



My Education+

# INFORMATION FOLDER

and Individual Variable  
Annuity Contract

October 2023



This document includes the *My Education+ Individual Variable Annuity Contract (RESP)* as well as the *Information Folder* related to this Contract. The Contract issuer is Industrial Alliance Insurance and Financial Services Inc. The *Information Folder* is published for information purposes only and does not constitute an insurance contract.

## Key Facts

## My Education+

This summary briefly describes the basic things you should know before applying for this individual variable annuity Contract. This summary is not your Contract. A full description of all the features and how they work is contained in this Information Folder and your Contract. Review these documents and discuss any questions you have with your life insurance agent.

<p><b>What am I getting?</b></p> <p>This is an annuity Contract between you and iA Financial Group</p>	<p><b>Product</b></p>	<p><b>My Education+</b> Individual Variable Annuity Contract issued by iA Financial Group</p>
	<p><b>Investment of Premiums</b></p>	<ul style="list-style-type: none"> <li>You can choose an investment option</li> <li>The choice you make will determine what guarantees you benefit from.</li> </ul>
	<p><b>Registration Type</b></p>	<p>Registered Education Savings Plan (RESP)</p>
	<p><b>Educational Assistance Payments Beneficiary</b></p>	<p>You must name a person who will receive the government grants and incentives as well as the planned investment income in order to pursue post-secondary studies.</p>

The choices you make may affect your taxes. They could also affect your guarantees. Ask your life insurance agent to help you make these choices.  
**The value of your Contract can go up or down subject to the guarantees.**

<p><b>What Guarantees are available?</b></p> <p>For details about how these guarantees work, see <b>Section 2.2</b> of this Information Folder.</p>	<p><b>Segregated fund guarantees</b></p> <p>If you invest in segregated funds, you get maturity and death benefit guarantees. You pay fees for this protection.  <b>Any withdrawals you make will reduce the guarantees. For details, please refer to Section 2.2 of this Information Folder.</b></p>
	<p><b>Maturity Guarantee</b></p> <p>This protects the value of your investment at a specific date in the future. This date is called the guarantee maturity date. It is the date on which the RESP terminates.</p> <p>On the guarantee maturity date, you will receive the greater of:</p> <ul style="list-style-type: none"> <li>The market value of the funds, or</li> <li><b>75%</b> of the money you invest in the funds.</li> </ul>
	<p><b>Death Benefit Guarantee</b></p> <p>This protects the value of your investment if you die before the guarantee maturity date.</p> <p>When it applies, this guarantee pays the greater of:</p> <ul style="list-style-type: none"> <li>The market value of the funds, or</li> <li><b>75%</b> of the money you invest in the funds.</li> </ul>
<p><b>What investments are available?</b></p>	<p>You can invest in segregated funds, the High Interest Savings Account and the Daily Interest Fund+.</p> <p>You can choose from several types of segregated funds: income funds, diversified funds, Canadian equity funds, U.S. and international equity funds, specialty funds and diversified portfolios.</p> <p>Segregated funds are described in the <b>Fund Facts</b> booklet. Please refer to this booklet for more information.</p> <p><b>Other than maturity and death benefit guarantees, iA Financial Group does not guarantee the performance of segregated funds. Carefully consider your tolerance for risk when you select an investment option.</b></p>
<p><b>How much will this cost?</b></p> <p>The type of funds and the sales charge option affect your costs.</p>	<ul style="list-style-type: none"> <li>If you invest in funds, you can choose between up-front and no sales charges options.</li> <li>Fees and expenses are deducted from the segregated funds. They are shown as management expense ratios or MERs on the <b>Fund Facts</b> for each fund.</li> <li>The Prestige preferential pricing could enable you, individually or as a family grouping member, to benefit from reduced MERs. Ask your life insurance agent to find out if you are eligible.</li> <li>If you make certain transactions or other requests, you may be charged separately for them. These may include withdrawals, short-term trading and switching funds.</li> </ul> <p>For details, see <b>Section 2.3</b> of this Information Folder and the <b>Fund Facts</b> for each fund.</p>

<p><b>What can I do after I purchase this contract?</b></p> <p>If you wish, you can do any of the following:</p>	<p><b>Transfers</b></p> <ul style="list-style-type: none"> <li>You may switch from one fund to another. For details, see <b>Section 2.1.4</b> of this Information Folder.</li> </ul> <p><b>Withdrawals</b></p> <ul style="list-style-type: none"> <li>You can withdraw money from your Contract. If you decide to, this will affect your guarantees. You may also need to pay a fee or taxes, or reimburse government grants and incentives. For details, see <b>Sections 1.6 and 2.1.3</b> of this Information Folder.</li> </ul> <p><b>Premiums</b></p> <ul style="list-style-type: none"> <li>You may make lump-sum or regular payments. For details, see <b>Sections 1.4 and 2.1.1</b> of this Information Folder.</li> </ul> <p><b>Certain restrictions and other conditions may apply. Review the Contract for your rights and obligations and discuss any questions with your life insurance agent.</b></p>
<p><b>What information will I receive about my contract?</b></p>	<p>We will provide you with information at least once a year regarding the value of your investments and any transactions you have made. For details, see <b>Section 2.4.1</b> of this Information Folder.</p> <p>You may request more detailed financial statements of the funds and updated <b>Fund Facts</b>. Semi-annual unaudited financial statements, audited annual financial statements and updated <b>Fund Facts</b> will be provided upon written request. They are also available on iA Financial Group's website, <a href="http://ia.ca">ia.ca</a>.</p>
<p><b>Can I change my mind?</b></p> <p><b>Yes, you can:</b></p> <ul style="list-style-type: none"> <li>- Cancel the contract,</li> <li>- Cancel any payment you make, or</li> <li>- Reverse investment decisions.</li> </ul>	<p>To do any of these, you must tell us in writing within two business days of the earlier of:</p> <ol style="list-style-type: none"> <li>The date you receive confirmation; or</li> <li>The fifth business day after confirmation is mailed.</li> </ol> <p>The amount returned will be the lesser of:</p> <ol style="list-style-type: none"> <li>The amount you invested; or</li> <li>The value of the fund if it has gone down.</li> </ol> <p>The amount returned will also include a refund of any sales charges or other fees you paid.</p> <p>If you change your mind about a specific fund transaction, the right to cancel only applies to that transaction.</p>
<p><b>Where can I get more information?</b></p>	<p>You may contact us at the following address:</p> <p>iA Financial Group  Individual Savings and Retirement  1080 Grande Allée West  PO Box 1907, Station Terminus  Quebec City, Quebec G1K 7M3  Phone number: 1-844-442-4636  Email address: <a href="mailto:savings@ia.ca">savings@ia.ca</a></p> <p>Information about iA Financial Group and the products and services we provide is on our website at <a href="http://ia.ca">ia.ca</a>.</p> <p>For information about handling issues you are unable to resolve with your insurer, contact the OmbudService for Life and Health Insurance at 1-888-295-8112 or on the Internet at <a href="http://www.olhi.ca">www.olhi.ca</a>.</p> <p>iA Financial Group is a member of Assuris. Assuris is the not for profit organization that protects Canadian policyholders if their life insurance company fails. Details about Assuris' protection are available at <a href="http://www.assuris.ca">www.assuris.ca</a>, or by calling the Assuris Information Centre at 1-866-878-1225.</p> <p>For information about how to contact the insurance regulator in your province visit the Canadian Council of Insurance Regulators website at <a href="http://ccir-ccra.org">ccir-ccra.org</a>.</p>

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## Information Folder

### My Education+ Individual Variable Annuity Contract (RESP)

#### Certification

This document includes the My Education+ Individual Variable Annuity Contract (the "Contract") appearing on page 21, as well as the Information Folder related to this Contract. This document must be accompanied by the Fund Facts booklet.

The My Education+ Individual Variable Annuity Contract is issued by Industrial Alliance Insurance and Financial Services Inc. "iA Financial Group" and permits the My Education+ Individual and Family Registered Education Savings Plan (RESP) to invest in segregated funds and other investment vehicles.

The Information Folder provides brief and plain disclosure of the key features of the My Education+ Individual Variable Annuity Contract. The Information Folder is not part of the Contract and must not be considered under any circumstances as a contractual document that binds the Policyholder, the Subscriber and iA Financial Group. In the event of incompatibility between the Information Folder and the Contract, the Contract takes precedence. The information provided in the Information Folder is up-to-date as of the date this document was printed, but may be subject to modification.

**This Policy contains a provision removing or restricting the right of the Insured to designate persons to whom or for whose benefit insurance money is to be payable.**

Dated this 23rd day of October, 2023.

iA Financial Group  
1080 Grande Allée West  
PO Box 1907, Station Terminus  
Quebec City, Quebec G1K 7M3



Denis Ricard  
President and Chief Executive Officer



Renée Laflamme  
Executive Vice President, Individual Insurance,  
Savings and Retirement

# 1. General Description Of My Education+ Individual Variable Annuity Contract

## 1.1 Definitions

All terms used in this Information Folder that begin with capital letters have the same meanings as in the My Education+ Individual Variable Annuity Contract (the "Contract") found on page 21 of this document.

The words "you" and "your" refer to the Subscriber and/or the Annuitant, and may also refer to actions that the Policyholder can do on behalf of and as instructed by the Subscriber. The words "we", "us" and "our" refer to Industrial Alliance Insurance and Financial Services Inc. ("IA Financial Group").

## 1.2 Overview

### **My Education+ RESP:**

The My Education+ Registered Education Savings Plan ("My Education+ RESP") is a tax-sheltered plan registered with the federal government that helps you save for a beneficiary's post-secondary education. The contributions you pay to the My Education+ RESP are invested in an Individual Variable Annuity Contract, also referred to simply as the Contract.

### **Subscriber and joint subscriber:**

You are the subscriber of the My Education+ RESP. The My Education+ RESP may also have a joint subscriber. However, the joint subscriber must be your spouse or common-law partner. You are also the person on whose life the guarantees and annuity payments are based and on whose death the death benefit may be payable. We will issue the Contract only up to December 31 of the year in which you reach 90 years of age.

### **Promoter and trustee:**

We, IA Financial Group, are the promoter of the My Education+ RESP and the issuer of the Contract. The trustee of the My Education+ RESP and the Policyholder of the Contract is Industrial Alliance Trust Inc.

### **Beneficiaries:**

You can name beneficiaries to the My Education+ RESP, subject to certain conditions. If the My Education+ RESP beneficiaries pursue post-secondary education in a qualifying educational program, they may benefit from the contributions, grants and incentives invested in the My Education+ RESP through Education Assistance Payments.

### **Types of RESPs:**

There are two types of RESPs available: Individual and Family. There are no restrictions as to the age of the RESP beneficiary in an Individual RESP, but you can only name one beneficiary. However, in a Family RESP, you can name many beneficiaries, but each RESP beneficiary must be under 21 years of age when he/she is named beneficiary. Other conditions apply regarding the designation of beneficiaries.

### **Contributions:**

You can make contributions to the My Education+ RESP under certain conditions and up to a certain limit. In addition, on top of the contributions you make, the federal government may pay Canada Education Savings Grant ("CESG") and Canada Learning Bond ("CLB") amounts to the RESP under certain conditions. The provincial government may also make grant or incentive payments if provincial law provides for it ("Designated Provincial Program"). We assume no responsibility regarding the beneficiaries' eligibility for CESG, the CLB or Designated Provincial Programs.

### **Withdrawals:**

You can withdraw money from the My Education+ RESP by making an Educational Assistance Payment ("EAP"), by requesting a refund of contributions or an Accumulated Income Payment ("AIP"), or by making a payment to an educational institution. EAPs are paid to a beneficiary enrolled in a qualifying post-secondary educational program. Refunds of contributions are usually paid to you, but you may have to refund government grants and incentives to the federal or provincial governments. AIPs, which come from the income earned on investments, can also be paid to you if certain conditions are met.

This Information Folder, among other documents, explains how each investment vehicle works, what is guaranteed and what is not, and what fees you pay. See Section 1.5 Investment vehicles for a description of the investment vehicles available.

**If you need explanations about how the My Education+ RESP works or for which government grants and incentives you may be eligible, please ask your life insurance agent.**

### **1.3 Taxation**

All income taxes are deferred to the moment the investments are withdrawn from the My Education+ RESP. Income taxes include taxes on revenues and capital gains, along with taxes on the CESG, CLB, and Designated Provincial Program grants and incentives. In some cases, we may be obligated to deduct taxes from the amount withdrawn.

#### **Refund of contributions:**

Contributions to the My Education+ RESP are not tax deductible and can be withdrawn at any time with no tax implications.

#### **Educational Assistance Payments:**

EAPs are taxable for the My Education+ RESP beneficiary that receives them. An EAP may include money from contributions, government grants and incentives, and investment growth. The contribution portion of the EAP is not taxable. However, the investment growth, CESG, CLB, and Designated Provincial Program grants are taxable.

#### **Accumulated Income Payments:**

AIPs are entirely taxable in your hands. An additional tax penalty of 20% will also apply. However, you have the option of transferring the AIP to your own Registered Retirement Savings Plan (RRSP) or to your spouse's RRSP with no tax implications if the RRSP contribution limit permits it.

#### **Guarantees:**

The amounts that we may pay to the Contract in application of the Guaranteed Minimum Value at Death or the Guaranteed Minimum Value at Maturity (see Section 2.2 *Guarantees*) are taxable only when they are withdrawn from the My Education+ RESP.

#### **Transfers between Funds:**

If you do a transfer between Funds (as described in Section 2.1.4 *Transfers between Funds*), a disposition of the transferred Fund Units will occur. This disposition may involve a realization of accumulated capital gains that will be deferred to the moment the investments are withdrawn from the My Education+ RESP.

**We recommend that you consult your personal tax specialist for advice on your particular tax situation.**

### **1.4 Premiums**

A Premium is the amount paid for the investment under the Contract. Premiums include contributions that you make to the My Education+ RESP for each beneficiary, all government grants and incentives paid to the My Education+ RESP, and all amounts transferred to the My Education+ RESP from other RESPs.

Note that no contributions can be made to the My Education+ RESP after December 31 of the 31st year of the RESP, except for transfers coming from another RESP. In a Family RESP, a contribution can be made for a RESP beneficiary only if this beneficiary has not reached the age of 31 years old before the contribution is made, or if the contribution is made by way of a transfer from another Family RESP. No Premiums can be invested in the Contract after the RESP termination date, which is December 31 of the 35th year of the RESP.

### **1.5 Investment vehicles**

You may invest Premiums in the investment vehicles offered by us. The investment vehicles offered are:

- Segregated Funds (Section 2);
- The High Interest Savings Account (Section 3); and
- The Daily Interest Fund+.

We may withdraw or add certain investment vehicles at any time.

### 1.5.1 Contract administered through the FundSERV network

If your life insurance agent submitted the application through the FundSERV network, the Contract is administered electronically and the investment vehicles available are the segregated Funds and the High Interest Savings Account.

### 1.5.2 Default investment vehicle

If no instructions are provided or instructions are incomplete or do not concern 100% of the Premium invested, the entire Premium will be invested in the default investment vehicle. The default investment vehicle is either:

- The Money Market Fund, if your Contract is administered electronically through the FundSERV network; or
- The Daily Interest Fund+ if your Contract is not administered electronically through the FundSERV network.

### 1.5.3 Allocation Minimum

Each investment vehicle has a minimum amount required for initial and subsequent investments (the "Allocation Minimum"). The Allocation Minimum for each investment vehicle is determined by us and may be changed without notice.

If the Premium does not meet the Allocation Minimum required for the investment vehicle chosen, the Premium is invested either in:

- The Money Market Fund, if your Contract is administered electronically through the FundSERV network; or
- The Daily Interest Fund+ if your Contract is not administered electronically through the FundSERV network.

## 1.6 Surrender of the Contract

You may surrender amounts you invest in the Contract, in whole or in part. Each investment vehicle has its own surrender rules. Surrenders are carried out in order to make the payments provided for under the My Education+ RESP, such as Educational Assistance Payments, contribution refunds and Accumulated Income Payments.

The surrender value of the Contract is the sum of the surrender value of all the investment vehicles of the Contract (see Section 1.5 *Investment vehicles*). According to the law and the My Education+ RESP provisions, the surrender value may have to be used to refund government grants and incentives to the federal or provincial government.

We may postpone the cash payment or transfer to another financial institution up to 60 days from the date on which we receive the written surrender request.

If, at any time, the value of the Contract is lower than the minimum value we require, we may surrender the Contract. Also note that if the annuity payments described under Section 1.6 of the Contract have begun, no surrenders or transfers are allowed. Please refer to the Contract for more information.

#### What is a surrender of Premiums?

A surrender of Premiums is similar to a refund or a withdrawal of the Premiums you have invested in the Contract. When you surrender Premiums, an amount of money is withdrawn from the Contract, and the value, benefits and guarantees of your Contract are reduced accordingly.

## 1.7 Administrative fees

We may charge a transaction fee of \$25 if a cheque or pre-authorized payment is not honoured on its first presentation.

We may also charge a transaction fee of \$35 for a surrender or transfer between investment vehicles or Funds, or to another financial institution, in accordance with our administrative policies.

At any time, we may modify these fees and additional fees may be added without prior notice. Each investment vehicle may include additional administration fees and surrender charges.



## 1.8 Death benefit

If you, as the Annuitant, die before the RESP termination date and there is a joint subscriber named in the My Education+ RESP application, the joint subscriber becomes the new Annuitant of the Contract. If there is no joint subscriber named in the My Education+ RESP application, we may agree that a new Annuitant be designated. In such cases, the Contract remains in force and no death benefit is payable by us.

However, if there is no new Annuitant, we will pay the death benefit to the My Education+ RESP when we have received all required documentation to settle the death claim. The death benefit is the sum of the Market Value of the Premiums Invested in the Funds, the book value of the High Interest Savings Account and the book value of the Daily Interest Fund+.

The payment of the death benefit discharges us of all our obligations under the Contract.

Note that if the annuity payments described under Section 1.6 of the Contract have begun, the death benefit may not be payable by us. Please refer to the Contract for more information.

