

Contract and Information Folder

Financial information as of **December 31, 2006**



This Document contains the Contract, a description of the Investments, Terms available under the Contract, as well as other information on Desjardins Financial Security Guaranteed Investment Funds Plan – Helios.



Money working for people

Life, health, retirement

What This Document Contains

This Document contains information about the Desjardins Financial Security Guaranteed Investment Funds Plan – Helios. Please read it carefully before you decide to purchase this Contract.

The Contract and Information Folder is broken down into five parts: the “Introduction”; the “Table of Contents”; the “Contract”; “Investment Information” and “Other Information”. Each part is identified on the right hand side of each page.

The sub-section “**Glossary**” contains the terms used throughout this Document and their meanings.

The part marked “**Contract**” describes the Helios Contract, the charges you pay directly and those charged to the Funds, and the guarantees you are entitled to as well as other available Core and Optional Guarantees.

The part marked “**Investment Information**” fully describes the different Funds including the investment objectives and policies, top holdings as of the end of the previous year, and performance data. In addition to this, the part marked “**Other Information**” describes possible creditor protection, and our different fund managers.

You will find performance information about the Funds in the section titled “**Investment Information**”. For detailed financial information, you may also request our annual audited financial statements with notes, as well as semi-annual unaudited financial statements. These documents are available upon request. These documents are available both electronically and in hard copy.

Subject to any applicable guarantees, any part of the Deposit or other amount that is allocated to a segregated fund is invested at the risk of the Contract Owner and may increase or decrease in value.

Executive Summary

*Please note that terms in capital letters are defined in the Glossary.

The Desjardins Financial Security Guaranteed Investment Funds Plan – Helios is an individual variable annuity contract under which the benefits depend upon the performance of the Desjardins Financial Security Guaranteed Investment Funds (DFS GIF). It is designed to provide you with an opportunity to attain your financial goals by making Deposits, which the Company will invest in the segregated funds you select.

The Contract features are described in this Document. Since the value of this Contract fluctuates, we recommend that you read this Document carefully before you decide to purchase a Contract.

The only benefits guaranteed under this Contract are described in the sections “**Core Guarantees**” and “**Optional Guarantees**.” This Document contains information about the Contract and the Desjardins Financial Security Guaranteed Investment Funds (DFS GIF). The Contract is only in force once the Company has accepted your Application. You will find more detailed annual and semi-annual financial statements for the Desjardins Financial Security Guaranteed Investment Funds on our web site (www.desjardinsfinancialsecurity.com) or by requesting them directly from the Segregated Funds Department, which is currently located at

95 St. Clair Avenue West, 8th Floor, Toronto, Ontario, M4V 1N7
or by calling 1-888-729-3422.

You will find a description of the investment policies, objectives and risk factors for each Fund, including a discussion of the use of secondary funds, in the section entitled “**Investment Policies for the Funds**.”

This Contract offers you the choice between three Core Guarantees that provide you with three different bundles of benefits. Deposits into the Guarantee 75/75 provide you with maturity and death benefit guarantees and those allocated to the Guarantee 100/100 r provide you with maturity and death benefit guarantees as well as the reimbursement of fees feature. Deposits into the Guarantee 75/100 i provide you with maturity and death benefit guarantees and an inflation protection feature. While you can only choose one Core Guarantee per Contract, you do have the option to change Core Guarantees once per calendar year. The Core Guarantees are outlined below and described in detail in the section “**Core Guarantees**”. In addition, you may add an Optional Guarantee, the Guaranteed Minimum Withdrawal Benefit (GMWB) to any of the Core Guarantees. The GMWB provides you with a guaranteed level of income regardless of market performance as outlined below and described in detail in the section “**Optional Guarantees**”.

Summary of Core Guarantees

The Contract	Guarantee 75/75	Guarantee 100/100 r (r = reimbursement of fees)	Guarantee 75/100 i (i = inflation protection)
Automatically provides the amount(s) of the Guarantee 75/75.		This Core Guarantee provides an additional guarantee at death and maturity as well as a reimbursement of fees feature.	This Core Guarantee provides an additional guarantee at death and maturity as well as an inflation protection feature.
Amounts paid at Maturity	On the Contract Maturity Date, the greater of either: <ul style="list-style-type: none"> the current Market Value of the Contract; or, 75% of the Deposit. 	On the Deposit Maturity Date, the greater of either: <ul style="list-style-type: none"> the current Market Value of the Deposit; or, 100% of the Deposit. 	On the Contract Maturity Date, the greater of either: <ul style="list-style-type: none"> the current Market Value of the Contract; or the Minimum Death Benefit Amount. On the tenth anniversary of the Deposit Date: <ul style="list-style-type: none"> the current Market Value of Deposits; or, 75% of the Deposits. On the twentieth anniversary of the Deposit Date: <ul style="list-style-type: none"> the current Market Value of Deposits; or, 100% of the Deposits.
Reimbursement of Fees Feature		If the Maturity Benefit is the current Market Value of the Deposit, then, a portion of the additional guarantee fees paid will be deposited to the Contract.	
Amounts paid at Death	The greater of either: <ul style="list-style-type: none"> the current Market Value of the Contract; or, 75% of all Deposits. 	The greater of either: <ul style="list-style-type: none"> the current Market Value of the Contract; or 100% of all Deposits made before age 80. 	The greater of either: <ul style="list-style-type: none"> the current Market Value of the Contract; or the Minimum Death Benefit Amount

All Guarantees are reduced proportionately for Units withdrawn. See the section “Core Guarantees” for details about how this reduction works.

This Contract also offers Optional Guarantees, as outlined below and described in the section **“Optional Guarantees”**. These options are available either at the time you purchase the Contract or later on if your needs change.

Optional Guarantees

Guaranteed Minimum Withdrawal Benefit (GMWB)

- 100% of the Deposit in the GMWB option is guaranteed to be available for withdrawal for the duration of the GMWB payout option, subject to an annual maximum.
- Any additional amount withdrawn which exceeds 7% of the GMWB Protected Value will proportionately reduce the Guaranteed Amount.
- Resets on the GMWB are available in certain circumstances.
- GMWB is available on a selected number of Funds and may be added to your Contract at any time.
- This option may not be suitable for Owners over the age of 90 years.

The guarantees are important features of your Contract. Please refer to the sections **“Core Guarantees”** and **“Optional Guarantees”** for a full description and examples.

You must choose one of the three (3) available Core Guarantees. If a Core Guarantee is not selected, the Core Guarantee will automatically default to the Guarantee 75/75 until written Notification is received. Please refer to the sections **“Charges and Fees”** and **“Core Guarantees”** for a full description.

Charges and Fees for the Core Guarantees and Optional Guarantees

Sales Charge Options

Series 5-A (Negotiable)

- has a negotiable sales charge that is deducted from each Deposit you make to the Contract.
- has no surrender charges.

Series 5-B (Low Load, 3 year)

- has no initial sales charge.
- there are surrender charges payable by you if you surrender within **three calendar years** of making a Deposit.

Series 5-C (Back End Load, 6 year)

- has no initial sales charge.
- there are surrender charges payable by you if you surrender within **six calendar years** of making a Deposit.

The Company reserves the right to transfer the value of the Units attributed to your Contract in **Series 5-B (Low Load, 3 year)** or **5-C (Back End Load, 6 year)** that are free of any surrender charges to **Series 5-A (Negotiable)** without any sales charges. There will not be any change to the Fund selected or increase in your fees.

Core Guarantees

Guarantee 75/75

- The Company deducts a Management Expense Ratio (MER), which includes:
- a Management Fee,
 - a guarantee fee for the Guarantee 75/75; and
 - Expenses

from each Fund as described in the section **“Charges and Fees”**.

Guarantee 100/100 r

- In addition to the MER deducted from each Fund for the Guarantee 75/75, Units are surrendered once a month to cover the additional guarantee fees for 100% at death and maturity and for the reimbursement of fees feature.

Guarantee 75/100 i

- In addition to the MER deducted from each Fund for the Guarantee 75/75, Units are surrendered once a month to cover the additional guarantee fees for 100% at death and contract maturity and for the inflation protection feature.

Optional Guarantees

Guaranteed Minimum Withdrawal Benefit (GMWB)

- Units are surrendered once a month to cover the additional guarantee fees in order to provide a guaranteed level of income.

Transfers within same Fee Option and selected Core Guarantee

- You can transfer the value of all or part of the Units attributed to your Contract from one Fund to another Fund, available in your Contract under the selected Core Guarantee.
- If the GMWB option is selected, some of the Funds will not be available.

- Your financial advisor's compensation is based on the Fee Option and Funds you select and he or she can provide you with this information before you decide to purchase the Contract.
- **You do not have any rights to Units of the Desjardins Financial Security Guaranteed Investment Funds (DFS GIF), or to any of the underlying funds, other than the rights offered under the Contract.**
- You can request total or partial surrenders at any time. However, any surrenders will decrease your Guaranteed Amounts under the Core Guarantee selected as well as any Optional Guarantee and may result in surrender charges.
- Your selection of either the Guarantee 100/100 r or the Guarantee 75/100 i as well as the GMWB Optional Guarantee will result in additional guarantee fees being charged through monthly partial surrenders. However, these surrenders will not have any impact on the Guaranteed Amounts for any Core Guarantee or Optional Guarantee. Please refer to the sections titled "**Charges and Fees**", "**Core Guarantees**" and "**Optional Guarantees**".
- Your selection of either the Guarantee 100/100 r or the Guarantee 75/100 i as well as the GMWB Optional Guarantee will result into additional guarantee fees being charged through monthly partial surrenders. However these surrenders will not have any impact on the respective Death and Maturity Benefits. Please refer to the sections titled "**Charges and Fees**", "**Core Guarantees**" and "**Optional Guarantees**".
- A limited program of free surrenders (and free surrenders in the case of disability and upon death) is available. Please refer to the section "**Charges and Fees**" for a full description of this program.
- There will be no deferred sales charges charged in the event of a death claim.
- The additional guarantee fees charged for the Guarantee 75/100 i or Guarantee 100/100 r or any Optional Guarantee will not be taken into account when we calculate your free surrenders or the non-cumulative 12% fee free surrenders.
- For non-registered contracts, any surrenders or transfers may result in a capital gain or loss.
- The Desjardins Financial Security Guaranteed Investment Funds Plan – Helios qualifies as an RSP or a RIF, as described in the section entitled "**RRSPs and Other Registered Plans**".
- The Company does not accept Deposits to a Contract after the Annuitant has reached age 95.
- You have the right to an annuity. The section "**Annuity Provisions**" provides a full description of the conversion process and options available.
- At least once a year, you will receive the following information from us:
 - the number of Units in each Fund, attributed to your Contract;
 - the amount, if any, allocated under the Contract to each segregated Fund during the statement period (that is new Deposits);
 - the value of these Units.
- You may request the annual **audited** and semi-annual **unaudited** financial statements of the Funds once a year. This information will also include the current Management Fees and any other expenses and the Management Expense Ratio, as well as the overall rate of return of each Fund (in several formats).

Please read the financial highlights included in this Document and the audited financial statements for the Desjardins Financial Security Guaranteed Investment Funds, which are available upon request.

This Document describes the key features of this individual variable annuity contract. Subject to any applicable guarantees, any part of the Deposit or other amount that is allocated to a segregated fund is invested at the risk of the Contract Owner and may increase or decrease in value.

Desjardins Financial Security Life Assurance Company

Desjardins Financial Security specializes in providing financial security through a sound combination of insurance and investment products. Over five million Canadians from coast to coast rely on Desjardins Financial Security to protect and grow their capital. A subsidiary of the Desjardins Group, the largest integrated cooperative financial group in Canada, with more than \$135 billion in assets as of December 31, 2006, Desjardins Financial Security has offices in Vancouver, Calgary, Winnipeg, Toronto, Ottawa, Montreal, Quebec City, Lévis, Halifax and St. John's.

The head office of the Company is at 200, rue des Commandeurs, Lévis, Quebec, G6V 6R2, and has a place of business at 95 St. Clair Avenue West, Toronto, Ontario, M4V 1N7.

The Contracts issued under the Desjardins Financial Security Guaranteed Investment Funds Plan are offered only through licensed life insurance representatives in Canada.

The Desjardins Financial Security Guaranteed Investment Funds Plan – Helios

We certify that this Document includes the policy contract and provides brief and plain disclosure of all material facts relating to the variable life annuity policy evidenced by the Contract called the Desjardins Financial Security Guaranteed Investment Funds Plan – Helios, which is issued by the Desjardins Financial Security Life Assurance Company. The Company intends to engage in the continuous sale of individual variable annuity contracts under the Desjardins Financial Security Guaranteed Investment Funds Plan.



Richard Fortier
President and Chief Operating Officer



Monique Tremblay
Senior Vice-President, Savings and Segregated Funds

DFS GIF and HELIOS are trademarks of Desjardins Financial Security Life Assurance Company. The Desjardins Financial Security Guaranteed Investment Funds Plan – Helios is established by Desjardins Financial Security Life Assurance Company.

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Contract

Description of the Contract

The Helios Contract is an individual variable annuity contract under which the benefits depend upon the performance of the Desjardins Financial Security Guaranteed Investment Funds (DFS GIF). It is designed to provide you with an opportunity to attain your financial goals by making Deposits, which the Company will invest in the segregated funds you select.

Glossary

The meanings of certain terms used in this Document are as follows:

"Act" means the *Income Tax Act* (Canada) and also, where the context requires, the corresponding provincial income tax legislation;

"Addenda" means Addenda Capital Inc.;

"Administrative Rule" means the internal rules that govern our operations, including policies, guidelines, rules and practices of the Company, which can be changed at the sole discretion of the Company;

"AllianceBernstein" means AllianceBernstein;

"Annuitant" means the person or persons in the event of whose death(s) the Death Benefit is payable, and is the person or persons whose name(s) appear(s) as "Applicant" on an Application accepted by the Company unless otherwise specified in such Application. For the purposes of calculating the Death Benefit and all other Guarantees, the measuring life will be deemed to be the younger Annuitant. In the case where more than one person is designated as the Annuitant, the Death Benefit is payable on the death of the last survivor. For all registered plans, the Annuitant will always be the Owner of the Contract;

"Application" means the Company's standard written application form for the purchase of a Contract under the Desjardins Financial Security Guaranteed Investment Funds Plan;

"Beneficiary" means the person you designate as your beneficiary under the Contract;

"Bissett" means Bissett Investment Management, a division of Franklin Templeton;

"Business Day" means a day when the Company is open for business;

"CIFSC" means the Canadian Investment Funds Standards Committee, which provides standardized fund classification categories that are subject to change without Notification;

"Company" means the Desjardins Financial Security Life Assurance Company, having a place of business which is located at 95 St. Clair Avenue West, Toronto, Ontario, Canada, M4V 1N7. "We," "our" and "us" refer to the Company;

"Concluding Decade" means for the Guarantee 100/100 r, the ten years immediately prior to the Contract Maturity Date. The Deposit Maturity Date for any Deposits maturing during the Concluding Decade will be the Contract Maturity Date;

"Contract" means the Contract Application, the present individual variable insurance contract and any amendments as specified in the section of the contract titled "Our Agreement With You;"

"Contract Anniversary Date" means the anniversary of the Valuation Date of your first Deposit;

"Contract Maturity Benefit" means the greater of the value of the Units attributed to the Contract on the 105th birthday of the Annuitant or the benefit as described in the section "Core Guarantees;"

"Contract Maturity Date" means the day the Annuitant attains age 105;

"Core Guarantee" means the Core Guarantee chosen by you being a choice of the Guarantee 75/75, Guarantee 100/100 r or the Guarantee 75/100 i as described in the section titled "Core Guarantees;"

"Current 75/75 guarantee fee" means the guarantee fee charged directly to the Fund for all the Core Guarantees and included in the MER, as described in the section "Charges and Fees;"

"Cut-Off Time" means a time on each Market Day when trading on the Toronto Stock Exchange ends;

"Death Benefit" means the benefit granted under the Core Guarantee selected upon the death of the Annuitant, as described in the section "Core Guarantees;"

"Deposit" or "Deposits" means the gross premium, that is, the sum of money, paid to the Company for the purpose of attributing Units to a Contract; or, any periodic or other amount paid or payable to a Contract, less proportional reductions for Units withdrawn. For a more detailed description, please refer to the sections "Surrenders" and "Core Guarantees;"

“Deposit Date” means the date on which Units attributed to a new Deposit are valued according to the heading **“Deposits and Attribution of Units.”** For the purposes of the Maturity Benefit and the Death Benefit, all Deposits made in the same contract year are grouped together and are given a single Deposit Date, which is the first day of the contract year. Other than for the Guarantee 75/75, Guarantee 75/100 i and GMWB, a Deposit Date renews on the tenth anniversary after it has been set, and every ten years thereafter. In the Concluding Decade, the Deposit Date will not be renewed;

“Deposit Date Account Value” means the aggregate Market Value, at any time, of the Units of all Deposits for a Deposit Date;

“Deposit Maturity Benefit” means the benefit granted under the Guarantee 75/100 i as described in the section **“Core Guarantees;”**

“Deposit Maturity Date” means for the Guarantee 100/100 r, the date that is ten (10) successive years from the Deposit Date, unless that date would fall during the Concluding Decade;

