

ONTARIO –

LOCKED-IN RETIREMENT ACCOUNT ADDENDUM

Despite any other provisions of the contract, if locked-in money has come from a plan that is governed by the Pension Benefits Act (Ontario) (the Act) and Regulations, the following provisions apply to it.

In this addendum, spouse has the meaning defined in the Pension Benefits Act of Ontario. A spouse is either of two persons who are married to each other, or are not married to each other and are living together in a conjugal relationship continuously for a period of not less than three years, or in a relationship of some permanence, if they are the parents of a child as set out in section 4 of the Children's Law Reform Act; ("conjoint"). Spouse excludes any person who is not recognized as a spouse or common-law partner for the purposes of the Income Tax Act (Canada) (ITA) for registered retirement savings plans.

You, your, and owner mean the owner of the LIRA. Sun Life, we, us and our mean Sun Life Assurance Company of Canada.

When we use the word form, we mean a form approved by the Superintendent. Superintendent is defined in the Act.

Addendum provisions:

1. Deferred pension, pension, pension benefit, pension fund, pension plan, spouse and Superintendent have the same meanings as in the Act. Life income fund (LIF), locked-in retirement account (LIRA) and locked-in retirement income fund (LRIF) have the same meanings as in the Regulations. Others terms not listed here have the meanings set out in the glossary of terms in the contract.
2. This addendum overrides any provision of the contract that is inconsistent with it.
3. Any amendment to the contract must comply with the requirements of the ITA.
4. You may transfer any or all of your LIRA to:
 - the pension fund of a pension plan registered under the pension benefits legislation in any Canadian jurisdiction,
 - a pension plan provided by the government of Canada,
 - a LIRA under Schedule 3,
 - a LIF under Schedule 1.1, or
 - purchase an immediate or deferred life annuity that meets the requirements of section 22 of the Regulations.

No money may be transferred into or out of your LIRA unless an agreement is in place between financial institutions to administer the money according to pension law. This requires that the transferring financial institution advise any subsequent financial institution in writing that the amount transferred will be administered as a pension or deferred pension under the Act and Regulations and the receiving financial institution will reply in writing that they accept the responsibility. The transferring financial institution must make the transfer within 30 days of receiving your request.

5. Where this contract has premiums transferred from the commuted value of a pension benefit, we will confirm to you whether this value was determined on a basis that is differentiated by sex.
6. No money in the contract, paid or transferred out of the contract, including interest, may be given as security or seized except as permitted by the Family Law Act, family arbitration award or domestic contract. Any transaction attempting to give as security the value of the contract is void, unless permitted by law.
7. Your LIRA must be administered as a pension or deferred pension according to the Act and Regulations. This means that money cannot be withdrawn from the LIRA unless an exception is permitted by law.
8. No money in the contract can be commuted or surrendered during your lifetime except:
 - as permitted in section 49 of the Act for shortened life expectancy or 67 of the Act for Family Law orders, or
 - where an amount is required to be paid to reduce the amount of tax otherwise payable under Part X.1 of the ITA, which relates to tax for over contributions to deferred income plans.

Any transaction which contravenes this provision is void.

9. You may apply, using an approved form, to make a lump sum withdrawal or transfer the balance of the contract to an RRSP or RRIF if:
- you are at least 55 years of age when you sign the application; and
 - the value of all LIRAs, LIFs and LRIFs you own is less than 40% of the year's maximum pensionable earnings as defined in the Canada Pension Plan for that calendar year.

Your application must be accompanied by either a declaration or statement described in (16).

You must determine the value of your LIRAs, LIFs and LRIFs when you sign the application according to the most recent statements you received about your contracts. These statements must be dated within one year before the date you sign the application.

10. If an amount in excess of the amount prescribed under the ITA for transfer from a registered pension plan has been transferred directly or indirectly into your contract, then you must apply, using an approved form, to withdraw an amount not greater than the sum of:
- the excess amount; and
 - any investment earnings, including any unrealised capital gains or losses attributable to the excess amount, calculated by us on the date we pay it to you.

Your application must be accompanied by:

- a written statement by the administrator of the pension plan from which the value was transferred out of originally that sets out the excess amount that was transferred, or
 - a written statement from the Canada Revenue Agency that sets out the excess amount which was transferred into your contract.
11. You may ask us for a lump sum withdrawal if you provide a written statement signed by a licensed and practising doctor in Canada. The doctor must be able to state they believe you have an illness or physical disability that is likely to shorten your life expectancy to less than two years. Your application must be on an approved form and must be accompanied by:
- the doctor's statement, and
 - either a declaration or statement described in (16).

12. You may apply to us, on an approved form, to withdraw funds from the contract in circumstances of financial hardship described in the Regulations.

We rely on information provided by you in the application to withdraw money. An application that meets the requirements of the financial hardship unlocking rules can be found on the Financial Services Commission of Ontario website. It is our authorization to pay or transfer from the contract, the funds requested, if your application meets the hardship unlocking rules. You will need to provide either a declaration or statement described in (16).

We will pay you within 30 days after the date the required application and accompanying documents are received. Payment discharges us from any liability for the amount of the funds released.

13. You may withdraw the balance of the contract, if you are a non-resident of Canada according to the Canada Revenue Agency and the ITA, and if your application for withdrawal is made at least 24 months after the date of departure from Canada.

You must apply to us to withdraw the money from your contract. The application must be made on an approved form. The application form must be signed by you and accompanied by the following documents:

- a written determination from the Canada Revenue Agency that you are a non-resident for the purposes of the ITA, and
- either a declaration or statement described in (16).

An application that meets these requirements is our authorization to make the withdrawal. We will pay you the amount that you are entitled to, within 30 days after we receive the completed application form and accompanying documents. Payment discharges us from any liability for the amount released.

14. If there is a breakdown of your spousal relationship, a LIRA may be divided between you and your spouse or former spouse according to a court order or other legal proceeding under the Family Law Act. No more than 50% of the value of the LIRA determined as of the family law valuation date may be transferred to your spouse or former spouse.

15. Withholding taxes may apply to withdrawals.

16. Any of the following documents is a declaration about a spouse, if applicable, for the purposes of a withdrawal from your LIRA under provisions (9), (11), (12) and (13):

- a statement signed by your spouse, that they consent to the withdrawal from your LIRA;
- a statement signed by you confirming you do not have a spouse; or
- a statement signed by you confirming that you are living separate and apart from your spouse on the date you sign the application to make withdrawals from your LIRA.

A declaration about a spouse is not required if we receive a statement from you attesting that none of the money in your LIRA is either directly or indirectly from a pension benefit provided in respect of your employment.

17. If you are a former plan member and have a spouse when you begin income payments, and you are not living separate and apart, the income must be based on a joint life annuity, unless you and your spouse provide a waiver as set out in section 46 of the Act.
18. For the purposes of provisions (9), (11), (12) and (13):
 - we may rely on the information provided by you in an application made under the applicable provision, and
 - an application that meets the requirements of the applicable provision is our authority to pay you from your LIRA under the applicable provision and releases us from further liability.
19. Any document required to be given to us under provisions (9), (11), (12) and (13) which must be signed by you or your spouse or both must have been signed no earlier than 60 days before the date we receive your application to withdraw all or part of the money in the contract. If it has not been signed within that 60 day period, the document is void.
20. On your death, the financial institution will administer the balance of the contract according to section 48 of the Act. Under section 146(16)(b) of the ITA, the benefit may be transferred to an RRSP or a RRIF of your spouse who is entitled to receive an immediate or deferred pension or life annuity, subject to paragraph 60(l) of the ITA.