### What is an Annuitant?

An Annuitant is the person on whose life the guarantees and annuity payments are based and on whose death the death benefit may be payable. In the case of the Contract, the Annuitant is the person indicated as the subscriber on the My Education+ RESP application (you). The joint subscriber is not the Annuitant.

## 2. Segregated Funds

**ANY AMOUNT THAT IS ALLOCATED TO A SEGREGATED FUND IS INVESTED AT YOUR OWN RISK AND MAY INCREASE OR DECREASE IN VALUE. EXCEPT FOR THE GUARANTEES DESCRIBED UNDER SECTION 2.2 OF THIS INFORMATION FOLDER, THE MONEY YOU INVEST IN SEGREGATED FUNDS IS NOT GUARANTEED.**

### 2.1 How the Funds work

#### 2.1.1 Investing in Funds

At any time before the My Education+ RESP termination date, you may invest Premiums in one or more Funds we offer. We may limit amounts you can invest in a Fund and close a Fund for all future investments. From time to time, we may also liquidate Funds (see Section 2.4.5 *Fund liquidation*) or add new Funds. In such an event, we or your life insurance agent will offer alternatives to you.

We credit Fund Units to the Contract on the Valuation Date coinciding with the date on which we receive the Premium to be invested in the Funds at its head office, or on the first Valuation Date thereafter if we receive the Premium after 4:00 p.m. eastern time. We calculate the number of Fund Units we credit to your Contract by dividing the amount of the Premium you choose to invest by the Current Value of a Fund Unit of the Fund on the date the Fund Units are credited.

If you wish to invest Premiums in Funds gradually over a period of time, you may participate in the Dollar Cost Averaging (DCA) investment plan. Under this plan, your Premiums will initially be invested in the Money Market Fund. Then, each month for a period of 6 to 12 months, an amount you choose of at least \$25 per Fund is automatically transferred from the Money Market Fund to the Funds you have selected.

#### 2.1.2 Calculation of the Current Value of a Fund Unit

##### First, we calculate the market value of a Fund's assets

The market value of a Fund's assets on a Valuation Date is determined by calculating the total market value of all the underlying investments allocated to the Fund, minus any fees and expenses (such as management fees and operating

### What is a segregated fund?

A segregated fund is a type of investment fund in which you can invest through an insurance or annuity contract. Depending on its objective and strategy, a segregated fund invests a pool of money in bonds, stocks, other funds, or other kinds of securities. These investments are called the underlying investments of the segregated fund. The value of a segregated fund increases or decreases when the value of its underlying investments increases or decreases. A segregated fund also includes certain guarantees.

expenses – see Section 2.3.4 *Management fees and operating expenses*) on that date. In addition, assets purchased but not paid for as well as any expenses incurred are deducted from the value of the assets.

***Secondly, we calculate the Current Value of a Fund Unit***

The Current Value of a Fund Unit is calculated by dividing the market value of a Fund's assets by the number of Fund Units. The Current Value of a Fund Unit on a specific date is the Current Value on the Valuation Date that coincides with this date or on the first Valuation Date thereafter if none coincides.

Income from dividends, interest and net capital gains is reinvested in the Fund and is used to increase the Current Value of a Fund Unit. We may change this method following written notice to you.

When Units of an underlying fund are allocated to a Fund, the fund manager of the underlying fund will also use the method described above for the determination of the Current Value of a Fund Unit.

We may split the Units of a Fund from time to time. In such a case, we will modify the number of Units credited to your Contract so that the total value of your Fund Units will not be affected by the split.

***How often we calculate the Current Value of a Fund Unit***

We calculate the market value of a Fund's assets and the Current Value of a Fund Unit on each Valuation Date. We may adjust the frequency and dates of these regular valuations. However, in no event will a valuation be made less frequently than once a month. Special valuations may be made on days other than regular Valuation Dates.

The valuation of the Funds and the underlying investments may be delayed or postponed if the stock market is closed, if transactions are suspended on assets allocated to the Funds in question, or if there is an emergency during which it is not reasonably practical for us to dispose of the assets allocated to the Funds, to acquire assets on behalf of the Funds or determine the total value of the Funds. In this case, the valuation will take place as soon as possible. When the valuation of a Fund is delayed or postponed, no surrender, transfer or investment can be made in the Fund until the following Valuation Date.

**2.1.3 Surrender value**

You may surrender the Premiums you have invested in the Funds, in whole or in part.

The surrender value of the Premiums invested in the Funds is equal to the number of Fund Units debited from the Contract multiplied by the Current Value of the Fund Unit.

We calculate the surrender value on the Valuation Date coinciding with, or next following, the date on which we receive the surrender request.

All partial surrenders must respect a minimum surrender amount that we establish (currently \$100 for each Fund surrendered). The balance of the investment in a Fund after a surrender may not be less than the minimum amount we require (currently \$25), otherwise the entire investment in the Fund will be surrendered. We may change these minimum amounts at any time, without notice.

**What are a Fund Unit and the Current Value of a Fund Unit?**

A Fund Unit is a measurement that we use to determine how much you have invested in a particular Fund. The Current Value of a Fund Unit is the value, expressed in dollars, of a Fund Unit. For instance, on a specific Valuation Date, you could have invested 100 Fund Units of a Fund that each have a Current Value of \$10, for a total value of  $100 \times \$10 = \$1,000$ .

**What is a Valuation Date?**

A Valuation Date is a date on which we calculate the Current Value of a Fund Unit. This date will always be a business day on which the Toronto Stock Exchange is open for trading and on which a value is available for the underlying investments held by the Fund.

### 2.1.4 Transfers between Funds

You may request in writing to make transfers between Funds. The value of the Fund Units transferred is the Current Value of each Fund Unit on the Valuation Date upon which we receive the transfer request, or on the first Valuation Date thereafter if none coincides (see Section 2.1.1 *Investing in Funds*).

The balance of the investment in a Fund after a transfer may not be less than the minimum amount we require (currently \$25), otherwise the entire investment in the Fund must be transferred to the other Fund.

## 2.2 Guarantees

Your Contract includes two guarantees for the Premiums you invest in Funds:

1. Guaranteed Minimum Value at Maturity; and
2. Guaranteed Minimum Value at Death.

The Guaranteed Minimum Value at Maturity applies on the Guarantee Maturity Date, which is December 31 of the 35th year of the RESP. The Guaranteed Minimum Value at Death applies upon your death as the Annuitant.

### 2.2.1 Guaranteed Minimum Value at Maturity

#### *How we calculate the Guaranteed Minimum Value at Maturity*

The Guaranteed Minimum Value at Maturity is equal to 75% of the Premiums initially invested in the Funds. It varies as follows:

- 1) Increases when additional Fund Units are credited to the Contract (excluding transfers from one Fund to another Fund) by a proportion of 75% of the Current Value of the Fund Units credited;
- 2) Decreases when any Fund Units are debited from the Contract, in proportion to the decrease in the Market Value of the Premiums Invested in the Funds caused by the debit of Units (excluding transfers from one Fund to another Fund); and
- 3) Is reduced to zero when there is no remaining value in the Funds or if the Contract is cancelled or terminated.

Upon your death, if a new Annuitant is designated (as explained in Section 1.8 Death benefit), a new Guaranteed Minimum Value at Maturity is established on the date we receive all required documents confirming the death. The new Guaranteed Minimum Value at Maturity, which replaces any prior Guaranteed Minimum Value at Maturity, is equal to 75% of the Market Value of the Premiums Invested in the Funds calculated on this date, adjusted for any credit of Fund Units following the application of any applicable guarantee on this date. The new Guaranteed Minimum Value at Maturity varies thereafter in accordance with the provisions of this section.

#### *When the Guaranteed Minimum Value at Maturity applies*

If on the Guarantee Maturity Date, which is December 31 of the 35th year of the RESP, the Guaranteed Minimum Value at Maturity is higher than the Market Value of the Premiums Invested in the Funds on that date, we will make up the difference by crediting Money Market Fund Units to your Contract.

#### **What is the Market Value of the Premiums Invested in the Funds?**

The Market Value of the Premiums Invested in the Funds on a Valuation Date is equal to the sum of the Current Value of all the Fund Units in each of the Funds credited to your Contract on that Valuation Date. In other words, it is what all the Fund Units you invested in are worth on a specific date.

### 2.2.2 Guaranteed Minimum Value at Death

#### *How we calculate the Guaranteed Minimum Value at Death*

The Guaranteed Minimum Value at Death is equal to 75% of the Premiums initially invested in the Funds. It varies as follows:

- 1) Increases when additional Fund Units are credited to the Contract (excluding transfers from one Fund to another Fund) by a proportion of 75% of the Current Value of the Fund Units credited;
- 2) Decreases when any Fund Units are debited from the Contract, in proportion to the decrease in the Market Value of the Premiums Invested in the Funds caused by the debit of Units (excluding transfers from one Fund to another Fund); and
- 3) Is reduced to zero when there is no remaining value in the Funds or if the Contract is cancelled or terminated.

Upon your death, if a new Annuitant is designated, (as explained in Section 1.8 Death benefit) a new Guaranteed Minimum Value at Death is established on the date we receive all required documents confirming the death. The new Guaranteed Minimum Value at Death, which replaces any prior Guaranteed Minimum Value at Death, is equal to 75% of the Market Value of the Premiums Invested in the Funds calculated on this date, adjusted for any credit of Fund Units following the application of any applicable guarantee on this date. The new Guaranteed Minimum Value at Death varies thereafter in accordance with the provisions of this section.

***When the Guaranteed Minimum Value at Death applies***

If on the day we have received all required documents confirming your death, the Guaranteed Minimum Value at Death is higher than the Market Value of the Premiums Invested in the Funds on that date, we will make up the difference by crediting Money Market Fund Units to the Contract.

## **2.3 Fees**

In addition to the administrative fees described under Section 1.7 *Administrative fees*, we charge management fees and operating expenses of the Fund you invest in (see Section 2.3.3).

### **2.3.1 Sales charge options**

Each time you invest a Premium in a Fund, you have to choose which sales charge option is applicable for the investment of this Premium. In the same Contract, it is possible to have more than one sales charge option.

There are two sales charge options available: front-end load and no sales charge.

***Front-end load option***

If you invest a Premium in the Funds under the front-end load option, a sales charge of up to 5% of the Premium to be invested is levied on this Premium and paid to your life insurance agent. The sales charge that you pay is negotiated between you and your life insurance agent.

***No sales charge option***

If you invest in the Funds under the no sales charge option, there is no sales charge when Fund Units are surrendered or transferred. If you surrender Fund Units within 5 years from the investment date, the advisor and his/her agency may have to return all or part of their commission to iA Financial Group.

### **2.3.2 Transfer fee reimbursement program**

If agreed upon between you and your life insurance agent, you may, subject to a maximum amount, make use of our transfer fee reimbursement program to reduce or eliminate fees resulting from the redemption of investments held with another institution and their transfer to the Contract. In these cases, your life insurance agent's commission is adjusted in accordance with the program. We may amend or cancel the transfer fee reimbursement program at any time without notice.

### **2.3.3 Management fees and operating expenses**

A management fee is paid to us. It is expressed as an annual percentage rate that varies from Fund to Fund. The management fee is deducted from each Fund on each Valuation Date, and its amount is based on the market value of the Fund assets.

The management fee rate may be modified from time to time, but shall never exceed the management fee rate for the period ending December 31, 2022 plus 2.00%. The insurance fee, which is the fee associated with the benefits guaranteed under the Contract, is embedded in the management fee.

The commissions payable to the life insurance agent for the initial investment in our Funds under the no sales charge option and the service fees which are paid monthly to the life insurance agent as long as the Contract is in force are also embedded in the management fee.

In addition to the management fees, current operating expenses are deducted from the Fund, including:

- Legal, audit, accounting and transfer agent expenses;
- Operating and administrative fees, costs and expenses;
- Interest charges;
- Policyholder or Subscriber communication fees;
- Financial and other reports and disclosure documents required to comply with laws;
- All other fees incurred by the Fund; and
- Applicable taxes.

### ***MER***

The sum of the management fees, operating expenses and applicable taxes constitutes the total amount charged to the average net assets of the Fund and, as a percentage of these assets, is referred to as the “management expense ratio” (MER). The MER includes all fees of any underlying fund in which we invest for the purpose of our Fund.

When we invest in an underlying fund for the purpose of our Funds, in no event will there be any duplication of fees.

### ***Other taxes***

The Funds are subject to foreign withholding taxes on income for non-Canadian investments. Otherwise, according to current tax laws, the Funds are tax-exempt since all capital gains and income are attributed to policyholders.

Should the Funds become taxable; taxes will be charged against the Funds.

All applicable taxes, including the goods and services tax (GST), the harmonized sales tax (HST) and the Quebec sales tax (QST), when these taxes apply, are included in the MER.

### ***Prestige Preferential Pricing***

If you invest and maintain more than \$300,000 in the Contract and other specific investment contracts with us, or if you are a Prestige grouping member, you may be eligible for a reduction of the management fees of the Funds under the Contract (the “Prestige Preferential Pricing”).

Our administrative rules determine which specific investment contracts are eligible and how the \$300,000 threshold is calculated.

We may cease to offer the Prestige Preferential Pricing or may change parts of it, including the selection of funds providing access to benefit from the Prestige Preferential Pricing.

## **2.3.4 Frequent trading fees**

An investment in a Fund is generally long-term in nature. Short-term transactions may be detrimental to performance, result in additional administration fees and have a negative impact on the Fund.

Frequent trading consists of carrying out transactions within a short period of time (90 days or less) in an attempt to outperform the market. The investment of Premiums in a Fund, the partial or total transfer of Premiums invested in a Fund to other Funds and the partial or total surrender of these Premiums are all considered transactions.

If Premiums invested in a Fund (except for the Money Market Fund) are surrendered or transferred, in whole or in part, within 90 days following the date of their investment in the Fund, a frequent trading fee equal to 2.00% of the amount of the transaction will be applied.

All frequent trading fees charged are invested in the Fund subject to the surrender or transfer in order to increase the assets of the Fund for the benefit of all policyholders having invested in the Fund.

In addition to any applicable frequent trading fees, we may, at our sole discretion, refuse any investment of future Premiums or transfer of Premium requests if we determine that your trading activities may be detrimental to the Fund or its underlying funds. We may waive such fees or modify the terms related to frequent trading fees at any time, at our sole discretion.

## **2.4 Your rights, our obligations**

### **2.4.1 Information provided to you**

#### ***Annual statements***

During a calendar year, we will send you at least one annual statement. This statement will include the following:

- The number of Units credited to the Contract for each Fund;
- The Current Value of the Units for each Fund under the Contract on the date of the statement;
- A list of all transactions, including their amounts, since the last statement (Premiums paid, transfers between Funds, surrenders);
- CESG, CLB or Designated Provincial Program grant and incentive amounts invested in the Contract;
- The amount of any contribution refunds, Accumulated Income Payments or CESG, CLB or Designated Provincial Program grant and incentive refunds; and
- The amount of all Educational Assistance Payments made to the Plan Beneficiary.

#### ***Updated Fund Facts***

Updated Fund Facts for the Funds are available on our website at [ia.ca](http://ia.ca) and in print upon request, free of charge.

#### ***Fund financial statements***

The audited annual financial statements and unaudited semi-annual financial statements for the Funds are available on our website at [ia.ca](http://ia.ca). These financial statements cover:

1. The annual management fees and other expenses related to the Funds; and
2. The management expense ratio for each Fund.

You may also request information on the overall rate of return, calculated on a net basis for periods of at least 1, 3, 5 and 10 years, if applicable.

The auditor of the Funds' financial statements is:

Deloitte LLP  
801 Grande Allée West, Suite 350  
Quebec City, Quebec G1S 4Z4

#### ***Investment policy and underlying fund documentation***

You may request a detailed description of a Fund's investment policy. If a Fund invests in an underlying fund, you may also request a copy of the simplified prospectus, annual information form, financial highlights, audited financial statements or other required disclosure documents for the underlying fund.

#### ***How to obtain documents***

To obtain a paper or electronic copy of any of these documents, you may send a written request to our head office address:

iA Financial Group  
Individual Savings and Retirement  
1080 Grande Allée West  
PO Box 1907, Station Terminus  
Quebec City, Quebec G1K 7M3

Email address: [savings@ia.ca](mailto:savings@ia.ca)

## 2.4.2 Rescission right

You have the right to rescind the Contract by giving written notice to us within 2 business days of the earlier of:

- The date you receive confirmation of the initial purchase of the Contract; or
- The fifth business day after the confirmation of the initial purchase of the Contract is mailed.

You may also rescind specific subsequent investments of Premiums in a Fund by giving written notice to us within 2 business days of the earlier of:

- The date you receive confirmation of the subsequent investment; or
- The fifth business day after the confirmation of the subsequent investment is mailed.

The amount returned will be the lesser of:

- The Premium invested; or
- The surrender value of the Premium invested on the Valuation Date following the day we received the request to rescind, plus any fees or charges associated with the transaction.

The amount returned only applies to the invested Premium subject to the rescission right and includes a refund of any sales charges paid.

## 2.4.3 Fundamental changes

### ***Notice of a fundamental change***

We will notify you in writing at least 60 days before making any of the following fundamental changes if they affect you:

- a) An increase in the management fee charged against the assets of a Fund;
- b) A change in the fundamental investment objectives of a Fund;
- c) A decrease in the frequency with which the Current Value of a Fund Unit is determined; or
- d) An increase in the insurance fee of a Fund that exceeds the maximum specified in the Information Folder, if such insurance fee is disclosed separately from the management fee.

This notice will be sent to you by regular mail at your last known address, as shown in our records.

### ***Your rights***

Upon receipt of notice of a fundamental change, you have the right to:

- i) Transfer the Premiums invested in the Fund subject to the fundamental change to a similar Fund offered by us that is not subject to the fundamental change for which the notice is being delivered without incurring any fees and without affecting any other rights or obligations under the Contract;
- ii) If we do not offer a similar Fund, surrender the Premiums invested in the Fund subject to the fundamental change.