“Desjardins Financial Security” means the Desjardins Financial Security Life Assurance Company, currently having a place of business which is located at 95 St.Clair Avenue West, Toronto, Ontario, Canada, M4V 1N7;

“Desjardins Financial Security Guaranteed Investment Funds Plan” or **“Plan”** means Desjardins Financial Security Guaranteed Investment Funds Plan and includes the present Helios Contract;

“Desjardins Funds” means Desjardins Funds administered by the Fédération des caisses Desjardins du Québec, a subsidiary of the Desjardins Group;

“Desjardins Group” means the group comprised of the Fédération des caisses Desjardins du Québec, the 549 caisses Desjardins in Quebec and Ontario, the subsidiaries, and other entities, all of which are owned by its 5.8 million members;

“Document” means the present Contract and Information Folder;

“Ethics Committee” means the committee which is comprised of members of the Board of Directors of the Company, who are charged with establishing and ensuring compliance with ethical standards for the Company;

“Fee Option” means the option chosen by you within Series 5 (Series 5-A (Negotiable), 5-B (Low Load, 3 year) or 5-C (Back End Load, 6 year)) being a choice of two deferred sales charges and a negotiable sales charge paid at the time of Deposit as described in the section titled **“Charges and Fees;”**

“Fidelity” means Fidelity Investments Canada Limited;

“Fiera” means Fiera Capital Inc.;

“Financial Statements” means the document titled **“Financial Information”** and contains annual audited statements and performance history for the Funds;

“Franklin Templeton” means Franklin Templeton Investments Corp.;

“Fund or Funds” means any segregated fund established by the Company under the Helios Contract and available for a specific Core Guarantee, Optional Guarantee or benefit, which consists of a specified group of assets;

“GST” means the goods and services tax;

“Guaranteed Amount” means the amount the Company guarantees to pay to the Contract Owner or the Beneficiary regardless of fluctuations in the Market Value of the Funds;

“Guaranteed Minimum Withdrawal Benefit” or **“GMWB”** means the Optional Guarantee described later in this document under **“Optional Guarantees – Guaranteed Minimum Withdrawal Benefit (GMWB)”** and which provides for a series of payments of a GMWB Amount;

“GMWB Amount” has the meaning given to it in the section titled **“Optional Guarantees – Guaranteed Minimum Withdrawal Benefit (GMWB);”**

“GMWB Election Date” means the Market Day that we receive Notification that you have selected the GMWB to apply to your Contract;

“GMWB Eligible Funds” means those Funds which the Company identifies from time to time under its Administrative Rules as eligible for inclusion in the GMWB;

“GMWB Excess Payment” means (a) the amount by which the aggregate total or partial surrenders of the Contract during a GMWB Year exceeds 7% of the GMWB Protected Value at the time of such surrender, or (b) if a GMWB Excess Payment has previously occurred during a GMWB Year, the amount of any additional surrender of the Contract during such GMWB Year since the most recent GMWB Excess Payment. No GMWB Excess Payment applies during the last regularly scheduled GMWB Year;

“GMWB Exercise Date” means the earlier of (a) the Market Day on which the first payment of a GMWB Amount is made, as determined in your Notification to us, and (b) the Market Day on which you make a total or partial surrender of the Contract (other than a surrender to pay additional guarantee fees);

“GMWB Net Protected Value” means the GMWB Net Protected Value calculated in the manner described in the section titled **“Optional Guarantees – Guaranteed Minimum Withdrawal Benefit (GMWB);”**

"GMWB Protected Value" means the GMWB Protected Value calculated in the manner described in the section titled **"Optional Guarantees – Guaranteed Minimum Withdrawal Benefit (GMWB);"**

"GMWB Withdrawal Period" has the meaning given to it in the section titled **"Optional Guarantees – Guaranteed Minimum Withdrawal Benefit (GMWB)"**. The GMWB Withdrawal Period commences on the GMWB Exercise Date;

"GMWB Year" means (a) the period commencing on the GMWB Exercise Date and ending on December 31 of the calendar year in which the GMWB Exercise Date occurs, and (b) thereafter, each calendar year during the GMWB Withdrawal Period;

"Helios Contract" means the Contract contained in the present Document and which is offered under the Desjardins Financial Security Guaranteed Investment Funds Plan;

"Inflation Adjusted Value" means for the purpose of calculating the Minimum Death Benefit Amount for the Guarantee 75/100 i, the amount by which we annually adjust the amount of your Deposit for inflation on a compound basis. The calculation is done on the Contract Anniversary Date. The inflation adjusted value of a Deposit is calculated by applying the increase in the Canadian Consumer Price Index (CPI) as reported by Statistics Canada for the prior one-year period ending November 30th. The maximum adjustment will be 5% to the value of the Deposit as at the Deposit Date. We reserve the right to change the index used and the date of such index, for determining inflation for the purpose of this Contract. The inflation adjustment in any period will not be less than 0, regardless of a decrease in the index;

"Jarislowsky Fraser" means Jarislowsky Fraser Limited;

"LIF" means a Life Income Fund, which meets the requirements of the applicable legislation and is described in the Life Income Fund Endorsement accepted by the Owner;

"Management Expense Ratio" or "MER" means the management expense ratio, which is explained in the section titled **"Charges and Fees;"**

"Management Fee" means the fees charged to the Fund and which includes the management fees charged by the Company and any underlying fund(s) as described in the section **"Charges and Fees."** There is no duplication of management fees charged by the Company;

"Market Day" means a day when the Toronto Stock Exchange is open for business;

"Market Value" means the value of the Contract that is determined to be the sum of the market value of Units attributed to your Contract as of the Cut-Off Time on a Market – Day as described in the section **"Value of the Funds and the Units;"**

"Maturity Benefit" means the amount the Company guarantees to return to you on the applicable Deposit Maturity Date or Contract Maturity Date depending on the Core Guarantee selected, as described in the section **"Core Guarantees;"**

"Maturity Benefit Fees" means 50% of the current additional guarantee fee charged for the Guarantee 100/100 r;

"McLean Budden" means McLean Budden Limited;

"Minimum Death Benefit Amount" means the amount we calculate for purposes of determining certain guarantees, as defined in the section **"Core Guarantees;"**

"Net Assets of a Fund" has the meaning described in the section **"Value of the Funds and the Units;"**

"Net Asset Value Per Unit of a Fund" or "NAVPU" has the meaning described in the section **"Value of the Funds and the Units;"**

"Northwest" means Northwest Mutual Funds Inc., a wholly-owned subsidiary of Northwest Asset Management Inc. which is a wholly-owned subsidiary of Fédération des caisses Desjardins du Québec;

"Notice or Notification" means any written instructions you give to us or any written advice by us to you;

"Optional Guarantees" means the options offered to the Contract Owner under the Desjardins Financial Security Guaranteed Investment Funds Plan. Please refer to the section titled **"Optional Guarantees"** for further information;

"Owner" means a person whose name appears as "Applicant" or "Co-Applicant" in the "Owner" section of the Contract Application, which has been accepted by the Company and is a party to a Desjardins Financial Security Guaranteed Investment Funds Plan – Helios Contract. Also, "you" and "your" refer to the Owner of the Contract under the Desjardins Financial Security Guaranteed Investment Funds Plan;

"Quotential" means the Franklin Templeton Quotential Portfolios;

"Registered Plan" means a RRIF (including a LIF approved under applicable pension legislation), an RRSP (including a locked-in retirement account approved under applicable pension legislation), or any other plan, account or fund accepted for registration under and governed by section 146 or 146.3 of the Act for the purposes of the Act and offered by the Company;

"RIF" means a retirement income fund;

"RRIF" means a registered retirement income fund, as defined in the Act;

"RRSP" means a registered retirement savings plan, as defined in the Act;

"RSP" means a retirement savings plan;

"Series 5" or **"Series 5 Units"** means the only series of Units offered under the Contract in the Funds;

"Series 5-A (Negotiable)", "Series 5-B (Low Load, 3 year)" and **"Series 5-C (Back End Load, 6 year)"** means one of the three Fee Options that you may choose, as described in the section titled **"Charges and Fees;"**

"Series of Units" means Series 5 Units as described in the provisions under the heading **"Choices for Allocation of Deposits"** and the section **"Charges and Fees;"**

"Systematic Withdrawal Program" means one of the programs offered under the Contract and described in the section titled **"Surrenders;"**

"Totally Disabled" means the complete inability, as a result of sickness or injury, to engage in any gainful occupation for which one is qualified (or may reasonably become qualified by reason of one's training, education or experience) and whose condition has been deemed to be permanent and irreversible;

"TSX" means the Toronto Stock Exchange Inc.;

"UBS" means UBS Global Asset Management (Canada) Co.;

"Unit" means a unit of any Fund established by the Company under the Desjardins Financial Security Guaranteed Investment Funds Plan;

"Valuation Date" unless otherwise provided herein, the valuation date of a transaction is the day the reason for the transaction arises if this occurs at or before the Cut-Off Time on a Market Day. If the reason for the transaction arises on a non-Market Day or after the Cut-Off Time on a Market Day, the valuation date for the transaction is the next following Market Day;

"Voluntary Payment Program" means one of the programs offered under the Contract and described in the section titled **"Deposits"**.

Notice and Instructions

You must send us clear and unambiguous written instructions for any transaction or change you wish to make and you must sign them. All instructions will become effective when we receive them at our principal place of business (Desjardins Financial Security Life Assurance Company, Segregated Funds Department, which is

currently located at 95 St. Clair Avenue West, 8th Floor, Toronto, Ontario, M4V 1N7). If you have any questions, please call 1-888-729-3422.

When required by the Contract or by law, the Company will send you a written Notice at the most recent address we have on file.

In this Document, the terms "Notification" or "Notice" mean any written instructions you give to us or any written advice by us to you. When we receive Notification from you, we always consider it irrevocable.

Please note that for certain transactions we may require proof of the age of the Annuitant and/or medical evidence of health.

Desjardins Financial Security Guaranteed Investment Funds (DFS GIF)

The Funds currently available under the Helios Contract are the following:

Portfolios of Funds:

DFS GIF – Diversified Income – Quotential*
DFS GIF – Balanced Income – Quotential*
DFS GIF – Balanced Growth – Quotential*
DFS GIF – Growth and Income – Northwest Quadrant*
DFS GIF – Growth – Quotential*
DFS GIF – Ultimate Equity – Multi-managers*

Individual Funds:

Income

DFS GIF – Money Market*
DFS GIF – Income – Fiera*
DFS GIF – Canadian Bond – Addenda*
DFS GIF – Growth and Income – Northwest*
DFS GIF – Global High Income – Multi-managers*

Balanced and Asset Allocation

DFS GIF – Global Balanced – Jarislowsky Fraser*
DFS GIF – Balanced Growth – McLean Budden*
DFS GIF – Canadian Balanced – Fiera*
DFS GIF – Canadian Balanced – Bissett*

Canadian Equity

DFS GIF – Dividend Income – Bissett*
DFS GIF – Canadian Dividend – Fiera*
DFS GIF – Canadian Equity – Jarislowsky Fraser*
DFS GIF – Canadian Equity – Fiera
DFS GIF – Canadian Equity – Bissett
DFS GIF – Specialty Growth – Northwest
DFS GIF – Canadian Equity Growth – McLean Budden
DFS GIF – North American Small Company – Fiera
DFS GIF – Small Cap – Bissett
DFS GIF – Specialty Equity – Northwest

Foreign Equity

DFS GIF – Global – Fidelity*
DFS GIF – Global Equity – AllianceBernstein*
DFS GIF – American Equity – UBS
DFS GIF – International Equity – AllianceBernstein
DFS GIF – European Equity – AllianceBernstein
DFS GIF – American Equity – McLean Budden

* These Funds are available for the GMWB.

The Company reserves the right to add new Funds or close Funds at any time. Please refer to the section “Closing of Funds, Series, Fee Options or Plans” which explains your rights should we do so.

You will find additional information on the Funds in the section titled **“Investment Policies for the Funds”**.

Fundamental Changes

We will give you a 60 day advance Notice if we must make any of the following fundamental changes:

- change in the fundamental investment objectives of the Desjardins Financial Security Guaranteed Investment Funds (DFS GIF);
- an increase in the total of your current guarantee fee(s) of more than the greater of 0.5% per calendar year and 50% of your total current guarantee fees;
- a decrease in the frequency with which a Unit of a Fund is valued; or
- an increase in the Management Fee (please refer to the section **“Charges and Fees”**).

Once you receive our Notification of any of these changes, you will have the right to transfer (the value of your Units) to another Fund or Funds with a similar investment objective, category, same or lower management and maximum guarantee fees that has not been affected by the change. There will be no sales or redemption charges, and the Guaranteed Amount under your Contract will not change. If such a Fund or Funds is/are not available under the Core Guarantee you have selected, you will have the right to withdraw the Market Value of your Units as of the effective date of the change without incurring any sales or redemption fees. We must receive your response to our Notification at least five days before the effective date of the change.

These rights are stated in the Canadian Life and Health Insurance Guideline for Individual Variable Insurance Contracts. Any future change to this Guideline will affect these rights accordingly.

Once any Notice has been given, we reserve the right to refuse any and all new Deposits or transfers into the Fund(s) affected.

Our Agreement with You

The terms of this Contract allow for various transactions to occur. These transactions may be initiated by you, the Company or to comply with law.

All the terms of the agreement between the Company and the Owner are in this Contract and the Application and in any amendments or riders attached to these documents. Any amendment to the Contract will be effective only if the Owner and the Company agree to it in writing. Only the Company’s Chief Executive Officer, President, Chief Financial Officer, or Corporate Secretary may do so on behalf of the Company.

While the Company may from time to time choose not to enforce all of its rights under the Contract, this does not mean that by doing so, that we are waiving any of these rights. We will always retain the right to enforce the terms of the Contract.

Section headings and reference citations appearing in this Contract are for convenience of reference only and are not to be considered as an aid to interpretation.

When changes are made in applicable legislation or regulation, this agreement shall be deemed to be amended to comply with such change in the applicable legislation.

Deposits

How to make a Deposit

The Company allows you to make your Deposits as follows:

- in lump sum amounts at any time;
- as a pre-authorized cheque plan (PAC).

Although the pre-authorized cheque program offers you an opportunity to make regular investments, there is no obligation to do so and further payments are completely voluntary.

If the Contract is registered as an RRSP, you will also receive a tax receipt each year you make a new Deposit to the Contract that meets the requirements of the Act.

Choices for Allocation of Deposits

This Contract offers one Series of Units (Series 5) in the Funds. There are three Fee Options that are currently available in Series 5, which are described in the sub-section **“Charges and Fees”**. Each Deposit will be allocated to Units in the Fee Option(s) in Series 5 in one or more of the Funds in accordance with your written Notification at the time of payment.

When you make Deposits under a pre-authorized cheque plan, the Deposit is allocated to the Fee Option and to the Fund or Funds in accordance with your most recent Notification. You must inform us in writing to change your instructions for new Deposits.

The allocation of your Deposits is not affected by the Core Guarantee you have selected.

Deposits and Attribution of Units

When Deposits are made to a Contract, Units are attributed according to the Funds and Fee Option(s) you selected.

A Deposit received on a non-Market Day or after the Cut-Off Time on a Market Day will be valued as at the Cut-Off Time on the following applicable Market Day. A Deposit shall be considered to have been paid on the Valuation Date.

The section titled **“Charges and Fees”** describes the applicable charges for the Fund and Fee Option you selected. The section **“Value of the Funds and the Units”** describes the valuation of Units and explains “Net Asset Value per Unit.” You will find the meanings of “Cut-Off Time,” “Fund,” “Fee Option” and “Market Day” in the **“Glossary”**.

Limitations on Deposits

The initial minimum Deposit for Units in a particular Fee Option of each Fund is \$500 or a monthly PAC of \$50, with a minimum of \$500 in the first twelve months.

Additional Deposits for Units in a particular Fee Option within Series 5 for each Fund must be at least \$50 (or \$25 if the Contract is established for a minor) on a monthly basis, or a greater amount if a less frequent basis is selected subject to our Administrative Rules.

Pre-authorized cheque plans are not available for any Contract with a Guaranteed Minimum Withdrawal Benefit rider (GMWB) which has commenced payments, a contract registered as a RRIF or containing locked-in money.

Deposits over \$500,000 must be approved in advance by the Company. The Company reserves the right in its absolute discretion to refuse any Deposit regardless of the amount, or may impose additional requirements on Deposits.

We do not accept Deposits to a Contract once the Annuitant reaches age 95.

We reserve the right in our absolute discretion to refuse any Deposits, with or without prior Notification.

Units of a Fund

Units of a Fund are attributed to individual Contracts for the purpose of determining the value of the benefits under those Contracts. You acquire no direct claim on the Units or assets of a Fund or any underlying fund by purchasing a Contract; however, you do acquire the benefits which are provided under your Contract.

The assets of a Fund are kept separate from the other assets of the Company and are owned by the Company.

Some of the Funds directly hold debt or equity securities or other assets while other Funds hold units of underlying mutual funds or pooled funds. If the Fund holds units in an underlying mutual or pooled fund, you are not an owner or unitholder of the units of the underlying fund.

We attribute Units to and withdraw Units from your Contract according to the Contract terms, or as provided or required by law.

