



Life Income Fund Endorsement	
The provisions of this Life Income Fund Endorsement (the "LIF") shall form part of the Contract between Desjardins Financial Security Life Assurance Company (the Company) and the Owner (as defined in the Contract), to which pension benefits regulated under the hereinafter defined acts are transferred. Where required by the Act or Regulation, the appropriate form indicating spousal consent shall also form part of the Contract.	
Definitions	
1	For the purposes of this LIF, "Act" means the <i>Pension Benefits Standards Act of British Columbia</i> ; or the <i>Pension Benefits Standards Act, 1985 (Canada)</i> ; or the <i>Pension Benefits Act of Manitoba</i> ; or the <i>Pension Benefits Act of New Brunswick</i> ; or the <i>Pension Benefits Act of Newfoundland and Labrador</i> ; or the <i>Pension Benefits Act of Nova Scotia</i> ; or the <i>Pension Benefits Act of Ontario</i> ; or the <i>Supplemental Pension Plans Act of Quebec</i> ; and "Regulation" means the Regulation made under the Act.
2	For the purposes of this LIF the relevant definitions set out in the appropriate sections of the Act and Regulation are incorporated into and form part of this LIF and the definitions have the meaning as per the applicable Act and Regulation. For Contracts which are regulated by the <i>Pension Benefits Standards Act, 1985 (Canada)</i> , all provisions related to the LIF apply to the restricted life income fund (RLIF) except where indicated.
3	Notwithstanding anything to the contrary contained in this LIF, including any endorsements forming a part thereof, "spouse", "pension partner", "cohabitating partner", or "common-law partner" do not include any person who is not recognized as a spouse or common-law partner for the purposes of any provision of the <i>Income Tax Act (Canada)</i> respecting a RRIF. Where permitted by law or the applicable Regulation, the rights of the pension partner, cohabitating partner, or common-law partner shall be deemed to be the same as the rights of the spouse.
Pension	
4	Where required by the applicable Act and Regulation, the non-member spouse, pension partner, cohabitating partner, or common-law partner must consent to the purchase of this Contract, and the payment of any monies from the Contract, prior to such payment, in the form and manner prescribed by the Superintendent. Subject to section 10, all money, including all investment earnings, that is subject to any transfer to and from this LIF 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 Act and the Regulation.
5	If money from this LIF is paid out contrary to the Act or Regulation, the Company will provide to the Owner or ensure the provision of a pension in a manner and in the amount that would have been provided had such money not been paid out.
Investments	
6	The Owner's investment options are described in the Contract.
7	The money in this LIF will be invested in a manner that complies with the rules for the investment of RRIF money contained in the <i>Income Tax Act (Canada)</i> and Regulation thereunder, and will not be invested, directly or indirectly, in any mortgage in respect of which the mortgagor is the Owner or the parent, brother, sister or child of the Owner, the spouse or common-law partner of any such person.
Assignment	
8	Except as permitted by the Act and Regulation, the money in this LIF may not be assigned, charged, alienated or anticipated and subject to the provisions of the appropriate provincial legislation governing family and marital benefits, is exempt from execution, seizure or attachment, and any transaction purporting to assign, charge, alienate or anticipate the money is void.
Withdrawal	
9 (1)	If provided for by the applicable Regulation, a lump sum or a series of payments may be made to the Owner where a physician certifies that the Owner has a terminal illness or that due to a disability the Owner's life is likely to be considerably shortened. Where required by the applicable Regulation, the payment or payments may only be made if the spouse, pension partner, cohabitating partner; or common-law partner of the Owner has waived the entitlement to the joint life pension described in the Act, in the form and manner prescribed in the Regulation.
(2)	For money regulated under the <i>Pension Benefits Standards Act of British Columbia</i> ,

