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Effective date of the rider: «Date»

Annexed and incorporated into Plan number: «Plan»

Annuitant: «Annuitant»

Life Income Fund Rider for Ontario (“New LIF”)

This rider will form part of the RRIF declaration of trust (hereinafter referred to as the “Plan”) if the Annuitant has requested, or where the Annuitant has attained age 71 on a registered plan and has not selected another option, that the Plan be registered as a life income fund (hereinafter referred to as “LIF”) under Schedule 1.1 of the *Regulation 909, General* (Ontario) (hereinafter referred to as the “Regulation”). The Plan will be modified as such.

1. For the purposes of this rider the word "Pension Act" means collectively the Ontario *Pension Benefits Act* and the underlying regulation. The words "former member", "member" and "spouse" shall have the same meaning as is respectively given to these words under the Pension Act.
2. Notwithstanding anything to the contrary contained in the Plan, including any rider forming a part thereof, "spouse" does not include any person who is not recognized as a spouse or common-law partner for the purposes of any provision of the *Income Tax Act* (Canada) respecting a Registered Retirement Income Fund (hereinafter referred to as a "RRIF").
3. Subject to paragraph 19 of this rider, all money, including all investment earnings, that is subject to any transfer to or from the Plan, as defined by the rider, is to be used to provide or secure a pension that would, but for the transfer and previous transfers, if any, be required or permitted by the Pension Act.
4. Except as provided in the Pension Act, the money in the Plan may not be assigned, charged, anticipated or given as security and is exempt from execution, seizure or attachment and any transaction purporting to assign, charge, anticipate or give as security the money is void.
5. The fair market value of the assets held under the Plan as determined by the Company in good faith shall be used to calculate the balance of the money and assets held under the Plan.
6. Money in the Plan may not be commuted or withdrawn in whole or in part, except as permitted by section 49 or 67 of the Pension Act, or section 22.2 or Schedule 1.1 of the Regulation. Any transaction in contravention of this paragraph is void.
7. The fiscal year of the Plan ends on December 31 of each year and will not exceed twelve (12) months.
8. The Annuitant will be paid an income, the amount of which may vary annually and which will begin no earlier than the earliest date on which the former member is entitled to receive a pension under any pension plan from which money was transferred into the Plan directly or indirectly, and no later than the last day of the second fiscal year of the Plan.
9. The Annuitant must notify the Trustee of the amount of income to be paid out of the Plan each year at the beginning of that fiscal year. If the Annuitant does not do so, the minimum amount determined under paragraph 11 will be paid out of the Plan that year.
10. The value of the assets in the Plan and payments out of the Plan are subject to the division in accordance with the terms of an order under the *Family Law Act* (Ontario), a family arbitration award or a domestic contract.
11. The amount of income paid out of the Plan during a fiscal year must not be less than the minimum amount prescribed for a RRIF under the *Income Tax Act* (Canada) and must not exceed the greatest of the following amounts:
 - a) the investment earnings, including any unrealized capital gains or losses, of the Plan in the previous fiscal year;
 - b) if the money in the Plan is derived from money transferred directly from another LIF or a locked-in retirement income fund (hereinafter referred to as a "LRIF") (the "transferring fund"), and if the income is being paid out of the Plan in the fiscal year following the fiscal year in which the Plan is established, the sum of:
 - i. the investment earnings, including any unrealized capital gains or losses, of the transferring fund in the previous fiscal year; and
 - ii. the investment earnings, including any unrealized capital gains or losses, of the Plan in the previous fiscal year; and

- c) M, with that symbol being calculated in accordance with the following formula:

$M = C/F$, where:

C = the value of the assets in the Plan at the beginning of the fiscal year; and

F = the present value, at the beginning of the fiscal year, of an annuity of 1\$ payable annually in advance over the period commencing at the beginning of the fiscal year and ending on December 31 of the year in which the Annuitant reaches ninety (90) years of age.

