

October 29, 2021

Firstname Lastname
123 Anywhere Street West
Toronto ON, B5B 5B5

IMPORTANT ANNOUNCEMENT RE:

IA Clarington Guaranteed Investment Fund Individual Variable Annuity Contract (“iA Clarington GIF contract”) of the following:

- **IA Clarington Bond GIF**
- **IA Clarington Canadian Small Cap GIF**
- **IA Clarington Core Plus Bond GIF**
- **IA Clarington Dividend Growth GIF**
- **IA Clarington Global Equity GIF**
- **IA Clarington Global Value GIF**
- **IA Clarington Inhance Monthly Income SRI GIF**
- **IA Clarington Loomis Global Equity Opportunities GIF**
- **IA Clarington Money Market GIF**
- **IA Clarington Monthly Income Balanced GIF**
- **IA Clarington Strategic Equity Income GIF**
- **IA Clarington Strategic Income GIF**
- **IA Clarington U.S. Dividend Growth GIF**
- **IA Clarington Balanced Portfolio GIF**
- **IA Clarington Moderate Portfolio GIF**
- **IA Clarington Growth Portfolio GIF**

We wish to notify you about an important change we are making to the iA Clarington GIF contract(s) of which you are a holder.

As part of our goal of ensuring that our product lineup is optimally positioned for an evolving marketplace, we have decided, pursuant to the terms of your contract(s), to set limits for new investments in the iA Clarington GIF contracts.

Effective November 30, 2021, the iA Clarington GIF contracts will be closed to new deposits on existing contracts and new issues.

Please note that existing pre-authorized debit (PAD) plans will continue to be honoured, but they cannot be changed. Switches between funds will also continue to be available. **Most importantly, all guarantees and other benefits related to premiums currently invested in the iA Clarington GIF contract remain unchanged.** You will continue to benefit from all contract features, including the maturity and death benefit guarantees and the resets. We recommend that you keep a copy of this letter with your contract(s).

Get to know the IAG Savings and Retirement Plan contract by iA Financial Group

As we value you as a client and the relationship we have developed over time, we would like to highlight the IAG Savings and Retirement Plan contract if you are looking to make new deposits. It offers a wide range of fund and guarantee options, combining savings growth while protecting your investments from market fluctuations.

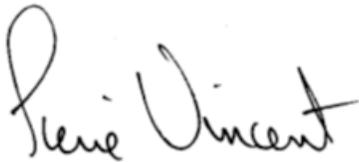
To learn more about this product, please visit <https://ia.ca/iag-savings-and-retirement-plan>

About iA Financial Group

With over four million clients, iA Financial Group is a leader in the Canadian insurance and savings industry, and has been #1 in net segregated fund sales in Canada since 2016. iA Financial Group's wholly owned investment management division, iA Clarington Investments, offers a wide range of products, including actively managed mutual funds, managed portfolio solutions, Active ETF Series and socially responsible investments.

If you have any questions about the abovementioned changes or would like to discuss the IAG Savings and Retirement Plan, please contact your financial advisor.

We thank you for your continued trust in iA Financial Group.

A handwritten signature in black ink that reads "Pierre Vincent". The signature is written in a cursive, flowing style.

Pierre Vincent

Senior Vice-President, Distribution & Development of Insurance Products
iA Financial Group

iA Clarington Guaranteed Investment Funds

Information Folder and IA Clarington
GIF Individual Variable Annuity Contract
May 2021



Administered by IA Clarington Investments Inc.



Issued by Industrial Alliance Insurance
and Financial Services Inc.

KEY FACTS - IA CLARINGTON GIF

This summary briefly describes the basic things you should know before you apply for this individual variable insurance 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.

What am I getting?

This is an insurance contract between you and Industrial Alliance Insurance and Financial Services Inc. (hereinafter called "iA Financial Group").

- **Product:** IA Clarington GIF Individual Variable Annuity Contract issued by iA Financial Group.
- **Investment of a Premium:** You can choose an investment option. You can choose a guarantee
- **Registration Type:** Non-registered, RSP, LIRA, TFSA, LRSP, RIF, LIF
- **Beneficiary:** You can name a person to receive the death benefit.

The choices you make may affect your taxes. They could also affect the 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.

What Guarantees are available?

For full details about how these guarantees work, see Sections 2.4 and 2.5 of this information folder.

You get maturity and death benefit guarantees. These help protect your fund investments. You pay fees for this protection. You also get added protection from reset. This contract offers you three (3) guarantee options: Guarantee A, Guarantee B and Guarantee C. Any withdrawals you make will reduce the guarantees. For full details, please refer to Sections 2.4 and 2.5 of this information folder.

Maturity Guarantee

This protects the value of your investment at specific dates in the future. These dates are explained in this information folder in Section 2.3. If you make investments on more than one date, different maturity guarantees will apply.

Guarantee A

If you invest money under Guarantee A, on these dates, you will receive the greater of:

- The market value of the funds, or
- 100% of the money you put in the funds

Guarantee B

If you invest money under Guarantee B, on these dates, you will receive the greater of:

- The market value of the funds, or
- 75% of the money you put in the funds

Guarantee C

If you invest money under Guarantee C, on these dates, you will receive the greater of:

- The market value of the funds, or
- 75% of the money you put in the funds

Death Benefit Guarantee

This protects the value of your investment if you die. It is paid to someone you name. The death benefit applies if you die before the maturity date.

Guarantee A

Under Guarantee A, if you die before the maturity date and before you reach the age of 85 years, it pays the greater of:

- The market value of the funds, or
- 100% of the money you put in the funds

If you die before the maturity date and after you reach the age of 85 years, it pays the greater of:

- The market value of the funds, or
- 75% of the money you put in the funds

Guarantee B

Under Guarantee B, if you die before the maturity date and before you reach the age of 85 years, it pays the greater of:

- The market value of the funds, or
- 100% of the money you put in the funds

If you die before the maturity date and after you reach the age of 85 years, it pays the greater of:

- The market value of the funds, or
- 75% of the money you put in the funds

Guarantee C

Under Guarantee C, if you die before the maturity date, it pays the greater of:

- The market value of the funds, or
- 75% of the money you put in the funds

Reset

If the value of your investment goes up, annual automatic reset of the death benefit guarantee at a higher amount may occur. Please refer to Section 2.5.1 for details.

What investments are available?

You can choose from several types of segregated funds: Canadian bonds, Canadian, U.S. and global equity, dividend and diversified portfolios. The segregated funds are described in the Fund Facts. Please refer to the Fund Facts for more information.

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.

How Much Will this Cost?

The type of guarantees, the funds and the sales charge options you select all affect your costs.

- If you invest in funds, you can choose up-front and deferred sales charges. For full details see Section 4.4 of this information folder.
- Fees and expenses are deducted from the segregated funds. They are shown as management expense ratios or MERs on the Fund Facts for each fund.
- If you make certain transactions or other requests, you may be charged separately for them. These may include withdrawals, short-term trading, switching funds and changing guarantees.

For full details, see Sections 3.4 and 3.7 of this information folder and the Fund Facts for each segregated fund.

What can I do after I purchase this contract?

If you wish, you can do any of the following:

- **Transfers:** You may switch from one fund to another. See Section 3.4 of this information folder.
- **Change guarantee:** You can change the guarantee applicable for your investment. See Section 3.5 of this information folder.
- **Withdrawals:** 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. See Section 3.6 of this information folder.
- **Premiums:** You may make lump-sum or regular payments. See Sections 3.1 and 3.12 of this information folder.
- **Pay-out annuity:** At a certain time, unless you select another option, we will start making payments to you. See Section 3.15 of this information folder.

Certain restrictions and other conditions may apply. Review the contract for your rights and obligations and discuss any questions with your life insurance agent.

What information will I receive about my contract?

We will tell you at least once a year the value of your investments and any transactions you have made.

You may request more detailed financial statements of the funds. These are updated at certain times during the year. Semi-annual unaudited financial statements and audited annual financial statements will be provided upon written request. They are also available on IA Clarington's website, www.iaclarington.com

Can I change my mind? Yes, you can:

- cancel the contract,
- cancel any payment you make, or
- reverse investment decisions.

To do any of these, you must tell us in writing within two (2) business days of the earlier of:

- a. the date you receive confirmation, or
- b. five (5) business days after it is mailed.

The amount returned will be the lesser of:

- a. the amount you invested; or
- b. the value of the fund if it has gone down.

If you cancel, the amount returned will include a refund of any sales charges or other fees you paid.

If you change your mind about a specific fund transaction, the right to cancel only applies to that transaction.

Where can I get more information?

You may contact us at the following address:

iA Financial Group
c/o IA Clarington Investment Inc.
522 University Avenue, Suite 700, Toronto, ON M5G 1Y7
Phone number: 1-800-530-0204
Email address: funds@iaclarington.com

Information about iA Financial Group and the products and services we provide is on our website at www.ia.ca

For information about handling issues you are unable to resolve with your insurer, contact the OmbudService for Life and Health Insurance at 1-800-268-8099 or on the Internet at www.olhi.ca.

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 www.assuris.ca or by calling the Assuris Information Centre at 1-866-878-1225.

For information about how to contact the insurance regulator in your province visit the Canadian Council of Insurance Regulators website at www.ccir-ccrra.org.

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IA CLARINGTON GIF INDIVIDUAL VARIABLE ANNUITY CONTRACT (NON-REGISTERED, TFSA/RSP/LIRA/LRSP, RIF/LIF)

This document includes the IA Clarington GIF Individual Variable Annuity Contract (Non-registered, TFSA, RSP/LIRA/LRSP, RIF/LIF) appearing on page 53, which will be called the "Contract" for purposes of this document, as well as the Information Folder related to this Contract. The Information Folder is a summary of the Contract and presents the numerous segregated funds (hereinafter called the "Funds" or the "IA Clarington GIF(s)") offered by Industrial Alliance Insurance and Financial Services Inc. (hereinafter called "iA Financial Group").

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 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 on the date of the printing of this document, but could be subject to modifications.

Any amount that is allocated to a Fund is invested at the risk of the Policyholder 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.

INFORMATION FOLDER

IA CLARINGTON GIF INDIVIDUAL VARIABLE ANNUITY CONTRACT (NON-REGISTERED, TFSA, RSP/LIRA/LRSP, RIF/LIF)

CERTIFICATION

The purpose of this Information Folder is to provide a brief summary of the IA Clarington GIF Individual Variable Annuity Contract (Non-registered, TFSA, RSP/LIRA/LRSP, RIF/LIF) offered by iA Financial Group, which permits investments in segregated funds, referred to as “Funds” or “IA Clarington GIFs” in this Folder.

This Information Folder includes a Fund Facts, which is a summary for each available segregated fund (“IA Clarington GIF”) offered by iA Financial Group.

This Information Folder provides brief and plain disclosure of all material facts relating to the IA Clarington GIF Individual Variable Annuity Contract (Non-registered, TFSA, RSP/LIRA/LRSP, RIF/LIF) issued by iA Financial Group.

This Information Folder is not part of the Contract and must not be considered under any circumstances as a contractual document that binds the Policyholder 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 on the date of the printing of this document, but could be subject to modifications.

Dated this 17th day of May 2021.

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



Denis Ricard
President and Chief Executive Officer



Jennifer Dibblee
Vice President, Legal Services
Corporate Secretary

1. DESCRIPTION OF IA CLARINGTON GIF INDIVIDUAL VARIABLE ANNUITY CONTRACT

1.1 Definitions

All terms used in this Information Folder have the same meanings given to these terms in the Contract. Also, to know the definitions of the terms used in the Information Folder and which begin with a capital letter, the Policyholder must refer to the definitions provided in the Contract.

1.2 List of Funds Offered by iA Financial Group

IA Clarington GIFs	Portfolio Advisor or Sub-Advisor
Money Market Funds IA Clarington Money Market GIF	iA Investment Management
Fixed Income Funds IA Clarington Bond GIF IA Clarington Core Plus Bond GIF	iA Investment Management Wellington Square
Canadian Balanced Funds IA Clarington Canadian Balanced GIF IA Clarington Strategic Income GIF IA Clarington Monthly Income Balanced GIF IA Clarington Inhance Monthly Income SRI GIF	QV Investors Inc. IA Clarington Investments Inc. iA Investment Management Vancity Investment Management Ltd.
Canadian Dividend Funds IA Clarington Strategic Equity Income GIF IA Clarington Dividend Growth GIF	IA Clarington Investments Inc. iA Investment Management
Canadian Equity Funds IA Clarington Canadian Conservative Equity GIF	iA Investment Management
Canadian Small Cap Funds IA Clarington Canadian Small Cap GIF	QV Investors Inc.
U.S. Equity Funds IA Clarington U.S. Dividend Growth GIF	iA Investment Management
Global Equity Funds IA Clarington Global Equity GIF IA Clarington Global Value GIF IA Clarington Loomis Global Equity Opportunities GIF	QV Investors Inc. iA Investment Management Loomis, Sayles & Company
Portfolios IA Clarington Distinction Conservative Portfolio GIF IA Clarington Distinction Balanced Portfolio GIF IA Clarington Distinction Growth Portfolio GIF	iA Investment Management iA Investment Management iA Investment Management

1.3 General Overview

The IA Clarington GIF Individual Variable Annuity Contract (hereinafter called the "Contract", the "IA Clarington GIF Contract" or the "GIF Contract") is offered by iA Financial Group and is administered by IA Clarington.

The IA Clarington GIF Contract can be entered into by completing a paper application form. The IA Clarington GIF Contract allows Premiums to be invested in the various IA Clarington GIFs offered by iA Financial Group. iA Financial Group may, from time to time, add Funds or terminate one or more of these Funds.

See Section 4.1 of this Folder, entitled Market Value of Fund Assets and Current Value of a Fund Unit for details on the method used to determine the Current Value of Fund Units or any other information regarding the Current Value of Fund Units.

The IA Clarington GIF Contract may be non-registered or registered as a Retirement Savings Plan ("RSP"), a Tax-Free Savings Account (TFSA), a Retirement Income Fund ("RIF"), a Life Income Fund ("LIF"), a Locked-In Retirement Account ("LIRA") or a locked-in RSP ("LRSP"), in all provinces where allowed by law.

When the Contract is registered, applicable federal and provincial income tax legislation applies (see Section 4.8 Taxation for more information on registration). In addition, in order to comply with pension legislation, an endorsement may modify an IA Clarington GIF Contract when the Contract is issued to obtain the desired registration. As a result, certain provisions set out in the IA Clarington GIF Contract may not apply under the terms of the endorsement provided for registration purposes. Before investing in a registered Contract, the Policyholder should talk to his/her Distributor about the tax implications of establishing, contributing to, amending and terminating registered contracts.

1.4 Investment Period Maturity Date and Maximum Age at Issue

The IA Clarington GIF Contract can be issued up to December 31 of the year the Annuitant reaches the following ages:

IA Clarington GIF Contract	Maximum Age at Issue
Non-registered/TFSA	Age 90
RSP/Locked-in RSP*/LIRA*	Age 71
RIF/LIF*	Age 71 (if transferred from RSP/LIRA) Age 90 (if transferred from RIF/LIF)

The investment period of IA Clarington GIF Contract will mature on the following dates:

IA Clarington GIF Contract	Investment Period Maturity Date
Non-registered/TFSA	December 31 st of the year the Annuitant turns 110
RSP/LIRA	December 31 st of the year the Annuitant turns 71
RIF/LIF	December 31 st of the year the Annuitant turns 110 (for LIFs, however, the maturity date may be different depending on the applicable legislation)

*The maximum age with respect to LIRA and LIF Contracts is established according to provincial pension legislation and the age shown is used unless such provincial pension legislation dictates otherwise. Such restrictions are in addition to any age restrictions respecting investments that are imposed by law.

The Investment Period Maturity Date of the Contract can be changed, at iA Financial Group's discretion, upon changes in its administrative policies or changes in provincial or federal legislation.

1.5 Three Types of Investment Guarantees

Three types of Investment Guarantees are offered to the Policyholder (see Section 2.4) each time he/she invests a Premium in the Funds and Units are credited to the Contract: Guarantee A, Guarantee B and Guarantee C. Each type of Investment Guarantee provides a Guaranteed Minimum Value at Maturity for all Premiums, or portion of Premiums, invested in the same Investment Year and covered by the same type of Investment Guarantee. The Contract also provides for a Guaranteed Minimum Value at Death, as specified under Section 2 of this Information Folder. iA Financial Group reserves the right to discontinue a type of Investment Guarantee for one or more Funds following written notice to the Policyholder.

2. INVESTMENT GUARANTEES

The IA Clarington GIF Contract is offered with three different Guarantees. Guarantee A provides a Guaranteed Minimum Value at Maturity of 100% of the value of all Premiums invested in the Fund in the same Investment Year. Guarantee B and Guarantee C provide a Guaranteed Minimum Value at Maturity of 75% of the value of all Premiums invested in the Fund in the same Investment Year. Guarantee A and Guarantee B provide 100% Guaranteed Minimum Value at Death for all Premiums invested in the Funds if the Annuitant dies before he/she reaches the age of 85 years. Guarantee C provides 75% Guaranteed Minimum Value at Death for all Premiums invested in the Funds if the Annuitant dies before he/she reaches the age of 85 years. All three Guarantees provide 75% Guaranteed Minimum Value at Death for all Premiums invested in the Funds if the Annuitant dies on and after the time he/she reaches the age of 85 years. Insurance Fees and Management Expense Ratio differ between Guarantees.

2.1 Premiums or Portion of Premiums

Each time the Policyholder invests a Premium in the Funds, he/she must select the type of Investment Guarantee that will cover the Units credited to the Contract. When a Premium is invested in one or more Funds, the

Policyholder can split the Premium so that each portion is covered by a different Guarantee.

2.2 Initial Investment Date and Anniversary Date

Each Investment Guarantee has an Initial Investment Date and an Anniversary Date. The Initial Investment Date is the date on which a Premium or a portion of Premium is invested into the Contract for the first time under a particular Investment Guarantee. The Anniversary Date is measured from the Initial Investment Date for each Investment Guarantee. It occurs every year on the annual anniversary of the Initial Investment Date for each Investment Guarantee.

