

Effective date of the rider: «Date»

Appended and added to Plan no.: «Contrat»

Annuitant: «Crédirentier»

#### Life Income Fund Rider – Quebec

This rider will form part of the RIF declaration of trust (hereinafter referred to as the “Plan”) if the annuitant has requested that this Plan be registered as a life income fund (hereinafter referred to as “LIF”) or where the annuitant has attained age 71 on a registered contract and has not selected another option. In case of contradiction between this rider and the Act, the last shall prevail.

1. For the purposes of this rider, the following definitions apply:
  - “Spouse” means the “spouse” or the “common law partner” as defined in the *Income Tax Act* (Canada) or the “spouse” as defined in the Act depending on the applicable legislation.
  - “RIF” means a retirement income fund, as defined in the *Income Tax Act* (Canada), which has been registered under the Act.
  - “Act” means the *Supplemental Pension Plans Act* (Québec), the *Regulation respecting supplemental pension plans* (Quebec) and any amendment thereto.
2. Subject to transfers made under this rider, the balance of the Plan must be converted to a life annuity, under the following conditions:
  - a) The insurer guarantees payment of the annuity in periodic, equal amounts that may not vary unless each of them is uniformly increased in accordance with an index or rate provided for in the life annuity contract or uniformly adjusted by reason of a seizure effected on the annuitant’s benefits, a redetermination of the annuity payable, a partition of the annuitant’s benefits in favour of his or her Spouse, the payment of a temporary income in accordance with the conditions or the option provided for in the Act.
  - b) If the annuitant has a Spouse on the annuity conversion date, the annuity must provide that, in the event of the annuitant’s death, the insurer guarantees to the annuitant’s Spouse a life annuity equal to at least sixty per cent (60%) of the amount that the annuitant was receiving, including, during the replacement period, the amount of any temporary income.
  - c) This is consistent with the minimum amount defined in subsection 146.3(1) of the *Income Tax Act* (Canada).
3. The annuitant’s Spouse may renounce his or her right to receive the joint annuity provided for in paragraph 2 of this rider. He or she may revoke said renunciation by sending the Trustee written notice to that effect prior to the conversion of all or a portion of the balance of the Plan to a life annuity.
4. The annuitant may, provided the agreed to investment term has not matured, transfer all or a portion of the balance of the Plan to:
  - a) a pension plan governed by the Act;
  - b) a supplemental pension plan governed by an act emanating from a legislative authority other than the Parliament of Quebec and granting entitlement to a deferred pension;
  - c) a supplemental pension plan established by an act emanating from the Parliament of Quebec or from another legislative authority;
  - d) a locked-in account of a voluntary retirement savings plan governed by the *Voluntary Retirement Savings Plans Act*;
  - e) a locked-in account of an equivalent voluntary retirement savings plan emanating from a legislative authority other than the Parliament of Québec, provided the member joins that plan as part of his employment;
  - f) a life income fund provided for by the Act;
  - g) a locked-in retirement account provided for by the Act, or;
  - h) an annuity contract provided for by the Act and in compliance with paragraph 60 (l) of the *Income Tax Act* (Canada).
5. In the event of such a transfer, the Trustee must retain an amount equal to the lesser of the following amounts:
  - a) the minimum amount for the year as defined in subsection 146.3(1) of the *Income Tax Act*

- (Canada), in excess of the amounts received under the Plan prior to the transfer, which are included in the annuitant's income for that year, or;
- b) the book value of the Plan as defined in the provisions of the Plan.
6. Unless satisfactory proof is provided to the Trustee and the agreed to term of the investments has not expired, the annuitant may require that the total balance of the Plan be paid to him in a lump sum if he has not resided in Canada since at least two (2) years.
7. In the execution of a judgement giving entitlement to a seizure for unpaid alimony, which has been rendered in favor of the annuitant's Spouse, the seizable portion of the balance of the Plan may be paid in a lump sum.
8. If the income paid to the annuitant during a fiscal year of the Plan exceeds the maximum amount that may be paid to him or her in accordance with the provisions of this rider or the Act, the annuitant may, unless the payment is attributable to a false declaration that he or she has made, require that the Trustee pay him or her, as a penalty, a sum equal to the surplus income paid.
9. If the annuitant dies before the balance of the Plan has been converted to a life annuity, the annuitant's Spouse, or (failing a Spouse) the annuitant's successors is entitled to receive a benefit, the amount of which is equal to the balance of the Plan.
10. The annuitant's Spouse may renounce his or her right to receive the payment provided for in paragraph 9 of this rider, or he or she may revoke such renunciation, by sending the Trustee a written notice to that effect prior to the annuitant's death.
11. The fiscal year of the Plan consists of a period that ends on December 31 of each year and that may not exceed twelve (12) months.
12. The amount of the income paid during a fiscal year must, subject to the upper and lower limits referred to in the Act, be set by the annuitant each year, or at another agreed to interval of more than one year, if the Trustee guarantees the balance of the Plan at the end of that interval and if the annuitant is not entitled to payment of the income in a form other than a life income; such an interval must, in every case, terminate at the end of a fiscal year of the Plan.
13. Upon application made to the Trustee accompanied by a declaration as provided in the Act, the entire balance of the Plan may be paid in a lump sum to the annuitant who is at least 65 years of age at the end of the year preceding his or her application, if the total of the locked-in amounts accumulated on his or her behalf in the following plans:
- a) defined contribution pension plans;
  - b) defined benefit or defined benefit-defined contribution pension plans, in application of provisions similar to those of a defined contribution plan;
  - c) life income funds;
  - d) locked-in retirement accounts;
  - e) registered retirement savings plans annuity (locked-in RRSPs) the balance of which must be converted into a life;
  - f) voluntary retirement savings plans governed by the *Voluntary Retirement Savings Plans Act*;
- does not exceed 40% of the Maximum Pensionable Earnings determined in accordance with the Act respecting the Quebec Pension Plan, for the year in which the annuitant applies for the payment.
14. The only sums that may be transferred to the Plan are amounts that directly or initially come from the following sources:
- a) a pension plan governed by the Act;
  - b) a supplemental pension plan governed by an act emanating from a legislative authority other than the Parliament of Quebec and granting entitlement to a deferred pension;
  - c) a supplemental pension plan established by an act emanating from the Parliament of Quebec or from another legislative authority;
  - d) a locked-in account of a voluntary retirement savings plan governed by the *Voluntary Retirement Savings Plans Act*;
  - e) a locked-in account of an equivalent voluntary retirement savings plan emanating from a legislative authority other than the Parliament of Québec, provided the member joins that plan as part of his employment;
  - f) a locked-in retirement account provided for by the Act;
  - g) a life annuity contract provided for by the Act, or;
  - h) a life income fund.
15. **Temporary income payable to the annuitant who is at least 54 but less than 65 years of age at the end of the year preceding his or her application**
- Upon the submission of an application to the Trustee, accompanied by a declaration as referred to in the Act, an annuitant who is at least 54 but less than 65 years of age at the end of the fiscal year preceding his or her application becomes entitled to the payment of a temporary income that he or she determines.
- If the payment of a portion of the temporary income referred to in this paragraph is made in the form of a transfer to a retirement savings instrument the balance of which does not have to

