

## Retirement Income Fund Endorsement For Locked-In Ontario Pension Funds Transferred to a LRIF

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 words "Pension Act" means the Ontario Pension Benefits Act, R.S.O. 1990 c.P.8, and the word "Regulation" means the regulation made under the Pension Act. The words "Tax Act" mean the Income Tax Act (Canada). The word "fund" refers to the retirement income fund indicated above to which this Endorsement is attached.

2. For purposes of this Endorsement, the words "former member", "member", "pension benefit", "pension plan" and "spouse" and "same-sex partner" have the same meanings as are respectively given to these words in section 1 of the Pension Act.

Notwithstanding anything to the contrary contained in this fund, including any endorsements forming a part of it, for the purposes of any provision of the Tax Act respecting Registered Retirement Income Funds, the word "spouse" does not include any person who is not recognized as a spouse or common-law partner under the Tax Act. Spousal status is established on the date a life annuity is purchased under paragraph 3(c) below, or on the date of the owner's death, whichever comes first.

3. While this fund remains in force, the owner may transfer all or part of the money in the fund

- (a) to another locked-in retirement income fund
- (b) to a life income fund,
- (c) for the purchase of a deferred life annuity as stipulated in paragraph 60(l) of the Tax Act and that meets the requirements of section 22 of the Regulation, or
- (d) before the latest maturity date for Registered Retirement Savings Plans as specified under the Tax Act, to a registered retirement savings plan that meets the requirements of section 21 of the Regulation.

Manulife Financial will make this transfer not more than 30 days after it receives the owner's request for the transfer.

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

4. If the owner dies while this fund is in force, the money in the fund will be paid to or on behalf of the surviving spouse or same-sex partner
- (a) if the owner is a member or former member,
  - (b) if the owner has a spouse or same-sex partner at the date of death, and
  - (c) if the surviving spouse or same-sex partner is not living separate and apart from the owner on the date of death.

Otherwise the money will be paid to the designated beneficiary, if any, otherwise to the estate of the owner of the fund.

5. Payments out of this locked-in retirement income fund or under a life annuity are subject to division in accordance with the terms of an order made under the Family Law Act of Ontario or in accordance with a domestic contract as defined in Part IV of that Act. If the division occurs after the life annuity has been purchased, the spouse's portion must be paid in a lump sum.
6. The owner's spouse or same-sex partner may waive survivor's benefits, and may revoke any such waiver, before the money in the fund is used to purchase a life annuity, by giving written notice to the annuity issuer.
7. Each fiscal year of the fund ends on December 31 and will not exceed 12 months.

Under the terms of the fund, the owner will be paid an income; this income will commence

- (a) no earlier than the earliest date on which the owner would have been entitled to receive pension benefits under any pension plan from which money was transferred into this fund, and

- (b) no later than the last day of the second fiscal year of the fund.

The income will continue as long as the fund remains in force.

- 8. The total of all income payments and cash withdrawals made out of the funds during a fiscal year will not be less than the LRIF Minimum nor more than the LRIF Maximum, as set out in paragraph 10 below. Subject to these minimum and maximum amounts, the owner may elect the amount of each income payment, and if no election is made, payments are made in accordance with the provisions of the fund.
- 9. Notwithstanding paragraph 8 above, a lump sum payment or a series of payments may be made to the owner:
  - (a) In accordance with section 22.2 of the Regulation,
  - (b) Where a physician certifies that the owner has an illness or physical disability that is likely to shorten his or her life expectancy to less than two years,
  - (c) Where the owner provides written evidence that the Financial Services Commission of Ontario has approved a withdrawal under section 67 of the Pension Act, or
  - (d) Where the owner is at least 55 years of age and the value of all assets in all life income funds, locked-in retirement income funds 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.

The payment(s) may be made only where the spouse or same-sex partner of the owner, other than the surviving spouse owner, has consented to the withdrawal in the form and manner prescribed in the Regulation.

- 8. For any fiscal year, the LRIF Minimum is equal to the greater of the RIF minimum amount as defined by the Tax Act, or the LRIF minimum amount as defined by the Pension Act, and the LRIF Maximum is equal to the LRIF maximum amount as defined by the Pension Act.

The LRIF Minimum and the LRIF Maximum applicable to any fiscal year are based on the balance of the money in the funds on the first day of the fiscal year.

- 9. Subject to paragraph 5 above, the money in the fund may not be assigned, charged, anticipated or

given as security, except for the purposes of sections 49, 65(3) or 67 of the Pension Act.

- 10. Manulife Financial will provide the statements required by section 10 of Schedule 2 of the Regulation.
- 11. The rights of the owner with respect to the investment of capital are as specified in the fund.
- 12. For the purpose of a transfer, the purchase of a life annuity, a death benefit, or a division of the money under paragraph 5 above, the method used to determine the value of the fund is as specified in the fund.
- 13. If any amendment is made to the funds that would reduce any benefits, the owner may request the transfer of the money in the fund in accordance with paragraph 3 above, before the effective date of the amendment. Manulife Financial will send the owner notice of the amendment and the period during which the transfer may be requested. The owner will receive this notice at least 90 days before the effective date of the amendment.

If any other amendment is made to the fund, Manulife Financial will notify the owner at least 90 days before the effective date of the amendment.

Notice of any amendment will be sent by registered mail to the address of the owner according to Manulife Financial's records.

Before transferring money to another financial institution, Manulife Financial will ensure the minimum required payment for the year, by reason of the application of paragraph 10 above, has been satisfied. If it has not, Manulife Financial will withhold adequate funds to satisfy this minimum payment required in accordance with paragraph 146.3(2)(e) of the Income Tax Act (Canada).

- 14. Manulife Financial affirms the provisions contained in this fund.
- 15. Notwithstanding anything to the contrary contained in the fund, the conditions of this Endorsement will take precedence over the provisions in the fund in the case of conflict or inconsistent provisions. **Future amendments to the Pension Act and the Regulations, or subsequent legislation may override this Endorsement.**

**THE MANUFACTURERS LIFE INSURANCE COMPANY**



President and Chief Executive Officer