12. For the first fifteen (15) fiscal years of the period referred to in the definition of "F" in paragraph 11 of this rider, the greater of the following interest rate assumptions are used in order to determine the value "F" in paragraph 11 of this rider:

- a) an interest rate of 6 per cent (%) per year; and
- b) the nominal rate of interest on long-term bonds issued by the Government of Canada for the month of November of the year before the beginning of the fiscal year, as determined from the Canadian Socio-Economic Information Management System (CANSIM) series V122487 compiled by Statistics Canada and available on the website maintained by the Bank of Canada.

For the sixteenth and each subsequent fiscal year of the period referred to in the definition of "F" in paragraph 11 of this rider, the interest rate will be 6 per cent (%) per year.

13. Despite paragraph 11 of this rider, if any money in the Plan is derived from money transferred directly or indirectly from another LIF or a LRIF of the Annuitant, the maximum amount that may be paid out of the Plan in the fiscal year in which the money is transferred into the Plan is zero.
14. For the initial fiscal year of the Plan, the minimum amount to be paid, as referred to in paragraph 11 of this rider, will be set at zero and the maximum amount determined under paragraph 11 of this rider will be adjusted in proportion to the number of months in that fiscal year divided by 12, with any part of an incomplete month counting as one month.
15. If the minimum amount specified in paragraph 11 of this rider is greater than the maximum amount determined in paragraphs 11, 13 and 14 of this rider, the minimum amount must be paid out of the Plan during the fiscal year.
16. If in any fiscal year of the Plan, an additional transfer is made to the Plan and that additional transfer has never

previously been held under a LIF, an additional withdrawal will be allowed in that fiscal year.

17. The additional amount of withdrawal referred to in paragraph 16 of this rider will not exceed the maximum amount that would be calculated under this rider if the additional transfer were being transferred into a separate LIF and not this Plan, with paragraph 13 of this rider applying.
18. Where, in the application of paragraph 11 of this rider, the amount of income to be paid to the Annuitant is fixed at an interval of more than one year, paragraphs 13, 14, 16 and 17 of this rider will apply with such modifications as the circumstances require to determine, at the date of the beginning of the first fiscal year of the Plan in the interval, the amount of income to be paid for each fiscal year in that interval.
19. Prior to using the balance of the Plan to receive an immediate life annuity contract, the Annuitant may transfer all or part of the balance of the Plan in accordance with paragraph 146.3(2)e) of the *Income Tax Act* (Canada):
 - a) to another acknowledged LIF that is governed by Schedule 1.1 of the Regulation; or
 - b) for the purchase of an immediate life annuity contract in accordance with paragraph 60(l) of the *Income Tax Act* (Canada) and that also meets the requirements of section 22 of the Regulation.

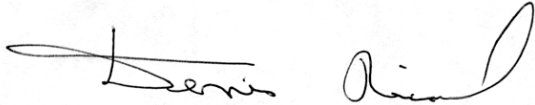
Any life annuity purchased may not vary according to the Annuitant's sex if the commuted value of the pension benefit that was directly or indirectly transferred into the Plan was determined in a manner that did not differentiate on the basis of sex.
20. Notwithstanding paragraph 19 of this rider,
 - a) the Annuitant may, upon application in accordance with the Pension Act, either withdraw from the Plan or transfer from it to a Registered Retirement Savings Plan (hereinafter referred to as an "RRSP") or a RRIF an amount representing up to 50 per cent (%) of the total market value of the assets transferred into the Plan in relation to a transfer of assets made on or after January 1st, 2010; and
 - b) despite subsection a), if the assets are transferred into the Plan from another LIF that is governed by Schedule 1.1 of the Regulation or a LRIF, the Annuitant cannot make a withdrawal or transfer described in subsection a) unless the transfer of assets into the Plan was made in accordance with the terms of an order under the *Family Law Act* (Ontario), a family arbitration award or a domestic contract.
21. An application for a withdrawal or a transfer, as referred to in paragraph 20 of this rider, must be given to the Trustee within sixty (60) days after the assets are transferred into the Plan and must comply with the requirements of the Pension Act.