be converted to a life annuity, such portion may not exceed the upper limit referred to in the Act. This upper limit assumes that the annuitant is not entitled to payment of a temporary income.

The temporary income referred to in this paragraph may not be paid after the end of the year in which the annuitant reaches the age of 65.

**16. Temporary income payable to the annuitant who is less than 54 years of age at the end of the year preceding his or her application**

An annuitant who is less than 54 years of age at the end of the fiscal year preceding his or her application may, during a fiscal year of the Plan, receive all or a portion of the balance of the Plan in the form of a temporary income that is payable in monthly payments.

The monthly temporary income may not exceed one twelfth of the difference between the following amounts:

- 1) 40% of the Maximum Pensionable Earnings determined, for the year in which the payment is made, pursuant to the Act respecting the Quebec Pension Plan;
- 2) 75% of the annuitant's income for the twelve (12) months that follow, excluding the income provided for in this section.

The annuitant's income for the twelve (12) months that follow, excluding the income provided for in this section, may not exceed the amount indicated in subparagraph 1) above.

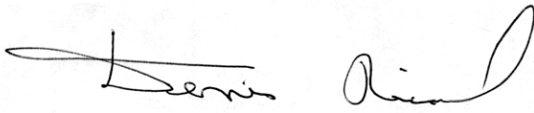
The annuitant must submit an application to the Trustee in this regard, accompanied by the declaration as referred to in the Act together with his or her written commitment to request a suspension of payments as soon as his or her income, excluding the income provided for in this section, reaches 40% of the Maximum Pensionable Earnings.

The annuitant who is entitled to receive the income referred to in this section and who is a member or a Spouse who has become entitled to a pension under a supplemental pension plan may, for the purposes of replacing such pension by a temporary income, apply once a year for the transfer from the pension plan to the Plan of an amount equal to the lesser of the following amounts:

- a) the additional amount required for the balance of the life income fund to allow, until the end of the year, the payment of the monthly payments referred to in the Act;
- b) the value of his or her benefits under the plan.

The temporary income provided for in this section may not be paid to the annuitant after the end of the year in which he or she reaches the age of 54, nor where he or she has requested a suspension of payments.

17. The Trustee may amend this rider only to the extent that it remains in conformity with the standard rider, which has been amended and registered with the "Régie des rentes du Québec".
18. The Trustee may not make any amendment that would have the effect of reducing benefits under the rider unless, before the date of the amendment, the annuitant has the right to transfer the balance of the Plan and receives, not less than ninety (90) days before the date on which he or she may exercise that right, a notice indicating the nature of the amendment and the date as of which he or she may exercise that right.
19. The Trustee may not, except to fulfil requirements under law, make any amendment other than the one provided for in paragraph 17 of this rider without having given prior notice to the annuitant.
20. The Spouse of the annuitant ceases to be entitled to the benefit provided for in paragraph 2.b) of this rider upon separation from bed and board, divorce, nullity of marriage, nullity or dissolution of a civil union or, in the case of a Spouse who is not a married or civil union spouse, upon cessation of the conjugal relationship, unless the annuitant has sent the Trustee the notice provided for in the Act.
21. The Trustee undertakes to provide the annuitant with the statements prescribed by the Act at the times determined therein.
22. The method used for determining the value or the balance of the Plan for the purposes of transferring the balance of the Plan, purchasing a life annuity, issuing payment on the death of the annuitant or any other transaction is determined in accordance with the conditions set out in the Plan.
23. In the event of contradiction or inconsistency, the provisions of the present rider shall prevail over the provisions of the Plan.

Two handwritten signatures in black ink. The first signature is 'Denis Ricard' and the second is 'Caroline Gilbert'.

Denis Ricard  
President

Caroline Gilbert  
Director

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