Beneva Savings Annuity Contract

Beneva Savings Annuity Contract relating to Beneva Investment Accounts, Beneva Guaranteed Interest Accounts, and Beneva Equity Index Guaranteed Interest Accounts.

In force as of September 16, 2025



beneva

Key facts

These Key facts provide a brief description of the basic things you should know before you apply for this individual Savings Annuity Contract. These Key facts are not your contract. A detailed description of all the features of this annuity contract and how they work is contained in this annuity contract. Please review these documents carefully and discuss any questions or concerns you may have with your advisor.

What am I getting?

This is a contract between you and Beneva Inc. It gives you investment and guarantee choices. You may:

- · choose an investment option
- · choose a guarantee
- · designate a person to receive the death benefit guarantee
- choose between a registered or non-registered contract (depending on the investment option chosen)
- · receive periodic payments, starting now or later

The choices you make may have tax implications. They could also affect the guarantees. It is recommended that you consult your advisor to help you choose which investments are best for you.

The value of your contract may fluctuate up or down subject to the guarantees.

What investment options are available?

You can invest in Investment Accounts, a Daily Interest Account (DIA), Guaranteed Interest Accounts (GIAs) and Equity Index GIAs.

The maturity and death benefit guarantees described below only apply to Investment Accounts. Beneva Equity Index GIAs offer different guarantees that are described in Part III of the present contract.

The Investment Accounts are described in Part II of this contract and in the Investment Account Facts Sheets available on beneva.ca.

Other than maturity and death benefit guarantees, Beneva Inc. does not guarantee the performance of Investment Accounts. Therefore, you should carefully consider your tolerance for risk when you select an investment option.

The DIAs and GIAs are guaranteed by Beneva.

What guarantees are available?

Beneva offers two guarantee options: the 75/100 guarantee and the 75/100 Enhanced guarantee. Maturity and death benefit guarantees are available. These help protect the capital you invest in the Investment Accounts. For the 75/100 Enhanced guarantee, you get added protection with the guaranteed reset option. For details, please refer to section 2, Part II of the present contract.

For the 75/100 Enhanced guarantee, you will pay additional fees.

Any withdrawals you make will have the effect of reducing guaranteed amounts. For details please refer to section 2.3.5 of this Savings Annuity Contract.

Maturity guarantee

This guarantee protects the value of your deposits in Investment Accounts. The application date of the maturity guarantee is the date of the annuitant's 100th birthday.

The insurer quarantees the highest of the following amounts for all Investment Accounts held by the client:

- · The market value of these accounts; or
- 75% of the deposits invested in these accounts, adjusted proportionately to any reduction in the market value of the deposits resulting from any previous withdrawal of a portion of these investments.

Death benefit guarantee

This guarantee protects the value of your deposits in Investment Accounts if the annuitant dies. The death benefit will be paid to the person you designated.

The death benefit applies if you die before the contract maturity date.

If you chose the 75/100 guarantee, it corresponds to the greater of:

- The market value of the accounts on the date of notification of death; or the sum of:
 - 100% of the deposits invested in these accounts prior to age 75 adjusted proportionately to any reduction in the market value of the deposits resulting from any previous withdrawal of a portion of these investments;
 - 75% of the deposits invested in these accounts from age 75, adjusted proportionately to any reduction in the market value of the deposits resulting from any previous withdrawal of a portion of these investments.

If you chose the 75/100 Enhanced guarantee, it corresponds to the greater of:

- · The market value of the accounts on the date of notification of death; or the sum of:
 - 100% of the deposits invested in these accounts prior to age 80 adjusted proportionately to any reduction in the market value of the deposits resulting from any previous withdrawal of a portion of these investments;
 - 75% of the deposits invested in these accounts from age 80, adjusted proportionately to any reduction in the market value of the deposits resulting from any previous withdrawal of a portion of these investments.

For more information about how these guarantees work, refer to section II of this Savings Annuity Contract.

How much will this cost?

The type of guarantees and Investment Accounts you select affect your costs.

If you select the 75/100 Enhanced guarantee, you pay additional fees, which also appear on the *Accounts Facts* for each Investment Account.

You may be charged separately for certain other specific transactions or requests. These may include withdrawals and transfers to another financial institution.

What can I do after I purchase this contract?

Once you have subscribed to this contract, you can carry out any of the following transactions:

Transfers

You may transfer from one Investment Account to another. Please refer to section 2.3.3 of the present contract for details.

Redemptions

The contributions you make may be redeemed. However, doing so may affect your guarantees. You may also be required to pay a fee and you may have to pay taxes.

Deposits

You can make contributions through lump-sum or regular payments.

Resets

Under the 75/100 Enhanced guarantee, your death benefit guarantee will be automatically reset once a year until the date of the annuitant's 80th birthday. Please refer to sections 2.3.2 of this Savings Annuity Contract.

Periodic payments

At a certain date, unless you select another option, Beneva will start making payments to you.

Certain restrictions and other conditions may apply. Refer to your contract for details about your rights and obligations and discuss any questions you may have with your advisor.

What information will I receive about my contract?

You will receive information from Beneva at least once a year detailing the value of the investments in your contract including a listing of all transactions you have made.

Can I change my mind?

No problem. You can change your mind about purchasing the contract and decide to:

- · cancel the contract,
- · cancel any payment you make, or
- · change an investment decision you have made.

You can change your mind within two business days of the earlier of the date you received confirmation or five business days after it is mailed. You have to tell Beneva in writing (by email, fax or letter) that you want to cancel. The amount returned will be the lesser of the amount you invested or the value of the account if it has gone down. The amount returned only applies to the specific transaction and will include a refund of any fees you paid.

You can also change your mind about subsequent transactions (new deposits) you make under the contract within two business days from the date you received confirmation. In this case, the right to cancel only applies to the new transaction.

Where can I get more information?

You can contact us toll free at 1 877 841-8822 or by mail at Savings and Investments, P.O. Box 10510, Stn Sainte-Foy, Quebec QC G1V 0A3. Information about our company and the products and services we provide is available on our Web site at **beneva.ca**.

For information about handling issues you are unable to resolve with your insurer, you can contact the OmbudService for Life and Health Insurance at 1 800 268-8099 or visit their Web site at **olhi.ca**.

For information about additional protection that is available for all life insurance contractholders, you can contact Assuris, an organization established by the Canadian life insurance industry. Visit **assuris.ca** for more information.

For information about how to contact the insurance regulator in your province or territory, visit the Canadian Council of Insurance Regulators Web site at **ccir-ccrra.org**.

In Québec, contact the Information Center of the Autorité des marchés financiers (AMF) at 1 877 525-0337 or at information@lautorite.qc.ca.

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Savings Annuity Contract

I. General Information

1.1 Interpretation

- · All references to "you" and "your" refer to the contractholder of the individual contract.
- In this contract, the use of feminine and masculine is made without any discrimination with regard to gender; one includes the other, unless the meaning is otherwise intended.
- For the purposes of this contract, "Beneva", "we" and "insurer" refer to Beneva Inc.
- · The dollar amounts that appear in this contract as well as those allocated to any transactions are in Canadian currency.

1.2 Definitions

- Advisor: refers to a person authorized by the appropriate provincial or territorial body to act as an advisor or life insurance agent. In Quebec, refers to the financial security advisor, for Newfoundland and Labrador, refers to the life insurance representative, and in other canadian jurisdictions, refers to the life insurance agent.
- Annuitant: Refers to the physical person upon whose life the annuity and guarantee relative to the contract are established and upon whose death the death benefit shall be paid. The annuitant may be the contractholder or a person designated as such by the contractholder. In the case of registered plans, the annuitant is the same person as the investor and the contractholder and is also the annuity grantee.
- Annuity grantee: Refers to the person who is entitled to receive the annuity payments.
- Beneficiary: Refers to the person(s) designated as such in the application form, unless there is a subsequent change. The insurer does not guarantee the validity of this designation.
- Contractholder (Account holder): Refers to the person who subscribes to an individual contract as contributor or co-contributor. In the case of a registered plan offered by Beneva, only a physical person may subscribe to the contract. In such case, the investor is both annuitant, as defined in the *Income Tax Act* (Canada), and the annuity grantee. In the case of a Beneva Retirement Income Fund, the contractholder is the natural person in respect of whom the insurer has undertaken to pay the sums covered by this contract. The Social Insurance Number (SIN) is required for Canada Revenue Agency for tax purposes.
- · Contributor: Person who contributes to an individual plan offered under the present contract.
- Income Tax legislation: For the purposes of this contract, the expression "Income Tax Act" means Canada's Income Tax Act, its regulations, as well as any provincial income tax act and its regulations. When Beneva refers specifically to the federal income tax act, the word "Canada" is added in brackets following the words "Income Tax Act". When Beneva refers specifically to a provincial income tax act, the name of the province is added in parenthesis following the words "Income Tax Act."
- Market Value: For a Beneva Investment Account, this refers to the number of units held in the account multiplied by its unit value. For Beneva Guaranteed Investments, this refers to the value of the capital plus any interest earned.
- Deposits (premiums): In purchasing this contract, the contractholder may use any of the investment options offered by the insurer under the plan to make deposits, each of which shall constitutes a premium under this contract. The amount of the premiums deposited into these accounts is left to the discretion of the contractholder, subject to Income Tax legislation maximum, beyond the minimum set by the insurer. The investments that you make are contributions paid as premiums acquired by Beneva. This entitles you to an amount corresponding to the value of your contract, determined according to the conditions set forth in your contract. Additional terms apply to the Beneva RIF and are described in the Beneva RIF rider. Any deposit received without investment instructions shall be placed in a Daily Interest Account or any other account provided by the insurer for that purpose.
- Redemption value: The redemption value of an investment corresponds to its market value less applicable fees and penalties.
- Spouse: Any person who is recognized to be the spouse or the common-law partner under the *Income Tax Act* (Canada). When it comes to application of the pension legislation governing your plan, the spouse or common-law partner must also qualify as such under this legislation.
- Successor Annuitant: refers to the person designated as such in writing by the contractholder before the death of the annuitant. If upon the death of the annuitant no successor annuitant has been appointed, in certain circumstances for registered plans, the spouse may decide to become successor annuitant, if he meets the requirements defined in section IV of this Savings Annuity Contract.
- **Unit value**: Value of one unit of an Investment Account. It is therefore the price of buying or selling one unit at a given time. The unit value fluctuates according to the net compound rate of return of the reference fund of the Investment Account. The net compound rate of return of the reference fund corresponds to the return of the fund, less the fees charged by the fund manager, and by the insurer, if applicable.

