

Contract Application

Non-Registered
Retirement Savings Plan (RSP)
Locked-In Retirement Account (LIRA)
Retirement Income Fund (RIF)
Life Income Fund (LIF)



Desjardins
Financial Security®

Money working for people

Life, health, retirement

Information about this Contract

The attached Application and Annuity Contract are intended to help you accumulate money to meet your financial goals and allow you to begin receiving payments once you are ready to start taking an income. **It is important that you read the Contract carefully prior to completing the Application.** Your Desjardins Financial Security Life Assurance Company representative can answer any questions you may have about how this Contract works. In addition, the Company can be contacted directly at the toll-free numbers below should you have any questions or concerns:

1-877-647-5435

In general, money paid to Desjardins Financial Security will be invested in one or more available options as selected by you and any increase in your investment will be credited to your Contract on the dates specified in the section titled “**Investment Options**”.

This Contract provides you with the following Investment Options:

INVESTMENT OPTION NAME	BRIEF DESCRIPTION	WHERE TO FIND MORE INFORMATION IN THE CONTRACT
Daily Interest Fund	A flexible investment used to hold money on a temporary basis until it is transferred to another Investment Option. The interest rate is set by the Company and credited to your Contract at least semi-annually.	Page 6
<i>Term Investments</i>		
Guaranteed Interest Fund	A series of redeemable investments with level interest rates, available for specific terms. Interest is credited by the Company on the Deposit Anniversary Date.	Page 6
Step-up Interest Fund	A series of redeemable investments available for specific terms, in which interest rates vary each year of the term. Interest is credited by the Company on the Deposit Anniversary Date. The interest rates that will be in effect for the term are established on the date that the Deposit is invested in the Step-up Interest Fund and will change on each Deposit Anniversary Date.	Page 6
Non-redeemable Guaranteed Interest Fund <i>(available for residents of Quebec only)</i>	A series of non-redeemable investments, available for specific terms and with level interest rates. Interest is credited by the Company annually and the Accumulated Value is available on the Deposit Maturity Date. Available as part of a Registered Retirement Savings Plan or Non-Registered Contract. Not available as part of a Registered Retirement Income Fund or Life Income Fund Contract.	Page 6
VARIABLE INVESTMENTS		<i>Page 6</i>
<i>Market-linked term investments</i>		
Selective Advantage Index	A variable term deposit with returns based on a basket of indices. The starting number of indices is equal to the starting number of years in the term. On each Anniversary Date, the index that has had the best cumulative return is removed from the basket. The investor can capture the market appreciation of cumulative returns over the term of the investment based on the average of the best performances.	Page 7
Guarantee Advantage	Variable term deposits with returns based on the increase in the prices of a basket of selected stocks, to be determined upon each campaign. Up to a certain maximum, the investor can capture the market appreciation of cumulative returns over the term of the investment based on the average of each stock's performance. If the cumulative return, over the term of the investment, is less than the minimum determined upon each campaign, the return will be set to the predetermined minimum.	Page 7

The Company will make new **Investment Options** available from time to time and *may* choose not to continue to offer any of the above options.

More explanations about these products may be obtained from your representative or found on our website www.dsf-dfs.com in the "Savings and Investment Products" section.

Your Contract may be registered as a Retirement Savings Plan or Retirement Income Fund in which case any increases in the value of your registered Contract will be tax deferred for as long as the money remains in your Contract. Surrenders from a registered plan will be taxable to you in the year that the money is withdrawn. If your Contract is held through a registered plan with another carrier, then we will not issue any tax slips to you for any income generated by the investments in the Contract; however, any surrenders will be paid to the trustee of the registered plan in trust for you.

Most of the Investment Options are also available on a non-registered basis and the current tax treatment of any increases in the value of the Contract is described in the section titled "**Taxation of the Contract**".

Compensation

The representative will be paid by the Company. Compensation will include sales commissions for the Contract at the time of sale, and may include renewal (or service) commissions and bonuses.

This same purchase might equally allow the representative to qualify for additional compensation, such as bonuses or non monetary benefits.

The representative takes the possibility of a conflict of interest seriously. The services rendered by the representative will take into account an analysis of your needs.

If You Change your Mind

Once you decide to purchase this Contract, you will have a number of rights available to you; however, you do not have the right to change your mind after you have made the initial investment. If you decide to withdraw from any investment within the Contract, or to surrender the Contract, the amount of the withdrawal will be subject to a **Market Value Adjustment**. If the Deposit is directed to a Variable Investment, the Company does not allow any withdrawals from the Daily Interest Account between the date you make an investment and the date that the investment is made to a Variable Investment.

The value of any money invested is not guaranteed at any time other than on the Deposit Maturity Date, or where applicable upon the death of the Annuitant, and will fluctuate. It is important that you discuss your long and short term financial needs with your representative before purchasing this Contract to ensure that you understand any risks or charges that may affect your investment.

Application for:
(Choose 1 only)

- Retirement Savings Plan (RSP)
 Retirement Income Fund (RIF)
 Non-registered Plan

- Locked-In Retirement Account (LIRA) - Include endorsement
 Life Income Fund (LIF) - Include endorsement (**QUEBEC ONLY**)

1 – SOURCE OF FUNDS

Client No.: _____

- Personal Cheque \$ _____
- Transfer from a Desjardins Financial Security product Contract number(s) _____ \$ _____
- Transfer from another financial institution Name of Institution _____ \$ _____
 Name of Institution _____ \$ _____

2 – ANNUITANT

Last Name	First Name
Address	
Street	Apt.
City	Province Postal Code
Occupation	Social Insurance Number

Date of Birth

Day	Month	Year
-----	-------	------

Gender Male Female
 Marital status : _____

Telephone

Residence ()	
Business ()	Extension

E-mail address

VERIFICATION INFORMATION - The undersigned representative certifies that he verified the identity of the Annuitant, by examining one of the following forms of identification: (Please provide document number)

- Birth Certificate _____ Driver's Licence _____ Passport _____
- Health insurance card (Not allowed for Ontario, Manitoba and Prince Edward Island) _____ Place of Issue or Jurisdiction _____ (mandatory)

3 – OWNER - Complete if the Owner is different from the Annuitant (non-registered Contract only). If the Applicant is a Corporation or Organization, please complete the "Required Additional Information on a Corporation or Organization" Form 08295E (08-10).

Client No.: _____

Last Name	First Name
Organization Name Business number	
Address	
Street	Apt.
City	Province Postal Code
Occupation	Social Insurance Number

Date of Birth

Day	Month	Year
-----	-------	------

Gender Male Female
 Marital status : _____

Telephone

Residence ()	
Business ()	Extension

E-mail address

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- Health insurance card (Not allowed for Ontario, Manitoba and Prince Edward Island) _____ Place of Issue or Jurisdiction _____ (mandatory)

Contingent Owner Information

Last Name	First Name	Relationship to Owner
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4 – BENEFICIARY ON ANNUITANT'S DEATH

Client No.: _____

Last Name	First Name
-----------	------------

Date of Birth

Day	Month	Year
-----	-------	------

Gender Male Female
 Revocable Irrevocable

Relationship

QUEBEC ONLY When no stipulation has been made regarding the revocability or irrevocability of the Beneficiary(ies), the relevant legal provisions apply.

5 – REQUEST FOR REGISTRATION

- I, the undersigned am, hereby applying for a retirement savings plan to Desjardins Financial Security Life Assurance Company and request that Desjardins Financial Security Life Assurance Company apply for the registration of the plan as an **RSP** according to article 146 of the *Income Tax Act* (Canada).
- I, the undersigned am, hereby applying for a retirement income fund to Desjardins Financial Security Life Assurance Company and request that Desjardins Financial Security Life Assurance Company apply for the registration of the plan as a **RIF**, in accordance with section 146.3 of the *Income Tax Act* (Canada).