For any Deposit, the actual number of Units in the Fund and Fee Option to be attributed to the Contract will be calculated as follows:

$$\frac{\text{((Deposit Amount – Sales Charge where Applicable) – Applicable Taxes)}}{\text{Net Asset Value per Unit Calculated as at the Cutoff Time on that Day}}$$

Units of a Fund attributed to your Contract are designated as Series 5. Please refer to the section **“Charges and Fees”** for a description of Series 5 and the different Fee Options available.

The Company reserves the right in its absolute discretion to change any of the underlying funds or investment vehicles at any time. Should a change occur, the Company will provide you with Notice of the change.

Value of Your Contract

The value of your Contract is equal, for all Funds to which your Deposits were allocated, to the total of:

$$\begin{matrix} \text{the current Net Asset Value per Unit} \\ \text{of Series 5 of the Fund} \\ \times \\ \text{number of Series 5 Units in each Fund} \end{matrix}$$

For greater certainty, regarding the allocation of Deposits and the attribution of Units, the Company calculates the value of the Units attributed to your Contract at the Cut-Off Time on the Market Day it receives your Deposit at its place of business. The Deposit must be received on or before the Cut-Off Time on such Market Day. If the Company receives your Deposit (or other valid Notice) at its place of business on a non-Market Day or after the Cut-Off Time on a Market Day, it will calculate the value of the Units attributed to your Contract as at the Cut-Off Time on the next Market Day.

Any other valid written request for the attribution of Units, such as a written request to transfer an investment from the Units of one Fund to the Units of another Fund is processed in the same way.

The Company will provide to you the following information at least once per year:

- the number of Units in each Fund which is attributed to your Contract and the value of the Units in the Funds to which your Deposits are allocated and the number of Units withdrawn from your Contract;
- the current Management Fees as a percentage of the Net Assets of the Funds and other expenses;
- the MER;
- the Core Guarantee and any Optional Guarantees chosen by you under your Contract;
- the amount, if any, allocated under your Contract to a Fund or Funds during the statement period;
- the overall rate of return of each Fund in several formats.

The current Management Fees, the MER and the overall rate of return for each Fund are included in the Financial Statements. You can request the audited annual financial statements as well as the unaudited semi-annual financial statements for each Fund from the Segregated Funds Department currently located at 95 St Clair Avenue West, 8th Floor, Toronto, Ontario, M4V 1N7 or by calling 1-888-729-3422. You may also obtain both the annual and semi-annual financial statements from our website at www.desjardinsfinancialsecurity.com.

Please refer to the provisions under the section titled **“Value of the Funds and the Units”** in this Document.

The value of Units in a Fund attributed to your Contract will fluctuate with the Market Value of the assets in the Fund and, therefore, cannot be guaranteed, other than as described in the sections **“Core Guarantees”** and **“Optional Guarantees”**.

Fund Transfer Privilege

Within the same Fee Option and Core Guarantee, you have the right to transfer the value of all or part of the Units attributed to your Contract from one Fund to another Fund, free of any charge or fee.

While the Company currently makes all Funds available for the Core Guarantees, we reserve the right in our absolute discretion to restrict the Fund available under any or all of the Core Guarantees, with or without prior Notification. Should we decide to restrict any Funds for a particular Core Guarantee, the Company will refuse to transfer the value of all or part of the Units attributed to your Contract from one Fund to another Fund.

The Company reserves the right to transfer the value of the Units attributed to your Contract in Series 5-B (Low Load, 3 year) or 5-C (Back End Load, 6 year) that are free of any surrender charges to Series 5-A (Negotiable) without any sales charge. This transfer may be done upon Notification from you or at our absolute discretion. For a description of Series 5-A (Negotiable), 5-B (Low Load, 3 year) and 5-C (Back End Load, 6 year), please refer to the section titled “Charges and Fees”.

The value of the transfer is determined using the Net Asset Value per Unit as at the next valuation of the Units following Notification to the Company of your transfer request. A transfer is achieved by withdrawing Units attributed to your Contract in the Fund from which the transfer is to be made and using the value calculated by us for the purpose of attributing to your Contract Units of the Fund to which the transfer is to be made.

Please refer to the sections titled **“Value of Your Contract,” “Charges and Fees”** and **“Value of the Funds and the Units”** which explain in detail the valuation of Units attributed to or withdrawn from your Contract on a transfer.

In the case of partial transfers, the exercise of the transfer privilege is subject to your keeping at least a \$500 value of Units in each Fee Option of each Fund selected by you, from which amounts are to be withdrawn or to which Deposits are to be allocated. If less than the specified minimum balance of Units would otherwise remain in any Fund, then all Units in that Fund must be transferred as per our Administrative Rules in effect at that time.

We do not deduct sales or surrender charges for transfers within the same Fee Option. The date Units are first attributed to a Contract, the Deposit Date(s) and the Fee Option selected by you will remain unchanged for all purposes, including calculating surrender charges, if a transfer is made from one Fund to another Fund with the same Fee Option.

When transferring from a Series 5-B (Low Load, 3 year) or 5-C (Back End Load, 6 year) to Series 5-A (Negotiable) Fee Option, the Deposit Dates and Deposit Maturity Dates as well as any Guaranteed Amounts offered under the Plan remain the same.

In the event that the GMWB Optional Guarantee is selected and the Owner wishes to transfer the value of Units attributed to a Contract from one Fund available under the GMWB to another Fund that is not available in that Option, the Company reserves the right in its absolute discretion, to refuse to process the transfer.

In the event of a transfer of the value of Units attributed to a Contract from one Fund to another Fund, the Owner may realize a capital gain or a capital loss upon disposition of that interest. Please refer to the section titled **“Income Allocations for Tax Purposes”** in this Document. The Company does not currently treat transfers between Fee Options made within the same Fund and Contract as a taxable event; however, we reserve the right to do so in the event of a change in law or in the interpretation of the law by any regulatory body or court of law. In all cases, the Company shall not be held responsible for any unwanted tax consequences by the Owner(s) or the Beneficiary(ies) resulting from a transfer of Units.

The value of Units withdrawn from a Fund as a result of a transfer will fluctuate with the Market Value of the assets in the Fund and, therefore, cannot be guaranteed, other than as described in the sections **“Core Guarantees”** and **“Optional Guarantees”**.

Surrenders

General Information

You may make total or partial surrenders of a Contract at any time by withdrawing the value of Units attributed to the Contract. In the case of partial surrenders, you may direct from which Fee Option and Funds the value of Units attributed to the Contract are to be withdrawn. The value of Units withdrawn from a Contract upon total or partial surrender will be calculated at the next valuation of the Units of a particular Fund following your request for total or partial Contract surrender, according to the provisions of the Contract. Please refer to the section titled **"Value of the Funds and the Units"**.

Any surrenders will affect the Deposits and the Guaranteed Amounts under the Contract by reducing these amounts in proportion to the market value of the units withdrawn from the Contract. Please refer to the sections titled **"Core Guarantees"** and **"Optional Guarantees"** for more information about this.

EXAMPLE OF THE CALCULATION OF PROPORTIONAL SURRENDERS

Initial Deposit of \$10,000 on November 30, 2007						
Event	End of the Year	Change in Units Held	Units Outstanding	Market Appreciation Rate	Market Value	Deposit
Deposit of \$10,000.00	2007	2000	2,000	n/a	\$10,000.00	\$10,000.00
	2008	—	2,000	5%	\$10,500.00	\$10,000.00
	2009	—	2,000	-2%	\$10,290.00	\$10,000.00
Withdrawal of \$4,116.00	2009	-800	1,200	-2%	\$6,174.00	\$6,000.00 ¹

¹ The Deposit is reduced proportionally as a result of the surrender.

$$\text{Deposit immediately following the surrender} = \text{Deposit immediately before the surrender} \times \left(1 - \frac{\text{Amount Surrendered}}{\text{Market Value of the Contract immediately before the surrender}}\right)$$

If you make a total or partial surrender of a Contract, you may realize a capital gain or a capital loss upon the disposition of that interest. Please refer to the section titled **"Income Allocations for Tax Purposes"** in this Document.

You will find in the section titled **"Charges and Fees"** a description of the charges applicable at the time of total or partial surrender of a Contract.

The value of Units in a Fund attributed to a Contract to be withdrawn in the event of a total or partial surrender of a Contract will fluctuate with the Market Value of the assets in the Fund and, therefore, cannot be guaranteed, other than as described in the sections **"Core Guarantees"** and **"Optional Guarantees"**.

To request a total or partial surrender of a Contract, you must send us written Notification and have it signed also by your irrevocable Beneficiary (if applicable).

Limitations on Surrenders

According to our Administrative Rules, we will only process requests that are properly authorized and clearly state what should be redeemed, otherwise, the request will be returned to your distributor unprocessed. After any partial surrender, the value of the remaining Units attributed to the Contract in a Fee Option of Series 5 Units in any particular Fund must be at least \$500; this value will be determined at the valuation that follows your request for a partial Contract surrender. A total surrender terminates the Contract.

The Company may decide to suspend the surrender rights at its sole discretion for any period when normal trading is suspended on any stock exchange in or outside Canada where securities in the investment portfolio of a Fund are traded. We will not accept any Application for the purchase of a Contract, or a Deposit to a Contract during that period.

The Company may also, at its sole discretion, suspend these surrender rights when the manager of an underlying fund has suspended redemption rights or placed any restriction on the fund that affect the Company's ability to convert its units in the underlying fund to cash. Any requests received by the Company during the period when surrender rights have been suspended will be returned to your distributor unprocessed and you must make a new request or ask your distributor or financial advisor to resubmit your original request once the Company decides to lift the suspension.

Systematic Withdrawal Program (including RRIFs)

If the value of your Contract is at least \$5,000, you may arrange for a regular payment to your account at a financial institution. This payment must equal at least \$25 or more derived from the value of Units withdrawn from the Fee Option in each Fund to which your Deposits are allocated. This program also applies if the value of your Contract is less than \$5,000 in the situation where you are converting an existing RRSP to a RRIF. You may select payments either on a monthly or other basis approved by the Company. Approximately three business days before each payment date, the Company will withdraw a sufficient number of Units to provide you with the payment amount you selected. The Company will also deduct any applicable surrender charges, if the Units are withdrawn from Series 5-B (Low Load, 3 year) or 5-C (Back End Load, 6 year) Units, and the balance will be electronically transferred to your account with a financial institution. You may suspend or stop payments at any time. Your Contract remains open as long as you maintain a minimum \$500 value of Units in each Fund you selected.

If the value of the withdrawn Units is more than the income and net capital appreciation applicable to the Units attributed to your Contract, this will over time result in the total depletion of the value of your Contract and related guarantees.

The value of the Units withdrawn from your Contract under this program is determined in accordance with the provisions under the sections titled "**Surrenders**" and "**Charges and Fees**".

The value of Units withdrawn from a Fund as a result of a transfer will fluctuate with the Market Value of the assets in the Fund and, therefore, cannot be guaranteed, other than as described in the sections "**Core Guarantees**" and "**Optional Guarantees**".

Charges and Fees

(A) Charges to the Contract Owner

The charges which currently apply to this Contract issued under the Plan and which are payable by the Owner are set out in the following two subparagraphs. The Company reserves the right, upon giving the Owner at least 60 days advance Notice, to increase the amount or rate of these charges or to add new charges. If you receive such a Notice, you will have the same rights under the Contract as described in the section "**Fundamental Changes**".

SERIES 5 UNITS

At the Time of Deposit

Fee Option **Series 5-A (Negotiable)** allows you to negotiate the amount of the sales charge that will be deducted from your Deposit when it is received by the Company. The sales charge that you select must be between 0% and 5% of the value of the Deposit as at the Deposit Date. The percentage must be indicated on your instructions at the time you select this Fee Option. Once you have provided Notice, the sales charge will remain at the same level for all subsequent Deposits (including PAC's) until we receive new instructions from you.

If you choose the Series 5-B (Low Load, 3 year) or Series 5-C (Back End Load, 6 year) Fee Options, no sales charges will apply on Deposits.

At the Time of Surrender

In the event of a total or partial surrender of the Contract for any reason, we will first withdraw the Units that were first attributed to the particular Fee Option of the Contract from which you are requesting the surrender. If you withdraw **Series 5 Units** with either **Fee Option B (Low Load, 3 year)** or **C (Back End Load, 6 year)**, you may have to pay surrender charges as listed below, depending on the amount of time since the Units were first attributed to a Contract.

Series 5-B (Low Load, 3 year)	Charge**
During the 1 st year*	3.0%
During the 2 nd year*	2.5%
During the 3 rd year*	2.0%
Thereafter	0.0%

Series 5-C (Back End Load, 6 year)	Charge**
During the 1 st year*	5.5%
During the 2 nd year*	5.0%
During the 3 rd year*	4.0%
During the 4 th year*	3.0%
During the 5 th year*	2.5%
During the 6 th year*	2.0%
Thereafter	0.0%

* "Year" refers to the calendar year.

** Based upon the Net Asset Value per Unit as at the time of surrender in respect of the Units which are withdrawn.

If you choose the Series 5-A (Negotiable) Fee Option, no surrender charges will apply at the time of Surrender.

Please refer to the headings "**Waiver of Surrender Charges Applicable to Series 5 Units**" and "**Refund of Surrender Charges Applicable to Series 5 Units for Special Disability**" appearing below for situations where surrender charges may be waived or refunded for Series 5 Fee Options B (Low Load, 3 year) or C (Back End Load, 6 year).

WAIVER OF SURRENDER CHARGES APPLICABLE TO SERIES 5 UNITS

Surrender charges otherwise payable are waived for withdrawals of Series 5-B (Low Load, 3 year) and Series 5-C (Back End Load, 6 year) Units made during the calendar year up to a non-cumulative maximum each year of 12% of the value of the Series 5 Units attributed to the Contract (as calculated at the Cut-Off Time on the last Market Day in the immediately preceding calendar year). During the calendar year, this non-cumulative maximum will be adjusted to reflect a Deposit made at any point in time, such adjustment to be made in proportion to the number of months between the Deposit Date and the end of the calendar year. This waiver privilege cannot be combined with the surrender charge refund described below.

REFUND OF SURRENDER CHARGES APPLICABLE TO SERIES 5 UNITS FOR SPECIAL DISABILITY

You or your legal representative may be entitled to apply to the Company in writing for a refund of surrender charges paid upon the total or partial surrender of your Contract if, at the time of such surrender, you are Totally Disabled as a result of a "Special Disability," as defined below.

For the provisions listed in the **Refund of Surrender Charges Applicable to Series 5 Units for Special Disability** clause, surrender charges owed upon the total or partial surrender of your Contract will be refunded to an Owner who becomes Totally Disabled as a result of a "Special Disability" while covered under this provision and for a continuous period of at least three months, if proof of claim satisfactory to the Company is submitted within the timeframe prescribed below.

However, should you become Totally Disabled within the first 12 months after the Contract has been in force, if such Total Disability was directly or indirectly the result of a sickness or injury that was treated by a physician or for which prescribed drugs were taken during the 3 month period immediately prior to the effective date of such coverage, then no refund of surrender charges can be applied.

For the purposes of these provisions, Special Disability means:

- a diagnosis of suffering from Alzheimer's disease; or
- being totally incapable of performing, by oneself, three out of the following four activities of daily living:
 - (a) **moving oneself**; meaning the ability to move about inside a room or from one room to another, to get in or out of a chair and to get in or out of bed;
 - (b) **feeding oneself**; meaning the ability to eat and to drink;
 - (c) **dressing oneself**; meaning the ability to dress and to undress oneself completely;
 - (d) **washing oneself**; meaning the ability to take a bath or a shower or to perform any other means of maintaining personal hygiene.

This Special Disability must be deemed by the Company to be permanent and irreversible.

To be eligible for the refund of surrender charges, the Company must receive written notice of Total Disability within 12 months of the date the Owner becomes Totally Disabled, and proof satisfactory to the Company of Total Disability within 90 days following the date the Company received written notice.

Please note that the Company reserves the right and opportunity to examine the person of the Owner when and as often as it may reasonably require by conducting an independent medical evaluation with a medical specialist appointed by us, the cost of which will be totally supported by the Company.

MONTHLY CHARGES FOR A SELECTED CORE GUARANTEE AND OPTIONAL GUARANTEES

You must select one of the three Core Guarantees available under this Contract. Please refer to the section titled "**Core Guarantees**" for more details. The Current 75/75 guarantee fee will be charged to the Funds for all Core Guarantees. An additional guarantee fee will be charged monthly to the Contract (Contract Owner) if you select either the Guarantee 100/100 r, the Guarantee 75/100 i or the GMWB Optional Guarantee. If you select the Guarantee 75/100 i or the Guarantee 100/100 r or the GMWB Optional Guarantee, charges for the additional guarantee fees, redeemed as Units, will be withdrawn monthly from your Contract to pay for the selected Core Guarantee and/or Optional Guarantees.

The additional guarantee fee will be calculated as a percentage of the Market Value of each Fund held within the Contract as of the Cut-Off Time of the last Market Day of each month. Prior to any other transaction being processed, Units will be withdrawn according to the Administrative Rules of the Company on the last Market Day of the month. Any amount withdrawn to pay for the additional guarantee fees will not affect the Guaranteed Amounts nor will it be used to reduce the amount of free surrenders available to you within the calendar year. Please refer to the sections titled "**Core Guarantees**" and "**Optional Guarantees**" for further information.

