



July 17, 2014

JOHN SMITH

123 MAIN STREET

TORONTO, ON M1M 1M1

Sun Life Assurance Company of Canada

Group Retirement Services

Attn: Administrative Unit 8

PO Box 11001 Station CV

Montreal QC H3C 3P3

RE: Notice of Membership in Sun Life Financial VRSP - Company Name

Dear JOHN SMITH:

Welcome to Sun Life Financial Group Retirement Services! We're pleased to inform you that your employer has enrolled you in the Sun Life Financial Voluntary Retirement Savings Plan (VRSP). Sun Life Assurance Company of Canada (Sun Life Financial) is the administrator of the VRSP and will maintain the plan in accordance with applicable legislation. The VRSP is funded under group annuity policy G-96026 issued by Sun Life Assurance Company of Canada.

Here's the information you need to access your account. Included with this letter you will also find answers to a number of frequently asked questions which will provide you with the information you need to know about participating in the plan. You should consider your personal financial goals and whether saving in a VRSP is right for you. Depending on your annual income, now and at retirement, the VRSP may not be the best savings plan for you. If you are unsure, you should speak with a financial advisor.

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Your Account Number: 012345999999999 (Program Number: **01**). Your Account Number is for the plan identified in this letter and may be used for identification purposes when you contact Sun Life Financial. Be sure to keep this Account Number for your records.

Accessing Your Account: Your Access ID and Password

You can access your account through our plan member website at **mysunlife.ca**, or by calling the automated telephone system or our Customer Care Centre at 1-866-733-8612. To access account information through these services, you need an Access ID and a Password.

To obtain your Access ID and Password, please sign in to **mysunlife.ca**.

1. On the sign in page, select "Register now".
2. Follow the instructions and enter your Account Number (as shown above).

If you have other products with Sun Life Financial and already have an Access ID and Password, you can use that existing ID to access all your accounts. You do not have to register for a new Access ID and Password.

When you call our Customer Care Centre, you'll be asked to enter your Access ID and Password. This is an important security feature, and ensures the Customer Care Centre Representative has your information on hand and is ready to service your account immediately.

Sun Life Financial may occasionally inform you of other financial products and services that we believe may meet your changing needs. If you do not wish to receive these offers, let Sun Life Financial know by calling 1-877-SUN-LIFE (1-877-786-5433). Alternatively, you can sign in to **mysunlife.ca** to change your consent online: Select **Profile** at the top right corner of the **Home** page followed by **Personal Info**. On this page, select **contact preferences page** to give Sun Life Financial your approval to send you information about other financial products and services that we believe meet your changing needs. Select **yes** for optional communications you would like to receive. Select **no** for those you do not.

To update your address and other personal information, visit **mysunlife.ca** or contact the Customer Care Centre.

To find out about Sun Life Financial's privacy policy, visit the website at **sunlife.ca/privacy**, or to obtain information about Sun Life Financial's privacy practices, send a written request by e-mail to privacyofficer@sunlife.com, or by mail to Privacy Officer, Sun Life Financial, 225 King St. West, Toronto, ON, M5V 3C5.

Additional information you should know

If Sun Life Financial was provided with your e-mail address by your employer when you were enrolled you will have received a validation e-mail. Sun Life Financial will consider your validation of your e-mail address as your consent for Sun Life Financial to communicate with

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you by e-mail. Notices and communications about changes to the VRSP will always be available on mysunlife.ca. Check here regularly for information that may impact you.

If your employer appointed an Advisor for the VRSP, Sun Life Financial has provided the Advisor with access to the information that your employer gave Sun Life Financial in order to enrol you in the VRSP. You may be contacted by the Advisor so that he/she may help you with any questions you have about the VRSP. If you don't want the Advisor to have access to your information please contact us at 1-866-733-8612.

Once again, welcome to Sun Life Financial. We look forward to helping you make the most of your plan member experience. If you have any questions about the VRSP or your account please do not hesitate to contact us.