1.3 Insurer

Beneva Inc., a duly incorporated legal person (company), holds an insurance permit in every province and territory of Canada. It is also referred to as Beneva in this contract and in its riders and amendments. The insurer is the grantor of the annuity payments. Benava's head office is located at:

625, Jacques-Parizeau Quebec QC G1R 2G5

1.4 Notice regarding the protection of your personal information

Protecting your personal information is a priority for Beneva. For this reason, we want to inform you that we collect, use and disclose your personal information only with your consent, unless otherwise permitted by law, and only for the time necessary to:

- · identify you
- · establish and update your profile, needs and objectives
- · evaluate your applications and eligibility for our products and services
- · provide you with advice related to your situation
- · administer your contracts as well as your products or services (e.g.: pricing, underwriting, enrolment, claims processing, etc.)
- comply with legal and regulatory requirements (e.g.: preventing, detecting or deterring violations, cyber threats, fraud, etc.)
- · obtain your feedback on our products and services
- provide you with personalized offers and advice about our products and services (refer to your right to withdraw consent) based on your
 preferences and in compliance with the rules governing electronic and telephone communications
- conduct studies and research, including the design and application of statistical models, some of which may allow for creating or inferring new information about you

How does Beneva collect your personal information?

We may collect your personal information over the telephone, in person, and through the use of our forms and our digital platforms.

Who does Beneva share your personal information with?

For the purposes described above, and only in connection with your products and services, we share your personal information with our affiliates and distribution networks and with third parties, some of which may be located outside of Quebec and Canada.

These third parties may include:

- · other financial institutions, such as insurers and reinsurers
- · other organizations or entities that have information about you, including insurance, fraud or claims information
- · intermediaries
- · credit assessment agencies
- · government departments, agencies or regulatory authorities
- · employers
- claims-related service providers, such as healthcare professionals and auto repair shops
- other agents and service providers (technology services, printing and mailing services, etc.)

Please note that in all cases, we ensure that they respect the protection of your personal information.

What are your rights regarding access and rectification?

You may access your personal information or request the correction of incomplete or inaccurate information. Send us a request to the following address:

Personal Information Protection Officer

Beneva

2525, boulevard Laurier

Quebec QC G1V 2L2

ResponsablePRP@beneva.ca.

For more information about our personal information protection practices, please refer to the complete version of our Personal Information Protection Statement at **beneva.ca**.

Your consent for the collection, use and disclosure of your personal information is necessary in order to provide the product or service requested or offered. You have the right to withdraw your consent, but Beneva will not be able to continue providing you with its products or services.

1. The term "Beneva" refers to Beneva Inc., its affiliates and their mutual insurance companies and distribution networks. Affiliates of Beneva Inc. designates Beneva Investment Services Inc., Beneva Insurance Company Inc., L'Unique General Insurance Inc. and Unica Insurance Inc.

1.5 Contract

1.5.1 Nature of the contract

This contract is issued by Beneva Inc., responsible ultimately for the administration of the present plan. The application, endorsements and riders, if any, are forming an integral part of the contract. The present contract to which you are a party is an annuity contract under the terms of which the investments that you make are contributions paid as premiums acquired by Beneva. This entitles you to an amount corresponding to the value of your contract, determined according to the conditions set forth in your contract.

1.5.2 Jurisdiction applicable to contract, coming into force and taking of effect

The present annuity contract is subject to the jurisdiction established under applicable legislation. All claims or lawsuits relating either directly or indirectly to the contract are presented before the legal courts under the applicable jurisdiction. For the pension plans Beneva offers under the present annuity contract that are subject to a pension legislation, the applicable jurisdiction is established in accordance with the requirements and conditions set out in such legislation.

The contract comes into force and takes effect on the date of acceptance by Beneva subject to it meeting all the requirements set out under applicable legislation and subject to the first contributions having been cashed by Beneva. Once all the requirements and conditions have been met in accordance with the law, the date of the coming into force and the taking effect of the contract shall correspond to the initial date on which the first contribution is cashed by Beneva.

1.5.3 Investments and transactions statements

Beneva will transmit to you a statement each time you make a transaction.

You will receive a statement of investments from Beneva on a regular basis (at least once a year) providing you with the details about your investments. This statement includes, among other things:

- the value of your investments as at the date of the statement,
- · the transactions amount that occurred during the statement period.

1.5.4 Regular changes

Beneva may modify its administrative practices from time to time to reflect changes it makes to its guidelines, changing economic conditions or legislative amendments. All dollar amounts stated in this document are subject to change. Contractholders shall receive notification of any change.

1.5.5 Market value

For a Beneva Investment Account, this refers to the number of units held in the account multiplied by its unit value. For Beneva Guaranteed Investments, this refers to the value of the capital plus any interest earned.

Upon request from the contractholder and if conditions of the investment allow it, the market value may be redeemed, in whole or in part, before the maturity date of the investment.

When an investment may be changed, rolled over, transferred or redeemed prior to maturity date, the insurer may apply fees or penalties depending on the terms and conditions of the investment.

1.5.6 Minimum requirements

The insurer shall, periodically, set minimum requirements applicable to deposits payments, rollover, transfers, redemptions and account balances.

The insurer may cancel the contract when the market value is less than the minimum set and close an account when the balance is below the minimum set in its administrative practices.

Fees and penalties may apply.

1.5.7 Limitation period

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the *Insurance Act* (for Alberta, British Columbia and Manitoba), the *Limitations Act*, 2002 (for Ontario), the *Civil Code of Quebec* (for Quebec) or other similar applicable legislation (for all provinces and territories).

1.5.8 Force majeure

Notwithstanding all provisions of the contract, riders or amendments, the insurer cannot be held liable for damage caused by a force majeure or by a force majeure event, including but not limited to war, insurrection, an act of terrorism, natural disasters such as earthquake, energy blackout, strike, lockout, health crisis like pandemics or any other cause that is beyond the insurer's control.

1.5.9 Description of the product

This is a contract between you and Beneva Inc. It gives you a choice of investments. The investment options currently offered by Beneva are described in this contract. Beneva reserves the right to cease offering certain investment options and to add new ones, which must comply with the provisions of the *Income Tax Act* (Canada). Each of the investment options currently available through Beneva has its own particular rules and the same applies to all investment options Beneva may decide to offer in the future.

You can invest in Investment Accounts, Guaranteed Interest Accounts (GIAs), Equity Index GIAs and a Daily Interest Account (DIA). The terms and conditions applicable to these different types of investments are explained in their respective sections of this contract. **Maturity and death benefit guarantees apply to Investment Accounts and Equity Index GIAs.**

You can designate a person to receive the death benefit guarantee.

You can also choose a registered or non-registered contract.

The individual plans Beneva offers include the following:

PLANS -	RRSP	RRIF	LIRA	Albertan LIRA	Ontario LIRA	LRSP	RLSP	LRIF	LIF	PRRIF	NRSP	TFSA
Federal						Х	Х		X (including the RLIF)			
Newfoundland & Labrador	Х	Х	х					Х	X		Х	Х
Prince Edward Island	Х	X									X	X
Nova Scotia	X	X	X						Х		Χ	X
New Brunswick	Х	X	X						Х		X	Χ
Quebec	X	X	X						Х		X	X
Ontario	Χ	X			Χ				X		X	X
Manitoba	X	X	X						X		X	X
Saskatchewan	Χ	X	X							Χ	X	X
Alberta	X	X		Χ					X		X	X
British Columbia	Χ	X	X						X		X	X
Nunavut	Х	х				х	X		X (including the RLIF)		Х	X
Northwest Territories	Х	Х				Х	Х		X (including the RLIF)		Х	Х
Yukon	Х	X				Х	x		X (including the RLIF)		X	Х

X = Plan offered

The plans are described in their respective riders or amendments.

1.5.10 Fees

A \$35 fee is charged for a transfer to another financial institution, a cancellation of a purchase in the case of non-sufficient funds or for any payment not honoured, in the case of an inactive contract or if the value of the units in your contract is equal to or less than \$35 ("minimal balance"). A yearly fee is charged for inactive contracts and for contracts with a minimal balance. The fee charged for inactive contracts is applicable for contracts valued at less than \$1,000 if there have been no transactions in the previous two years and if the mailing address is not known. These fees are paid through a redemption of units held in the contract.

Fees are also applicable to all extraordinary work requiring significant additional effort on the part of Beneva; for example, those carried out as part of the application of an unclaimed property legislation.

Any sales taxes required under applicable legislation shall be added to the fees collected.

Beneva reserves the right to modify fees mentionned in the present section without notice, if applicable.

1.5.11 Age limits

Contributions may be made up to the maximum age restriction, as indicated in the table below.

	75/100 Investment Accounts	75/100 Enhanced Investment Accounts	GIAs	Equity Index GIAs
Latest age to subscribe				
NRSP*** – TFSA – RRIF – LIF – PRRIF – LRIF	Age 90*	Age 70*	Age 100*	Age 75*
RRSP – LIRA	Age 71**	Age 70*	Age 71**	Age 71**
Latest age to make a contribution				
NRSP*** – TFSA – RRIF – LIF – PRRIF – LRIF	Age 90*	Age 100*	Age 100*	Age 75*
RRSP – LIRA	Age 71**	Age 71**	Age 71**	Age 71**

Until the day the annuitant reaches the indicated age, according to legislation in force on the date this document is printed.
 Until December 31 of the year the annuitant reaches the indicated age.
 Not available for the Beneva Investment Accounts.

II. Beneva Investment Accounts

Important notice

Except in the case of the guarantees described in the following sections, which ensure a minimum given percentage of contributions upon the maturity of the guarantee and upon the death of the annuitant, amounts invested in Investment Accounts are not guaranteed. Your investment is made with the insurer, and you do not acquire any entitlement to the reference fund securities. Amounts invested in Investment Accounts are invested in the insurer's general funds. When the account is opened, the insurer subdivides the amount invested into units. These units, which are not securities, are established solely for the purpose of making it easier to track future fluctuations in the value of your investment. The insurer establishes the initial value of the units granted to you at the time of your investment. Investment Account performance is tied to a reference fund performance. A reference fund performance fluctuates depending on the market value of the securities that make up the fund. Depending on the reference fund performance, the account balance may, therefore, increase or decrease on a daily basis and may even fall below the amounts invested, if the rate of return, after deduction of management fees, is negative.

2.1 Generalities

Beneva reserves the right to refuse any contribution, in whole or in part. The decision to accept or refuse a contribution is made within two days of receipt of the contribution by Beneva. If a contribution is refused, you are immediately reimbursed the full amount received by Beneva without any fee or interest.

2.2 Definition

Investment Accounts are investments whose return is based on the performance of a reference fund. Investment Accounts are available for registered plans only.

Investment Account Facts Sheets for Investment Accounts are available on the beneva.ca website.

