

How is the reduction calculated?

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- The minimum amount that must be withdrawn from RRIFs will be reduced by 25% for 2020. The advisor/Client is responsible for calculating the reduced minimum and providing a specific dollar amount for payments going forward.

What is an example of how this might be applied?

- A popular income choice is receiving the RRIF minimum in 12 equal monthly payments. If the Client wishes to continue equal monthly payments, but apply the new RRIF minimum, here's how it would be done. Take the original (unreduced minimum) and subtract 25%. Deduct any minimum payments that have already occurred in the year. Divide the remaining reduced minimum amount by the number of payments left in the year.

Minimum Annual payment for 2020	Payments made to client YTD	Minimum Annual Payment Reduction	New Minimum Annual Payment for 2020	Payments Going Forward
\$12,000.00	Total to date: \$4,000.00 January 2, 2020: \$1,000.00 February 3, 2020: \$1,000.00 March 2, 2020: \$1,000.00 April 1, 2020: \$1,000.00	$\$12,000.00 \times 0.25 =$ \$3,000.00	$\$12,000.00 - \$3,000.00 =$ \$9,000.00	$\$9,000.00 - \$4,000.00$ (payments made to-date) = \$5,000.00 $\$5,000.00 / 8$ (remaining payments) = \$625.00

Do the changes apply to Life Income Funds and other locked-in RRIFs?

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- Yes. These changes apply to all types of income plans.

Are Clients required to change their RRIF minimums?

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- No. This is optional. The Client may choose to keep their current RRIF payment set up.

Will the reduction be automatically applied to the contract?

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- No, the reduction is not automatically applied, we must receive instructions to reduce the minimum.

Can you reduce by any amount under 25% (for example 1%-25%)?

- Yes, the Client can choose an amount between the original minimum and reduced minimum.

Will there be any withholding taxes?

- Tax will only be withheld on amounts above the original (unreduced) minimum amount for 2020.

Can Clients who have already withdrawn more than the reduced 2020 minimum re-contribute the difference back to their RRIFs?

- No. Clients who have already withdrawn more than the reduced 2020 minimum amount will not be permitted to re-contribute to their RRIFs.

What if the reduced minimum has already been withdrawn and the Client needs to do an additional withdrawal over the reduced minimum. Will tax be withheld?

- Tax will be withheld on any amount over the original minimum.

How do I apply the RRIF reduction for Clients who do not have an automatic payment plan set up on their RRIF?

An ad hoc withdrawal with the reduced RRIF minimum payment can be submitted by the end of this year. If the Client is not on a periodic payment plan but they still would like the reduced RRIF minimum to apply, please submit an ad hoc request and be explicit that the Client would like their minimum annual payment reduced.

Which RRIF minimum will be paid out before a transfer to another institution?

- Transfers before March 18, 2020 would use original (unreduced) 2020 minimum
- For transfers out after March 18, 2020, the remaining original (unreduced) minimum will be paid out unless the Client has opted for a reduced minimum - in which case the remaining reduced minimum would be paid out.

Can the reduced minimum amount be applied for future years?

- No. These changes apply only for 2020

Will this impact the minimum annual payments for following years?

- No, there is no impact to the minimum annual payment for 2021 and years to follow at this time