Once the GMWB Optional Guarantee is elected on your Contract, the applicable additional guarantee fee will be charged even though the GMWB Exercise Date has not occurred. Please refer to the section titled "**Optional Guarantees**" for further information.

The additional guarantee fees can be increased at the Company's discretion. **If the Company raises the total cost of the Guarantees paid by you and the Fund above the greater of 0.5% per calendar year and 50% of the total current guarantee fee, you will be given 60 days advance Notice. You will also have the right to transfer or exit the Fund(s) as described in the section "Fundamental Changes".**

The sum of the Management Fees, the cost of providing the Death and Maturity Benefit for the Guarantee 75/75 and the cost of operating and administrative expenses, expressed as a percentage of the daily average Net Assets of each Fund is referred to as the MER. GST on the Management Fees and other expenses charged to the Fund are not included.

For the monthly additional guarantee fee, Units are withdrawn according to the Administrative Rules of the Company. **Any guarantee fees, redeemed as Units, will not affect the Guaranteed Amounts of the Contract.**

(B) Charges to the Funds

All the charges described in this section, which are levied against a Fund in each case, shall be calculated and accrued on a daily basis and shall be paid monthly from the Net Assets of the Fund. The Company hereby reserves the right in its absolute discretion, without giving Notice, to change from time to time the frequency with which such charges are calculated and deducted without adjusting the timing of the Net Asset Value calculation.

Amounts recovered in respect of charges are paid to the general funds of the Company. Charges and other expenses deducted from a Fund will reduce the Market Value of the assets of the Fund and, consequently, will reduce the Net Asset Value per Unit of the Fund.

MANAGEMENT FEES

The Company charges Management Fees which are based on a percentage of the assets in each Fund.

The Management Fee is calculated and accrued on a daily basis and is paid monthly. The calculation of the day's Management Fee is:

net asset value of the Units in each Fund
X
annual percentages listed in the table below
365

Management Fees vary from Fund to Fund; the Company may change them at any time. If we raise Management Fees above the amount shown in the table below, you will receive an advance 60 days Notice. In this case, you will have the same rights under the Contract as those described in the section **"Fundamental Changes"**.

The Management Fees include all Management Fees charged by the Company and by the underlying fund, where applicable. There is no duplication of fees charged by the Company.

There are **additional variable fees tied to performance** for the **DFS GIF – Specialty Growth – Northwest**, payable only if the Northwest Specialty Growth Fund Inc. obtains a cumulative total return (net of all fees and expenses paid by the fund) higher than the S&P/TSX Index (total return) during the 36 months immediately preceding the date of calculation of the variable fees.

The variable fees tied to performance will be equal to 1/3 of the portion of the return of the fund for the previous 12 months (net of all fees and expenses by the fund) that exceeds the higher of the following percentages:

- i) the S&P/TSX Index (total return for the same period; or,
- ii) 0%.

However, the performance fees to which the portfolio sub-advisor is entitled in any given year shall never exceed 5% of the value of the net assets of the fund. The calculated fee is then divided by 12 and paid for that specific month. The performance fee is recalculated each month thereafter. These fees are paid monthly at the rate of 1/12 of the amount determined and will be reflected in the annual audited financial statements of the DFS GIF – Specialty Growth – Northwest.

MER (MANAGEMENT EXPENSE RATIO)

In addition to the Management Fees described above, each Fund is responsible for all applicable taxes relating to its operations. A charge is also applied to each Fund for all operating and administrative expenses relating to the Fund. These include, but are not limited to:

- legal, audit and custodial fees;
- bank service charges;
- interest charges;
- operating and administrative costs;
- costs related to the establishment, administration and maintenance of contracts;
- costs of financial and other reports and disclosure documents required to comply with laws regulating the sale of annuity contracts;
- costs of protecting the assets of the Fund and enforcing all legal rights related thereto;
- all other expenses incurred in the ordinary course of business relating to the management and operation of the Fund.

Each Fund is responsible for the cost of providing the Death and Maturity Benefits for the Guarantee 75/75, which can be increased at any time by the Company. **If the Company raises the total cost of the Guarantees paid by you and the Fund above the greater of 0.5% per calendar year and 50% of the total current guarantee fee, you will be given 60 days advance Notice. You will also have the right to transfer or exit the Fund(s) as described in the section "Fundamental Changes"**.

The sum of the Management Fees, the cost of providing the Death and Maturity Benefit for the Guarantee 75/75 and the cost of operating and administrative expenses, expressed as a percentage of the daily average Net Assets of each Fund is referred to as the MER. GST on the Management Fees and other expenses charged to the Fund are not included.

The table below shows the current Management Fee and the current MER for each Fund, the current guarantee fee for all Core Guarantees, the current guarantee fee for the GMWB Optional Guarantee, all presented on an annual basis and include any fees and expenses charged by the underlying funds where applicable.

Fund Name	Management Fee	MER	75/75 Current Guarantee Fee* (Included in the MER)	100/100 r Additional Current Guarantee Fee*	75/100 i Additional Current Guarantee Fee*	GMWB Additional Current Guarantee Fee*
DFS GIF – Money Market	0.75%	1.25%	0.05%	0.05%	0.05%	0.05%
DFS GIF – Income – Fiera	1.09%	1.75%	0.05%	0.10%	0.10%	0.10%
DFS GIF – Canadian Bond – Addenda	1.05%	1.75%	0.05%	0.10%	0.10%	0.10%
DFS GIF – Diversified Income – Quotential	1.96%	2.60%	0.10%	0.20%	0.20%	0.20%
DFS GIF – Global Balanced – Jarislowsky Fraser	1.69%	2.55%	0.10%	0.25%	0.25%	0.25%
DFS GIF – Global High Income – Multi-managers	1.96%	2.45%	0.10%	0.25%	0.25%	0.25%
DFS GIF – Balanced Income – Quotential	1.96%	2.60%	0.10%	0.25%	0.25%	0.25%
DFS GIF – Growth and Income – Northwest	2.03%	2.65%	0.10%	0.25%	0.25%	0.25%
DFS GIF – Balanced Growth – McLean Budden	1.69%	2.50%	0.10%	0.25%	0.25%	0.30%
DFS GIF – Canadian Balanced – Fiera	1.68%	2.30%	0.10%	0.25%	0.25%	0.30%
DFS GIF – Canadian Balanced – Bissett	1.75%	2.50%	0.10%	0.30%	0.25%	0.30%
DFS GIF – Balanced Growth – Quotential	1.96%	2.65%	0.15%	0.30%	0.25%	0.45%
DFS GIF – Growth and Income – Northwest Quadrant	2.10%	2.80%	0.15%	0.30%	0.25%	0.45%
DFS GIF – Dividend Income – Bissett	1.75%	2.65%	0.15%	0.35%	0.30%	0.45%
DFS GIF – Canadian Dividend – Fiera	1.59%	2.20%	0.15%	0.35%	0.30%	0.50%
DFS GIF – Growth – Quotential	2.21%	2.85%	0.15%	0.40%	0.30%	0.65%
DFS GIF – Canadian Equity – Jarislowsky Fraser	1.69%	2.60%	0.20%	0.40%	0.30%	0.65%
DFS GIF – Ultimate Equity – Multi-managers	1.94%	2.65%	0.20%	0.45%	0.35%	0.85%
DFS GIF – Global – Fidelity	2.23%	2.95%	0.20%	0.45%	0.35%	0.85%
DFS GIF – Global Equity – AllianceBernstein	1.78%	2.60%	0.20%	0.45%	0.35%	0.85%
DFS GIF – Canadian Equity – Fiera	1.59%	2.30%	0.25%	0.45%	0.35%	n/a
DFS GIF – American Equity – UBS	2.06%	2.75%	0.25%	0.45%	0.35%	n/a
DFS GIF – Canadian Equity – Bissett	1.75%	2.70%	0.25%	0.45%	0.35%	n/a
DFS GIF – International Equity – AllianceBernstein	1.69%	2.45%	0.25%	0.45%	0.35%	n/a
DFS GIF – European Equity – AllianceBernstein	1.69%	2.45%	0.30%	0.45%	0.35%	n/a
DFS GIF – Specialty Growth – Northwest	2.11%	2.75%	0.30%	0.45%	0.35%	n/a
DFS GIF – Canadian Equity Growth – McLean Budden	1.70%	2.65%	0.30%	0.50%	0.40%	n/a
DFS GIF – American Equity – McLean Budden	1.71%	2.65%	0.30%	0.50%	0.40%	n/a
DFS GIF – North American Small Company – Fiera	1.63%	2.35%	0.30%	0.50%	0.40%	n/a
DFS GIF – Small Cap – Bissett	2.01%	2.85%	0.35%	0.50%	0.40%	n/a
DFS GIF – Specialty Equity – Northwest	2.16%	2.90%	0.35%	0.50%	0.40%	n/a

* The Company reserves the right to increase the current guarantee fee(s) up to the greater of 0.5% per calendar year and 50% of the current guarantee fee without providing Notice.

Where, from time to time, a Fund holds any part of its assets in exchange traded funds, index participation Units or similar securities, as discussed in the heading titled **“Investment Policies for All Funds”**, any expenses for such securities, and which are included in the market price of such securities are not included in the Management Expense Ratio (MER) of the principal Fund.

Core Guarantees

The value of a Contract is not guaranteed except as described in this section and the section titled **“Optional Guarantees”**.

The Company reserves the right in its absolute discretion to add a new Core Guarantee and to make changes to or close an existing Core Guarantee. The Company will provide Notice of such a change.

Currently the Contract offers three Core Guarantees: Guarantee 75/75, Guarantee 100/100 r and Guarantee 75/100 i.

The Contract automatically provides the amount(s) of the Guarantee 75/75. You may choose to increase the amounts guaranteed at death and maturity for an additional monthly fee. The Core Guarantee must be chosen at the time the Application is signed and only one Core Guarantee is applicable at any given time. Please refer to the section titled **“Charges and Fees”** for further information about the costs associated with all Core Guarantees. Optional Guarantees, currently the GMWB, are available for all three (3) Core Guarantees. For further information regarding the Optional Guarantees, please refer to the section titled **“Optional Guarantees”**.

The reimbursement of fees feature available under the Guarantee 100/100 r may have tax consequences. Please refer to the section titled **“Income Allocations for Tax Purposes”** in this Document for further explanation.

You can choose to change the Core Guarantee previously selected; however, you can only make a change once every calendar year. Please refer to the heading **“Change of Core Guarantee”** for a detailed explanation.

Change of Core Guarantees

The Owner must select one of the three Core Guarantees available under this Contract. The Owner may change the Core Guarantee of their Contract, once at any time per calendar year, by submitting written Notification, unless such a change would result in the new Guaranteed Amount being less than 75% of the premiums originally paid by you to the Contract. The change will take place as of the Cut-Off Time on the Market Day following receipt of the Notification by the Company according to its Administrative Rules. If the Guarantee 100/100 r or Guarantee 75/100 i is selected, the additional guarantee fee will be redeemed as Units after the Cut-Off Time of the last Market Day of the month based on our Administrative Rules. Please refer to the section **“Charges**

and Fees” for further details. Once a Core Guarantee has been changed on the Contract, no other changes to the Core Guarantee will be allowed for the remainder of the calendar year.

When the Core Guarantee is changed, the Deposit Date, the amount of Deposit and the Guaranteed Amount of the Contract will be reset. The value of the Units attributed to your Contract, as at the Cut-Off Time on the Market Day that Notification is received, becomes the new Deposit amount. If the Guarantee 75/100 i is selected as a change, a Contract Anniversary Date will be set as the new Deposit Date. For further explanation, please refer to the sections titled **“Value of your Contract”** and **“Value of the Funds and the Units”**.

The Company treats your decision to exercise your rights under the Guarantee(s) as irrevocable once we receive your Notification. For each of the Core Guarantees described below, the Company may require proof of age of the Annuitant.

Guarantee 75/75 Benefits

MATURITY BENEFIT

As of the Contract Maturity Date, which is the 105th birthday of the Annuitant, your Maturity Benefit under the Guarantee 75/75 is the greater of:

- (A) The value of the Units attributed to a Contract as calculated at the next valuation of the Units following the Contract Maturity Date;
- OR
- (B) 75% of each Deposit, as of the Deposit Date.

The value of a Deposit is not guaranteed and will fluctuate with the Market Value of the assets in the Fund or Funds in respect of which Units are attributed to the Contract from time to time. The only guarantees are those described in the sections **“Core Guarantees”** and **“Optional Guarantees”**.

DEATH BENEFIT

On the death of the Annuitant, the Company guarantees that the Death Benefit payable in accordance with the designation of Beneficiary will be the greater of:

- (A) the value of the Units attributed to a Contract as calculated at the next valuation of the Units following receipt of Notification of the Annuitant’s death. The calculation will be made in accordance with the provisions under the headings **“Value of the Funds and the Units”** and **“Value of Your Contract;”**
- OR
- (B) 75% of each Deposit as of the Deposit Date.

Payment of the Death Benefit will terminate the Contract.

The value of a Contract is not guaranteed and will fluctuate with the Market Value of the assets in the Fund or Funds in respect of which Units are attributed to the Contract from time to time. The only guarantees are those described in the sections **“Core Guarantees”** and **“Optional Guarantees”**.

Guarantee 100/100 r Benefits

100/100 r, where “r” stands for reimbursement of fees.

The Guarantee 100/100 r is available for an additional charge that will be redeemed as Units on the last Business Day of the month, according to our Administrative Rules. Please refer to the section **“Charges and Fees”** for a description of the additional guarantee fee applicable for this guarantee and the section **“Income Allocations for Tax Purposes”** for further details on any potential tax consequences.

MATURITY BENEFIT

As of the Deposit Maturity Date your Maturity Benefit under the Guarantee 100/100 r is the greater of:

- (A) The Deposit Date Account Value;
- OR
- (B) 100% of each applicable Deposit, as of the Deposit Date.

The value of a Deposit is not guaranteed and will fluctuate with the Market Value of the assets in the Fund or Funds in respect of which Units are attributed to the Contract from time to time. The only guarantees are those described in the sections **“Core Guarantees”** and **“Optional Guarantees”**.

If your written instructions are not received prior to the Deposit Maturity Date, the Maturity Benefit will be automatically renewed as a new Deposit set at the date of renewal, and a new Deposit Maturity Date will be set. For the purposes of calculating the Death Benefit, where the Deposit Maturity Date occurs after the 80th birthday of the Annuitant, the amount of the Deposit and the Guaranteed Amount will not be set as of the date of the renewal; but, will remain unchanged.

REIMBURSEMENT OF FEES FEATURE

If the Maturity Benefit is equal to the Deposit Date Account Value on the applicable Maturity Date, upon the Deposit Maturity Date, the Company will refund 30% of the Maturity Benefit Fees charged for the Guarantee 100/100 r in the form of a bonus payment by allocating additional Units to the DFS GIF – Money Market within your Contract. Please refer to the example below for the bonus calculation.

Example:

If the Owner allocates a Deposit of \$100,000 in a Fund on November 15, 2007, for which the MER for the Guarantee 75/75 is 2.35% and the additional current guarantee fee for the Guarantee 100/100 r is 0.50%.

For the purpose of this example, the cost of the Deposit Maturity Benefit is based on the year end Contract value.

Date	Deposit Date Account Value	Annual Maturity Benefit Fees for the Deposit Maturity Benefit for the Guarantee 100/100 r
November 15, 2008	\$105,000.00	\$262.50 ¹
November 15, 2009	\$110,250.00	\$275.63
November 15, 2010	\$115,762.50	\$289.41
November 15, 2011	\$121,550.63	\$303.88
November 15, 2012	\$127,628.16	\$319.07
November 15, 2013	\$134,009.57	\$335.03
November 15, 2014	\$140,710.05	\$351.78
November 15, 2015	\$147,745.55	\$369.37
November 15, 2016	\$155,132.83	\$387.83
November 15, 2017	\$162,889.47	\$407.23
	Total Cumulative Charge:	\$3,301.70

¹ \$262.50 = 105,000 X 0.5 X 0.50%

For the Maturity Benefit under the Guarantee 100/100 r, the Company has charged \$3,301.70 in Maturity Benefit Fees over a period of 10 years. Since the Maturity Benefit is equal to the Deposit Date Account Value, the Company will allocate Units worth \$990,51 (30% X \$3,301.70) into the DFS GIF – Money Market as of the Cut-Off Time on the Market Day immediately following the Deposit Maturity Date.

DEATH BENEFIT

On the death of the Annuitant, the Company guarantees that the Death Benefit payable in accordance with the designation of Beneficiary will be the greater of:

- (A) the value of the Units attributed to a Contract as calculated at the next valuation of the Units following receipt of Notification of the Annuitant’s death. The calculation will be made in accordance with the provisions under the headings **“Value of the Funds and the Units”** and **“Value of Your Contract;”** OR
- (B) 100% of each Deposit, made before the Annuitant reaches age 80, plus for each Deposit after the Annuitant has reached age 80:
 - 80% of the value of each Deposit made during the first five years following its Deposit Date;
 - 90% of the value of each Deposit made during the sixth and seventh years following its Deposit Date;

- 95% of the value of each Deposit made during the eighth and ninth years following its Deposit Date;
- and 100% of the value as of each Deposit made during the tenth year following its Deposit Date.

Payment of the Death Benefit will terminate the Contract.