Legislation (Locked-In Retirement Account and Locked-In RSP)

If the spouse of the Annuitant (spousal contributor) contributes to this Contract, supply the following information:

Last Name	First Name	Social Insurance Number
-----------	------------	-------------------------

- RIF/LIF** Minimum payment calculation based on spouse's age? Yes No
 Spousal RIF Yes No
- Periodic Payments: Minimum Administrative Maximum LIF Maximum
- Fixed \$ _____ Gross Temporary income \$ _____
 Net (include appendices)
- Frequency: Monthly Annual Date of initial payment _____
 Cheque Direct deposit (**please complete section 8**)

6 – INTEREST PAYMENT – NON-REGISTERED PLAN

- Guaranteed interest only** Do you wish to withdraw the interest of your non-registered plan? Yes No If **Yes**, please complete the following.
- Frequency Annual Monthly Payment type Cheque Direct deposit (**please complete section 8**)

Application for:
(Choose 1 only)

- Retirement Savings Plan (RSP)
 Retirement Income Fund (RIF)
 Non-registered Plan

- Locked-In Retirement Account (LIRA) - Include endorsement
 Life Income Fund (LIF) - Include endorsement (**QUEBEC ONLY**)

1 – SOURCE OF FUNDS

Client No.: _____

- Personal Cheque \$ _____
- Transfer from a Desjardins Financial Security product Contract number(s) _____ \$ _____
- Transfer from another financial institution Name of Institution _____ \$ _____
 Name of Institution _____ \$ _____

2 – ANNUITANT

Last Name _____ First Name _____

Address
 Street _____ Apt. _____
 City _____ Province _____ Postal Code _____

Occupation _____ Social Insurance Number _____

Date of Birth
 Day _____ Month _____ Year _____ Gender Male Female
 Marital status : _____

Telephone
 Residence () _____
 Business () _____ Extension _____
 E-mail address _____

VERIFICATION INFORMATION - The undersigned representative certifies that he verified the identity of the Annuitant, by examining one of the following forms of identification: (Please provide document number)

- Birth Certificate _____ Driver's Licence _____ Passport _____
- Health insurance card (Not allowed for Ontario, Manitoba and Prince Edward Island) _____ Place of Issue or Jurisdiction _____ (mandatory)

3 – OWNER - Complete if the Owner is different from the Annuitant (non-registered Contract only). If the Applicant is a Corporation or Organization, please complete the "Required Additional Information on a Corporation or Organization" Form 08295E (08-10).

Client No.: _____

Last Name _____ First Name _____

Organization Name _____ Business number _____

Address
 Street _____ Apt. _____
 City _____ Province _____ Postal Code _____

Occupation _____ Social Insurance Number _____

Date of Birth
 Day _____ Month _____ Year _____ Gender Male Female
 Marital status : _____

Telephone
 Residence () _____
 Business () _____ Extension _____
 E-mail address _____

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- Birth Certificate _____ Driver's Licence _____ Passport _____
- Health insurance card (Not allowed for Ontario, Manitoba and Prince Edward Island) _____ Place of Issue or Jurisdiction _____ (mandatory)

Contingent Owner Information

Last Name _____ First Name _____ Relationship to Owner _____

4 – BENEFICIARY ON ANNUITANT'S DEATH

Client No.: _____

Last Name _____ First Name _____

Date of Birth
 Day _____ Month _____ Year _____ Gender Male Female
 Relationship _____ Revocable Irrevocable

QUEBEC ONLY When no stipulation has been made regarding the revocability or irrevocability of the Beneficiary(ies), the relevant legal provisions apply.

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Legislation (Locked-In Retirement Account and Locked-In RSP)

If the spouse of the Annuitant (spousal contributor) contributes to this Contract, supply the following information: Social Insurance Number _____

Last Name _____ First Name _____

- RIF/LIF** Minimum payment calculation based on spouse's age? Yes No
 Spousal RIF Yes No
- Periodic Payments: Minimum Administrative Maximum LIF Maximum
- Fixed \$ _____ Gross Temporary income \$ _____
 Net (include appendices)
- Frequency: Monthly Annual Date of initial payment _____
 Cheque Direct deposit (**please complete section 8**)
- If Yes, indicate spouse's date of birth
 Day _____ Month _____ Year _____

6 – INTEREST PAYMENT – NON-REGISTERED PLAN

- Guaranteed interest only** Do you wish to withdraw the interest of your non-registered plan? Yes No If **Yes**, please complete the following.
 Frequency Annual Monthly Payment type Cheque Direct deposit (**please complete section 8**)

Application for: Retirement Savings Plan (RSP)
(Choose 1 only) Retirement Income Fund (RIF)
 Non-registered Plan

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Name of Institution _____ \$ _____

2 – ANNUITANT

Last Name		First Name	
Address			
Street		Apt.	
City		Province	Postal Code
Occupation		Social Insurance Number	

Date of Birth

Day	Month	Year
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Gender Male Female
Marital status : _____

Telephone

Residence ()	
Business ()	Extension

E-mail address _____

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Client No.: _____

Last Name		First Name	
Organization Name		Business number	
Address			
Street		Apt.	
City		Province	Postal Code
Occupation		Social Insurance Number	

Date of Birth

Day	Month	Year
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Gender Male Female
Marital status : _____

Telephone

Residence ()	
Business ()	Extension

E-mail address _____

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Last Name	First Name	Relationship to Owner
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Date of Birth

Day	Month	Year
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Gender Male Female
 Revocable Irrevocable

Relationship _____

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Legislation (Locked-In Retirement Account and Locked-In RSP)

If the spouse of the Annuitant (spousal contributor) contributes to this Contract, supply the following information:

Last Name	First Name	Social Insurance Number
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Spousal RIF Yes No
- Periodic Payments: Minimum Administrative Maximum LIF Maximum
- Fixed \$ _____ Gross Temporary income \$ _____
 Net (include appendices)
- Frequency: Monthly Annual Date of initial payment _____
 Cheque Direct deposit (**please complete section 8**)
- If Yes, indicate spouse's date of birth
- | | | |
|-----|-------|------|
| Day | Month | Year |
|-----|-------|------|

6 – INTEREST PAYMENT – NON-REGISTERED PLAN

- Guaranteed interest only** Do you wish to withdraw the interest of your non-registered plan? Yes No If **Yes**, please complete the following.
- Frequency Annual Monthly Payment type Cheque Direct deposit (**please complete section 8**)

7 – DEPOSITS - INVESTMENT INFORMATION

Transfer - Interest rate applied is rate in effect on the date of: Receipt of Deposit at the Company (external)
 Receipt of application (internal) Signature of the Owner **(Complete and attach the "Form to guarantee the interest rate for transfer and renewal form" (1440A))**

Enclosed cheque: \$ _____

Options available (To start a preauthorized debit, complete the "Preauthorized debit agreement (PAD) – Payor authorization" section of this form.)

Daily Interest Fund: \$ _____

<input type="checkbox"/> Guaranteed Interest Fund (\$500 minimum Deposit):	Amount _____	Term _____	Interest Rate _____	Type of Interest
	_____	_____	_____	<input type="checkbox"/> Simple <input type="checkbox"/> Compound
	_____	_____	_____	<input type="checkbox"/> Simple <input type="checkbox"/> Compound

<input type="checkbox"/> Step-up Interest Fund (\$500 minimum Deposit):	Amount _____	Term _____	Interest Rate first year _____	Interest Rate last year _____	Type of Interest
	_____	_____	_____	_____	Compound
	_____	_____	_____	_____	Compound

<input type="checkbox"/> Non-redeemable Guaranteed Interest Fund (\$10,000 minimum Deposit) Available only in Quebec	Amount _____	Term _____	Interest Rate _____	Type of Interest
	_____	_____	_____	Compound
	_____	_____	_____	Compound

Variable Investments (\$500 minimum Deposit): **Registered and non-registered Contracts:** Selective Advantage Index, Guarantee Advantage.

For a Deposit in the Variable Investments, please indicate the following information:

Products	Amount	Initial Date	Term	Maturity Guarantee Percentage	Participation Rate
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Special Instructions

8 – AUTHORIZATION OF DIRECT DEPOSIT

I authorize Desjardins Financial Security Life Assurance Company to deposit payments in my account (enclose a cheque specimen).

