

Retirement Savings Plan Endorsement For Locked-In British Columbia Pension Funds

Upon receipt of locked-in money, The Manufacturers Life Insurance Company further declares as follows:

This Endorsement forms a part of retirement saving plan policy number

Owner _____

1. In this Endorsement, "Manulife Financial" refers to The Manufacturers Life Insurance Company. The word "Act" means the Pension Benefits Standards Act of British Columbia, and the word "Regulation" means the Pension Benefits Standards Regulation made under the Act. The word "plan" refers to the retirement savings plan indicated above to which this Endorsement is attached. The phrase "Member of the pension plan" refers to the person entitled under a pension plan governed by the Act to amounts transferred into the plan by reason of membership in the pension plan. In the case of a group retirement savings plan, the word "owner" as used in this Endorsement refers to the certificate holder.

2. For purposes of this Endorsement, the words "approved", "contract", "life annuity contract", "locked-in", "spouse", "transfer", and "underwriter", have the same meanings as are respectively given to these words in the Act or the Regulation.

Notwithstanding anything to the contrary contained in this plan, including any endorsements forming a part of it, for the purposes of any provision of the Income Tax Act (Canada) respecting Registered Retirement Savings Plans ("RRSP"s) and Registered Pension Plans, the word "spouse" does not include any person who is not recognized as a spouse or common-law partner under the Income Tax Act (Canada).

3. Manulife Financial affirms that if the owner of this plan was the Member of the pension plan and has a spouse at the date when the pension commences, the pension to be provided shall be a joint pension under which not less than 60% of the value of the pension will continue to the survivor for the survivor's lifetime following the death of the owner or the owner's spouse, unless the spouse waives entitlement to the survivor's pension in the form and manner prescribed in Form 2 of Schedule 2 of the Regulation.

4. If the owner of this plan dies while this plan is in force, the locked-in money in the plan will be paid on behalf of the surviving spouse if the owner was the Member of the pension plan and has a spouse at the date of death, unless the surviving spouse has waived

spousal entitlement in the form and manner set out in Form 4 of Schedule 2 of the Regulation.

If the money in the plan is paid on behalf of the spouse, it will be

- (a) transferred to another locked-in RRSP for the surviving spouse on the relevant conditions specified in section 29 of the Regulation,
- (b) transferred to an approved life income fund for the surviving spouse on the relevant conditions specified in section 30 of the Regulation, or
- (c) applied to purchase a life annuity contract as stipulated in subsection 60(l)(ii)(A) of the Income Tax Act (Canada) for the surviving spouse.

The surviving spouse, who is not the appointed beneficiary on the date of death, may not be entitled to the death benefit if the owner and the spouse are living separate and apart for a period of at least 2 years, as defined in the Act, on the date of death.

5. If the owner of this plan dies while this plan is in force and the locked-in money in the plan is not required to be paid on behalf of the surviving spouse in accordance with paragraph 4 above, the money will be paid in a lump sum to the appointed beneficiary, if any, otherwise to the estate of the owner of this plan.

6. Subject to paragraph 7 below, all locked-in money transferred into the plan, including all investment earnings, is locked in during the lifetime of the owner of the plan, and is to be used to provide or secure a pension that would, but for the transfer and previous transfers, if any, be required by the Act and the Regulation.

7. No transfer of the locked-in money in the plan is permitted, except

- (a) to transfer to another locked-in RRSP on the relevant conditions specified in section 29 of the Regulation,
- (b) to transfer to a registered pension plan on the conditions specified in Section 33(2)(a) of the Act,
- (c) to transfer to an approved life income fund on the relevant conditions specified in section 30 of the Regulation, or

(d) to purchase a life annuity contract as stipulated in of the definition "*retirement income*" of subsection 146(1) of the Income Tax Act (Canada).

Any withdrawal fees specified in the plan will be applicable at the time of the transfer.

Subject to paragraphs 8 and 9 below, no withdrawal, commutation or surrender of the locked-in money in the plan will be permitted.

8. Subject to paragraph 10 or 11 below, no withdrawal, commutation or surrender of the locked-in money is permitted during the owner's lifetime, except where an amount is required to be paid to the taxpayer to reduce the amount of tax otherwise payable under Part X.1 of the Income Tax Act (Canada).

9. Except as provided in the Act or Regulation, the locked-in money in the plan may not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment. Any transaction that contravenes this paragraph is void. Pension benefits are a family asset under the Family Relations Act.

10. If, as evidenced by the certification of a medical practitioner, the life of the owner or the surviving spouse of a deceased owner is likely to be shortened considerably due to a disability or terminal illness, the locked-in money in the plan may be withdrawn as a lump sum payment or series of payments. If the owner of this plan was the Member of the pension plan and has a spouse, this paragraph applies only if the spouse has waived entitlement to the survivor's pension in the form and manner prescribed in Form 2 of Schedule 2 of the Regulation.

11. A lump sum payment equal to the value of the entire contract may be made on application by the owner for payment at any time if:

- a) 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.

If the contract is not eligible for the payment option referred to in this paragraph, it may not be severed so as to transform it into two or more contracts that are so eligible.

12. Manulife Financial affirms that the money in the plan will be invested in a manner that complies with the rules for the investment of money in an RRSP as defined by section 146 of the Income Tax Act (Canada) and the regulations under that act.

Manulife Financial declares that the locked-in money 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 or the spouse of any such person.

13. If locked-in money from the plan is paid out contrary to the Act, the Regulation or this Endorsement, Manulife Financial 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 the money not been paid out.

14. In the event of a transfer of the locked-in money from the plan, Manulife Financial will ensure that the name of any transferee financial institution and locked-in RRSP contract is on the list of underwriters approved by the Superintendent of Pensions (British Columbia).

15. Before transferring any locked-in money to another underwriter, Manulife Financial will advise the transferee underwriter in writing of the locked-in status of the money, and will require an undertaking from the latter to administer the money in accordance with the locked-in provisions of the Act and Regulation.

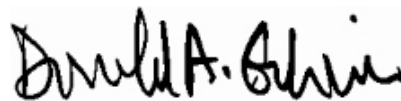
16. If Manulife Financial does not comply with either paragraphs 13 or 14 above and the transferee financial institution fails to pay the locked-in money transferred in the form of a pension or in the manner required by the Act and Regulation, Manulife Financial declares that it will provide or ensure the provision of the pension referred to in paragraph 12 above.

17. All locked-in money in the plan will be held in an account containing only locked-in money, which account is separate from any account under the plan holding money that is not locked-in.

18. Manulife Financial affirms the provisions contained in this plan.

19. Notwithstanding anything to the contrary contained in the plan, the conditions of this Endorsement will take precedence over the provisions in the plan in the case of conflicting or inconsistent provisions. **Future amendments to the Act and the Regulation, or subsequent legislation may override this Endorsement.**

The Manufacturers Life Insurance Company



President and Chief Executive Officer