The value of a Contract is not guaranteed and will fluctuate with the Market Value of the assets in the Fund or Funds in respect of which Units are attributed to the Contract from time to time. The only guarantees are those described in the sections **“Core Guarantees”** and **“Optional Guarantees”**.

Guarantee 75/100 i Benefits

75/100 i, where “i” stands for inflation protection.

The Guarantee 75/100 i is available for an additional charge that will be redeemed as Units on the last Business Day of the month, according to our Administrative Rules. Please refer to the section **“Charges and Fees”** for a description of the additional guarantee fee applicable for this guarantee and the section **“Income Allocations for Tax Purposes”** for further details on any potential tax consequences.

MATURITY BENEFIT

1. Deposit Maturity Benefit:

10 years after the Deposit Date, your Deposit Maturity Benefit under the Guarantee 75/100 i is calculated to be the greater of:

(A) Deposit Date Account Value;

OR

(B) 75% of the applicable Deposit, as of the Deposit Date.

20 years after the Deposit Date, your Deposit Maturity Benefit under the Guarantee 75/100 i is calculated to be the greater of:

(A) Deposit Date Account Value;

OR

(B) 100% of the applicable Deposit, as of the Deposit Date.

2. Contract Maturity Benefit:

On the Contract Maturity Date, your Maturity Benefit under the Guarantee 75/100 i is calculated to be the greater of:

(A) the value of the Units attributed to a Contract as calculated at the next valuation of the Units following the Contract Maturity Date;

OR

(B) the Minimum Death Benefit Amount.

The value of a Contract is not guaranteed and will fluctuate with the Market Value of the assets in the Fund or Funds in respect of which Units are attributed to the Contract from time to time. The only guarantees are those described in the sections **“Core Guarantees”** and **“Optional Guarantees”**.

DEATH BENEFIT

Description of the Minimum Death Benefit Amount

Under the Guarantee 75/100 i, each Deposit has a Death Benefit of not less than 100% of the value of the Deposit as at the Deposit Date, provided that the Deposit is made before the Annuitant attains age 80.

On each Contract Anniversary Date until the Annuitant attains age 75, a Minimum Death Benefit Amount will be set for the Contract as the greater of:

(A) The Inflation Adjusted Value of all Deposits made;

OR

(B) The Value of the Units attributed to a Contract as calculated at the next valuation of the Units following the Contract Anniversary Date, to a maximum of the 130% of the Minimum Death Benefit Amount set on the previous Contract Anniversary Date plus 100% of the value of all Deposits made since the last Contract Anniversary as at the Deposit Date(s);

In addition to the above, the Minimum Death Benefit Amount will not be less than:

- 100% of your Deposits, made up to the Contract Anniversary and;
- The Minimum Death Benefit Amount set on the previous Contract Anniversary Date plus any Deposit, up to the Contract Anniversary Date.

The DFS GIF – Money Market is not subject to inflation adjustments.

Description of the Death Benefit

On the death of the Annuitant, the Company guarantees that the Death Benefit payable in accordance with the designation of Beneficiary will be the greater of:

(A) the value of the Units attributed to a Contract as calculated at the next valuation of the Units following receipt of Notification of the Annuitant’s death. The calculation will be made in accordance with the provisions under the headings **“Value of the Funds and the Units”** and **“Value of Your Contract;”**

OR

(B) 100% of the Minimum Death Benefit Amount last set, plus 100% of Deposits made since the Minimum Death Benefit Amount was last set and before the Annuitant reaches age 80, plus

for each Deposit after the Annuitant has reached age 80:

- 80% of the value of each Deposit made during the first five years following its Deposit Date;
- 90% of the value of each Deposit made during the sixth and seventh years following its Deposit Date;
- 95% of the value of each Deposit made during the eighth and ninth years following its Deposit Date;
- and 100% of the value as of each Deposit made during the tenth year following its Deposit Date.

Payment of the Death Benefit will terminate the Contract.

The value of a Contract is not guaranteed and will fluctuate with the Market Value of the assets in the Fund or Funds in respect of which Units are attributed to the Contract from time to time. The only guarantees are those described in the sections “Core Guarantees” and “Optional Guarantees”.

EXAMPLE OF THE MINIMUM DEATH BENEFIT AMOUNT CALCULATION FOR THE GUARANTEE 75/100 i

Until the Annuitant turns 75 years old, we annually reset the guaranteed Minimum Death Benefit Amount to be the greater of the market value, Inflation Adjusted Value, or previous year’s guaranteed amount (plus new Deposits) as shown below:

Initial Deposit of \$10,000 on November 30, 2007 (where the initial deposit is made before age 67)							
Event	End of the Year	Change in Units Held	Units Outstanding	Market Appreciation Rate	Market Value	Inflation Rate	Minimum Death Benefit Amount
Deposit of \$10,000.00	2007	2,000	2,000	n/a	\$10,000.00	n/a	\$10,000.00 ¹
	2008	—	2,000	5%	\$10,500.00	3%	\$10,500.00 ²
	2009	—	2,000	-2%	\$10,290.00	3%	\$10,609.00 ³
	2010	—	2,000	9%	\$11,216.10	5%	\$11,216.10 ²
	2011	—	2,000	4%	\$11,664.74	2%	\$11,664.74 ²
	2012	—	2,000	5%	\$12,247.98	0%	\$12,247.98 ²
	2013	—	2,000	-4%	\$11,758.06	2%	\$12,247.98 ⁴
Deposit of \$10,000.00	2014	1,668	3,668	2%	\$21,993.22	4%	\$22,247.98 ⁴
	2015	—	3,668	8%	\$23,752.68	5%	\$23,752.68 ²

¹ Deposit amount

³ Inflation Adjusted Value

² Market Value

⁴ Previous year’s Guaranteed Amount

Initial Deposit of \$10,000 on November 30, 2007 (where the initial deposit is made after age 80)							
Event	End of the Year	Change in Units Held	Units Outstanding	Market Appreciation Rate	Market Value	Inflation Rate	Minimum Death Benefit Amount
Deposit of \$10,000.00	2007	2,000	2,000	n/a	\$10,000.00	n/a	\$8,000.00 ⁵
	2008	—	2,000	5%	\$10,500.00	3%	\$8,000.00
	2009	—	2,000	-2%	\$10,290.00	3%	\$8,000.00
	2010	—	2,000	9%	\$11,216.10	5%	\$8,000.00
	2011	—	2,000	4%	\$11,664.74	2%	\$8,000.00
	2012	—	2,000	5%	\$12,247.98	0%	\$9,000.00
	2013	—	2,000	-4%	\$11,758.06	2%	\$9,000.00
Deposit of \$10,000.00	2014	1,668	3,668	2%	\$21,993.22	4%	\$17,500.00
	2015	—	3,668	8%	\$23,752.68	5%	\$17,500.00

⁵ Since the Deposit was made after the Annuitant’s 75th birthday, the guaranteed Minimum Death Benefit Amount is based solely on the amount of the Deposit.

EXAMPLE OF THE EFFECT OF PROPORTIONAL WITHDRAWALS ON ALL GUARANTEES APPLICABLE FOR THE GUARANTEE 75/100 i PRIOR TO CONTRACT MATURITY DATE

When you surrender part of the value of Units in your Contract, the amount(s) of the Guarantee(s) are reduced in proportion to the percentage of the overall Market Value you withdraw.

Initial Deposit of \$10,000 on November 30, 2007 (where the initial deposit is made before age 67)									
Event	End of the Year	Change in Units	Units Outstanding	Market Appreciation Rate	Market Value	Inflation Rate	Inflation Adjusted Value	Minimum Death Benefit Amount	Death Benefit Increased
Deposit of \$10,000.00	2007	2,000	2,000	n/a	\$10,000.00	n/a	\$10,000.00	\$10,000.00	—
	2008	—	2,000	5%	\$10,500.00	3%	\$10,300.00	\$10,500.00	Yes
	2009	—	2,000	-2%	\$10,290.00	3%	\$10,609.00	\$10,609.00	Yes
	2010	—	2,000	9%	\$11,216.10	5%	\$11,139.45	\$11,216.10	yes
	2011	—	2,000	4%	\$11,664.74	2%	\$11,362.24	\$11,664.74	yes
Withdrawal of 50% of Units held	2011	-1,000	1,000		\$5,832.37		\$5,681.12	\$5,832.37	—
	2012	—	1,000	5%	\$6,123.99	0%	\$5,681.12	\$6,123.99	yes
	2013	—	1,000	-4%	\$5,879.03	2%	\$5,794.74	\$6,123.99	no
	2014	—	1,000	2%	\$5,996.61	4%	\$6,026.53	\$6,123.99	no
	2015	—	1,000	8%	\$6,476.34	5%	\$6,327.86	\$6,476.34	yes
Withdrawal of 10% of Units held	2015	-100	900		\$5,828.70		\$5,695.07	\$5,828.70	—

CONTRACT

Optional Guarantees

Guaranteed Minimum Withdrawal Benefit (GMWB)

The Optional Guarantee currently available under this Contract is the GMWB. This Optional Guarantee protects the Owner against market downturns and provides a GMWB Amount every year, regardless of market performance. Please read the following section carefully before deciding to select this option. The GMWB is available in addition to all Core Guarantees offered under this Contract.

The GMWB is not suitable for Owners over the age of 90 years.

SELECTING THE GMWB

Provided that on the GMWB Election Date:

- (A) all of the Units attributed to your Contract are of GMWB-Eligible Funds, and
- (B) the Market Value of your Contract is not less than \$5,000.00, you may select the Guaranteed Minimum Withdrawal Benefit to apply to your Contract by Notification to us, following which the GMWB described below will apply to your Contract.

GMWB AMOUNT AND GMWB WITHDRAWAL PERIOD

Under the GMWB, the Company guarantees to return to the Owner the GMWB Amount each year during the GMWB Withdrawal Period, regardless of the market performance or Market Value of your Contract during the GMWB Withdrawal Period. The "GMWB Amount" is selected by you but cannot, in any year, exceed 7% of the GMWB Protected Value (except in the limited circumstance described below under the heading "Adjustments to the GMWB Amount" necessitated by the RIF minimum). If you select the maximum GMWB Amount each year, then for each of the first 14 GMWB Years of the GMWB Withdrawal Period, the GMWB Amount will be equal to 7% of the GMWB Protected Value, and for the 15th GMWB Year of the GMWB Withdrawal Period the GMWB Amount will be equal to 2% of the GMWB Protected Value. If, for any year, you select a GMWB Amount that is less than 7% of the GMWB Protected Value, this may result in GMWB Amounts being paid over a period longer than 15 GMWB Years.

GMWB Amounts will continue to be paid until the end of the GMWB Withdrawal Period. The "GMWB Withdrawal Period" commences on the GMWB Exercise Date and ends on the earliest of:

- (A) when the GMWB Net Protected Value is reduced to nil;
- (B) the Contract Maturity Date;
- (C) the cancellation of the GMWB by the Owner as described below under the heading "Cancellation and Reselection of GMWB;" and
- (D) the death of the Annuitant.

Below are examples of how you may determine the GMWB Amount and GMWB Withdrawal Period for your Contract using, for illustration purposes, a GMWB Protected Value of \$100,000. For these examples, we assume that the market appreciation rate is 0%, and that no new Deposit is received after the GMWB Exercise Date:

GMWB Year	GMWB Amount as 7% of GMWB Protected Value (\$100,000)			GMWB Amount as 6% of GMWB Protected Value (\$100,000)		
	GMWB Net Protected Value at beginning of GMWB Year	GMWB Amount	GMWB Net Protected Value at end of GMWB Year	GMWB Net Protected Value at beginning of GMWB Year	GMWB Amount	GMWB Net Protected Value at end of GMWB Year
1 st	\$100,000	\$7,000	\$93,000	\$100,000	\$6,000	\$94,000
2 nd	\$93,000	\$7,000	\$86,000	\$94,000	\$6,000	\$88,000
3 rd	\$86,000	\$7,000	\$79,000	\$88,000	\$6,000	\$82,000
4 th	\$79,000	\$7,000	\$72,000	\$82,000	\$6,000	\$76,000
5 th	\$72,000	\$7,000	\$65,000	\$76,000	\$6,000	\$70,000
6 th	\$65,000	\$7,000	\$58,000	\$70,000	\$6,000	\$64,000
7 th	\$58,000	\$7,000	\$51,000	\$64,000	\$6,000	\$58,000
8 th	\$51,000	\$7,000	\$44,000	\$58,000	\$6,000	\$52,000
9 th	\$44,000	\$7,000	\$37,000	\$52,000	\$6,000	\$46,000
10 th	\$37,000	\$7,000	\$30,000	\$46,000	\$6,000	\$40,000
11 th	\$30,000	\$7,000	\$23,000	\$40,000	\$6,000	\$34,000
12 th	\$23,000	\$7,000	\$16,000	\$34,000	\$6,000	\$28,000
13 th	\$16,000	\$7,000	\$9,000	\$28,000	\$6,000	\$22,000
14 th	\$9,000	\$7,000	\$2,000	\$22,000	\$6,000	\$16,000
15 th	\$2,000	\$2,000	Nil	\$16,000	\$6,000	\$10,000
16 th	—	—	—	\$10,000	\$6,000	\$4,000
17 th	—	—	—	\$4,000	\$4,000	Nil

GMWB PROTECTED VALUE

Initial GMWB Protected Value

The GMWB Protected Value initially is the Market Value of your Contract at the Cut-Off Time on the GMWB Election Date.

Adjustments to the GMWB Protected Value Prior to the GMWB Withdrawal Period

After the GMWB Election Date but before the GMWB Exercise Date, the GMWB Protected Value will be increased for each Deposit made under your Contract (including through receipt of a refund of additional guarantee fees under the reimbursement of fees feature).

We also will compare the GMWB Protected Value to the Market Value of your Contract at the Cut-Off Time on the GMWB Exercise Date prior to the calculation of the GMWB Amount. If the Market Value of your Contract at that time is higher than the GMWB Protected Value, we will reset the GMWB Protected Value to the Market Value of your Contract at that time.

Deposits made on the GMWB Exercise Date will not be included in the Protected Value and the calculation of the maximum GMWB Amount. A Deposit made on the GMWB Exercise Date will be included in the Net Protected Value and taken into consideration when the maximum GMWB Amount is calculated at the beginning of the following year as described under the heading "Adjustments to the GMWB Protected Value During the GMWB Withdrawal Period".

This table illustrates how the GMWB Protected Value is calculated:

Date	Event	Market Value	Protected Value	Net Protected Value	GMWB Amount	Maximum GMWB Amount
Feb. 12, 2008	Deposit of \$100,000	\$100,000.00				
April 21, 2008		\$106,000.00				
April 21, 2008	Withdrawal of \$5,000	\$101,000.00				
Oct. 31, 2008	GMWB Election Date	\$102,000.00	\$102,000.00			
Dec. 15, 2008		\$114,000.00				
Dec. 15, 2008	Deposit of \$5,000	\$119,000.00	\$107,000.00			
July 1, 2009	GMWB Exercise Date	\$122,000.00	\$122,000.00	\$122,000.00		\$8,540.00
July 1, 2009	Withdrawal of \$6,000	\$116,000.00	\$122,000.00	\$116,000.00	\$6,000.00	

Adjustments to the GMWB Protected Value During the GMWB Withdrawal Period

The GMWB Protected Value will be adjusted in the manner described below each time an event described below occurs during the GMWB Withdrawal Period:

- (A) if you receive a GMWB Excess Payment during any GMWB Year, the GMWB Protected Value will be reduced proportionately as described below under the heading **“GMWB Excess Payments;”** and
- (B) if the GMWB Net Protected Value is higher than the GMWB Protected Value on January 1st of any GMWB Year, the GMWB Protected Value will be increased to the same amount as the GMWB Net Protected Value.

Whenever the GMWB Protected Amount is increased or decreased, the GMWB Amount also is increased or decreased, as described below under **“Adjustments to the GMWB Amount”**.

GMWB Net Protected Value

The GMWB Net Protected Value is equal to the GMWB Protected Value, less the sum of all GMWB Amounts previously paid. Immediately prior to the GMWB Exercise Date, the GMWB Net

Protected Value will be the same as the GMWB Protected Value. The GMWB Net Protected Value will be adjusted in the manner described below each time an event described below occurs during the GMWB Withdrawal Period:

- (A) as described above, the GMWB Net Protected Value is reduced by the dollar amount of each GMWB Amount when it is paid;
- (B) on each day that you make a Deposit under your Contract (including through receipt of a refund of additional guarantee fees under the Reimbursement of fees Feature), we will increase the GMWB Net Protected Value by the amount of such Deposit;
- (C) if you receive a GMWB Excess Payment during any GMWB Year, the GMWB Net Protected Value will be reduced proportionately as described below under **“GMWB Excess Payments;”** and
- (D) on every third anniversary of the GMWB Exercise Date, we will compare the GMWB Net Protected Value to the Market Value of your Contract at the Cut-Off Time on that date. If the Market Value of your Contract at that time is higher than the GMWB Net Protected Value, we will reset the GMWB Net Protected Value to the Market Value of your Contract at that time.