We must receive your elected option at least 5 days prior to the expiry of the notice period required for a fundamental change.

A similar Fund means a Fund that has comparable fundamental investment objectives, is in the same Fund category (in accordance with Fund categories published in a financial publication with broad distribution) and has the same or a lower management fee and insurance fee than the management fee and insurance fee of the Fund in effect at the time the notice is given.

## 2.4.4 Fund liquidation

We may liquidate a Fund at any time. If you have Units of the liquidated Fund credited to the Contract, Section 2.4.4 *Fundamental changes* applies to the Fund liquidation. The liquidation notice will mention in which Fund we propose to transfer the Current Value of the liquidated Fund Units.

Up to 5 days prior to the Fund liquidation date, you may request, in writing, that the Current Value of the Fund Units credited to the Contract be transferred to and invested in another Fund currently available, pursuant to Section 2.1.4 *Transfers between Funds*. If the Fund proposed by us is not a similar Fund pursuant to Section 2.4.4 *Fundamental changes*, you may also request, in writing, to surrender the Premiums invested in the liquidated Fund. If you do not request a transfer or surrender, we will transfer the Fund Units into the proposed Fund on the Valuation Date on which we liquidate the Fund.

## 2.5 Information on the Funds

### 2.5.1 Available Funds

The Contract currently offers the opportunity to invest in a full range of Funds. Professional management of the Funds is provided by the advisors listed in the Fund Facts booklet. Professional management is aimed at providing our clients with all the advantages of investing in such Funds.

The assets allocated to the Funds are invested in underlying investments and are managed by experienced advisors. We may change the advisor of the Fund at any time without changing the stated investment objectives of the Fund. Such changes of advisor do not require prior written notification to be sent.

**For details about all available Funds, please refer to the Fund Facts booklet.**

Information about the investment objectives and investment strategy of each Fund is included in the Fund Facts booklet. The annual financial statements and the investment policy statement for each Fund are available upon request.

### 2.5.2 Risk factors

The following risk factors are inherent in both the Funds and their underlying funds. No additional risk factors other than those listed below have an impact on the underlying funds. To know which particular risks a Fund is subject to, please refer to the Fund Facts booklet.

#### ***Credit Risk (C)***

Credit risk relates to the possibility that an issuer of bonds or other fixed-income securities will not be able to meet its obligation to pay the required interest payments or repay the principal amount of the security at its maturity.

#### ***Derivative Risk (D)***

The Funds and underlying funds may use derivatives in order to reach their investment objectives.

A fund's ability to dispose of the derivatives depends on the liquidity of such positions in the market, if the market direction should go against the manager's forecast, and the ability of the other party to fulfill its obligations. Thus, there is no guarantee that transactions involving derivatives will always be beneficial to the Fund.

#### ***Equities Risk (A)***

The price of a company's stock is affected by its performance in terms of mergers, products, market share, market expectations and general economic conditions. Certain equities are also influenced by interest rates in general. Volatility in equity funds may be mitigated by holding a diversified selection of stocks.

#### ***Foreign Currency Risk (\$)***

When international funds are invested in companies located in other countries or through derivatives, such as futures contracts (on a non-leveraged basis), there may be additional volatility associated with changes in the foreign currency compared to the Canadian dollar. Risks such as currency exposure can be mitigated by using various hedging techniques.

#### ***General and Market Risk***

The market values of the Funds fluctuate with the Market Value of the Fund Assets and are not guaranteed. As a result, the Current Value of a Fund Unit for each Fund fluctuates in accordance with the changes in each Fund's market values. These changes in the Current Value of a Fund Unit value may result from various factors, such as a change in response to economic and investment market conditions, market expectations for the financial performance of the various securities held in the Funds, and in some cases, changes in interest rates. Political, social, environmental and health factors can also significantly affect markets and, as a result, the Market Value of the Fund Asset and the Current Value of a Fund Unit. All of the Funds are subject to this risk.

#### ***Interest Rate Risk (I)***

The market value of fixed-income investments, such as government issued bonds, corporate bonds, commercial paper, T-bills or mortgage loans, is linked to interest rates and can also exhibit volatility. This volatility may be mitigated by holding short-term securities in times of stable short-term rates, for example.



### ***Leverage Risk (LE)***

The Funds and underlying funds may use leverage or use derivatives to create leverage in order to reach their investment objectives. By using leverage, the Funds or underlying funds may experience more volatility than other funds. Leverage can magnify potential gains or losses, and as a result may have a higher degree of risk

### ***Liquidity Risk (L)***

Liquidity indicates the ease and facility with which an asset can be sold and converted into cash. When the securities held by a Fund can be rapidly liquidated at market prices, they are deemed relatively liquid. However, a Fund can also be invested in securities that are far from liquid or illiquid. Some securities are illiquid for several reasons, including the nature of the investment (i.e. a foreign security or of a small business), the terms of payment, a lack of interested buyers, legal restrictions, or in volatile markets. A Fund that has difficulty selling securities may present low yield or, very rarely, may be required to temporarily restrict redemptions.

### ***Real Estate Risk (M)***

A Fund can also use investments related to specific activities such as real estate. Real estate is often relatively illiquid. Its value is influenced by local and general economic conditions such as the availability of rentable space and attractiveness of the property in the market. Its value is also influenced by the appraisal and how frequently an appraisal is done. If a Fund invests in real estate, such investments would be described in the Fund's annual report.

### ***Risks Associated with Index Funds (R)***

Index Funds were created to track the performance of specific market indices. If a market index has a significant exposure to a particular security, an Index Fund may be invested in that security in a higher proportion than is usually the case. Such concentration could affect the Fund's liquidity and diversification, its ability to meet redemption requests and its volatility.

### ***Short Selling Risk (W)***

Certain funds may engage in a disciplined and limited amount of short selling when the funds borrow securities from a lender and sell those securities in the open market. The short seller is obligated to return the borrowed securities in the future and may need to purchase them at short notice in order to satisfy this obligation. Where a Fund sells securities short, it will generally see a profit if the securities decrease in value and a loss if they increase in value. Unlike a purchase of securities, where the maximum amount of loss is limited to the amount invested, there is theoretically no limit to a Fund's exposure on a short sale as the securities may need to be purchased at a higher price than the price of the short sale. In addition, the securities loaned for the short sale may be recalled by the lender, and limitations on availability of securities may limit a Fund's freedom of action in connection with short sales. Funds that use a short-selling strategy have to adhere to controls and limits that are intended to reduce risks. An example is selling short only securities of larger issuers for which a liquid market is expected to be maintained thus limiting the amount of exposure from short sales.

### ***Special Equities Risk (AS)***

Some Funds can also invest in small companies where securities are often less liquid, less marketable and more volatile than well-established companies.

### ***Sovereign Risk (E)***

Fluctuations in the market value of international funds may also occur due to changes in a country's political and economic situation, and restrictions placed on currency movements.

### ***Underlying Funds Risk (U)***

By investing in underlying funds, the funds are therefore subject to the risks of the underlying funds. The underlying funds may invest in derivatives and therefore be subject to the derivatives' risks. If an underlying fund suspends redemptions, the Fund that invests in the underlying fund will be unable to value part of its portfolio and may be unable to redeem securities. The same situation will happen if an underlying fund suspends purchases. The Fund that invests in it will therefore be unable to add to its position and may have to suspend purchases.

**One or more of the above-mentioned risks may influence the Current Value of a Fund Unit and make the returns more volatile.**

### **2.5.3 Use of loans**

Loans are only permitted temporarily for the purpose of accommodating Unit surrender requests while effecting an orderly liquidation of portfolio securities. Loans must not exceed 5% of the market value of the assets of the particular Fund at the time of such transaction.

### **2.5.4 Interest of management and other entities**

Any transaction carried out in the 3 years preceding the distribution of this Information Folder or any transaction considered by a director, a member of management, or one of our subsidiaries or affiliated companies will not have any material negative impact on the Funds.

### **2.5.5 Material contracts**

No contract involving the Funds that can reasonably be deemed material by you, or that may have an impact on the Funds available, has been concluded by us or any of our subsidiaries in the last 3 years.

### **2.5.6 Use of underlying funds**

We may invest some or all of a Fund's assets in underlying funds, which comply with the investment policy and investment strategy of the Fund. You are not a unit holder of the underlying fund.

The fundamental investment objectives of the underlying fund cannot be changed unless approved by the unit holders of the underlying fund. Upon such approval, you will be given notice of such change.

### **2.5.7 Investment policy changes**

We may modify without notice the investment strategy of a Fund at any time to better meet the stated investment objectives of the Fund.

Subject to Section 2.4.4 Fundamental changes, we may also change the investment objectives of a Fund.

### **2.5.8 Other material facts**

No other material facts related to the Contracts and the Funds offered have been omitted under the previously outlined provisions.

## **3. High Interest Savings Account**

The High Interest Savings Account is an account in which you can invest Premiums. All amounts invested in the High Interest Savings Account earn interest at a variable rate fixed by us.

The book value and the surrender value of the High Interest Savings Account correspond to the total amount invested in this investment vehicle, plus accrued interest.

We reserve the right to limit amounts invested in the High Interest Savings Account.

# My Education+ Individual Variable Annuity Contract

## Contractual Provisions

ANY AMOUNT THAT IS ALLOCATED TO A SEGREGATED FUND IS INVESTED AT THE RISK OF THE SUBSCRIBER AND MAY INCREASE OR DECREASE IN VALUE.

THIS POLICY CONTAINS A PROVISION REMOVING OR RESTRICTING THE RIGHT OF THE INSURED TO DESIGNATE PERSONS TO WHOM OR FOR WHOSE BENEFIT INSURANCE MONEY IS TO BE PAYABLE.

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### 1. General Provisions

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#### 1.1 Definitions

In this Individual Variable Annuity Contract (hereinafter referred to as the "Contract"), the following definitions apply:

##### **Annuitant**

The Annuitant is the person on whose life the guarantees and annuity payments under this Contract are based and on whose death the death benefit is payable. Under this Contract, the Annuitant is the individual indicated as the subscriber on the Plan application.

##### **Beneficiary of the Contract**

Legislation requires that the Plan be the Beneficiary of the Contract. iA Financial Group assumes no responsibility for the validity of a change of Beneficiary of the Contract.

##### **Book Value of the Contract**

The Book Value of the Contract is equal to the sum of the Market Value of the Premiums Invested in the Funds, the book value of the High Interest Savings Account and the book value of the Daily Interest Fund+.

##### **Death Benefit Date**

Death Benefit Date means the date iA Financial Group receives satisfactory notification of the death of the Annuitant or the last Successor Annuitant according to iA Financial Group administrative rules.

##### **Designated Provincial Program**

A Designated Provincial Program is:

- A program administered pursuant to an agreement entered into under Section 12 of the Canada *Education Savings Act*, or
- A program established under the laws of a province to encourage the financing of children's post-secondary education through savings in registered education savings plans.

##### **iA Financial Group**

iA Financial Group refers to Industrial Alliance Insurance and Financial Services Inc. iA Financial Group constitutes the "Insurer".

##### **Investment Period Maturity Date**

The Investment Period Maturity Date is the date as of which no further Premiums can be paid into the Contract. The Investment Period Maturity Date corresponds to the Plan termination date, subject to current legislation and the Plan terms and conditions.

##### **Plan**

iA Financial Group's My Education+ Individual or Family Registered Education Savings Plan (RESP) established in accordance with the terms and conditions set out in the Plan application.

##### **Plan Beneficiary**

The Plan Beneficiary is the person designated by the Subscriber in the Plan application for whom the Subscriber agrees to make contributions and for whom iA Financial Group agrees to pay Educational Assistance Payments (EAP) for the pursuit of post-secondary studies.

##### **Plan Trustee**

The Plan Trustee is Industrial Alliance Trust Inc.

##### **Policyholder**

Legislation requires that the Plan Trustee be the Policyholder. The Policyholder, who holds this Contract on behalf of and as instructed by the Subscriber, may benefit from all the advantages offered by the Contract in order to make the payments provided for under the Plan.

##### **Premium(s)**

A Premium is the amount paid by the Policyholder, on behalf of and as instructed by the Subscriber, and received by iA Financial Group for investment under the Contract.

Premiums invested in this Contract by the Policyholder include contributions made to the Plan by the Subscriber for each Plan Beneficiary, all amounts received under the Plan as Canada Education Savings Grants (CESG), as Canada Learning Bonds (CLB) or as any other grant or incentive under a Designated Provincial Program, if applicable, and all amounts transferred to the Plan from other registered education savings plans.

The Policyholder, on behalf of and as instructed by the Subscriber, may pay Premiums at any time before the Investment Period Maturity Date.

##### **Subscriber**

The Subscriber is the individual indicated as the subscriber on the Plan application.

For the purposes of this Contract, the Subscriber may also designate the joint subscriber if one has been named in the Plan application. The Subscriber constitutes the "Insured".

#### 1.2 Contract

This Contract is made up of the present Contract, certain parts of the Fund Facts as specified in Section 3.2.2 *Fund Facts* of this Contract, the application for the Contract and any endorsements or amendments to the Contract that have been duly approved by iA Financial Group. The Contract constitutes the "Policy".

iA Financial Group may modify the Contract in order to respect the *Income Tax Act* (Canada).

This Contract does not grant any right to participate in the profits or surplus realized by iA Financial Group.

The Information Folder, which provides a summary of this Contract, does not form part of the Contract and must not be considered under any circumstances as a contractual document.

##### **1.2.1 Effective date of the Contract**

The effective date of the Contract is the day on which the first Premium is received by iA Financial Group, when the application is accepted by iA Financial Group.

The Contract does not take effect if iA Financial Group refuses the application.

##### **1.2.2 Currency**

All amounts payable to or by iA Financial Group shall be in the legal currency of Canada.

### 1.2.3 Assignment

No assignment of this Contract will bind iA Financial Group unless it is in writing and until the assignment is filed with iA Financial Group. Any assignment may restrict or delay certain transactions otherwise permitted under this Contract. iA Financial Group assumes no liability for the validity of an assignment.

### 1.2.4 Limitation of actions

Every action or proceeding against an Insurer for the recovery of amounts payable under this Contract is absolutely barred unless commenced within the time set out in the *Insurance Act*, or other similar applicable legislation in your province (e.g., Limitations Act, 2002 in Ontario and the Civil Code in Quebec).

## 1.3 Surrender of the Contract

The Contract may be surrendered in whole or in part according to the surrender rules governing each investment vehicle. iA Financial Group reserves the right to postpone the cash payment or transfer to another financial institution up to 60 days from the date on which the written surrender request is received.

Surrenders are carried out in order to make the payments provided for under the Plan. The surrender value of the Contract is the aggregate of the surrender value of the Premiums invested in the Funds, the surrender value of the High Interest Savings Account and the surrender value of the Daily Interest Fund+. The surrender value of the investment vehicles is established according to the provisions specific to each investment vehicle.

If, at any time, the Book Value of the Contract is lower than the minimum value required by iA Financial Group, iA Financial Group may surrender the Contract and pay the surrender value of the Contract to the Policyholder.

## 1.4 Administrative fees

Transaction fees of \$25 may be charged if a cheque or pre-authorized payment is not honoured on its first presentation.

Transaction fees of \$35 may be charged for a surrender or transfer between investment vehicles or Funds, or to another financial institution, in accordance with iA Financial Group's administrative policies. At any time, iA Financial Group may modify these fees and additional fees may be added without prior notice. Each investment vehicle may include additional administration fees.

## 1.5 Death benefit

### 1.5.1 Death Benefit Date

On the Death Benefit Date, the Contract is suspended, and no additional transactions are permitted, unless the transactions were initiated prior to the Death Benefit Date.

On the Death Benefit Date, iA Financial Group transfers the Current Value of all Fund Units in the Contract to the Money Market Fund.

### 1.5.2 Death before iA Financial Group begins to pay the Annuity Payments.

If the Annuitant dies before the annuity payments under Section 1.6 *Annuity* begin and there is a joint subscriber named in the Plan application, the joint subscriber becomes the new Annuitant. If there is no joint subscriber named in the Plan application and subject to applicable legislation, iA Financial Group may agree that a new Annuitant be designated. In such cases, the Contract remains in force and no death benefit is payable by iA Financial Group.

If the Annuitant dies before the annuity payments under Section 1.6 *Annuity* begin and if there is no new Annuitant, iA Financial Group pays the Book Value of the Contract to the Beneficiary of the Contract when iA Financial Group has received all required documentation to settle the death claim.

The payment of the death benefit discharges iA Financial Group of all its obligations under this Contract.

### 1.5.3 Death after iA Financial Group begins to pay the Annuity Payments.

If the Annuitant dies after the annuity payments under Section 1.6 *Annuity* have begun but before the expiry of the period during which the annuity payments are guaranteed, if any, the annuity continues to be paid to the Beneficiary of the Contract until expiry of the guaranteed annuity period.

If the Annuitant dies after the expiration of the period during which the annuity payments are guaranteed, if any, no death benefit is payable by iA Financial Group and the Contract is thereafter terminated.

## 1.6 Annuity

### *Life annuity upon the Policyholder's request*

Upon written request from the Policyholder and subject to the Plan provisions and applicable legislation, iA Financial Group pays to the Beneficiary of the Contract a life annuity on the Annuitant's life including 120 guaranteed payments (the "Guaranteed Annuity"). The amount of the monthly payments under this Guaranteed Annuity is calculated as follows:

Monthly payment = (Book Value of the Contract - \$600) x (0.016% x Annuitant's age on the calculation date - 0.90%)

### *Automatic life annuity commencing on the Investment Period Maturity Date*

Subject to the Plan provisions and applicable legislation, on the Investment Period Maturity Date, if iA Financial Group has not received any written instructions from the Policyholder as to the start of the Guaranteed Annuity payments, the Guaranteed Annuity payments will begin automatically without notice, and will be paid to the Beneficiary of the Contract.

### *No surrenders or transfers permitted*

Notwithstanding the other terms and conditions of this Contract, after iA Financial Group has begun to pay the Guaranteed Annuity under this section, no surrenders or transfers are allowed.