	<p>a lump sum payment equal to the value of the entire Contract may be made on application by the Owner to the Company if, at any time, the value of this Contract does not exceed 20% of the Year's Maximum Pensionable Earnings (YMPE) for the calendar year in which the application is made.</p> <p>If the balance of the contract exceeds 20% of the YMPE, the Contract must not be divided into 2 or more contracts so that the balance in any one contract is less than 40% of the YMPE in order to qualify to withdraw as a small amount.</p>
(3)	<p>For money regulated under the <i>Pension Benefits Standards Act of British Columbia</i>; or the <i>Pension Benefits Act of Nova Scotia</i>; or the <i>Supplemental Pension Plans Act of Quebec</i>, a lump sum payment equal to the value of the entire Contract may be made on application by the Owner to the Company if:</p> <ul style="list-style-type: none"> (a) the Owner has attained the age of 65 years at the end of the preceding fiscal year and, (b) the application is accompanied by a completed declaration in the form set out in the Regulation, and (c) the value of this Contract and of other applicable plans and contracts belonging to the Owner does not exceed 40% of the YMPE for the year in which the application is made.
(4)	<p>For money regulated by the <i>Pension Benefits Act of Ontario</i>; or the <i>Pension Benefits Act of Newfoundland and Labrador</i>, the Owner may upon application withdraw all of the money in the LIF, if when the Owner signs the application:</p> <ul style="list-style-type: none"> (a) he or she is the earliest of at least 55 years of age or the age allowed by the pension Contract; and (b) the value of all assets in all life income funds (LIFs), locked-in retirement income funds (LRIFs), and locked-in retirement accounts (LIRAs), owned by him or her is less than 40% of the YMPE for that calendar year. <p>If the Contract is not eligible for the payment option referred to in section 9(2), 9(3) or 9(4), it may not be severed so as to transform it into two or more contracts that are so eligible.</p> <p>For money regulated by the <i>Pension Benefits Act of Ontario</i>; or the <i>Pension Benefits Act of Newfoundland and Labrador</i>, the request for withdrawal must be made in the form prescribed by the Superintendent and be accompanied by a waiver by the spouse or cohabitating partner of the former member of the joint and survivor pension entitlement in the form prescribed.</p>
(5)	<p>For money regulated under the <i>Pension Benefits Act of Manitoba</i>, the funds may be commuted and paid out as a lump sum to the Owner if the total amount of locked-in pension credits or funds in all Locked-in RRSPs, LIRAs, LIFs or LRIFs combined and compounded annually at a rate of 6% per year for each year by which the age of the Owner, as of December 31 of the year in which the application is filed with the financial institution precedes the Owner's 65th birthday, is less than 40% of the YMPE in the year in which application is filed.</p>
(6)	<p>For money regulated under paragraphs 20.1(1)(l) and 20.3(1)(l) of the Regulations under the <i>Pension Benefits Standards Act, 1985 (Canada)</i>, the funds may be paid to the Owner in a lump sum, if in the calendar year the Owner reaches 55 or in any subsequent calendar year, and that the Owner certifies that the total value of all assets in all locked-in RRSPs, LIFs, RLSPs and RLIFs is less than or equal to 50% of the YMPE. The withdrawal request must be made by the Owner to the Company in the form and manner prescribed under the Regulation.</p>
(7)	<p>For money regulated under the <i>Supplemental Pension Plans Act of Quebec</i>, a lump sum withdrawal may be made if the Owner applies to the financial institution with written evidence that the Canada Revenue Agency has confirmed that he or she has become a non-resident for 2 or more years for the purposes of the <i>Income Tax Act (Canada)</i> and the term agreed to for the investments has not expired.</p> <p>For money regulated under the <i>Pension Benefits Standards Act of British Columbia</i>; the <i>Pension Benefits Standards Act, 1985 (Canada)</i>; or the <i>Pension Benefits Act of Ontario</i>, a lump sum withdrawal may be made if the Owner applies to the financial institution with written evidence that the Canada Revenue Agency has confirmed that he or she has been a non-resident for 2 or more years for the purposes of the <i>Income Tax Act (Canada)</i> and, where that Owner is a living non-spouse owner with a spouse, pension partner, cohabitating partner; or common-law partner, if that spouse, pension partner, cohabitating partner; or common-law partner has waived all entitlements under the Contract in the form and manner prescribed in the Regulation.</p>
	<p>For money regulated under the <i>Pension Benefits Act of New Brunswick</i>, a lump sum withdrawal may be made if the Owner and his/her spouse, if any, applies to the</p>

	financial institution with written evidence that he or she is not a Canadian citizen and is not a resident in Canada for the purposes of the <i>Income Tax Act (Canada)</i> and, where that Owner is a living non-spouse Owner with a spouse, pension partner, cohabitating partner; or common-law partner, if that spouse, pension partner, cohabitating partner; or common-law partner has waived all entitlements under the Contract in the form and manner prescribed in the Regulation.
(8)	For money regulated under the <i>Pension Benefits Act of New Brunswick</i> , the Owner may unlock a lump sum equal to three times the annual maximum by transferring the amount to a separate Retirement Income Fund (RIF) upon submission of the prescribed form to the Company and accompanied by written consent from the spouse or common-law partner. The amount of the transfer may not exceed 25% of the value of the LIF immediately preceding the transfer. The amount transferred to the RIF will not affect the maximum remaining for that current calendar year. This transfer may only be made once during the lifetime of the Owner.
(9)	For money regulated under the <i>Pension Benefits Act of Manitoba</i> , the Owner, who is at least age 55, may unlock 50% of the balance in one or more of his or her LIFs by transferring the amount to a Registered Retirement Income Fund (RRIF) upon submission of the prescribed form and accompanied by written consent from the spouse or common-law partner and Superintendent statement. This transfer may only be made once during the lifetime of the Owner.
(10) (a)	In LIFs that meet the requirements of Schedule 1.1 of the Regulation under the <i>Pension Benefits Act of Ontario</i> , the Owner of the LIF may, upon application in accordance with section 8 of that Schedule, either withdraw a lump sum from the LIF or transfer from the LIF to an RRSP or RRIF, an amount representing a maximum of 25 per cent of the Deposit as of the Deposit Date. This withdrawal or transfer request must be made by the Owner in the prescribed form and manner within 60 days of the Deposit Date. The request must be accompanied by written consent from the spouse as defined by the Family Law Act (Ontario) in the form and manner prescribed under the Regulation.
(b)	Where assets are transferred to the LIF from another life income fund that met the requirements of Schedule 1.1 of the Regulation, the Owner will not have the right to make a withdrawal or transfer as described in subsection (9)(a) above unless the Deposit to the LIF was made in accordance with the terms of an order under the Family Law Act (Ontario) or a domestic contract as defined in Part IV of Family Law Act (Ontario).
(11)	For Contracts which are regulated by paragraph 20.3(1)(n) of the Regulation under the <i>Pension Benefits Standards Act, 1985 (Canada)</i> , the Owner of a RLIF may transfer 50% of the funds in that RLIF to a RRSP or RRIF within 60 days after the establishment of the RLIF provided that: (i) the RLIF is established in the calendar year in which the Owner reaches 55 years of age or any subsequent calendar year, and (ii) the RLIF was created as the result of the transfer of a pension benefit credit under section 26 of the Act or a transfer from a locked-in RRSP or a LIF. The withdrawal request must be made by the Owner to the Company in the form and manner prescribed under the Regulation.
(12)	For Contracts which are regulated by the <i>Pension Benefits Act of Ontario</i> or the <i>Pension Benefits Act of Nova Scotia</i> , a lump sum payment, or series of payments, will be made to the Owner where the Owner applies to the Superintendent for a release of all or part of the funds in this Contract due to financial hardship and the Superintendent consents to the release of the funds.
(13)	For Contracts which are regulated, and subject to the requirements of paragraph 20.1(1)(m) or 20.3(1)(m), as applicable, and paragraph 20(1.1) under by the <i>Pension Benefits Standards Act, 1985 (Canada)</i> , a lump sum payment, or a series of payments, will be made to the Owner where the Owner applies to the Company for a release of all or part of the funds in this Contract when facing financial hardship due to low income or expenditures on medical or disability-related treatment or adaptive technology. The withdrawal request must be made by the Owner to the Company in the form and manner prescribed under the Regulation.
Transfers	
10	Subject to section 14, prior to using the balance of this LIF to purchase an immediate life annuity contract, the Owner may transfer all or part of the balance of this LIF, pursuant to paragraphs 146.3(2) e.1 and e.2 of the <i>Income Tax Act (Canada)</i> :
(1)	to another LIF or to another acknowledged financial institution to purchase a contract on the relevant conditions specified in the applicable Regulation;
(2)	for the purchase of a deferred life annuity contract, as stipulated in sub-paragraph 60(l)(ii) of the <i>Income Tax Act (Canada)</i> , that meets the requirements of the Regulation;
(3)	to an acknowledged LIRA or locked-in RSP on the relevant conditions specified in the Regulation;