Name of Institution (Caisse, Bank)	Transit No.	Institution No.	Account no.
_____	_____	_____	_____

9 – PERSONAL INFORMATION MANAGEMENT

Desjardins Financial Security Life Assurance Company (DFS) handles the personal information relating to you in a confidential manner. DFS keeps this information on file so that you may benefit from the Company's various financial services (insurance, annuities, credit, etc.). This information is consulted solely by DFS employees who need to do so in the course of their work. You have the right to consult your file. You may also have information corrected if you demonstrate that it is inaccurate, incomplete, ambiguous or not useful. To do so, you must send a written request to the following address: Privacy Officer, Desjardins Financial Security Life Assurance Company, 200, rue des Commandeurs, Lévis (Québec) G6V 6R2

For residents of all Canadian provinces, excluding British Columbia:

DFS may send information on its promotions or offer new products to those whose names appear on its client list. DFS may also provide its client list to another component of the Desjardins Group for the same purposes. If you do not wish to receive these offers, you may have your name removed from the list. To do so, you must send a written request to the Privacy Officer at DFS.

For residents of British Columbia:

DFS cannot use or communicate information contained in your file for commercial purposes without first receiving your written consent.

10 – AUTHORIZATION WITH RESPECT TO THE COLLECTION AND COMMUNICATION OF PERSONAL INFORMATION

I authorize Desjardins Financial Security Life Assurance Company, strictly for the purposes of managing my file:

- to collect from any person, legal entity, or public or parapublic organization only the personal information concerning me that is needed to process my file. The sources from whom information may be collected include, among others, insurance companies, financial institutions, personal information officer or investigation agencies, the contract holder, my employer or former employers;
- to disclose to said persons or organizations only the personal information concerning me that it has on file and that may be needed for the purpose of the file;
- to use the information it needs for these purposes that it may have in other existing files which are now closed.

This consent also applies to the collection, use and disclosure of personal information concerning my minor children, provided that this information pertains to my claim.

A photocopy of this consent is as valid as the original.

Signed at _____ Date _____

Signature of Annuitant _____ Signature of the Owner _____
(if different from Annuitant)

11 – DECLARATION

- I hereby acknowledge having received an appropriate description of the coverage in which I am enrolled.
- I hereby declare that any amounts deposited under the terms of this Contract have not been and will not be deposited on behalf of a third party. I undertake to inform the Desjardins Financial Security Life Assurance Company if any amounts are ever deposited under the terms of this Contract on behalf of a third party.

Signature of the Annuitant _____ Date _____ Signature of Representative or trainee _____

Signature of the Owner (if other than the Annuitant) _____ Date _____ Signature of training supervisor _____

Representative or trainee: _____ Name in block letters _____ Code: _____ % Training supervisor: _____ Name in block letters _____

Representative or trainee: _____ Name in block letters _____ Code: _____ % Training supervisor: _____ Name in block letters _____

MANDATORY

By signing here, the Representative confirms that he is appropriately licensed, has disclosed any conflicts of interests and has thoroughly examined the Owner's needs for product suitability. The Representative also confirms that he will receive compensation, if this Application is accepted by Desjardins Financial Security and may receive additional compensation in the future in the form of bonuses, trailers and conferences. The Representative also confirms that he has examined the original and valid identity verification documentation and that he has completed and attached the "Third Party Determination" form if he has reasonable grounds to suspect the Owner is acting on behalf of a third party.

Signature of Representative or trainee _____ Date _____

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7 – DEPOSITS - INVESTMENT INFORMATION

Transfer - Interest rate applied is rate in effect on the date of: Receipt of Deposit at the Company (external)
 Receipt of application (internal) Signature of the Owner **(Complete and attach the "Form to guarantee the interest rate for transfer and renewal form" (1440A))**

Enclosed cheque: \$ _____

Options available (To start a preauthorized debit, complete the "Preauthorized debit agreement (PAD) – Payor authorization" section of this form.)

Daily Interest Fund: \$ _____

<input type="checkbox"/> Guaranteed Interest Fund (\$500 minimum Deposit):	Amount	Term	Interest Rate	Type of Interest	
	_____	_____	_____	<input type="checkbox"/> Simple	<input type="checkbox"/> Compound
	_____	_____	_____	<input type="checkbox"/> Simple	<input type="checkbox"/> Compound

<input type="checkbox"/> Step-up Interest Fund (\$500 minimum Deposit):	Amount	Term	Interest Rate first year	Interest Rate last year	Type of Interest
	_____	_____	_____	_____	Compound
	_____	_____	_____	_____	Compound

<input type="checkbox"/> Non-redeemable Guaranteed Interest Fund (\$10,000 minimum Deposit) Available only in Quebec	Amount	Term	Interest Rate	Type of Interest
	_____	_____	_____	Compound
	_____	_____	_____	Compound

Variable Investments (\$500 minimum Deposit): **Registered and non-registered Contracts:** Selective Advantage Index, Guarantee Advantage.

For a Deposit in the Variable Investments, please indicate the following information:

Products	Amount	Initial Date	Term	Maturity Guarantee Percentage	Participation Rate
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Special Instructions

8 – AUTHORIZATION OF DIRECT DEPOSIT

I authorize Desjardins Financial Security Life Assurance Company to deposit payments in my account (enclose a cheque specimen).

Name of Institution (Caisse, Bank)	Transit No.	Institution No.	Account no.
_____	_____	_____	_____

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- to collect from any person, legal entity, or public or parapublic organization only the personal information concerning me that is needed to process my file. The sources from whom information may be collected include, among others, insurance companies, financial institutions, personal information officer or investigation agencies, the contract holder, my employer or former employers;
- to disclose to said persons or organizations only the personal information concerning me that it has on file and that may be needed for the purpose of the file;
- to use the information it needs for these purposes that it may have in other existing files which are now closed.

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 (if different from Annuitant)

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- I hereby declare that any amounts deposited under the terms of this Contract have not been and will not be deposited on behalf of a third party. I undertake to inform the Desjardins Financial Security Life Assurance Company if any amounts are ever deposited under the terms of this Contract on behalf of a third party.

Signature of the Annuitant _____ Date _____ Signature of Representative or trainee _____

Signature of the Owner (if other than the Annuitant) _____ Date _____ Signature of training supervisor _____

Representative or trainee: _____ Name in block letters _____ Code: _____ % Training supervisor: _____ Name in block letters _____

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MANDATORY

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Signature of Representative or trainee _____ Date _____

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Firm / Independent partnership / Independent representative copy

7 – DEPOSITS - INVESTMENT INFORMATION

Transfer - Interest rate applied is rate in effect on the date of: Receipt of Deposit at the Company (external)
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Enclosed cheque: \$ _____

Options available (To start a preauthorized debit, complete the "Preauthorized debit agreement (PAD) – Payor authorization" section of this form.)

Daily Interest Fund: \$ _____

Guaranteed Interest Fund (\$500 minimum Deposit):

Amount	Term	Interest Rate	Type of Interest	
_____	_____	_____	<input type="checkbox"/> Simple	<input type="checkbox"/> Compound
_____	_____	_____	<input type="checkbox"/> Simple	<input type="checkbox"/> Compound

Step-up Interest Fund (\$500 minimum Deposit):

Amount	Term	Interest Rate first year	Interest Rate last year	Type of Interest
_____	_____	_____	_____	Compound
_____	_____	_____	_____	Compound

Non-redeemable Guaranteed Interest Fund (\$10,000 minimum Deposit) Available only in Quebec

Amount	Term	Interest Rate	Type of Interest
_____	_____	_____	Compound
_____	_____	_____	Compound

Variable Investments (\$500 minimum Deposit): **Registered and non-registered Contracts:** Selective Advantage Index, Guarantee Advantage.

For a Deposit in the Variable Investments, please indicate the following information:

Products	Amount	Initial Date	Term	Maturity Guarantee Percentage	Participation Rate
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Special Instructions

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Name of Institution (Caisse, Bank)	Transit No.	Institution No.	Account no.
_____	_____	_____	_____

9 – PERSONAL INFORMATION MANAGEMENT

Desjardins Financial Security Life Assurance Company (DFS) handles the personal information relating to you in a confidential manner. DFS keeps this information on file so that you may benefit from the Company's various financial services (insurance, annuities, credit, etc.). This information is consulted solely by DFS employees who need to do so in the course of their work. You have the right to consult your file. You may also have information corrected if you demonstrate that it is inaccurate, incomplete, ambiguous or not useful. To do so, you must send a written request to the following address: Privacy Officer, Desjardins Financial Security Life Assurance Company, 200, rue des Commandeurs, Lévis (Québec) G6V 6R2

For residents of all Canadian provinces, excluding British Columbia:

DFS may send information on its promotions or offer new products to those whose names appear on its client list. DFS may also provide its client list to another component of the Desjardins Group for the same purposes. If you do not wish to receive these offers, you may have your name removed from the list. To do so, you must send a written request to the Privacy Officer at DFS.