### *Proof of age*

Evidence satisfactory to iA Financial Group of the age of the Annuitant must be furnished before any Guaranteed Annuity payment is made.

## 1.7 Consent to electronic communication

By signing up for electronic services, the Subscriber consents to receiving his/her documents and communications electronically as they become available in electronic format, including:

- Statements
- Tax documents (receipts and slips)
- Communications and exchanges of information
- Other notices, confirmations, declarations or information relating to his/her policies

Once a new communication becomes available in My Client Space, the Subscriber will receive notification at the email address on file.

iA Financial Group shall deem the communication to be received once it becomes available in My Client Space and not when the Subscriber signs in to My Client Space and opens it.

Once the Subscriber receives a new communication, he/she agrees to advise iA Financial Group of any errors or discrepancies in the information contained therein within 45 days of the document becoming available.

The documents will remain available in the "Your Documents" section of My Client Space for a period of seven years. The Subscriber is responsible for saving or printing a copy during this time if he/she wishes to consult the document beyond this period.

The Subscriber confirms that he/she has obtained the consent of any joint holder of a policy he/she has with iA Financial Group, if applicable, to receive communications relating to the joint policy electronically and that she/he has informed the joint policyholder of the terms and conditions of this consent.

iA Financial Group reserves the right to send the Subscriber paper documents to the most recent mailing address on file where it is unable to send them electronically or where it is deemed necessary to do so.

The Subscriber is responsible for advising iA Financial Group as soon as possible of any changes to his/her contract information, including changes to his/her email address.

#### **Revocation**

The Subscriber understands that he/she may revoke this consent at any time by changing his/her preferences on the Sign Up for Electronic Services page of his/her My Client Space profile or by phone at 1-844-442-4636.

This consent, and any request to revoke consent, shall be handled and take effect within five business days of the date of receipt. A confirmation notification will appear on the screen once the change made on the electronic services enrolment page has been processed. iA Financial Group reserves the right to modify this consent at any time. The Subscriber shall be informed of any modifications by way of a notification in My Client Space or sent to his/her email or mailing address.

The Subscriber may obtain a copy of this consent by clicking on the "Terms and conditions" link in the box at the bottom of the Electronic Services Enrolment page in My Client Space.

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## **2. Investment Vehicles**

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The Policyholder, on behalf of and as instructed by the Subscriber, invests Premiums in the investment vehicles offered under the Contract.

The investment vehicles offered are:

- Segregated Funds (Section 3);
- The High Interest Savings Account (Section 4); and
- The Daily Interest Fund+ (Section 4).

iA Financial Group may withdraw certain investment vehicles and add new ones which must comply with the provisions of the Income Tax Act (Canada) and its regulations.

### **2.1 Contract administered through the FundSERV network**

If the Subscriber's life insurance agent submitted the application through the FundSERV network, the Contract is administered electronically and the investment vehicles available are the segregated Funds and the High Interest Savings Account.

### **2.2 Default investment vehicle**

If no instructions are provided or instructions are incomplete or do not concern 100% of the Premium invested, the entire Premium will

be invested in the default investment vehicle. The default investment vehicle is either:

- The Money Market Fund, if the Contract is administered electronically through the FundSERV network; or
- The Daily Interest Fund+ if the Contract is not administered electronically through the FundSERV network.

### **2.3 Allocation Minimum**

Each investment vehicle has a minimum amount required for initial and subsequent investments (the "Allocation Minimum"). The Allocation Minimum for each investment vehicle is determined by iA Financial Group and may be changed without notice.

If the Premium does not meet the Allocation Minimum required for the investment vehicle chosen, the Premium is invested either in:

- The Money Market Fund, if the Contract is administered electronically through the FundSERV network; or
- The Daily Interest Fund+ if the Contract is not administered electronically through the FundSERV network.

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## **3. Segregated Funds**

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### **3.1 Definitions specific to segregated Funds**

In this section, the following definitions apply:

#### **Current Value of a Fund Unit**

The Current Value of a Fund Unit is the notional value of a Fund Unit on a Valuation Date calculated pursuant to Section 3.5 *Market value of Fund assets and Current Value of a Fund Unit*.

#### **Funds**

The Funds are the segregated funds established by iA Financial Group and available for the investment of Premiums under this Contract from time to time.

#### **Fund Units**

Fund Units are a notional measurement that is used by iA Financial Group to determine the Market Value of the Premiums Invested in the Funds (also called "Unit" or "Units" in this Contract). The Policyholder does not acquire any ownership interest in them. Fund Units can be whole or fractional.

#### **Guarantee Maturity Date**

The Guarantee Maturity Date is the date on which the Guaranteed Minimum Value at Maturity is applicable, pursuant to Section 3.9 *Guarantees*. The Guarantee Maturity Date is December 31 of the 35th year of the RESP.

#### **Guaranteed Minimum Value at Death**

The Guaranteed Minimum Value at Death is a guaranteed minimum value of the death benefit provided under the Contract when the Annuitant dies before the annuity payments begin, pursuant to Sections 1.5 *Death benefit* and 3.9 *Guarantees*.

#### **Guaranteed Minimum Value at Maturity**

The Guaranteed Minimum Value at Maturity is a guaranteed minimum value provided under this Contract on the Guarantee Maturity Date, pursuant to Section 3.9 *Guarantees*.

#### **Initial Investment Date**

This is the date on which a Premium is invested in the Funds for the first time under the Contract.

#### **Market Value of the Premiums Invested in the Funds**

The Market Value of the Premiums Invested in the Funds on a Valuation Date is equal to the sum of the Current Value of all the Fund Units in each of the Funds credited to the Contract on that Valuation Date.

#### **Valuation Date**

A Valuation Date is a business day on which the Toronto Stock Exchange is open for trading and on which a value is available for the underlying investments held by a particular Fund.

## 3.2 Investing in the Funds

The Policyholder, on behalf and for the benefit of the Subscriber, may request in writing, at any time before the Investment Period Maturity Date, to invest in one or more Funds offered by iA Financial Group. iA Financial Group may limit amounts invested in a Fund and close a Fund for all future investments of Premiums.

Fund Units are credited to the Contract on the Valuation Date coinciding with the date on which iA Financial Group receives the Premium to be invested in the Funds at its head office, or on the first Valuation Date thereafter if the Premium is received after 4:00 p.m. eastern time. The number of Fund Units credited to the Contract will be the amount allocated to the Fund by the investment of the Premium, divided by the Current Value of a Fund Unit of the Fund determined on the Valuation Date on which the Units are credited to the Contract.

Upon request, the Subscriber may participate in the Dollar Cost Averaging (DCA) investment plan. Through this plan, the Policyholder, on behalf of and as instructed by the Subscriber, initially invests Premiums in the Money Market Fund. Each month for a period of 6 to 12 months, a designated amount of at least \$25 per Fund determined by the Subscriber is automatically transferred from the Money Market Fund in order to invest in selected Funds.

From time to time, existing Funds may be liquidated or new Funds may be added.

### 3.2.1 Rescission right

The Subscriber has the right to rescind this Contract by giving written notice to iA Financial Group within 2 business days of the earlier of:

- The date the Subscriber receives confirmation of the initial purchase of the Contract; or
- The fifth business day after the confirmation of the initial purchase of the Contract is mailed.

The Subscriber may also rescind specific subsequent investments of Premiums in a Fund by giving written notice to iA Financial Group within 2 business days of the earlier of:

- The date the Subscriber receives confirmation of the subsequent investment; or
- The fifth business day after the confirmation of the subsequent investment is mailed.

The amount returned will be the lesser of:

- The Premium invested; or
- The surrender value of the Premium invested on the Valuation Date following the day iA Financial Group received the request to rescind, pursuant to Section 1.3 *Surrender of the Contract, plus any fees or charges associated with the transaction.*

The amount returned only applies to the invested Premium subject to the rescission right and includes a refund of any sales charges paid.

### 3.2.2 Fund Facts

A Fund Facts is available for each Fund offered under the Contract. The information provided in each Fund Facts complies with *Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds* of the Canadian Life and Health Insurance Association Inc. and is accurate as of the date the information was prepared.

The following elements or sections of each Fund Facts related to the Funds offered under the Contract form part of the Contract:

- Name of the Contract and the Fund;
- Management Expense Ratio;
- Risk disclosure (“How risky is it?” and “Risk Level”);
- Fees and expenses (“How much does it cost” and “Ongoing fund expenses”);
- Right to cancel (“What if I change my mind?”).

Remedies for any error in the Fund Facts information outlined in the prior paragraph include reasonable measures by iA Financial Group to correct the error but do not entitle the Policyholder or the Subscriber to specific performance under the Contract.

### 3.2.3 Investment policy changes

iA Financial Group may modify without notice the investment policy or the investment strategy of a Fund at any time to better meet the stated investment objectives of the Fund.

Subject to Section 3.4 *Fundamental changes*, iA Financial Group may also change the investment objectives of a Fund.

## 3.3 Liquidation of a Fund

iA Financial Group may liquidate a Fund at any time. If the Subscriber has Units of the liquidated Fund credited to the Contract, Section 3.4 *Fundamental changes* applies to the liquidation of the Fund. The liquidation notice will mention in which Fund iA Financial Group proposes to transfer the Current Value of the liquidated Fund Units.

Up to 5 days prior to the liquidation date of the Fund, the Subscriber may request, in writing, that the Current Value of the Fund Units credited to the Contract be transferred to and invested in another Fund currently available, pursuant to Section 3.8 *Transfers between Funds*. If the Fund proposed by iA Financial Group is not a similar Fund pursuant to Section 3.4 *Fundamental changes*, the Subscriber may also request, in writing, to surrender the Premiums invested in the liquidated Fund. If the Subscriber does not request a transfer or surrender, iA Financial Group will transfer the Fund Units into the proposed Fund on the Valuation Date on which iA Financial Group liquidates the Fund.

## 3.4 Fundamental changes

### Notice of a fundamental change

iA Financial Group will notify the affected Subscriber in writing at least 60 days before making any of the following fundamental changes:

- a) An increase in the management fee charged against the assets of a Fund;
- b) A change in the fundamental investment objectives of a Fund;
- c) A decrease in the frequency with which the Current Value of a Fund Unit is determined; or
- d) An increase in the insurance fee of a Fund that exceeds the maximum specified in the Information Folder, if such insurance fee is disclosed separately from the management fee.

The notice is sent by regular mail to the affected Subscriber's last known address as shown in iA Financial Group's records.

### Right of the Subscriber

Upon receipt of notice of a fundamental change, the Subscriber has the right to:

- a) Transfer the Premiums invested in the Fund subject to the fundamental change to a similar Fund offered by iA Financial Group that is not subject to the fundamental change for which the notice is being delivered without affecting any other rights or obligations of the Subscriber under the Contract;
- b) If iA Financial Group does not offer a similar Fund, surrender the Premiums invested in the Fund subject to the fundamental change.

iA Financial Group must receive the Subscriber's elected option at least 5 days prior to the expiry of the notice period required for a fundamental change.

A similar Fund means a Fund that has comparable fundamental investment objectives, is in the same Fund category (in accordance with Fund categories published in a financial publication with broad distribution) and has the same or a lower management fee and insurance fee than the management fee and insurance fee of the Fund in effect at the time the notice is given.

### 3.5 Market value of Fund assets and Current Value of a Fund Unit

The market value of Fund assets and the Current Value of a Fund Unit are determined on each Valuation Date. iA Financial Group may adjust the frequency and dates of these regular valuations. However, in no event will a valuation be made less frequently than once a month. Special valuations may be made on days other than regular Valuation Dates.

The valuation of the Funds and the underlying investments may be delayed or postponed if the stock market is closed, if transactions are suspended on assets allocated to the Funds in question, or if there is an emergency during which it is not reasonably practical for iA Financial Group to dispose of the assets allocated to the Funds, to acquire assets on behalf of the Funds or determine the total value of the Funds. In this case, the valuation will take place as soon as possible. When the valuation of a Fund is delayed or postponed, no surrender, transfer or investment can be made in the Fund until the following Valuation Date.

#### 3.5.1 Market value of Fund assets

The market value of a Fund's assets on a Valuation Date is determined by calculating the total market value of all the underlying investments allocated to this Fund minus any fees and expenses (such as management fees and operating expenses) on that date. In addition, assets purchased but not paid for as well as any expenses incurred are deducted from the value of the assets.

#### 3.5.2 Current Value of a Fund Unit

The Current Value of a Fund Unit is calculated by dividing the market value of a Fund's assets by the number of Fund Units. The Current Value of a Fund Unit on a specific date is the Current Value on the Valuation Date that coincides with this date, or on the first Valuation Date thereafter, if none coincides. When Units of an underlying fund are allocated to a Fund, the investment advisor of the underlying fund will also use the method described above for the determination of the Current Value of a Fund Unit for iA Financial Group to use.

Income from dividends, interest and net capital gains is reinvested in the Fund and is used to increase the Current Value of a Fund Unit. iA Financial Group may change this method following written notice to the Subscriber.

iA Financial Group may split the Units of a Fund from time to time. In such a case, iA Financial Group will modify the number of Units credited to the Contract so that the total value of Fund Units will not be affected by the split.

### 3.6 Fees

#### 3.6.1 Sales charge options

Each time the Policyholder, on behalf of and as instructed by the Subscriber, invests a Premium in a Fund, the Subscriber has to determine which sales charge option is applicable for the investment of this Premium. In the same Contract, it is possible to have more than one sales charge option. There are two sales charge options available: front-end load and no sales charge.

##### *Front-end load option*

If the Policyholder, on behalf of and as instructed by the Subscriber, invests in the Funds under the front-end load option, a sales charge of up to 5% of the Premium to be invested in the Funds is levied on this Premium and paid to the Subscriber's life insurance agent. The sales charge payable by the Policyholder is negotiated between the Subscriber and the life insurance agent.

##### *No sales charge option*

If the Policyholder, on behalf of and as instructed by the Subscriber, invests in the Funds under the no sales charge option, there is no sales charge when Fund Units are surrendered or transferred.

#### 3.6.2 Transfer fee reimbursement program

If agreed upon between the Subscriber and his/her life insurance agent, the Subscriber may, subject to a maximum amount, make use of iA Financial Group's transfer fee reimbursement program to reduce or eliminate fees resulting from the redemption of investments held with another institution and their transfer to this Contract. In these cases, the life insurance agent's commission is adjusted in accordance with program terms. iA Financial Group may amend or cancel the transfer fee reimbursement program at any time without notice.

#### 3.6.3 Management fees and operating expenses

A management fee is paid to iA Financial Group. It is expressed as an annual percentage rate that varies from Fund to Fund. The management fee is deducted from each Fund on each Valuation Date, and its amount is based on the market value of the Fund assets.

The management fee rate may be modified from time to time, but shall never exceed the management fee rate for the period ending December 31, 2022 plus 2.00%. The insurance fee, which is the fee associated with the benefits guaranteed under the Contract, is embedded in the management fee.

The commission payable to the life insurance agent for the initial investment in iA Financial Group's Funds under the no sales charge option and the service fees which are paid monthly to the life insurance agent as long as the Contract is in force are also embedded in the management fee.

In addition to the management fees, current operating expenses are deducted from the Fund, including:

- Legal, audit, accounting and transfer agent expenses;
- Operating and administrative fees, costs and expenses;
- Interest charges;
- Policyholder or Subscriber communication fees;
- Financial and other reports and disclosure documents required to comply with laws;
- All other fees incurred by the Fund; and
- Applicable taxes.

##### **MER**

The sum of the management fees, operating expenses and applicable taxes constitutes the total amount charged to the average net assets of the Fund and, as a percentage of these assets, is referred to as the "management expense ratio" (MER). The MER includes all fees of any underlying fund in which iA Financial Group invests for the purpose of its Fund.

When iA Financial Group invests in an underlying fund for the purpose of its Funds, in no event will there be any duplication of fees.

##### **Prestige Preferential Pricing**

If the Subscriber invests and maintains more than \$300,000 in the Contract and other specific investment contracts with iA Financial Group, or if the Subscriber is a Prestige grouping member, the Subscriber may be eligible for a reduction of the management fees of the Funds under the Contract (the "Prestige Preferential Pricing").

iA Financial Group's administrative rules determine which specific investment contracts are eligible and how the \$300,000 threshold is calculated.

iA Financial Group may cease to offer the Prestige Preferential Pricing or may change parts of it, including the selection of Funds providing access to benefit from the Prestige Preferential Pricing.

#### 3.6.4 Frequent trading fees

If the Policyholder on behalf of and as instructed by the Subscriber, surrenders or transfers Premiums invested in a Fund (except for the Money Market Fund), in whole or in part, within 90 days following the date of their investment in the Fund, a frequent trading fee equal to 2.00% of the amount of the transaction will be applied.

All frequent trading fees charged are invested in the Fund subject to the surrender or transfer of the Premiums in order to increase the assets of the Fund for the benefit of all policyholders having invested in the Fund.

In addition to any applicable frequent trading fees, iA Financial Group may, at its sole discretion, refuse any investment of future Premiums or transfer of Premium requests if iA Financial Group determines that the Policyholder's trading activities may be detrimental to the Fund or its underlying funds. iA Financial Group may waive such fees or modify the terms related to frequent trading fees at any time, at its sole discretion.

### **3.7 Surrender value**

At any time on or before the Investment Period Maturity Date, the Policyholder, on behalf of and as instructed by the Subscriber, may make a partial or total surrender of the Premiums invested in the Funds in accordance with current Plan legislation. All requests from the Subscriber for a partial or total surrender must be made in writing.

The surrender value of the Premiums invested in the Funds is equal to the number of Fund Units debited from the Contract multiplied by the Current Value of the Fund Unit.

The surrender value is calculated on the Valuation Date coinciding with, or next following, the date on which iA Financial Group's head office receives the surrender request.

The Subscriber must indicate both the amount to be surrendered in the event of a partial surrender and the particular Fund or Funds from which a portion of the surrender value is to be surrendered.