(4)	For money regulated under the <i>Supplemental Pension Plans Act of Quebec</i> , the Owner may transfer, in whole or in part, the balance of the fund to a pension plan governed by the Act or referred to in paragraph 1, 2, 3.1, 4 or 5 of Section 28 of the Regulation, unless the agreed to term of the investments has not expired.
(5)	For money regulated under the <i>Pension Benefits Act of Manitoba</i> or the <i>Pension Benefits Act of Newfoundland and Labrador</i> , to an LRIF on the relevant conditions specified in the Regulation, on the condition that any such transfer must comply with the <i>Income Tax Act</i> (Canada).
(6)	For money regulated by Schedule 1.1 of the Regulation under the <i>Pension Benefits Act of Ontario</i> , to another life income fund that is governed by that Schedule or to purchase an immediate life annuity that meets the requirement of section 22 of the Regulation.
(7)	For money regulated by paragraph 20.1(1)(g) of the Regulations under the <i>Pension Benefits Standards Act, 1985 (Canada)</i> , a LIF may only be transferred to another LIF, an RLIF, a locked-in RRSP, or to purchase an immediate life annuity or a deferred life annuity.
(8)	For money regulated by paragraph 20.3(1)(h) of the Regulations under the <i>Pension Benefits Standards Act, 1985 (Canada)</i> , a RLIF may only be transferred to another RLIF, a RLSP, or to purchase an immediate life annuity or a deferred life annuity.
11	In the event of a transfer of money from this LIF and where required by the applicable Regulation, the Company shall ensure that the name and contract of any transferee financial institution are on the list for LIFs, LRIFs, locked-in RSPs or LIRAs, as the case may be, maintained by the Superintendent.
12	Before transferring money to another financial institution, the Company will advise the transferee financial institution in writing of the locked-in status of the money, in the manner prescribed where applicable, and make its acceptance of the transfer subject to the conditions provided for in the Regulation.
13	If the Company does not comply with section 11 or 12 and the transferee financial institution fails to pay the money transferred in the form of a pension or in the manner required or permitted by the Regulation, the Company will provide to the Owner or ensure the provision of the pension referred to in section 5 of this Endorsement.
Payment of the Balance in this LIF	
14	The Owner may transfer all or a part of the balance of this LIF to purchase an immediate life annuity contract in accordance with the <i>Income Tax Act</i> (Canada) and as prescribed by the Act and Regulation. Except for money regulated under the <i>Pension Benefit Standards Act of British Columbia</i> , the <i>Pension Benefits Standards Act, 1985 (Canada)</i> , the <i>Pension Benefits Act of Manitoba</i> , the <i>Pension Benefits Act of New Brunswick</i> , the <i>Pension Benefits Act of Nova Scotia</i> , the <i>Pension Benefits Act of Ontario</i> , and the <i>Supplemental Pension Plans Act of Quebec</i> , an annuity must be purchased not later than December 31 of the year in which the Owner attains the age of 80 years.
15	Where provided for in the applicable Act, if the Owner has not provided the Company with the necessary documentation to start a pension, the Company will, before the end of the calendar year in which the Owner attains the age of 80 years, apply the balance of this LIF to purchase an immediate life annuity contract as prescribed by the Act, for the Owner, or provide for a pension in compliance with the Act and the Regulation.
16	The annuity contract purchased by the former member who has a spouse, pension partner, cohabitating partner; or common-law partner at the time of commencement of the pension will be a joint life pension in compliance within the applicable Act unless the spouse, pension partner, cohabitating partner; or common-law partner waives the entitlement in the form and manner prescribed in the Regulation.
Death of the Owner	
17	<p>Within sixty (60) days after the submission to the financial institution of the relevant documents required by it following the death of the former member, the balance of this LIF is to be paid to or on behalf of the surviving spouse, pension partner, cohabitating partner; or common-law partner of the former member, or if there is none, or if the surviving spouse, pension partner, cohabitating partner; or common-law partner had waived the spousal entitlement in the form and manner required by the applicable Act and Regulation, to the designated Beneficiary or, if there is no valid designation of Beneficiary, the personal representatives of the Estate in their representative capacity.</p> <p>For money regulated under the <i>Pension Benefits Standards Act of British Columbia</i>, once the necessary documents have been received to process the death of the Owner, and the surviving spouse, if any, has not waived spousal entitlement in the form and manner stated in Form 4 of Schedule 2, the money must be transferred to : another LIF Contract, an underwriter's RRSP, a pension plan or to purchase a life annuity contract as prescribed by the Act and Regulation.</p>