For residents of British Columbia:

DFS cannot use or communicate information contained in your file for commercial purposes without first receiving your written consent.

10 – AUTHORIZATION WITH RESPECT TO THE COLLECTION AND COMMUNICATION OF PERSONAL INFORMATION

I authorize Desjardins Financial Security Life Assurance Company, strictly for the purposes of managing my file:

- to collect from any person, legal entity, or public or parapublic organization only the personal information concerning me that is needed to process my file. The sources from whom information may be collected include, among others, insurance companies, financial institutions, personal information officer or investigation agencies, the contract holder, my employer or former employers;
- to disclose to said persons or organizations only the personal information concerning me that it has on file and that may be needed for the purpose of the file;
- to use the information it needs for these purposes that it may have in other existing files which are now closed.

This consent also applies to the collection, use and disclosure of personal information concerning my minor children, provided that this information pertains to my claim.

A photocopy of this consent is as valid as the original.

Signed at _____ Date _____

Signature of Annuitant _____ Signature of the Owner _____
(if different from Annuitant)

11 – DECLARATION

- I hereby acknowledge having received an appropriate description of the coverage in which I am enrolled.
- I hereby declare that any amounts deposited under the terms of this Contract have not been and will not be deposited on behalf of a third party. I undertake to inform the Desjardins Financial Security Life Assurance Company if any amounts are ever deposited under the terms of this Contract on behalf of a third party.

Signature of the Annuitant _____ Date _____ Signature of Representative or trainee _____

Signature of the Owner (if other than the Annuitant) _____ Date _____ Signature of training supervisor _____

Representative or trainee: _____ Name in block letters _____ Code: _____ % Training supervisor: _____ Name in block letters _____

Representative or trainee: _____ Name in block letters _____ Code: _____ % Training supervisor: _____ Name in block letters _____

MANDATORY

By signing here, the Representative confirms that he is appropriately licensed, has disclosed any conflicts of interests and has thoroughly examined the Owner's needs for product suitability. The Representative also confirms that he will receive compensation, if this Application is accepted by Desjardins Financial Security and may receive additional compensation in the future in the form of bonuses, trailers and conferences. The Representative also confirms that he has examined the original and valid identity verification documentation and that he has completed and attached the "Third Party Determination" form if he has reasonable grounds to suspect the Owner is acting on behalf of a third party.

Signature of Representative or trainee _____ Date _____

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GLOSSARY

Glossary

The meanings of certain terms used in this Contract are as follows:

Accumulated Value

means for the Daily Interest Fund, the Guaranteed Interest Fund, the Step-up Interest Fund and the Non-redeemable Guaranteed Interest Fund, the value of a Deposit as of the date such Deposit is received or renewed by the Company, plus any interest or other income credited and accrued but not paid to that Deposit;

Annuitant

means the person in the event of whose death, the Death Benefit is payable, and is the person whose name appears as “Annuitant” on an Application accepted by the Company unless otherwise specified in such Application;

Application

means the Company’s standard written application form for the purchase of this Contract;

Beneficiary

means the person, designated by the Owner, to who, upon the death of the Annuitant, the Death Benefit of this Contract is payable;

Benefit

means the amount of money paid upon the Maturity of the Deposit, or the death of the Annuitant;

Business Day

means for a Variable Investment, any business day on the market related to the index or stock in question (or any day that would have been a business day had trading not been interrupted) other than a day on which trading on this exchange must cease prior to the regular closing time;

Company

means the **Desjardins Financial Security Life Assurance Company** which has its Head Office at 200, rue des Commandeurs, Lévis (Québec) G6V 6R2 and has an office

to service this Contract at 1150, rue Claire - Fontaine, Québec (Québec) G1R 5G4. “We”, “our” and “us” refer to the Company;

Contract

means the Application, this document and any Amendments or Endorsements as specified in the section of this document titled “**Contract**” attached to it;

Contract Value

means within a Contract, the Accumulated Value of the Daily Interest Fund; the Accumulated Value of the Guaranteed Interest Fund; the Accumulated Value of the Step-up Interest Fund; the Accumulated Value of the Non-redeemable Guaranteed Interest Fund; the Current Value of the Selective Advantage Index and the Current Value of the Guarantee Advantage Investments.

Current Value

means for a Variable Investment, the sum of the Initial Deposit which has been reduced by Proportional Reductions for Partial Surrenders, and increased or decreased by the Variable Interest Income, which is calculated using the return formula of each Variable Investment;

Daily Interest Fund Deposit Anniversary Date

means for the Daily Interest Fund, one year from the day that the Deposit was received or renewed by the Company. Once a Daily Interest Fund Deposit Anniversary Date has been set, it will be the same for the remainder of the term of the investment;

Death Benefit

has the meaning specified in the section titled “**Guaranteed Benefits**”; and, will be the amount payable to the Beneficiary(ies) upon the death of the Annuitant;

Deposit

means the premium, that is, the sum of money, paid to the Company for the purpose of purchasing this Contract and includes any renewals or subsequent monies paid;

Deposit Maturity Date

means for a Variable Investment or an investment in the Guaranteed Interest Fund, the Step-up Interest Fund or the Non-redeemable Guaranteed Interest Fund, the last date of the selected term of the investment period;

Deposit Year

means for a Variable Investment, each successive period of 365 days plus one day in the event of a leap year;

DGAM

means Desjardins Global Asset Management;

Endorsement

means a document titled “Endorsement” or “Amendment” signed by an officer of the Company, which modifies either partially or completely certain provisions of the Contract;

Guaranteed Fund Deposit Anniversary Date

means for the Guaranteed Interest Fund, the Step-up Interest Fund, and the Non-redeemable Guaranteed Interest Fund, one year from the day that the Deposit was received or renewed by the Company. Once a Guaranteed Fund Deposit Anniversary Date has been set, it will be the same for the remainder of the term of the investment;

Guaranteed Investment Fund Maturity Benefit

means the amount available to the Owner upon the Deposit Maturity Date as specified in the section titled “**Guaranteed Benefits**”. Unless written instructions are received from the Owner prior to the Deposit Maturity Date, all Deposits in the Guaranteed Interest Fund, the Step-up Interest Fund and the Non-redeemable Guaranteed Interest Fund, will be paid, on the Deposit Maturity Date, into the Daily Interest Fund. The Deposit in the Daily Interest Fund will be reinvested according to the Owner’s latest written instructions, if the Daily Interest Fund is above the applicable minimum Deposit amount. In the absence of such written instructions, the Deposit will be reinvested according to the Company’s administrative practices.