Yours truly,

Group Retirement Services

1-866-733-8612

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Sun Life Financial VRSP: Frequently Asked Questions

What is a VRSP?

The VRSP is meant to provide retirement benefits that will supplement any other retirement income that you may receive under public pension plans. Contributions to the VRSP and investment returns accumulate during your working years. When you're ready to retire, the value of your VRSP account can be transferred to a product or plan that will provide you with a retirement income. The benefit received at retirement depends on:

- the amount of contributions accumulated,
- your investment returns,
- the type of retirement benefit chosen,
- your retirement age, and
- the interest rates in effect at that time.

What do I need to do?

As a member of a pension plan you are responsible for:

- making sure you understand how your plan works,
- taking advantage of the information and tools available to help you make investment decisions,
- making investment decisions,
- deciding whether you should obtain investment advice and selecting who you go to for this advice,
- checking how your investments are performing and revising your investment strategy if your personal circumstances change, and
- determining how much you will contribute.

It's important for you to take an active role in your VRSP account. Your decisions (or lack thereof) will affect the amount of money accumulated for your future.

This summary describes the rules of your VRSP. You should review this summary and the investment and savings information made available to you on mysunlife.ca. They contain important information that can assist you in making your decisions. If you have any questions please contact Sun Life Financial's Customer Care Centre at 1-866-733-8612 (toll free).



You have the right to designate a beneficiary, but if you have a spouse at the time of your death, your spouse will receive the benefit. To designate a beneficiary, complete and sign the beneficiary designation form included with this notice and mail it to Sun Life Financial. If you don't have a spouse who is entitled to the death benefit under applicable legislation, and you have not designated a beneficiary, the death benefit will be paid to your estate.

How much can I contribute?

The default contribution rate is 2% of your gross salary until December 31, 2017. For 2018 it will be 3% of your gross salary. As of January 1, 2019, it will be 4%. The default contribution rate is determined by applicable legislation and will apply unless you select a different contribution rate. You have 60 days after the notice of membership letter was sent to you by Sun Life Financial to do so. Sun Life Financial will update our records and give your employer access to this information. Your employer has 30 days to make the change. You can change your contribution rate at any time by signing in to mysunlife.ca or by calling the Customer Care Centre.

You may want to consider contributing at a level that is higher than the default level to ensure that you have enough income in retirement. In less than 10 minutes you can complete the Retirement Planner at mysunlife.ca which will tell you approximately how much you should save every month to have the income you want when you retire.

Your employer will start deducting contributions as of the first pay that follows the 61st day after the notice of membership letter was sent to you by Sun Life Financial. You may also make a lump sum contribution at any time by sending a cheque to Sun Life Financial with a standard lump sum contribution form found on mysunlife.ca.

You can change your contribution rate twice a year or more often if your employer allows it. If you need to, you can reduce your contribution rate to 0% after you've been contributing to the VRSP for at least 12 months, or earlier, if under tax rules you are no longer permitted to make contributions to the plan; or if you make an additional contribution to the plan equal to or greater than the contribution determined for that period; or if your employer contributes to the plan. In the situation where your employer contributes only if you contribute, you cannot reduce your contribution rate to 0% until you have been contributing for at least 12 months. To do so, please advise Sun Life Financial in writing that you are reducing your contributions. A form is available from Sun Life Financial by calling the Customer Care Centre. Every two years after you set your contributions to 0% your employer will be required to offer you the option to resume making contributions to the VRSP.

Does my employer contribute?

Your employer will match 5% of your contributions made by payroll deduction, up to a maximum of 100% of your gross salary.

Can my employer change their contribution?

Your employer may change their contribution, subject to any requirements or limitations under applicable legislation. If your employer changes their contribution they must notify you. If their Group Retirement Services are provided by Sun Life Assurance Company of Canada, a member of the Sun Life group of companies. © Sun Life Assurance Company of Canada, 2022. All rights reserved.



contribution rate is reduced the change cannot take effect until the 30th day following the date on which the notice is sent to you.