	<p>For money regulated by paragraph 20.1(1)(i) of the Regulations under the <i>Pension Benefits Standards Act, 1985 (Canada)</i>, the funds in a LIF shall be paid to the survivor of the Owner by transferring the funds to another LIF, an RLIF, a locked-in RRSP, or to purchase an immediate life annuity or a deferred life annuity.</p> <p>For money regulated by paragraph 20.3(1)(i) of the Regulations under the <i>Pension Benefits Standards Act, 1985 (Canada)</i>, the funds in a RLIF shall be paid to the survivor of the Owner by transferring the funds to another RLIF, a LIF, locked-in RRSP, a RLSP, or to purchase an immediate life annuity or a deferred life annuity.</p> <p>Where the spouse, cohabitating partner; common-law partner, or pension partner did not or is not entitled to receive a transfer of funds pursuant to the marriage breakdown section of the applicable Act, the full value of the LIF shall be paid to the designated Beneficiary, or where there is no Beneficiary, the Owner's estate.</p> <p>Such a payment will be subject to the any restrictions outlined in the applicable Act and Regulation.</p> <p>Where the Owner was not a former member, the full value of the LIF shall be paid to the designated Beneficiary, or where there is no Beneficiary, to the Owner's estate.</p>
Fiscal Year	
18	The fiscal year of this LIF ends on December 31 of each year and will not exceed 12 months.
Valuation	
19	The value of this LIF for all purposes and times including a transfer of assets, the purchase of a life annuity contract and a payment or transfer on the death of the Owner, shall be determined in accordance with the Contract and shall meet the requirements of the Regulation.
Retirement Income Payments from this LIF	
20	The Owner will be paid a retirement income the amount of which may vary annually and that will commence no earlier than allowed by the applicable Regulation and not later than the last day of the second fiscal year of this LIF.
21	The Owner must establish the amount of income to be paid during each fiscal year of this LIF at the beginning of that fiscal year and after the receipt of the information specified in Section 30. If instructions are not provided, the minimum amount will be paid. If the Company guarantees the rate of return of this LIF over a period that is greater than one year and that ends at the end of a fiscal year, then the Owner may establish the amount of income to be paid for each fiscal year during that period at the beginning of that period. In such a case, sections 22, 23, 24 and 26 will apply with such modifications as the circumstances require to determine, at the date of the beginning of the first fiscal year of this LIF in the interval, the amount of income to be paid for each fiscal year in that interval.
22	<p>The amount of income paid during a fiscal year of this LIF will not be less than the minimum amount required to be paid under the <i>Income Tax Act (Canada)</i> (Where the <i>Supplemental Pension Plans Act of Quebec</i>; the <i>Pension Benefits Act of Nova Scotia</i>; or, the <i>Pension Benefits Act of Manitoba</i> applies, the age of the younger spouse of the Owner may be used to calculate the minimum amount) and</p> <p>(For money regulated under the <i>Supplemental Pension Plans Act of Quebec</i>; the <i>Pension Benefits Act of Nova Scotia</i>; the <i>Pension Benefits Standards Act of British Columbia</i>; the <i>Pension Benefits Act of Manitoba</i>; or the <i>Pension Benefits Act of Ontario</i>, section 27 is the next applicable section.)</p> <p>Except for money regulated under the <i>Supplemental Pension Plans Act of Quebec</i>; the <i>Pension Benefits Act of Nova Scotia</i>; the <i>Pension Benefits Standards Act of British Columbia</i>; the <i>Pension Benefits Act of Manitoba</i>; or the <i>Pension Benefits Act of Ontario</i>, the amount of income paid during a fiscal year of this LIF will not exceed M, with that symbol being calculated in accordance with the following formula:</p> $M = \frac{C}{F}$ <p>where:</p> <p>C represents the balance of the money in this LIF on the first day of the fiscal year or, if this amount is zero, at the date that the initial amount was transferred into this LIF; and</p>

	<p>F represents the value on January 1 of the year in which the calculation is made of a guaranteed amount of which the annual payment is \$1 payable at the beginning of each fiscal year between that date and December 31 of the year during which the Owner attains the age of 90 years.</p>
23	<p>For the initial fiscal year of this LIF, the minimum amount to be paid, as referred to in section 22, will be zero and, other than for money regulated under the <i>Pension Benefits Act of New Brunswick</i>, the limit M will be adjusted in proportion to the number of months in the fiscal year divided by 12, with any part of an incomplete month counting as one month.</p>
24	<p>The maximum M for any money transferred directly or indirectly from another LIF or LRIF will be zero in the first fiscal year, except to the extent that the <i>Income Tax Act (Canada)</i> requires the payment of a higher amount.</p>
25	<p>Other than for money regulated under the <i>Pension Benefits Standards Act, 1985 (Canada)</i>; or the <i>Pension Benefits Act of New Brunswick</i>; or the <i>Pension Benefits Act of Ontario</i>, when an additional transfer is made to this LIF and that additional transfer has never been under a LIF or an LRIF before, an additional withdrawal will be allowed in that fiscal year in the same manner as provided pursuant to the applicable Act or Regulation.</p>
26	<p>The value F in section 22 will be calculated by using:</p>
(1)	<p>an interest rate of not more than 6% per year; or</p>
(2)	<p>for the first 15 years after the date of the valuation, an interest rate exceeding 6% per year if that rate does not exceed the interest rate obtained on long-term bonds issued by the Government of Canada for the month of November preceding the year of the valuation, as compiled by Statistics Canada and published in the Bank of Canada Review as CANSIM Series V122487 formerly B-14013, and using an interest rate not exceeding 6% in subsequent years.</p>
27 (1)	<p>For money regulated under the <i>Supplemental Pension Plans Act of Quebec</i>; or, the <i>Pension Benefits Act of Nova Scotia</i>, the amount of income paid during a fiscal year of this LIF will not exceed M, with that symbol being calculated in accordance with the following formula:</p> $M = F \times C$ <p>where:</p> <p>F represents the factor provide for in the applicable schedule of the Regulation with respect to the reference rate for the year covered by the fiscal year and the Owner's age at the end of the preceding year; and</p> <p>C represents the balance of the LIF at the beginning of the fiscal year, increased by any sums transferred to the LIF after that date and reduced by any sums originating directly or not during the same year from a life income fund of the Owner.</p> <p>The amount M may not be less than zero.</p> <p>The reference rate for a year referred to is published in the Bank of Canada Review as CANSIM Series V122487 formerly B-14013 and adjusted by an increase of 0.5%; and the conversion of the increased rate based on interest compounded semi-annually to an effective annual rate of interest; and the rounding of the effective interest rate to the nearest multiple of 0.5%.</p> <p>The reference rate thus determined may not be less than 6%.</p>
(2)	<p>For money regulated by the <i>Pension Benefits Act of Manitoba</i>, if no temporary income is paid out of a LIF for a year, the maximum will not exceed "M" calculated in accordance with the following formula:</p> $M = F \times B$ <p>where:</p> <p>In this formula,</p> <p>F represents the factor (from the table in the schedule) that corresponds to the reference rate for the year and the Owner's age at the end of the immediately preceding year, and</p>