GLOSSARY

Initial Date

means for a Variable Investment, the date determined by the Company, when the Accumulated Value of the Deposit(s) directed to a Variable Investment in the Daily Interest Fund is transferred to the Variable Investment, which has been selected by the Owner;

Initial Deposit

means for a Variable Investment, the Accumulated Value of the Deposit in the Daily Interest Fund to be transferred to the Variable Investment on the Initial Date;

Investment Option(s)

has the meaning(s) specified in the section titled “**Investment Options**”;

Maturity Guarantee Percentage

means for a Variable Investment, the percentage at which the Initial Deposit, which has been reduced by Proportional Reductions for Partial Surrenders, is guaranteed on the Deposit Maturity Date. The percentage selected must be indicated on the Application or any other document which is accepted by the Company and must correspond to the term being offered by the Company. If the Maturity Guarantee Percentage indicated does not correspond to the investment term selected, or is not indicated, the Maturity Guarantee Percentage will be determined by the Company according to its administrative practices;

Owner

means the person or persons whose name(s) appears in the “Annuitant” or “Owner” section of the Contract Application which has been accepted by the Company. Also, “you” and “your” refer to the Owner of this Contract;

Participation Rate

means for a Variable Investment, the percentage by which you participate in the Investment Rate of Return. The percentage selected must correspond to the term being offered by the Company. If the Participation Rate indicated does not correspond to the investment term selected, or is not indicated,

the Participation Rate will be determined by the Company according to its administrative practices;

Periodic Payments

means for a Registered Retirement Income Fund, the payment available to the Owner as selected in the payment option of the Contract or the Owner’s latest instructions. Any payment other than Periodic Payments will be treated as a partial surrender and will be subject to Market Value Adjustment. If a payment option has not been selected, the Minimum Amount required by paragraph 146.3 of the *Income Tax Act* (Canada), will be automatically paid to the Owner by the end of the year;

Proportional Reductions for Partial Surrenders

means for a Variable Investment, the amount by which the Initial Deposit is reduced when a partial surrender or a transfer between Investment Options is processed. This amount will reduce the Guaranteed Benefits, the Variable Interest Income, and the Surrender Value. The reduction will be equal to:

$[i \times (ii \div iii)]$, where

- (i) is the Initial Deposit which has been reduced by the previous Proportional Reductions for Partial Surrenders made prior to this request; and,
- (ii) is the dollar amount of the partial surrender; and,
- (iii) is the Surrender Value of the Initial Deposit, which has been reduced by the previous Proportional Reductions for Partial Surrenders made prior to this request.

Registered Plan

means a Registered Retirement Income Fund (including a Life Income Fund approved under applicable pension legislation), a Registered Retirement Savings Plan (including a Locked-in Retirement Account approved under applicable pension legislation), or any other plan, account or fund accepted for registration under and governed by sections 146 and 146.3 of the *Income Tax Act* (Canada) for the purposes of the Act and offered by the Company;

Retirement Income Fund Minimum Amount (“Minimum Amount”)

means for a Registered Retirement Income Fund, the minimum annual amount payable to the Owner of a Registered Retirement Income Fund to be used to provide an income as required by paragraph 146.3 of the *Income Tax Act* (Canada);

Surrender Value

means the amount payable to the Owner as described in the sections titled “**Surrender of Investment Options**” and “**Investment Options**”;

Valuation Date

means for a Variable Investment, the day the reason for the transaction arises if this occurs at or before the cut-off time on a day that the Toronto Stock Exchange is open. If the reason for a transaction arises on a day that the Exchange is closed or after the cut-off time on a day that the Exchange is open, the Valuation Date for the transaction is the next following trading day;

Variable Interest Income

means the amount of variable interest on the Variable Investment(s) as determined in the section titled “**Investment Options**”;

Variable Investment Option Deposit Anniversary Date

means for a Variable Investment Option, one year from the day of the Initial Date. Once a Variable Investment Option Deposit Anniversary Date has been set, it will be the same for the remainder of the term of the investment;

Variable Investment Option Maturity Benefit

means the amount available to the Owner upon the Deposit Maturity Date as specified in the section titled “**Guaranteed Benefits**”. For Deposits in Variable Investments, unless written instructions are received from the Owner prior to the Deposit Maturity Date, all Deposits will be paid, on the Deposit Maturity Date, into the Daily Interest Fund. The Deposit in the Daily Interest Fund will be reinvested according to the Owner’s latest written instructions, if the Daily Interest Fund

GENERAL PROVISIONS

is above the applicable minimum Deposit amount. In the absence of such written instructions, the Deposit will be reinvested according to the Company's administrative practices.

GENERAL PROVISIONS

1. Contract

This Contract is an annuity contract under which the Company agrees in consideration for the Payments received and in accordance with the terms and conditions provided in this Contract to pay to you, your Beneficiary or heirs:

1. a benefit in the form of an annuity or payment from a Retirement Income Fund; or,
2. a benefit in the case of death.

The Application, Glossary, General Provisions, and any Endorsements that may be attached constitute our Contract with you.

The Company has the right to enforce the terms and conditions of this Contract or not at its discretion without giving up any of its rights of enforcement in the future.

Section headings appearing in this Contract are for convenience of reference only and are not to be considered as an aid to interpretation.

For certain transactions, the Company may require proof of age of the Annuitant and reserves the right to impose additional requirements at its discretion.

In the event of changes occurring in applicable legislation or regulation, this Contract shall be deemed to be amended to the extent necessary to comply with such changes in the applicable jurisdiction.

2. Amendments

No provisions of this Contract may be cancelled or amended except by an Endorsement duly signed by an authorized officer of the Company.

3. Payments

To the Company

All payments made to the Company shall be in Canadian currency. **The Company reserves the right to refuse any payments or to impose additional requirements at its discretion.**

Deposits are made into the Daily Interest Fund. Currently, the Company allows a minimum monthly pre-authorized chequing amount of \$25.00 and also accepts lump sum payments of at least \$500.00. The minimum amount is determined by the Company and subject to change at the Company's discretion.

The Owner chooses how each Deposit will be allocated among the various investment options described in the section titled **"Investment Options"**. The actual date that the Deposit is invested in the option selected is subject to the terms and conditions outlined in the section titled **"Investment Options"**.

Each Deposit will accumulate in the Daily Interest Fund until the minimum Deposit amount is reached for the Investment Option selected by the Owner. Currently, the minimum Deposit amount required for investment in the Guaranteed Interest Fund, the Step-up Interest Fund and all Variable Investment Options is \$500.00. The minimum Deposit amount required for investment in the Non-redeemable Guaranteed Interest Fund is \$10,000.00 and the option of preauthorized cheque is not available. Regardless of the method of payment (pre-authorized chequing, lump sum investment, or reinvestment after the Deposit Maturity Date), the applicable minimum Deposit amount will apply to each term and Investment Option selected and the Deposit will not be transferred from the Daily Interest Fund to the Investment Option selected until the minimum has been met. If, by the time the minimum Deposit amount has been reached, the Investment Option selected by the Owner is not available, the Deposit will be transferred into the next available term and/or option by the Company at its discretion.

To the Owner

All payments made to the Owner shall be in Canadian currency. The Company reserves the right to defer the payment of any Surrender in accordance with its administrative practices.

4. Owner's Rights

Subject to the section titled **"Transfer of Ownership and Assignment for Collateral"**, the Owner is entitled to assign or transfer the ownership of this Contract. The Owner also has the right to select the investment period, the frequency at which interest is credited and the interest option subject to the availability of these options at the time the choice is made. In addition, the Owner may choose to surrender all or part of the investment options subject to any limitations and charges specified in the section titled **"Investment Options"**.

An Owner subject to the jurisdiction of the province of Quebec may choose to surrender all or a part of this Contract or transfer the proceeds of this Contract to another policy either with the Company or another financial institution without obtaining the consent of the irrevocable Beneficiary.

5. Beneficiary Changes

Subject to legal restrictions, the Owner may substitute one Beneficiary for another by providing written notice to the Company. The Company assumes no responsibility with respect to the validity of a Beneficiary change.

6. Transfer of Ownership and Assignment for Collateral

The Company must be advised in writing of any transfer of ownership or assignment of the Contract as collateral for loans and has the right to refuse any of these requests at its absolute discretion. The Company assumes no responsibility with respect to the propriety, validity or legality of such a transfer or assignment.

Under the *Income Tax Act* (Canada), a plan registered as a Retirement Savings Plan or Retirement Income Fund may not be assigned or transferred.

GENERAL PROVISIONS

7. Transfer Between Investment Options

The Owner has the right to transfer the value of any or all of the Investment Options in the Contract to another option offered by the Company subject to the terms and restrictions outlined for each investment in the section titled “**Investment Options**”. Once the transfer instructions are received by the Company, the request will be processed on the next date that a Surrender Value is available. If the transfer is completed prior to the Deposit Maturity Date of a Guaranteed Investment Fund, a Step-up Interest Fund or a Variable Investment, the amount transferred will be reduced by the Market Value Adjustment.

The gross amount surrendered from the existing Investment Option will proportionately reduce the Death and Maturity Benefit amounts applicable to the existing Investment Option. The net amount transferred to the new Investment Option will be treated as a new Deposit for purposes of the Death and Maturity Benefit amounts.