Is there a contribution limit?

Contributions to the VRSP are treated like registered retirement savings plan (RRSP) contributions under the Income Tax Act (Canada).

For any calendar year, your combined VRSP/RRSP contribution deduction limit is the lesser of:

- 18% of your previous year's earned income, as defined under the Income Tax Act (Canada), and
- the RRSP dollar limit under the Income Tax Act (Canada) for the year the contributions are made,

reduced by your pension adjustment reported under all pension plans (non-VRSP) or deferred profit sharing plans.

You can check your income tax Notice of Assessment for the previous tax year to find out exactly what your maximum RRSP deduction limit is for the current tax year. All contributions to your VRSP (including your employer's contributions, if applicable), and any contributions to your RRSP and your spouse's RRSP, must not exceed this limit. It's your responsibility to monitor your contributions to make sure they don't exceed the limit.

No contributions can be made to the VRSP after the end of the year in which you reach the age of 71.

For more information visit the Canada Revenue Agency website at www.cra-arc.gc.ca.

Can I transfer money into the VRSP?

Yes. You can transfer money from other registered plans into your VRSP account.

What investment funds are available to me and what fees apply?

For your convenience you will be enrolled in the Sun Life Target Date Segregated Fund that matures just prior to your 65th birthday. This is your default investment at enrolment. Please ensure that this fund is suitable for you. You are encouraged to assess the other investment options listed below based on your investment risk profile and your planned retirement age.

If you plan to retire at an age other than 65, you may change your investment option to the target date fund with the maturity date that is closest to your planned retirement age. You can only choose one target date fund from the Sun Life Target Date Segregated Funds.

Tools such as the Investment Risk Profiler are available on mysunlife.ca to help you learn about your investment risk profile and make investment choices that align with your profile. You'll be able to review the detailed information for each of the funds available under the VRSP through Morningstar®, a leading provider of investment news and analysis. Simply sign in to mysunlife.ca using your Access ID and password. Under the **Accounts** drop-down menu, select

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Investment performance then the **Morningstar®** link. If you would like to receive a paper copy of any of the investment Fund Sheets, please contact the Customer Care Centre at

1-866-733-8612 any business day from 8 a.m. to 8 p.m. ET. You can also change your investment option either before contributions begin or at any other time. It's easy to do - either call our Customer Care Centre or sign in to your account at mysunlife.ca and select **Change investments** under the **Requests** drop-down menu.

You can choose from the following investment options:

Investment Options	Total Management & Administration Fee
Sun Life Assurance 1 and 5 Year Guaranteed Funds	No fee
Sun Life Target Date Segregated Funds (various maturity dates)	1.25%
Sun Life BlackRock Canadian Bond Index Segregated Fund	1.50%
Sun Life BlackRock Canadian Equity Index Segregated Fund	1.50%
Sun Life BlackRock Global Equity Index Segregated Fund	1.50%

What are the total management and administration fees?

The total management and administration fees for each investment option are expressed as an annual percentage of the average assets. They include:

- the annual government filing fees,
- the fees paid to the representatives through whom Sun Life acts,
- sales taxes, and
- fund operating expenses, as applicable.

Some of these fees may vary from year to year. The amount deducted from the return on fund assets is adjusted accordingly. The total fees deducted will not exceed what is stated in the chart. The fees are deducted daily from the gross value of the segregated fund before the unit values are determined. They're reflected in the value of your account.

What other fees apply?

Fees apply for the following items and will be deducted from your account on a pro-rata basis from each of your funds. Taxes will be applied to these fees as required by applicable legislation.