	<p>B represents the balance of the Contract on January 1 of the year plus, in the case of a transfer that has never been in a LIF or LRIF before, the amount on the date of transfer.</p>
(3)	<p>For money regulated by the <i>Pension Benefits Act of Nova Scotia</i>, Section 8 of Schedule IV – Nova Scotia LIF Addendum,(see attached); or the Supplemental Pension Plans Act of Quebec, Section 19.1 and 19.2 of the Regulation, which describes the payment of temporary Income, does not apply.</p>
(4)	<p>For money regulated under the <i>Pension Benefits Standards Act of British Columbia</i>, the maximum will not exceed " M " calculated in accordance with the following formula but will be the greater of</p> <p style="padding-left: 40px;">$M = F \times C$</p> <p style="padding-left: 40px;">OR</p> <p style="padding-left: 40px;">$M = PYIR$</p> <p style="padding-left: 40px;">OR</p> <p>In this formula,</p> <p>F represents the prescribed factor in the applicable schedule of the Regulation with respect to the reference for the year and the Owner's age at the end of the immediately preceding year; and</p> <p>C represents the value of the LIF at the beginning of that fiscal year.</p> <p>PYIR represents the value of the Contract at the end of the preceding fiscal year, minus the value of the Contract on the first day of that fiscal year, plus any money paid out of the Contract during that fiscal year, minus any money transferred into the Contract during that fiscal year.</p>
(5)	<p>For money regulated by Schedule 1.1 of the Regulation under the <i>Pension Benefits Act of Ontario</i>, the maximum income amount that may be paid for any fiscal year is the greatest of the following amounts:</p> <ol style="list-style-type: none"> 1. The investment earnings, including any unrealized capital gains or losses, of the LIF in the previous fiscal year. 2. If the money in the LIF is derived from money transferred directly from another life income fund or a locked-in retirement income fund (the "transferring fund"), and if the income is being paid out of the LIF in the fiscal year following the fiscal year in which the LIF is established, the sum of, <ol style="list-style-type: none"> (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 LIF in the previous fiscal year. 3. The amount calculated using the formula, <p style="padding-left: 40px;">C/F, in which</p> <p style="padding-left: 40px;">C represents the value of the assets in the LIF at the beginning of the fiscal year, and</p> <p style="padding-left: 40px;">F represents 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 owner reaches 90 years of age.</p> <p>The following interest rate assumptions are to be used to determine the amount "F":</p> <p>The interest rate for each of the first 15 fiscal years of the period referred to in the definition of "F" is the greater of 6 per cent and the nominal rate of interest on long-term bonds issued by the Government of Canada for November of the year before the beginning of the fiscal year, as determined from the CANSIM series V122487 compiled by Statistics Canada and available on the website maintained by the Bank of Canada.</p>