The following table shows what happens on every third anniversary of the GMWB Exercise Date

Date	Event	Market Value	Protected Value	Net Protected Value	GMWB Amount	Maximum GMWB Amount
Feb. 12, 2008	Deposit of \$100,000	\$100,000.00				
July 1, 2008	GMWB Election Date	\$102,000.00	\$102,000.00			
Oct. 28, 2008	GMWB Exercise Date	\$103,000.00	\$103,000.00	\$103,000.00		\$7,210.00
Oct. 28, 2008	Withdrawal of \$4,000	\$99,000.00	\$103,000.00	\$99,000.00	\$4,000.00	\$7,210.00
Jan. 1, 2009		\$100,000.00	\$103,000.00	\$99,000.00		\$7,210.00
Feb. 28, 2009		\$101,000.00	\$103,000.00	\$99,000.00		\$7,210.00
Feb. 28, 2009	Withdrawal of \$4,000	\$97,000.00	\$103,000.00	\$95,000.00	\$4,000.00	\$7,210.00
Jan. 1, 2010		\$105,000.00	\$103,000.00	\$95,000.00		\$7,210.00
Sept. 17, 2010		\$115,000.00	\$103,000.00	\$95,000.00		\$7,210.00
Sept. 17, 2010	Withdrawal of \$4,000	\$111,000.00	\$103,000.00	\$91,000.00	\$4,000.00	\$7,210.00
Jan. 1, 2011		\$117,000.00	\$103,000.00	\$91,000.00		\$7,210.00
Oct. 28, 2011	3 rd anniversary of GMWB Exercise Date: Reset	\$120,000.00	\$103,000.00	\$120,000.00		\$7,210.00
Nov. 17, 2011		\$118,000.00	\$103,000.00	\$120,000.00		\$7,210.00
Nov. 17, 2011	Withdrawal of \$4,000	\$114,000.00	\$103,000.00	\$116,000.00	\$4,000.00	\$7,210.00
Jan. 1, 2012		\$115,000.00	\$116,000.00	\$116,000.00		\$8,120.00

Adjustments to the GMWB Amount

The GMWB Amount is the amount you specify in your Notification to us, but cannot exceed 7% of the GMWB Protected Value (except when the RIF minimum applies, as described below). You may change the GMWB Amount from time to time as permitted by our Administrative Rules by providing further Notification to us. The GMWB Amount will be adjusted in the manner described below each time an event described below occurs during the GMWB Withdrawal Period:

(A) if the GMWB Net Protected Value is increased as described above under **"Adjustments to the GMWB Protected Value During the Withdrawal Period"**, or in any given year the GMWB Amount is less than the maximum GMWB Amount available, this will increase, by the same amount, the amount available to pay GMWB Amounts during the remainder of the GMWB Withdrawal Period. This increase will be allocated to the remaining maximum GMWB Amounts available in the following order until the full amount of the increase has been allocated:

- (i) first, to increase the maximum GMWB Amount available to be paid during the last regularly scheduled GMWB Year to a maximum of 7% of the GMWB Protected Value then in effect;

- (ii) second, to add more maximum GMWB Amounts available, which also will have the effect of adding more GMWB Years and extending the GMWB Withdrawal Period; provided that the GMWB Withdrawal Period will not be extended beyond fifteen years from the beginning of the next GMWB Year; and
- (iii) third, to the extent that the GMWB Net Protected Value is greater than the GMWB Protected Value on January 1st of the next GMWB Year, to increase the GMWB Protected Value and recalculate the maximum GMWB Amount available as 7% of the new GMWB Protected Value.

Below are examples of how the GMWB Amount increases when the GMWB Net Protected Value increases by the indicated amount. The examples assume that:

- the GMWB Protected Value is \$100,000;
- the GMWB Amount has been paid for four GMWB Years at the rate of 7% of the GMWB Protected Value; and
- no other Deposits or surrenders occur between the date the GMWB Net Protected Value is increased and January 1st of the next GMWB Year.

Increase to GMWB Net Protected Value	GMWB Protected Value Before Change	GMWB Protected Value on January 1 st of the next GMWB Year	GMWB Net Protected Value Before Increase	GMWB Net Protected Value After Increase	Maximum GMWB Amount Available Before Change	Maximum GMWB Amount Available After Change	Number of Additional GMWB Years
\$4,000	\$100,000	No change	\$72,000	\$76,000	\$7,000	No change, except to maximum GMWB Amount available in last regularly scheduled GMWB Year which is increased to \$6,000	No change
\$10,000	\$100,000	No change	\$72,000	\$82,000	\$7,000	No change, but last regularly scheduled maximum GMWB Amount available increased to \$7,000 and one further GMWB Amount of \$5,000 added	One GMWB Year added at \$5,000
\$30,000	\$100,000	\$102,000	\$72,000	\$102,000	\$7,000	No change during current GMWB Year; On January 1 st of the next GMWB Year, increased to \$7,140 for 14 GMWB Years and \$2,040 in 15 th GMWB Year	4 GMWB Years added to extend GMWB Withdrawal Period for a period of 15 years beginning January 1 st of the next GMWB Year

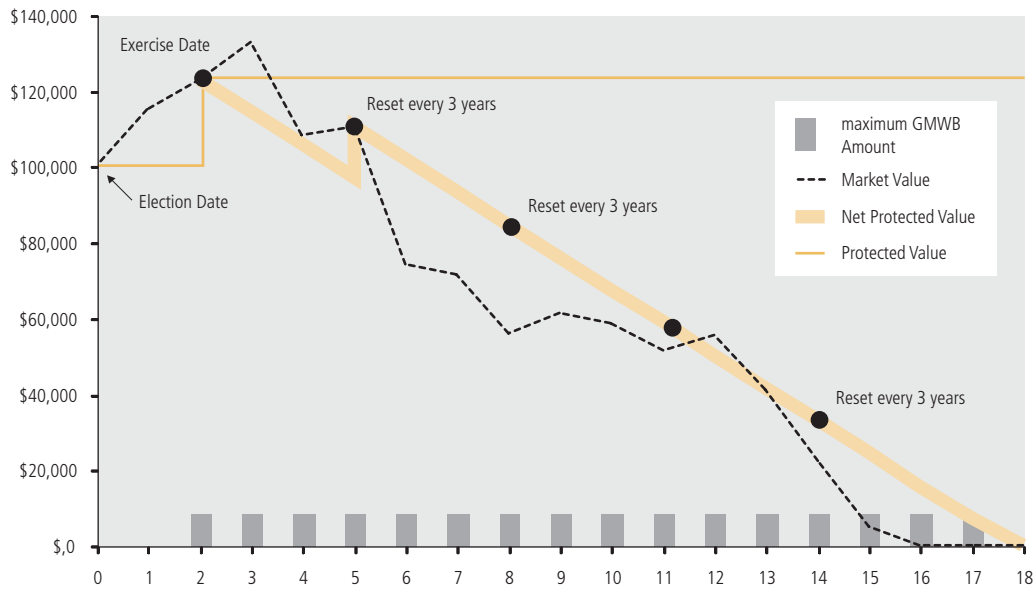
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(B) if you receive a GMWB Excess Payment during any GMWB Year, the maximum GMWB Amount available for the remainder of the GMWB Withdrawal Period will be reduced proportionately as described below under the heading **“GMWB Excess Payments”**.

If the RIF minimum applies to your Contract during any GMWB Year and exceeds 7% of the GMWB Protected Value for that GMWB Year, then, notwithstanding that the maximum permitted GMWB Amount is 7% of the GMWB Protected Value, the GMWB Amount

for that GMWB Year will be increased to the RIF minimum. This increase will not be treated as a GMWB Excess Payment, but will reduce the GMWB Net Protected Value more quickly (and therefore shorten the GMWB Withdrawal Period) than otherwise would be the case. If the LIF maximum applies to your Contract during any GMWB Year and is less than 7% of the GMWB Protected Value for that GMWB Year, the GMWB Amount for that GMWB Year cannot exceed the LIF maximum.

The following charts illustrate how the GMWB works:



GMWB Excess Payments

If during any GMWB Year you receive a GMWB Excess Payment, the GMWB Protected Value, GMWB Net Protected Value and GMWB Amount will be reduced as follows:

GMWB Protected Value immediately following the GMWB Excess Payment	=	GMWB Protected Value immediately before the GMWB Excess Payment	X	$(1 - \frac{\text{GMWB Excess Payment}}{\text{Market Value of the Contract immediately before the GMWB Excess Payment}})$
GMWB Net Protected Value immediately following the GMWB Excess Payment	=	GMWB Net Protected Value immediately before the GMWB Excess Payment	X	$(1 - \frac{\text{GMWB Excess Payment}}{\text{Market Value of the Contract immediately before the GMWB Excess Payment}})$
Maximum GMWB Amount available immediately following the GMWB Excess Payment	=	Maximum GMWB Amount available immediately before the GMWB Excess Payment	X	$(1 - \frac{\text{GMWB Excess Payment}}{\text{Market Value of the Contract immediately before the GMWB Excess Payment}})$

The adjustment described above to the GMWB Amount will reduce the GMWB Amount for the remainder of the GMWB Withdrawal Period, but will not shorten the GMWB Withdrawal Period.

Date	Event	Market Value	Protected Value	Net Protected Value	GMWB Amount	Excess Payment	Maximum GMWB Amount
Feb. 12, 2008	Deposit of \$100,000	\$100,000.00					
Oct. 31, 2008	GMWB Election Date	\$96,000.00	\$96,000.00				
Dec. 15, 2008		\$95,000.00					
Dec. 15, 2008	Deposit of \$5,000	\$100,000.00	\$101,000.00				
July 1, 2009	GMWB Exercise Date	\$93,000.00	\$101,000.00	\$101,000.00			\$7,070.00
July 1, 2009	Withdrawal of \$7,070	\$85,930.00	\$101,000.00	\$93,930.00	\$7,070.00		
July 1, 2009	Excess Payment of \$4,000	\$81,930.00	\$96,298.50*	\$89,557.60**		\$4,000.00	\$6,740.89***

* Protected Value after downward adjustment: $\$96,298.50 = \$101,000.00 \times (1 - \$4,000.00 / \$85,930.00)$

** Net Protected Value after downward adjustment: $\$89,557.60 = \$93,930.00 \times (1 - \$4,000.00 / \$85,930.00)$

*** Maximum GMWB Amount after downward adjustment: $\$6,740.89 = \$7,070.00 \times (1 - \$4,000.00 / \$85,930.00)$

Payment of GMWB Amounts

A GMWB Amount is paid by withdrawing Units having a Market Value equal to the GMWB Amount. Units will be withdrawn as per your most recent written instructions, subject to our Administrative Rules at the time of payment of the GMWB Amount. While such withdrawals do not reduce the GMWB Protected Value, the GMWB Net Protected Value is reduced by the dollar amount of each GMWB Amount. Such withdrawals also reduce the Core Guarantee and may trigger payment of any surrender charges applicable to the Units withdrawn. The Owner can elect to receive GMWB Amounts in the Owner's account at a financial institution in any payment interval during the GMWB Year currently offered under this Contract. If the payment interval selected by the Owner is more frequent than annually, each payment of the GMWB Amount will be prorated based on the number of scheduled payments during the GMWB Year.

GMWB-Eligible Funds

At all times that the GMWB applies to your Contract, only Units of GMWB-Eligible Funds may be attributed to your Contract. These Funds are currently:

Portfolios of Funds

DFS GIF – Diversified Income – Quotential
 DFS GIF – Balanced Income – Quotential
 DFS GIF – Balanced Growth – Quotential
 DFS GIF – Growth and Income – Northwest Quadrant
 DFS GIF – Growth – Quotential
 DFS GIF – Ultimate Equity – Multi-managers

Individual Funds

DFS GIF – Money Market
 DFS GIF – Income – Fiera
 DFS GIF – Canadian Bond – Addenda
 DFS GIF – Growth and Income – Northwest
 DFS GIF – Global High Income – Multi-managers
 DFS GIF – Global Balanced – Jarislowsky Fraser

DFS GIF – Balanced Growth – McLean Budden
 DFS GIF – Canadian Balanced – Fiera
 DFS GIF – Canadian Balanced – Bissett
 DFS GIF – Dividend Income – Bissett
 DFS GIF – Canadian Dividend – Fiera
 DFS GIF – Canadian Equity – Jarislowsky Fraser
 DFS GIF – Global – Fidelity
 DFS GIF – Global Equity – AllianceBernstein

The Company reserves the right to change the Funds available under the GMWB option at any time without providing Notice.

Additional guarantee fees

An additional guarantee fee applies from the GMWB Election Date to the end of the GMWB Withdrawal Period. Please refer to the section titled "**Charges and Fees**" for a further explanation of this charge.

Any Units withdrawn to pay additional guarantee fees (including additional guarantee fees relating to the Guarantee 75/100 i or the Guarantee 100/100 r) do not reduce the GMWB Net Protected Value and will not be treated as a GMWB Excess Payment.

Cancellation and Reselection of the GMWB

The GMWB can be cancelled at any time, without penalty, upon your Notification to us. Cancellation of the GMWB does not terminate your Contract nor reduce the Core Guarantee in effect at the time of such cancellation. Once the GMWB is cancelled, it cannot be selected again for the Contract before the beginning of the calendar year following the year in which the GMWB was cancelled. For two years following the cancellation of the GMWB, we also reserve the right to refuse your reselection of the GMWB for your Contract. You cannot select the GMWB for your Contract more than three times during the duration of your Contract.

Options Prior to Contract Maturity Date

The Owner may at any time elect to use the value of the Contract (calculated in accordance with the provisions under the sections **“Value of the Funds and the Units”** and **“Value of Your Contract”**) or part thereof to obtain any of the following:

1. a series of periodic payments in accordance with the subsection titled **“Systematic Withdrawal Program”**; or
2. a series of periodic annuity payments; or
3. a lump-sum payment from a partial or total surrender in accordance with the section titled **“Surrenders”** and **“Charges and Fees”**; or
4. a combination of the above in accordance with applicable legislation including the Act;

in which case, the Death Benefit, Maturity Benefit and any Optional Guarantees are reduced proportionately in respect of Units withdrawn, in the manner described in the sections titled **“Core Guarantees”** and **“Optional Guarantees”**.

The value of a Contract is not guaranteed (except for the guarantees of the Company applicable to the selected Core Guarantee and any Optional Guarantees) and will fluctuate with the Market Value of the assets in the Fund or Funds in respect of which Units are attributed to the Contract from time to time.

Please refer to the sections titled **“Surrenders”** and **“Charges and Fees”** which respectively describe the rules governing the total or partial surrender of a Deposit/Contract and the charges applicable at the time of surrender.

Annuity Provisions

Annuity Prior to Contract Maturity Date

The Owner may at any time after the Annuitant has reached the age of 65 years, elect by Notification to utilize the value of the Contract (calculated in accordance with the provisions under the sections **“Value of the Funds and the Units”** and **“Value of Your Contract”**) or part thereof to calculate a life annuity providing annual payments per \$1,000 of the value of the Contract at the time of the request using the formula:

Male 1,000	Female 1,000
$\frac{1,000}{[60 - (A \times 0.5)]}$	$\frac{1,000}{[60 - \{(A - 5) \times 0.5\}]}$

where, A is the age of the Annuitant. In both cases, the age will be determined on the date that Notification is received.

Annuity on Contract Maturity Date

Unless Notification to the contrary has been received, on the Contract Maturity Date, the Company will use the Maturity Value to provide a life annuity (guaranteed for 10 years) providing monthly payments of \$92.50 per \$10,000 of such value.

On the Contract Maturity Date, the Owner may elect by Notification to use the Maturity Value to obtain any type of single premium annuity policy the Company offers to the public at the rate prevailing at the time the annuity is selected, subject to the governing conditions and Administrative Rules of the Company.

The value of a Contract is not guaranteed (except for the guarantees of the Company applicable to the selected Core Guarantee and any Optional Guarantees) and will fluctuate with the Market Value of the assets in the Fund or Funds in respect of which Units are attributed to the Contract from time to time.

Please refer to the sections titled **“Surrenders”** and **“Charges and Fees”** which respectively describe the rules governing the total or partial surrender of a Contract and the charges applicable at the time of surrender.

Loan, Non-Forfeiture Options Not Available

There are no loan or non-forfeiture options available under the Desjardins Financial Security Guaranteed Investment Funds Plan.

RRSPs and Other Registered Plans

Based on legislation currently in force and subject to the provisions contained in the RSP or RIF endorsement to the Contract (as the case may be), the Plan qualifies as an RRSP or a RRIF.

The value of Units in a Fund that are withdrawn from or attributed to your Contract as a result of a transfer between Funds is not guaranteed (except as described in the sections **“Core Guarantees”** and **“Optional Guarantees”**) and will fluctuate with the Market Value of the assets in the Fund.

Owners who are investing in the Plan through an RRSP or other Registered Plan should enquire about the special tax rules that apply. They must ensure that they understand their particular tax circumstances and should obtain independent advice, if necessary.

Investing a tax-registered Plan is one of many different ways to accumulate retirement income. While tax saving is one of the advantages of such a Contract, eventually, all benefits will be added to income for tax purposes. If applicable, certain of the regular contractual terms of the Plan may be modified by the terms of an endorsement upon registration. Since registered contracts are more suitable for long duration investment, we strongly recommend that you fully discuss all aspects of registration with your financial advisor before purchasing any registered Contract.

RSP Endorsement

This endorsement is effective if the Owner has requested that this Contract be registered in accordance with the Act as a RSP and the Owner is the Annuitant named in the Application for this Contract. The terms of this endorsement will govern if any of its provisions are inconsistent with other sections of this Document.