All partial surrenders must respect the minimum surrender amount established by iA Financial Group. The Current Value of all the Fund Units of a Fund after a surrender may not be less than the minimum amount established by iA Financial Group., otherwise all Premiums invested in the Fund will be surrendered. iA Financial Group may change such minimum amounts at any time, without notice.

### **3.8 Transfers between Funds**

The Subscriber may request, in writing, that the Current Value of Fund Units credited to the Contract be transferred and invested in another available Fund.

The value of the Units credited and debited following a transfer will be based on the Current Value of each Fund Unit of the Funds for which a transfer request is received and on the Valuation Date upon which the transfer request is received by iA Financial Group or the first Valuation Date thereafter, if none coincides. The balance of the investment in a Fund after a transfer may not be less than the minimum amount required; otherwise the entire investment in the Fund must be transferred to the other Fund into which the transfer is requested. This minimum is determined from time to time by iA Financial Group.

### **3.9 Guarantees**

#### **3.9.1 Guaranteed Minimum Value at Maturity**

The Guaranteed Minimum Value at Maturity is equal to 75% of the Premiums invested in the Funds on the Initial Investment Date and varies as follows:

- 1) Increases when additional Fund Units are credited to the Contract (excluding transfers from one Fund to another Fund) by a proportion of 75% of the Current Value of the Fund Units credited;
- 2) Decreases when any Fund Units are debited from the Contract, in proportion to the decrease in the Market Value of the Premiums Invested in the Funds caused by the debit of Units (excluding transfers from one Fund to another Fund); and
- 3) Is reduced to zero when there is no remaining value in the Funds or if the Contract is cancelled or terminated.

On the Annuitant's death, if a new Annuitant is designated pursuant to Section 1.5 Death benefit, a new Guaranteed Minimum Value at Maturity is established on the date iA Financial Group receives all required documents to confirm the Annuitant's death. The new Guaranteed Minimum Value at Maturity which replaces any prior Guaranteed Minimum Value at Maturity is equal to 75% of the Market Value of the Premiums Invested in the Funds calculated on this date, adjusted for any credit of Fund Units following the application of any applicable guarantee on this date. The new Guaranteed Minimum Value at Maturity varies thereafter in accordance with the provisions provided under this section.

#### ***Application of the Guaranteed Minimum Value at Maturity***

If, on the Valuation Date coinciding with the Guaranteed Maturity Date or the first Valuation Date thereafter, if none coincides, the Guaranteed Minimum Value at Maturity is higher than the Market Value of the Premiums Invested in the Funds on that date, iA Financial Group will make up the difference by crediting Money Market Fund Units at their Current Value which have an aggregate value equal to the difference between the Guaranteed Minimum Value at Maturity and the Market Value of the Premiums Invested in the Funds. The date on which these Units are credited to the Contract is deemed to be the Guarantee Maturity Date.

#### **3.9.2 Guaranteed Minimum Value at Death**

The Guaranteed Minimum Value at Death is equal to 75% of the Premiums invested in the Funds on the Initial Investment Date and varies as follows:

- 1) Increases when additional Fund Units are credited to the Contract (excluding transfers from one Fund to another Fund) by a proportion of 75% of the Current Value of the Fund Units credited;
- 2) Decreases when any Fund Units are debited from the Contract, in proportion to the decrease in the Market Value of the Premiums Invested in the Funds caused by the debit of Units (excluding transfers from one Fund to another Fund); and
- 3) Is reduced to zero when there is no remaining value in the Funds or if the Contract is cancelled or terminated.

On the Annuitant's death, if a new Annuitant is designated pursuant to Section 1.5 Death benefit, a new Guaranteed Minimum Value at Death is established on the date iA Financial Group receives all required documents to confirm the Annuitant's death. The new Guaranteed Minimum Value at Death which replaces any prior Guaranteed Minimum Value at Death is equal to 75% of the Market Value of the Premiums Invested in the Funds calculated on this date, adjusted for any credit of Fund Units following the application of any applicable guarantee on this date. The new Guaranteed Minimum Value at Death varies thereafter in accordance with the provisions provided under this section.

#### ***Application of the Guaranteed Minimum Value at Death***

If, on the day iA Financial Group has received all required documents to confirm the Annuitant's death, the Guaranteed Minimum Value at Death is higher than the Market Value of the Premiums Invested in the Funds on that date, iA Financial Group will make up the difference by crediting Money Market Fund Units at their Current Value which have an aggregate value equal to the difference between the Guaranteed Minimum Value at Death and the Market Value of the Premiums Invested in the Funds.



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#### 4. Specific provisions for the High Interest Savings Account and the Daily Interest Fund+

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##### 4.1 High Interest Savings Account

The High Interest Savings Account is an account in which the Policyholder, on behalf of and as instructed by the Subscriber, can invest Premiums.

All amounts invested in the High Interest Savings Account earn interest at a variable rate fixed by iA Financial Group. iA Financial Group reserves the right to limit amounts invested in the High Interest Savings Account.

**Book value and surrender value**

The book value and the surrender value correspond to the total amount invested in this investment vehicle plus accrued interest.

##### 4.2 Daily Interest Fund+

(Not available for contracts administered electronically through the FundSERV network)

All amounts invested in the Daily Interest Fund+ earn interest at a variable rate fixed by the iA Financial Group.

The Daily Interest Fund+ is also used as a shuttle account. For instance, your Premiums may be invested in the Daily Interest Fund+ when the minimum amount required to invest in a segregated Fund has not been reached. iA Financial Group reserves the right to limit amounts invested in the Daily Interest Fund+.

**Book value and surrender value**

The book value and the surrender value correspond to the total amount invested in this investment vehicle plus accrued interest.



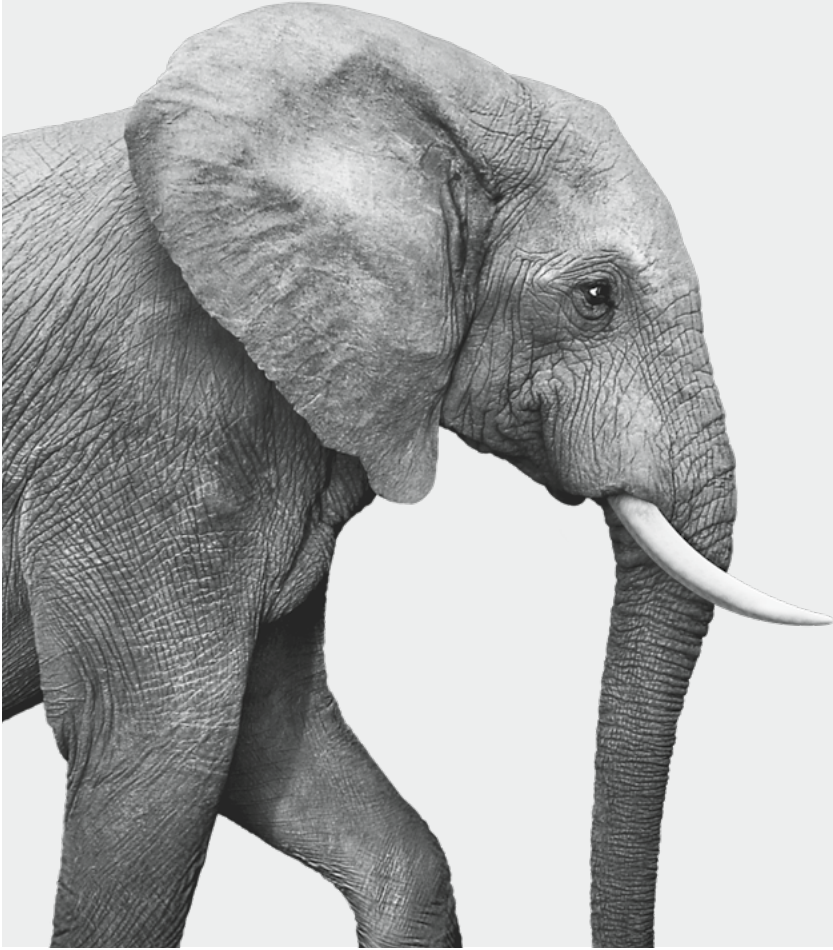
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Denis Ricard  
President and Chief Executive Officer



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Renée Laflamme  
Executive Vice President, Individual Insurance, Savings and Retirement



## Information Folder and Individual Variable Annuity Contract

October 2023

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### About iA Financial Group

Founded in 1892, iA Financial Group offers life and health insurance products, mutual and segregated funds, savings and retirement plans, RRSPs, securities, auto and home insurance, mortgages and car loans and other financial products and services for both individuals and groups. It is one of Canada's largest public companies and is listed on the Toronto Stock Exchange under the ticker symbols IAG (common shares) and IAF (preferred shares).

F13-885A(23-10) ACC

For any comments or additional information regarding iA Financial Group, please contact the head office:

#### **iA Financial Group**

1080 Grande Allée West  
PO Box 1907, Station Terminus  
Quebec City, QC G1K 7M3

**1-844-442-4636**

The contract is administered by Industrial Alliance Insurance and Financial Services Inc., which is incorporated under *An Act respecting insurance* (Quebec).

## INVESTED IN YOU.

iA Financial Group is a business name and trademark of  
**Industrial Alliance Insurance and Financial Services Inc.**

**ia.ca**



My Education+

# MY EDUCATION+ PLAN

October 2023



# MY EDUCATION+

## INDIVIDUAL EDUCATION SAVINGS PLAN

The Subscriber's application in respect of this Plan and the following terms constitute a contract between Industrial Alliance Trust Inc. (the "Trustee"), Industrial Alliance Insurance and Financial Services Inc. (the "Promoter"), and the Subscriber designated in the application under which the Promoter agrees to pay or cause to be paid Educational Assistance Payments to or for the Plan Beneficiary.

### DEFINITIONS

In this Plan, unless otherwise indicated by the context:

- a) "Accumulated Income Payment" means an amount paid pursuant to the Plan, other than:
  - i) Educational Assistance Payments;
  - ii) Refunds of Payments;
  - iii) Canada Education Savings Grant refunds;
  - iv) Canada Learning Bond refunds;
  - v) Designated provincial program refunds;
  - vi) payments made to an institution listed in paragraph (i) of the definition of Designated Educational Institutions in Canada;
  - vii) payments made to a trust that irrevocably holds property pursuant to a registered education savings plan for any of the purposes set out in paragraphs i) to vi);above to the extent that the amount so paid exceeds the fair market value of any consideration given to the Plan for the payment of the amount;
- b) "Brother" means a person as defined in the *Canada Education Savings Act* or as defined in any other applicable Tax Laws;
- c) "*Canada Education Savings Act*" is the act that provides financial assistance for post-secondary education savings and the regulations adopted under this act, as they are modified from time to time;
- d) "Canada Education Savings Grant" means the Canada Education Savings Grant as defined in the *Canada Education Savings Act*, paid into the Plan by the federal government on behalf of a Plan Beneficiary;
- e) "Canada Learning Bond" means the Canada Learning Bond as defined in the *Canada Education Savings Act*. Subject to any restrictions of the applicable Tax Laws, the Canada Learning Bond is paid into the Plan on behalf of a Plan Beneficiary;
- f) "Contribution" means a contribution to an education savings plan that does not include an amount paid into the Plan under or because of
  - a) the *Canada Education Savings Act* or a Designated provincial program, or
  - b) any other program that has a similar purpose to a Designated provincial program and that is funded, directly or indirectly, by a province (other than an amount paid into the Plan by a public primary caregiver in its capacity as Subscriber under the Plan);
- g) "Designated Educational Institution in Canada" means an educational institution in Canada that is:
  - i) a university, college or other educational institution designated by the lieutenant governor in council of a province as a specified educational institution under the *Canada Student Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, or designated, for the purposes of *An Act respecting financial assistance for education expenses*, R.S.Q. c. A-13.3, by the Minister of the Province of Quebec responsible for the administration of that Act, or
  - ii) certified by the Minister of Employment and Social Development to be an educational institution providing courses, other than courses designed for university credit, that furnish a person with skills for, or improve a person's skills in, an occupation;
- h) "Designated provincial program" means
  - a) a program administered pursuant to an agreement entered into under section 12 of the *Canada Education Savings Act*, or
  - b) a program established under the laws of a province to encourage the financing of children's post-secondary education through savings in registered education savings plans.
- i) "Educational Assistance Payment" means any amount, other than a Refund of Payments, paid out of the Plan to or for a Plan Beneficiary to assist him/her to further his/her education at a post-secondary school level;
- j) "*Income Tax Act*" means the *Income Tax Act* (Canada) and the regulations adopted thereunder, as amended from time to time;
- k) "Plan" means the My Education+ Individual Education Savings Plan of the Promoter established in accordance with the terms and conditions set out in the application and herein;
- l) "Plan Beneficiary" means a person designated in the application by the Subscriber to whom or on whose behalf an Educational Assistance Payment under the Plan is agreed to be paid if he/she qualifies under the Plan;
- m) "Plan Property" means all property of any nature whatsoever of which the Plan is composed, including the Plan Contributions, the Canada Education Savings Grant amounts, the Canada Learning Bond amounts, the Designated provincial program grant amounts, if any, as well as any income, capital gains and other earnings of any nature whatsoever, generated or realized in connection with the Plan's administration;

- n) "Post-Secondary Educational Institution" means:
  - i) a Designated Educational Institution in Canada; or
  - ii) an educational institution outside Canada that provides courses at a post-secondary school level and that is
    - (1) a university, college or other educational institution at which the Plan Beneficiary was enrolled in a course of not less than 13 consecutive weeks, or
    - (2) a university at which the Plan Beneficiary was enrolled on a full-time basis in a course of not less than three consecutive weeks;
- o) "Promoter" means Industrial Alliance Insurance and Financial Services Inc.;
- p) "Public Primary Caregiver" means a department, agency or institution that receives a special allowance payable under the *Children's Special Allowances Act* of Canada on behalf of the Plan Beneficiary;
- q) "Qualifying Educational Program" means a program of no less than three consecutive weeks' duration that requires that each student taking the program spend no less than 10 hours per week on courses or work in the program and, in respect of a program at a Designated Educational Institution in Canada that is a program at a post-secondary school level;
- r) "Refund of Payments" means:
  - i) a refund of a Contribution that had been made at a previous time, if the Contribution was made otherwise than by way of a transfer from another registered education savings plan and had been paid into the Plan by or on behalf of the Subscriber; and
  - ii) a refund of an amount that was paid at a previous time into the Plan by way of a transfer from another registered education savings plan, where the amount would have been a refund of payments under the other plan if it had been paid at the previous time directly to the Subscriber under the other plan;
- s) "RESP Lifetime Limit" means \$50,000 or any other amount set out in the Tax Laws;
- t) "Sister" means a person as defined in the *Canada Education Savings Act* or in any other applicable Tax Laws;
- u) "Specified Educational Program" is a program at post-secondary school level that lasts at least three consecutive weeks, and that requires a student to spend no less than 12 hours per month on courses in the program and, for a program at a Designated Educational Institution in Canada;
- v) "Subscriber" means:
  - i) any individual or Public Primary Caregiver indicated as the Subscriber on the application, provided that joint subscribers, if any, are spouses or common-law partners;
  - ii) any other individual as defined in the *Income Tax Act*.In this Plan, "Subscriber" includes any joint subscriber if one has been named on the application;
- w) "Tax Laws" means any tax laws that are applicable within the meaning of the *Income Tax Act* (Canada), the *Canada Education Savings Act* and any other applicable tax law in the Subscriber's province of residence;
- x) "Trustee" means Industrial Alliance Trust Inc.;

### EFFECTIVE DATE OF THE PLAN

The Effective Date of the Plan is the date of receipt of the first Contribution at the Promoter's head office. The Effective Date of the Plan serves as the starting point for computation of Plan anniversaries.

### CURRENCY

The Contributions and the amounts due in accordance with the Plan provisions are payable in legal Canadian currency.

### INVESTMENT

The Plan Property shall be invested and reinvested by the Promoter, in accordance with the Subscriber's directives. The directives shall be transmitted in a form that is satisfactory to the Promoter. In the absence of directives from the Subscriber regarding the investment of cash balances of Plan Property, the Promoter will fix the interest rate to be paid on cash balances and will pay the interest at such frequency as it may determine from time to time.

The Subscriber acknowledges that the Plan Property may be invested and reinvested by the Promoter in the investments of the Promoter or those of its affiliates.

Notwithstanding any provision contained in the Plan, the Promoter reserves the right to determine and modify the investments in which the Plan may be invested or reinvested, including, *inter alia*, investments which, in the Promoter's understanding, are not qualified under the provisions of the Tax Laws for trusts governed by registered education savings plans.

The Trustee may acquire only property that is a qualified investment under the provisions of the Tax Laws for trusts governed by registered education savings plans. When a property held by the Plan ceases to be such a qualified investment, the Trustee shall dispose of it within 60 days.

The Plan may not begin carrying on a business.

Where the Trustee holds property in connection with the Plan, it may not borrow money

for the purposes of the Plan, except where:

- i) the money is borrowed for a term not exceeding 90 days;
- ii) the money is not borrowed as part of a series of loans or other transactions and repayments; and
- iii) none of the property of the trust is used as security for the borrowed money.

#### OBJECT

The Plan Property (after the payment of trustee and administration charges) shall be irrevocably held by the Trustee for any of the following purposes:

- a) the payment of Educational Assistance Payments;
- b) the payment of Accumulated Income Payments;
- c) the Refund of Payments;
- d) the refund of the Canada Education Savings Grant;
- e) the refund of the Canada Learning Bond;
- f) the refund of a Designated provincial program grant;
- g) the payment to, or to a trust in favour of, a university, college or other educational institution designated by the lieutenant governor in council of a province as a specified educational institution under the *Canada Student Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, or designated, for the purposes of *An Act respecting financial assistance for education expenses*, R.S.Q. c. A-13.3, by the Minister of the Province of Quebec responsible for the administration of that Act;
- h) the payment to a trust that irrevocably holds property pursuant to a registered education savings plan for any of the purposes set out in paragraphs a) to g).