2.3 Investment Year and Investment Guarantee Maturity Date

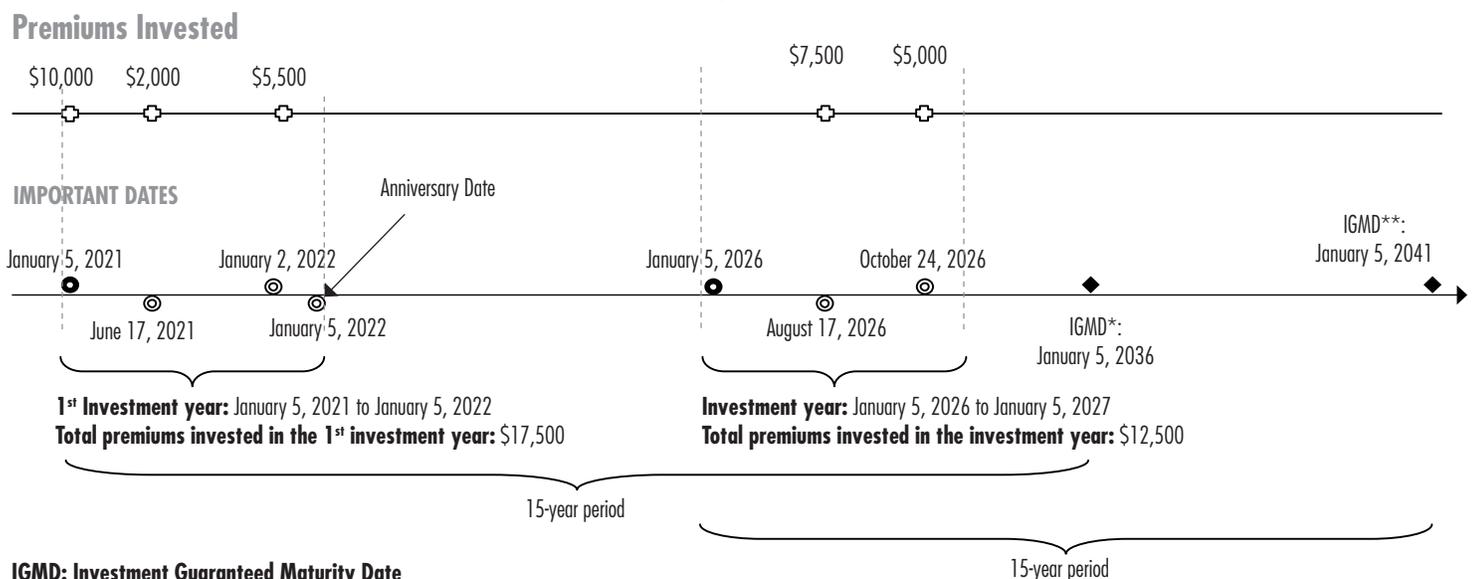
All Premiums covered by the same type of Investment Guarantee are grouped by Investment Year. The first Investment Year for an Investment Guarantee starts with the Initial Investment Date for this Investment Guarantee and ends on the day of the Anniversary Date.

Each subsequent Investment Year starts on the day following the Anniversary Date for the relevant Investment Guarantee and ends on the following Anniversary Date.

Premiums invested in the same Investment Year and covered by the same Investment Guarantee are grouped together and have the same Investment Guarantee Maturity Date. The Investment Guarantee Maturity Date for each Investment Year of each Investment Guarantee is automatically set at 15 years following the first day of that Investment Year for that Investment Guarantee. The Investment Guarantee Maturity Date will renew itself in accordance with Section 2.4.4 of this Information Folder.

To illustrate how and when the Investment Guarantee is determined on maturity, assume the following:

- An Investment Year is established for a 12 month period;
- All the Premiums made in a same Investment Year have the same Investment Guarantee Maturity Date;
- Each Investment Year has an Investment Guarantee Maturity Date which is 15 years from the Anniversary Date of the initial Premium;
- Each Investment Guarantee has an Anniversary Date that occurs every year on the annual anniversary 1 year after the first investment) of the Initial Investment Date, e.g. on January 5, 2022 in the example below.



IGMD: Investment Guaranteed Maturity Date

* \$17,500 is invested on the 1st investment year and guaranteed (100% or 75%) at maturity on January 5, 2036

** \$12,500 is invested in another investment year and guaranteed (100% or 75%) at maturity on January 5, 2041

2.4 Guaranteed Minimum Value at Maturity

For the purpose of this section, "Current Value of a Fund Unit" has the same meaning it has given in Section 4.1.1 of this Information Folder and in the Contract.

2.4.1 Guarantee A

Subject to Renewal of the Investment Guarantee Maturity Date (see Section 2.4.4), 100% of the value of each Premium invested in the Funds, covered by Guarantee A and invested in the same Investment Year is guaranteed on their Investment Guarantee Maturity Date. However, for any partial surrender of these Premiums invested in the same Investment Year, the Guaranteed Minimum Value at Maturity is adjusted in proportion to the decrease in the sum of the Current Value of all the Fund Units, at the time of the surrender, or the balance thereof in the case of previous surrenders, that have been credited to the Contract following the investment of these Premiums.

2.4.2 Guarantee B

Subject to Renewal of the Investment Guarantee Maturity Date (see Section 2.4.4), 75% of the value of each Premium invested in the Funds, covered by Guarantee B and invested in the same Investment Year is guaranteed on their Investment Guarantee Maturity Date. However, for any partial surrender of these Premiums invested in the same Investment Year, the Guaranteed Minimum Value at Maturity is adjusted in proportion to the decrease in the sum of the Current Value of all the Fund Units, at the time of the surrender, or the balance thereof in the case of previous surrenders, that have been credited to the Contract following the investment of these Premiums.

2.4.3 Guarantee C

Subject to Renewal of the Investment Guarantee Maturity Date (see Section 2.4.4), 75% of the value of each Premium invested in the Funds, covered by Guarantee C and invested in the same Investment Year is guaranteed on their Investment Guarantee Maturity Date. However, for any partial surrender of these Premiums invested in the same Investment Year, the Guaranteed Minimum Value at Maturity is adjusted in proportion to the decrease in the sum of the Current Value of all the Fund Units, at the time of the surrender, or the balance thereof in the case of previous surrenders, that have been credited to the Contract following the investment of these Premiums.

2.4.4 Renewal of the Investment Guarantee Maturity Date

On the Investment Guarantee Maturity Date for an Investment Guarantee, a new Investment Guarantee Maturity Date will be set for another 15 years. The new Guaranteed Minimum Value at Maturity of the Premiums as of the Investment Guarantee Maturity Date will be the higher of:

- a) the previous Guaranteed Minimum Value at Maturity of these Premiums; and
- b) 100% (or 75% if the Premiums are covered by Guarantee B or Guarantee C) of the sum of the Current Value, at the Investment Guarantee Maturity Date of these Premiums, of all the Fund Units credited to the Contract following the investment of these Premiums in the Funds.

The Investment Guarantee Maturity Date of these Premiums will continue to roll over for 15 year periods. However, if there are less than 15 years remaining until the Investment Period Maturity Date of the Contract, the Investment Guarantee Maturity Date will be the Investment Period Maturity Date of the Contract.

iA Financial Group reserves the right to not renew a Guaranteed Minimum Value on the Investment Guarantee Maturity Date following written notice to the Policyholder.

2.5 Guaranteed Minimum Value at Death

The Guaranteed Minimum Value at Death is equal to 100% (75% if the Annuitant dies on and after the time he/she turns 85 years) of the Premiums invested in the Funds covered by Guarantee A or B. It is equal to 75% of the Premiums invested in the Funds covered by Guarantee C. The Guaranteed Minimum Value at Death for each Guarantee is adjusted in proportion to the decrease in the sum of the Current Value of all the Fund Units for each Guarantee, credited to the Contract following the investment of these Premiums, for any surrender. It is also subject to the Reset of the Guaranteed Minimum Value at death (section 2.5.1).

2.5.1 Reset of the Guaranteed Minimum Value at Death (for Guarantee A and Guarantee B)

On each birthday of the Annuitant, up to the Annuitant's 75th birthday, iA Financial Group will proceed with an automatic annual reset of the Guaranteed Minimum Value at Death. The new Guaranteed Minimum Value at Death for Guarantee A and Guarantee B will be the higher of:

- a) 100% of the sum of the Current Value of all Fund Units covered by Guarantee A and Guarantee B (75% if the Annuitant dies on or after the time he/she turns 85 years); and
- b) the previous Guaranteed Minimum Value at Death for Guarantee A and Guarantee B.

2.6 Application of the Investment Guarantees

2.6.1 On the Investment Guarantee Maturity Date

If, on the Valuation Date coinciding with the Investment Guarantee Maturity Date of the Premiums invested in the same Investment Year and covered by the same Investment Guarantee (or the first Valuation Date following, if none coincides), the Guaranteed Minimum Value at Maturity, depending on the Investment Guarantee selected by the Policyholder, is higher on that date than the sum of the Current Value of all the Fund Units credited to the Contract following the investment of these Premiums, iA Financial Group will make up the difference by crediting Units at their Current Value on the Investment Guarantee Maturity Date of the guaranteed Premiums which have an aggregate value equal to the difference between the Guaranteed Minimum Value at Maturity and the sum of the Current Value of all the Fund Units credited to the Contract following the investment of these Premiums. Said Units will be invested in the IA Clarington Money Market GIF, Front-end Option at 0% commission, and will be covered by the corresponding Investment Guarantee.

2.6.2 At Death

In the event of the death of the Annuitant, before the Investment Period Maturity Date of the Contract, and if iA Financial Group has received all required documentation to settle the death claim ("Proof of Claim"), iA Financial Group pays to the Beneficiary the higher of:

- a) the Market Value of the Contract. The Valuation Date upon which the Market Value of the Contract is determined for the purposes of this section will be the date on which iA Financial Group receives, to its satisfaction, the necessary Proof of Claim (the "Death Benefit Valuation date"); and
- b) the Guaranteed Minimum Value at Death.

THE MARKET VALUE OF THE CONTRACT AND CURRENT VALUE OF FUND UNITS CREDITED TO THE CONTRACT ARE NOT GUARANTEED, BUT FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO EACH FUND.

3. GENERAL CONDITIONS

3.1 Premiums

The Policyholder can invest the Premiums in the Funds offered by iA Financial Group. The amounts allocated to the Funds will be used to credit Fund Units to the Contract based on the Current Value of a Fund Unit, as determined on the Valuation Date. Units are credited in accordance with sections 3.2 and 4.1, which describe the Valuation Date and the Current Value of a Fund Unit as referred to throughout this Information Folder. iA Financial Group reserves the right to limit the amount allocated for the credit of Fund Units at any time.

Premiums are allocated to each Fund according to the Policyholder's instructions. At this time, a minimum of \$500 must be allocated to each Fund in order to credit Fund Units under the Contract. This amount is subject to change at any time in accordance with iA Financial Group's administrative regulations.

If the Policyholder fails to give instructions as to the allocation of a Premium in each Fund, the entire Premium will be invested in the IA Clarington Money Market GIF, Front-end Option at 0% commission. In this case, the Guarantee C will apply (see Section 2.4.3).

Any amount that is allocated to a segregated Fund is invested at the risk of the Policyholder and may increase or decrease in value.

3.1.1 Investment Terms

As long as the Premiums are invested in the Funds, a minimum of 20% of all Premiums invested in these Funds must be invested in the income asset class. The weighting of the income asset class in each Fund is described in section 4.3. iA Financial Group reserves the right to reallocate the Policyholder's Premiums invested in the Funds, at its sole discretion, in order to comply with these investment restrictions. **There may be tax consequences as a result of reallocation of Premiums between Funds.**

3.2 Acquisition Date

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 following Valuation Date, 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 determined on the Valuation Date on which the Units were credited to the Contract, as described in Section 4.1.

3.3 Market Value of the Contract

The Market Value of the Contract 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.

THE MARKET VALUE OF THE CONTRACT AND THE CURRENT VALUE OF EACH FUND'S UNITS ARE NOT GUARANTEED, BUT WILL FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO EACH FUND.

3.4 Transfers Between Funds with Same Investment Guarantee

The Policyholder may request that the Current Value of Fund Units credited to the Contract in a Fund be transferred and invested in another available Fund with the same Investment Guarantee. For the purposes of the application of the Investment Guarantees, the Units credited following a transfer will retain the date the debited Units were credited to the Contract if the transfer is made within the same Investment Guarantee. When there are transfers between Funds, it is the Units that have been credited to the Contract the longest that

are transferred first. The value of the Fund Units credited and debited following a transfer will be based on the Current Value of each Fund Unit on the Valuation Date upon which iA Financial Group receives the request to transfer Fund Units. The Fund Units whose value is transferred are then cancelled.

After a transfer, the balance of the investment in a Fund may not be less than the minimum amount required (currently \$500), otherwise the entire amount in the Fund must be transferred to the new Fund. This minimum amount is determined from time to time by iA Financial Group. iA Financial Group reserves the right to charge transaction fees of \$35 on transfers at any time. iA Financial Group may modify this transaction fee at any time and will inform the Policyholder in advance.

There may be tax consequences as a result of transfer between Funds (see Section 4.8).

If a transfer between Funds results in a change of Investment Guarantee, the Change of Investment Guarantee, see Section 3.5 of this Information Folder, will apply.

THE CURRENT VALUE OF FUND UNITS DEBITED OR CREDITED WHEN A TRANSFER IS MADE IS NOT GUARANTEED, BUT WILL FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS OF THE PARTICULAR FUND SUPPORTING THEM.

3.5 Change of Investment Guarantee

Once every 12 months, iA Financial Group will allow the Policyholder to change the type of Investment Guarantee of the Units credited to the Contract. Upon such change, the following procedure will apply:

3.5.1 Change to a Lesser Investment Guarantee (from Guarantee A to B, A to C and B to C)

Upon receiving a request from the Policyholder, iA Financial Group will proceed with a change from the Greater Guarantee to the Lesser Guarantee. If Units credited to the Contract have been covered by the Lesser Guarantee in the past, for the purposes of the application of the Investment Guarantees, the credited Units newly covered by the Lesser Guarantee will keep the same Investment Guarantee Maturity Date as they had when they were covered by the Greater Guarantee. However, subsequent Premiums covered by the Lesser Guarantee will continue to have an Investment Guarantee Maturity Date based on the Anniversary Date of the Lesser Guarantee. If no Units were covered by the Lesser Guarantee, subsequent Premiums covered by the Lesser Guarantee will have an Investment Guarantee Maturity Date based on the Anniversary Date of the Greater Guarantee. Consequently, the Anniversary Date of the Lesser Guarantee will be deemed to be the Anniversary Date of the Greater Guarantee.

3.5.2 Change to a Greater Investment Guarantee (from Guarantee B to A, C to A and C to B)

Upon receiving a request from the Policyholder, iA Financial Group will proceed to a change from the Lesser Guarantee to the Greater Guarantee. If Units covered by the Greater Guarantee have been credited to the Contract in the past, the credited Units newly covered by the Greater Guarantee will be considered as a new investment in the current Investment Year and will have an Investment Guarantee Maturity Date based on the Anniversary Date of the Initial Investment of the Greater Guarantee. The Investment Guarantee Maturity Date of the credited Units newly covered by the Greater Guarantee will be set at exactly 15 years from the Anniversary Date of the Greater Guarantee preceding the date on which the change is performed. If there are no Units covered by the Greater Guarantee credited to the Contract, the change of Investment Guarantee will be considered as the Initial Investment covered by the Greater Guarantee and the Investment Guarantee Maturity Date will be set at exactly 15 years from the date on which these Units are

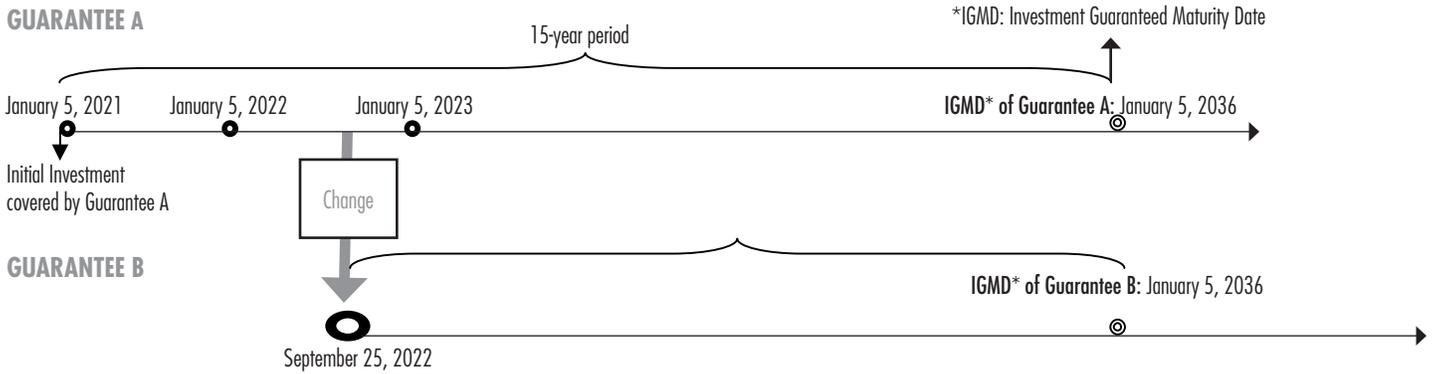
covered by the Greater Guarantee.

a) Here is an example of a change of Investment Guarantee when no Fund Units were covered by the new Investment Guarantee in the past.

Change to a Lesser Investment Guarantee (from Guarantee A to Guarantee B)

New investment, no Fund Units were covered by Guarantee B in the past, the IGMD of Guarantee A is carried over to Guarantee B and the Anniversary Date of Guarantee A is used for new Premiums into Guarantee B.

- \$10,000 is invested in the first Investment Year (between January 5, 2021 and January 5, 2022 included) and is covered by Guarantee A. If a change of \$5,000 occurs on September 25, 2022, the Investment Guarantee Maturity Date will be carried over Guarantee B, i.e. January 5, 2036.
- Subsequent Premiums covered by Guarantee B will have the same Investment Year and Anniversary Date as Premiums covered by Guarantee A, i.e. a premium invested between January 6, 2023 and January 5, 2024 will have an Investment Guarantee Maturity Date on January 5, 2038.

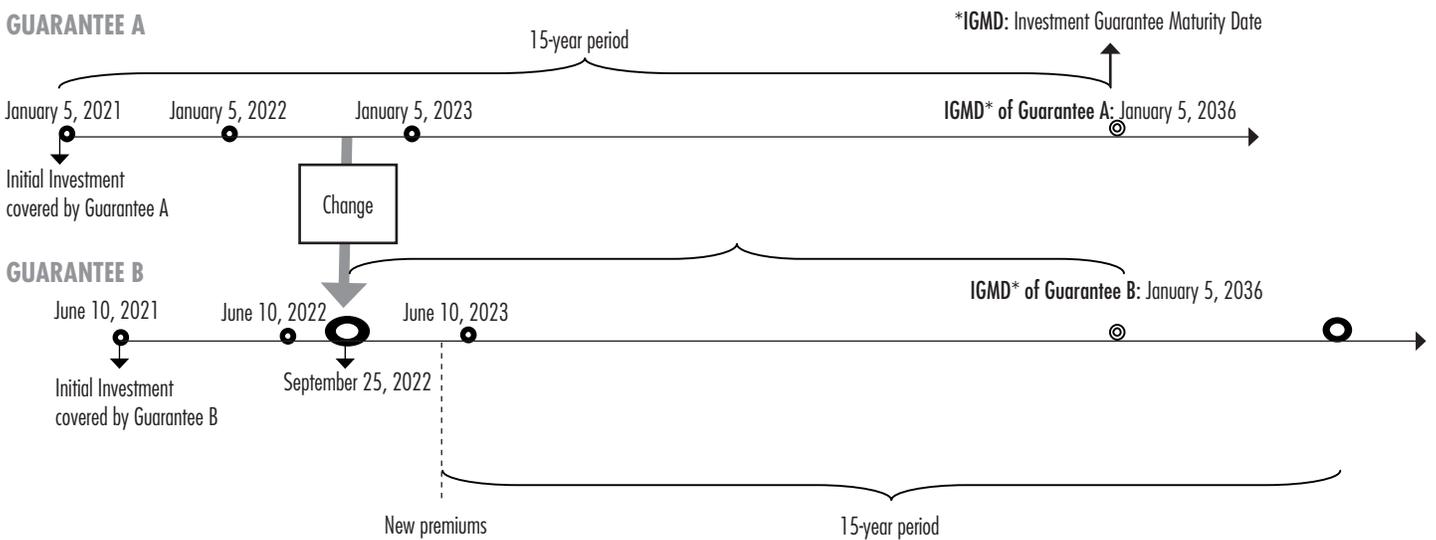


b) Here is an example of a change of Investment Guarantee when Fund Units were covered by the Investment Guarantee in the past.

