrawn under this paragraph or paragraph 38(1)(e), 39(1)(f) or 40(1)(k) within the last 30 days before the day on which the certification is made — is less than 75% of the Year's Maximum Pensionable Earnings, and

(iii) if the holder obtains the consent of their spouse or common law partner, if any, and completes and gives a copy of Form 1 and Form 2 of the schedule to the financial institution with whom the contract or arrangement for the life income fund was entered into.

Lump sum

(2) The life income fund may provide that the funds may be paid to the holder in a lump sum if a physician certifies that, owing to mental or physical disability, the holder's life expectancy is likely to be considerably shortened.

Prescribed life annuity

**42.** (1) For the purposes of paragraphs 50(1)(c) and (3)(c), 53(4)(c) and 54(2)(c) of the Act, the funds in a member's account may be used to purchase

(a) an immediate life annuity that provides that

(i) subject to subsection 53(3) of the Act, no benefit provided under the annuity shall be transferred, charged, attached, anticipated or given as security and that any transaction appearing to do so is void or, in Quebec, null, and

(ii) except in the case of the unexpired period of a guaranteed annuity when the annuitant is deceased, no benefit provided under the annuity shall be surrendered during the lifetime of their spouse or common-law partner and that any transaction appearing to do so is void or, in Quebec, null; or

(b) a deferred life annuity that provides

(i) for the conditions set out in subparagraphs (a)(i) and (ii),

(ii) that if the annuitant dies prior to the day on which the annuity payments begin, the survivor is entitled, on the death of the annuitant, to an amount equal to the commuted value of the deferred life annuity, and

- (iii) that any amount to which the survivor is entitled shall be
  - (A) transferred to a locked-in RRSP,
  - (B) transferred to a PRPP,
  - (C) transferred to a pension plan if the pension plan permits such a transfer and administers the benefit attributed to the transferred funds as if the benefit were that of a plan member,
  - (D) used to purchase an immediate life annuity or a deferred life annuity, or
  - (E) transferred to a life income fund or to a restricted life income fund.

Commuted value of deferred life annuity

(2) For the purposes of subsection (1), the commuted value of the deferred life annuity is to be determined in accordance with section 3500 (“Pension Commuted Values”) of the *Standards of Practice of the Actuarial Standards Board*, published by the Canadian Institute of Actuaries, as amended from time to time.

### ELECTRONIC COMMUNICATIONS

Consent

**43.** (1) For the purposes of paragraph 64(1)(a) of the Act, the addressee must consent in writing, in paper or electronic form, or orally.

Requirements — administrator

- (2) Before an addressee consents, the administrator must notify the addressee
  - (a) of the addressee’s right to revoke their consent at any time;
  - (b) of the addressee’s responsibility to inform the administrator of any changes the addressee makes to the designated information system including any changes made to the contact information for the designated information system; and
  - (c) of the date when the consent takes effect.

Revocation

(3) Any revocation of consent must be done in writing, in paper or electronic form, or orally.

Notice

**44.** If an electronic document is provided on a generally accessible information system, such as a website, the administrator must provide to the member written notice, in paper or electronic form, of the electronic document’s availability and location.

Document considered provided

**45.** An electronic document is considered to have been provided to an addressee when it is entered into or made available on the information system designated by the addressee.

Believed not to be received

**46.** (1) If an administrator has reason to believe that an addressee has not received an electronic document or the notice required under section 44, the administrator must mail a paper copy of the document to the addressee.

No effect — electronic document reception

(2) The mailing of a paper copy does not affect when the electronic document is considered to have been provided under section 45.

## OBJECTIONS AND APPEALS

Notice of  
objection

**47.** An administrator must sign and send two copies of the notice of objection referred to in subsection 37(1) of the Act by registered mail.

Notice of appeal

**48.** A notice of appeal referred to in subsection 38(2) of the Act must be in the form referred to in section 337 of the *Federal Courts Rules*.

## TERMINATION AND WINDING-UP

Prescribed  
qualifications —  
termination  
report

**49.** For the purposes of subsection 62(9) of the Act, the termination report is to be prepared by an actuary who is a Fellow of the Canadian Institute of Actuaries, a person authorized to act as an accountant under the laws of a province or other professional advisor.

## REPEAL

**50.** The *Pooled Registered Pension Plan Regulations*<sup>1</sup> are repealed.

## COMING INTO FORCE

S.C. 2012, c. 16

**51.** These Regulations come into force on the day on which the *Pooled Registered Pensions Plans Act*, chapter 16 of the Statutes of Canada, 2012, comes into force but if they are registered after that day, they come into force on the day on which they are registered.

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<sup>1</sup> SOR/2012-222

SCHEDULE  
(Sections 38 to 41)

FORM 1

CERTIFICATION REGARDING WITHDRAWAL BASED ON FINANCIAL HARDSHIP

1. To (insert name of financial institution) \_\_\_\_\_

2. List of applicable locked-in plans: (Please identify all locked-in registered retirement savings plans, life income funds, restricted locked-in savings plans or restricted life income funds that are held by the financial institution identified above and from which you intend to withdraw or transfer funds.)