2.3 Guarantees

Beneva offers a guarantee relating to contributions made by the contractholder to Investment Accounts. This guarantee assures you that you will hold at least a given percentage of the contributions at the maturity of the guarantee and on the death of the annuitant, who is also the contractholder under registered plans. The guarantee described herein does not concern Investment Accounts returns, which are not guaranteed.

At the time of subscription to a contract, the application date of the maturity guarantee is determined and the contractholder must choose a guarantee option for present or future contributions to Investment Accounts.

Beneva offers two guarantee options: the 75/100 guarantee and the 75/100 Enhanced guarantee. All two of these options provide for a guaranteed value upon maturity and a guaranteed value upon death. In the case where no guarantee option has been chosen, the 75/100 guarantee option shall apply by default. The 75/100 Enhanced guarantee is available for an additional fee.

Beneva reserves the right to add a new guarantee option, to make changes to a guarantee option or to stop offering a guarantee option. Contractholders shall receive adequate notification of any such change.

Beneva reserves the right to refuse the 75/100 Enhanced guarantee if the information necessary for eligibility for this guarantee is incomplete.

The guarantees become null and void upon the termination or cancellation of your contract or upon the redemption of all units of the contrat in the Investment Accounts.

2.3.1 75/100 guarantee

Death benefit guarantee

In the event of the contractholder's death, Beneva guarantees the highest of the following amounts for all 75/100 Investment Accounts held by the client:

- The market value of the accounts on the date of notification of death; or the sum of:
 - 100% of the deposits invested in these accounts prior to age 75 adjusted proportionately to any reduction in the market value of the deposits resulting from any previous withdrawal of a portion of these investments;
 - 75% of the deposits invested in these accounts from age 75, adjusted proportionately to any reduction in the market value of the deposits resulting from any previous withdrawal of a portion of these investments.

Maturity guarantee

The maturity of the contract is 100 years and cannot be extended.

The insurer guarantees the highest of the following amounts for all 75/100 Investment Accounts held by the client:

- · The market value of these accounts; or
- 75% of the deposits invested in these accounts, adjusted proportionately to any reduction in the market value of the deposits resulting
 from any previous withdrawal of a portion of these investments.

2.3.2 75/100 Enhanced guarantee

Death benefit guarantee

In the event of the contractholder's death, Beneva guarantees the highest of the following amounts for all 75/100 Enhanced Investment Accounts held by the client:

- The market value of the accounts on the date of notification of death; or the sum of:
 - 100% of the deposits invested in these accounts prior to age 80 adjusted proportionately to any reduction in the market value of the deposits resulting from any previous withdrawal of a portion of these investments;
 - 75% of the deposits invested in these accounts from age 80, adjusted proportionately to any reduction in the market value of the deposits resulting from any previous withdrawal of a portion of these investments.

Maturity guarantee

The maturity of the contract is 100 years and cannot be extended.

The insurer guarantees the highest of the following amounts for all 75/100 Enhanced Investment Accounts held by the client:

- The market value of these accounts: or
- 75% of the deposits invested in these accounts, adjusted proportionately to any reduction in the market value of the deposits resulting
 from any previous withdrawal of a portion of these investments.

Guaranteed Value Upon Death Reset

The guaranteed value upon death is reset automatically once a year, on the anniversary date of the initial 75/100 Enhanced Investement Account contribution. Resets continue to be made until the year in which the annuitant reaches age 80. A final reset is made on the date of the annuitant's 80th birthday.

This reset feature establishes the value guaranteed upon death at the total market value of all 75/100 Enhanced Investement Accounts held in the contract in force at the time of the reset, provided it exceeds the guaranteed value upon death in the contract. Therefore, the reset can only increase the guaranteed value upon death or have no effect.

The guaranteed value upon maturity is not affected by this reset.

2.3.3 Details about Calculated Guaranteed Values

Redemption of units and external transfers

The guaranteed values are reduced by those associated with the redeemed units. They are calculated for the units of all Investment Accounts according to the ratio of the market values of the redeemed units to the overall units of the Investment Accounts in the contract.

Fees for a transfer to another financial institution, purchase cancellations due to non-sufficient funds, inactive contracts, for any payment not honoured or other fees charged to you are considered unit redemptions. When applicable, unit redemptions made to settle guarantee fees do not reduce the guaranteed values.

Transfers within the same contract

Transfers of the value of units between Beneva Investment Accounts within the same contract do not have any impact on their guarantee. Therefore, their guarantee features (including, among other things, the application date and the guaranteed values) are fully maintained.

Transfers from one contract to another

The allowable transfers of the value of units from one contract to another are considered as redemptions in the original contract and as new contributions in the contract the units are transferred to. Beneva may enhance these rules at any time. Please refer to the administrative rules in force for more details.

2.3.4 Guarantee application

Beneva may require proof that it deems sufficient to confirm the date of birth of the annuitant in order to establish the application date of the maturity guarantee, as well as the amounts guaranteed in the case of the death benefit guarantee. In case of a discrepancy between the date of birth provided at the time of your contract subscription and the date of birth confirmed by such sufficient proof, Beneva reserves the right to re-establish the guarantee application date as well as the amounts guaranteed.

For all guarantee options, the guarantee application date used to calculate the guaranteed death value is the date that Beneva has been notified of the death of the annuitant. At the guarantee application date upon death or upon maturity, Beneva shall apply the guarantee. Notwithstanding all other contract provisions, no benefit is payable upon the death of the annuitant if a successor annuitant has been designated, or if the spouse agrees to become successor annuitant; in that case, the guarantee application date upon death is the date Beneva has been notified of the death of the successor annuitant. At the guarantee application date upon death, Beneva shall apply the guarantee. The contract terminates and no other guarantee is applicable for this contract.

At the application date of the death guarantee or the maturity guarantee, Beneva deposits in a Daily Interest Account the sum of the market values of the accounts. In addition, if the guaranteed value applicable is greater than the sum of the market values of the accounts, Beneva deposits an amount equal to the difference between those two values in that same account.

2.3.5 Impact of Redemptions on Guaranteed Amounts

Guaranteed values upon maturity or upon death are decreased following a withdrawal. The reduction is calculated based on the ratio: withdrawal amount / market value of contract's Investment Accounts at time of withdrawal.

For example, let's take an investor who contributes \$200,000 to an Investment Account. On the assumption that value is guaranteed at 100% and that market value has increased, the impact of a \$50,000 withdrawal is as follows:

Event	Amount	Market value on this date	Guaranteed value
Contribution	\$200,000	\$200,000	\$200,000
			= \$200,000 - (\$50,000 × \$200,000 / \$254,000)
Withdrawal	\$50,000	\$254,000	= \$200,000 - \$39,370
			= \$160,630

If the market value goes down, the impact of the same \$50,000 withdrawal on the guaranteed value is as follows:

Event	Amount	Market value on this date	Guaranteed value
Contribution	\$200,000	\$200,000	\$200,000
Withdrawal	\$50,000	\$182,000	= \$200,000 - (\$50,000 x \$200,000 / \$182,000) = \$200,000 - \$54,945 = \$145,055

2.3.6 Changes to the contract guarantee option

A single guarantee change can be made throughout the entire duration of the contract, and applies to all Investment Accounts in the contract. This change affects your guarantees and is subject to administrative rules that may change.

2.4 Administrative arrangements

2.4.1 Investment Accounts return

The return credited or debited is equal to the net compound rate of return of the reference fund indicated on your statement of transactions or the Investment Account facts sheet. The net compound rate of return of the reference fund corresponds to the return generated by the reference fund, less the fees charged by the manager of the reference fund, and by the insurer, if applicable.

These fees are subject to change by the fund manager without notice. If applicable, the fees charged by the insurer are applied daily by dividing this rate by 365. Moreover, such fees are not guaranteed and may be modified upon written notice of at least thirty (30) days to the contractholder. If applicable, these fees appear in the Investment Account facts document, available on our website, **beneva.ca**.

Returns are not guaranteed and may increase or decrease, depending on the performance of the reference fund.

2.4.2 Transaction date

Except for under certain circumstances, for example in the event of a force majeure, transaction requests directly forwarded to our offices are processed in the following manner:

- · Transfer requests to another financial institution are processed based on our administrative rules in force.
- · For other transaction requests,
 - A paper transaction request received before 2 p.m. EST, on a valuation day is established at the unit value in effect that day.
 - An electronic transaction request received before 4 p.m. EST on a valuation day is established at the unit value in effect that day.
 - Any other transaction request received is established at the unit value of the valuation day following the actual day of receipt of the request.

A valuation day occurs every day that the Beneva head office is open and, the Toronto Stock Exchange is open for business and a value is available for the underlying assets of the reference fund. Beneva reserves the right to modify the transaction hours limits and to postpone the redemption or transfer to another financial institution for up to sixty (60) days from the date on which the written request and its supporting documentation (in such case) are received.

2.4.3 Withdrawal or transfer to another Investment Account

Amounts invested in these accounts may be withdrawn at any time or transferred to another Investment Account with the same fee option as the one indicated. The insurer then adjusts accordingly the number of units granted to you at the time of your investment, taking into account the amounts withdrawn and the net return fluctuations of the reference fund since that date. The minimum withdrawal amount is determined by our administrative rules in force.

2.4.4 Replacement of the reference fund

If a reference fund becomes unavailable or the insurer ceases to use it as a reference fund, for any reason whatsoever, the insurer reserves the right to replace it with another reference fund it deems similar or to determine the applicable rate of return

2.4.5 Extraordinary circumstances

The interruption of capital market activity based on which the reference fund securities are traded or other circumstances beyond the insurer's control may prevent the latter from executing any type of transaction, calculating the rate of return applicable to the accounts, managing the risks related thereto or respecting its commitments. Under such circumstances, the insurer may, at its discretion, take various reasonable measures, which may include adjusting or deferring the return calculation applicable to Investment Accounts and any payment, if applicable.

2.5 Fees

2.5.1 Guarantee Fees

Currently, no fees are attached to the 75/100 guarantee. Current guarantee fees for the 75/100 Enhanced guarantee are shown in the *Account Facts* of each Beneva Investment Account. Fees related to guarantees are paid through a redemption of units on a monthly basis, and are included on your periodic financial statements. Guarantee fees are expressed on an annual percentage basis and are calculated daily on each Investment Account market value. In the case of 75/100 Enhanced guarantee Investment Account unit redemptions before the maturity of the guarantee, guarantee fees are charged.

Beneva may modify the guarantee fees by notifying you.

2.5.2 Sales fees

Beneva offers a choice of two sales charge options: no-load and advisor chargeback.

Purchases made under the no-load and the advisor chargeback options do not include any fees at the time of purchase or redemption, regardless of the remuneration mode chosen by your advisor.

2.6 Tax Consequences

Our intention is to provide you with a basic overview of the federal tax consequences associated with Investment Accounts, which we recommend you discuss with your tax consultant.