Change to a Lesser Investment Guarantee (from Guarantee A to Guarantee B)

New deposit, Fund Units were covered by Guarantee B in the past, the IGMD of Guarantee A is carried over to Guarantee B for the changed Premiums and the Anniversary Date of Guarantee B is used for new Premiums covered by Guarantee B.

- \$10,000 is invested in the first Investment Year (between January 5, 2021 and January 5, 2022 included) and is covered by Guarantee A. If a change of \$5,000 occurs on September 25, 2022, these Premiums will retain the same Investment Guarantee Maturity Date as when they were covered by Guarantee A.
- For each new Premium covered by Guarantee B, each of those will have an Investment Guarantee Maturity Date set at exactly 15 years from the preceding Anniversary Date of Guarantee B.



THE CURRENT VALUE OF FUND UNITS CREDITED TO THE CONTRACT IS NOT GUARANTEED, BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO THE PARTICULAR FUND SUPPORTING THEM.

3.6 Surrender of Premiums Invested

At any time on or before Investment Period Maturity Date of the Contract, the Policyholder may make a partial or total surrender of the Premiums invested in the Funds (hereinafter referred to as a "surrender").

A partial or total surrender may entail surrender fees, depending on the Sales Charge Option selected by the Policyholder, which are described in Section 4.4.2. All partial surrenders must be at least \$500 for each Fund, and the balance of the investment Fund Units must not fall below the required minimum (currently \$500) as a result of the partial surrender, otherwise all the Units in that Fund may have to be surrendered. iA Financial Group reserves the right to change these minimum amounts at any time.

The surrender value of the Premiums invested in the Fund is equal to the number of Fund Units debited from the Contract multiplied by the Current Value of the Fund Units on the Valuation Date coinciding with, or next following, the date on which iA Financial Group receives the Policyholder request to surrender, minus the applicable surrender fees.

In the event of a partial surrender, the Policyholder must specify the amount to be surrendered and the particular Fund or Funds from which a portion of the surrender value is to be withdrawn. If Units from the same Fund credited to the Contract are covered by different types of Investment Guarantees, the Policyholder must also indicate which Units from the same Fund will be debited first (Units covered by Guarantee A, Guarantee B or Guarantee C). In the event of a partial surrender, when there are Units credited to the Contract from the same Fund and are covered by the same type of Investment Guarantee, it is the Units that have been credited to the Contract the longest that are debited first.

iA Financial Group may suspend the right to surrender Premiums invested in a Fund or postpone the date of payment upon surrender during any period when normal trading is suspended on any exchange on which securities in which the Underlying fund invests and if those securities are not traded on any other exchange that represents a reasonably practical alternative or with the prior permission of the Canadian securities regulatory authorities.

During any period of suspension there will be no calculation of the Current Value of the Fund Units and no Units will be credited or debited. The calculation of the Current Value of the Fund Units will resume when trading resumes on the exchange or with the permission of the Canadian securities regulatory authorities. If the right to surrender premiums invested in a Fund is suspended and the Policyholder makes a surrender request during that period, he/she may either withdraw his/her surrender request prior to the end of the suspension period or the Fund Units credited to his/her Contract will be debited in accordance with the request to surrender when the Current Value of the Fund Units is first calculated following the end of the suspension period.

THE SURRENDER VALUE OF PREMIUMS INVESTED IN THE FUNDS IS NOT GUARANTEED WHEN A PARTIAL OR TOTAL SURRENDER IS MADE, BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO EACH FUND.

3.6.1 Right to Surrender Without Surrender Fees

Where the DSC Option has been selected for Premiums (see Section 4.4.2), those Premiums may be surrendered without incurring surrender fees so long as the surrender amount does not exceed a certain amount (the "DSC Surrender Limit") per calendar year. The DSC Surrender Limit is calculated as follows: Up to 10% of the Market Value of the Contract determined on the last Valuation Date of the year preceding the surrender, plus 10% of the sum of the Current Value, on the date of the surrender request, of all the Fund Units credited to the Contract during the year in which the surrender is

requested, less the number of Fund Units previously surrendered during the year in which the surrender is requested.

Any surrender in excess of the 10% maximum, depending on the type of the Contract, is subject to surrender fees.

Surrender fees, if applicable, will apply in all circumstances for transfers to other financial institutions. Any Premiums surrendered pursuant to the Systematic Withdrawal Program are included in determining whether or not surrender falls within the DSC Surrender Limit for a particular year (see Section 3.13).

The right to surrender without surrender fees is not cumulative and cannot be carried forward to future years. iA Financial Group may modify at any time the right to surrender without surrender fees.

3.7 Short-Term Trading Fees

If the Policyholder surrenders or transfers a Premium invested in any of the U.S. Equity or Global GIFs (IA Clarington U.S. Dividend Growth GIF, IA Clarington Global Value GIF, IA Clarington Global Equity GIF and IA Clarington Loomis Global Equity Opportunities GIF) within 30 days from the date when said Units were credited to the Contract, the Policyholder will be charged a short-term trading fee of 2% of the sum of the Current Value of all the Fund Units debited. If the surrender or transfer of Premium occurs within 31 to 90 days of the date when they were credited to the Contract, then, subject to iA Financial Group policies and procedures, a short-term trading fee of 2% of the sum of the Current Value of all the Fund Units debited may be charged.

If the Policyholder surrenders or transfers a Premium invested in the other GIFs (other than IA Clarington Money Market GIF) within 90 days of the date when they were credited to the Contract, then, subject to iA Financial Group policies and procedures, the Policyholder may be charged a short-term trading fee of 2% of the sum of the Current Value of all the Fund Units debited. iA Financial Group may waive this fee at its discretion in special circumstances.

These fees do not apply to Premiums surrendered or transferred under iA Financial Group's systematic plans (such as Pre-Authorized Chequing Plan and Systematic Withdrawal Plan). A transfer of Premium constitutes a debit of Units of one Fund and the simultaneous credit of Units of another Fund. The short-term trading fees will be invested in the Fund from which the Units are debited and are in addition to any other surrender or transfer fees that may be payable.

In addition to any applicable short-term trading fees, iA Financial Group may, in its sole discretion, refuse future Premiums or transfer of Premium requests if iA Financial Group determines that the Policyholder's trading activities may be detrimental to the GIFs or the Underlying funds.

3.8 Commission Paid to The Distributor

An IA Clarington GIF Contract is offered through a duly licensed Distributor. The Distributor will be compensated for the professional advice and services provided to the Policyholder. The commission payable to the Distributor for the investment of a Premium in the Funds will vary depending on the sales charge option selected (see Section 4.4).

3.9 Service Fees

iA Financial Group will pay a periodic (monthly or quarterly) service fee to the Distributor as long as the Contract is in force. The service fee will change, and may increase or decrease, if the Policyholder switches from one sales charge option to another. The service fee is paid out of management fees that are earned by iA Financial Group.

As at the date hereof, the service fees are paid at the annual rate shown in the table below. These rates may change from time to time without notice to the Policyholder.

IA Clarington GIFs	Annual Service Fees Rate (%)	
	Front End Option	DSC Option
MONEY MARKET FUNDS		
IA Clarington Money Market GIF*	0.25%	0.25%
FIXED INCOME FUNDS		
IA Clarington Bond GIF	0.55%	0.25%
IA Clarington Core Plus Bond GIF	0.50%	0.25%
CANADIAN BALANCED FUNDS		
IA Clarington Canadian Balanced GIF	1.00%	0.50%
IA Clarington Strategic Income GIF	1.00%	0.50%
IA Clarington Monthly Income Balanced GIF	1.00%	0.50%
IA Clarington Inhance Monthly Income SRI GIF	1.00%	0.50%
CANADIAN DIVIDEND FUNDS		
IA Clarington Strategic Equity Income GIF	1.00%	0.50%
IA Clarington Dividend Growth GIF	1.00%	0.50%
CANADIAN EQUITY FUNDS		
IA Clarington Canadian Conservative Equity GIF	1.00%	0.50%
CANADIAN SMALL CAP FUNDS		
IA Clarington Canadian Small Cap GIF	1.00%	0.50%
U.S. EQUITY FUNDS		
IA Clarington U.S. Dividend Growth GIF	1.00%	0.50%
GLOBAL EQUITY FUNDS		
IA Clarington Global Equity GIF	1.00%	0.50%
IA Clarington Global Value GIF	1.00%	0.50%
IA Clarington Loomis Global Equity Opportunities GIF	1.00%	0.50%
PORTFOLIOS		
IA Clarington Distinction Conservative Portfolio GIF	1.00%	0.50%
IA Clarington Distinction Balanced Portfolio GIF	1.00%	0.50%
IA Clarington Distinction Growth Portfolio GIF	1.00%	0.50%

*The trailer fee rate applicable to units of this Fund purchased under each of the applicable purchase options were reduced to 0.0% for trailer fee payments made on or after March 16, 2010, and may be changed from time to time to an amount that does not exceed the amount shown in the table.

3.10 Retirement Income Payments (for RIF and LIF Contracts only)

Each year, iA Financial Group pays the Policyholder the retirement income payments chosen by the Policyholder, provided the total payments made during each calendar year are not less than the minimum payment defined in paragraph 146.3(1) of the *Income Tax Act* (Canada). iA Financial Group makes the stipulated payments in accordance with the provisions of the *Income Tax Act* (Canada).

Payment Options

The Policyholder may choose from the payment options offered by iA Financial Group. The option chosen applies for the entire duration of the Contract or until the Policyholder chooses another payment option offered by iA Financial Group. iA Financial Group may modify or cease to offer certain payment options. Failing instructions from the Policyholder, payments will be made according to the Minimum Payment option described in the following paragraph.

Minimum Payment

This is the minimum annual payment that must be made under the Contract as prescribed by the *Income Tax Act* (Canada). It is established on January 1 of each year by multiplying the Market Value of the Contract on this date by a percentage prescribed by the *Income Tax Act* (Canada). The percentage is based on the age of the Annuitant or his/her spouse's age, as indicated in the application.

Level Payment

The Annuitant receives a fixed amount determined for the duration of the Contract.

Frequency of Payments

The Policyholder can choose to receive the retirement benefits on a monthly, quarterly, semi-annual or annual basis on the day of his/her choice. Failing instructions from the Policyholder and subject to the terms and conditions stated above, payments will be made on a monthly basis.

Income Payments

The retirement benefit payments are made according to the payment option selected by the Annuitant or, failing instructions from the Annuitant according to the Contract. When an amount is required to pay the retirement benefit requested by the Annuitant or required by law, the amounts are surrendered from the Funds in the proportion or in the order indicated by the Annuitant. Failing instructions from the Annuitant, the amounts needed to make up the difference between the amounts paid and the retirement benefit payment or the amounts needed to pay the retirement benefits are surrendered in the order indicated on the application (hereafter called the "automatic withdrawal term") and according to the surrender provisions specific to the Funds (see Section 3.6). The automatic withdrawal term may be modified by iA Financial Group at any time.

3.11 Automatic Conversion (for RSP, LIRA and LRSP Contracts only)

If the Contract is registered as an RSP, a LIRA or a LRSP and it is in force on December 31 of the year in which the Annuitant turns 71, the Contract is automatically converted into a RIF or LIF Contract offered by iA Financial Group, if applicable. This automatic conversion does not in any way affect the investments in force at the time of the conversion.

The automatic conversion will be made in accordance with the *Income Tax Act* (Canada) or any corresponding provincial legislation and according to the administrative policies currently in effect at iA Financial Group.

3.12 Pre-authorized Chequing Plan (PAC)

The Policyholder may, upon request, participate in a Pre-Authorized Chequing plan ("PAC"). The Policyholder can choose to invest Premiums on a bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annual or annual basis. The minimum amount of PAC must be at least \$50. The Premiums will be drawn directly from the Policyholder's bank account. The Policyholder may terminate the PAC at any time by sending a request to iA Financial Group. iA Financial Group can modify the PAC from time to time.

3.13 Systematic Withdrawal Plan (SWP)

The Systematic Withdrawal Plan ("SWP") allows the Policyholder to surrender Premiums invested in the Funds on a regular basis in order to create a regular stream of payments. iA Financial Group will arrange regular payments from the Contract to the Policyholder, based on the automatic surrender of Premiums invested in the Funds. Presently, there are no transaction fees charged by iA Financial Group for payments made under the SWP. Surrender fees may be applicable for Premiums invested under the DSC Option when

these Premiums have been invested for less than 7 years (see Section 4.4.2). The Market Value of the Contract must be equal to or higher than \$5,000 to start the SWP and the minimum amount the Policyholder may surrender from any Fund each payment period is \$100. The Policyholder can choose when to surrender and how much to surrender each time. Under the *Income Tax Act* (Canada), a registered Contract is not eligible for the SWP. With respect to the surrender value of the Premiums invested in the Funds, see Section 3.6 entitled Surrender of Premiums Invested. **Regular surrenders may bring a Contract below the applicable minimum amount as determined by iA Financial Group from time to time.**

THE VALUE OF PREMIUMS SURRENDERED TO MAKE PAYMENTS UNDER THE SYSTEMATIC WITHDRAWAL PROGRAM IS NOT GUARANTEED BUT MAY FLUCTUATE WITH THE MARKET VALUE OF ASSETS ALLOCATED TO EACH FUND.

3.14 Systematic Switch Plan (SSP)

The Policyholder can set up a Systematic Switch Plan (“SSP”) for automated switches between Funds. Subject to Section 3.4, the Policyholder may switch from one Fund to another Fund within the same type of Investment Guarantee and the same Sales Charge Option. The Policyholder may select the frequency of his/her switches and may cancel the arrangements at any time. There may be tax consequences to switches. The minimum amount that may be transferred per automated switch is \$100.

3.15 Start of Annuity Payments

When the annuity payments under an IA Clarington GIF Contract begin as stipulated in the Contract or in any applicable endorsement, the Market Value of the Contract, subject to Section 2.4 Guaranteed Minimum Value at Maturity if applicable, will be used to determine the amount of the annuity. For more details on annuity payments, refer to the Annuity provision in the IA Clarington GIF Individual Variable Annuity Contract.

4. HOW INVESTMENT FUNDS WORK

4.1 Market Value of Fund Assets and Current Value of a Fund Unit

The market value of Fund assets allocated to each Fund and the Current Value of a Fund Unit are determined every business day on which the Toronto Stock Exchange is open for trading and on which a value is available for the Underlying fund(s) held by the Funds (also referred as “Valuation Date” in this Information Folder). However, iA Financial Group reserves the right to adjust the frequency and dates of these regular valuations, subject to a minimum frequency of once a month. A decrease in the frequency with which Units of a Fund are valued would give the Policyholder the rights stipulated in the Fundamental Changes section (see Section 6). Special valuations may be made on days other than regular Valuation Dates. The valuation may be delayed or postponed if the stock market is closed or if transactions are suspended on assets allocated to the Funds in question. In this case, the valuation will take place as soon as possible. The valuation will be based on the previous day’s closing price on a nationally recognized stock exchange, and in all other cases, on the fair market value as determined by iA Financial Group.

4.1.1 Current Value of a Fund Unit

The Current Value of a Fund Unit of the segregated funds is determined by dividing the market value of the assets in the Fund by the number of Units of this Fund. The Current Value of a Fund Unit on a specific date is the Current Value of that Fund Unit on the Valuation Date that coincides with this date, or on the first Valuation Date following, if none coincides. When Units of an Underlying fund are allocated to a Fund, the investment advisor for the Underlying fund will use the method described above to determine the Current Value of a Fund Unit for iA Financial Group to use.

THE CURRENT VALUE OF EACH FUND’S UNITS IS NOT GUARANTEED, BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO EACH FUND.

4.1.2 Market Value of Fund Assets

The market value of the assets allocated to a Fund (also referred as “Fund’s assets”) on a Valuation Date is determined by calculating the total market value of all the investments in the Underlying funds allocated to this Fund minus any fees and expenses applicable (such as the management fees and operating expenses).

In addition, assets purchased but not paid for, as well as any expenses incurred are deducted from the value of the assets. The only expenses charged to the Funds are those assignable to those Funds (refer to Section 4.3).

THE MARKET VALUE OF EACH FUND’S ASSETS IS NOT GUARANTEED, BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE UNDERLYING INVESTMENT(S) ALLOCATED TO EACH FUND.

4.2 Reinvestment of Income

Income from dividends, interest and net capital gains earned from the investment of the Fund assets will be automatically reinvested in the Fund to increase the Current Value of a Fund Unit. iA Financial Group reserves the right to change this method following written notice to the Policyholder.

4.3 Management Fees, Insurance Fees, Operating Expenses and Income Asset Class

Management fees are paid to iA Financial Group and are deducted from the assets of each Fund. These fees vary from Fund to Fund and are shown on an annual basis in the table below. The fees are evaluated based on the market value of the Fund’s assets on each Valuation Date.

The service fees, which are paid periodically (monthly or quarterly) to the Distributor as long as the Contract is in force, are embedded in the management fees (see Section 3.9). For the purposes of the commission payable to the Distributor under the Deferred Sales Charge Option only (see sections 3.8 and 4.4.2), the commission payable to the Distributor for the investment of a Premium in iA Financial Group’s Funds is also embedded in the management fees. Any increase in the management fees or a change in the insurance fees up to the maximum would be considered a fundamental change and would give the Policyholder certain rights (see Section 6).

The insurance fees are not embedded in the management fees and are charged separately against the assets of each Fund. iA Financial Group reserves the right to change the insurance fees from time to time, but the change shall never exceed the insurance fees limit. For each Fund, the insurance fees limit is the current insurance fees for that Fund plus the

greater of 50 basis points and 50% of the current insurance fees.

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

- Legal, audit, accounting and transfer agent expenses;
- Operating and administrative fees, costs and expenses;
- Policyholder communication fees;
- All other fees incurred by the Fund; and
- Applicable taxes.