(a) \_\_\_\_\_

(b) \_\_\_\_\_

(c) \_\_\_\_\_

3. Certification

I, (insert name) \_\_\_\_\_, of (insert street address) \_\_\_\_\_, in the city of \_\_\_\_\_, in the province of \_\_\_\_\_, certify the following:

I own the plan(s) identified in section 2. On the day on which I sign this certification (select all that apply)

(A) Withdrawal for expenditures on medical or disability-related treatment or adaptive technology

(a) \_\_\_\_\_ My total expected income for the calendar year, determined in accordance with the *Income Tax Act* (excluding the withdrawal referred to in item G of the table to section 4 and any withdrawal made under paragraph 38(1)(e), 39(1)(f), 40(1)(k) or 41(1)(k) of the *Pooled Registered Pension Plans Regulations* within the last 30 days before the day on which this certification is made), is \$ \_\_\_\_\_.

(b) \_\_\_\_\_ I submit a letter signed by a physician certifying that medical or disability-related treatment or adaptive technology is required.

(c) \_\_\_\_\_ I expect to make expenditures on the medical or disability-related treatment or adaptive technology specified in the physician's certificate in the amount of \$ \_\_\_\_\_, which is greater than 20% of my total expected income for the calendar year.

(d) \_\_\_\_\_ I have not made any other withdrawal, other than within the last 30 days before the day on which this certification is made, during the calendar year under paragraph 38(1)(e), 39(1)(f), 40(1)(k) or 41(1)(k) of the *Pooled Registered Pension Plans Regulations*.

(B) Withdrawal based on low income

\_\_\_\_\_ My total expected income for the calendar year, determined in accordance with the *Income Tax Act* (excluding the withdrawal referred to in item G of the table to section 4 and any withdrawal made under paragraph 38(1)(e), 39(1)(f), 40(1)(k) or 41(1)(k) of the *Pooled Registered Pension Plans Regulations* within the last 30 days before the day on which this certification is made) is less than 75% of the Year's Maximum Pensionable Earnings as defined in the *Pooled Registered Pension Plans Act*.

4. Amount Sought for Withdrawal

AMOUNT SOUGHT FOR WITHDRAWAL				
A	Expected income in this calendar year, determined in accordance with the <i>Income Tax Act</i> .	\$ _____		
B	Total financial hardship withdrawals made during the calendar year from all federally regulated locked-in registered retirement savings plans, life income funds, restricted life income funds and restricted locked-in savings plans.	\$ _____		
	B(i): total low income component of B is	\$ _____		
	B(ii): total medical and disability-related income component of B is	\$ _____		
C	50% of the Year's Maximum Pensionable Earnings as defined in the <i>Pooled Registered Pension Plans Act</i> .	\$ _____		

CALCULATION OF LOW INCOME COMPONENT OF WITHDRAWAL  
(To be completed only if seeking withdrawal under this component.)

D	Low income withdrawal component. Enter amount from D(iv) if that amount is greater than zero otherwise enter "0"			\$ _____
	D(i) A – B	\$ _____		
	D(ii) 66.6% of D(i)	\$ _____		
	D(iii) C – D(ii)	\$ _____		
	D(iv) D(iii) - B(i)	\$ _____		

CALCULATION OF MEDICAL AND DISABILITY-RELATED COMPONENT OF WITHDRAWAL  
(To be completed only if seeking withdrawal under this component.)

E	Total expected medical and disability-related expenditures for which withdrawal is being sought. Enter amount from E(v)			\$ _____
	E(i) Total expected medical and disability-related expenditures in the calendar year that a medical doctor certifies are required.		\$ _____	
	E(ii) A – B	\$ _____		
	E(iii) 20% of E(ii)	\$ _____		
	E(iv) If E(i) is greater than or equal to E(iii) enter E(i), otherwise enter "0"	\$ _____		
	E(v) Enter the lesser of E(iv) and C	\$ _____		

CALCULATION OF FINANCIAL HARDSHIP WITHDRAWAL  
(To be completed only if seeking withdrawal under this component.)

F	Total amount eligible for financial hardship withdrawal. Enter amount from F(iii)			\$ _____
	F(i) D + E	\$ _____		
	F(ii) C – B	\$ _____		
	F(iii) Enter the lesser of F(i) and F(ii)	\$ _____		
G	Total amount applicant wishes to withdraw.			

| Enter F or a lesser amount

| \$ \_\_\_\_\_

### 5. Signatures

Sworn before me, on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, at \_\_\_\_\_, in the province of \_\_\_\_\_.