2.6.1 Non Registered Plans

Investment Accounts are not available for non-registered plans.

2.6.2 Registered Plans

RRSPs, LIRAs and TFSAs

As a general rule, if you subscribe to a contract and choose a plan that is established as an RSP and that is registered in compliance with the *Income Tax Act* or any other applicable provincial tax law, contributions are tax deductible up to the maximum allowed under applicable tax legislation, unless the contribution is transferred from another tax-sheltered instrument that permits tax-sheltered transfers. No tax is payable on interest at the time it is earned. Benefit payments are fully taxable, except when exempted by legislation. If you subscribe to a contract established as a LIRA, the tax treatment is basically the same as those for an RSP. For the TFSA, even if it is a registered plan, contributions to investment options are not tax deductible and no tax is payable on income from investment options at the time they are allocated. Benefits are not taxable.

RRIFs, LIFs, PRRIFs and LRIFs

As a general rule, if you subscribe to a contract and choose a plan that is established as an RIF, LIF, PRRIFs and LRIFs and that is registered in compliance with the *Income Tax Act* or any other applicable provincial tax law, no tax is payable on interest at the time it is earned. Benefit payments are fully taxable.

III. Beneva Guaranteed Investments

3.1 General provisions

A Beneva Guaranteed Investment is an investment option that can include guarantees in terms of capital and credited interest. Beneva offers four types of guaranteed investments: Daily Interest Account (DIA), Guaranteed Interest Accounts (GIAs), Laddered GIAs, and Equity Index Guaranteed Interest Accounts (Equity Index GIAs) (options 1 and 2).

Beneva reserves the right to refuse any contribution, in whole or in part. The decision to accept or refuse a contribution is made within two days of receipt of the contribution by Beneva. If a contribution is refused, you are immediately reimbursed the full amount received by Beneva without any fee or interest.

Lump-sum contributions to DIAs or GIAs must be for a minimum value of at least \$400. Lump-sum contributions to Laddered GIAs must be for a minimum value of at least \$5,000. Beneva reserves the right to modify these minimums at any time. If the minimum amount required is not attained, then Beneva invests sums into a CIQ or any other account provided by the insurer for that purpose.

Transaction date

Except for under certain circumstances, for example in the event of a force majeure, transaction requests directly forwarded to our offices are processed in the following manner:

- Transfer requests to another financial institution are processed based on our administrative rules in force.
- · For other transaction requests,
 - A paper transaction request received before 2 p.m. EST, on a valuation day is processed that same day.
 - An electronic transaction request received before 4 p.m. EST on a valuation day is processed that same day.
 - Any other transaction request received is processed the day following the actual day of receipt of the request.

A valuation day occurs every day that the Beneva head office is open and, the Toronto Stock Exchange is open for business and a value is available for the underlying assets of the reference fund. Beneva reserves the right to modify the transaction hours limits and to postpone the redemption or transfer to another financial institution for up to sixty (60) days from the date on which the written request and its supporting documentation (in such case) are received.

If you wish to make regular GIA contributions, you can apply for the Pre-authorized Purchase Program that permits automatic direct withdrawals from your bank or trust account. You select the withdrawal amount and frequency from the options offered by Beneva. The minimum allowable amount for the initial and subsequent contributions is determined by Beneva.

3.2 Beneva Daily Interest Account (DIA)

A DIA is an investment option, which is redeemable at any time, and for which contributions are invested at a daily interest rate fixed by Beneva. This rate is not guaranteed and may be modified at any time.

The redemption value of a DIA corresponds to the contribution amount plus any accumulated interest on the date of the redemption.

3.3 Beneva Guaranteed Interest Accounts (GIAs)

3.3.1 Beneva GIA

A GIA is an investment option for which contributions are invested for a fixed period of time, at a rate of interest guaranteed by Beneva on capital only (simple interest) or on capital and interest (compound interest). It may be redeemable during the term or non-redeemable before term. The rates and compound interest frequencies are those in effect at Beneva.

3.3.2 Laddered GIA

A Laddered GIA is an investment option, which is redeemable or non-redeemable prior to maturity, and for which contributions are invested for a fixed total period of time, at a simple or compound rate of interest guaranteed by Beneva. The contributions are divided into equal portions equivalent to the total period chosen. For example, if the contractholder purchases a Laddered GIA for a total 5-year term for an amount of \$5,000, the contribution is divided into five equal portions of \$1,000. The first portion matures after one year, the second after two years, and so on. All of these portions benefit from the same initial interest rate. This investment option is available for individual RRSPs, LIRAs, NRSPs and TFSAs.

3.3.3 Management of Income from your Beneva Guaranteed Investment

Compound Interest GIAs and Laddered GIAs

Any interest on a compound interest GIA and interest on each portion making up a compound interest Laddered GIA is reinvested at the rate guaranteed at the time of the GIA purchase for the remaining term of the GIA. Interest is calculated annually on the anniversary of the investment and at maturity. Interest is reinvested at the same rate until maturity.

Simple Interest GIAs and Laddered GIAs (available only for non-registered and TFSA plans)

Interest on a simple interest GIA and interest on each portion making up a simple interest Laddered GIA is paid to you as an annual cash payment.

3.3.4 Non-Redeemable Beneva Guaranteed Investment Redemptions

If, in the case of certain specific events that are provided for in the contract or by law, for example, conversion into an annuity at the end of the contract's investment period, we are obliged to carry out the redemption of a non-redeemable Beneva Guaranteed Investment, then the redemption fees charged by Beneva are calculated in conformity with its administrative rules.

If the redemption of a non-redeemable GIA or Laddered GIA occurs following the death of the annuitant, the market value adjustment (MVA) is equal to zero. In such case, the redemption value of a GIA or Laddered GIA corresponds to the market value.

3.3.5 Redeemable Beneva Guaranteed Investment Redemptions

When redeeming Beneva Guaranteed Investments for, among other reasons, a transfer to another financial institution or conversion of the plan into an annuity, whether it be upon your own initiative or in order to comply with the contract or with applicable legislation, the following terms and conditions apply. You may redeem, in whole or in part, your investments in Beneva redeemable guaranteed investments at any time.

The redemption value (RV) of a redeemable GIA, Laddered GIA corresponds to the market value (MV) of the investment, less, if positive, the market value adjustment (MVA). The MVA is calculated according to the following formula:

RV = MV - MVA MVA = MV × (i-j) × n where MVA is always ≥ 0

Given that:

MV = Market value of the GIA redeemed in whole or in part;

- i = Current interest rate offered by Beneva for a GIA for a term equivalent to the initial term selected, comprising similar interest provisions;
- j = Rate of interest of the initial GIA;
- n = Number of years and portion thereof remaining before the end of the term.

If the redemption of a redeemable GIA or Laddered GIA occurs following the death of the annuitant, the MVA is equal to zero. In such case, the redemption value corresponds to the market value.

In the case of a Laddered GIA, the "i" and the "j" in the preceding formula must be the rates of the Laddered GIA investment option, and not the rates of the regular GIA. In the case that the Laddered GIA investment option is no longer offered, the regular interest rate in effect on the date of the contribution and the regular rate in effect on the date of the redemption are used to define the "i - j" difference. Unless otherwise indicated, the GIA with the term closest to the redemption date is redeemed first, and so on.

3.4 Beneva Equity Index GIA (option 1 and 2)

3.4.1 Equity Index Guaranteed Interest Accounts (option 1 – linked to an underlying account)

Important notice

The interest payable at maturity is linked in part to the value of the variable component (underlying account). The value of the underlying account fluctuates depending on the market value of the securities that make up the account. Fluctuations may be significant and they are impossible to predict. The value of the investment at maturity is the higher of the following amounts: the market value and the guaranteed value at maturity specified in the statement of transactions that you will receive.

i) Rate of return

Interest is calculated according to two components and to the percentage of the investment specified for each of these two components. The variable component is linked to the fluctuation of the unit value of the underlying account, whereas interest for the fixed component is determined on the issue date according to the conditions of the financial market at that date. The unit value of the variable component is calculated by the insurer using the net compound rate of return of the underlying account. The net compound rate of return corresponds to the return generated by the underlying account, less the fees charged by the insurer.

ii) Insurer's fees

Besides the amount charged to the underlying account by the insurer, variable management fees may also be charged by the insurer at the variable component. Any such fees shall be applied daily by dividing the applicable fee rate by 365. Moreover, such fees are not guaranteed and may be modified upon written notice of at least thirty (30) days to the contractholder.

iii) Calculation of return

The return of the investment is calculated according to the formula described below. The items described below, such as the portion invested in the variable component, can be found either on the statement of transactions or on the instructions form that you will receive.

$i = 1\% \times (UVM - UVI)/UVI + (1 - I\%) \times it$

Where:

- i = Interest payable at maturity.
- I% = Portion invested in the variable component.
- UVI = Unit value of the underlying account at issue is equal to the average unit value at the closing of the four business days prior to the issue date.
- UVM = Unit value of the underlying account at maturity is equal to the average unit value at the closing of the last four months of the last year of investment, to the given date corresponding to the issue date or the preceding business date if such days are not business days.
- it = Interest of the fixed component for the duration of the term.

iv) Other provisions

You may redeem, in whole or in part, your investments in Beneva Equity Index GIAs at any time.

When redeeming Beneva Equity Index GIAs for, among other reasons, a transfer to another financial institution or conversion of the plan into an annuity, whether it be upon your own initiative or in order to comply with the contract or with applicable legislation, the following terms and conditions apply.

· Market value penalty of the fixed component:

The redemption value (RV) of fixed component corresponds to the market value (MV) of the investment, less, if positive, the market value adjustment (MVA). The MVA is calculated according to the following formula:

$$RV = MV - MVA$$

 $MVA = MV \times (i - j) \times n$

where MVA is always ≥ 0

Given that:

MV = Market value of the fixed component of the Equity Index GIA redeemed in whole or in part;

- i = Current interest rate offered by Beneva for an Equity Index GIA for a term equivalent to the initial term selected, comprising similar interest provisions;
- j = Initial rate of interest of the Equity Index GIA;
- n = Number of years and portion thereof remaining before the end of the term.
- · Penalty for fees recovery:

A penalty equal to 0.0027% of the market value of the fixed component and of the variable component of this investment, calculated on the transaction date, times the number of days remaining until maturity. The penalty will never be greater than 6.0% of the market value mentioned above.

The total penalty is equal to the total of the market value penalty plus the penalty for fees recovery.