The management fees, insurance fees, operating expenses and applicable taxes constitute the total amounts charged to the Fund and are called the "management expense ratio" ("MER"). The MER includes all fees of any Underlying fund in which iA Financial Group invests for the purpose of the Fund.

The income asset class represents the fixed-income proportion of each fund. The income asset class applies to the investment terms (see section 3.1.1).

All the fees charged to a Fund are deducted on each Valuation Date for that Fund. For the period ending December 31, 2020, they are:

IA Clarington GIFs	Management Fee (%)	Insurance Costs (Maximum Fee)			Management Expense Ratio (MER)*			Income Asset Class Weighting (%)
		Guarantee A (%)	Guarantee B (%)	Guarantee C (%)	Guarantee A (%)	Guarantee B (%)	Guarantee C (%)	
MONEY MARKET FUNDS								
IA Clarington Money Market GIF	1.00	0.10 (0.60)	0.05 (0.55)	0.05 (0.55)	1.50	1.44	1.43	100
FIXED INCOME FUND								
IA Clarington Bond GIF	1.45	0.20 (0.70)	0.10 (0.60)	0.05 (0.55)	2.12	2.01	1.94	100
IA Clarington Core Plus Bond GIF	1.60	–	0.40 (0.90)	0.05 (0.55)	–	2.55	2.21	100
CANADIAN BALANCED FUNDS								
IA Clarington Canadian Balanced GIF	2.00	1.00 (1.50)	0.55 (1.05)	0.15 (0.65)	3.56	3.08	2.55	40
IA Clarington Strategic Income GIF	1.90	1.00 (1.50)	0.55 (1.05)	0.15 (0.65)	3.36	2.86	2.54	40
IA Clarington Monthly Income Balanced GIF	1.85	1.00 (1.50)	0.55 (1.05)	0.15 (0.65)	3.56	2.91	2.59	40
IA Clarington Inhance Monthly Income SRI GIF	1.90	–	0.55 (1.05)	0.15 (0.65)	–	3.22	2.68	40
CANADIAN DIVIDEND FUNDS								
IA Clarington Strategic Equity Income GIF	2.00	0.90 (1.40)	0.55 (1.05)	0.20 (0.70)	3.26	2.97	2.54	0
IA Clarington Dividend Growth GIF	2.00	0.90 (1.40)	0.55 (1.05)	0.20 (0.70)	3.36	3.03	2.60	0
CANADIAN EQUITY FUNDS								
IA Clarington Canadian Conservative Equity GIF	2.00	1.10 (1.65)	0.75 (1.25)	0.20 (0.70)	3.26	2.97	2.58	0
CANADIAN SMALL CAP FUNDS								
IA Clarington Canadian Small Cap GIF	2.50	1.25 (1.87)	0.80 (1.30)	0.20 (0.70)	4.00	3.61	3.03	0
U.S. EQUITY FUNDS								
IA Clarington U.S. Dividend Growth GIF	1.95	1.30 (1.95)	0.85 (1.35)	0.20 (0.70)	3.98	3.61	2.70	0
GLOBAL EQUITY FUNDS								
IA Clarington Global Equity GIF	2.10	1.30 (1.95)	0.85 (1.35)	0.20 (0.70)	3.95	3.54	2.73	0
IA Clarington Global Value GIF	2.25	1.30 (1.95)	0.85 (1.35)	0.20 (0.70)	3.99	3.59	2.68	0
IA Clarington Loomis Global Equity Opportunities GIF	2.00	1.30 (1.95)	0.85 (1.35)	0.20 (0.70)	4.01	3.54	2.70	0
PORTFOLIOS								
IA Clarington Distinction Conservative Portfolio GIF	2.00	0.70 (1.20)	0.40 (0.90)	0.30 (0.80)	3.18	2.88	2.75	50
IA Clarington Distinction Balanced Portfolio GIF	2.05	0.90 (1.40)	0.50 (1.00)	0.40 (0.90)	3.36	2.97	2.94	40
IA Clarington Distinction Growth Portfolio GIF	2.10	1.00 (1.50)	0.55 (1.05)	0.45 (0.95)	3.59	3.10	3.03	25

*Actual MER may differ from this amount based on applicable taxes.

At no time will there be any duplication of management fees and operating expenses when iA Financial Group invests some or all of the assets allocated to a Fund in an Underlying fund.

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 (see Section 4.8).

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

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

4.4 Sales Charge Options

4.4.1 Front-end Option

If the Policyholder invests in the Funds under the Front-end Option, a sales charge of up to 5% of the Premium to be invested in the Funds is negotiated by the Policyholder who pays such a sales charge to his/her Distributor. The sales charge payable by the Policyholder will depend on the negotiation between the Policyholder and the Distributor. However, if the Policyholder invests in the IA Clarington Money Market GIF, the maximum sales charge will be 2%.

4.4.2 Deferred Sales Charge Option

If the Policyholder invests in the Funds under a Deferred Sales Charge Option, surrender fees will be charged on surrenders of Premiums invested in the Fund if the surrender is made within 7 years following the date on which each debited Unit was credited to the Contract subject to the DSC Surrender Limit (see Section 3.6.1). The fees correspond to a percentage of the value of the Premium surrendered on the date of its investment in the Funds.

The following table illustrates how the surrender fees are applied:

Year units were surrendered	Fees*
1st year	5.75%
2nd year	5.50%
3rd year	5.00%
4th year	4.50%
5th year	4.00%
6th year	3.50%
7th year	2.00%
8th year and subsequent years	0%

*Fees as a % of the value of the Premium Surrendered on the date of its investment in the fund.

Also, surrender fees do not apply to surrender of Premiums invested in the Funds made in accordance with the payment under the death benefits provisions.

4.4.3 Switch of Sales Charge Option

The Policyholder may switch from a DSC Option of a Premium invested in one or more Funds to a Front-end Option and vice versa. Surrender fees may apply if the Policyholder switches out of a DSC Option that is still subject to a surrender fee under the fee schedule set out for a DSC Option in the Contract (see Section 4.4.2).

4.5 Termination of a Fund

Subject to the fundamental changes provisions that could be applicable (see Section 6), iA Financial Group reserves the right to terminate a Fund at any time. At least 60 days before the termination date of the Fund, iA Financial Group will send a notice to those Policyholders who have Units of the Fund credited to their contracts. Up to 5 days prior to the termination date of the Fund, a Policyholder may request that the Current Value of the affected Fund Units credited to the Contract be transferred to and invested in another Fund currently available. If the Policyholder does not request a transfer, iA Financial Group will transfer the Fund Units into the IA Clarington Money Market GIF of the same Guarantee, Front-end Option at 0% commission. The Current Value of Fund Units transferred and invested in another Fund will be determined on the Valuation Date on which iA Financial Group terminates the Fund. Otherwise, the transfer will be subject to Section 3.4 of this Information Folder, entitled Transfer Between Funds with Same Investment Guarantee.

THE CURRENT VALUE OF EACH INVESTMENT FUND'S UNITS DEBITED OR CREDITED TO THE CONTRACT IS NOT GUARANTEED WHEN A TRANSFER IS MADE BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO EACH FUND.

4.6 Information Provided to the Policyholder

Semi-Annual Statements will be sent to the Policyholder for each calendar year of the Contract. These statements will include the following shown as of the date of the statement:

- the number of Units credited to the Contract for each Fund;
- the Current Value of the Fund Units for each Fund under the Contract on the date of the statement;
- a list of all transactions since the last statement (e.g. Premiums invested, transfers between Funds, surrenders).

Updated Fund Facts for the Funds are available from IA Clarington's website at www.iaclarington.com. To obtain a paper version of these documents, the Policyholder should send a written request to iA Financial Group's office. To know the address, please refer to the Key Facts.

In addition to Semi-Annual Statements, the Policyholder may, on request, obtain the Fund's Audited Annual Financial Statements, as well as the Fund's unaudited Semi-Annual Financial Statements, which will cover:

- the annual management fees and other expenses related to the Funds;
- the MER for each Fund (see Section 4.3);
- the overall rate of return, calculated on a net basis for at least 1, 3, 5 and 10 year periods, if applicable.

Copies of the Annual Information Form, simplified prospectus, Financial Statements and management reports of fund performance of the Underlying funds are also available upon written request, or by calling IA Clarington Investments Inc. at 1.888.530.0204 or from IA Clarington's website at www.iaclarington.com.

4.7 Division of Units

iA Financial Group reserves the right to divide up the Units of a Fund. In this case, iA Financial Group will modify the number of Units credited such that the Market Value of the Contract is not modified.

4.8 Taxation

All income and capital gains realized by a Fund are allocated in proportion to the number of Fund Units credited for each Policyholder. Fund income, net of the MER (see Section 4.3), is allocated monthly.

All taxation references are made with regard to the *Income Tax Act* (Canada). The Policyholder must respect all tax legislation, provincial or otherwise, that may apply regardless of iA Financial Group's interpretations contained in this Information Folder.

iA Financial Group is not responsible for the way in which the taxation is interpreted, since it varies according to each investor's situation and is subject to any changes in the *Income Tax Act* (Canada) or provincial legislation.

iA Financial Group recommends that the Policyholder consult his/her personal tax specialist for advice on his/her particular tax situation.

NON-REGISTERED CONTRACTS

Each year, the Policyholder will receive a receipt for income tax purposes. The amount that appears on this receipt must be included in his/her tax return, if

applicable. The portion of investment income for each Fund that is allocated to the Contract is also reported to the Policyholder each year and must be included in his/her taxable income, if applicable.

Transfer Between Funds

As described in sections 3.4 and 3.5, the Policyholder may request the transfer of amounts between the Funds available under the Contract. All transfers involve a disposition of the transferred Fund Units. This disposition may involve a realization of accumulated capital gains that must be taxed in the transfer year, as required by the *Income Tax Act* (Canada).

Investment Guarantee

iA Financial Group will apply the Investment Guarantee, if applicable, on the Investment Guarantee Maturity Date of all Premiums invested in the same Investment Year and covered by the same Investment Guarantee, or at death, if death occurs prior to the Investment Period Maturity Date. Consult Section 2 for more details on the Investment Guarantees. All Premiums invested by iA Financial Group in the Contract under the Investment Guarantee selected by the Policyholder are taxable only when the amounts are surrendered from the Contract.

REGISTERED CONTRACTS

The IA Clarington GIF Contract may be registered as a RSP, TFSA RIF, LIF, LIRA or a locked-in RSP in all provinces where allowed by law and under Section 146 (146.3 for a RIF) of the *Income Tax Act* (Canada) or under the *Taxation Act* (Quebec), where applicable. In these cases, the Premiums are eligible for a preferred tax treatment up to the maximum amount allowed by law, except for the TFSA.

Investment income and capital gains are not subject to taxation when they are invested in the Contract. However, benefits payable under the terms of the Contract will be subject to income tax when they are surrendered from the Contract. In some cases, iA Financial Group is obligated to deduct taxes from the benefits payable.

Transfer Between Funds

As described in sections 3.4 and 3.5, the Policyholder may request the transfer of amounts between the Funds available under the Contract. All transfers involve a disposition of the transferred Fund Units. This disposition may involve a realization of accumulated capital gains that will be deferred and taxed only when the amounts are withdrawn from the registered Contract, except for the TFSA.

INVESTMENT GUARANTEE

iA Financial Group will apply the Investment Guarantee, if applicable, on the Investment Guarantee Maturity Date of all Premiums invested in the same Investment Year and covered by the same Investment Guaranteed, or at death, if death occurs prior to the Investment Period Maturity Date. Consult Section 2 for more details on the investments by iA Financial Group in the Contract under the Investment Guarantees. All Premiums invested by iA Financial Group in the Contract under the Investment Guarantee selected by the Policyholder are taxable only when the amounts are surrendered from the registered Contract, except for the TFSA.

4.9 Risk Factors

Different funds have different risks. All Funds carry the risk that the

Policyholder will lose money or not make money. The degree of risk from one Fund to another varies considerably. Generally speaking, investments with the highest potential return carry the greatest risk. Money market funds are considered the least risky, but usually come with the lowest expected returns. The riskiest funds tend to be aggressive growth funds, but they may also provide the highest potential return. iA Financial Group offers a selection of Funds within these two extremes. In deciding how much risk the Policyholder is prepared to take, the Policyholder should consider how soon he/she will need the money he/she is investing. The longer the Policyholder can leave his/her money invested, the more time there is for short-term market declines to be reversed.

What are the Specific Risks associated with the Funds? The market value of each Funds fluctuates with the market value of the assets held and are not guaranteed.

As a result, the Current Value of a Fund Unit, for each Fund, will fluctuate in accordance with the changes in the market value of the Underlying funds. Below are some of the specific risks that can affect the market value of the Underlying funds and consequently, the value of the investments in the Funds. These risks are inherent to both the Underlying funds, and the Funds. The descriptions of each Fund and Underlying fund, provided in this document, identify which risks apply to each Fund.

BetaPro ETF Risk

Investments in exchange-traded funds managed by BetaPro Management Inc. (the "BetaPro ETFs") are subject to certain risks. BetaPro ETFs seek to provide returns linked to a particular benchmark index and utilize leverage in an attempt to magnify returns by either a multiple or an inverse multiple of that benchmark index. Investments in BetaPro ETFs are highly speculative and involve a high degree of risk. In addition to the market risk and the risks identified generally for derivatives, BetaPro ETFs are also subject to increased volatility as they seek to achieve a multiple or inverse multiple of a benchmark index.

Concentration Risk

Some Funds are invested in Underlying funds that may have a concentrated number of investments. As a result, the securities in which they invest may not be diversified across all sectors or may be concentrated in specific regions or countries. By investing in a relatively small number of securities, the portfolio advisor may have a significant portion of the Underlying fund invested in a single security. This may result in higher volatility, as the value of the portfolio will vary more in response to changes in the market value of an individual security.

Credit Risk

This is the risk that the issuer of debt securities purchased by the Underlying fund will not pay that obligation. This includes the risk that an issuer may suffer adverse changes in its financial condition, causing the credit rating of its security to lower and increasing the volatility of the security's price. Changes in the credit rating of a security can affect its liquidity, making it more difficult to sell. If any of these events occurs, the Underlying fund may suffer a loss.

Currency Risk

This is the risk that changes in the value of the Canadian dollar, compared to foreign currencies, will affect the value of securities in Underlying funds that invest outside of Canada.

Derivatives Risk

A derivative is a contract between two parties, the value of which is based on the performance of other investments, such as equities, bonds, currencies or a

market index. Derivatives may be traded in the over-the-counter market or on a stock exchange. A derivative is commonly a future or a forward contract or an option, but there are other types of derivative instruments as well. Futures or forward contracts are agreements to buy or sell a security, commodity or currency for a certain price on a certain future date.

Options give the buyer the right to buy or sell a security, commodity or currency for a certain price on a certain future date. Derivatives may be used to limit, or hedge against, losses that may occur because of an Underlying fund's investment in a security or exposure to a currency or market. This is called hedging. Derivatives may also be used to obtain exposure to financial markets, reduce transaction costs, create liquidity or increase the speed of portfolio transactions. These investments are made for non hedging purposes. The following risks are associated with using derivatives:

- the use of derivatives for hedging may not be effective;
- a derivative contract may not be obtained when desired by an Underlying fund because;
 - i) there may be a lack of parties wanting to buy or sell a derivative contract; or
 - ii) the exchanges on which some derivatives are traded may set daily trading limits on futures contracts, preventing the Underlying fund from closing a contract;
- the other party to the derivative contract may not be able to meet its obligations and may default;
- if an exchange halts trading in a certain stock option, an Underlying fund may not be able to close its position in that option;
- the cost of the derivative contract may increase;
- the price of a derivative may not accurately reflect the value of the underlying security or index; and
- the *Income Tax Act* (Canada), or its interpretation, may change in respect of the tax treatment of derivatives and a large percentage of the assets of the Underlying fund may be placed on deposit with one or more counter parties, which exposes the Underlying fund to the credit risk of those counter parties.

Foreign Investment Risk

There is a risk that investments in foreign companies outside Canada and the United States will be affected by world economic factors in addition to changes in the value of the Canadian dollar. In addition, information about foreign companies may not be as complete and may not be subject to the same accounting, auditing, financial reporting standards and practices and other disclosure requirements that apply in Canada and the United States. Different financial, political, social and environmental factors can significantly affect the value of an Underlying fund's investment. Foreign markets may be volatile or lack liquidity, which may cause fund prices to fluctuate more than if the Underlying fund limited its investments to Canadian and United States securities. The costs of buying, selling and holding securities in foreign markets may be higher than those involved in domestic transactions.

Government Securities Risk

Some government agency securities may be subject to varying degrees of credit risk, particularly those not backed by the full faith and credit of the government. All government securities may be subject to price declines due to changing interest rates.

Income Trust Risk

Income trusts generally hold securities in, or are entitled to receive royalties from, an underlying active business. To the extent that an underlying business

is susceptible to industry risks, interest rate fluctuations, commodity prices and other economic factors, investment returns from an income trust may be similarly affected. Although their returns are neither fixed nor guaranteed, income trusts are structured in part to provide a constant stream of income to investors. As a result, an investment in an income trust may be subject to interest rate risk. There is also a risk that where claims against an income trust are not satisfied by that trust, investors in that trust could be held liable for any outstanding obligations.

Interest Rate Risk

An Underlying fund that invests partially or completely in income trusts, bonds or other fixed income securities is affected most by changes in interest rates. If interest rates increase, the value of the income trust, bond or other fixed income security purchased tends to fall.

Large Transaction Risk

Securities of an Underlying fund may be purchased by another Underlying fund, or by a third party investor. This could result in large investments in an Underlying fund. Any significant transaction made by a large investor could significantly impact an Underlying fund's cash flow. If the investor buys large amounts of securities of an Underlying fund, the Underlying fund could temporarily have a high cash balance. Conversely, if the investor redeems large amounts of securities of an Underlying fund, the Underlying fund may be required to fund the redemption by selling securities from its portfolio at an inopportune time. This could include selling investments in a market cycle downturn when many investments have declined in value or at any other time when a particular investment may have to be sold below its anticipated worth. This can have a negative impact on the performance of the Underlying fund.

Liquidity Risk

Some companies are not well known, they have few securities outstanding or can be significantly affected by political and economic events. If these companies have only a few securities outstanding, a sale or purchase of a small number of securities may have a greater impact on the price of the securities. Securities issued by these companies may be difficult to buy or sell and the value of an Underlying funds that buy these securities may experience volatility.

Market Risk

This is the risk that the market value of an Underlying fund's investments will rise or fall based on overall stock market conditions rather than each company's performance. The value of the market can vary with changes in the general economic and financial conditions. Political, social and environmental factors can also significantly affect the value of any investment.

Repurchase and Reverse Repurchase Transactions and Securities Lending Risk

Some of the Underlying funds may enter into repurchase and reverse repurchase transactions and/or securities lending agreements.