The Plan does not allow for the payment of an Educational Assistance Payment to a Plan Beneficiary unless:

- i) either
  - (A) the individual is, at that time, enrolled as a full-time or as a part-time student in a Qualifying Educational Program at a Post-Secondary Educational Institution;
  - or
  - (B) the individual is at least 16 years old and is enrolled as a part-time student in a Specified Educational Program at a Post-Secondary Educational Institution;
- and
- ii) either
  - (A) the individual has been enrolled in a Qualifying Educational Program for at least 13 consecutive weeks during the 12-month period prior to payment;
  - or
  - (B) the total of the Payment and all other Educational Assistance Payments made under the Plan to or for the individual in the 12-month period that ends at that time does not exceed those in force under class 146.1(2)(g.1)(ii)(A) and (B) of the *Income Tax Act* (Canada) or such greater amount as the Minister responsible for the application of the *Canada Education Savings Act* approves in writing with respect to the individual.

Notwithstanding the foregoing, the Plan may allow for the payment of an Educational Assistance Payment to or for an individual at any time in the six-month period immediately following the particular time at which the individual ceases to be enrolled as a student in a Qualifying Educational Program or a Specified Educational Program, as the case may be, if the Payment would have complied with the requirements as previously mentioned, had the Payment been made immediately before the particular time.

#### PROMOTER'S RESPONSIBILITY

The Promoter shall have ultimate responsibility for the Plan, including the responsibility for obtaining approval of the Plan specimen from the tax authorities and shall:

- a) forward an application for Plan registration for the purposes of the Tax Laws;
- b) collect the Contributions paid into the Plan;
- c) as authorized agent of the Trustee, make Canada Education Savings Grant, Canada Learning Bond, and Designated provincial program grant applications on behalf of the Plan;
- d) invest and reinvest the Plan Property as directed by the Subscriber;
- e) issue statements to the Subscriber as set out herein;
- f) furnish any information or notice required by the applicable Tax Laws to the Subscriber and the Plan Beneficiary;
- g) receive and carry out instructions received from the Subscriber;
- h) make payments out of the Plan in accordance with the terms hereof;
- i) deal, should the case arise, with the relevant tax administrations concerning the Plan or following amendments to the Plan terms;
- j) ensure compliance with all relevant provisions contained in the applicable Tax Laws;
- k) perform, from time to time, any other duty necessary to administer the Plan that is deemed appropriate by the Promoter and the Trustee.

Without waiving its responsibilities, the Promoter may retain the services of the Trustee or other authorized agents in respect of the administrative services concerning the Plan.

#### SUBSCRIBER'S ACCOUNT

The Promoter shall maintain an account for the Subscriber, in which the following information shall be recorded:

- a) the amount and the date of receipt of the Contributions paid into the Plan;
- b) the amount and the date of receipt of the Canada Education Savings Grant amounts paid into the Plan;
- c) the amount and the date of receipt of the Canada Learning Bond amounts paid into the Plan;
- d) the amount and the date of receipt of the Designated provincial program grant amounts paid into the Plan;
- e) the number and cost of investments acquired;
- f) the amount of income, dividends, capital gains and other earnings in respect of the Plan Property;
- g) the net value of the Plan Property;
- h) the applicable charges pursuant hereto;
- i) the amount and the date of payment as a refund of Contributions to the Subscriber or as an Accumulated Income Payment and any Canada Education Savings Grant, Canada Learning Bond or Designated provincial program grant refund;
- j) the amount and the date of payment to a Plan Beneficiary of an Educational Assistance Payment; and
- k) the amount and the date of any transaction effected hereunder through the maintenance of a register specifying the names and addresses of the recipients.

The Promoter undertakes to forward an annual statement to the Subscriber showing the balance of the Subscriber's account and the information herein above in accordance with the data existing on the statement date.

#### EDUCATIONAL ASSISTANCE PAYMENT (EAP) PLAN BENEFICIARY

The Subscriber shall not designate more than one individual as Plan Beneficiary. Any individual can be named as Plan Beneficiary, including the Subscriber or the Subscriber's spouse.

The Promoter shall, within 90 days after an individual becomes a Plan Beneficiary under the Plan, notify the individual (or his/her father, his/her mother or the Public Primary Caregiver if the individual is under 19 years of age at that time and ordinarily resides with his/her father, his/her mother or is under the responsibility of a Public Primary Caregiver), in writing, of the existence of the Plan and the name and address of the Subscriber. An application signed by a Subscriber who is also the Plan Beneficiary or by a Subscriber who is the father, the mother or the Public Primary Caregiver of a Plan Beneficiary who is under 19 years of age and ordinarily resides with his/her father, his/her mother or is under the responsibility of the Public Primary Caregiver shall be sufficient for such purpose.

An individual may be designated as a Plan Beneficiary under the Plan only if the individual's Social Insurance Number is provided to the Promoter before the designation is made and either:

- a) the individual is resident in Canada when the designation is made; or
- b) the designation is made in conjunction with a transfer of property into the Plan from another registered education savings plan under which the individual was a beneficiary immediately before the transfer.

#### CHANGE OF PLAN BENEFICIARY

The Subscriber may, at any time, change the designation of Plan Beneficiary made in the application. The Subscriber shall notify the Trustee of any such change by means of a written document containing the following particulars: the Plan reference number, the name, address and age of the new Plan Beneficiary and, where the new Plan Beneficiary is under 19 years of age, the address of one of the parents or the Plan Beneficiary's tutor. If the Trustee receives several such changes on the part of the Subscriber, the most recent change will prevail.

Any Contribution made in respect of the previous Plan Beneficiary will be deemed to have been paid in respect of the new Plan Beneficiary in his/her stead, except if:

- a) the new Plan Beneficiary had not turned 21 before such time and had the same mother or father as the previous Plan Beneficiary; or
- b) both beneficiaries were connected by blood relationship or adoption to an initial Plan Subscriber, and neither had turned 21 before such time.

Under any restriction under all applicable Tax Laws, if the new Plan Beneficiary is not the Brother or the Sister of the previous Plan Beneficiary:

- all the Designated provincial program grant amounts paid into the Plan must be returned to the provincial government;
- all the Canada Education Savings Grant amounts paid into the Plan must be returned to the federal government when an additional Canada Education Savings Grant amount was paid into the Plan.

When a Plan Beneficiary change is made, the Canada Learning Bond amounts paid into the Plan must be returned to the federal government. The designation of the new Plan Beneficiary shall comply with the applicable Tax Laws.

#### SUBSCRIBER CONTRIBUTIONS

The Plan does not allow for any Contributions into the Plan, other than Contributions made by or on behalf of the Subscriber under the Plan in respect of the Plan Beneficiary or Contributions made by way of transfer from another registered education savings plan.

The Plan does not allow for the receipt of property by way of direct transfer from another registered education savings plan after the other plan has made Accumulated Income Payments.

No contributions (except transfers from another education savings plan) may be made into the Plan by or on behalf of a Subscriber at any time starting from the 31st year following the year in which the Plan was entered into. In the event of any transfer of property held irrevocably by a trust governed by another registered education savings plan in favour of the Plan, no payments may be made into the Plan by or on behalf of a Subscriber after the 31st year following the year in which the first of the two plans came into force.

The Contributions may be made periodically or in lump-sum payments, subject to the rules of the Promoter and the Trustee. Transaction fees may be charged if a cheque or pre-authorized payment is not honoured when first presented.

A Contribution to the Plan in respect of an individual who is a Plan Beneficiary is permitted to be made, only if either:

- a) the individual's Social Insurance Number is provided to the Promoter before the Contribution is made and the individual is resident in Canada when the Contribution is made; or
- b) the Contribution is made by way of transfer from another registered education savings plan under which the individual was a beneficiary immediately before the transfer.

#### **CANADA EDUCATION SAVINGS GRANT**

Whenever the Plan is authorized to receive a Canada Education Savings Grant (CESG), the Promoter, as authorized agent of the Trustee, will apply for the Canada Education Savings Grant on behalf of the Subscriber and will take the measures required to ensure that such grant is paid into the Plan.

#### **CANADA LEARNING BOND**

Whenever the Plan is authorized to receive a Canada Learning Bond, the Promoter, as authorized agent of the Trustee, will apply for the Canada Learning Bond on behalf of the Subscriber and will take the measures required to ensure that such bond is paid into the Plan.

#### **DESIGNATED PROVINCIAL PROGRAM GRANT**

Whenever the Plan is authorized to receive a Designated provincial program grant, the Promoter, as authorized agent of the Trustee, will apply for the Designated provincial program grant on behalf of the Subscriber and will take the measures required to ensure that such grant is paid into the Plan.

#### **SUBSCRIBER'S RESPONSIBILITIES**

The Subscriber shall be responsible for:

- a) ensuring the accuracy of information furnished in respect of the Plan Beneficiary and for notifying the Promoter of any change in the information furnished;
- b) furnishing all the information required in the application and necessary for CESG administration pursuant to the applicable Tax Laws;
- c) solely ensuring compliance with the RESP Lifetime Limit that the Subscriber is authorized to pay into the Plan under the applicable Tax Laws. Being understood that a person may be designated as beneficiary of a registered education savings plan by more than one subscriber, any overpayments made on behalf of a Plan Beneficiary shall be established in accordance with the total amounts paid by the Subscriber(s). Should Contributions for a given Plan Beneficiary exceed the RESP Lifetime Limit, the Subscriber will be responsible for paying any income tax on the overpayments and for requesting a refund of the Contributions.

#### **TRANSFERS**

At all times before a payment is made under the "ACCUMULATED INCOME PAYMENTS" section of this Plan and following the Subscriber's written request in such regard, the Trustee will take the measures required to transfer all or part of the Plan Property (net of the applicable charges) to the carrier of another plan, in accordance with the Subscriber's request. The Promoter and the Trustee will provide the other plan carrier with all the relevant information held by them. The Promoter will take the measures required to sell or transfer the Plan investments in accordance with the written instructions received from the Subscriber. In the absence of satisfactory written instructions, the Promoter may take the measures required to sell or transfer any Plan investment, chosen at its sole discretion, in order to effect the transfer, and shall not be held liable for any contingent loss arising from such transfer. The transfer of Plan Property will be made subject to any limitation under the applicable Tax Laws or the Plan investment conditions.

#### **CONTRIBUTION, CANADA EDUCATION SAVINGS GRANT, CANADA LEARNING BOND AND DESIGNATED PROVINCIAL PROGRAM GRANT REFUNDS**

Upon receipt of a written notice in the form required by the Promoter and subject to the applicable Tax Laws, the Subscriber is entitled, at all times, to receive a refund of the Contributions he/she has made to the Plan or may request that the refund amount be paid to any person he/she indicates to the Promoter, to the extent that such amount does not exceed the Contributions previously paid into the Plan, net of the applicable charges and refunds previously made under this section. If Contributions that have given rise to a Canada Education Savings Grant are withdrawn by the Subscriber and no Plan Beneficiary is entitled to the Educational Assistance Payment, the Promoter shall refund to the federal government the Canada Education Savings Grant amount as determined in the *Canada Education Savings Act*.

If the Plan is terminated, if its registration is revoked or if Accumulated Income Payments are paid to an individual who is not the Plan Beneficiary, the Promoter may refund to the federal, or, if applicable, provincial government, the Canada Education Savings Grant amounts, the Canada Learning Bond amounts and the Designated provincial program grant amounts as determined in the *Canada Education Savings Act* or in any other applicable Tax Laws. The Promoter may also be required to refund a Canada Education Savings Grant, a Canada Learning Bond or a Designated provincial program grant in accordance with other circumstances set out in the applicable Tax Laws. In addition, if an individual who is the Plan Beneficiary is also the beneficiary of one or more other education savings plans and receives Canada Education Savings Grant, Canada Learning Bond or Designated provincial program grant amounts that exceed the maximum permitted by the applicable Tax Laws, the individual shall refund the amounts exceeding the authorized amount to the federal government or provincial government, where applicable.

In order to make such a refund, the Promoter will take the measures required to sell or transfer the Plan investments in accordance with the Subscriber's written instructions. In the absence of satisfactory written instructions, the Promoter may take the measures required to sell or transfer any Plan investment, chosen at its sole discretion, in order to make the refund, and shall not be held liable for any contingent loss arising from such refund. The refund will be made subject to any limitation under the applicable Tax Laws or the Plan investment conditions. When the refund is made, the Trustee shall have no other obligation or duty to the Subscriber in respect of the Plan Property sold to make the refund. The refund requested shall be made net of the following applicable charges:

- taxes and income taxes (including interest and penalties) claimed or claimable under the Plan;
- sales charges and other inherent charges;
- any amount that must be withheld by reason of the payment of income tax arising from the withdrawal of Plan funds.

#### **EDUCATIONAL ASSISTANCE PAYMENTS**

Upon receipt of a written notice from the Subscriber, in the form prescribed by the Promoter, the Promoter shall proceed with the sale of the necessary Plan investments in accordance with the Subscriber's written instructions to make Educational Assistance Payments to or on behalf of the Plan Beneficiary.

According to the formula prescribed under the Canada Education Savings Regulations, the Educational Assistance Payments will be made out of:

- the net accumulated income (including the capital appreciation) in the Plan;
- the Canada Education Savings Grant amounts;
- the Canada Learning Bond amounts; and
- the Designated provincial program grant amounts.

In accordance with the applicable Tax Laws, a portion of each Educational Assistance Payment may be attributable to a Canada Education Savings Grant, to a Canada Learning Bond or to a Designated provincial program grant paid to the Plan, and the total cannot exceed the maximum amount of Canada Education Savings Grant, Canada Learning Bond and Designated provincial program grant established in accordance with the terms of the Tax Laws. The Promoter shall adjust the Plan Beneficiary's register in respect of the administration of the Canada Education Savings Grant, the Canada Learning Bond and the Designated provincial program grant as required.

#### **ACCUMULATED INCOME PAYMENTS**

The Plan does not allow Accumulated Income Payments under the Plan unless, at the particular time an Accumulated Income Payment is made, all the following conditions are met:

- i) the Payment is made to a Subscriber, or on the behalf of the said Subscriber, who is a Canadian resident at the time the payment is made;
- ii) the Payment is not made jointly to more than one Subscriber or on the behalf of more than one Subscriber;
- iii) either
  - (A) the Payment is made after the 9th year that follows the year in which the Plan was entered into and each individual (except a deceased individual) who is or was a Plan Beneficiary has attained 21 years of age before the Payment and is not, at that time, eligible to receive an Educational Assistance Payment under the Plan;
  - (B) the Payment is made in the 35th year following the year in which the Plan was entered into;
  - (C) each individual who was a Plan Beneficiary under the Plan was deceased at the time the Payment is made.

The conditions set out in paragraph iii)A) will not apply where the Plan Beneficiary suffers from a severe and prolonged mental impairment that prevents, or can reasonably be expected to prevent, the Plan Beneficiary from enrolling in a Qualifying Educational Program or a Specified Educational Program at a Post-Secondary Educational Institution and if the Minister of National Revenue has waived the application thereof.

If, under the Plan, an Accumulated Income Payment is allowed and is made, the Plan must be terminated before March of the year following the year in which the first Accumulated Income Payment is made out of the Plan.

## PROOF

Before making a payment out of the Plan, the Promoter or the Trustee may ask the Subscriber to furnish such documents as it may deem necessary to determine whether such payment meets the Plan requirements. The decision of the Trustee or the Promoter on its behalf regarding the compliance of any payment in respect of such requirements and any applicable legislative provision will be final and binding on the Plan Beneficiary and the Subscriber.

## FEES AND CHARGES

The Promoter and the Trustee may apply reasonable fees and administration charges established from time to time in respect of the Plan to the refund of the reasonable disbursements and expenses incurred in the performance of their respective obligations pursuant hereto. Unless the Subscriber pays the fees and charges directly, the Promoter shall be entitled to deduct the unpaid charges, disbursements and expenses from the Plan Property other than amounts paid into the Plan as Canada Education Savings Grant, Canada Learning Bond or Designated provincial program grant. For such purposes, the Subscriber authorizes the Trustee and the Promoter to realize a sufficient portion of the Plan Property, which they may choose at their sole discretion. Neither the Promoter nor the Trustee shall be held liable for any contingent loss whatsoever following such transaction.

## PLAN AMENDMENT

The Promoter may amend the Plan provided that the amendment in question does not modify the nature of the Plan as a registered education savings plan for tax purposes and subject to the approval of the relevant authorities pursuant to the applicable Tax Laws, as the case may be. Any amendment made to the Plan shall take effect 30 days after the sending of a prior written notice to such effect addressed to the Subscriber, by the Trustee or the Promoter.

## PLAN TERMINATION DATE

The Plan shall terminate on the last day of the 35th year in which the Plan was entered into.

In the event of the transfer of property irrevocably held by a trust governed by another registered education savings plan in favour of the Plan, the Plan shall terminate on the last day of the 35th year following the year during which the first of the two plans came into force.

The Promoter shall notify the Subscriber in writing of the termination no later than six months before the termination date.

In the event that the Plan is terminated, the Plan Property shall be used for any of the following purposes:

- a) the payment of Educational Assistance Payments;
- b) the payment of Accumulated Income Payments;
- c) the Refund of Payments;
- d) the refund of the Canada Education Savings Grant;
- e) the refund of the Canada Learning Bond;
- f) the refund of the Designated provincial program grant;
- g) the payment to, or to a trust in favour of, a university, college or other educational institution designated by the lieutenant governor in council of a province as a specified educational institution under the *Canada Student Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, or designated, for the purposes of *An Act respecting financial assistance for education expenses*, R.S.Q. c. A-13.3, by the Minister of the Province of Quebec responsible for the administration of that Act; or
- h) the payment to a trust that irrevocably holds property pursuant to a registered education savings plan for any of the purposes set out in paragraphs a) to g).

The Promoter shall take the measures required to sell or transfer Plan investments in accordance with the written instructions received from the Subscriber. All the applicable charges and any Canada Education Savings Grants, Canada Learning Bonds or Designated provincial program grants that are required to be refunded by the Plan will be deducted from the payments made hereunder. In the absence of instructions and under any applicable Tax Laws, all Plan Property shall be returned to the Subscriber upon termination of the Plan.