Partial withdrawal fee	\$25.00 per withdrawal
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Transfer Fee	\$25.00 per partial asset transfer to another institution. There are no transfer fees within the Sun Life Financial group of companies.
Full Withdrawal/Transfer Fee	\$50.00 charge will apply for full withdrawals or transfers to other financial institutions. There are no transfer fees within the Sun Life Financial group of companies.
Transfer of benefits between spouses	\$100.00 shared equally between the spouses unless they have a different agreement.
Statement for purposes of relationship breakdown	\$150.00 shared equally between the spouses unless they have a different agreement.
Not Sufficient Funds (NSF) Cheque	\$25.00 per NSF cheque
Duplicate tax receipts and slips	\$10.00 per request
Duplicate statements and statements on request	\$25.00 per paper statement
Member contact information search	\$25.00
Market Value Adjustment	You may be subject to a positive or negative market value adjustment on your guaranteed fund which is applied to determine its current market value should it be terminated prior to the end of the agreed term.

You can find information about the fees you pay through your account statement and online at mysunlife.ca. **Account fees** and **Statements** are found under the **Accounts** drop-down menu. If you have any questions, contact the Customer Care Centre.

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Can I make withdrawals?

There are two portions to your account under the VRSP - a locked-in portion and a not locked-in portion. Amounts cannot be transferred between the not locked-in and locked-in portions of your account.

The not locked-in portion of your account will contain:

- contributions deducted from your pay,
- any not locked-in amounts transferred into the VRSP from another voluntary retirement savings plan or pooled registered pension plan, a pension plan, a RRSP, a registered retirement income fund (RRIF) or an annuity contract, and
- investment returns credited to the amounts in the not locked-in portion of your account.

Amounts from the not locked-in portion of your account can be withdrawn in cash or can be transferred to:

- a RRSP,
- a RRIF,
- the not locked-in portion of your account under another voluntary retirement savings plan or pooled registered pension plan,
- a pension plan, if the plan permits, or
- a life annuity.

The locked-in portion of your account will contain:

- contributions made by your employer, if any,
- any locked-in amounts transferred into the VRSP from another voluntary retirement savings plan or pooled registered pension plan, a pension plan, a locked-in retirement account (LIRA), a life income fund (LIF) or an annuity contract, and
- investment returns credited to the amounts in the locked-in portion of your account.

Amounts in the locked-in portion of your account are intended to be used to provide you with a retirement income and can be withdrawn and/or transferred only in special circumstances. They can be transferred on a locked-in basis when:

- you've terminated employment,
- you've reached age 55,
- your employer has established a pension plan from which you benefit, or
- your employer has established a RRSP or tax-free savings account (TFSA) which allows you to make contributions through payroll deduction,

to:

- a LIRA,
- a LIF,
- the locked-in portion of your account under another voluntary retirement savings plan or pooled registered pension plan,

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- a pension plan, if the plan permits, or
- a life annuity.

Amounts in the locked-in portion of your account can be withdrawn in cash or transferred on a not locked-in basis only in these special circumstances:

- The balance of the locked-in portion of your account is less than 20% of the maximum pensionable earnings (MPE), for the year in which you are no longer employed by an employer who subscribed to a voluntary retirement savings plan,
- You are at least 65 years of age and the total of the locked-in amounts accumulated by you as retirement savings does not exceed 40% of the MPE for the year in which you apply for the refund. Your "retirement savings" includes defined contribution pension plans, defined benefit or defined benefit-defined contribution pension plans with provisions identical to those of a defined contribution plan, LIRAs, LIFs and voluntary retirement savings plans,
- If a physician certifies that you have a physical or mental disability that reduces your life expectancy,
- If a physician certifies that you have a physical or mental disability without giving an opinion on your life expectancy, and you provide a statement to Sun Life Financial certifying that the income you are to receive during the 12 months following the application for a refund will not exceed 40% of the MPE for the year of the refund, or
- If you are deemed, for the purposes of the Taxation Act, to not have resided in Canada for at least two years.