For non-registered plans only, the redemption value cannot exceed the amount initially invested.

v) Death of the annuitant (in the case of a physical person)

Upon the death of the annuitant, the benefit payable is the higher of the initial investment amount and the market value amount. The unit value of the underlying account on the date the insurer has been notified of the death is the value used to calculate the market value.

vi) Replacement of the underlying account

Should the underlying account be unavailable or cease to be used by the insurer for any reason whatsoever, the insurer reserves the right to replace it with another underlying account it deems similar or to determine the applicable rate of return.

vii) Extraordinary circumstances

Any interruption in the stock market activities or other circumstances beyond the insurer's reasonable control may prevent the insurer from calculating the rate of return applicable to the Equity Index GIA, managing the related risks or honouring its commitments. In such circumstances, the insurer may, at its discretion, take various reasonable measures which may include deferring or adjusting payment or calculation of the return applicable to the Equity Index GIA, as the case may be.

3.4.2 Equity Index Guaranteed Interest Accounts (option 2 – linked to a market index)

Important notice

The interest payable at maturity is linked in part to the value of a market index. The value of a market Index fluctuates depending on the market value of the securities that make up the index. Fluctuations may be significant and they are impossible to predict. The value of the investment at maturity is the higher of the following amounts: the market value and the guaranteed value at maturity specified in the statement of transactions that you will receive.

i) Rate of return

Interest is calculated according to two components and to the percentage of the investment specified for each of these two components. The variable component is linked to the fluctuation of the value of a market index, whereas interest for the fixed component is determined on the issue date according to the conditions of the financial market at that date.

ii) Calculation of return

The return of the investment is calculated according to the formula described below. The items described below, such as the portion invested in the variable component, can be found either on the statement of transactions or on the instructions form that you will receive.

$i = 1\% \times (MIM - MII)/MII + (1 - 1\%) \times it$

Where:

- i = Interest payable at maturity.
- I% = Portion invested in the variable component.
- MII = Market index at issue is equal to the average index at the closing of the four business days prior to the issue date.
- MIM = Market index at maturity is equal to the average of the index at the closing of the last four months of the last year of investment, to the given date corresponding to the issue date or the preceding business date if such days are not business days.
- it = Interest of the fixed component applicable to the complete duration of the investment.

iii) Other provisions

You may redeem, in whole or in part, your investments in Beneva Equity Index GIAs at any time.

When redeeming Beneva Equity Index GIAs for, among other reasons, a transfer to another financial institution or conversion of the plan into an annuity, whether it be upon your own initiative or in order to comply with the contract or with applicable legislation, the following terms and conditions apply.

· Market value penalty of the fixed component:

The redemption value (RV) of fixed component corresponds to the market value (MV) of the investment, less, if positive, the market value adjustment (MVA). The MVA is calculated according to the following formula:

$$RV = MV - MVA$$

 $MVA = MV \times (i - j) \times n$

where MVA is always ≥ 0

Given that:

MV = Market value of the fixed component of the Equity Index GIA redeemed in whole or in part;

- i = Current interest rate offered by Beneva for an Equity Index GIA for a term equivalent to the initial term selected, comprising similar interest provisions;
- j = Initial rate of interest of the Equity Index GIA;
- n = Number of years and portion thereof remaining before the end of the term.
- Penalty for fees recovery:

A penalty equal to 0.0027% of the market value of the fixed component and of the variable component of this investment, calculated on the transaction date, times the number of days remaining until maturity. The penalty will never be greater than 6.0% of the market value mentioned above

The total penalty is equal to the total of the market value penalty plus the penalty for fees recovery.

For non-registered plans only, the redemption value cannot exceed the amount initially invested.

iv) Death of the annuitant (in the case of a physical person)

Upon the death of the annuitant, the benefit payable is the higher of the initial investment amount and the market value amount. The unit value of the underlying account on the date the insurer has been notified of the death is the value used to calculate the market value

v) Replacement of the market index

Should the market index be unavailable or cease to be used by the insurer for any reason whatsoever, the insurer reserves the right to replace it with another market index it deems similar or to determine the applicable rate of return.

vi) Extraordinary Circumstances

Any interruption in the stock market activities or other circumstances beyond the insurer's reasonable control may prevent the insurer from calculating the rate of return applicable to the Equity Index GIA, managing the related risks or honouring its commitments. In such circumstances, the insurer may, at its discretion, take various reasonable measures which may include deferring or adjusting payment or calculation of the return applicable to the Equity Index GIA, as the case may be.

vi) Important notice and liability disclaimer related to the S&P/TSX 60* market index

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The Equity Index GIA is not sponsored, endorsed, sold or promoted by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") or The Toronto Stock Exchange ("TSX"). S&P and the TSX make no representation, condition or warranty, express or implied, to the holders of Equity Index GIA or any member of the public regarding the advisability of investing in securities generally or in Equity Index GIA particularly or the ability of the S&P Indexes to track general stock market performance or any other economic factors. S&P's only relationship to Beneva Inc. ("Beneva") and its affiliates is the licensing (or sublicensing) of certain trademarks and trade names of S&P and the TSX and/or of the S&P Indexes which are determined, composed and calculated by S&P without regard to Beneva or Equity Index GIA. S&P and the TSX have no obligation to take the needs of Beneva or the holders of Equity Index GIA into consideration in determining, composing or calculating the S&P Indexes. S&P and the TSX are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of Equity Index GIA to be issued or in the determination or calculation of the equation by which Equity Index GIA is to be converted into cash. S&P and TSX have no obligation or liability in connection with the administration, marketing or trading of Equity Index GIA.

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3.5 Transfer of Beneva Guaranteed Investments

The allowable transfers of GIAs from one contract to another are considered as redemptions in the original contract and as new contributions in the contract the GIAs are transferred to. Their renewal is carried out according to the provisions set out in section 3.6 "Reinvestment at end of a GIA Term". Beneva may enhance these rules at any time. Please refer to the administrative rules in force for more details.

3.6 Reinvestment at End of a GIA Term

Unless Beneva receives instructions to the contrary from you or your mandatary at least five days before the end of the investment option term, Beneva reinvests the amounts accumulated according to the same terms and conditions as the previous investment option at the interest rate in force at Beneva on the reinvestment date. In the case of an Equity Index GIA, Beneva reinvests the amounts accumulated in a redeemable GIA for a term of 5 years at the interest rate in force at Beneva on the reinvestment date. If not, an alternative is proposed to you or your mandatary, where applicable.

In the case of a Laddered GIA, each portion of the GIA that reaches the end of its term is reinvested for a new term equal to the total period chosen at the interest rate in force for regular GIAs on that date, for an amount equal to the portion having reached the end of its term. However, if the contractholder wishes to cash in the portion of the GIA having reached the end of its term, this may be done without penalty at the end of its term.

3.7 Tax Consequences

Our intention is to provide you with a basic overview of the federal tax consequences associated with Beneva Guaranteed Investments, which we recommend you discuss with your tax consultant. This information takes into consideration tax legislation in force at the time of publication of this contract. This information applies to contractholders who are residents of Canada and who are not exempt from paying income tax.

While this contract does not intend to explain every possible tax aspect or provincial tax rule, it does intend to provide a basic understanding of the general taxation related to Beneva Guaranteed Investments.

3.7.1 Non-registered Plans

Beneva Guaranteed Investments are taxed yearly on the interest earned on the anniversary date of the GIA. Each year, Beneva sends you a tax slip detailing the total amount of interest earned over the previous year.

3.7.2 Registered Plans

RRSPs, LIRAs and TFSAs

As a general rule, if you subscribe to a contract and choose a plan that is established as an RSP and that is registered in compliance with the *Income Tax Act* or any other applicable provincial tax law, contributions are tax deductible up to the maximum allowed under applicable tax legislation, unless the contribution is transferred from another tax-sheltered instrument that permits tax-sheltered transfers. No tax is payable on interest at the time it is earned. Benefit payments are fully taxable, except when exempted by legislation. If you subscribe to a contract established as a LIRA, the tax treatment is basically the same as those for an RSP. For the TFSA, even if it is a registered plan, contributions to investment options are not tax deductible and no tax is payable on income from investment options at the time they are allocated. Benefits are not taxable.

RRIFs, LIFs, PRRIFs and LRIFs

As a general rule, if you subscribe to a contract and choose a plan that is established as an RIF, LIF, PRRIFs and LRIFs and that is registered in compliance with the *Income Tax Act* or any other applicable provincial tax law, no tax is payable on interest at the time it is earned. Benefit payments are fully taxable.

IV. Estate Planning

Upon subscribing to this contract, in addition to designating one or many beneficiaries and an annuitant, you can designate one or many contingent beneficiaries, a successor annuitant, co-contractholders and contingent contractholders (subrogated in Quebec). The choices that you make may have an impact on your contract, should one of the parties therein die. This section provides an overview of those impacts, but not all possible tax consequences are covered. Please contact your advisor for estate planning advice tailored to your personal needs.

4.1 Beneficiaries

You can designate one or many primary beneficiaries, who will receive the death benefit upon the death of the last surviving annuitant. In the event a primary beneficiary predeceases the last surviving annuitant, the proceeds will be divided equally among the surviving primary beneficiaries, unless indicated otherwise by you. In Quebec however, unless otherwise agreed in writing, if the primary beneficiaries' shares were not equal, upon the death of a primary beneficiary, his share will go to the contractholder or his estate. If you have not indicated the primary beneficiaries' shares, we will assume the proceeds should be divided equally among the surviving primary beneficiaries.

In addition to designating primary beneficiaries, you may designate one or many contingent beneficiaries to receive the death benefit following the death of the last surviving annuitant if all the primary beneficiaries are deceased, or designate, for each primary beneficiary, one or many continuing beneficiaries, to receive the death benefit following the death of the last surviving annuitant if the primary beneficiary to which he(they) is(are) associated is deceased.

4.2 Non-registered Contracts

4.2.1 Single Contractholder, Co-contractholder, Contingent Contractholders (Subrogated in Quebec)

Except in Quebec, and unless indicated otherwise, co-contractholders are deemed to be joint tenants with rights of survivorship. Upon the death of one co-contractholder, the surviving co-contractholder becomes the sole owner of the contract. In Quebec, co-contractholders are deemed to have respectively designated each other as subrogated contractholders, which will have the same effect upon the death of one co-contractholder.

Prior to the death of the last surviving annuitant, you may also designate one or many contingent contractholders (subrogated in Quebec) to succeed you as contractholder, upon your death and the death of your co-contractholders. If you are the sole contractholder, you may designate one or many contingent contractholders (subrogated in Quebec) only if you are not also the annuitant.

Upon your death and the death of your co-contractholder, ownership of your contract will be transferred to the contingent contractholder (subrogated in Quebec) and bypass your estate. Please note that if the contingent contractholder (subrogated in Quebec) is not your spouse, this transfer of ownership will be considered a taxable disposal as defined in the *Income Tax Act* (Canada).

If the deceased co-contractholder is the sole annuitant, the contract will end and the death benefit will be paid.