8. Surrender of Investment Options

The Owner has the right to surrender the total or partial value of the Contract subject to the provisions of the section titled “**Investment Options**”, which describes how the value of the surrender will be determined and what charges will be applied. Such surrender request must be made in writing and comply with the Company’s current administrative practices. Currently, the Company requires that the request be clear and unambiguous and be received by the Company before such request is processed.

Deposits, designated for a Variable Investment, being held in the Daily Interest Fund, cannot be surrendered before the Initial Date.

Deposits in the Non-redeemable Guaranteed Interest Fund are not available for surrender prior to the Deposit Maturity Date.

A partial surrender will reduce the Death and Maturity Benefits, which are described in the section titled “**Guaranteed Benefits**”. A total surrender of all the Investment Options terminates the Contract.

The Company may decide to suspend the surrender rights of the Owner at its sole discretion for any period when normal trading is suspended on any stock exchange in or outside Canada where the underlying investment of an Investment Option is traded. During this period, the Company will not accept any Application for the purchase of a Contract, or a Deposit to an Investment Option during that period.

Market Value Adjustment

For a Deposit in the Guaranteed Interest Fund and the Step-up Interest Fund, the Market Value Adjustment is the amount by which the Accumulated Value of a Deposit in the Contract is reduced in the event of a surrender, transfer or payment of the Death Benefit (if applicable) prior to the Deposit Maturity Date. For a Deposit in a Variable Investment, the Market Value Adjustment is the amount by which the Current Value of a Deposit in the Contract is reduced in the event of a surrender, a transfer or payment of the Death Benefit (if applicable) prior to the Deposit Maturity Date.

The Market Value Adjustment will never be less than zero except for a transfer to an annuity with the Company.

For a Deposit in the **Guaranteed Interest Fund**, the Market Value Adjustment will be:

$[(a) - (b)] \times (c) \times (d)$ where

- (a) is the current interest rate being offered (at the time the request is processed) by the Company for Deposits of the same type *, plus 1%;
- (b) is the guaranteed interest rate of the Deposit;
- (c) is the number of years until the Deposit Maturity Date including any fraction of a year;
- (d) is the Accumulated Value of the Deposit.

For a Deposit in the Step-up Interest Fund, the Market Value Adjustment will be:

$[(j) - (k)] \times (l) \times (m)$ where

- (j) is the current interest rate being offered (at the time the request is processed) by the Company for Deposits in the Guaranteed Interest Fund *;

- (k) is the guaranteed interest rate of the Deposit in effect at the time of surrender;
- (l) is the number of years until the Deposit Maturity Date including any fraction of a year;
- (m) is the Accumulated Value of the Deposit.

For a Deposit in the **Selective Advantage Index** and the **Guarantee Advantage**, the Market Value Adjustment will be:

$[(i) - ii] \times iii \times iv$ where

- (i) is the compounded interest rate being offered (at the time the request is processed) by the Company for Deposits in the Guaranteed Investment Fund for a term equal to the term remaining until the Deposit Maturity Date *, plus 1.5%;
- (ii) for a Deposit in the Selective Advantage Index and Guarantee Advantage, is a rate of 0%;
- (iii) is the number of years until the Deposit Maturity Date including any fraction of a year;
- (iv) is the Current Value.

* *If the Company does not currently have an investment term equal to the term remaining until the Deposit Maturity Date, the Company will use the interest rate applicable to the next highest term available at that time.*

Periodic Payments

For Contracts registered as Retirement Income Funds, Periodic Payments are available. The order in which investments from the Contract will be surrendered to make these payments will be determined by the Company and based on the Company’s administrative practices.

Periodic Payments from the Variable Investments are not available. When the Daily Interest Fund, Guaranteed Interest Fund and Step-up Interest Fund investments can no longer generate sufficient capital to cover the Periodic Payments, one or more of the remaining Variable Investments will be partially or totally surrendered and the available Surrender Value will be invested in the Daily Interest Fund.

GENERAL PROVISIONS

The Market Value Adjustment will be waived for total Periodic Payments made in a calendar year up to a maximum of:

20% of the value of the Deposits used to establish the Contract for the first year;

or

20% of the Contract Value on January 1st for subsequent years.

9. Guaranteed Benefits

Death Benefit

On the Annuitant's death, the Company will pay the Beneficiary (unless the Beneficiary is the spouse or common-law partner of the Annuitant and becomes the Annuitant under the Contract) an amount equal to

(a) + (b) + (c) + (d) + (e) where:

(a) is the Accumulated Value of the Daily Interest Fund;

(b) is the Accumulated Value of the Guaranteed Interest Fund;

(c) is the Accumulated Value of the Step-up Interest Fund;

(d) is the Accumulated Value of the Non-redeemable Guaranteed Interest Fund;

(e) is the Initial Deposit, reduced by Proportional Reductions for Partial Surrenders of the Selective Advantage Index and the Guarantee Advantage.

Maturity Benefit

The Maturity Benefit will be available on the Deposit Maturity Date for any Deposits made to the Guaranteed Investment Fund, the Step-up Interest Fund, the Non-redeemable Guaranteed Interest Fund or Variable Investment(s).

10. Non-Guaranteed Benefits

Other than the guarantees offered at Death or on the Deposit Maturity Date(s), the value of Deposits made to this Contract will vary and the Surrender Value is not guaranteed.

11. Annuity Option

The Company will pay the Annuitant an annuity starting on the date set by the Owner. The Company will determine the annuity amount based on the Surrender

Value of each Deposit and the single premium annuity rates it offers at that time. For Deposits invested in the Guaranteed Interest Fund or the Step-up Interest Fund, the Accumulated Value or the Surrender Value, whichever is higher, will be used to determine the annuity amount if the annuity is a life annuity or an annuity certain for a term of at least ten years. For Deposits invested in the Non-redeemable Guaranteed Interest Fund, the Accumulated Value, at the time of the request, will be used to determine the annuity amount if the annuity is a life annuity or an annuity certain for a term of at least ten years. If the annuity payment is lower than the Company's required minimum for the frequency requested by the Owner, the Company has the right to change the frequency of the Payment.

After the Annuitant attains the age of 105 years, the Contract will be used automatically to provide an annuity as described above.

In addition to the annuities described above, the Owner may, at any time after the Annuitant has reached the age of 65 years, elect to obtain a life annuity providing annual payments per \$1000 of the Surrender Value at the time the surrender request is received by the Company, using the formula:

Male	Female
1000	1000
$\{60 - (A \times 0.5)\}$	$[60 - \{(A - 5) \times 0.5\}]$

where, A is the age of the Annuitant. In both cases, the age will be determined on the date that the request is received from the Owner(s).

12. Taxation of the Contract

If the Contract is registered under Section 146 of the *Income Tax Act* (Canada) and corresponding provincial legislation as a Retirement Savings Plan, amounts paid will be subject to tax, there will be restrictions on assignment and the Contract must provide for a retirement income to commence not later than the end of the calendar year following the year in which the Owner attains age 71. You may be able to deduct part or all

of your Deposits for income tax purposes if you meet the requirements in the *Income Tax Act* (Canada).

If the Contract is registered under Section 146.3 of the *Income Tax Act* (Canada) as a Retirement Income Fund, amounts surrendered may be taxable in the Owner's hands. Any amounts surrendered in excess of the Minimum Amount referred to in the "**Retirement Income Fund Endorsement**" are subject to withholding tax.

Contracts not registered under Sections 146 and 146.3 of the *Income Tax Act* (Canada) and corresponding provincial legislation are subject to tax as per Section 12.2 of the *Income Tax Act* (Canada) unless the Company has evidence that these Contracts are held in a plan registered by a third party.

13. Loans and Non-Forfeiture Options

There are no loan or non-forfeiture options available under this Contract.

14. Rescission Rights

Subject to any applicable regulatory requirements, there are no rescission rights available under this Contract.

15. Charges and Fees

The Company reserves the right to set and collect administrative fees for services provided under this Contract.