Can I opt out of the plan?

Yes, if this is the first time your employer has enrolled you in a voluntary retirement savings plan. You have 60 days after the notice of membership letter was sent to you by Sun Life Financial to notify your employer in writing that you would like to opt out of the VRSP. A form for this purpose is available by calling the Customer Care Centre or at sunlife.ca/VRSP. Every two years after you opt out of the VRSP your employer will be required to offer you the option to join the plan, however you may opt in at any time by advising your employer.

Note: If you were transferred to the Sun Life Financial VRSP from another voluntary retirement savings plan as part of a group transfer initiated by your employer, you do not have the option to opt out of the VRSP.

What happens when I terminate employment?

If you terminate employment you don't have to terminate your membership in the VRSP.

Your employer is required to inform Sun Life Financial of your termination within 30 days after the date of your termination of employment. Once we've been informed, we'll transfer the value of your VRSP account to an "individual saver" account under the VRSP, where you can continue to make contributions through an automatic cheque plan (ACP). For the purposes of your

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contract with Sun Life Financial, the terms of the VRSP applicable to an individual saver member will apply to you.

You also have the options available for the locked-in and not locked-in portions of your account as described above under **Can I make withdrawals?** You can call the Customer Care Centre to discuss your options.

What happens when I am ready to retire?

Your retirement income options are:

- a payout life annuity,
- a LIF (locked-in amounts),
- a RRIF (not locked-in amounts),
- variable payments from another voluntary retirement savings plan (if you have reached age 55), and
- cash withdrawal (not locked-in amounts).

If you elect to receive a life annuity and you have a spouse, your locked-in amounts must be payable as a “joint life annuity”. This means that regular payments continue until the death of each of you and your spouse. If you choose to receive your joint life annuity from Sun Life Financial, full regular periodic payments will be made until the later of (a) your death, or (b) if you have chosen a guarantee period, when that guaranteed period ends. At that later time, 60% of your payment amount will begin to be made to your spouse, for as long as that person lives. If your spouse dies before the guarantee period ends, if applicable, payments will continue to your designated beneficiary until the end of the guaranteed period. If you do not have a spouse or your spouse has waived his or her right to a joint life annuity you can choose to have your annuity payable for your lifetime (a “single life annuity”).

You have the option to receive your not locked-in amounts as either a single life annuity or a joint life annuity.

Your annuity can be guaranteed for periods of 5, 10 or 15 years. You can also choose to have no guarantee period, which means that annuity payments will stop on the later of when you die, or when your spouse dies if you have a joint life annuity.

Once the annuity payments begin, the benefit can’t be withdrawn as a lump sum and the annuity can’t be transferred. If the annuity payments will be less than Sun Life Financial’s minimum at the time of calculation, we reserve the right to pay the value of the annuity to you in cash, subject to any applicable legislation or withholding tax.

In order to ensure your retirement income payments start on time, please notify Sun Life Financial no later than 30 days prior to the date you want to begin receiving annuity or LIF payments.

Applicable legislation requires that you choose a retirement income option no later than the last day of the calendar year in which you turn age 71, or such other date as may be required by

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applicable legislation. If you don't choose an option by the end of that year, Sun Life Financial will begin making annuity payments to you until your death or until 120 equal monthly payments have been made, whichever is later.

For more information about retirement options, speak with a Financial Security Advisor at Sun Life Financial by calling 1-866-224-3906, option 1 any business day from 8:00 a.m. to 6:00 p.m. ET.

What happens if I die?

If you have a spouse that meets the requirements of applicable legislation, he or she will be entitled to a death benefit equal to the value of your VRSP account.

Your locked-in amounts become unlocked and your spouse will have the option to transfer to:

- a RRSP,
- a RRIF,
- a voluntary retirement savings plan or pooled registered pension plan,
- a pension plan, if the plan permits, or
- a life annuity.