A repurchase transaction is where an Underlying fund sells portfolio securities that it owns to a third party for cash and simultaneously agrees to buy back the securities at a later date at a specified price using the cash received by the fund from the third party. While the Underlying fund retains its exposure to changes in the value of the portfolio securities, it also earns fees for participating in the repurchase transaction. A reverse repurchase transaction is where an Underlying fund purchases securities from a third party and simultaneously agrees to sell the securities back to the third party at a later date at a specified price. The difference between the Underlying fund's purchase price for the securities and the resale price provides the Underlying fund with additional income. A security lending agreement is similar to a repurchase agreement except that instead of selling the securities

and agreeing to buy them back later, the Underlying fund lends the securities for a fee and can demand the return of the securities at any time. While the securities are on loan, the borrower provides the Underlying fund with collateral consisting of cash and/or securities.

The risks associated with these types of transactions arise if the other party to the agreement defaults or goes bankrupt and the Underlying fund experiences losses or delays in recovering its investment. In a repurchase or securities lending transaction, the Underlying fund could incur a loss if the value of the securities sold or loaned has increased in value relative to the value of the cash or collateral held by the fund. In the case of a reverse repurchase transaction, the Underlying fund could incur a loss if the value of the securities purchased by the fund decreases in value relative to the value of the collateral held by the Underlying fund. To minimize these risks, an Underlying fund will not enter into these types of transactions unless it is, at a minimum, fully collateralized by liquid securities with a value of at least 102% of the market value of the securities sold, purchased or loaned, as the case may be. An Underlying fund will not enter into a repurchase or securities lending agreement if, immediately thereafter, the aggregate market value of all securities loaned by the fund and not yet returned to it or sold by the fund and not yet repurchased would exceed 50% of the total assets of the fund, exclusive of cash held by the Underlying fund. To minimize the risk of loss to the Underlying fund, these transactions will only be entered into with parties that have adequate resources and financial strength to meet their obligations under the agreement.

Sector Risk

This is the risk that changes in a particular industrial, commercial or service sector will affect an Underlying fund's investments that are heavily concentrated in that sector.

Series Risk

Most of the Underlying funds are available in more than one series of units. Each series has its own fees and expenses, which the Underlying fund tracks separately. If, for any reason, an Underlying fund cannot pay the expenses of one series using its proportionate share of the Underlying fund's assets, the Underlying fund will be required to pay those expenses out of the other series' proportionate share of the assets. This could lower the investment return of the other series.

Small Cap Risk

Since the value of small capitalization ("small cap") companies tend to be less stable than those of large capitalization ("large cap") companies, funds that invest in small-cap companies are more likely to be exposed to volatility.

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

4.10 Use of Derivatives and Loans by the Funds

The Funds and Underlying funds may use derivatives in order to reach their investment objectives. Derivatives used for this purpose may include options, futures contracts, over-the-counter forward contracts or swaps. Purchased derivatives comply with the limits and restrictions as provided under applicable legislation. 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.

4.11 Interest of Management and Other Entities in Material Transactions

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 iA Financial Group's subsidiaries or affiliated companies will not have any material negative impact on the Funds.

4.12 Material Contracts

No contract involving the Funds that can reasonably be deemed material by the Policyholders, or that may have an impact on the Funds available, has been concluded by iA Financial Group or any of its subsidiaries in the last 3 years.

4.13 Other Material Facts

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

5. INVESTMENT OBJECTIVES, MANAGEMENT OF THE FUNDS AND FUND FACTS

The IA Clarington GIF Contracts currently offer the opportunity to invest in a full range of Funds. Professional management of the Funds is provided by the investment advisors listed on page 21.

Professional management is aimed at providing clients of iA Financial Group with all the advantages that arise from investing in Funds.

The assets allocated to the following Funds are invested in units of Underlying funds and are managed by experienced investment advisors who specialize in the management of similar Funds.

iA Financial Group reserves the right to change the investment advisor of the Fund at any time without changing the stated investment objectives of the Fund. Such changes to the investment advisor shall not require prior written notification to be sent to the Policyholder. The Current Value of a Fund Unit will be determined for any iA Financial Group Fund that invests in an Underlying fund. Investment advisors will follow iA Financial Group's investment policy with respect to a particular Fund.

The following are the fundamental investment objectives, investment strategy and risk factors associated with the Funds offered by iA Financial Group.

IA Clarington GIFs	Investment Advisor's Address
IA Clarington Money Market GIF	iA Investment Management 1080 Grand Allée West PO Box 1907, Station Terminus Quebec City, QC G1K 7M3
IA Clarington Bond GIF	iA Investment Management 1080 Grand Allée West PO Box 1907, Station Terminus Quebec City, QC G1K 7M3
IA Clarington Core Plus Bond GIF	Wellington Square 150 King Street West Suite 2010, P.O. Box 5 Toronto (Ontario) M5H 1J9
IA Clarington Canadian Balanced GIF	QV Investors Inc. Livingston Place, South Tower 222, 3rd Avenue South West, Suite 1008 Calgary, AB T2P 0B8
IA Clarington Strategic Income GIF	IA Clarington Investments Inc. 522 University Avenue, Suite 700 Toronto, Ontario M5G 1Y7
IA Clarington Monthly Income Balanced GIF	iA Investment Management 1080 Grand Allée West PO Box 1907, Station Terminus Quebec City, QC G1K 7M3
IA Clarington Inhance Monthly Income SRI GIF	Vancity Investment Management Ltd. 900 West Hastings Street, Suite 300 Vancouver, British Columbia V6C 1E5
IA Clarington Strategic Equity Income GIF	IA Clarington Investments Inc. 522 University Avenue, Suite 700 Toronto, Ontario M5G 1Y7
IA Clarington Dividend Growth GIF	iA Investment Management 1080 Grand Allée West PO Box 1907, Station Terminus Quebec City, QC G1K 7M3
IA Clarington Canadian Conservative Equity GIF	IA Investment Management 1080 Grande Allée West PO Box 1907, Station Terminus Quebec City, QC G1K 7M3
IA Clarington Canadian Small Cap GIF	QV Investors Inc. Livingston Place, South Tower 222, 3rd Avenue South West, Suite 1008 Calgary, AB T2P 0B4
IA Clarington U.S. Dividend Growth GIF	iA Investment Management 1080 Grand Allée West PO Box 1907, Station Terminus Quebec City, QC G1K 7M3

IA Clarington GIFs	Investment Advisor's Address
IA Clarington Global Equity GIF	QV Investors Inc. Livingston Place, South Tower 222, 3rd Avenue South West, Suite 1008 Calgary, AB T2P 0B8
IA Clarington Global Value GIF	iA Investment Management 1080 Grand Allée West PO Box 1907, Station Terminus Quebec City, QC G1K 7M3
IA Clarington Loomis Global Equity Opportunities GIF	Loomis, Sayles & Company One Financial Center 655 Atlantic Ave Boston MA 02111
IA Clarington Distinction Conservative Portfolio GIF	iA Investment Management 1080 Grand Allée West PO Box 1907, Station Terminus Quebec City, QC G1K 7M3
IA Clarington Distinction Balanced Portfolio GIF	iA Investment Management 1080 Grand Allée West PO Box 1907, Station Terminus Quebec City, QC G1K 7M3
IA Clarington Distinction Growth Portfolio GIF	iA Investment Management 1080 Grand Allée West PO Box 1907, Station Terminus Quebec City, QC G1K 7M3

IA CLARINGTON GIF'S

IA CLARINGTON MONEY MARKET GIF

Investment Objectives

Aims to obtain as high a level of current interest income as is consistent with the protection of capital liquidity.

Investment Strategy

Units of the IA Clarington Money Market Fund, which selects money instrument that offer good relative value and invests in a number of different issuers, and adjusts the Underlying fund's weighted average term to maturity in anticipation of interest rate changes.

IA CLARINGTON BOND GIF

Investment Objectives

Aims to generate a high total rate of return through a combination of interest income and enhancement of capital consistent with safety of capital.

Investment Strategy

Units of the IA Clarington Bond Fund, which invests primarily in high-quality fixed income securities having a maturity of not less than one year; such debt obligations will consist of bonds, debentures, notes and other obligations, whether secured or unsecured, convertible or not, issued or guaranteed primarily by the Government of Canada or any province or territory of Canada, or any agency thereof. May also invest in warrants or rights to subscribe for any of the above mentioned securities, term deposits with banks or other financial institutions or any other obligations or financial instruments having characteristics similar to the above described securities and selects securities and maturity based on fundamental economic analysis, examining economic growth, inflation and the fiscal and monetary policy in Canada.

IA CLARINGTON CORE PLUS BOND GIF

Investment Objectives

Provides income and the potential for long term capital growth, while preserving capital and mitigating the effects of interest rate fluctuations, by investing primarily in fixed income securities including government bonds, investment grade bonds and high-yield bonds, as well as other income producing securities such as asset-backed securities and senior floating rate loans.

Investment Strategy

Invests in units of the IA Clarington Core Plus Bond Fund, which will invest primarily in fixed income securities of North American companies including government bonds, investment grade bonds, high yield bonds, asset backed securities and senior loans and other income producing securities, such that the overall weighted average credit rating of the Fund's portfolio is "BBB-" or higher.

IA CLARINGTON CANADIAN BALANCED GIF

Investment Objectives

Seeks to achieve capital appreciation and income with a focus on preserving the value of the original capital by investing primarily in a portfolio of Canadian equity and fixed income investments.

Investment Strategy

Units of the IA Clarington Canadian Balanced Fund, which normally invests approximately 40% to 60% of assets in equity securities and the balance

in fixed income and money market securities and follows a fundamental, bottom-up and value based process in equity selection to achieve growth, may invest in fixed income securities to counter the volatility of equities using a top-down portfolio approach and a blend of credit and duration styles. The Fund may also invest in foreign securities.

IA CLARINGTON STRATEGIC INCOME GIF

Investment Objectives

To provide a consistent stream of income and capital appreciation by investing primarily in Canadian equity and fixed-income investments.

Investment Strategy

Units of the IA Clarington Strategic Income Fund, in which the portfolio manager may generally invest up to 49% in foreign securities and up to 70% in either equity or fixed-income securities. The allocation between equity and fixed-income securities will be determined based on general market or economic conditions.

IA CLARINGTON MONTHLY INCOME BALANCED GIF

Investment Objectives

Aims to provide a consistent stream of income and the potential for capital growth by investing in fixed income and equity securities.

Investment Strategy

The Fund invests in short-term and long-term debt obligations of Canadian and foreign issuers and invests in equity securities of high quality Canadian and foreign issuers, including income trusts, and adjusts the percentage invested in each asset class based on changes in the market outlook for each asset class, taking into consideration an examination of economic indicators like growth, inflation and monetary policy to provide a framework for selecting appropriate securities.

IA CLARINGTON INHANCE MONTHLY INCOME SRI GIF

Investment Objectives

Aims to provide a reasonably consistent level of monthly income by investing primarily in fixed income and high yield equity securities of Canadian issuers which meet the manager's socially responsible investment principles.

Investment Strategy

Invests in a diversified selection of Canadian issued money market instruments, government and corporate bonds, mortgage-backed securities, preferred shares, income or royalty trusts of primarily non-resource issuers, and primarily dividend paying, higher yielding common shares in accordance with the SRI principles established by the manager.

IA CLARINGTON STRATEGIC EQUITY INCOME GIF

Investment Objectives

Aims to generate regular dividend and interest income and moderate long-term capital growth.

Investment Strategy

Units of the IA Clarington Strategic Equity Income Fund, which invests primarily in high quality dividend-paying common and preferred shares of Canadian and foreign corporations, income trust units and/or fixed income securities of Canadian and U.S. issuers. The investment advisor employs a rigorous bottom-up strategy with a 12 to 18 month strategic outlook on the

markets with a view to invest in income producing equities demonstrating strong fundamentals. The underlying fund may invest up to 49% of its assets in foreign securities.

IA CLARINGTON DIVIDEND GROWTH GIF

Investment Objectives

Achieve a consistent level of dividend income with some moderate capital appreciation.

Investment Strategy

Units of the IA Clarington Dividend Growth Class, which invests primarily in common stocks of Canadian large capitalization companies which pay dividends. The underlying fund may also invest in other income generating securities, including income trusts and preferred stocks.

IA CLARINGTON CANADIAN CONSERVATIVE EQUITY GIF

Investment Objectives

Seeks to achieve long-term capital growth and maintain value by investing primarily in equity securities of Canadian companies.

Investment Strategy

Units of the IA Clarington Canadian Conservative Equity Fund, which invests primarily in equity securities of Canadian companies.

The underlying fund may also invest in other income generating securities including income trusts and preferred stocks.

IA CLARINGTON CANADIAN SMALL CAP GIF

Investment Objectives

Maximizes long term growth of capital by investing primarily in equity securities of small cap Canadian companies.

Investment Strategy

Units of the IA Clarington Canadian Small Cap Fund, which invests primarily in equities of Canadian smaller capitalization companies (generally to a maximum weighted average market capitalization of approximately \$2.5 billion). The underlying fund may also invest in foreign equity securities.

IA CLARINGTON U.S. DIVIDEND GROWTH GIF

Investment Objectives

Invests in units of an underlying fund which provides high long-term capital appreciation by primarily investing in stocks of high performing U.S. companies. Mainly invests in equities of large capitalization companies.

Investment Strategy

Invests in units of the IA Clarington U.S. Dividend Growth Fund, which mainly invests in large U.S. capitalization equity securities companies with solid financial statements. The advisor selects the securities he anticipates will provide consistent growth in profits.

IA CLARINGTON GLOBAL EQUITY GIF

Investment Objectives

Aims to achieve a combination of income and long-term capital growth through investment in a portfolio consisting primarily of equity securities of businesses located around the world.

Investment Strategy

Units of the IA Clarington Global Equity Fund, which invests in a portfolio consisting primarily of equity securities of businesses located around the world that have current and anticipated dividend policies which the portfolio advisor believes are an indicator of long-term growth potential.

IA CLARINGTON GLOBAL VALUE GIF

Investment Objectives

Seeks to achieve superior long-term capital appreciation consistent with the protection of the Fund's capital.

Investment Strategy

Units of the IA Clarington Global Value Fund, which invests primarily in a diversified portfolio of equity securities of large capitalization international corporations that are considered leaders in their respective industries and offer strong growth prospects.

IA CLARINGTON LOOMIS GLOBAL EQUITY OPPORTUNITIES GIF

Investment Objectives

Seeks to achieve long term capital appreciation by investing primarily in equity securities of companies around the world.

Investment Strategy

Units of the IA Clarington Global Opportunities Fund, where the advisor selects investments of any market capitalization from many different industries and countries to enhance returns and reduce risks with an emphasis on undervalued companies through fundamental, bottom-up research. The portfolio typically holds those companies for three or four years.

IA CLARINGTON DISTINCTION CONSERVATIVE PORTFOLIO GIF

Investment Objectives

Aims to generate interest and dividend income with the potential for capital appreciation by mainly investing in a diversified portfolio of mutual funds with an emphasis toward Canadian income, balanced and growth funds. The portfolio will also invest in global equity funds.

Investment Strategy

Units of the Distinction Conservative Class, which allocates up to 100% of its assets among underlying mutual funds, continuously monitors its holdings and asset mix, rebalances its underlying assets and may invest in cash or other short-term money market instruments while seeking investment opportunities or for defensive purposes.

IA CLARINGTON DISTINCTION BALANCED PORTFOLIO GIF

Investment Objectives

Aims to generate interest and dividend income as well as capital appreciation by mainly investing in a diversified portfolio of mutual funds with an emphasis toward Canadian balanced, Canadian equity growth and specialty growth funds. The portfolio will also invest in global equity funds.

Investment Strategy

Units of the Distinction Balanced Class, which allocates up to 100% of its assets among underlying mutual funds, continuously monitors its holdings and asset mix, rebalances its underlying assets and may invest in cash or other short-term money market instruments while seeking investment opportunities or for defensive purposes.

IA CLARINGTON DISTINCTION GROWTH PORTFOLIO GIF

Investment Objectives

Aims to generate primarily capital appreciation, with some exposure to income funds for diversification by mainly investing in a diversified portfolio of mutual funds with an emphasis toward Canadian and global equity funds, as well as specialty funds.

Investment Strategy

Units of the Distinction Growth Class, which allocates up to 100% of its assets among underlying mutual funds, continuously monitors its holdings and asset mix, rebalances its underlying assets and may invest in cash or other short-term money market instruments while seeking investment opportunities or for defensive purposes.

All risk factors are explained in detail in sections 4.9 and 4.10 of this Information Folder. More information about the investment policy and restrictions of each Fund can be found in the audited annual financial statements and semi-annual financial statements (see sections 4.6 and 8). iA Financial Group reserves the right to modify and /or change the investment policy of the investment fund at any time to better meet the stated investment objectives of the Fund. Such changes to investment policy shall not require prior written notification to be sent to the Policyholder. The detailed description and restrictions, and the investment policy of any Underlying fund in which the assets allocated to a Fund are invested are available upon request.

The investment objectives of an Underlying fund cannot be modified unless approved by all the unit holders of that Underlying fund. If the unit holders of an Underlying fund in which the assets allocated to a Fund is invested consent to the modification of the objectives of this Underlying fund, iA Financial Group will advise the Policyholders affected by this change.

6. FUNDAMENTAL CHANGES

iA Financial Group must notify the Policyholder in writing at least sixty (60) days before making a fundamental change to the Funds. This written notice will advise the Policyholder what change will be made and when it will become effective. A fundamental change includes an increase in the management fee charged against the assets of a Fund, a change in the fundamental investment objectives of a Fund, a decrease in the frequency with which units of a Fund are valued and/or an increase in the insurance fees limit specified under Section 4.3.

With respect to an increase in the management fee, if the assets allocated to one of iA Financial Group's Funds are invested in an Underlying fund, an increase in the management fee for the Underlying fund that translates into an increase in the management fee for iA Financial Group's Fund, will be deemed to be a fundamental change.

The fundamental change notice gives the Policyholder the right to: (i) transfer the Premiums invested in the Fund that is subject to the fundamental change, to a similar Fund offered by iA Financial Group that is not subject to the fundamental change, without incurring any deferred sales charges or similar fees, and without affecting the Policyholder's other rights or obligations under the Contract; or, (ii) if iA Financial Group does not offer a similar Fund, surrender the Premiums invested in the Fund without incurring any deferred sales charges or similar fees. The Policyholder's election must be received by iA Financial Group at least five (5) days prior to the expiry of the notice period required for a fundamental change. The notice will be sent by regular mail to the Policyholder's last known address as shown in iA Financial Group's records.

For the purpose of applying this provision, a similar Fund means a Fund that has similar fundamental investment objectives to the original Fund, is in the same Fund category (in accordance with the Fund categories published in a financial publication with broad distribution) and has the same or lower management fee and insurance fees than the management fee and insurance fees of the Fund in effect at the time the notice is given.

During the notice period, iA Financial Group may provide that the Policyholder shall not be permitted to invest into the Fund subject to the fundamental change, unless the Policyholder agrees to waive the right to surrender without charges.