16. Assignment of Obligations by the Company

Subject to receipt of all applicable regulatory approvals, we may transfer and assign all of our obligations under this Contract to another life insurance company which carries on the business of life insurance in Canada and, provided such life insurance company agrees to assume all of our obligations under and be bound to the terms and conditions of this Contract, we shall be released and discharged from all obligations under this Contract to you, to your Beneficiaries or to any Annuitant.

INVESTMENT OPTIONS

17. Closing of Investment Options

The Company reserves the right, at its absolute discretion, to close any of the Investment Options (including any new option which may be added in the future).

The Company specifically reserves the right at its absolute discretion to cease acceptance of additional Deposits into any Investment Option, whether such refusal is reasonable or not.

INVESTMENT OPTIONS

The following Investment Options are currently available under this Contract. **The Company reserves the right, at its absolute discretion, to offer new Options or close existing Options.**

Daily Interest Fund

The Company will calculate interest on the minimum daily balance at the rate in effect on that day as determined by the Company. Accrued interest is credited to the Contract at least semi-annually.

The **Surrender Value** of the Daily Interest Fund is equal to the Accumulated Value of all the Deposits in the Fund on the surrender date.

Deposits, held in the Daily Interest Fund, but directed to a Variable Investment, are not available for surrender.

Guaranteed Interest Fund

The Company will set the interest rate applicable for the term of the Deposit according to its administrative practices or at the latest on the date that the Deposit is received by the Company.

The Owner may choose either a simple-interest or compound-interest investment, depending on the investment terms offered by the Company at the time the Deposit is received. In either case, interest will be credited to the Deposit on the Anniversary Date of the Deposit.

The **Surrender Value** of the Guaranteed Interest Fund is the Market Value of each Guaranteed Interest Fund Deposit.

The **Market Value** of a Deposit in the Guaranteed Interest Fund is equal to the Accumulated Value of the Deposit reduced by the Market Value Adjustment.

The **Maturity Benefit** of a Deposit in the Guaranteed Interest Fund is equal to the Accumulated Value of the Deposit on the Deposit Maturity Date.

Step-up Interest Fund

The Company will set the applicable interest rates for the term of the Deposit according to its administrative practices or at the latest on the date that the Deposit is received by the Company. Every year, on the Deposit Anniversary Date, the interest rate will change based on the interest rate of the term previously set.

Compound-interest will be credited to the Deposit on the Anniversary Date of the Deposit.

The **Surrender Value** of the Step-up Interest Fund is the Accumulated Value of the Step-up Interest Fund Deposit at the surrender date and is available within the 30 days prior to the Deposit Anniversary Date. Other than during the 30-day period prior to the Deposit Anniversary Date, the **Surrender Value** of the Step-up Interest Fund is the Market Value of the Step-up Interest Fund Deposit.

The **Market Value** of a Deposit in the Step-up Interest Fund is equal to the Accumulated Value of the Deposit reduced by the Market Value Adjustment.

The **Maturity Benefit** of a Deposit in the Step-up Interest Fund is equal to the Accumulated Value of the Deposit on the Deposit Maturity Date.

Non-redeemable Guaranteed Interest Fund

The Company will set the interest rate applicable for the term of the Deposit according to its administrative practices or at the latest on the date that the Deposit is received by the Company.

Compound-interest will be credited to the Deposit on the Anniversary Date of the Deposit.

There is no **Surrender Value** available for a Deposit made to the Non-redeemable Guaranteed Interest Fund.

The **Maturity Benefit** of a Deposit in the Non-redeemable Guaranteed Interest Fund is equal to the Accumulated Value of the Deposit on the Deposit Maturity Date.

This Investment Option is not available for Contracts registered as a Retirement Income Fund or a Life Income Fund.

If the Contract has been registered as a Retirement Savings Plan or a Locked In Retirement Account and a Deposit has been made into a Non-redeemable Guaranteed Interest Fund, the term selected cannot be greater than the term available until the end of the year in which the Annuitant is required to transfer proceeds to a Retirement Income Fund or Life Income Fund (currently age 71) as required by the *Income Tax Act* (Canada).

Variable Investments

All Variable Investments are term deposits with variable rates of return and are not segregated funds. Deposits invested in these options are held in the general funds of the Company. You do not acquire any rights to or have any ownership in the indices underlying these term deposits.

A Deposit received by the Company for investment in the Variable Investment(s) is initially placed in the Daily Interest Fund until the Initial Date. **You do not have the right to surrender your Deposit between the date we invest it in the Daily Interest Fund and the Initial Date.**

On the Initial Date, we will invest your Initial Deposit in the option specified in your most recent written instructions at the time of the Deposit, for the term you requested. If the term or the Investment Option originally requested is no longer offered by the Company, we will invest your Initial Deposit in the closest term and/or Investment Option available at our discretion.

INVESTMENT OPTIONS

On the Maturity Date of the Deposit in a Variable Investment, we will transfer the Maturity Value of the Deposit to the Daily Interest Fund.

Selective Advantage Index

The Selective Advantage Index is a term deposit with a variable rate of return and allows the Owner to participate in the return of a basket of indices. The starting number of indices is equal to the number of years in the term. On the Anniversary Date, the index that has had the best performance is removed from the basket. (For example, the basket would contain six indices at the beginning of year one and five indices at the beginning of year two.) The opening benchmark index will be determined by the Company at the beginning of each individual campaign and will be made available for your review upon your request, prior to your investment in this Investment Option.

The Company has no control over fluctuations of the index and cannot guarantee the rates of return that the index may yield. The Company may replace one or more of the indices in the Benchmark index with another at its discretion.

The **Death Benefit** for the Selective Advantage Index will be the amount determined in accordance with Section 9, and is described in paragraph (e) of the sub-section titled “**Death Benefit**”.

The **Maturity Benefit** is the greater of:

- the Current Value of the Initial Deposit, which has been reduced by Proportional Reductions for Partial Surrenders and which has increased or decreased by the Variable Interest Income; and,
- the Maturity Guarantee Percentage multiplied by the Initial Deposit, which has been reduced by Proportional Reductions for Partial Surrenders.

The **Variable Interest Income** of the Selective Advantage Index, expressed in dollars, is equal to the Investment Rate of Return multiplied by the Participation Rate and the Initial Deposit. This amount will be reduced by Proportional Reductions for Partial Surrenders.

The **Investment Rate of Return** of the Selective Advantage Index is the arithmetic mean (average) of the individual rates of return. Each Deposit Year (or within a Deposit Year for an incomplete Deposit Year), the individual rate of return is the best cumulative return of the updated basket of indices. For each Deposit Year, the index with the best cumulative return is withdrawn from the basket of indices. At issue, there is a basket of indices, which is reduced each Deposit Year by the best performing index utilized to calculate the individual return for that year.

The **Surrender Value** of the Selective Advantage Index is available from the Initial Date and can be surrendered or transferred in whole or in part. The Surrender Value will be calculated on the Valuation Date that immediately follows receipt of the surrender request. The **Surrender Value** is equal to the Current Value reduced by a Market Value Adjustment. The Surrender Value of Selective Advantage Index cannot exceed the Initial Deposit. **The Surrender Value prior to the Deposit Maturity Date is not guaranteed and may be less than the amount of the Initial Deposit, reduced by Proportional Reductions for Partial Surrenders.**

Guarantee Advantage

The Guarantee Advantage is a term deposit with a variable rate of return that allows the Owner to participate in the return of a selected basket of stocks. The opening basket of stocks will be determined by the Company at the beginning of each individual campaign and will be made available for your review upon your request, prior to your investment in this Investment Option.

The Company has no control over fluctuations of the stocks and cannot guarantee the rates of return that the stocks may yield. The Company may replace one or more of the stocks in the basket with another stock at its discretion.

The **Death Benefit** for the Guarantee Advantage will be the amount determined in accordance with Section 9, and is described in paragraph (e) of the sub-section titled “**Death Benefit**”.

The **Maturity Benefit** is the greater of:

- the Current Value of the Initial Deposit, which has been reduced by Proportional Reductions for Partial Surrenders and which has increased or decreased by the Variable Interest Income; and,
- the Maturity Guarantee Percentage multiplied by the Initial Deposit, which has been reduced by Proportional Reductions for Partial Surrenders.