Upon your death, if you are not the sole annuitant and if you have not designated a co-contractholder nor a contingent contractholder (subrogated in Quebec), ownership of your contract will pass to your estate.

4.2.2 Successor Annuitant

At any time before the death of the annuitant, you may designate a successor annuitant. No benefit is payable upon the death of the annuitant if a successor annuitant has been designated. In this case, upon the death of the annuitant, the successor annuitant becomes the annuitant and the contract remains in force.

You may cancel or modify this designation at any time before the death of the annuitant.

4.3 Registered Contracts

For registered contracts, you are both the contractholder, the annuity grantee and the annuitant.

4.3.1 RRSP

No co-contractholder, contingent contractholder (subrogated in Quebec) nor successor annuitant designation is permitted under a Beneva RSP contract.

4.3.2 RRIF

You may designate your spouse as successor annuitant. Upon your death he will automatically become the contractholder and the annuitant and receive the retirement income payments. If you have not previously appointed your spouse as such, he may also become the contractholder and the annuitant if your legal representative consents to the designation and Beneva agrees. No death benefit will be paid at this time and the contract will remain in force.

If you have not appointed your spouse as successor annuitant, but have designated him as sole beneficiary, upon your death your spouse may maintain the guarantees under your contract, if he meets the conditions specified in the *Income Tax Act* (Canada).

No other designation of co-contractholder, contingent contractholder (subrogated in Quebec) nor successor annuitant is permitted under an Beneva RIF contract.

4.3.3 TFSA

You may designate your spouse as contingent contractholder (subrogated in Quebec) (the owner as defined in the *Income Tax Act* (Canada)). Upon your death he will automatically become the annuitant and contractholder (owner as defined in the *Income Tax Act* (Canada)). No death benefit will be paid at this time and the contract will remain in force.

If you have designated your spouse as sole beneficiary, upon your death he may transfer all or part of the payment to his own TFSA, without affecting his own unused TFSA contribution room, if the conditions specified in the *Income Tax Act* (Canada)) are met.

No other co-contractholder, contingent contractholder (subrogated in Quebec) nor successor annuitant designation is permitted under a Beneva TFSA contract.

V. Initiation of Annuity Payment upon Retirement

For the purpose of this contract, retirement is the date the contractholder requests Beneva to convert the redemption value of the contract to one of the retirement products offered by Beneva. This retirement product must be in compliance with applicable legislative provisions. Additional provisions applicable to the various plans available are described in each respective rider.

5.1 Life annuity amount on expiry date of contract investment period

The end date of the investment period marking the beginning of retirement and the start of the annuity payments chosen by the contractholder may not exceed the date the annuitant turns age 100. If written instructions are not received by Beneva within 60 days before the annuitant's 100th birthday, Beneva converts such value to a monthly life annuity, with no guaranteed duration, which is immediate and established based on the life of the annuitant only. The amount of the monthly annuity shall then be equal to the highest of the result of the following formula:

Contract redemption value

50

where the contract redemption value used is the one established in compliance with the terms of the investment options, or the annuity rate in effect at Beneva when converting the value of the contract.

Should the application date of the maturity guarantee fall beyond the end of the contract, Beneva will apply the maturity guarantee on the date the contract investment period ends.

In addition, if the contractholder is required to choose different payment terms for the annuity in compliance with the *Income Tax Act* (Canada) and/or applicable pension legislation, the annuity offered by Beneva shall be an immediate monthly life annuity. The monthly annuity amount is therefore adjusted on an actuarial basis to reflect the additional cost of this choice. The actuarial adjustment is based on the rates in force at Beneva at that time. These terms are related notably to joint survivorship or the duration of the annuity payment period that Beneva may guarantee based on a certain number of payments, and this, even after the death of the annuitant. In this respect, Beneva applies the relevant pension legislation for the Canadian province or territory in question, or where required federal pension legislation, and the provisions applicable to these plans are described in their respective rider.

Beneva reserves the right to modify the frequency of payments so as to respect the minimum amount applicable to annuity payments such as determined by Beneva. The interval between payments shall never be longer than a one year.

5.2 Life annuity amount prior to expiry date of contract investment period

As of the annuitant's 65th birthday, if the contractholder requests Beneva to convert the redemption value of the contract to a monthly life annuity, with no guaranteed duration and which is immediate and established based on the life of the annuitant only, the amount of the monthly annuity payment shall then be equal to the highest of the result of the following formula:

Contract redemption value

50 + (8 × [100 - Annuitant's age on conversion date])

where the contract redemption value used is the one established in compliance with the terms and conditions of the investment options, or the annuity rate in effect at Beneva when converting the value of the contract.

Before the annuitant's 65th birthday, if the contractholder requests Beneva to convert the redemption value of the contract to payment of a monthly life annuity, with no guaranteed duration, and which is immediate and established based on the annuitant's life only, the amount of the monthly annuity payment is determined based on the rates in force at that time at Beneva.

In addition, when the contractholder is required to choose different payment terms for the annuity in compliance with the *Income Tax Act* (Canada) and/or applicable pension legislation, the annuity offered by Beneva shall be an immediate monthly life annuity. The monthly annuity amount is therefore adjusted on an actuarial basis to reflect the additional cost of this choice. The actuarial adjustment is based on the rates in force at Beneva at that time. These terms are related notably to joint survivorship or the duration of the annuity payment period that Beneva may guarantee based on a certain number of payments, and this, even after the death of the annuitant. In this respect, Beneva applies the relevant pension legislation for the Canadian province or territory in question, or where required federal pension legislation, and the provisions applicable to these plans are described in their respective rider.

Beneva reserves the right to modify the frequency of payments so as to respect the minimum amount applicable to annuity payments such as determined by Beneva. The interval between payments shall never be longer than one year.

5.3 Successor Annuitant

When the payment of the pension begins, as stipulated in this section, any designation of a successor annuitant as stipulated under this contract becomes null and void.

VI. Benefit Payable upon Death of Annuitant

6.1 Death of annuitant before conversion to annuity

If the annuitant dies before the contract is converted into an annuity, Beneva will pay the beneficiary the value of the contract associated with the plan in the form of a lump sum, periodic installments or any other settlement method available at the time of the claim. If no beneficiary is designated, the payment will be made to the participant's estate. If you do not provide us with specific instructions, we will pay the benefit as a lump sum. The amount payable is established on the date that Beneva has been notified of the annuitant's death, less any mandatory deductions under the *Income Tax Act* (Canada), where applicable.

In the case of an Beneva RSP, Beneva RIF, Beneva LIRA, Beneva LIF, Beneva TFSA, Beneva PRRIF, and Beneva LRIF, additional terms may be applicable upon death and are described in their respective rider.

Notwithstanding any other contract provisions, no benefit is payable upon the death of the annuitant if a successor annuitant has been designated or if the spouse agrees to become successor annuitant, as described under section IV of this Savings Annuity Contract.

6.2 Death of annuitant after conversion to annuity

6.2.1 For Non-Registered Plans

If the death of the annuitant occurs after conversion of the contract to an annuity, Beneva does not have to make payment as the duration of the annuity payments is not guaranteed and the annuity is established based on the life of the annuitant only.

6.2.2 For Registered Plans

For these plans, the annuitant is the same person as the contractholder and is also the annuity grantee.

If the death of the contractholder occurs after conversion of the contract to an annuity, Beneva shall pay benefits upon the death of the contractholder only if the duration of the annuity payments is guaranteed or if there is joint survivorship, such as is required under applicable pension legislation or under the *Income Tax Act* (Canada).

If the benefits remain payable following the death of the contractholder, Beneva shall continue to make annuity payments according to the terms of the annuity, to the contractholder's eligible spouse, if one exists, or, in the absence of such spouse, to the designated beneficiary or, in the absence of such beneficiary, to the contractholder's estate, where applicable. However, if the eligible spouse is entitled, upon the contractholder's death, to receive benefits that must be paid from the plan or under the plan of the contractholder, these payments, where applicable, shall be paid to the contractholder's spouse within the meaning intended under the *Income Tax Act* (Canada) and shall not exceed the amount of the payments made during the year of the contractholder's death. If the beneficiary is not the contractholder's spouse, Beneva pays the value of the remaining anticipated guaranteed payments, where applicable, in a lump sum, to the designated beneficiary, or, in the absence of such beneficiary, to the contractholder's estate in accordance with among other things the *Income Tax Act* (Canada).

In the case where the contractholder has designated the spouse and another person as beneficiaries, the retirement income payments shall continue to be paid to the spouse for the same guarantee duration (where applicable), but only in the proportion of the payments that remain to be paid corresponding to the spouse's portion.

Additional terms may apply to Beneva LIRA, Beneva LIF, Beneva PRRIF, and Beneva LRIF, including, notably, joint survivorship of retirement income payments to the spouse such as defined under applicable pension legislation. These terms are described in the respective rider of each plan.

VII. NRSP/RSP/RIF/TFSA Riders

7.1 Rider – Beneva Savings annuity Non-Registered Savings Plan (Beneva Savings annuity NRSP)

The provisions contained in the Beneva NRSP Rider take precedence over the other clauses contained in the contract. In the case of any conflict or inconsistency between a provision contained in the contract and the present provisions, these latter shall take precedence.

7.1.1 Retirement and Conversion to Annuity

The end date of the investment period marking the beginning of retirement and the start of the annuity payments chosen by the contractholder may not exceed the date the annuitant turns age 100. If written instructions are not received by Beneva within 60 days before the annuitant's 100th birthday, Beneva proceeds with the conversion of the redemption value of the contract to a life annuity, which is immediate and without guarantee, payable as of the annuitant's 100th birthday. If the monthly payments are less than the minimum in force at Beneva at the time, Beneva reserves its right to reduce the frequency of payments to attain this minimum or to pay the redemption value of the Beneva NRSP in a lump sum instead of allocating this value to an annuity, and this, in conformity with the *Income Tax Act* (Canada). Beneva may not be held liable for any loss that may result from such conversion.

7.2 Rider – Beneva Savings annuity Retirement Savings Plan (Beneva Savings annuity RSP)

7.2.1 Registration

The Beneva Savings annuity RSP plan is registered as a Registered Retirement Savings Plan (RRSP) under the terms of the *Income Tax Act* (Canada) and Beneva assumes responsibility for applying, upon your request, for such registration. The provisions contained in the Beneva Savings annuity RSP rider take precedence over other clauses in the contract. In the case of any conflict or inconsistency between a provision contained in the contract and the present provisions, these latter shall take precedence.

7.2.2 Contributions

Contributions are invested in accordance with the investment rules respecting Registered Retirement Savings Plans (RRSPs) under the *Income Tax Act* (Canada).

7.2.3 Retirement and conversion to annuity

The conversion of the contractholder's Beneva Savings annuity RSP to a retirement product for the purpose of paying an annuity may occur no later than the end of the calendar year during which the contractholder turns age 71 or any other age limit set out under the *Income Tax Act* (Canada).