7. RESCISSION RIGHT

The Policyholder has the right to cancel this Contract within 2 business days of the earlier of

- the date the Policyholder receives confirmation; or
- 5 business days after the confirmation is mailed.

Policyholder may also change his/her mind about subsequent transactions made under this Contract within 2 business days of the earlier of

- the date the Policyholder receives confirmation; or
- 5 business days after the confirmation is mailed.

The right to cancel only applies to the transaction. Policyholder has to tell iA Financial Group in writing, by email, fax or letter, that he/she wants to cancel. The amount returned will be the lesser of:

- the value of the Premium invested; or
- the value of the investment on the valuation day following the day iA Financial Group received the request to cancel.

The amount returned only applies to the specific transaction and will include a refund of any sales charges paid.

8. INVESTMENT FUNDS' AUDITED FINANCIAL STATEMENTS

The audited annual financial statements and unaudited semi-annual financial statements for the Funds are available on iA Financial Group website at www.iaclarington.com. To obtain a paper version of these documents, the Policyholder should send a written request to the following address:

iA Financial Group
c/o IA Clarington Investments Inc.
522 University Avenue, suite 700, Toronto, ON M5G 1Y7

Industrial Alliance Insurance and Financial Services Inc. is incorporated under *An Act respecting Insurance* (Quebec).

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

NON-REGISTERED OR REGISTERED INDIVIDUAL VARIABLE ANNUITY CONTRACT PROVISIONS

Any Amount that is Allocated to a Segregated Fund is Invested at the Risk of the Policyholder 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.

DEFINITIONS

Anniversary Date

The Anniversary Date is measured from the Initial Investment Date for each Investment Guarantee. It occurs every year on the annual anniversary of the Initial Investment Date for each Investment Guarantee.

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.

If the Contract is registered as a retirement savings plan ("RSP") or a retirement income fund ("RIF"), the term "Annuitant" is defined in Section 146 and 146.3 of the *Income Tax Act* (Canada).

If the Contract is registered as a Tax-Free Savings Account (hereinafter referred to as a "TFSA" under the *Income Tax Act* (Canada), the Annuitant must be the Policyholder under the Contract and is referred to as the holder as defined in subsection 146.2(1) of the *Income Tax Act* (Canada).

Beneficiary(ies)

The Beneficiary is the person who shall receive the death benefit upon the death of the Annuitant. The Policyholder may designate one or more Beneficiaries. If no Beneficiary survives the Annuitant or if none has been designated, the death benefit will be paid to the Policyholder or to his/her estate.

Current Value of a Fund Unit

The Current Value of a Fund Unit is determined on a Valuation Date by dividing the market value of the assets allocated to the Fund by the number of Units of that Fund (also referred to as "Current Value").

Effective Date of the Contract

The date on which this Contract becomes effective. The Effective Date of the Contract will be the day on which the first Premium is received by iA Financial Group and iA Financial Group is otherwise satisfied that all other criteria required to establish the Contract have been met.

Distributor

A Distributor is a corporation authorized to distribute and sell individual life insurance products to clients through duly licensed agents/representatives.

Deferred Sales Charge Option

If the Policyholder selects this sales charge option (also referred to as "DSC Option"), for the investment of a Premium, surrender fees, if applicable, will be deducted at the time of surrender of the Premium in accordance with the rates for the DSC Option under the "SALES CHARGE OPTIONS" section of this Contract.

Front-end Option

If the Policyholder selects this sales charge option for the investment of a Premium, a sales charge is negotiated between the Policyholder and the Distributor and is paid by the Policyholder to the Distributor. This sales charge is negotiated in accordance with rates for this option under the "SALES CHARGE OPTIONS" section of this Contract.

Fund(s)

The segregated fund(s) established by iA Financial Group and available for the investment of a Premium under this Contract (also called as "GIF(s)" or "IA Clarington GIF(s)" in this Contract).

Fund Facts

The Fund Facts is a disclosure document in respect of the Contract which form part of the information folder related to the Contract. A Fund Facts is established for each Fund offered under the Contract.

Fund Unit(s)

A notional measurement used by iA Financial Group to determine the value of this Contract and its benefits (also called "Unit" or "Units" in this Contract). Fund Units can be whole or fractional. Fund Units are a notional measurement only and a Policyholder does not acquire any ownership interests in them.

Guaranteed Minimum Value at Death

If the Annuitant dies before the Investment Period Maturity Date, the Contract provides for a Guaranteed Minimum Value at Death, as specified under the terms of the "INVESTMENT GUARANTEES" section of this Contract.

Guaranteed Minimum Value at Maturity

A variable minimum guaranteed value provided under this Contract as of the Investment Guarantee Maturity Date. The Guaranteed Minimum Value at Maturity is fully explained in the "INVESTMENT GUARANTEES" section of this Contract.

iA Financial Group

Industrial Alliance Insurance and Financial Services Inc. and for the purpose of this Contract constitutes the "Insurer".

Initial Investment Date

This is the date on which a Premium or a portion of a Premium is invested into the Contract for the first time under a particular Investment Guarantee. Each Investment Guarantee will have an Initial Investment Date.

Investment Guarantee(s)

Three types of Investment Guarantees are offered pursuant to this Contract: Guarantee A, Guarantee B and Guarantee C. The Investment Guarantees are fully described in the "INVESTMENT GUARANTEES" section of this Contract.

Investment Guarantee Maturity Date

The date at which the Investment Guarantee is applicable. The Investment Guarantee Maturity Date is fully described in the "INVESTMENT GUARANTEES" section of this Contract.

Investment Year

The one year (twelve (12) months) starting with the Initial Investment Date and ending on the day of the Anniversary Date is the first Investment Year. Subsequent Investment Years start on the day following the Anniversary Date and end on the following Anniversary Date.

Investment Period Maturity Date

The Investment Period Maturity Date is the date as of which no further Premiums can be paid into this Contract. For non-registered Contracts, Contracts registered as a TFSA under the *Income Tax Act* (Canada) and Contracts registered as a RIF under the *Income Tax Act* (Canada), the Investment Period Maturity Date is December 31 of the year in which the Annuitant reaches the age of one hundred and ten (110) years. The Investment Period Maturity Date for Contract registered as an RSP is December 31 of the year in which the Annuitant reaches the age of seventy-one (71) years and the "AUTOMATIC CONVERSION" section of this Contract will then apply.

Market Value of the Contract

The Market Value of the Contract 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. If, at any time, the Market Value of the Contract is lower than the minimum balance determined by iA Financial Group at its discretion, iA Financial Group reserves the right to terminate the Contract and reimburse to the Policyholder the Market Value of the Contract less any applicable charges or fees.

THE MARKET VALUE OF THE CONTRACT AND THE CURRENT VALUE OF EACH FUND'S UNITS ARE NOT GUARANTEED SINCE THESE VALUES FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO EACH FUND.

Market Value of Fund Assets

The market value of the assets allocated to a Fund 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 applicable, such as management fees and operating expenses.

THE MARKET VALUE OF EACH FUND ASSETS IS NOT GUARANTEED, BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE UNDERLYING INVESTMENT(S) ALLOCATED TO EACH FUND.

Policyholder

The Policyholder is the individual or entity who is the holder of the rights under this Contract. The Policyholder is entitled to the benefits conferred under this Contract, subject to its terms and conditions and applicable legislation, during the Annuitant's lifetime. For the purpose of this Contract, the Policyholder constitutes the "Insured".

Premium

A Premium is the amount received by iA Financial Group for investment under the Contract.

The Policyholder may invest Premiums at any time before the Investment Period Maturity Date.

Valuation Date

A business day on which the Toronto Stock Exchange is open for trading and on which a value is available for the Underlying fund(s) held by a particular Fund.

GENERAL PROVISIONS

CONTRACT

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

If the Contract is registered as a Retirement Savings Plan ("RSP"), a Locked-in Retirement Account ("LIRA"), a Retirement Income Fund ("RIF"), a Life Income Fund ("LIF") or a TFSA under the *Income Tax Act* or any other applicable legislation, the provisions of any RSP, LIRA, RIF, LIF and TFSA endorsements, as the case may be, form part of this Contract and will override any conflicting provisions of this Contract.

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

The Information Folder, which provides a summary of this Contract and which appears on page 8 of this document, is not part of the Contract and must not be considered under any circumstances as a contractual document that binds the Policyholder and iA Financial Group.

NON-PARTICIPATING

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

CHANGE OF BENEFICIARY

iA Financial Group will not be bound by any beneficiary change which has not been received by it before the death benefit is paid. iA Financial Group assumes no responsibility for the validity of a beneficiary designation or beneficiary change.

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. iA Financial Group assumes no liability for the validity of an assignment. A registered Contract may not be assigned.

CURRENCY

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

TRANSACTION FEES

A transaction fee of \$15 may be charged if a cheque or pre-authorized payment is not honoured on its first presentation. A transaction fee of \$35 may be charged for a transfer of the Contract in accordance with iA Financial Group's administrative policies then in force. At any time, iA Financial Group may modify these fees and additional fees may be added without prior notice.

If the Contract is registered as a RIF, iA Financial Group reserves the right to charge transaction fees for any modifications to the terms of income payments or for any other modification or transaction.

SURRENDER OF THE CONTRACT

At any time before the Investment Period Maturity Date, the Contract may be surrendered in whole or in part according to the surrender rules governing the Funds and the terms and conditions of this Contract.

The surrender value of the Contract is the surrender value of the Premiums invested in the Funds in accordance with the "SURRENDER OF PREMIUMS INVESTED" section of this Contract.

If the Contract is registered as a RIF, at the end of each calendar year, iA Financial Group may automatically carry out a surrender, in whole or in part, in order to reach the minimum payment required by the *Income Tax Act* (Canada).

DEATH BENEFITS

1. Before Annuity Payments Begin

If the Annuitant dies before annuity payments begin, and iA Financial Group has received all required documentation to settle the death claim ("Proof of

Claim”), iA Financial Group pays the Beneficiary the higher of:

- the Market Value of the Contract. The Valuation Date upon which the Market Value of the Contract is determined for the purposes of this section will be the date on which iA Financial Group receives, to its satisfaction, the necessary Proof of Claim (the “Death Benefit Valuation Date”); or
- the Guaranteed Minimum Value at Death.

The Payment of the death benefit will discharge iA Financial Group of all of its obligations under this contract.

If however, the Annuitant’s spouse was validly named as the Beneficiary under the Contract before the Annuitant’s death, and the Contract is a registered as RIF or a LIF, the Beneficiary may elect to be the successor annuitant under the Contract. If the Beneficiary so elects, the Contract will continue and any investments in various Funds will remain in those Funds. In this case, if on the Death Benefit Valuation Date, the Market Value of the Contract is less than the Guaranteed Minimum Value at Death, iA Financial Group will credit the Contract with sufficient Fund Units in the IA Clarington Money Market GIF of the same Guarantee, Front-end Option at 0% commission, so that the adjusted Market Value of the Contract is equal to the Guaranteed Minimum Value at Death.

In addition, if the Beneficiary elects to become the successor annuitant and continues the Contract as described in this section:

- a) for the purpose of the application of the Investment Guarantees, the Market Value of the Contract (or, if any adjustment takes place under this section, the adjusted Market Value of the Contract), on the Death Benefit Valuation Date, will be deemed to be a new Premium invested in the Funds for the purposes of the “Reset of the Guaranteed Minimum Value at Death” subsection of this Contract;
- b) the successor annuitant’s age will thereafter be used under the Contract to determine a new Investment Period Maturity Date; and
- c) a new Investment Guarantee Maturity Date for all investments in the Contract will be deemed to be elected and will be established on the earlier of:
 - fifteen (15) years after the Death Benefit Valuation Date; or
 - the new Investment Period Maturity Date based on the successor annuitant’s age.

THE MARKET VALUE OF THE CONTRACT IS NOT GUARANTEED SINCE IT VARIES ACCORDING TO FLUCTUATIONS OF THE ASSETS ALLOCATED TO EACH FUND.

2. After Annuity Payments Begin

If the Annuitant dies after annuity payments begin, and the annuity payments are not guaranteed, the Contract will terminate.

If the Annuitant dies after the annuity payments begin but before the expiry of the period during which the annuity payments are guaranteed, the annuity payments will continue to be paid until the expiry of the guaranteed period of the annuity, to the Beneficiary or, if there is no Beneficiary, to the Policyholder or to his/her estate.

ANNUITY

Life Annuity with 120 Guaranteed Payments

At anytime after the Annuitant has reached the age of sixty-five (65), and the Contract is in force, the Policyholder may request in writing to iA Financial Group that iA Financial Group pay a life annuity with one hundred and twenty (120) guaranteed payments (hereafter called the “Guaranteed

Annuity”) to the Annuitant. The amount of the monthly payments under the Guaranteed Annuity is equal to the Market Value of the Contract on the date the Guaranteed Annuity is calculated, less charges in the amount of \$600, multiplied by X:

Where X is equal to 0.016% multiplied by age of the Annuitant on the date the Guaranteed Annuity is calculated minus 0.90%.

If, on the Investment Period Maturity Date, the Contract is in force and iA Financial Group has not received any written instructions from the Policyholder as to the start of Guaranteed Annuity payments, Guaranteed Annuity payments will begin automatically, with no further notice to the Policyholder, and will be paid to the Annuitant in accordance with the terms of this Contract.

Life Annuity Without Guaranteed Payments

Notwithstanding the foregoing and in order to comply with income tax legislation, at any time after the Annuitant has reached the age of eighty (80) and if the Contract is in force and is registered as a RIF under the *Income Tax Act* (Canada), the Policyholder may request in writing to iA Financial Group that iA Financial Group pay a life annuity without guaranteed payments (hereafter “Annuity Without Guarantee”) to the Annuitant. The amount of the monthly payments under the Annuity Without Guarantee is equal to the Market Value of the Contract on the date the Annuity Without Guarantee is calculated, less charges in the amount of \$600, multiplied by Y:

Where Y is equal to 0.0165% multiplied by age of the Annuitant on the date the Annuity Without Guarantee is calculated minus 0.90%.

If on the Investment Period Maturity Date, the Contract is in force and is registered as a RIF, and iA Financial Group has not received any written instructions from the Policyholder as to the start of the Annuity Without Guarantee payments, the Annuity Without Guarantee payments will begin automatically, with no further notice to the Policyholder, and will be paid to the Annuitant in accordance with the terms of this Contract.

Guarantee

If the Guaranteed Annuity or the Annuity Without Guarantee is established on an Investment Guarantee Maturity Date and if the Fund Units have been credited to the Contract on this date, the value of the Fund Units used to calculate the Market Value of the Contract is determined in accordance with the “Application of the Investment Guarantee on the Investment Guarantee Maturity Date” subsection of this Contract.

Surrender After Annuity Begins

Notwithstanding the other terms and conditions of this Contract, after Guaranteed Annuity or Annuity Without Guarantee payments begin, no surrenders or transfers are permitted.

The Policyholder may, at any time before Guaranteed Annuity or Annuity Without Guarantee payments begin, surrender the Contract and use the surrender value (see the “SURRENDER OF THE CONTRACT” section) to purchase another annuity offered by iA Financial Group.

Proof of Age

Evidence satisfactory to iA Financial Group of the age of the Annuitant must be provided before any Guaranteed Annuity or Annuity Without Guarantee payment is made.

Proof of Survival.

Whenever a payment provided for under this Contract is contingent on the life of the Annuitant, iA Financial Group reserves the right, during any period that annuity payments are payable, to require proof, from time to time, that the Annuitant is alive.

Registered Contracts

Notwithstanding the "ANNUITY" section of this Contract, if the Contract is held as an investment for a registered account, the life annuity with one hundred and twenty (120) guaranteed payments will be paid into that registered account.

AUTOMATIC CONVERSION

If this Contract is registered as an RSP under the *Income Tax Act* (Canada) and it is in force on the Investment Period Maturity Date, the Contract is automatically converted into a RIF or a LIF of iA Financial Group, if applicable. This automatic conversion will be made in accordance with the *Income Tax Act* (Canada) or any corresponding provincial legislation and according to the administrative policies then in effect at iA Financial Group. This automatic conversion does not in any way affect the investments in place at the time of conversion.

FILE AND PERSONAL INFORMATION

In order to ensure the confidentiality of personal information concerning the Policyholder, iA Financial Group will establish a file (the "Policy File"), the purpose of which is to provide insurance, annuity products, and financial services to the Policyholder. iA Financial Group will retain in the Policy File, any information provided by the Policyholder and/or the Annuitant as part of the application and administration of this Contract.

Only iA Financial Group's employees and authorized representatives or third parties who are responsible for administering the Contract, as well as the relevant products and financial services, will have access to the Policy File. iA Financial Group may retain a third party and expects to retain its affiliate IA Clarington Investments Inc. to assist with the administration of this Contract and the Policy File on its behalf. The Policyholder is entitled to access the personal information contained in his/her Policy File and, if necessary, to have it rectified by sending a written request to the following address:

iA Financial Group
c/o IA Clarington Investments Inc. Privacy Officer
522 University Avenue, Suite 700 Toronto, ON M5G 1Y7

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).

INVESTING IN FUNDS

The Policyholder may request, at any time, to invest in one or more Funds offered by iA Financial Group. iA Financial Group reserves the right to limit amounts invested in a Fund.

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 following Valuation Date, 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 were credited to the Contract.

THE MARKET VALUE OF THE CONTRACT AND THE CURRENT VALUE OF EACH FUND'S UNITS CREDITED TO THE CONTRACT ARE NOT GUARANTEED SINCE THESE VALUES FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO EACH FUND.

RESCISSION RIGHT

The Policyholder has the right to cancel this Contract within two (2) business days of the earlier of

- the date the Policyholder receives confirmation; or
- five (5) business days after the confirmation is mailed.

Policyholder may also change his/her mind about subsequent transactions made under this Contract within two (2) business days of the earlier of

- the date the Policyholder receives confirmation; or
- five (5) business days after the confirmation is mailed.

The right to cancel only applies to the transaction. Policyholder has to tell iA Financial Group in writing, by email, fax or letter, that he/she wants to cancel. The amount returned will be the lesser of:

- the value of the Premium invested; or
- the value of the investment on the valuation day following the day iA Financial Group received the request to cancel.

The amount returned only applies to the specific transaction and will include a refund of any sales charges paid.

FUND AND FUND FACTS

iA Financial Group offers a variety of Funds in which the Policyholder can invest the initial and subsequent Premiums. From time to time, existing Funds may be terminated (see the "TERMINATION OF A FUND" section) or new Funds may be added. If no instructions are provided as to the distribution of a Premium in each Fund, the entire Premium will be invested in the IA Clarington Money Market GIF, Front-end Option at 0% commission. In this case, the Guarantee C will apply (see the "INVESTMENT GUARANTEES" section).

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 of the information was prepared.

The following elements or sections of each Fund Facts related to the Funds offered under 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 to specific performance under the Contract.