	For the sixteenth and each subsequent fiscal year of the period referred to in the definition of "F", the interest rate is 6 per cent.
Temporary Income (Newfoundland and Labrador Clients Only)	
28	For money regulated by the <i>Pension Benefits Act of Newfoundland and Labrador</i> , the Owner is entitled to receive a temporary income over the amount of the maximum where:
(1)	the total retirement income received by the Owner for the calendar year in which the application is made is less than 40% of the YMPE; and
(2)	the Owner has not reached his or her 65 birthday at the beginning of the fiscal year in which he or she makes application for additional temporary income; and
(3)	the Maximum Temporary Income = (A - B) in which (i) A = 40% of the YMPE (ii) B = the total retirement income to be received by the Owner for the calendar year in which the application is made from all LIFs, LRIFs, Life Annuities and Pension Plans governed by <i>Pension Benefits Act of Newfoundland and Labrador</i>
(4)	an application for temporary income, accompanied by the written consent of the principal Beneficiary of the Owner, shall be made in the form and manner prescribed and submitted to the Company at the beginning of the fiscal year of the Contract.
(5)	For the initial fiscal year of this LIF, the Maximum Temporary Income will be adjusted in proportion to the number of months in the fiscal year divided by 12, with any part of an incomplete month counting as one month.
(6)	The Maximum Temporary Income for any money transferred directly or indirectly from another LIF or LRIF will be zero in the first fiscal year, except to the extent that the <i>Income Tax Act (Canada)</i> requires the payment of a higher amount.
Identifiable Securities	
29	Where this LIF holds identifiable and transferable securities, the transfer or purchase referred to in sections 10, and 14 of this Endorsement may, at the option of the Company and with the consent of the Owner, be effected by remittance of the investment securities of this LIF.
Reporting	
30	The Company will provide to the Owner, at the beginning of each fiscal year, information on:
(1)	(i) the sums deposited, the investment income, gains and losses earned, the payments made out of the LIF and the fees charged against it during the previous fiscal year, (ii) the balance in the LIF and (iii) the minimum amount that must, and the maximum amount that may, be paid out of the LIF to the Owner during the current fiscal year;
(2)	If the balance in the LIF is transferred as described in Section 10, the Company will also provide to the Owner the information described in clause 30(1), as of the date of the transfer.
(3)	If the Owner dies before the balance in the LIF is used to purchase a life annuity contract or transferred under Section 10, the Company will provide to the person entitled to receive the balance, the information described in clause 30(1), as of the date of death.
Miscellaneous	
	No money that is not locked in will be transferred to or held under this LIF, unless the locked-in money is to be held in a separate account which will contain only locked-in money.
31	For Contracts regulated under the <i>Pension Benefits Act of British Columbia</i> , a former member or a former member's spouse who is entitled to the pension benefit as a result of a marriage breakdown, and has attained age 55, may transfer funds from a locked in RRSP to a Life Income Fund. If the former member, or a former member's spouse who is entitled to the pension benefit as a result of a marriage breakdown, and has not attained age 55 but provides satisfactory evidence that the pension plan from which the locked in funds originated provides for a pension at the earlier age, the locked in funds may be transferred to a LIF.
32	Subject to the applicable Act and Regulation, the entitlement of any person to a benefit is subject to entitlements arising under a matrimonial property order filed with the Financial Institution. With respect to the share of a non-member-spouse, pension partner, cohabitating partner, or common-law partner, the conditions set out in the Act and Regulation continue to apply to that share if it is transferred into a LIRA, LIF, or LRIF.
33	Where the commuted value of a deferred pension transferred from a pension plan into

	<p>this LIF was determined on transfer in a manner that differentiated, while the Owner was a member of a plan, on the basis of the Owner's sex, no money may subsequently be transferred into this LIF other than money that is also differentiated on the same basis.</p> <p>For Contracts regulated under the <i>Pension Benefits Act of Manitoba</i>, the Company will not allow a Contract to combine different pensions based on differences in sex in accordance with Regulation 18.1 (15) (d).</p>
34	<p>The terms of this Endorsement will take precedence over the provisions in the Contract in the case of conflict or inconsistency, provided that the Contract shall at all times remain qualified as a registered retirement income fund under the <i>Income Tax Act (Canada)</i>.</p>
35 (1)	<p>This LIF may not be amended without prior notification to the Owner unless it is to bring the Contract into conformity with the law. In such cases, the Company will notify the Owner in the manner prescribed in the Regulation.</p> <p>For Contracts regulated under the <i>Pension Benefits Act of Nova Scotia</i>; or the <i>Pension Benefits Act of Newfoundland</i>; or the <i>Pension Benefits Act of Ontario</i>, the Contract cannot be amended except in accordance with the Regulations and must include the following provisions:</p> <p>(i) The Owner will be given 90 days Notice of the proposed amendment other than an amendment described below in 35(1)(ii);</p> <p>(ii) The Company cannot amend the LIF if that amendment will result in a reduction in the Owner's rights unless, the Company is required by Law to make the amendment; and, the Owner is entitled to transfer the assets in the LIF under the terms of the contract that exist before the amendment is made;</p> <p>(iii) When making an amendment described in 35(1)(ii), the Company must notify the Owner of the nature of the amendment and allow the Owner at least 90 days after the Notice is given to transfer all or part of the assets in the LIF.</p>
(2)	<p>For Contracts regulated under the <i>Supplemental Pensions Plans Act of Quebec</i>, the Contract cannot be amended except in accordance with Section 19 (11) of the Regulation and must include the following provisions:</p> <p>(i) The Company may not make any amendment that would have the effect of reducing benefits under the contract unless, before the date of the amendment, the Owner has the right to transfer the balance of the fund and receives, not less than 90 days before the date on which the Owner may exercise that right, a Notice indicating the nature of the amendment and the date from which the Owner may exercise that right;</p> <p>(ii) That the transfer referred to in Sections 10(4) and 35(2)(i) of this LIF may, at the option of the Company and unless otherwise stipulated, be effected by remittance of the investment securities of the fund;</p> <p>(iii) That the Company may not, except fulfil requirements under law, make any amendment other than the amendment provided for in section 35(2)(i) of this LIF without having given prior Notice to the Owner;</p> <p>(iv) That the Company may amend the Contract only to the extent that it remains in conformity with the standard contract amended and registered with the Régie.</p>
36	<p>Upon marital break up, the balance of the LIF of the Owner shall be divided between the Owner and the spouse, pension partner, or common-law partner pursuant to the applicable Act.</p>
37	<p>The Company hereby affirms the provisions contained in the Contract.</p>

