

Retirement Savings Plan Endorsement For Locked-In Newfoundland Pension Funds Transferred to a LIRA

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

1. In this Endorsement, "Manulife Financial" refers to The Manufacturers Life Insurance Company. The word "Act" means the Newfoundland Pension Benefits Act, 1997 and the word "Regulations" means the Regulations under the Act. The word "plan" refers to the retirement savings plan indicated above, to which this Endorsement is attached. 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 "owner", "principal beneficiary", "life annuity", "life income fund" (LIF), "locked-in retirement account" (LIRA), "locked-in retirement income fund" (LRIF), "pension benefit", "pension benefit credit" and "registered pension plan" have the same meanings as are respectively given to these words in the Act or the Regulations.

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 term "principal beneficiary" does not include any person who is not recognized as a spouse or common-law partner under the Income Tax Act (Canada).

3. No transfer of the locked-in money in this plan, including any investment earnings, is permitted, except
 - (a) prior to maturity, to transfer the money to the pension fund of a registered pension plan,
 - (b) prior to maturity, to transfer the money to another locked-in retirement account,
 - (c) to purchase an immediate or deferred life annuity as stipulated in the definition "*retirement income*" of subsection 146(1) of the Income Tax Act (Canada), and that meets the requirements of Directives No. 4 and 6 issued under the Act, commencing not before the person who is to receive the pension benefit obtains the earlier of the age of 55 years, or the earliest date on which the former member is entitled to receive a pension benefit under a pension plan from which the money was transferred,
 - (d) prior to maturity, to transfer the money to a life income fund, or
 - (e) prior to maturity, to transfer the money to a locked-in retirement income fund.

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

4. The pension benefit payable to a former member who has a principal beneficiary at the date the pension commences shall be a joint and survivor pension benefit with at least 60 percent continuing to be payable to the survivor for life after the death of either unless the principal beneficiary waives the entitlement in a form and manner set out in a form provided by the Superintendent.
5. If the owner of this plan dies while this plan is in force, the locked-in money in the plan will be paid to the surviving principal beneficiary of the owner if there is one at the date of death. If there is no surviving principal beneficiary or the surviving principal beneficiary had waived entitlement in the form and manner prescribed by the Superintendent, 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. Where the owner is not a former member, the full value of the contract shall be paid to the designated beneficiary or, where there is no beneficiary, to the owner's estate.
6. None of the locked-in money in the plan, including interest, may be assigned, charged, anticipated or given as security, except as permitted under applicable legislation. Any transaction that contravenes this paragraph is void.
7. No withdrawal, commutation or surrender of the locked-in money is permitted during the owner's lifetime, except
 - (a) where due to mental or physical disability a medical doctor certifies that the life expectancy of the owner is likely to be shortened considerably, and the principal beneficiary of the owner, other than the surviving principal beneficiary owner, has waived the joint and survivor pension entitlement in the form and manner prescribed by the Superintendent, or
 - (b) 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), or

- (c) where the value of all assets in all LIRAs, LIFs and LRIFs governed by the Act is less than 10 percent of the Year's Maximum Pensionable Earnings under the Canada Pension Plan (YMPE) for that calendar year, and the principal beneficiary of the owner, other than the surviving principal beneficiary owner, has waived the joint and survivor pension entitlement in the form and manner prescribed by the Superintendent, or,
- (d) where the owner has reached the earlier of age 55 or the earliest date on which the owner would have been entitled to receive a pension benefit under the plan from which money was transferred, the value of the owner's assets in all LIRAs, LIFs and LRIFs governed by the Act is less than 40 percent of the YMPE for that calendar year, and the principal beneficiary of the owner, other than the surviving principal beneficiary owner, has waived the joint and survivor pension entitlement in the form and manner prescribed by the Superintendent.

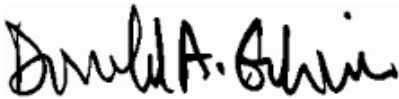
The application for a withdrawal under subsection (c) or (d) must be made on a form approved by the Superintendent. Any transaction that contravenes this section is void.

- 8. No subsequent transfer of the locked-in money in the plan is permitted, except
 - (a) where the transfer is permitted under the Act and the Regulations, and
 - (b) where the transferee agrees to administer the money transferred as a pension or deferred pension in accordance with the Act and the Regulations.

Upon transfer, Manulife Financial will advise the transferee in writing that the locked-in money transferred must be administered as a pension or deferred pension under the Act and the Regulations.

- 9. The commuted value of any deferred pension transferred from a pension plan, which was determined on a unisex basis or on a sex-distinct basis, as confirmed by the transferor, will be held in separate accounts. Only additional amounts determined on the same basis will be accepted for transfer into each account. Any life or deferred life annuity purchased with the value of each account must also be determined on the same basis.
- 10. 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.
- 11. All money shall be invested in a manner that complies with the rules of investment contained in the Income Tax Act (Canada) and will not be invested directly or indirectly in any mortgage, in respect of which the mortgagor is the owner of the money or the parent, brother, sister or child of the owner of the money or the spouse of any of those persons.
- 12. 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.
- 13. All contracts are subject, with any necessary modifications, to the division of pension benefits on marriage breakdown provisions in Part VI of the Act.
- 14. Manulife Financial hereby affirms the provisions contained in this plan.
- 15. 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 Regulations, or subsequent legislation may override this Endorsement.**

THE MANUFACTURERS LIFE INSURANCE COMPANY



President and Chief Executive Officer

PRINCIPLES FOR THE SALE OF INSURANCE A Consumer Protection Document

A copy of this Document must be provided to a purchaser of insurance on delivery of the policy contract and with any renewal or cancellation notice.

- When selling an insurance policy, the client's interests take priority over the interests of insurance companies, agents, brokers and representatives.
- The product recommended must be suitable to the client's needs.
- Consumers have a right to privacy as outlined in the federal Personal Information Protection and Electronic Documents Act (PIPEDA). In general, information will be used only for the purpose for which it was collected, unless the client provides proper authorization, and except as permitted by law.
- An insurance company cannot cancel or non-renew coverage or increase a premium for an incident which results in no claim being paid.
- Consumers have a right to know the insurance companies an agent, broker or representative represents for the product being sold.
- Consumers have a right to know any conflicts or potential conflicts of interest the agent, broker or representative may have.
- Consumers have a right to know ownership and financing arrangements between agents, brokers or representatives and insurance companies they represent.
- Consumers have a right to know compensation arrangements that agents, brokers, or representatives have for the product purchased, including the amount of commission being paid for the transaction.
- Consumers have a right to know in writing why any insurance coverage has been denied, non-renewed or cancelled and any notice period required by law to cancel the policy.
- Consumers have a right to know the complaint resolution process of the insurance company.
- At point of sale or renewal an agent, broker or representative must provide the following information:
 - The full range of deductibles available and the cost of insurance applicable with each of the deductibles.
 - The various coverages available, the cost of these coverages and any discounts available.
 - The total premium of all quotations obtained for the product being sold, and, upon request, a detailed breakdown by coverage of the premiums quoted.
 - Upon request, the above information is to be provided in writing.
- For further information concerning your rights and responsibilities you may contact:
 - The Office of the Superintendent of Insurance
 - Phone – 729-2602 or 729-2623, Fax – 729-3205
 - E-mail – GSLInfo@gov.nl.ca , Web site – www.gs.gov.nl.ca