Under this endorsement, the Contract is modified as follows:

1. The Contract and any annuity payable to the Owner, the Owner's spouse or common-law partner, may not be assigned in whole or in part.
2. The right to elect an annuity option must be exercised by the end of the year in which the Owner reaches age 71 or as specified in the applicable legislation and is limited to:
 - (a) a life annuity on the Owner's life, or a joint and survivor annuity on the lives of the Owner, the Owner's spouse or common-law partner (as recognized by the Canada Revenue Agency for the purposes of section 146 and subsection 248(1) respectively of the Act). In either case, the guaranteed period (if any) shall not be longer than to age 90 of the Owner, the Owner's spouse or common-law partner, if younger;
 - (b) an annuity certain to age 90 of the Owner, the Owner's spouse or common-law partner, if younger;
 - (c) a RRIF to which the proceeds of this Contract are transferred and which continues to be the Owner's; and
 - (d) any combination of the above.

It is the Owner's sole responsibility to elect the annuity option. If the Contract is registered as an RRSP, according to government rules, the RRSP must be terminated no later than at the end of the calendar year in which the Owner attains the age of 71 years or as specified by applicable legislation. If the termination date precedes any Maturity Benefit date then, for the guarantees to apply, the value of the Units attributed to the Contract must be transferred to a Desjardins Financial Security Guaranteed Investment Funds Plan – Helios RIF with the same Core Guarantee. In this case, the withdrawal dates for transferred Deposits remain unchanged. If the Company does not receive the Owner's written Notification 60 days before December 31 of the year in which the Owner reaches age 71 or the date set by the applicable legislation, the Company will transfer the guaranteed value(s) of the Contract to a Desjardins Financial Security Guaranteed Investment Funds Plan – Helios RIF.

3. The annuity will be paid either through equal annual or more frequent periodic payments, until it is paid in full. If the annuity is commuted, the Owner will receive the balance either through equal annual or more frequent periodic payments.

4. If the Annuitant dies before an annuity option is selected, the Death Benefit, calculated according to the provisions under the applicable Core Guarantee and sub-heading "Death Benefit," will be transferred to the Beneficiary in one lump sum payment. The annuity will be commuted if, after the Owner's death, it must be paid to a person other than the Owner's spouse or common-law partner.
5. Upon receipt of Notice, the Company shall surrender sufficient Units attributed to the Contract to refund to the taxpayer, an amount of tax otherwise payable under Part X.1 of the Act and comparable provincial law. The refund will not exceed the value of the Plan at the time the refund is made.
6. No advantage may be extended which would be contrary to paragraph 146(2)(c.4) of the Act.
7. Before the Contract Maturity Date, no payment may be made under this Contract except as a refund of premiums or a payment to the Owner.
8. The Company is authorized as the Owner's attorney in its discretion to amend this RSP endorsement as necessary to comply with the conditions of an RRSP.
9. We will withhold tax on all amounts withdrawn by the Owner.
10. The Annuitant of the Contract may only be the Owner and the definition of "Annuitant" in this Contract is always in accordance with the definition of "Annuitant" as given in subsection 146(1) of the Act.
11. The total amount of the annuity payments made periodically within one year following the death of the first Annuitant shall never be greater than that payable prior to death.

RIF Endorsement

This endorsement becomes effective if the Canada Revenue Agency has granted the Owner's request that this Contract be registered in accordance with the Act as a RIF. The terms of this endorsement will govern if any of its provisions are inconsistent with other sections of this Contract.

Under this endorsement, the Contract is modified as follows:

1. During the Owner's lifetime, the Company will make annuity payments commencing on the commencement date, as stipulated in the RIF application.
2. The Owner may request a change in the frequency of annuity payments to any other frequency acceptable to the Company and permitted by law. To request such a change, written Notification must be received by the Company.
3. The Company will make only those payments described in paragraphs 2(d), 2(e), 2(e.1), 2(e.2) and in subsection (14) of section 146.3 of the Act.
4. Payments hereunder may not be assigned in whole or in part.

5. When the Owner dies, the Company will pay the applicable Death Benefit to the Beneficiary, unless the Owner's spouse or common-law partner becomes the person entitled to receive the payments under this policy. The definitions of "spouse" and "common-law partner" are those prescribed by the Canada Revenue Agency, in section 146.3 and subsection 248(1) respectively of the Act.
6. If the Owner's spouse or common-law partner is named successor Annuitant of the RRIF at the time of the Owner's death then he/she will receive any remaining income payments and will assume the rights of the original Owner.
7. Upon receipt of the Owner's Notice and completion of all prescribed forms, the Company will, in prescribed form and manner, transfer all necessary information to any carrier which has agreed to enter into a RRIF Contract with the Owner, together with part or all of the value of the Contract less an amount equal to the lesser of:
 - a) such portion of the value of the Contract sufficient to ensure that the Minimum Amount [as defined under subsection 146.3(1) of the Act, as amended from time to time] will be paid to the Owner in the year the transfer is made, and
 - b) the value of the Contract, as described under the section "Value of Your Contract".
8. The Company will not accept any premium under this policy, except funds transferred from:
 - a) an RRSP under which the Owner is the annuitant;
 - b) another RRIF under which the Owner is the annuitant;
 - c) the Owner, to the extent only that the funds are an amount described in subparagraph 60(l)(v) of the Act;
 - d) an RRSP or RRIF of the Owner's spouse, or common-law partner, former spouse, or former common-law partner in accordance with subparagraph 146.3(2)(f)(iv) of the Act;
 - e) a RPP under which the Owner is a member within the meaning of subsection 147.1(1) of the Act;
 - f) a RPP in accordance with subsection 146.3(5) or (7) of the Act;
 - g) a provincial pension plan in circumstances to which subsection 146(21) of the Act applies.
9. No benefit or loan that is conditional on the existence of this Contract may be extended to the Owner or to any person not dealing at arm's length with the Owner.
10. Total annuity payments in any calendar year shall not be less than:
 - a) in the year in which the Plan is entered into, zero; and
 - b) in each subsequent year, the minimum amount as defined under subsection 146.3(1) of the Act as amended from time to time.
11. The provisions under the heading "RSP Endorsement" are not in effect. All other terms and conditions of the Contract as permitted by law, will remain in force.
12. The Death Benefit, anytime before the Contract/Deposit Maturity Date, will be calculated according to the provisions under the selected Core Guarantee as described in the sub-heading "Death Benefit" in the section titled "Core Guarantees".
13. The Owner may obtain a lump-sum payment from this Contract by making a written request to the Company.
14. The Owner may request to transfer all or part of the value of the Contract to another RRIF at any time by sending a written Notice and all the required forms to the Company. The value is then calculated as described in the section "Value of Your Contract". In the event of a transfer, the Minimum Amount remaining for that calendar year will be paid to the Annuitant at the time of transfer.
15. Only the Annuitant of the Contract can be the Owner. The definition of "Annuitant" in this Contract always corresponds to the definition of "Annuitant" as given in section 146.3 of the Act.

Locked-in Pension Benefits

RSP

If the Owner has requested that this Contract be registered as a RSP under the Act and contributions to the Contract consist of locked-in pension benefits under one of the following acts:

- (i) Pension Benefits Standards Act (British Columbia);
 - (ii) Employment Pension Plans Act (Alberta);
 - (iii) The Pension Benefits Act, 1992 (Saskatchewan);
 - (iv) The Pension Benefits Act (Manitoba);
 - (v) Pension Benefits Act (Ontario);
 - (vi) Supplemental Pension Plans Act (Quebec);
 - (vii) Pension Benefits Act (New Brunswick);
 - (viii) Pension Benefits Act (Nova Scotia);
 - (ix) Pension Benefits Act, 1997 (Newfoundland and Labrador); or
 - (x) Pension Benefits Standard Act, 1985 (Canada),
- then the Locked-in Retirement Account Endorsement shall be in effect for the Contract.

RIF

If the Owner has requested that this Contract be registered as a RIF under the Act and contributions to the Contract consist of locked-in pension benefits under one of the following acts:

- (i) Pension Benefits Standards Act (British Columbia);
- (ii) Employment Pension Plans Act (Alberta);
- (iii) The Pension Benefits Act, 1992 (Saskatchewan);
- (iv) The Pension Benefits Act (Manitoba);
- (v) Pension Benefits Act (Ontario);
- (vi) Supplemental Pension Plans Act (Quebec);
- (vii) Pension Benefits Act (New Brunswick);
- (viii) Pension Benefits Act (Nova Scotia);

(ix) Pension Benefits Act, 1997(Newfoundland and Labrador); or
 (x) Pension Benefits Standards Act, 1985 (Canada),
 then the Life Income Fund Endorsement shall be in effect for the Contract.

If the original Contract is a LIF, the Maturity Benefit available at year ten for the Guarantee 100/100 r and Guarantee 75/100 i if applicable, and year twenty under the Guarantee 75/100 i if applicable, will not be available if the guarantee dates extend beyond December 31 of the year in which the Owner reaches age 80. However, in some provinces, it is possible to extend the guarantee date after December 31 of the year in which the Owner reaches age 80; please refer to the relevant LIF endorsement.

This means that for a Contract that is a LIF, the 10-year Maturity Benefit, under the Guarantee 100/100 r and Guarantee 75/100 i does not apply for Deposits made after the Contract Anniversary Date following the 70th birthday of the Owner.

This also means that the 20 years after the year of Deposit, the Maturity Benefit, under the Guarantee 75/100 i does not apply to Deposits made after the Contract anniversary following the date the Owner reaches age 60.

The applicable Death Benefit will always apply upon the death of the Annuitant.

The Guaranteed Amounts for a LIF Contract will be reduced by any withdrawals made to effect retirement income payments according to these provisions.

The Owner may only be issued a Contract in these circumstances if the date of the Owner's Application for the Contract is before December 31 of the year in which the Owner reaches age 71.

Value of the Funds and the Units

The Units of a Fund are valued according to the Administrative Rules established by the Company as described here and in accordance with the Contract, and all laws and regulations applicable to the Fund.

The Company calculates the Net Asset Value per Unit of a Fund ("NAVPU") as at the Cut-Off Time on each Market Day for each Fund. Series 5 Units are valued as at the Cut-Off Time on each successive applicable Market Day as illustrated in the following equation:

$$\text{NAVPU for Series 5} = \frac{\text{Series 5's proportion of (Total Market Value of Fund + other assets - liabilities not including management fee) - Series 5's management fee liabilities}}{\text{Number of Series 5 Units}}$$

The NAVPU calculated at that time will remain in effect until the next calculation of the NAVPU. In other words, the NAVPU that is calculated at the Cut-Off Time on a Market Day will remain in effect until the Cut-Off Time on the next Market Day, at which time the new NAVPU of a Fund is calculated.

The Company reserves the right at its sole discretion to change the frequency with which a Unit of a Fund is valued subject to the provisions of this Contract as outlined in under the heading "Fundamental Changes".

For the purposes of the foregoing, in determining the Market Value of the Fund's investment portfolio, securities in the Fund are generally valued at prices determined by the markets in which they trade or are issued. A security listed or traded on a recognized stock exchange is valued at the latest available quoted selling price of recent date. If there are no recent sales or record thereof or if securities are not listed or dealt with on a recognized stock exchange, then such securities will be valued at the latest available quoted asked price or the latest available quoted bid price, or the average of the two, whichever in the opinion of the Company better reflects the value of the securities on the day the Net Asset Value per Unit is being determined. In the case of bonds, debentures, shares or other securities for which price quotations are not available, the value is to be calculated in such manner as the Company determines and the basis of such determination shall be included in the notes to any financial statement of the Fund(s). The Market Value of the assets of a Fund will be calculated on each Market Day and will include the total Market Value of the securities in the Fund's investment portfolio as well as all other assets and liabilities of the Fund.

The Company may suspend your surrender or transfer rights for any period when normal trading is suspended on any stock exchange in or outside Canada on which securities in the investment portfolio of a Fund are traded. We will not accept any Application for the purchase of a Contract, or a Deposit to a Contract during this period when the right to surrender a Contract has been suspended.

Income and capital gains from the investments of each Fund increase the Market Value of the Fund. Capital losses from the investments of each Fund together with all the charges, expenses and taxes applicable to the Fund reduce the Market Value of the Fund. Regarding the charges, expenses and taxes applicable to each Fund, reference is made to the section titled "Charges and Fees".

Notwithstanding the foregoing and subject to all applicable laws and regulations, the Company hereby reserves the right in its absolute discretion to value an asset of a Fund at such amount as it considers fair and reasonable in the circumstances.

Nothing contained in this Document or the Contract shall be interpreted to give anyone other than the Company any right or incident of ownership in any of the investments of the Funds or the underlying funds. Regarding the rights of any person other than the Company under the Contract, the term "Unit" shall mean the value of a Unit and not a Unit itself.

The value of Units in a Fund attributed to your Contract is not guaranteed (except for the guarantees of the Company applicable to the selected Core Guarantee and any Optional Guarantees) and will fluctuate with the Market Value of the assets of the Fund.

Income Allocations for Tax Purposes

A Fund does not distribute earnings by way of dividends.

Instead, net income is retained in the Fund, thus benefiting Owners through changes in the value of their Units. However, tax allocations relating to income and realized capital gains and losses of a particular Fund will be made to you each year as required by law. It is our current practice to allocate income on a unit-by-unit basis and update the adjusted cost base of each Contract accordingly.

Tax Status of the Funds

Each Fund is treated as a separate segregated fund trust under the Act. This means that income and realized capital gains and losses, as applicable, are allocated to owners and their beneficiaries each year as required by law. In addition, under the current tax legislation, there are no income taxes payable by a Fund (subject to any foreign withholding taxes which may be payable).

Tax Status of Contract Owners

- (A) If the Contract is registered as a RSP, under Section 146 of the Act and corresponding provincial legislation, you do not pay income tax year by year on interest, dividends and capital gains attributable to your Contract. However, any benefits payable under the Contract will be subject to tax, there will be restrictions on assignment and the Contract must provide for a retirement income to commence not later than the end of the calendar year in which the Owner reaches age 71 or the date specified by the applicable legislation. You may be able to deduct part or all of your Deposits for income tax purposes if you meet the requirements in the Act.
- (B) If the Contract is registered as a RIF, under subsection 146.3 of the Act, you do not pay income tax year by year on interest, dividends and capital gains attributed to your Contract. Amounts withdrawn may be taxable in the Owner's hands. Any amounts withdrawn in excess of the minimum amount referred to under the heading "**RIF Endorsement**" are subject to withholding tax.
- (C) Contracts not registered under Section 146 of the Act and corresponding provincial legislation are subject to tax as follows:
- The portion of the investment income (interest, capital gains and losses and dividends) of the Funds allocated in respect of your Contract is reported to you each year and must be included as taxable income, if any. Even though the amount allocated is not received by you, the adjusted cost base of your Contract is increased for capital gains, interest and dividend income allocated, and the eventual capital gain at disposition decreased. Capital losses allocated will decrease the adjusted cost base of your Contract, and the eventual capital gain at disposition increased.
- The Contract is treated as an interest in a trust for the purposes of the Act and, as such, is capital property. Accordingly, you may realize a capital gain or a capital loss upon the disposition of that interest. Such a disposition would be caused by a partial or total surrender of your Contract, including surrenders to pay

for any additional guarantee fees, or by a transfer of the value of Units attributed to your Contract from one Fund to another Fund. A transfer or withdrawal, which results from your exercising your rights as described in the section "**Fundamental Changes**" or our exercising our rights as described in the section "**Closing of Funds, Series, Fee Options or Plans**", will also cause a taxable disposition.

If at any time while Units are standing to the credit of the Contract, the Company is required to pay to any governmental authority any part of the proceeds as a tax imposed on the Contract, the Company may transfer out of any Fund or Funds in its discretion to the general funds of the Company the value of Units in your Contract sufficient for this purpose and such Units will be withdrawn from such Contract as described in the sections titled "**Surrenders**" and "**Charges and Fees**". A transfer of Units to pay for a tax imposed on the Contract is a taxable transaction from the point of view of the Owner.

The value of Units in a Fund attributed to your Contract is not guaranteed (except for the guarantees of the Company applicable to the selected Core Guarantee and any Optional Guarantees) and will fluctuate with the Market Value of the assets of the Fund.

In all cases, the Company shall not be held responsible for any unwanted tax consequences to the Owner(s) or the Beneficiary(ies) resulting from a change in law or in the interpretation of the law by any regulatory body or a court of law.

This summary of tax considerations and consequences is not exhaustive and is of a general nature only. It is not intended to constitute advice to any particular purchaser. Moreover, tax legislation in Canada changes from time to time and any specific information contained in this Document may be affected by any changes that do occur. Purchasers are advised to satisfy themselves that they understand their particular tax circumstances and, for this purpose, they may wish to obtain independent advice.

Assignment of Obligations by the Company

Subject to receipt of all applicable regulatory approvals, we may transfer and assign all of our obligations under this Contract to another life insurance company which carries on the business of life insurance in Canada and, provided such life insurance company agrees to take all of our obligations under and be bound to the terms and conditions of this Contract, we shall be released and discharged from all obligations under this Contract which we owe to you, to your Beneficiaries, or to any Annuitant.