Signature of Owner _____

Contract Number _____

Date _____

This LIF contains pension money that was determined on the basis of sex: Yes
No

Schedule IV
Nova Scotia LIF Addendum

Interpretation

- 1 (1)** In this Schedule,
- (a) “common-law partner” of an individual means another individual who has cohabited with the individual in a conjugal relationship for a period of at least 2 years, neither of them being a spouse;
 - (b) “regulations” means the *Pension Benefits Regulations*, of which this Schedule forms a part.
 - (c) “spouse” means either of a man and woman who
 - (i) are married to each other,
 - (ii) are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity, or
 - (iii) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or, if they have ceased to cohabit, have cohabited within the 12-month period immediately preceding the date of entitlement; and
 - (d) “temporary income” means periodic income paid under a pension plan, an annuity or a LIF to a person for a temporary period of time after retirement for the purposes of supplementing retirement income until the person is eligible to receive benefits under the *Old Age Security Act (Canada)* or is either eligible for or commences to receive retirement benefits under the Canada Pension Plan (Canada) or Quebec Pension Plan (Quebec).
- (2)** A fiscal year referred to in this Schedule is the fiscal year of a LIF, which must end on December 31 and must never exceed 12 months.
- (3)** A reference rate referred to in this Schedule for the fiscal year of a LIF
- (a) is based on the month-end nominal rate of interest earned on long-term bonds issued by the Government of Canada for the month of November preceding the beginning of the fiscal year, as compiled by Statistics Canada and published in the Bank of Canada Review as CANSIM Series B-14013, with the following adjustments applied successively to that nominal rate:
 - (i) an increase of 0.5%,
 - (ii) the conversion of the increased rate, based on interest compounded semi-annually, to an effective annual rate of interest,
 - (iii) the rounding of the effective interest rate to the nearest multiple of 0.5%; and
 - (b) must not be less than 6%.

Prohibitions

- 2** Money held in a LIF must not be commuted, withdrawn or surrendered in whole or in part, except as permitted by Sections 27 and 28 of the regulations (small amounts at age 65 and considerably shortened life expectancy), or in accordance with Part 4 of the regulations (financial hardship).
- 3** Money held in a LIF must not be assigned, charged, or given as security except as permitted by subsection 70(3) or Section 71A of the Act, and any transaction purporting to assign, charge, anticipate or give such money in the LIF as security is void.

- 4 Money held in a LIF is exempt from execution, seizure or attachment except as permitted by Section 71A of the Act.

Income commencement

- 5 (1) The owner must be paid an income from the LIF, the amount of which may vary annually.
- (2) Payment of the income from the LIF to the owner must begin no earlier than the earliest date the owner was entitled to receive a pension under any of the pension plans from which the money was transferred into the LIF, directly or indirectly.
- (3) Payments must begin no later than the end of the second fiscal year of the LIF.
- (4) The minimum amount of income paid during a fiscal year must not be less than the minimum amount prescribed for a RRIF under the *Income Tax Act* (Canada).
- (5) The owner must establish the amount of income to be paid during each fiscal year at the beginning of that fiscal year and after the receipt of the information specified in subsection 11(1).
- (6) If the financial institution guarantees the rate of return of the LIF over a period that is greater than one year, that period must end at the end of a fiscal year and the owner may establish the amount of income to be paid during that period at the beginning of that period.

Minimum LIF withdrawal

- 6 The amount of the income paid during the fiscal year of a LIF must not be less than the minimum amount prescribed by the *Income Tax Act* (Canada), determined on the basis of the owner's age or the age of the owner's spouse or common-law partner where that person is younger than the owner.

Maximum LIF withdrawal - no provision for temporary income

- 7 The maximum income (M) to be paid from a LIF from which no temporary income is paid, is determined by the following formula:

$$M = F \times C$$

where

"F" is the factor in Schedule V for the reference rate for the fiscal year and the owner's age at the end of the preceding year; and

"C" is the balance of the LIF at the beginning of the fiscal year, increased by any money transferred to the LIF after that date and reduced by any money transferred from another LIF to the LIF in the same year.

Maximum LIF withdrawal - with temporary income

- 8 (1) A LIF may provide that the owner be entitled to a temporary income if the owner meets the following requirements:
 - (a) the owner makes an application in Form 9 (Application to a Financial Institution for Payment of Temporary Income from a LIF) to the financial institution that administers the LIF for payment of a temporary income under the LIF; and
 - (b) the owner is at least age 54 but under age 65 at the end of the year preceding the date of application.
- (2) The temporary income must not be paid after the end of the year in which the owner reaches age 65.

(3) No temporary income is payable if any portion of a LIF payment is transferred to a non-locked-in retirement savings arrangement.

(4) The maximum temporary income (A) for the fiscal year is the lesser of

(a) (40% of the years maximum pensionable earnings) - T; and

(b) $F \times C \times D$,

where

“F” is the factor in Schedule V for the reference rate for the fiscal year and the owner’s age at the end of the preceding year;

“C” is the balance of the LIF at the beginning of the fiscal year, increased by any money transferred to the LIF after that date and reduced by any money originating during the same year from another LIF;

“T” is the total of temporary income from a pension plan for that fiscal year and temporary income from other LIFs of the owner; and

“D” is the factor in Schedule VI for the owner’s age at the end of the year preceding the current fiscal year.

(5) Despite subsection (4), if $F \times C \times D$ is equivalent to less than 40% of the year’s maximum pensionable earnings, and the owner is not entitled to any temporary income from another LIF or from a pension plan, “A” is the lesser of

(a) 40% of the year’s maximum pensionable earnings, and

(b) the LIF less LIF transfers.

(6) The maximum life income (E) to be paid from a LIF from which a temporary income is paid is determined by the following formula, provided that “E” must not be less than zero:

$$E = (F \times C) - (A \div D)$$

where

“F” is the factor in Schedule V for the reference rate for the fiscal year and the owner’s age at the end of the preceding year;

“C” is the balance of the LIF at the beginning of the fiscal year, increased by any money transferred to the LIF after that date and reduced by any money originating during the same year from another LIF.