INVESTMENT TERMS

As long as the Premiums are invested in the Funds, a minimum of 20% of all Premiums invested in these Funds must be invested in the income asset class. The weighting of the income asset class in each Fund is described in section 4.3 of the Information folder. iA Financial Group reserves the right to reallocate the Policyholder's Premiums invested in the Funds, at its sole discretion, in order to comply with these investment restrictions. **There may be tax consequences as a result of reallocation of Premiums between Funds.**

FUNDAMENTAL CHANGES

iA Financial Group will notify the Policyholder in writing at least sixty (60) days before making a fundamental change to a Fund. This written notice will advise the Policyholder what change will be made and when it will become effective. A fundamental change includes an increase in the management fee charged against the assets of a Fund, a change in the fundamental investment objectives of a Fund, a decrease in the frequency with which Units of a Fund are valued and/or an increase in the insurance fees limit specified under the "MANAGEMENT FEES, INSURANCE FEES AND OPERATING EXPENSES" section.

The Policyholder will then have the right to:

- i) transfer the Premiums invested in the Fund which is the subject of a fundamental change to a similar Fund offered by iA Financial Group that is not subject to the fundamental change without incurring any deferred sales charges or similar fees and without affecting any other rights or obligations of the Policyholder under the Contract; or
- ii) surrender the Premiums invested in the Fund which is the subject of a fundamental change, if iA Financial Group does not offer a similar Fund, without incurring any deferred sales charges or similar fees.

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.

iA Financial Group must receive the Policyholder's election at least five (5) days prior to the expiry of the notice period required for a fundamental change. The notice will be sent by regular mail to the Policyholder's last known address as shown in iA Financial Group records.

During the notice period, iA Financial Group may provide that the Policyholder shall not be permitted to invest in the Fund subject to the fundamental change, unless he/she agrees to waive the right to surrender without charges.

MARKET VALUE OF FUND ASSETS AND CURRENT VALUE OF A FUND UNIT

The market value of the assets allocated to each Fund and the Current Value of a Fund Unit are determined every Valuation Date. iA Financial Group reserves the right to adjust the frequency and dates of these regular valuations. However, in no event will a valuation be made less frequently than once a month (see the "FUNDAMENTAL CHANGES" section).

Special valuations may be made on days other than regular Valuation Dates. The valuation of the Funds and the underlying investment funds may be delayed or postponed if the stock market is closed or if transactions are suspended on assets allocated to the Funds in question. In this case, the valuation will take place as soon as possible. The valuation will be based on the closing sales price on the preceding business day on a nationally recognized stock exchange, and in all other cases, on the fair market value as determined by iA Financial Group.

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

Current Value of a Fund Unit

The Current Value of a Fund Unit is determined by dividing the market value of the net assets allocated to the Fund by the number of Units of the Fund.

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 following, if none coincides. iA Financial Group reserves the right to divide the Fund Units. In such a case, iA Financial Group will modify the number of Units credited to the Contract so that the division will not affect the Market Value of the Contract.

THE CURRENT VALUE OF EACH FUND'S UNITS IS NOT GUARANTEED, BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO EACH FUND.

Market Value of Fund Assets

The market value of the assets allocated to a Fund (also referred as "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 the 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. The only expenses charged to the Funds are those assignable to those Funds.

THE MARKET VALUE OF FUND ASSETS FOR EACH FUND IS NOT GUARANTEED, BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE UNDERLYING INVESTMENT(S) ALLOCATED TO EACH FUND.

MANAGEMENT FEES, INSURANCE FEES AND OPERATING EXPENSES OF THE FUNDS

Management fees are paid to iA Financial Group. They vary from Fund to Fund and are deducted from each Fund on each Valuation Date. The fees are determined based on the market value of the assets allocated to a Fund on each Valuation Date.

The management fees rate may be modified from time to time but shall never exceed the management fee rate for the period ending December 31, 2020 plus 2.00%.

The service fees, which are paid periodically (monthly or quarterly) to the Distributor as long as the Contract is in force, are embedded in the management fees. For the purposes of the commission payable to the Distributor under the Deferred Sales Charge Option only (see the "SALES CHARGE OPTION" section), the commission payable to the Distributor for the investment of a Premium in iA Financial Group's Funds is also embedded in the management fees.

The insurance fees are not embedded in the management fees and are charged separately from these against the assets of each Fund. iA Financial Group reserves the right to change the insurance fees from time to time, but the change shall never exceed the insurance fees limit. For each Fund, the insurance fees limit is the current insurance fees mentioned in the Information Folder for that Fund plus the greater of 50 basis points and 50% of the current insurance fees of this Fund. Please refer to the Information Folder for the current management fees and insurance fees of each Fund, stipulated on an annual basis.

An increase in the management fees or a change in the insurance fees that exceeds the insurance fee limit would be considered as a fundamental change and would give the Policyholder certain rights (see the "FUNDAMENTAL CHANGES" section).

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

- Legal, audit, accounting and transfer agent expenses;
- Operating and administrative fees, costs and expenses;
- Policyholder communication fees;

- All other fees incurred by the Fund; and
- Applicable taxes.

The management fees, insurance fees, operating expenses and applicable taxes constitute the total amounts charged to the average net assets of the Fund and the ratio of the sum of these fees and expenses is called the "Management expense ratio" (MER). The MER includes all fees and expenses of any underlying investment fund in which iA Financial Group invests for the purpose of its Fund.

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

SALES CHARGE OPTIONS

1. Front-end Option:

If the Policyholder selects the Front-end Option, a sales charge of up to 5% of the Premium to be invested in the Funds is negotiated by the Policyholder who pays such sales charge to his/her Distributor. The sales charge payable by the Policyholder will depend on the negotiation between the Distributor and the Policyholder.

2. DSC Option:

If the Policyholder selects the DSC Option, surrender fees, if applicable, will be charged on surrenders of Premiums invested in the Fund if the surrender is made within seven (7) years following the date on which each debited Unit was credited to the Contract. The fees correspond to a percentage of the value of the Premium surrendered on the date of its investment in the Funds.

If surrendered during:	Percentage of the value Premium surrendered:
Year 1	5.75%
Year 2	5.50%
Year 3	5.00%
Year 4	4.50%
Year 5	4.00%
Year 6	3.50%
Year 7	2.00%
8th and subsequent years	0%

Surrender fees are applied such that the Fund Units with the oldest date upon which the Unit was credited to the Contract shall be debited first from the Contract.

SWITCH OF SALES CHARGE OPTIONS

The Policyholder may switch from a DSC Option of a Premium invested in one or more Funds to a Front-end Option and vice versa. Surrender fees may apply if the Policyholder switches out of DSC Options that are still subject to a surrender fee under the fee schedule set out for a DSC Option in this Contract.

SURRENDER OF PREMIUMS INVESTED

At any time on or before the Investment Period Maturity Date, the Policyholder may make a partial or total surrender of the Premiums invested in the Funds (hereafter called a "surrender"). A partial or total surrender may entail surrender fees depending on the sales charge option selected by the Policyholder. 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 on the Valuation Date coinciding with, or next following, the date on which iA Financial Group receives the request to surrender, minus the applicable surrender fees.

The Policyholder must indicate the amount to be surrendered in the event of a partial withdrawal and the particular Fund or Funds from which a portion of the surrender value is to be withdrawn. If Units of a Fund to be debited are covered by different types of Investment Guarantees, the Policyholder must also indicate which Units of that Fund are to be debited first (Units covered by Guarantee A, Guarantee B or Guarantee C).

In the event of a partial surrender, when there are Units credited to the Contract from the same Fund and covered by the same type of Investment Guarantee, it is the Units that have been credited to the Contract the longest that are debited first.

All partial surrenders must respect the minimum surrender amount established by iA Financial Group. This amount is determined from time to time by iA Financial Group.

iA Financial Group may suspend the right to surrender Premiums invested in a Fund or postpone the date of payment upon surrender during any period when normal trading is suspended on any exchange on which securities in which the underlying investment fund invests and if those securities are not traded on any other exchange that represents a reasonably practical alternative or with the prior permission of the Canadian securities regulatory authorities.

During any period of suspension there will be no calculation of the Current Value of the Fund Units and no Units will be credited or debited. The calculation of the Current Value of the Fund Unit will resume when trading resumes on the exchange or with the permission of the Canadian securities regulatory authorities. If the right to surrender Premiums invested in a Fund is suspended and the Policyholder makes a surrender request during that period, he/she may either withdraw his/her surrender request prior to the end of the suspension period or the Fund Units credited to his/her Contract will be debited in accordance with the request to surrender when the Current Value of the Fund Units is first calculated following the end of the suspension period.

THE SURRENDER VALUE OF PREMIUMS INVESTED IN THE FUNDS IS NOT GUARANTEED WHEN A PARTIAL OR TOTAL SURRENDER IS MADE BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO EACH FUND.

Right to Surrender - Without Surrender Fees

Where the DSC Option has been selected for Premiums, those Premiums may be surrendered without incurring a surrender fee so long as the surrender amount does not exceed a certain amount (the "DSC Surrender Limit") per calendar year.

The DSC Surrender Limit is calculated as follows: Up to 10% of the Market Value of the Contract as determined on the last Valuation Date of the year preceding the surrender, plus 10% of the sum of the Current Value, on the date of the surrender request, of all the Fund Units credited to the Contract during the calendar year in which the surrender is requested, less the number of Fund Units previously surrendered during the year in which the surrender is requested.

Surrender fees, if applicable, will apply in all circumstances for a transfer to other financial institutions. Any Premiums surrendered pursuant to the Systematic Withdrawal Program are included in determining whether or not a surrender falls within the DSC Surrender Limit for a particular year.

The right to surrender without surrender fees is not cumulative and cannot be carried forward to future years. iA Financial Group may modify at any time the right to surrender without surrender fees.

PRE-AUTHORIZED CHEQUE PLAN (PAC)

The Policyholder may, upon request, participate in a Pre-Authorized Cheque plan (PAC). The Policyholder can choose to invest Premiums on a bi-weekly, monthly, bi-monthly, quarterly, semi-annual or annual basis. The minimum PAC amount must be at least \$50. The Premiums will be drawn directly from the Policyholder's bank account.

The Policyholder may terminate the PAC plan at any time by sending a request to iA Financial Group. iA Financial Group can modify the PAC plan from time to time.

SYSTEMATIC WITHDRAWAL PLAN

The Systematic Withdrawal Plan ("SWP") allows the Policyholder to surrender Premiums invested in the Funds on a regular basis in order to create a regular stream of income payments. iA Financial Group will arrange regular payments from the Contract to the Policyholder, based on the automatic surrender of Premiums invested in the Funds. Presently, there are no transaction fees charged by iA Financial Group for payments made under the SWP. Surrender fees may be applicable for Premiums invested under the DSC option when these Premiums have been invested for less than seven (7) years. The Market Value of the Contract must be equal to or higher than \$5,000 to start the SWP and the minimum amount the Policyholder may surrender from any Fund in each payment period is \$100. The Policyholder can choose when to surrender and how much to surrender each time. Under the *Income Tax Act* (Canada), a registered Contract is not eligible for the SWP. In respect to the surrender value of the Premiums invested in the Funds, see the "SURRENDER OF PREMIUMS INVESTED" section. Regular surrenders may bring a Contract below the applicable minimum amount as determined by iA Financial Group from time to time.

THE VALUE OF PREMIUMS SURRENDERED TO MAKE PAYMENTS UNDER THE SYSTEMATIC WITHDRAWAL PLAN IS NOT GUARANTEED BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO EACH FUND.

SYSTEMATIC SWITCH PLAN

The Policyholder can set up a Systematic Switch Plan ("SSP") for automated switches between Funds. Subject to the "TRANSFER BETWEEN FUNDS WITH SAME INVESTMENT GUARANTEE" section, the Policyholder may switch from one Fund to another Fund with the same type of Investment Guarantee and same sales charge option. The Policyholder may select the frequency of his/her switches and may cancel the arrangements at any time. It should be noted that switches may result in tax consequences. The minimal amount transferred per automated switch is \$100.

SHORT-TERM TRADING FEES

If the Policyholder surrenders or transfers a Premium invested in any of the U.S. Equity or Global GIFs (IA Clarington U.S. Dividend Growth GIF, IA Clarington Global Value GIF, IA Clarington Loomis Global Equity Opportunities GIF and IA Clarington Global Equity GIF) within thirty (30) days from the date when said Units were credited to the Contract, the Policyholder will be charged a short-term trading fee of 2% of the sum of the Current Value of all the Fund Units debited. If the surrender or transfer of Premium occurs within thirty-one (31) to ninety (90) days of the date when they were credited to the Contract, then, subject to iA Financial Group policies and procedures, a short-term trading fee of 2% of the sum of the Current Value of all the Fund Units debited may be charged.

If the Policyholder surrenders or transfers a Premium invested in the other GIFs (other than IA Clarington Money Market GIF) within ninety (90) days of the date when they were credited to the Contract, then, subject to

iA Financial Group policies and procedures, the Policyholder may be charged a short-term trading fee of 2% of the sum of the Current Value of all the Fund Units debited. iA Financial Group may waive this fee at its discretion in special circumstances.

These fees do not apply to Premiums surrendered or transferred under iA Financial Group's systematic plans (such as Pre-Authorized Chequing Plan and Systematic Withdrawal Plan). A transfer of Premium constitutes a debit of Units of one Fund and the simultaneous credit of Units of another Fund. The short-term trading fees will be invested in the Fund from which the Units are debited and are in addition to any other surrender or transfer fees that may be payable.

In addition to any applicable short-term trading fees, iA Financial Group may, in its sole discretion, refuse future Premiums or transfer of Premium requests if iA Financial Group determines that the Policyholder's trading activities may be detrimental to the GIFs or the Underlying funds.

TERMINATION OF A FUND

Subject to the Fundamental Changes section of this Contract, iA Financial Group reserves the right to terminate a Fund at any time. At least sixty (60) days before the termination date of the Fund, iA Financial Group will send a notice to those Policyholders who have Units of the Fund credited to their Contract. Up to five (5) days prior to the termination date of the Fund, Policyholders may request that the Current Value of the affected Fund Units credited to the Contract be transferred to and invested in another Fund currently available. If the Policyholder does not request a transfer, iA Financial Group will transfer the Fund Units into the Fund of its choice. The Current Value of Fund Units transferred and invested in another Fund will be determined on the Valuation Date on which iA Financial Group terminates the Fund. Otherwise, the transfer will be subject to the "TRANSFER BETWEEN FUNDS WITH SAME INVESTMENT GUARANTEE" section of this Contract.

THE CURRENT VALUE OF FUND UNITS DEBITED OR CREDITED TO THE CONTRACT IS NOT GUARANTEED WHEN A TRANSFER IS MADE BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO EACH FUND.

FUND POLICY CHANGES

iA Financial Group reserves the right to modify the investment policy of a Fund at any time to better meet the stated investment objectives of the Fund. Such changes to investment policy shall not require prior written notification to be sent to the Policyholder. Any change in the investment objectives of a Fund will be considered a fundamental change (see the "Fundamental Change" section).

INVESTMENT GUARANTEES

The IA Clarington GIF Contract is offered with three different Guarantees. Guarantee A provides a Guaranteed Minimum Value at Maturity of 100% of the value of all Premiums invested in the Fund in the same Investment Year. Guarantee B and Guarantee C provide a Guaranteed Minimum Value at Maturity of 75% of the value of all Premiums invested in the Fund in the same Investment Year. Guarantee A and Guarantee B provide 100% Guaranteed Minimum Value at Death if the Annuitant dies before he/she reaches the age of eighty-five (85) years. Guarantee C provides 75% Guaranteed Minimum Value at Death for all Premiums invested in the Funds if the Annuitant dies before he/she reaches the age of 85 years. All three Guarantees provide 75% Guaranteed Minimum Value at Death if the Annuitant dies on or after the time he/she reaches the age of eighty-five (85) years. Insurance Fees and Management Expense Ratio differ between Guarantees.

All Investment Guarantees are proportionally reduced by any withdrawals or surrenders.

iA Financial Group reserves the right to discontinue a type of Investment Guarantee for one or more Funds following written notice to the Policyholder.

Establishment of the Initial Investment Date, the Anniversary Date and the Investment Year of an Investment Guarantee.

Each Investment Guarantee has an Initial Investment Date and an Anniversary Date.

The Initial Investment Date is the date on which a Premium or a portion of a Premium is invested into the Contract for the first time under a particular Investment Guarantee. Each Investment Guarantee will have an Initial Investment Date.

The Anniversary Date is measured from the Initial Investment Date for each Investment Guarantee. It occurs every year on the annual anniversary of the Initial Investment Date for each Investment Guarantee.

The one year (twelve (12) months) starting with the Initial Investment Date for an Investment Guarantee and ending on the day of the Anniversary Date is the first Investment Year for that Investment Guarantee.

Subsequent Investment Years start on the day following the Anniversary Date of the Investment Guarantee and end on the following Anniversary Date.

Establishment of an Investment Guarantee Maturity Date

Premiums invested in the same Investment Year and covered by the same type of Investment Guarantee are grouped together and have the same Investment Guarantee Maturity Date. The Investment Guarantee Maturity Date for each Investment Guarantee is automatically set at fifteen (15) years following the first day of the Investment Year for that Investment Guarantee. The Investment Guarantee Maturity Date will renew itself in accordance with the "Renewal of the Investment Guarantee Maturity Date" subsection of this Contract.

Guaranteed Minimum Value at Maturity

The term "Guaranteed Minimum Value at Maturity" is defined as a minimum variable value that is determined depending on the type of Investment Guarantee selected and the Premiums invested in the applicable Investment Year.

1. Guarantee A

Subject to the "Renewal of the Investment Guarantee Maturity Date" subsection, 100% of the value of each Premium invested in the Funds, covered by Guarantee A and invested in the same Investment Year, is guaranteed on their Investment Guarantee Maturity Date ("Guaranteed Minimum Value at Maturity"). However, for any partial surrender of these Premiums invested in the same Investment Year, the Guaranteed Minimum Value at Maturity is adjusted in proportion to the decrease in the sum of the Current Value of all the Fund Units, at the time of surrender, or the balance thereof in the case of previous surrenders, that have been credited to the Contract following the investment of these Premiums.

2. Guarantee B

Subject to the "Renewal of the Investment Guarantee Maturity Date" subsection, 75% of the value of each Premium invested in the Funds and covered by Guarantee B is guaranteed on their Investment Guarantee Maturity Date ("Guaranteed Minimum Value at Maturity"). However, for any partial surrender of these Premiums invested in the same Investment Year, the Guaranteed Minimum Value at Maturity is adjusted in proportion to the decrease in the sum of the Current Value of all the Fund Units, at the time of surrender, or the balance

thereof in the case of previous surrenders, that have been credited to the Contract following the investment of these Premiums.

3. Guarantee C

Subject to the "Renewal of the Investment Guarantee Maturity Date" subsection, 75% of the value of each Premium invested in the Funds and covered by Guarantee C is guaranteed on their Investment Guarantee Maturity Date ("Guaranteed Minimum Value at Maturity"). However, for any partial surrender of these Premiums invested in the same Investment Year, the Guaranteed Minimum Value at Maturity is adjusted in proportion to the decrease in the sum of the Current Value of all the Fund Units, at the time of surrender, or the balance thereof in the case of previous surrenders, that have been credited to the Contract following the investment of these Premiums.