This retirement product may be a Limited Term Annuity, a life annuity, with or without a guaranteed term, or a Registered Retirement Income Fund.

The limited term annuity must be for a number of years equal to 90, less the age of the contractholder (in whole years) at the time of conversion or, if the spouse is younger than the contractholder and this latter so decides, less the age of the spouse (in whole years) also at the time of conversion.

The life annuity must be payable up to the death of the contractholder or, if the contractholder chooses, up to the death of the eligible spouse. In addition, the guaranteed term of the life annuity may not exceed the maximum allowable term of the limited term annuity.

Payment of retirement income must be in the form of equal payments, made annually or at more frequent intervals, until such time as there is a payment stemming from a total or partial conversion of the retirement income according to the provisions of the *Income Tax Act* (Canada).

Details of the life annuity offered by Beneva can be found in section IV of this contract.

If, at least 60 days before the end of the calendar year during which the contractholder turns age 71, or any other age limit provided under the *Income Tax Act* (Canada), such contractholder has not made a application in writing to purchase a retirement product issued by Beneva, then Beneva converts the value of the Beneva Savings annuity RSP to a Beneva RIF for the minimum annual withdrawal amount provided for under the *Income Tax Act* (Canada), and this, based on the age of the contractholder. If the monthly payments are less than the minimum amount then in force at Beneva, this latter reserves the right to reduce the frequency of payments to attain this minimum or to pay the redemption value of the Beneva Savings annuity RSP in a lump sum. The terms that are applicable are those provided for in this contract. Beneva may not be held liable for any loss that may result from such conversion.

7.2.4 Death of annuitant before conversion to annuity

If the annuitant dies before the contract is converted into an annuity, Beneva will pay the beneficiary the value of the contract associated with the plan in the form of a lump sum, periodic installments or any other settlement method available at the time of the claim. If no beneficiary is designated, the payment will be made to the participant's estate. If you do not provide us with specific instructions, we will pay the benefit as a lump sum. The amount payable is established on the date that Beneva has been notified of the annuitant's death, less any mandatory deductions under the *Income Tax Act* (Canada), where applicable. In the case of the Beneva Savings annuity RSP, regardless of how the death benefit is paid, the tax payable under the *Income Tax Act* (Canada) shall be calculated and payable as if the benefit were paid as a lump sum upon the annuitant's death.

7.2.5 Death of annuitant after conversion to annuity

If the death of the contractholder occurs after conversion of the contract to an annuity, Beneva shall pay benefits upon the death of the contractholder only if the duration of the annuity payments is guaranteed or if there is joint survivorship, such as is required under applicable pension legislation or under the *Income Tax Act* (Canada).

If the benefits remain payable following the death of the contractholder, Beneva shall continue to make annuity payments according to the terms of the annuity, to the contractholder's eligible spouse, if one exists, or, in the absence of such spouse, to the designated beneficiary or, in the absence of such beneficiary, to the contractholder's estate, where applicable. However, if the eligible spouse is entitled, upon the contractholder's death, to receive benefits that must be paid from the plan or under the plan of the contractholder, these payments, where applicable, shall be paid to the contractholder's spouse within the meaning intended under the *Income Tax Act* (Canada) and shall not exceed the amount of the payments made during the year of the contractholder's death. If the beneficiary is not the contractholder's spouse, Beneva pays the value of the remaining anticipated guaranteed payments, where applicable, in a lump sum, to the designated beneficiary, or, in the absence of such beneficiary, to the contractholder's estate in accordance with among other things the *Income Tax Act* (Canada).

In the case where the contractholder has designated the spouse and another person as beneficiaries, the retirement income payments shall continue to be paid to the spouse for the same guarantee duration (where applicable), but only in the proportion of the payments that remain to be paid corresponding to the spouse's portion.

Additional terms may apply to Beneva LIRA, Beneva LIF, Beneva PRRIF, and Beneva LRIF, including, notably, joint survivorship of retirement income payments to the spouse such as defined under applicable pension legislation. These terms are described in the respective rider of each plan.

7.2.6 Assignment, pledge or chattel mortgage

Any contract under which the contractholder has subscribed to a registered plan, and the benefits guaranteed under it, may not be the object of an assignment, pledge or chattel mortgage. Retirement income under the plan may not be assigned in whole or in part. No other advantage other than those permitted under the *Income Tax Act* (Canada) and which depend in any way on the existence of the plan being the subject of the contract, cannot be acquired by the contractholder or a person with whom the contractholder is not dealing at arm's length.

7.2.7 Redemptions and transfers

Subject to applicable legislation, Beneva shall proceed with the application for the redemption or transfer to another financial institution, within 60 days of receipt of the duly completed request. The redemption or transfer value is established based on the terms of the investment options described in this contract and according to the methods and variables described in said contract. In the case of a registered plan, upon the request of the taxpayer, Beneva pays any amount required to reduce the tax amount payable according to the provision concerning excess contributions under the *Income Tax Act* (Canada). In addition, Beneva shall proceed with the transfer to the RRSP or the RRIF of the spouse or ex-spouse of the contractholder, in accordance with any decree, order or judgment of any court of competent jurisdiction or any written separation agreement, providing for property division between the contractholder and spouse, or ex-spouse, in settlement of rights resulting from the marriage or civil union or of the dissolution thereof.

Subject to applicable pension legislation and the *Income Tax Act* (Canada), the contractholder may not request the redemption or transfer of an investment not yet having reached maturity. However, if applicable pension legislation or the *Income Tax Act* (Canada) permits the contractholder to request the redemption in a case where the contractholder has chosen, as an investment option related to this plan, a non-redeemable GIA, then Beneva shall proceed with the redemption and apply the redemption fees it determines at its own discretion.

If you have the right to withdraw, partially or in full, the capital accumulated for payment of the annuity, exercising this right shall have the effect of reducing correlatively Beneva's obligations with respect to your investments.

7.2.8 Change of issuer

Beneva reserves the right to resign as the issuer of this RSP and appoint a successor issuer.

7.3 Rider – Beneva Savings annuity Retirement Income Fund (Beneva Savings annuity RIF)

7.3.1 Registration

The Beneva Savings annuity RIF plan is registered as a Registered Retirement Income Fund (RRIF) under the terms of the *Income Tax Act* (Canada) and Beneva assumes responsibility for applying, upon your request, for such registration. The provisions contained in this rider shall apply and take precedence over other clauses in the contract. In the case of any conflict or inconsistency between a provision contained in the contract and the present provisions, these latter shall take precedence.

7.3.2 Contributions

Contributions are invested in accordance with the investment rules respecting Registered Retirement Income Funds (RRIFs) under the *Income Tax Act* (Canada).

The only sums that may be invested in this Beneva Savings annuity RIF plan are those that originate from:

- · a Registered Retirement Savings Plan (RRSP) of which the contractholder is the annuitant;
- · another Registered Retirement Income Fund (RRIF) of which the contractholder is the annuitant;
- a Registered Retirement Savings Plan (RRSP) or Registered Retirement Income Fund (RRIF) of the contractholder's spouse or ex-spouse, in accordance with any decree, order or judgment of any court of competent jurisdiction or any written separation agreement, providing for property division between the contractholder and spouse, or ex-spouse, in settlement of rights resulting from the marriage or civil union or of the dissolution thereof;
- a Registered Pension Plan (RPP) of which the contractholder is a member as defined in subsection 147.1(1) of the Income Tax Act (Canada);
- a pension plan, registered in accordance with subsections 147.3(5) or (7) of the Income Tax Act (Canada);
- a specified pension plan under the circumstances defined in subsection 146(21) of the Income Tax Act (Canada);
- a Deferred Profit Sharing Plan in accordance with subsection 147(19) of the Income Tax Act (Canada);
- all sources permitted under the Income Tax Act (Canada), notably those mentioned under paragraph 146.3(2) (f) of this Act.

7.3.3 Redemptions and transfers

Upon the request of the contractholder or his mandatary, where applicable, Beneva transfers, partially or in full, to any person who is an carrier of an RRIF or RRSP, the contract redemption value associated with the Beneva Savings annuity RIF plan, as determined by Beneva, as well as all information required to ensure the continuation of this RRIF (where applicable). The *Income Tax Act* (Canada) does not however permit the transfer of amounts to an RRSP after December 31 of the year during which the contractholder turns age 71 or any other age limit stipulated under the *Income Tax Act* (Canada).

Beneva may also transfer, partially or in full, upon the request of the contractholder or of his mandatary, where applicable, the contract redemption value associated with the Beneva Savings annuity RIF plan, as determined by Beneva, to a person licensed or otherwise authorized in conformity with the laws of Canada or of a province to carry on an annuities business in Canada, for the purchase of an annuity as described in clause 60(I) (ii) (a) of the *Income Tax Act* (Canada).

The transfer value used is the one established in compliance with the terms of the investment options.

Notwithstanding the preceding, Beneva keeps the amount required under paragraph 146.3 (2) (e) of the *Income Tax Act* (Canada) in order to guarantee payment of the minimum income amount during the year.

If the contractholder chooses a redeemable GIA as an investment option for this plan and then requests the payment of an income amount from this GIA or a redemption of this GIA then redemption fees may apply.

If the contractholder chooses a non-redeemable GIA as an investment option for this plan and then requests redemption of this GIA then Beneva may not process the redemption request unless it proceeds by applying redemption fees at its own discretion.

7.3.4 Payment of annual minimum income amount

The *Income Tax Act* (Canada) provides for payment of a minimum annual income amount from the Registered Retirement Income Fund (RRIF) for each year subsequent to the issuing of the contract, equal to the result obtained by multiplying the fair market value of the contract associated with the RRIF at the beginning of the year by the percentage factor prescribed under said Act. This value is determined in accordance with the terms of the investment options.

No minimum income amount is applicable to the initial year the contract is issued. It is agreed that no payment shall be less than the annual minimum income amount defined for said year in accordance with the *Income Tax Act* (Canada).

If the contractholder would like the annual minimum income amount to be calculated based on the age of the spouse, Beneva must receive such notification at least 10 days prior to the initial payment, otherwise the minimum income amount shall be calculated based on the age of the contractholder. In addition, this decision related to the age used to calculate the minimum annual amount is irrevocable.

At the beginning of each fiscal year, Beneva sends the contractholder a statement indicating the minimum income amount that must be paid as income for that year.

If the monthly payments are less than the minimum in force at that time at Beneva, then Beneva reserves the right to reduce the frequency of payments in order to attain this minimum or to pay the redemption value of the Beneva RIF in a lump sum. The terms that are applicable are those provided for in this contract.