Maximum income payable when the financial institution guarantees the rate of return of the LIF

9 (1) If the financial institution has guaranteed the rate of return of the LIF over a period greater than one year, and the owner establishes the amount of income to be paid during that period, the maximum income that may be paid during each of the fiscal years of that period is determined at the beginning of each of those fiscal years.

(2) For the first fiscal year, the maximum income is determined in accordance with Section 7.

(3) For each subsequent year, the maximum income is equal to the lesser of

(a) the balance of the LIF at the time of payment in that year; and

(b) the result of the formula $(M \times J) \div K$

where

“M” represents the maximum income determined for the initial fiscal year,

“J” represents the balance of the LIF at the beginning of the fiscal year,
and

“K” represents the reference balance determined at January 1 of the year,
calculated as

- (i) the reference balance at the beginning of the previous year, reduced by M, plus
- (ii) the amount determined under subclause (i) multiplied by the reference rate for the year, if it is one of the first 16 fiscal years of the fund, or by 6% in any other case,

and in applying this formula to the second year of the period, the reference balance referred to in subclause (i) is the LIF balance at the beginning of the first year of the period.

Excess income paid

- 10** If the income paid to the owner during the fiscal year of the fund exceeds the maximum that may be paid, the balance of the fund must not be reduced by the excess, unless the payment is attributable to incorrect information provided by the owner.

Information to be provided by the financial institution

- 11 (1)** At the beginning of each fiscal year, the financial institution must provide to the owner a statement indicating
- (a) the balance in the LIF at the beginning of the fiscal year;
 - (b) information on the sums deposited, any accumulated investment earnings including any unrealized capital gains or losses, the payments made during the fiscal year and the fees charged against the LIF during the previous fiscal year;
 - (c) the minimum amount that must be paid out as income to the owner during the current fiscal year;
 - (d) the maximum amount that may be paid out as income to the owner during the current fiscal year;
 - (e) if the beginning of the fiscal year is later than the beginning of the calendar year, the sums deposited that were held in another LIF during the year;
 - (f) if the LIF provides for payment of a temporary income and the owner was at least 54 but less than 65 at the end of the preceding year,
 - (i) the terms and conditions the owner must meet to be entitled to payment of the temporary income under Section 8, and
 - (ii) that payment of temporary income will reduce the income that would otherwise be paid to the owner after age 65;
 - (g) that the maximum amount of income that may be paid to the owner will not be increased if a transfer is made to the LIF of assets held in another LIF during that year; and
 - (h) that if the owner wishes to transfer, in whole or in part, the balance of the LIF and still receive from the LIF the income determined for the fiscal year, an amount must be retained in the LIF at least equal to the difference between the income determined for the fiscal year and the income already received from the LIF since the beginning of the fiscal year.

- (2) If the owner dies before the balance in the LIF is used to purchase a life annuity contract or is transferred under Section 12, the financial institution must provide to the owner's spouse or common-law partner or beneficiary or estate the information in clauses 11(1)(a) and (b) as of the owner's date of death.
- (3) If the balance of the LIF is transferred to another financial institution or used to purchase a life annuity, the financial institution must provide the owner the information in clauses (1)(a) and (b) as of the date of the transfer or annuity purchase.
- (4) If the balance of the LIF is transferred to another financial institution or used to purchase a life annuity, the financial institution must comply with the requirements of an administrator under subsections 23(16), (17), and (18) of the regulations.

Information provided upon transfer of additional amounts to a LIF

- (5) Within 30 days following a transfer to a LIF of locked-in funds that have not been held in a LIF at any time in the current year, the financial institution must provide the owner with a statement indicating
 - (a) the balance of the LIF at the beginning of the fiscal year, any money transferred into the LIF during the fiscal year and balance of the LIF used to determine the maximum amount that may be paid to the owner as income during the fiscal year;
 - (b) the maximum amount that may be paid to the owner as income during the fiscal year;
 - (c) the minimum amount that must be paid to the owner as income during the fiscal year; and
 - (d) if the LIF provides for payment of a temporary income and the owner is at least 54 years of age but less than 65 years of age at the end of the preceding year, that the owner is entitled to receive payment of a temporary income.
- (6) If a transfer is made to a LIF of assets held in another LIF at any time in the current fiscal year, the maximum amount of income that may be paid to the owner must not be increased.

Transferring assets from a LIF

- 12 (1) The owner of a LIF may transfer all or part of the assets in a LIF
 - (a) to another LIF;
 - (b) to purchase an immediate life annuity contract that meets the conditions of Section 24 of the regulations, provided the annuity does not commence on a date earlier than the earliest date the owner was entitled to receive a pension under any of the pension plans from which the money in the LIF was transferred; or
 - (c) to a LIRA, if permitted under the *Income Tax Act* (Canada).
- (2) If assets in the LIF consist of identifiable and transferable securities, the financial institution may transfer the securities with the consent of the owner.
- (3) The date of transfer must not be more than 30 days after the date of application by the owner unless the term agreed to for the investments has not expired.
- (4) The financial institution must advise the financial institution to which the assets are transferred that the assets were held in a LIF in the current year.

Death benefit

- 13 (1)** On the death of the owner, the balance in the LIF must be paid to or for the benefit of the owner's spouse or common-law partner or, if there is no spouse or common-law partner, the owner's designated beneficiary or, if there is no valid designation of beneficiary, the owner's estate.
- (2)** A spouse or common-law partner is not entitled to receive a death benefit if a division has been made under Section 61 of the Act (pension division) of the pension benefits transferred to the LIF, unless the spouse or common-law partner is the owner's designated beneficiary.

Withdrawals

- 14** An application for withdrawal of the assets held in a LIF must be made in accordance with Sections 27 and 28 of the regulations (small amounts at age 65 and considerably shortened life expectancy), or in accordance with Part 4 of the regulations (financial hardship).