Your spouse may waive his or her right to the death benefit by notifying Sun Life Financial. If you do not have a spouse, or your spouse has waived his or her right to the death benefit, the death benefit will be paid to your designated beneficiary, or to your estate, if you haven't designated a beneficiary. If your spouse has waived his or her right to the death benefit, he or she may revoke their waiver by notifying Sun Life Financial prior to your death. You can call the Customer Care Centre to obtain the necessary forms.

What should I be aware of when designating a beneficiary?

If you are a resident of Quebec and you named your married or civil union spouse as beneficiary, the designation will be irrevocable unless you indicate that the designation is revocable. If you have an irrevocable beneficiary, you cannot designate a new beneficiary or perform certain transactions without the consent of your irrevocable beneficiary. If your spouse is your irrevocable beneficiary and it is his or her intention to waive benefits under the VRSP so that you can name another beneficiary, your spouse must complete an irrevocable beneficiary declaration form which you can obtain by calling the Customer Care Centre.

A minor cannot personally receive a death benefit under the plan until he/she reaches the age of majority. If you reside in Quebec, the death benefit will be paid to the parent(s)/legal guardian of the minor on his/her behalf. If you reside outside Quebec and are designating a minor as your beneficiary you may wish to designate someone to receive the death benefits during the time your beneficiary is a minor. A special form is available from Sun Life Financial to designate a trustee for your minor beneficiary's assets. If you reside outside Quebec and haven't designated a trustee, applicable legislation may require Sun Life Financial to pay the death benefit to the court or to a guardian or public trustee. Alternatively, you may wish to designate the estate as

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beneficiary and provide a trustee with directions in your will. You are encouraged to consult a legal advisor.

Sun Life Financial encourages you to review your will and beneficiary designations from time to time to ensure that your intentions are carried out in the event of your death. If you'd like to change your beneficiary in the future, and your beneficiary is not irrevocable, you can do so by completing a "Change of records" form. You can obtain this form by calling the Customer Care Centre or online at mysunlife.ca. Under **my financial future**, select **my financial centre** then the **Forms** link under the **Resource centre** drop-down menu; print and complete the form, and mail it to Sun Life Financial.

What happens if my employer terminates its participation in the plan?

If your employer terminates its participation in the Sun Life Financial VRSP and requests their employees be transferred to another voluntary retirement savings plan, you have the option to leave the amounts accrued in your VRSP account in an "individual saver" account under the Sun Life Financial VRSP, where you can continue to make contributions through ACP. Alternatively, you may transfer the value of your account to the new voluntary retirement savings plan. If your employer terminates its participation in the VRSP, but does not transfer you to another voluntary retirement savings plan, we will notify you and move the value of your account to an "individual saver" account under the Sun Life Financial VRSP.

What information will be provided?

An account statement for the year ending December 31 will be provided to you by Sun Life Financial within 45 days following the year end. Your account statement will be available for you to view in January at mysunlife.ca. If you have questions regarding any details included on the statement, please contact the Customer Care Centre.

Each year, you will receive two VRSP tax receipts. One receipt will be for contributions made by you to the VRSP in the first 60 days of the calendar year. The second receipt will be for contributions made by you in the last 305 days of the year, and if your employer has made contributions to your account it will also include a summary of the total contributions made by your employer for the year. The receipt for the first 60 days allows you to claim a tax deduction for your contributions either in the year in which they were made or in the previous calendar year.

In accordance with applicable legislation, if you live in Alberta or British Columbia, upon your request Sun Life Financial will provide directly to you the information that was required by Sun Life Financial in order to enrol you in the VRSP and the group annuity policy issued by Sun Life Assurance Company of Canada.

On termination of employment or retirement you will be provided with a statement of your benefits and all options available to you.

In the event of your death, a statement of benefits and options will be provided to your spouse, your designated beneficiary or to the legal representative of your estate, as the case may be.