The **Variable Interest Income** of the Guarantee Advantage, expressed in dollars, is equal to the Investment Rate of Return multiplied by the Participation Rate and the Initial Deposit. This amount will be reduced by Proportional Reductions for Partial Surrenders.

The **Investment Rate of Return** of the Guarantee Advantage is the arithmetic mean (average) of the individual stock's rate of return for the entire term, subject to a maximum rate set by the Company at the beginning of the term. For greater certainty, the Investment Rate of Return will be calculated as shown below; however, the final return will not exceed the maximum amount or rate set by the Company at the beginning.

$$\text{Investment Rate of Return} = \left\{ \frac{1}{n} \times \left[\frac{CP_2 \text{ for } S_1 + CP_2 \text{ for } S_2 + \dots + CP_2 \text{ for } S_n}{CP_1 \text{ for } S_1 \quad CP_1 \text{ for } S_2 \quad CP_1 \text{ for } S_n} \right] - 1 \right\} \times \text{Participation Rate}$$

n = Number of stocks used in the campaign.

CP₁ = Opening Price of the stock.

CP₂ = The average price of each stock on a specific Business Day for the last three months of the term. (The specific Business Days used to determine the average will be determined by the Company at the beginning of each campaign and will be made available prior to the commencement of each Guarantee Advantage campaign.)

ENDORSEMENTS

S_1, S_2, \dots, S_n = the stock used in the investment.

The **Surrender Value** of the Guarantee Advantage is available from the Initial Date and can be surrendered or transferred in whole or in part. The Surrender Value will be calculated on the Valuation Date that immediately follows receipt of the surrender request. The **Surrender Value** is equal to the Current Value reduced by a Market Value Adjustment. The Surrender Value of the Guarantee Advantage cannot exceed the Initial Deposit. **The Surrender Value prior to the Deposit Maturity Date is not guaranteed and may be less than the amount of the Initial Deposit, reduced by Proportional Reductions for Partial Surrenders.**

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Retirement Savings Plan

If the Owner requests that this Contract be registered as a Retirement Savings Plan on the Application, in accordance with the *Income Tax Act* (Canada), then the Owner and the Annuitant must be the same person and the Contract is amended as follows:

1. The Contract does not provide for the Payment of any Benefits before maturity except for a Payment to the Annuitant or a refund of Deposits. In addition, the Company shall refund to the Owner on request, an amount for the purpose of reducing the tax payable under Part X.1 of the *Income Tax Act* (Canada). The amount refunded may not exceed the Current Value of the Contract at the time the refund is made;
2. The Contract and any annuity payable under this Contract may not be assigned in whole or in part;
3. The Contract does not allow for any Payments after Maturity;
4. If the Owner dies prior to Maturity, the amounts due are payable in a lump sum;
5. After Maturity, the Contract provides for the Payment of a Benefit to the Annuitant only in the form of:

- a. a life annuity on the Owner's life, or a joint and last survivor annuity on the lives of the Owner, the Owner's spouse, and the Owner's common-law partner (as recognized by the Canada Revenue Agency for the purposes of section 146 and sub-section 248(1) respectively of the *Income Tax Act* (Canada)). In either case, the guaranteed period (if any) shall not be longer than to age 90 of the Owner, the Owner's spouse, or the Owner's common-law partner, if younger;
- b. an annuity certain to age 90 of the Owner, the Owner's spouse, or the Owner's common-law partner, if younger;
- c. a Registered Retirement Income Fund to which the proceeds of this Contract are transferred and which continues to be the Owner's;

6. If the Annuitant dies before an annuity is selected, the Death Benefit, as calculated in accordance with the section "**General Provisions**," will be transferred to the Beneficiary(ies) in one lump sum;
7. Any annuity payable other than to the Owner, the Owner's spouse, or the Owner's common-law partner after the Owner's death must be commuted in accordance with paragraph 146(2)(c.2) of the *Income Tax Act* (Canada);
8. The Owner must receive such annuity by way of equal annual or more frequent Periodic Payments until it is paid in full. If the annuity becomes commuted, the Owner must receive the balance by way of equal annual or more frequent Periodic Payments;
9. The total amount of the annuity payments made periodically within one year following the death of the first Annuitant shall never be greater than that prior to death;
10. Failing receipt of the Owner's written instructions sixty (60) days prior to December 31st of the year in which the Owner reaches age seventy-one (71),

the Company will convert this Contract to a Retirement Income Fund;

11. No advantage may be extended which would be contrary to paragraph 146(2)(c.4) of the *Income Tax Act* (Canada);
12. The Owner authorizes the Company to act as his or her attorney at the Company's discretion to amend this Endorsement as necessary to comply with the conditions of a Registered Retirement Savings Plan;
13. The provisions of this Endorsement take precedence over any provisions to the contrary contained in the Contract.

Retirement Income Fund

If the Owner requests that this Contract be registered as a Retirement Income Fund on the Application, in accordance with the *Income Tax Act* (Canada), then the Owner and the Annuitant must be the same person and the Contract is amended as follows:

1. During the Owner's lifetime, the Company will make annuity payments commencing on the Commencement Date, as stipulated in the Application;
2. The Owner may change the schedule of annuity payments to any other schedule acceptable to the Company and permitted by law. The Owner will be notified of the Minimum Amount at the beginning of each calendar year. To request such a change, notification in writing must be received by the Company;
3. The Company shall make only those payments described in paragraphs 2(d), 2(e), 2(e.1), 2(e.2) and 14(b) of section 146.3 of the *Income Tax Act* (Canada). If the Minimum Amount has not been paid by the end of a calendar year, the Company will make a payment equal to the difference between the required Minimum Amount and the total paid to date over that year. In addition, each payment may not exceed the value of the property held in connection with the fund immediately before the payment date;

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4. Payments hereunder may not be assigned in whole or in part;
5. Except where the Owner's spouse or common-law partner (as recognized by the Canada Revenue Agency for purposes of section 146.3 and subsection 248(1) respectively of the *Income Tax Act* (Canada)) becomes the person entitled to receive the payments under this Contract, if the Owner dies, the Company shall pay the Death Benefit to the Beneficiary(ies);
6. If the Owner's spouse or common-law partner is named successor Annuitant of the Registered Retirement Income Fund at the time of the Owner's death, then he/she will receive any remaining income payments and will assume the rights of the original Owner;
7. Upon receipt of the Owner's written instructions and completion of all necessary forms, the Company will, in prescribed form and manner, transfer all necessary information to any financial institution which has agreed to enter into a Registered Retirement Income Fund Contract with the Owner, together with part or all of the value of the Contract less an amount equal to the lesser of:
 - a) such portion of the value of the Contract sufficient to ensure that the Minimum Amount [as defined under subsection 146.3(1) of the *Income Tax Act* (Canada), as amended from time to time] will be paid to the Owner in the year the transfer is made, and
 - b) the value of the Contract, as described under the section "**Investment Options**";
8. The Company will not accept any Deposit under this Contract, except funds transferred from:
 - a) a Registered Retirement Savings Plan under which the Owner is the Annuitant;
 - b) another Registered Retirement Income Fund under which the Owner is the Annuitant;
 - c) the Owner, to the extent only that the funds are an amount described in subparagraph 60(l)(v) of the *Income Tax Act* (Canada);
 - d) a Registered Retirement Savings Plan or Registered Retirement Income Fund of the Owner's spouse, or common-law partner, former spouse, or former common-law partner in accordance with section 146.3(2)(f) (iv) of the *Income Tax Act* (Canada);
 - e) a Registered Pension Plan under which the Owner is a member within the meaning of subsection 147.1(1) of the *Income Tax Act* (Canada);
 - f) a Registered Pension Plan in accordance with subsection 146.3(5) or (7) of the *Income Tax Act* (Canada);
 - g) a provincial pension plan in circumstances to which subsection 146(21) of the *Income Tax Act* (Canada) applies;
9. The Company will reduce the amount of the Surrender Value by the amount equal to the bonus granted by the Company at the time this Contract was issued.



Richard Fortier
Chief Operating Officer,
Life and Health Insurance



Alain Bédard
Vice-President,
Individual Insurance
and Savings

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