A person authorized to take affidavits

## FORM 2

### CERTIFICATION(S) REGARDING SPOUSE OR COMMON-LAW PARTNER

1. **To** (*insert name of financial institution*) \_\_\_\_\_

2. **List of applicable locked-in plans** (*Please identify all locked-in registered retirement savings plans, life income funds, restricted locked-in savings plans or restricted life income funds that are held by the financial institution identified above and from which you intend to withdraw or transfer funds.*)

- (a) \_\_\_\_\_
- (b) \_\_\_\_\_
- (c) \_\_\_\_\_

### 3. Certification of applicant

I, (*insert name*) \_\_\_\_\_, of (*insert street address*) \_\_\_\_\_, in the city of \_\_\_\_\_, in the province of \_\_\_\_\_, certify the following:

I own the locked-in plan(s) identified in item 2. I intend to withdraw or transfer the amount of \$ \_\_\_\_\_ from the plan(s). On the day on which I sign this certification (*check one*)

- (a) \_\_\_\_\_ I do not have a spouse or common-law partner, as defined in subsection 2(1) of the *Pooled Registered Pension Plans Act*.
- (b) \_\_\_\_\_ I have a spouse or common-law partner, as defined in subsection 2(1) of the *Pooled Registered Pension Plans Act* and my spouse or common-law partner consents to the withdrawal of the amount specified above from the locked-in plan(s) identified in item 2. (*If you check this box, your spouse or common-law partner must complete the Certification of Spouse or Common-law Partner in item 6 below.*)

### 4. Acknowledgements

I understand that when funds are withdrawn or transferred from any locked-in plan, the funds may lose the creditor protection provided by the *Pooled Registered Pension Plans Act* and the *Pooled Registered Pension Plans Regulations*.

I understand that when funds are withdrawn or transferred from any locked-in plan, the funds may be taxable under the *Income Tax Act* or other legislation.

I understand that I may need to seek professional advice about the financial and legal implications of such a withdrawal or transfer.

### 5. Signatures

Sworn before me, on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, at \_\_\_\_\_, in the province of \_\_\_\_\_.

A person authorized to take affidavits

### 6. Certification of Spouse or Common-law Partner

I, (*insert name*) \_\_\_\_\_, of (*insert street address*) \_\_\_\_\_, in the city of \_\_\_\_\_, in the province of \_\_\_\_\_, certify the following:

I am the spouse or common-law partner of the owner of the locked-in plan(s) identified in item 2.

I understand that

- (a) the applicant intends to withdraw or transfer funds from the locked-in plans identified in item 2, which withdrawal or transfer is not permitted unless the applicant obtains my consent;
- (b) as long as those funds are kept in that locked-in plan, I may have a right to a share of those funds if there is a breakdown in our relationship or if the owner dies;
- (c) if any funds are withdrawn or transferred from that locked-in plan, I may lose any right that I have to a share of the funds withdrawn or transferred;
- (d) when funds are withdrawn or transferred from any locked-in plan the funds may lose the creditor protection provided by the *Pooled Registered Pension Plans Act* and the *Pooled Registered Pension Plans Regulations*;
- (e) when funds are withdrawn or transferred from any locked-in plan the funds may be taxable under the *Income Tax Act* or other legislation; and
- (f) I may need to seek professional advice about the financial and legal implications of such a withdrawal or transfer.

### 7. Consent of Spouse or Common-law Partner

I consent to the withdrawal or transfer specified in item 3.

### 8. Signatures

Sworn before me, on the \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_, 20 \_\_\_\_\_,  
at \_\_\_\_\_, in the province of  
\_\_\_\_\_  
\_\_\_\_\_.

A person authorized to take affidavits

FORM 3

CERTIFICATION OF TOTAL AMOUNT HELD IN LOCKED-IN PLANS

1. **To** (*insert name of financial institution*) \_\_\_\_\_

2. **List of applicable locked-in plans** (*Please identify all locked-in registered retirement savings plans, life income funds, restricted locked-in savings plans or restricted life income funds that you own including all those that are held by financial institutions other than the one identified above.*)

(a) \_\_\_\_\_

(b) \_\_\_\_\_

(c) \_\_\_\_\_

3. **Certification**

I, (*insert name*) \_\_\_\_\_, of (*insert street address*)  
\_\_\_\_\_, in the city of \_\_\_\_\_, in the province of  
\_\_\_\_\_, certify the following:

I own the locked-in plans identified in item 2. On the day on which I sign this certification the total value of all of the locked-in plan(s) identified in item 2 is \$\_\_\_\_\_.

The total value of all of the locked-in plan(s) identified in item 2 is less than 50% of the Year's Maximum Pensionable Earnings as defined in the *Pooled Registered Pension Plans Act*.

4. **Signatures**

Sworn before me, on the \_\_\_\_\_ day of  
\_\_\_\_\_, 20 \_\_\_\_\_,  
at \_\_\_\_\_, in the province of  
\_\_\_\_\_.

Signature of applicant \_\_\_\_\_

A person authorized to take affidavits