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Any changes to the investment options available to you, such as a fund name change or the removal of a fund, and any amendments to the VRSP, will be communicated to you on our website, on your account statement or by separate communication, depending on the type of change.

Note: Information required by applicable legislation will be provided to you by Sun Life Financial via mail unless you have consented to receiving this information in electronic form. Other information will be provided to you in electronic form via the secure website at mysunlife.ca. To request that all information be provided to you electronically (or to revoke your previous consent), visit mysunlife.ca or contact the Customer Care Centre at 1-866-733-8612.

What additional information do I need to know?

Can I borrow or assign my VRSP account balances?

No. Unless otherwise provided by applicable legislation, all contributions and investment returns credited to your VRSP account, benefits paid to you, amounts refunded to you and locked-in amounts transferred out of the plan, cannot be assigned, and are exempt from seizure. Certain exceptions apply, for example, an assignment made as a result of an order or judgment of a competent tribunal or a written agreement to share property between you and your spouse due to breakdown of your marriage or common-law partnership.

Marriage or relationship breakdown

In the event of separation from bed and board, divorce or marriage annulment, dissolution other than by death of a civil union or annulment of a civil union, your VRSP account may, upon application in writing to Sun Life Financial, be partitioned between you and your spouse to the extent determined in the Civil Code or by a court judgment or a notarized declaration of dissolution of a civil union. Your spouse is entitled to receive a statement providing certain information about your account. If your spouse is awarded part or all of your account, he or she may transfer or receive the benefit in accordance with applicable legislation.

Limitation period for actions

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act or the provincial or territorial legislation applicable to the action or proceeding.

Future of the plan

Sun Life Financial has the right to terminate or amend the VRSP at any time. The benefits you have earned will not be reduced.

Conflict of information

Every effort has been made to ensure the accuracy of this summary, however it is descriptive only and in the event of a conflict the provisions of the Sun Life Financial Voluntary Retirement Savings Plan text and policy will apply. Subject to any applicable legislation, the decision of Sun Group Retirement Services are provided by Sun Life Assurance Company of Canada, a member of the Sun Life group of companies. © Sun Life Assurance Company of Canada, 2022. All rights reserved.



Life Financial will be final and conclusive with respect to all questions relating to the operation, administration and interpretation of the VRSP.

What happens to my personal information collected by Sun Life Financial?

At Sun Life Financial, protecting your privacy is a priority. Sun Life Financial maintains a confidential file in their offices containing personal information about you and your contract(s) with Sun Life Financial. Sun Life Financial's files are kept for the purpose of providing you with investment and insurance products or services that will help you meet your lifetime financial objectives. Access to your personal information is restricted to those employees, representatives and third party service providers who are responsible for the administration, processing and servicing of your contract(s) with Sun Life Financial, our reinsurers or any other person whom you authorize. In some instances these persons may be located outside of Canada and your personal information may be subject to the laws of those foreign jurisdictions. You are entitled to consult the information contained in Sun Life Financial's file and, if applicable, to have it corrected by sending a written request to Sun Life Financial.

Questions?

Call Sun Life Financial's Customer Care Centre at 1-866-733-8612 any business day from 8 a.m. to 8 p.m. ET.



Glossary of Terms

Applicable legislation

The Voluntary Retirement Savings Plans Act and Regulations, the Quebec Taxation Act and the Income Tax Act (Canada) and regulations, the Civil Code of Quebec, any applicable provincial insurance legislation, labour standards legislation or other legislation.

Gross salary

Any type of remuneration from your employer that is part of your base wages, within the meaning of section 1159.1 of the Taxation Act (chapter I-3), excluding bonuses and remuneration for work carried out in addition to your usual work hours.

Group annuity policy

The group annuity policy is an insurance contract issued by Sun Life Assurance Company of Canada for the benefit of members of the VRSP. Contributions allocated to the investment options offered under the VRSP are accumulated under group annuity policy G-96026.