Renewal of the Investment Guarantee Maturity Date

If the Policyholder has not chosen an alternative payment option, on the Investment Guarantee Maturity Date for an Investment Guarantee, a new Investment Maturity Guarantee Date will be set for another fifteen (15) years.

The new Guaranteed Minimum Value at Maturity of the Premiums as of the Investment Guarantee Maturity Date will be the higher of:

- a) the previous Guaranteed Minimum Value at Maturity of these Premiums; and
- b) 100% (or 75% if the Premiums are covered by Guarantee B or Guarantee C) of the sum of the Current Value, at the Investment Guarantee Maturity Date of these Premiums, of all the Fund Units credited to the Contract by the investment of these Premiums in the Funds.

The Investment Guarantee Maturity Date will continue to rollover for fifteen (15) year periods. If there are less than fifteen (15) years remaining until the next Investment Period Maturity Date, the Investment Guarantee Maturity Date will be the Investment Period Maturity Date.

iA Financial Group reserves the right to not renew a Guaranteed Minimum Value on the Investment Guarantee Maturity Date upon a written notice to the Policyholder.

Application of the Investment Guarantee on the Investment Guarantee Maturity Date

If, on the Valuation Date coinciding with the Investment Guarantee Maturity Date of the Premiums invested in the same Investment Year and covered by the same Investment Guarantee (or the first Valuation Date following, if none coincides), the Guaranteed Minimum Value at Maturity, depending on the Investment Guarantee selected by the Policyholder, is higher on that date than the sum of the Current Value of all the Fund Units credited to the Contract following the investment of these Premiums, iA Financial Group will make up the difference by crediting Units at their Current Value on the Investment Guarantee Maturity Date of the guaranteed Premiums, which have an aggregate value equal to the difference between the Guaranteed Minimum Value at Maturity and the sum of the Current Value of all the Fund Units credited to the Contract following the investment of these Premiums.

Said Units will be invested in the IA Clarington Money Market GIF, Front-end Option at 0% commission, and will be covered by the corresponding Investment Guarantee.

THE TOTAL VALUE OF FUND UNITS CREDITED TO THE CONTRACT IS NOT GUARANTEED SINCE IT VARIES ACCORDING TO FLUCTUATIONS IN THE MARKET VALUE OF ASSETS ALLOCATED TO EACH FUND.

Guaranteed Minimum Value at Death

The Guaranteed Minimum Value at Death is equal to 100% (75% if the

Annuitant dies on and after the time he/she turns 85 years) of the Premiums invested in the Funds covered by Guarantee A or B. It is equal to 75% of the Premiums invested in the Funds covered by Guarantee C. The Guaranteed Minimum Value at Death for each Guarantee is adjusted in proportion to the decrease in the sum of the Current Value of all Fund Units for each Guarantee credited to the Contract by the investment of these Premiums for any surrender. It is also subject to the Reset of the Guaranteed Minimum Value at death.

Reset of the Guaranteed Minimum Value at Death (for Guarantee A and Guarantee B)

On each birthday of the Annuitant up to the Annuitant's 75th birthday, iA Financial Group will proceed with an automatic annual reset of the Guaranteed Minimum Value at Death for Guarantee A and Guarantee B. The new Guaranteed Minimum Value at Death for Guarantee A and Guarantee B will be the higher of:

- a) 100% of the sum of the Current Value of all the Fund Units covered by Guarantee A and Guarantee B (75% if the Annuitant dies on or after the time he/she turns 85 years); and
- b) the previous Guaranteed Minimum Value at Death for Guarantee A and Guarantee B.

TRANSFER BETWEEN FUNDS WITH SAME INVESTMENT GUARANTEE

The Policyholder may request that the Current Value of Fund Units credited to the Contract in a Fund be transferred and invested in another available Fund with the same Investment Guarantee. For the purpose of the application of the Investment Guarantees, the Units credited following a transfer will retain the date the debited Units were credited to the Contract if the transfer is made with the same Investment Guarantee.

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 new Fund. This minimum is determined from time to time by iA Financial Group. iA Financial Group reserves the right to charge transaction fees for transfers at any time.

If a transfer between Funds results in a change of Investment Guarantee, the "CHANGE OF INVESTMENT GUARANTEE" subsection of this Contract will apply.

CHANGE OF INVESTMENT GUARANTEE

Once every twelve (12) months, iA Financial Group will allow the Policyholder to change the type of Investment Guarantee of the Units credited to the Contract. Upon such change, the following procedure will apply:

Change to a Lesser Investment Guarantee (from Guarantee A to B, A to C and B to C)

Upon receiving a request from the Policyholder, iA Financial Group will proceed with a change from the Greater Guarantee to the Lesser Guarantee. If Units credited to the Contract have been covered by the Lesser Guarantee in the past, for the purposes of the application of the Investment Guarantees, the credited Units newly covered by the Lesser Guarantee will keep the same Investment Guarantee Maturity Date as they had when they were covered by the Greater Guarantee. However, subsequent Premiums covered by the Lesser Guarantee will continue to have an Investment Guarantee Maturity Date based on the Anniversary Date of the Lesser Guarantee. If no Units were covered by the Lesser Guarantee, subsequent Premiums covered by the Lesser Guarantee will have an Investment Guarantee Maturity Date based on the Anniversary date of the Greater Guarantee. Consequently, the Anniversary Date of the Lesser Guarantee will be deemed to be the Anniversary Date of the Greater Guarantee.

Change to a Greater Guarantee (from Guarantee B to A, C to A and C to B)

Upon receiving a request from the Policyholder, iA Financial Group will proceed with a change from the Lesser Guarantee to the Greater Guarantee. If Units covered by the Greater Guarantee have been credited to the Contract in the past, the credited Units newly covered by the Greater Guarantee will be considered a new investment in the current Investment Year and will have an Investment Guarantee Maturity Date based on the Anniversary Date of the Initial Investment of the Greater Guarantee. The Investment Guarantee Maturity Date of the credited Units newly covered by the Greater Guarantee will be set at exactly fifteen (15) years from the Anniversary Date of the Greater Guarantee preceding the date at which the transfer is performed. If there are no Units covered by the Greater Guarantee credited to the Contract, the change in Investment Guarantee will be considered the Initial Investment covered by the Greater Guarantee and the Investment Guarantee Maturity Date will be set at exactly fifteen (15) years from the date at which these Units are covered by the Greater Guarantee.

THE CURRENT VALUE OF FUND UNITS CREDITED TO THE CONTRACT IS NOT GUARANTEED BUT MAY FLUCTUATE WITH THE MARKET VALUE OF THE ASSETS ALLOCATED TO THE PARTICULAR FUND SUPPORTING THEM.

RETIREMENT SAVINGS PLAN ENDORSEMENT

SECTION 146 OF THE *INCOME TAX ACT* (CANADA) IF SELECTED IN THE APPLICATION

Further to the Annuitant's request to register this Contract as a retirement savings plan under the terms of federal and provincial income tax laws, this endorsement modifies the Contract as follows:

GENERAL

In this plan:

- the term "*Income Tax Act*" or simply, the Act, refers to Section 146 of the *Income Tax Act* (Canada) and any other applicable provisions of that Act, as amended from time to time, as well as any applicable provincial income tax legislation;
- "you" and "your" refer to the Policyholder or the Annuitant as defined in the Act;
- "Spouse" has the meaning given to this term including common law partner for the purposes of the provisions of the Act;
- "RSP" means Registered Retirement Savings Plan as defined in the Act;
- "RIF" means Registered Retirement Income Fund as defined in the Act.

Conferring Benefits

No advantage that is conditional in any way upon the existence of this plan may be extended to you or to a person with whom you are not dealing at arm's length, other than those permitted by the Act.

Maturity Date

The Investment Period Maturity Date of this plan is any date selected by you which must not be after the end of the calendar year of your Seventy-first (71st) birthday, or any other age which may be stipulated in the Act as the maximum age. Upon investment period maturity, you may elect to receive an immediate annuity income in any form permitted by the Act or you may elect to purchase a RIF or to convert this plan into a RIF, as defined in the Act. If you do not make an election, a RIF benefit, as described in the Contract (see "AUTOMATIC CONVERSION" section), will be deemed to have been selected on your behalf by iA Financial Group. The immediate annuity must provide for

equal annual or more frequent income payments, except where such payment may be paid into the plan after the Investment Period Maturity Date.

Death Benefit

If you die before income payments commence, the proceeds will be paid to your designated Beneficiary or to your estate, if there is no designated Beneficiary, in cash as a lump sum, unless a "refund of Premiums" as defined in the Act has been requested. If you die after income payments have commenced under the annuity or the RIF option and the Beneficiary is not your spouse, the commuted value of any remaining income payments if any, will be paid in one sum to your designated Beneficiary, if there is one, otherwise to your estate.

Over-Contributions

This plan permits the payment of an amount, not exceeding the current value of the Contract, where such amount is paid to reduce the amount of tax otherwise payable under Part X.1 of the Act.

Withdrawals and Transfers

Subject to any restrictions contained in this Contract, prior to the Investment Period Maturity Date of this plan, you may elect to direct iA Financial Group to:

- transfer all or a portion of the Premiums invested in the Plan to:
 - a. a registered pension plan;
 - b. another RSP;
 - c. an RIF;
 - d. purchase an immediate annuity as per the Act; or
- withdraw an amount in cash, subject to applicable withholding taxes.

Assignment

This plan and payments there under may not be assigned, either in whole or in part.

Legislation Changes

iA Financial Group shall have the right to amend any of the registration provisions of this plan resulting from changes to the applicable legislation without providing written notice to the Policyholder.

RETIREMENT INCOME FUND ENDORSEMENT

SECTION 146.3 OF THE *INCOME TAX ACT (CANADA)* IF SELECTED IN THE APPLICATION

Further to the Annuitant's request to register this Contract as a retirement income fund under the terms of the federal and provincial income tax legislation or where the Annuitant has attained age 71 on a registered retirement savings plan and has not selected another option (see the "AUTOMATIC CONVERSION" section of the Contract), this endorsement modifies the Contract as follows:

In this endorsement:

- "Act" means the *Income Tax Act (Canada)*;
- "Spouse" has the meaning given to this term including common law partner for the purposes of the provisions of the Act;
- "RSP" means a Registered Retirement Savings Plan as defined by the Act;
- "RIF" means a Registered Retirement Income Fund as defined by the Act.

PROOF OF AGE

Evidence satisfactory to iA Financial Group of the age of the Annuitant must be furnished before the conversion of the RSP Contract to a RIF is made.

ASSIGNMENT

Payments into the fund may not be assigned in whole or in part.

TRANSACTION FEES

iA Financial Group reserves the right to charge transaction fees for any modifications to the terms of payment or for any other transaction.

ADVANTAGE

No benefit or loan that is conditional in any way on the existence of this plan may be granted to the Annuitant or to a person with whom he/she is not dealing at arm's length, except:

- i) a benefit whose value must be added to the calculation of the Annuitant's income;
- ii) a benefit as defined in paragraph 146.3(5)(a) and (b) of the Act;
- iii) a benefit derived from the provision of administrative or investment services in respect to this Contract.

AUTOMATIC CONVERSION

Upon receipt of instructions from the Annuitant, iA Financial Group shall transfer all or part of the surrender value of the Contract at the time such request is received by iA Financial Group, together with all information necessary for the continuance of the fund, to any person who has agreed to be an issuer of another RIF for the Annuitant, subject to the amount retained by iA Financial Group to comply with paragraph, 146.3(2) (e) of the Act.

PREMIUMS

iA Financial Group shall only accept Premiums from the following sources:

- i) an RSP of which the Annuitant is the owner;
- ii) another RIF of which the Annuitant is the owner;
- iii) an RSP or a RIF under which the spouse or former spouse of the Annuitant, is the Annuitant pursuant to a decree, order or judgement of a competent tribunal or a written separation agreement, providing for the division of property between the Annuitant and his/her spouse or former spouse, during or after the breakdown of their marriage;
- iv) a registered pension plan of which the Annuitant is a member as defined in subsection 147.1(1) of the Act;
- v) a registered pension plan in accordance with subsection 147.3(5) or (7) of the Act; or
- vi) a provincial pension plan under the circumstances provided for in subsection 146(21) of the Act;
- vii) from the Annuitant, to the extent that the Premium is an amount described in sub-paragraph 60(l)(v) of the Act.

RETIREMENT INCOME PAYMENTS

Each year, iA Financial Group pays the Annuitant the retirement income payments that he/she has chosen, subject to the total payments made during each calendar year being at least equal to the minimum payment required by the Act.

iA Financial Group makes the payments in accordance with the provisions of the Act.

Payment Options

The Annuitant may choose from the following payment options offered by iA Financial Group. The option chosen applies for the entire duration of the Contract or until the Annuitant chooses, another payment option offered by iA Financial Group. iA Financial Group may modify or cease to offer certain payment options. Failing instructions from the Annuitant, payments will be made according to the minimum payment option described below.

Minimum Payment

This is the minimum annual payment that must be made under the Contract as prescribed by the Act. It is established on January 1 of each year by multiplying the Market Value of the Contract on this date by a percentage prescribed by the Act. The percentage is based on the age of the Annuitant or his/her spouse's age, as indicated on the application.

Level Payment

The Annuitant receives a fixed amount for the duration of the Contract.

Frequency of Payments

The Annuitant can choose to receive the payments under his/her Contract on a monthly, quarterly, semi-annual or annual basis on the day of his/her choice. Failing instructions from the Annuitant and subject to the preceding, the payments are made on a monthly basis.

Income Payments

Retirement income payments are made in accordance with the payment option chosen by the Annuitant or failing such choice, according to the terms of the Contract. iA Financial Group may modify the automatic surrender term at any time.

Income Tax

The Act requires that income tax be retained by iA Financial Group from the retirement income payments. The income retained will be the minimum amount permitted by law, unless the Annuitant chooses a higher amount.

The provisions of this endorsement apply notwithstanding any provision to the contrary in the Contract.

TAX-FREE SAVINGS ACCOUNT ENDORSEMENT

SECTION 146.2 OF THE INCOME TAX ACT (CANADA) IF SELECTED IN THE APPLICATION

This endorsement shall only apply if the Policyholder is also the Annuitant under the Contract.

Further to the Policyholder's request to iA Financial Group to file an election to register this Contract as a Tax-Free Savings Account (hereinafter referred to as the "Arrangement") under the terms of the Income Tax Act (Canada) and provincial income tax legislation, this endorsement modifies the Contract as follows:

General

In this Arrangement:

- a. the term "Act" refers to as the Income Tax Act (Canada), amended from time to time, as well as any applicable provincial income tax legislation;
- b. the term "contributions" has the same meaning as given in the Act and constitutes the Premiums under the Contract;
- c. the term "holder" means until the death of the Policyholder who entered into the Arrangement with iA Financial Group, the Policyholder;
- d. at and after the death of the holder, the holder's survivor subject to conditions specified in Section Death of this endorsement;
- e. the term "spouse" means spouse or common-law partner in accordance with the Act;
- f. the term "survivor" means another individual who is, immediately before the holder's death, the spouse of the holder;
- g. the term "TFSA" means Tax-Free Savings Account as referred to

in the Act.

Exclusivity

This Arrangement is maintained for the exclusive benefit of the holder determined without regard to any right of a person to receive a payment out of or under this Arrangement only on or after the death of the holder.

No individual other than the holder or the issuer of the Arrangement has any rights under the Arrangement relating to the amount and timing of distribution and the investing of Funds. The holder is solely responsible for the tax consequences that may result from his actions under this Arrangement.

Proof of Age

The holder must have attained the age required in accordance with the Act to make contributions to the Arrangement. Evidence satisfactory to iA Financial Group of the age of the holder must be furnished at the time the Arrangement is entered into.

Contributions

This Arrangement prohibits any individual other than the holder from making contributions under the Arrangement.

However, the holder is solely responsible for ensuring that these contributions are lower than the limits prescribed by the Act to avoid any tax consequences.

Over-contributions

If, at any time in a calendar month, the holder has an excess TFSA amount, as this term is defined under Part XI.01 of the Act, the holder shall, in respect of that month, pay a tax under this Part of the Act which is equal to 1% of the highest excess TFSA amount in that month.

However, the Arrangement permits distributions, as this term is defined in the Act, to be made to reduce the amount of tax otherwise payable by the holder under Part XI.01 of the Act.

Unused Contributions

The unused TFSA contributions can be carried forward for future years and are determined as stipulated in the Act.

Non-resident

If, at any time, a non-resident holder makes a contribution under the Arrangement, the non-resident holder shall pay a tax under Part XI.01 of the Act which is equal to 1% of the amount of the contributions in respect of each month for the period determined in section 207.03 of the Act.

Transfers

Subject to any restrictions under this Contract, the holder may elect to direct iA Financial Group to:

- a. transfer directly all or any part of the property held in connection with the Arrangement, or an amount equal to its value, to another TFSA of the holder; or;
- b. transfer to another TFSA, the holder of which is the spouse of the holder of this Arrangement, if the following conditions are satisfied:
 1. the holder and the spouse are living separate and apart at the time of the transfer; and
 2. the transfer is made under a decree, order or judgment of a competent tribunal, or under a written separation agreement, relating to a division of property between the holder and the spouse in settlement of rights arising out of, or on the breakdown of, their marriage or common-law partnership.

Distributions

iA Financial Group may make a payment out of the Arrangement in satisfaction of all or part of the holder's interest in the Arrangement.

The investment income earned in this Arrangement, including capital gains, is not taxed in accordance with the Act.

Death

At and after the death of the holder, upon receipt of satisfactory proof of death, the survivor shall become the holder under the Arrangement if the survivor acquires:

- a. all the holder's rights under this Arrangement; and
- b. an unconditional right to revoke any Beneficiary designation under the Contract.

If the holder has designated his/her spouse as the Beneficiary, the latter may become the holder under the terms of the Arrangement, subject to the applicable conditions as provided under the Act.

Subject to any applicable legislation, if the previous conditions are not met at or after the death of the holder, the survivor shall not become the holder under the Arrangement and subject to Section ANNUITY of the Contract, if the Contract remains in force after the death of the holder, the Contract shall cease to be registered as a TFSA under the Act and tax implications may occur.

Notwithstanding the foregoing, the Contract shall cease to be registered as a TFSA under the Act immediately before the death of the last holder of the Arrangement.

Legislation Changes

iA Financial Group shall have the right to amend any of the registration provisions of this Arrangement resulting from changes to the applicable legislation without providing written notice to the holder.

Prescribed Conditions

This Arrangement complies with the conditions prescribed by the Act and the regulations promulgated under the Act. The conditions of this endorsement will take precedence over the provisions in the Contract in the case of conflicting or inconsistent provisions.



Denis Ricard
President and Chief Executive Officer



Jennifer Dibblee
Vice President, Legal Services
Corporate Secretary

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