Denis Ricard  
President and Chief Executive Officer

## LIMITS OF LIABILITY

Neither the Promoter nor the Trustee shall, in the performance of its duties, be held liable for the following:

- a) income taxes, interest or penalties that may be claimed under the applicable Tax Laws in respect of the Plan;
- b) charges levied or imposed by the government authorities arising from payments made out of the Plan or the purchase, sale or maintenance of investments in the Plan; and
- c) costs inherent to the performance of their respective duties in accordance with the provisions of this agreement and the applicable Tax Laws.

To pay such income taxes, interest, penalties or charges, or to be refunded the charges in respect of such payment, the Trustee may draw on the Plan Property (other than grant amounts paid) either in whole or in part and at its discretion. The Promoter may act in the same manner and shall authorize the Trustee to reimburse it accordingly.

The Subscriber, its assigns, testamentary executors and legal representatives or the Plan Beneficiary shall, at all times, indemnify the Trustee and the Promoter for all income taxes, interest, penalties or charges claimed under the Plan, expenses incurred in the performance of their respective duties hereunder or any loss affecting the Plan, with the exception of losses for which the Trustee or the Promoter is held liable pursuant to this section.

Moreover, neither the Promoter nor the Trustee shall be held liable for the losses and damages sustained or recorded by the Plan, the Subscriber or any Plan Beneficiary, except in the case of dishonesty, bad faith or gross negligence.

## ASSIGNMENT BY PROMOTER

The Promoter may assign its rights and obligations hereunder to any corporation established in Canada, provided that such corporation signs an agreement to assume the rights and obligations under the terms of the Plan, and provided that an assignment of this Plan shall not be valid without the prior written consent of the Trustee, which consent shall not be refused abusively.

## CHANGE DURING THE SUBSCRIBER'S LIFETIME

Only the spouse or former spouse of the initial Subscriber may be considered to be the new Plan Subscriber if such spouse or former spouse acquires the rights of the initial Subscriber following a court order or a written agreement to partition property between two individuals following the breakdown of their marriage or their common-law relationship. However, if the initial Subscriber is a Public Primary Caregiver, any other individual or Public Primary Caregiver may be considered as the new Subscriber if he/she acquires the rights of the initial Subscriber following a written agreement.

## SUBSCRIBER'S DEATH

If the Subscriber dies before the Plan terminates, the Subscriber's heirs, administrators, testamentary executors and other legal representatives shall be bound by the terms hereof. For a joint subscription, if either of the Subscribers dies, the survivor becomes the sole Plan Subscriber.

## REPLACEMENT OF TRUSTEE

The Trustee may resign its office by forwarding a 90-day prior written notice to the Promoter, and the Promoter may remove the Trustee from office upon a 30-day prior written notice. Such resignation or removal shall come into force on the date of replacement of the Trustee by the Promoter. If the Promoter fails to appoint a replacement Trustee within 60 days following its receipt of a resignation notice, the Trustee may itself appoint its own successor. The new trustee shall have the same powers, rights and obligations as the former Trustee, provided that the former Trustee or its successor, as the case may be, signs and delivers to the new trustee all instruments translatable of property, transfer acts or other assurances necessary or desirable to give effect to its appointment. Any replacement trustee shall be approved by the Canada Revenue Agency (CRA) and be a corporation resident in Canada authorized under the laws of the province of residence of the Subscriber to exercise the duties and responsibilities of Trustee in respect of the Plan. The replacement Trustee shall give notice of its appointment to the Subscriber immediately upon becoming the replacement Trustee under the Plan.

Any corporation amalgamating with the Trustee or any corporation resulting from such an amalgamation shall be authorized by law to act as trustee for this Plan without any requirement to sign another document. Thereafter, the term "Trustee" shall also designate such corporation in connection with this Plan.



Renée Laflamme  
Executive Vice President  
Individual Insurance, Savings and Retirement

# MY EDUCATION+

## FAMILY EDUCATION SAVINGS PLAN

The Subscriber's application in respect of this Plan and the following terms constitute a contract between Industrial Alliance Trust Inc. (the "Trustee"), Industrial Alliance Insurance and Financial Services Inc. (the "Promoter"), and the Subscriber designated in the application under which the Promoter agrees to pay or cause to be paid Educational Assistance Payments to or for the Plan Beneficiary(ies).

### DEFINITIONS

In this Plan, unless otherwise indicated by the context:

- a) "Accumulated Income Payment" means an amount paid pursuant to the Plan, other than:
  - i) Educational Assistance Payments;
  - ii) refunds of Payments;
  - iii) refunds of Canada Education Savings Grants;
  - iv) refunds of Canada Learning Bonds;
  - v) refunds of Designated provincial program grant Grants;
  - vi) payments made to an institution listed in paragraph (i) of the definition of Designated Educational Institutions in Canada;
  - vii) payments made to a trust that irrevocably holds property pursuant to a registered education savings plan for any of the purposes set out in paragraphs i) to vi);to the extent that the amount so paid exceeds the fair market value of any consideration given to the Plan for the payment of the amount;
- b) "Brother" means a person as defined in the *Canada Education Savings Act* or as defined in any other applicable Tax Laws;
- c) "*Canada Education Savings Act*" is the abbreviated title of the Act that provides financial assistance for post-secondary education savings and the regulations adopted under this Act, as they are modified from time to time;
- d) "Canada Education Savings Grant" means the Canada Education Savings Grant as defined in the *Canada Education Savings Act*, paid into the Plan by the federal government on behalf of a Beneficiary;
- e) "Canada Learning Bond" means the Canada Learning Bond as defined in the *Canada Education Savings Act*. Subject to any restrictions of the applicable Tax Laws, the Canada Learning Bond is paid into the Plan on behalf of a Beneficiary;
- f) "Contribution" means a contribution to an education savings plan that does not include an amount paid into the Plan under or because of
  - a) the *Canada Education Savings Act* or a Designated provincial program, or
  - b) any other program that has a similar purpose to a Designated provincial program and that is funded, directly or indirectly, by a province (other than an amount paid into the Plan by a public primary caregiver in its capacity as Subscriber under the Plan);
- g) "Designated Educational Institution in Canada" means an educational institution in Canada that is:
  - i) a university, college or other educational institution designated by the lieutenant governor in council of a province as a specified educational institution under the *Canada Student Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, or designated, for the purposes of *An Act respecting financial assistance for education expenses*, R.S.Q. c. A-13.3, by the Minister of the Province of Quebec responsible for the administration of that Act, or
  - ii) certified by the Minister of Employment and Social Development to be an educational institution providing courses, other than courses designed for university credit, that furnish a person with skills for, or improve a person's skills in, an occupation;
- h) "Designated provincial program" means
  - a) a program administered pursuant to an agreement entered into under section 12 of the *Canada Education Savings Act*, or
  - b) a program established under the laws of a province to encourage the financing of children's post-secondary education through savings in registered education savings plans.
- i) "Educational Assistance Payment" means any amount, other than a Refund of Payments, paid out of the Plan to or for a Beneficiary to assist the Beneficiary to further the Beneficiary's education at a post-secondary school level;
- j) "*Income Tax Act*" means the *Income Tax Act* (Canada) and the regulations adopted thereunder, as amended from time to time;
- k) "Plan" means the My Education+ Family Education Savings Plan of Industrial Alliance Insurance and Financial Services Inc. established in accordance with the terms and conditions set out in the application and herein;
- l) "Plan Beneficiary" means any eligible person designated in the application by the Subscriber to whom or on whose behalf an Educational Assistance Payment under the Plan is agreed to be paid if the person qualifies under the Plan;
- m) "Plan Property" means all property of any nature whatsoever of which the Plan is composed, including the Plan Contributions, the Canada Education Savings Grant amounts, the Canada Learning Bond amounts, if any, the Designated provincial program grant amounts, if any, as well as any income, capital gains and other earnings of any nature whatsoever, generated or realized in connection with the Plan administration;

- n) "Post-Secondary Educational Institution" means:
  - i) a Designated Educational Institution in Canada; or
  - ii) an educational institution outside Canada that provides courses at a post-secondary school level and that is
    - (1) a university, college or other educational institution at which the Plan Beneficiary was enrolled in a course of not less than 13 consecutive weeks, or
    - (2) a university at which the Plan Beneficiary was enrolled on a full-time basis in a course of not less than three consecutive weeks;
- o) "Promoter" means Industrial Alliance Insurance and Financial Services Inc.;
- p) "Public Primary Caregiver" means a department, agency or institution that receives a special allowance payable under the *Children's Special Allowances Act* of Canada on behalf of the Beneficiaries;
- q) "Qualifying Educational Program" means a program of no less than three consecutive weeks' duration that requires that each student taking the program spend no less than 10 hours per week on courses or work in the program and, in respect of a program at a Designated Educational Institution in Canada which is a program at a post-secondary school level;
- r) "Refund of Payments" means
  - i) a refund of a Contribution that had been made at a previous time, if the contribution was made otherwise than by way of a transfer from another registered education savings plan and had been paid into the Plan by or on behalf of the Subscriber; and
  - ii) a refund of an amount that was paid at a previous time into the Plan by way of a transfer from another registered education savings plan, where the amount would have been a refund of payments under the other plan if it had been paid at the previous time directly to the subscriber under the other plan;
- s) "RESP Lifetime Limit" means \$50,000 for each Beneficiary or any other amount set out in the Tax Laws;
- t) "Sister" means a person as defined in the *Canada Education Savings Act* or in any other applicable Tax Laws;
- u) "Specified Educational Program" is a program at post-secondary school level that lasts at least three consecutive weeks, and that requires a student to spend no less than 12 hours per month on courses in the program and, for a program at a Designated Educational Institution in Canada;
- v) "Subscriber" means:
  - i) any individual or Public Primary Caregiver indicated as the Subscriber on the application, provided that joint subscribers, if any, are spouses or common-law partners;
  - ii) any other individual as defined in the *Income Tax Act*.In this Plan, "Subscriber" includes any joint subscriber if one has been named on the application.
- w) "Tax Laws" means any tax laws applicable within the meaning of the *Income Tax Act*, the *Canada Education Savings Act*, and any other applicable tax law in the Subscriber's province of residence;
- x) "Trustee" means Industrial Alliance Trust Inc.;

### EFFECTIVE DATE OF THE PLAN

The Effective Date of the Plan is the date of receipt of the first Contribution at the Promoter's head office. The Effective Date of the Plan serves as the starting point for computation of Plan anniversaries.

### CURRENCY

The Contributions and the amounts due in accordance with the Plan provisions are payable in legal Canadian currency.

### INVESTMENT

The Plan Property shall be invested and reinvested by the Promoter, in accordance with the Subscriber's directives. The directives shall be transmitted in a form that is satisfactory to the Promoter. In the absence of directives from the Subscriber regarding the investment of cash balances of Plan Property, the Promoter will fix the interest rate to be paid on cash balances and will pay the interest at such frequency as it may determine from time to time.

The Subscriber acknowledges that the Plan Property may be invested and reinvested by the Promoter in the investments of the Promoter or those of its affiliates.

Notwithstanding any provision contained in the Plan, the Promoter reserves the right to determine and modify the investments in which the Plan may be invested or reinvested, including, *inter alia*, investments which, in the Promoter's understanding, are not qualified under the provisions of the Tax Laws for trusts governed by registered education savings plans.



The Trustee may acquire only property that is a qualified investment under the provisions of the Tax Laws for trusts governed by registered education savings plans. When a property held by the Plan ceases to be such a qualified investment, the Trustee shall dispose of it within 60 days.

The Plan may not begin carrying on a business.

Where the Trustee holds property in connection with the Plan, it may not borrow money for the purposes of the Plan, except where:

- i) the money is borrowed for a term not exceeding 90 days;
- ii) the money is not borrowed as part of a series of loans or other transactions and repayments; and
- iii) none of the property of the trust is used as security for the borrowed money.

#### OBJECT

The Plan Property (after the payment of trustee and administration charges) shall be irrevocably held by the Trustee for any of the following purposes:

- a) the payment of Educational Assistance Payments;
- b) the payment of Accumulated Income Payments;
- c) the refund of Payments;
- d) the refund of the Canada Education Savings Grant;
- e) the refund of the Canada Learning Bond;
- f) the refund of the Designated provincial program grant;
- g) the payment to, or to a trust in favour of, a university, college or other educational institution designated by the lieutenant governor in council of a province as a specified educational institution under the *Canada Student Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, or designated, for the purposes of *An Act respecting financial assistance for education expenses*, R.S.Q. c. A-13.3, by the Minister of the Province of Quebec responsible for the administration of that Act;
- h) the payment to a trust that irrevocably holds property pursuant to a registered education savings plan for any of the purposes set out in paragraphs a) to g).

The Plan does not allow for the payment of an Educational Assistance Payment to an individual unless:

- i) either
  - (A) the individual is, at that time, enrolled as a full-time or as a part-time student in a Qualifying Educational Program at a Post-Secondary Educational Institution;or
  - (B) the individual is at least 16 years old and is enrolled as a part-time student in a Specified Educational Program at a Post-Secondary Educational Institution;
- and
- ii) either
  - (A) the individual has been enrolled in a Qualifying Educational Program for at least 13 consecutive weeks during the 12-month period prior to payment;or
  - (B) the total of the Payment and all other Educational Assistance Payments made under the Plan to or for the individual in the 12-month period that ends at that time does not exceed those in force under class 146.1(2)(g.1)(ii)(A) and (B) of the *Income Tax Act* (Canada) or such greater amount as the Minister responsible for the application of the *Canada Education Savings Act* approves in writing with respect to the individual.

Notwithstanding the foregoing, the Plan may allow for the payment of an Educational Assistance Payment to or for an individual at any time in the six-month period immediately following the particular time at which the individual ceases to be enrolled as a student in a Qualifying Educational Program or a Specified Educational Program, as the case may be, if the Payment would have complied with the requirements as previously mentioned, had the Payment been made immediately before the particular time.

#### PROMOTER'S RESPONSIBILITY

The Promoter shall have ultimate responsibility for the Plan, including the responsibility for obtaining approval of the Plan specimen from the tax authorities and shall:

- a) forward an application for Plan registration for the purposes of the Tax Laws;
- b) collect the Contributions paid into the Plan;
- c) as authorized of the Trustee, make Canada Education Savings Grant, Canada Learning Bond, and Designated provincial program grant applications on behalf of the Plan;
- d) invest and reinvest the Plan Property as directed by the Subscriber;
- e) issue statements to the Subscriber as set out herein;
- f) furnish any information or notice required by the applicable Tax Laws to the Subscriber and to each Beneficiary;
- g) receive and carry out instructions received from the Subscriber;
- h) make payments out of the Plan in accordance with the terms hereof;
- i) deal, should the case arise, with the relevant tax administrations concerning the Plan or following amendments to the Plan terms;
- j) ensure compliance with all relevant provisions contained in the applicable Tax Laws;
- k) perform, from time to time, any other duty necessary to administer the Plan that is deemed appropriate by the Promoter and the Trustee.

Without waiving its responsibilities, the Promoter may retain the services of the Trustee or other authorized agents in respect of the administrative services concerning the Plan.

#### SUBSCRIBER'S ACCOUNT

The Promoter shall maintain an account for the Subscriber, in which the following information shall be recorded:

- a) the amount and the date of receipt of the Contributions paid into the Plan;
- b) the amount and the date of receipt of the Canada Education Savings Grant amounts paid into the Plan;
- c) the amount and the date of receipt of the Canada Learning Bond amounts paid into the Plan;
- d) the amount and the date of receipt of the Designated provincial program grant amounts paid into the Plan;
- e) the number and cost of investments acquired;
- f) the amount of income, dividends, capital gains and other earnings in respect of the Plan Property;
- g) the net value of the Plan Property;
- h) the charges applicable pursuant hereto;
- i) the amount and the date of payment as a refund of Contributions to the Subscriber or as an Accumulated Income Payment and any Canada Education Savings Grant, Canada Learning Bond or Designated provincial program grant refund;
- j) the amount and the date of payment to a Plan Beneficiary of an Educational Assistance Payment; and
- k) the amount and the date of any transaction effected hereunder through the maintenance of a register specifying the names and addresses of the recipients.

The Promoter undertakes to forward an annual statement to the Subscriber showing the balance of the Subscriber's account and the information herein above in accordance with the data existing on the statement date.

#### EDUCATIONAL ASSISTANCE PAYMENT (EAP) PLAN BENEFICIARY

As required in the application, the Subscriber must designate one or more persons as Plan Beneficiary. Each Plan Beneficiary must be 21 years of age or under upon subscription. The Subscriber cannot name himself/herself as Plan Beneficiary. Each Plan Beneficiary under the Plan is required to be connected to each living Subscriber under the Plan, or to have been connected to a deceased original Subscriber under the Plan, by blood or adoption.

The Promoter shall, within 90 days after an individual becomes a Plan Beneficiary under the Plan, notify the individual (or his /her father, his/her mother or the Public Primary Caregiver if the individual is under 19 years of age at that time and ordinarily resides with his/her father, his/her mother or he/she is under the responsibility of a Public Primary Caregiver) in writing of the existence of the Plan and the name and address of the Subscriber. An application signed by a Subscriber who is the father, the mother or the Public Primary Caregiver of a Plan Beneficiary who is under 19 years of age and ordinarily resides with his/her father, his/her mother or is under the responsibility of the Public Primary Caregiver, shall be sufficient for such purpose.

An individual may be designated as a Plan Beneficiary under the Plan only if the individual's Social Insurance Number is provided to the Promoter before the designation is made and either:

- a) the individual is resident in Canada when the designation is made; or
- b) the designation is made in conjunction with a transfer of property into the Plan from another registered education savings plan under which the individual was a beneficiary immediately before the transfer.

#### ADDITION OF BENEFICIARY

The Subscriber may, at any time, add a Beneficiary to the Plan. The Subscriber shall notify the Trustee by means of a written document containing the following particulars: the Plan reference number, the name, address and age of the new Plan Beneficiary and, where the new Plan Beneficiary is under 19 years of age, the address of one of the parents or the Beneficiary's tutor.