Life annuity

An insurance policy that provides equal income payments at periodic (typically monthly) intervals, for your lifetime (single life annuity), or for the lifetime of you and your spouse (joint life annuity). The income payments to your spouse in a joint life annuity are typically much less than the income payments to you. Income payments can begin immediately when you retire or can be postponed to a future date, and may be indexed for inflation.

Sun Life Assurance Company of Canada will provide you with an annuity payable for your lifetime using the account balances which you are entitled to under the terms of the VRSP. Your annuity payments will depend on your account balance, your age at the date your annuity payments are scheduled to begin, the type of annuity you choose, and the annuity purchase rates in effect at that time. Payments will be calculated using the greater of (a) the current payout annuity rate effective at the time of calculation, and (b) a rate specified in the VRSP group annuity policy.

LIF

A life income fund is a type of RRIF that holds only locked-in money originating from a pension plan. A LIF is intended to pay out a steady income to you during your retirement. You decide how much will be paid to you each year, subject to minimum and maximum withdrawal amounts specified by applicable legislation. The LIF cannot be paid to you in a lump sum except under special circumstances.

LIRA

A type of RRSP which can hold only locked-in money originating from a pension plan. You are

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not allowed to withdraw money from a LIRA except under special circumstances. Before the end of the year that you turn age 71 you have to convert your LIRA to a LIF or a life annuity in order to provide you with a lifetime stream of retirement income.

MPE

The Maximum Pensionable Earnings determined pursuant to the Act respecting the Québec Pension Plan (chapter R-9).

Pension adjustment

The value of any benefits earned in the previous year under all registered pension plans or deferred profit sharing plans.

RRIF

A registered retirement income fund pays you a retirement income using the money accumulated in your RRSP, deferred profit sharing plan or not locked-in money from a pension plan. You decide how much will be paid out of the RRIF to you each year, subject to a minimum withdrawal amount specified under tax legislation. The money in the RRIF is tax-sheltered, but payments made from the RRIF are taxable income to you.

RRSP

A registered retirement savings plan is a plan that allows you to save for retirement. Contributions that you make to your RRSP, or your spouse's RRSP, are tax-deductible to you (up to a maximum contribution limit). Investment earnings are tax-sheltered. When you withdraw money from your RRSP it is taxable income to you.

Segregated fund

Segregated funds are market-based investments which are similar to mutual funds. Both types of funds pool assets from a large number of investors, and the assets are invested and controlled by a professional money manager. The value of holdings in any segregated fund can fluctuate depending on market conditions and the degree of risk of the underlying investments that make up the fund. The assets within the segregated funds are owned by Sun Life Assurance Company of Canada and contributions allocated to a segregated fund are measured in notional units. The value of each unit held in your account will fluctuate with the value of the investments held by the fund. The value of any capital appreciation (or depreciation), interest or dividends is included in determining the value of the units held in your account.

The group annuity policy and the segregated funds underlying it have not been registered with securities regulators and may not be offered or sold outside of Canada unless they are registered or otherwise exempt from registration under the securities laws of the country in which such funds are offered.

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Spouse

Your spouse is the person who, on the day before your death,

- (1) is married to or in a civil union with you; or
- (2) has been living in a conjugal relationship with you, and you are neither married nor in a civil union, whether the person is of the opposite or the same sex, for a period of not less than three years, or for a period of not less than one year if
 - (a) at least one child is born, or to be born, of your union;
 - (b) you have adopted, jointly, at least one child while living together in a conjugal relationship; or
 - (c) one of you has adopted at least one child who is the child of the other, while living together in a conjugal relationship.

For the purposes of (2) above, the birth or adoption of a child prior to the period of conjugal relationship existing on the day before your death occurs may qualify a person as a spouse.

Despite (1) above, a person who is legally separated from bed and board with you on the day preceding your death is not entitled to a death benefit unless the person is your beneficiary.