22. Notwithstanding paragraph 19 of this rider, the Annuitant may, upon application in accordance with the Pension Act, withdraw all the money in the Plan or transfer the assets to an RRSP or a RRIF if, when he or she signs the application:
- he or she is at least 55 years of age; and
 - the value of all assets in all LIF, LRIF and locked-in retirement accounts owned by him or her is less than 40 per cent (%) of the Year's Maximum Pensionable Earnings for that calendar year.
23. Notwithstanding paragraph 19 of this rider, the Annuitant may, upon application in accordance with the Pension Act, withdraw all the money in the Plan if:
- when the Annuitant signs the application, he or she is a non-resident of Canada as determined by the Canada Revenue Agency for the purposes of the *Income Tax Act* (Canada); and
 - the application is made at least twenty-four (24) months after his or her date of departure from Canada.
24. Notwithstanding paragraph 19 of this rider, the Annuitant may, upon application in accordance with the Pension Act, withdraw all or part of the money in the Plan if, when the Annuitant signs the application, he or she has an illness or physical disability that is likely to shorten his or her life expectancy to less than two (2) years.
25. Notwithstanding paragraph 19 of this rider, the Annuitant may, upon application and in accordance with the Pension Act, withdraw all or part of the money in the Plan if the Annuitant, his or her spouse, or a dependant has incurred or will incur medical expenses relating to an illness or physical disability of any of them. Only one application may be made under this paragraph during a calendar year in respect of a particular person.
26. For the purpose of paragraph 25 of this rider, the application must specify the amount to be withdrawn from the Plan. The minimum amount that may be withdrawn from the Plan with respect to an application is \$500 and the maximum amount is the lesser of "X" and "G" where,
- "X" is 50 per cent of the Year's Maximum Pensionable Earnings for the year in which the application is signed, and
- "G" is the sum of the amount of the person's medical expenses that have been incurred and an estimate of the total amount of the person's medical expenses for the 12 months after the date on which the application is signed.
27. If the maximum amount calculated under paragraph 26 of this rider is less than \$500, no withdrawal is permitted with respect to the application.
28. Notwithstanding paragraph 19 of this rider, the Annuitant may, upon application and in accordance with the Pension Act, withdraw all or part of the money in the Plan,
- if the Annuitant or his or her spouse has received a written demand in respect of arrears in the payment of rent on the Annuitant's principal residence, and the Annuitant could face eviction if the debt remains unpaid; or
 - (if the Annuitant or his or her spouse has received a written demand in respect of a default on a debt that is secured against the Annuitant's principal residence, and the Annuitant could face eviction if the amount in default remains unpaid.
29. For the purpose of paragraph 28 of this rider, only one application may be made during a calendar year and the application must specify the amount to be withdrawn from the Plan.
30. For the purpose of paragraph 28 of this rider, the minimum amount that may be withdrawn from the Plan with respect to an application is \$500 and the maximum amount is the lesser of "X" and "H" where,
- "X" is 50 per cent of the Year's Maximum Pensionable Earnings for the year in which the application is signed, and
- "H" is, with respect to arrears in the payment of rent, the sum of the total amount of arrears of rent and the total amount of rent payable for a period of 12 months or, with respect to a default on a secured debt, the sum of the total amount of the payments that are in default and the total amount of payments due and interest payable on the debt for the 12 months after the date on which the application is signed.
31. If the maximum amount calculated under paragraph 30 of this rider is less than \$500, no withdrawal from the Plan is permitted with respect to the application.
32. Notwithstanding paragraph 19 of this rider, the Annuitant may, upon application and in accordance with the Pension Act, withdraw all or part of the money in the Plan if the Annuitant or his or her spouse requires money to pay the first and last months' rent to obtain a principal residence for the Annuitant.
33. For the purpose of paragraph 32 of this rider, only one application may be made during a calendar year and the application must specify the amount to be withdrawn from the Plan.