An individual is permitted to become a Beneficiary under the Plan at any particular time only if:

- a) the individual had not turned 21 years old before the time in question; or
- b) the individual was, immediately before the time in question, a beneficiary under another registered education savings plan that allows more than one beneficiary at this time.

Under any restriction under all applicable Tax Laws, if the new Plan Beneficiary is not the Brother or the Sister of the beneficiaries:

- all the Canada Learning Bond and the Designated provincial program grant amounts paid into the Plan must be returned to the federal or provincial government;
- all the Canada Education Savings Grant amounts paid into the Plan must be returned to the federal government when an additional Canada Education Savings Grant amount was paid into the Plan.

The designation of the new Plan Beneficiary shall comply with the applicable Tax Laws.

#### SUBSCRIBER CONTRIBUTIONS

The Plan does not allow for any Contributions into the Plan, other than Contributions made by or on behalf of the Subscriber in respect of a Plan Beneficiary or Contributions made by way of transfer from another registered education savings plan.

The Plan does not allow for the receipt of property by way of direct transfer from another registered education savings plan after the other plan has made Accumulated Income Payments.

No contributions (except transfers from another education savings plan) may be made into the Plan by or on behalf of a Subscriber at any time starting from the 31st year following the year in which the Plan was entered into. In the event of any transfer of property held irrevocably by a trust governed by another registered education savings plan in favour of the Plan, no payments may be made into the Plan by or on behalf of a Subscriber after the 31st year following the year in which the first of the two plans came into force.

The Plan provides that a Contribution to the Plan in respect of an individual who is a Beneficiary under the Plan is permitted to be made only if:

- i) The beneficiary has not attained 31 years of age before the contribution is made; or
- ii) The contribution is made by way of transfer from another registered family education saving plan.

The Contributions may be made periodically or in lump-sum payments, subject to the rules of the Promoter and the Trustee. Transaction fees may be charged if a cheque or pre-authorized payment is not honoured when first presented.

A Contribution to the Plan in respect of an individual who is a Plan Beneficiary is permitted to be made, only if either:

- a) the individual's Social Insurance Number is provided to the Promoter before the Contribution is made and the individual is resident in Canada when the Contribution is made; or
- b) the Contribution is made by way of transfer from another registered education savings plan under which the individual was a beneficiary immediately before the transfer.

#### **CANADA EDUCATION SAVINGS GRANT**

Whenever the Plan is authorized to receive a Canada Education Savings Grant (CESG), the Promoter, as authorized agent of the Trustee, will apply for the Canada Education Savings Grant on behalf of the Subscriber and will take the measures required to ensure that such grant is paid into the Plan. In order to receive additional Canada Education Savings Grants in the Plan and under the *Canada Education Savings Act*, all Beneficiaries of the Plan must be Brothers or Sisters.

#### **CANADA LEARNING BOND**

Whenever the Plan is authorized to receive a Canada Learning Bond, the Promoter, as authorized agent of the Trustee, will apply for the Canada Learning Bond on behalf of the Subscriber and will take the measures required to ensure that such bond is paid into the Plan. In order to receive additional Canada Learning Bonds in the Plan and under the *Canada Education Savings Act*, all Beneficiaries of the Plan must be Brothers or Sisters.

#### **DESIGNATED PROVINCIAL PROGRAM GRANT**

Whenever the Plan is authorized to receive a Designated provincial program grant, the Promoter, as authorized agent of the Trustee, will apply for the Designated provincial program grant on behalf of the Subscriber and will take the measures required to ensure that such grant is paid into the Plan. For some Designated provincial programs, in order to receive the grant in the Plan and under the applicable provincial legislations, all Beneficiaries under the Plan must be Brothers or Sisters.

#### **SUBSCRIBER'S RESPONSIBILITIES**

The Subscriber shall be responsible for:

- a) ensuring the accuracy of information furnished in respect of the Plan Beneficiary and for notifying the Promoter of any change in the information furnished;
- b) furnishing all the information required in the application and necessary for CESG grant administration pursuant to the applicable Tax Laws;
- c) solely ensuring compliance with the RESP Lifetime Limit that the Subscriber is authorized to pay into the Plan under the applicable Tax Laws. Being understood that a person may be designated as beneficiary of a registered education savings plan by more than one subscriber, any overpayments made on behalf of a Plan Beneficiary shall be established in accordance with the total amounts paid by the Subscriber(s). Should Contributions for a given Plan Beneficiary exceed the RESP Lifetime Limit, the Subscriber will be responsible for paying any income tax on the overpayments and for requesting a refund of the Contributions.

#### **TRANSFERS**

At all times before a payment is made under the "ACCUMULATED INCOME PAYMENTS" section of this Plan and following the Subscriber's written request in such regard, the Trustee will take the measures required to transfer all or part of the Plan Property (net of the applicable charges) to the carrier of another plan, in accordance with the Subscriber's request. The Promoter and the Trustee will provide the other plan carrier with all the relevant information held by them. The Promoter will take the measures required to sell or transfer the Plan investments in accordance with the written instructions received from the Subscriber. In the absence of satisfactory written instructions, the Promoter may take the measures required to sell or transfer any Plan investment, chosen at its sole discretion, in order to effect the transfer, and shall not be held liable for any contingent loss arising from such transfer. The transfer of Plan Property will be made subject to any limitation under the applicable Tax Laws or the Plan investment conditions.

#### **CONTRIBUTION, CANADA EDUCATION SAVINGS GRANT, CANADA LEARNING BOND AND DESIGNATED PROVINCIAL PROGRAM GRANT REFUNDS**

Upon receipt of a written notice in the form required by the Promoter and subject to the applicable Tax Laws, the Subscriber is entitled, at all times, to receive a refund of the Contributions he/she has made to the Plan or may request that the refund amount be paid to any person he/she indicates to the Promoter, to the extent that such amount does not exceed the Contributions previously paid into the Plan, net of the applicable charges and refunds previously made under this section. If Contributions that have given rise to a Canada Education Savings Grant are withdrawn by the Subscriber and no Plan Beneficiary is entitled to the Educational Assistance Payment, the Promoter shall refund to the federal government the Canada Education Savings Grant amount as determined in the *Canada Education Savings Act*.

If the Plan is terminated, if its registration is revoked or if Accumulated Income Payments are made to an individual who is not a Plan Beneficiary, the Promoter may refund to the federal or, if applicable, provincial government, the Canada Education Savings Grants amounts, the Canada Learning Bonds amounts and the Designated provincial program grants amounts as determined in the *Canada Education Savings Act* or in any other applicable Tax Laws. The Promoter may also be required to refund a Canada Education Savings Grant, a Canada Learning Bond or a Designated provincial program grant in accordance with other circumstances set out in the applicable Tax Laws. In addition, if an individual who is the Plan Beneficiary is also the beneficiary of one or more other education savings plans and receives Canada Education Savings Grant, Canada Learning Bond or Designated provincial program grant amounts that exceed the maximum permitted by the applicable Tax Laws, the individual shall refund the amounts exceeding the authorized amount to the federal or provincial government, where applicable.

In order to make such a refund, the Promoter will take the measures required to sell or transfer the Plan investments in accordance with the Subscriber's written instructions. In the absence of satisfactory written instructions, the Promoter may take the measures required to sell or transfer any Plan investment, chosen at its sole discretion, in order to make the refund, and shall not be held liable for any contingent loss arising from such refund. The refund will be made subject to any limitation under the applicable Tax Laws or the Plan investment conditions. When the refund is made, the Trustee shall have no other obligation or duty to the Subscriber in respect of the

Plan Property sold to make the refund. The requested refund shall be made net of the following applicable charges:

- taxes and income taxes (including interest and penalties) claimed or claimable under the Plan;
- sales charges and other inherent charges;
- any amount that must be withheld by reason of the payment of income tax arising from the withdrawal of Plan funds.

#### **EDUCATIONAL ASSISTANCE PAYMENTS**

Upon receipt of a written notice from the Subscriber, in the form prescribed by the Promoter, the Promoter shall proceed with the sale of the necessary Plan investments in accordance with the Subscriber's written instructions to make Educational Assistance Payments to or on behalf of a Plan Beneficiary.

According to the formula prescribed under the *Canada Education Savings Regulations*, the Educational Assistance Payments will be made out of:

- the net accumulated income (including the capital appreciation) in the Plan;
- the Canada Education Savings Grant amounts;
- the Canada Learning Bond amounts; and
- the Designated provincial program grant amounts.

In accordance with the applicable Tax Laws, a portion of each Educational Assistance Payment may be attributable to a Canada Education Savings Grant, to a Canada Learning Bond or to a Designated provincial program grant paid to the Plan, and the total cannot exceed the maximum amount of Canada Education Savings Grant, Canada Learning Bond and Designated provincial program grant established in accordance with the terms of the Tax Laws. The Promoter shall adjust the Plan Beneficiary's register in respect of the administration of the Canada Education Savings Grant, the Canada Learning Bond and the Designated provincial program grant as required.

#### **ACCUMULATED INCOME PAYMENTS**

The Plan does not allow Accumulated Income Payments under the Plan unless at the particular time an Accumulated Income Payment is made, all the following conditions are met:

- i) the Payment is made to a Subscriber, or on behalf of the said Subscriber, who is a Canadian resident at the time the Payment is made;
- ii) Payment is not made jointly to more than one Subscriber or on behalf of more than one Subscriber;
- iii) either
  - (A) the Payment is made after the 9th year that follows the year in which the Plan was entered into and each individual (except a deceased individual) who is or was a Plan Beneficiary has attained 21 years of age before the Payment and is not, at that time, eligible to receive an Educational Assistance Payment under the Plan;
  - (B) the Payment is made in the 35th year following the year in which the Plan was entered into;
  - (C) each individual who was a Plan Beneficiary under the Plan was deceased at the time the Payment is made.

The conditions set out in paragraph iii)A) will not apply where the Plan Beneficiary suffers from a severe and prolonged mental impairment that prevents, or can reasonably be expected to prevent, the Plan Beneficiary from enrolling in a Qualifying Educational Program or a Specified Educational Program at a Post-Secondary Educational Institution and if the Minister of National Revenue has waived the application thereof.

If, under the Plan, an Accumulated Income Payment is allowed and is made, the Plan must be terminated before March of the year following the year in which the first Accumulated Income Payment is made out of the Plan.

#### PROOF

Before making a payment out of the Plan, the Promoter or the Trustee may ask the Subscriber to furnish such documents as it may deem necessary to determine whether such payment met the Plan requirements. The decision of the Trustee or the Promoter on its behalf regarding the compliance of any payment in respect of such requirements and any applicable legislative provision will be final and binding on the Plan Beneficiary and the Subscriber.

#### FEES AND CHARGES

The Promoter and the Trustee may apply reasonable fees and administration charges established from time to time in respect of the Plan to the refund of the reasonable disbursements and expenses incurred in the performance of their respective obligations pursuant hereto. Unless the Subscriber pays the fees and charges directly, the Promoter shall be entitled to deduct the unpaid charges, disbursements and expenses from the Plan Property, other than amounts paid into the Plan as Canada Education Savings Grant, Canada Learning Bond or Designated provincial program grant. For such purposes, the Subscriber authorizes the Trustee and the Promoter to realize a sufficient portion of the Plan Property, which they may choose at their sole discretion. Neither the Promoter nor the Trustee shall be held liable for any contingent loss whatsoever following such transaction.

#### PLAN AMENDMENT

The Promoter may amend the Plan provided that the amendment in question does not modify the nature of the Plan as a registered education savings plan for tax purposes and subject to the approval of the relevant authorities pursuant to the applicable Tax Laws, as the case may be. Any amendment made to the Plan shall take effect 30 days after the sending of a prior written notice to such effect addressed to the Subscriber, by the Trustee or the Promoter.

#### PLAN TERMINATION DATE

The Plan shall terminate on the last day of the 35th year in which the Plan was entered into.

In the event of the transfer of property irrevocably held by a trust governed by another registered education savings plan in favour of the Plan, the Plan shall terminate on the last day of the 35th year following the year during which the first of the two plans came into force.

The Promoter shall notify the Subscriber in writing of the termination no later than six months before the termination date.

In the event that the Plan is terminated, the Plan Property shall be used for any of the following purposes:

- a) the payment of Educational Assistance Payments;
- b) the payment of Accumulated Income Payments;
- c) the Refund of Payments;
- d) the refund of the Canada Education Savings Grant;
- e) the refund of the Canada Learning Bond;
- f) the refund of the Designated provincial program grant;
- g) the payment to, or to a trust in favour of, a university, college or other educational institution designated by the lieutenant governor in council of a province as a specified educational institution under the *Canada Student Loans Act*, designated by an appropriate authority under the *Canada Student Financial Assistance Act*, or designated, for the purposes of An Act respecting financial assistance for education expenses, R.S.Q. c. A-13.3, by the Minister of the Province of Quebec responsible for the administration of that Act; or
- h) the payment to a trust that irrevocably holds property pursuant to a registered education savings plan for any of the purposes set out in paragraphs a) to g).

The Promoter shall take the measures required to sell or transfer Plan investments in accordance with the written instructions received from the Subscriber. All the applicable charges and any Canada Education Savings Grants, Canada Learning Bonds or Designated provincial program grants that are required to be refunded by the Plan will be deducted from the payments made hereunder. In the absence of instructions and

under any applicable Tax Laws, all Plan Property shall be returned to the Subscriber upon termination of the Plan.

#### LIMITS OF LIABILITY

Neither the Promoter nor the Trustee shall, in the performance of its duties, be held liable for the following:

- a) income taxes, interest or penalties that may be claimed under the applicable Tax Laws in respect of the Plan;
- b) charges levied or imposed by the government authorities arising from payments made out of the Plan or the purchase, sale or maintenance of investments in the Plan; and
- c) costs inherent to the performance of their respective duties in accordance with the provisions of this agreement and the applicable Tax Laws.

To pay such income taxes, interest, penalties, or charges, or to be refunded the charges in respect of such payment, the Trustee may draw on the Plan Property (other than grant amounts paid) either in whole or in part and at its discretion. The Promoter may act in the same manner and shall authorize the Trustee to reimburse it accordingly.

The Subscriber, its assigns, testamentary executors and legal representatives or the Plan Beneficiary shall, at all times, indemnify the Trustee and the Promoter for all income taxes, interest, penalties, or charges claimed under the Plan, expenses incurred in the performance of their respective duties hereunder or any loss affecting the Plan, with the exception of losses for which the Trustee or the Promoter is held liable pursuant to this section.

Moreover, neither the Promoter nor the Trustee shall be held liable for the losses and damages sustained or recorded by the Plan, the Subscriber or any Plan Beneficiary, except in the case of dishonesty, bad faith or gross negligence.

#### ASSIGNMENT BY PROMOTER

The Promoter may assign its rights and obligations hereunder to any corporation established in Canada, provided that such corporation signs an agreement to assume the rights and obligations under the terms of the Plan, and provided that an assignment of this Plan shall not be valid without the prior written consent of the Trustee, which consent shall not be refused abusively.

#### CHANGE DURING THE SUBSCRIBER'S LIFETIME

Only the spouse or former spouse of the initial Subscriber may be considered to be the new Plan Subscriber if such spouse or former spouse acquires the rights of the initial Subscriber following a court order or a written agreement to partition property between two individuals following the breakdown of their marriage or common-law relationship. However, if the initial Subscriber is a Public Primary Caregiver, any other individual or Public Primary Caregiver may be considered as the new Plan Subscriber if he/she acquires the rights of the initial Subscriber following a written agreement.

#### SUBSCRIBER'S DEATH

If the Subscriber dies before the Plan terminates, the Subscriber's heirs, administrators, testamentary executors, and other legal representatives shall be bound by the terms hereof. For a joint subscription, if either of the Subscribers dies, the survivor becomes the sole Plan Subscriber.

#### REPLACEMENT OF TRUSTEE

The Trustee may resign from its office by forwarding a 90-day prior written notice to the Promoter, and the Promoter may remove the Trustee from office upon a 30-day prior written notice. Such resignation or removal shall come into force on the date of replacement of the Trustee by the Promoter. If the Promoter fails to appoint a replacement Trustee within 60 days following its receipt of a resignation notice, the Trustee may itself appoint its own successor. The new trustee shall have the same powers, rights and obligations as the former Trustee, provided that the former Trustee or its successor, as the case may be, signs and delivers to the new trustee all instruments translatable of property, transfer acts or other assurances necessary or desirable to give effect to its appointment. Any replacement trustee shall be approved by the Canada Revenue Agency (CRA) and be a corporation resident in Canada authorized under the laws of the province of residence of the Subscriber to exercise the duties and responsibilities of Trustee in respect of the Plan. The replacement Trustee shall give notice of its appointment to the Subscriber immediately upon becoming the replacement Trustee under the Plan.

Any corporation amalgamating with the Trustee or any corporation resulting from such an amalgamation shall be authorized by law to act as trustee for this Plan without any requirement to sign another document. Thereafter, the term "Trustee" shall also designate such corporation in connection with this Plan.



Denis Ricard  
President and Chief Executive Officer



Renée Laflamme  
Executive Vice President  
Individual Insurance, Savings and Retirement



## My Education+ Plan

October 2023

### About iA Financial Group

Founded in 1892, iA Financial Group offers life and health insurance products, mutual and segregated funds, savings and retirement plans, RRSPs, securities, auto and home insurance, mortgages and car loans and other financial products and services for both individuals and groups. It is one of Canada's largest public companies and is listed on the Toronto Stock Exchange under the ticker symbols IAG (common shares) and IAF (preferred shares).

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For any comments or additional information regarding iA Financial Group, please contact the head office:

#### **iA Financial Group**

1080 Grande Allée West  
PO Box 1907, Station Terminus  
Quebec City, QC G1K 7M3

**1-844-442-4636**

The contract is administered by Industrial Alliance Insurance and Financial Services Inc., which is incorporated under *An Act respecting insurance* (Quebec).

## INVESTED IN YOU.

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