7.3.5 Death of annuitant before conversion to annuity

If the contractholder dies before the contract is converted into an annuity, Beneva will pay the beneficiary the value of the contract associated with the plan in the form of a lump sum, periodic installments or any other settlement method available at the time of the claim. If no beneficiary is designated, the payment will be made to the participant's estate. If you do not provide us with specific instructions, we will pay the benefit as a lump sum. The amount payable is established on the date that Beneva has been notified of the annuitant's death, less any mandatory deductions under the *Income Tax Act* (Canada), where applicable. In the case of the Beneva Savings annuity RIF, regardless of how the death benefit is paid, the tax payable under the *Income Tax Act* (Canada) shall be calculated and payable as if the benefit were paid as a lump sum upon the annuitant's death.

7.3.6 Death of annuitant after conversion to annuity

If the death of the contractholder occurs after conversion of the contract to an annuity, Beneva shall pay benefits upon the death of the contractholder only if the duration of the annuity payments is guaranteed or if there is joint survivorship, such as is required under applicable pension legislation or under the *Income Tax Act* (Canada).

If the benefits remain payable following the death of the contractholder, Beneva shall continue to make annuity payments according to the terms of the annuity, to the contractholder's eligible spouse, if one exists, or, in the absence of such spouse, to the designated beneficiary or, in the absence of such beneficiary, to the contractholder's estate, where applicable. However, if the eligible spouse is entitled, upon the contractholder's death, to receive benefits that must be paid from the plan or under the plan of the contractholder, these payments, where applicable, shall be paid to the contractholder's spouse within the meaning intended under the *Income Tax Act* (Canada) and shall not exceed the amount of the payments made during the year of the contractholder's death. If the beneficiary is not the contractholder's spouse, Beneva pays the value of the remaining anticipated guaranteed payments, where applicable, in a lump sum, to the designated beneficiary, or, in the absence of such beneficiary, to the contractholder's estate in accordance with among other things the *Income Tax Act* (Canada).

In the case where the contractholder has designated the spouse and another person as beneficiaries, the retirement income payments shall continue to be paid to the spouse for the same guarantee duration (where applicable), but only in the proportion of the payments that remain to be paid corresponding to the spouse's portion.

Additional terms may apply to Beneva LIRA, Beneva LIF, Beneva PRRIF, and Beneva LRIF, including, notably, joint survivorship of retirement income payments to the spouse such as defined under applicable pension legislation. These terms are described in the respective rider of each plan.

7.3.7 Assignment, pledge or chattel mortgage

Any contract under which the contractholder has subscribed to a registered plan, and the benefits guaranteed under it, may not be the object of an assignment, pledge or chattel mortgage. Retirement income under the plan may not be assigned in whole or in part. No other advantage other than those permitted under the *Income Tax Act* (Canada) and which depend in any way on the existence of the plan being the subject of the contract, cannot be acquired by the contractholder or a person with whom the contractholder is not dealing at arms length.

7.3.8 Change of carrier

Beneva reserves the right to resign as the carrier of this RIF and appoint a successor carrier.

7.4 Rider – Beneva Savings annuity Tax-Free Savings Account (Beneva Savings annuity TFSA)

The provisions contained in the Beneva Savings annuity TFSA rider take precedence over the other clauses contained in the contract. In the case of any conflict or inconsistency between a provision contained in the contract and the present provisions, these latter shall take precedence.

Only the provisions applicable specifically to the Beneva Savings annuity TFSA are set out in this rider.

7.4.1 Terminology

i) Owner

The owner is the contractholder, the holder, as defined in the *Income Tax Act* (Canada), that is the person, of at least 18 years of age, who subscribes to the individual contract acting as the investor. No more than one contractholder may invest in the same contract.

The contractholder is also the annuity grantee, that is the person who is entitled to receive the annuity payments.

Only a "physical person" may subscribe to the contract. The investor is also the annuitant. The Social Insurance Number (SIN) is required by the Canada Revenue Agency for tax purposes.

In the event of the death of the owner (contractholder), the survivor may acquire all of the owner's (contractholder's) rights, to the extent allowed by law.

ii) Annuitant

Under this annuity contract, the annuitant is the physical person upon whose life the annuity and guarantee relative to this contract are established and upon whose death the death benefit shall be paid. The annuitant is the same person as the contractholder, the owner and the holder as defines in the *Income Tax Act* (Canada).

iii) Plan

Upon subscribing to this annuity contract, the contractholder is given the choice of investing in a number of different plans offered by Beneva. Each of these different plans is described in a separate rider. The Tax- Free Savings Account (TFSA) Plan designated the Beneva Savings annuity TFSA is described in the present Beneva Savings annuity TFSA rider. The TFSA is a qualifying arrangement as that term is defined in the *Income Tax Act* (Canada).

iv) Distributions

In this rider, the term "distribution" means any withdrawal or payment made in relation to the plan for which the individual is the legal holder of all or any part of the rights held by the contractholder in the plan. At the request of the contractholder, Beneva may make withdrawals, in whole or in part, prior to the maturity date of the investment, and this, regardless of whether the annuity is in the accumulation phase or service phase. However, in the case of a withdrawal, in whole or in part, reasonable management fees and administration fees may apply in accordance with the terms of the investment options described in the contract and according to the methods and variables described in this same contract.

v) Spouse

Spouse refers to the person defined as the spouse or common-law partner under the federal *Income Tax Act* (Canada). In the event of the death of the contractholder, this person is the contractholder's "survivor."

vi) Issuer

The issuer of this TFSA is Beneva.

7.4.2 Change of issuer

Beneva reserves the right to resign as the issuer of this TFSA and appoint a successor issuer.

7.4.3 Specific provisions of the annuity contract applicable to the Beneva Savings annuity TFSA

i) Retirement and conversion to annuity

The end date of the investment period marking the beginning of retirement and the start of the annuity payments chosen by the contractholder may not exceed the date the annuitant turns age 100. If written instructions are not received by Beneva within 60 days before the annuitant's 100th birthday, Beneva proceeds with the conversion of the redemption value of the contract to a 10-year term certain annuity, payable as of the annuitant's 100th birthday. The amount of this monthly annuity is equal to the greater of the following:

- · The amount established according to the insurer's annuity rates in effect upon the date of constitution of the annuity
- The amount resulting from the following calculation: 8.54 × market value of the contract ÷ 1000

If the monthly payments are less than the minimum in force at Beneva at the time, Beneva reserves its right to reduce the frequency of payments to attain this minimum or to pay the redemption value of the Beneva Savings annuity TFSA in a lump sum instead of allocating this value toward the payment of an annuity, and this, in conformity with the *Income Tax Act* (Canada). The terms that are applicable are those provided for in the appendix to this contract. Beneva may therefore not be held liable for any loss that may result from such conversion.

ii) Termination of the contract

Beneva reserves the right to terminate the contract if the value of the contract associated with the Beneva Savings annuity TFSA is less than the minimum in force at Beneva at that time and the right to close the account associated with the contract.

iii) Registration of the contract

Under the terms herein, the contractholder agrees that Beneva may file an election with the Minister of National Revenue to register the Contract as a TFSA under section 146.2 of the *Income Tax Act* (Canada) in accordance with the applicable tax legislation in force as well as any conditions prescribed under such legislation.

iv) Benefit payable upon death of annuitant

- · Death of annuitant before conversion to an annuity:
 - a) if the designated beneficiary is the survivor, this survivor becomes the owner of the plan; in the event of the death of the survivor the provisions set out in b) below shall apply;
 - b) if not, the value of the contract associated with a Beneva Savings annuity TFSA is payable to the designated beneficiary in the form of a lump sum, periodic installments or any other settlement method available at the time of the claim. If no beneficiary is designated, the payment will be made to the participant's estate. If you do not provide us with specific instructions, we will pay the benefit as a lump sum. The amount payable is established on the date that Beneva has been notified of the annuitant's death, less any mandatory deductions under the *Income Tax Act* (Canada), where applicable. In the case of the Beneva Savings annuity TFSA, regardless of how the death benefit is paid, the annuity contract shall cease to be a tax-free savings account for tax purposes. The contractholder is deemed to have disposed of the contract immediately prior to death for proceeds equal to the value of the contract at that time. The contract is then deemed to be a separate annuity contract issued and effected at the time of death, otherwise than pursuant to or as a TFSA. A designated beneficiary who becomes a separate annuity contractholder at the time of death is deemed to have acquired the contract at the time, at a cost equal to the value of the contract at that time, as per Section 146.2 (10) of the *Income Tax Act* (Canada).
- · Death of annuitant after conversion to an annuity:
 - a) if the designated beneficiary is the survivor, this survivor shall continue, where applicable, to receive for his/her lifetime the annuity payments he/she may have a right to under the terms of the annuity payable; in the event of the death of the survivor, the provisions set out in b) below shall apply;
 - b) if not, Beneva shall pay the designated beneficiary an amount equal to the commuted value of any guaranteed annuity payments not made; the commuted value is calculated based on an interest rate determined by Beneva.

In addition, the total annuity payments to be made in a year following the death of the contractholder must not exceed the total amount paid out in a year prior to the death.

v) Other conditions applicable to the contract

- · The Beneva Savings annuity TFSA held by the owner is maintained for the exclusive benefit of the owner.
- · No one other than the owner may make contributions to the Beneva Savings annuity TFSA held by the owner.
- For as long as there is an owner, the Beneva Savings annuity TFSA prohibits anyone else who is neither the owner nor Beneva from having rights relating to the amount and timing of distributions and the investment of funds.
- Notwithstanding the provisions contained herein, the Beneva Savings annuity TFSA permits withdrawals to be made to reduce the
 amount of tax otherwise payable by the owner under sections 207.02 or 207.03 of the *Income Tax Act* (Canada) and, where applicable,
 the corresponding provisions of any provincial tax legislation applicable to the owner.
- Upon instructions received from the owner, Beneva shall transfer, in whole or in part, the value having accumulated associated with the Beneva Savings annuity TFSA to another tax-free savings account held by the owner.
- The transfer of an amount from the Beneva Savings annuity TFSA to another fax-free savings account of which the contractholder is the spouse or the former spouse of the contractholder may be made provided the following conditions have been met:
 - the contractholder and the spouse concerned live separately from each other at the time of the transfer;
 - the transfer is carried out in accordance with an order or judgment from a court of competent jurisdiction, or in accordance with a
 written separation agreement, that provides for the division of property between the individuals concerned in satisfaction of any rights
 stemming from the marriage or common-law union or the dissolution thereof.

vi) Termination of the Beneva Savings annuity TFSA

The Beneva Savings annuity TFSA shall cease to have an owner upon the death of the individual (owner) who entered into it, or, if the owner's survivor has acquired all of the owner's rights in association with the Beneva Savings annuity TFSA, shall cease upon the death of the survivor.

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