34. For the purpose of paragraph 32 of this rider, the minimum amount that may be withdrawn from the Plan with respect to an application is \$500 and the maximum amount is the lesser of “J” and “K” where,
- “J” is 5 per cent of the Year’s Maximum Pensionable Earnings for the year in which the application is signed, and
- “K” is the amount required for the first and last months’ rent.
35. If the maximum amount calculated under paragraph 34 of this rider is less than \$500, no withdrawal from the Plan is permitted with respect to the application.
36. Notwithstanding paragraph 19 of this rider, the Annuitant may, upon application and in accordance with the Pensions Act, withdraw all or part of the money in the Plan if the Annuitant’s expected total income from all sources, before taxes, for the 12 months after the date on which the application is signed is $66 \frac{2}{3}$ per cent or less of the Year’s Maximum Pensionable Earnings for the year in which the application is signed.
37. For the purpose of paragraph 36 of this rider, only one application may be made during a calendar year and the application must specify the amount to be withdrawn from the Plan.
38. For the purpose of paragraph 36 of this rider, the minimum amount that may be withdrawn from the Plan with respect to an application is \$500 and the maximum amount is calculated using the formula,
- X – L, in which,
- “X” is 50 per cent of the Year’s Maximum Pensionable Earnings for the year in which the application is signed, and
- “L” is 75 per cent of the Annuitant’s expected total income from all sources, before taxes, for the 12 months after the date on which the application is signed.
39. If the maximum amount calculated under paragraph 38 of this rider is less than \$500, no withdrawal from the Plan is permitted with respect to the application.
40. Upon the death of the Annuitant, the value of the assets in the Plan shall:
- if the Annuitant is survived by a spouse, if he or she was a member or a former member of a pension plan from which assets were transferred directly or indirectly to establish the Plan and if on the date of his or her death, his or her spouse was not living separate and apart from him or her,
 - be paid to the spouse;
 - be applied to purchase a life or a deferred annuity contract in accordance with paragraph 60(l) of the *Income Tax Act* (Canada) for the Annuitant’s spouse; or
 - be transferred to an RRSP or a RRIF in accordance with the *Income Tax Act* (Canada);
 - if the Annuitant is not survived by a spouse or if he or she was not a member or a former member or if on his or her death, his or her spouse was living separate and apart from him or her,
 - be paid to the Annuitant’s designated beneficiary; or
 - if no beneficiary has been designated, be paid to the Annuitant’s estate.
41. The Trustee hereby affirms that the money in the Plan will be invested in a manner that complies with the rules for the investment of money in a RRIF, and the Trustee further declares that the money will not be invested, directly or indirectly, in any mortgage in respect of which the mortgagor is the Annuitant or the parent, brother, sister or child of the Annuitant or the spouse of any such person.
42. If money from the Plan is paid out contrary to the Pension Act or this rider, the Trustee hereby declares that it will provide or ensure the provision of a pension in a manner and in an amount that would have been provided had such money not been paid out.
43. Before transferring money to another financial institution, the Trustee will advise the transferee financial institution in writing of the locked-in status of the money.
44. The Company will provide the Annuitant with the information specified in the Pension Act.
45. Where the Plan holds identifiable and transferable securities, the transfer or purchase referred to in paragraphs 19, 20, 22 and 23 of this rider may, unless otherwise stipulated, at the option of the Trustee and with the consent of the Annuitant, be affected by remittance of the investment securities of the Plan.

46. No money that is not locked-in will be transferred to or held under the Plan.
47. The Trustee hereby affirms the provisions contained in the Plan.

48. The conditions of this rider will take precedence over the provisions in the Plan in the case of conflicting or inconsistent provisions.



Denis Ricard
President



Caroline Gilbert
Director