Limitations on Assignment

Units are not assignable and ownership in a Contract is not transferable except as collateral for loans and as the Company in its absolute discretion may otherwise permit. Please note that a plan registered as a RSP or a RIF may not be assigned.

Closing of Funds, Series, Fee Options or Plans

The Company reserves the right in its absolute discretion to close any Fund or Series or Fee Option or to merge any Fund with another Fund (including any new Fund which may be added in the future). In this case, we will provide you with at least 60 days written Notification of our intention to do so.

In the case of a merging of Funds, the Company will adhere to the Canadian Life and Health Insurance Association Guideline on Individual Variable Insurance Contracts and applicable law.

In the event that a Fund is closed (but not merged), the value of the Units attributed to a Contract will be transferred to another Fund, or if the replacement Fund does not have the same or lower Management Fee and investment objective, the Units may be withdrawn by the Owner without surrender charges. You must provide us with your Notice at least five days before the change is effective. If your instructions are not received within five days of the Notice that a Fund will be closed, the value of the Units will be transferred to another Fund, as determined by us in our absolute discretion. In the event that all Funds are closed, the value of the remaining Units attributed to a Contract will be transferred to an interest-bearing account with the Company from which you may withdraw the value of the amounts without surrender charges.

Upon the closing of a Fund, Series or Fee Option, the value of Units withdrawn from your Contract and attributed to your Contract in another Fund, Series or Fee Option are calculated at the Cut-Off Time on the Market Day immediately preceding the effective date of the closing of the Fund, Series or Fee Option.

The Company specifically reserves the right in its absolute discretion to stop accepting additional Deposits into any Fund or Series of Units of any Fund, whether such refusal is reasonable or not.

In the event of the closing of any Fund, Series or Fee Option, the value of the Units withdrawn in respect of the closed Fund, Series or Fee Option and the value of the Units attributed to a Contract in another Fund, Series or Fee Option are not guaranteed (except for the guarantees of the Company applicable to the selected Core Guarantee and any Optional Guarantees) but will fluctuate with the Market Value of the assets of the particular Fund.

Investment Information

Investment Policies for the Funds

In order to provide the best possible choice to its Contract Owners, Desjardins Financial Security has entered into agreements with the following portfolio advisors:

- Addenda to manage the DFS GIF – Canadian Bond – Addenda;
- AllianceBernstein to manage the DFS GIF – Global Equity – AllianceBernstein, DFS GIF – International Equity – AllianceBernstein and DFS GIF – European Equity – AllianceBernstein;
- Bissett to manage the DFS GIF – Dividend Income – Bissett, DFS GIF – Canadian Balanced – Bissett, DFS GIF – Canadian Equity – Bissett, DFS GIF – Small Cap – Bissett;
- Fiera to manage the DFS GIF – Money Market, DFS GIF – Income – Fiera, DFS GIF – Canadian Balanced – Fiera, DFS GIF – Canadian Dividend – Fiera, DFS GIF – Canadian Equity – Fiera, DFS GIF – North American Small Company – Fiera,
- Fidelity to manage the DFS GIF – Global – Fidelity;
- Franklin Templeton to manage the DFS GIF – Diversified Income – Quotential, DFS GIF – Balanced Income – Quotential, DFS GIF – Balanced Growth – Quotential, DFS GIF – Growth – Quotential;
- Jarislowsky Fraser to manage the DFS GIF – Global Balanced – Jarislowsky Fraser, DFS GIF – Canadian Equity – Jarislowsky Fraser;
- McLean Budden to manage DFS GIF – Balanced Growth – McLean Budden, DFS GIF – Canadian Equity Growth – McLean Budden, DFS GIF – American Equity – McLean Budden;
- Northwest to manage the DFS GIF – Growth and Income – Northwest Quadrant, DFS GIF – Growth and Income – Northwest, DFS GIF – Specialty Growth – Northwest and the DFS GIF – Specialty Equity – Northwest;
- AllianceBernstein, Bissett, Jarislowsky Fraser, McLean Budden, and Northwest to manage the DFS GIF – Ultimate Equity – Multi-managers;
- Desjardins Funds, Fiera, Northwest to manage the DFS GIF – Global High Income – Multi-managers
- UBS to manage the DFS GIF – American Equity – UBS.

Founded in 1996, **Addenda Capital Inc.** has always been committed to growing the assets entrusted to it. At Addenda, long-term vision is combined with an operational flexibility that makes it possible to take advantage of market fluctuations. Through its qualified multi-disciplinary team comprised of managers, analysts, traders and economists, Addenda is in a position to take up meaningful challenges in an effort to generate substantial earnings for its clients. Addenda's investment philosophy is based on a dynamic management style and on their proven ability to anticipate the movement of interest rates.

AllianceBernstein is a leader in institutional investment management research, combining more than three decades worth of Alliance Capital Management Holding LP expertise in growth investing and Sanford C. Bernstein & Co., LLC excellence in value

management. The firm's assets under management total over US \$488 billion, US \$280 billion of which are managed for institutional clients around the world. Their team of 294 analysts operating in 20 countries is one of the most highly regarded in the industry, focusing on: investment style focused on growth (Alliance) and value (Bernstein), unparalleled strength in investment research and strong management discipline and special attention to fundamental valuations.

Bissett Investment Management's investment philosophy focuses on managing and controlling risk to provide above-average returns within a lower-than-average volatility structure as compared with similar funds in the industry. Its proactive investment style is based on a bottom-up approach with a bias towards growth at a reasonable price, targeting companies with above-average earnings and dividends and whose stocks are bought at moderate price-earnings ratios.

Desjardins Funds are designed and administered by the Fédération des caisses Desjardins du Québec, a subsidiary of Desjardins Group, Canada's largest integrated cooperative financial group, a financial heavyweight with over \$135 billion in assets under management and over a century of experience. Desjardins Funds rest on both Desjardins' strength and experience, enhanced by the expertise of national and international partners.

Fidelity Investments is the world's largest mutual fund company with global investment expertise. Its clearly defined investment philosophy focuses on four major principles: individual security selection, extensive fundamental research, manager-driven decision-making, and an adherence to proven investment disciplines. Fidelity's "bottom-up" style of investment management begins by focusing on the fundamental strengths of companies, their industry sectors, and finally the countries or markets where they do business. Fidelity believes that good performance is built one investment at a time.

With over \$20 billion in assets under management, **Fiera** is one of Canada's leading independent investment management firms. Its diverse clientele is made up of institutional investors, mutual funds, charitable organizations and private clients. Fiera offers competitive and innovative investment strategies that are driven by its unique expertise in active and structured fixed income, active equity, quantitative techniques and financial engineering. Fiera is controlled and owned by its principals with Desjardins Asset Management Inc. holding a 23% interest in the firm.

Franklin Templeton Investments, is a wholly-owned subsidiary of Franklin Resources, Inc. which is a global investment organization. Franklin Templeton provides global and Canadian investment, shareholder and distribution services to the products and institutional accounts, as well as separate account management services.

Jarislowsky Fraser is a registered investment counselling firm, managing pension funds, pooled funds, endowment funds and, corporate and private portfolios for clients in North America and Europe. The firm's philosophy is founded upon conservative, time proven principles of fundamental investing. It constructs diversified, high quality portfolios that are designed to achieve long-term growth. Jarislowsky Fraser minimizes portfolio risk by investing in proven, well-managed, high quality companies that are financially sound.

Based on the principle that a consistent approach will produce consistent results, **McLean Budden** encourages its portfolio managers to work as a team. Its management style focuses on fundamental analysis, which is carried out by teams responsible for setting up benchmark portfolios. McLean Budden's investment philosophy focuses on large cap companies with a stable earnings-growth pattern and a healthy balance sheet that are headed by a solid management team.

Northwest was founded in 1997 by President and C.O.O. Michael Butler in partnership with First Asset Management Inc. In September 2003, Northwest became a wholly-owned subsidiary of Northwest Asset Management Inc., which is a wholly-owned subsidiary of the Fédération des caisses Desjardins du Québec. Northwest is one of the fastest growing fund companies in Canada. Northwest has achieved exceptional long term performance by staying disciplined to its investment philosophy, which is to strive for better returns with less risk.

UBS Global Asset Management is a business group of UBS, one of the world's leading financial services groups. UBS's historical roots stretch back more than a century. The separate asset management business group was formed after the merger of Union Bank of Switzerland and the Swiss Bank Corporation in 1998. UBS's price/intrinsic value investment philosophy is at the heart of its core investment management business. Discrepancies between market price and intrinsic value arise from market behaviour and market structure providing opportunities to outperform. Their performance results from the disciplined application of high quality propriety research generated on a global basis.

As a general principle, in respect of each of the Funds, we will adhere to the Canadian Life and Health Insurance Association Guideline on Individual Variable Insurance Contracts Relating to Segregated Funds, and investment and lending policies, standards and procedures that a reasonable and prudent person would apply in respect of a portfolio of investments and loans to avoid undue risk of loss and to obtain a reasonable return.

Desjardins Financial Security and Northwest Asset Management Inc. are subsidiaries of the the Desjardins Group, which maintains a partial ownership position in Fiera Capital Inc. Policies are in place to ensure that all decisions are made in the best interest of the Funds.

Investment Policies for All Funds

The Company may lend securities in the investment portfolio of a Fund with such frequency and on such terms and conditions as the Company in its absolute discretion may determine, subject to the requirements of any applicable insurance legislation in Canada.

The sum of a Fund's exposure to any one corporate entity will not exceed 10% of the value of the Fund at the time of investment. Furthermore, the percentage of securities of any one corporate issue that may be acquired is limited to 10% of each class of securities of any one corporate issuer, except for any corporate issue of, or a government security guaranteed by, any government authority in Canada.

The Company will not, in respect of any Fund, invest in the securities of an issuer for the purpose of exercising control or management.

The Company will not distribute the earnings of a Fund by way of dividends. The net income is retained in the Fund in each case serving to increase the value of the Fund. Reference is made to the section titled "**Income Allocations for Tax Purposes**".

The investment policies of the Funds permit the use of derivative instruments with no financial leverage. Therefore, the notional value of derivatives used by any Fund will not exceed 100% of the value of the Net Assets of the Fund, subject to a short-term 2% variation. This variation is dependent on movements in the foreign exchange value of the currency in which assets of the Fund are invested. A derivative is a financial instrument that derives its value from an underlying security. The derivative instruments employed are subject to the risk factors described in the section titled "**Policies with Respect to Investments for the Funds**". The following derivative instruments may be used in the Funds to reduce transaction costs, increase the liquidity of the portfolio, or for the specific purposes discussed:

- Forward contracts traded over-the-counter may be used to change the exposure to foreign currencies of developed countries;
- Futures contracts traded on a public exchange may be used to replicate the return of various securities market indices or to increase or decrease the asset exposure to bonds or Canadian, American, European and Asian equities. Futures contracts may also be used for hedging purposes with the intention of offsetting or reducing the risk associated with stock market fluctuations;
- Options traded on a public equities exchange may also be used for hedging purposes with the intention of offsetting or reducing the risk associated with stock market fluctuations, or to increase or decrease the asset exposure and generate income. Market exposures are the same as described above for futures contracts;
- Swap contracts traded over-the-counter may be used for hedging purposes with the intention of offsetting or reducing the risk associated with stock market fluctuations and fluctuations in currency exchange rates of developed countries, or to increase or decrease currency or asset exposures. Market exposures are the same as described above for futures contracts; and
- Warrants traded on a public exchange.

The investment policies of the Funds permit them to invest in certain secondary funds, in accordance with the Canadian Life and Health Insurance Association Guideline on Individual Variable Insurance Contracts. Specifically, the Funds may invest in pooled funds, mutual funds, exchange-sponsored index funds, and certain publicly traded income trust funds.

AllianceBernstein, Desjardins Financial Security, Fiera and Jarislowsky Fraser make the pooled funds available to their institutional customers, and the mutual funds are made available by Bissett Investment Management, Desjardins Funds, Fidelity, Franklin Templeton, McLean Budden, Northwest, and without any additional Management Fees or expenses being charged. Investments in these pooled funds or mutual funds by a Desjardins Financial Security Guaranteed Investment Fund (DFS GIF) will not result in charges or fees to the Fund or Owners other than previously described.

From time to time, the Funds may hold exchange-sponsored index funds in their portfolios. Exchange-sponsored index funds may include such instruments as the i60s (Units of the iUnits S&P/TSX 60 Index Participation Fund) and SPDRs (Standard & Poor's 500 Depository Receipt) participation in which represents a proportionate interest in shares of companies listed on these exchange indices. Publicly traded income trust funds are unitized trusts, which generally distribute all income, generated by the underlying trust assets. Investment in both these types of funds involves minimal management expenses and/or fees which, to the extent they are material, are discussed further in the Financial Statements but are not included in the MER of the Funds.

Investments in secondary funds will occur only where the investment policy of the secondary fund conforms to the policy of the principal Fund as provided in this Document. If the underlying fund is a mutual fund, it cannot change any fundamental objectives unless the change in the objective of the underlying fund is approved by the mutual fund unitholders. Should such an event occur, Notice will be given to the Owner within three months. The principal Fund will maintain a separate Unit value from the secondary fund reflecting the fees associated with the cost of providing the Guarantee 75/75 and administration of the Funds. For the DFS GIF – Money Market, DFS GIF – Income – Fiera, DFS GIF – Canadian Balanced – Fiera, DFS GIF – Canadian Dividend – Fiera, DFS GIF – Canadian Equity – Fiera, DFS GIF – International Equity – AllianceBernstein, DFS GIF – European Equity – Alliance Bernstein and DFS GIF – North American Small Company – Fiera, in the event that investment in a secondary fund is material, the top 25 holdings of the secondary fund will be disclosed and financial statements of the secondary fund(s) will be provided upon request.

Within the framework of all applicable restrictions, policies and laws, but subject to the foregoing, the Company is empowered to invest the assets of each Fund in any way it judges to be most effective for the attainment of the objectives under the circumstances prevailing at any time.

Principal Risk Factors

The Net Asset Value per Unit of each Fund will fluctuate with changes in the Market Value of the investments held in the Fund. These changes in Market Value may occur as a result of various factors, including general economic conditions, investments, market conditions and changes in interest rates, or the financial performance of the issuers of securities held in the Fund.

Certain specific types of risk which may affect the Funds from time to time are:

MARKET RISK

Market risk refers to the nature of how the price of a security is determined. Stocks are valued by a series of bid and ask prices to reach a consensus price to trade a security between buyer and seller. Stock values depend on a number of conditions such as general economic and political climate including the rate of inflation and interest rate levels.

SPECIAL EQUITIES RISK

This type of risk relates to stocks of companies that may not be traded on a public exchange or, by their nature, may have restricted marketability. An example would be a small private corporation whose shares are not sold through the typical channel of the stock exchange, but through a private transaction. Since there is no organized market for the stock, the original buyer may eventually have a limited amount of potential buyers to sell to. Likewise, small companies that are listed on a public stock exchange may have limited amounts of shares that are available to be traded on a given day, thus affecting the demand-supply relationship and consequently the price sold or paid. When companies are smaller and younger, management, earnings and the company's outlook may generally be less stable than a larger, more well-established company.

INTEREST RATE RISK

Interest rate risk generally affects bondholders and certain other fixed-income securities holders. As the interest rate paid on the fixed-income security is fixed throughout its life, its value may fluctuate throughout the term to maturity if market rates change. Generally, when interest rates increase, the value of the Fund decreases, and when interest rates decrease, the value of the Fund increases.

CREDIT RISK

Credit risk relates to the possibility that an issuer of a bond or other fixed-income security will not be able to meet its obligation to pay the required interest payments or repay the principal amount of the security at its maturity. In effect, buying a bond is like lending money. The financial health of the borrower reflects its capacity to pay the annual interest payments to the lender and, more importantly, to repay the borrowed money. Independent and external agencies exist that evaluate and issue ratings, using a standardized approach, of a government or corporation's financial status.

FOREIGN CURRENCY RISK

Foreign currency risk relates to the possibility of the value of foreign securities fluctuating due to changes in the currency exchange rates of the investor's local currency relative to the currency of the foreign country in which the security is situated. In effect, when an investor purchases a foreign security, he must first convert his local currency into that of the foreign country at the going rate. If the going currency exchange rate changes throughout time, it will have an impact on the investor's security value once converted back to his local currency. For example, if the value of the Canadian dollar increases against the value of the foreign currency, the converted value of the foreign holdings in a Fund may decrease.

SOVEREIGN RISK

This type of risk relates to the potential of a country's status changing, by change of form of government or otherwise, which would have a negative effect on that country's economy or its business environment. Foreign securities may also be subject to foreign investment and exchange control laws, nationalization, expropriation, confiscatory taxation, currency controls, government regulation and intervention, diplomatic developments, high rates of inflation, or withholding tax. The risk on foreign investments may also be elevated because of reduced availability of information about foreign issuers since they are often not subject to the extensive accounting, auditing and financial reporting standards and practices applicable in North America.

DERIVATIVES RISK

Derivatives risk relates to the possibility of loss of value induced by the underlying security from which the instrument derives its value. By its nature, the principal risk involved for a derivative contract would relate to the underlying security's nature and own risks. Thus, if the derivative contract specifies that the counterparty to a contract will pay him the price gains related to a specific stock, certain risks such as market risks, currency risks, and sovereign risks involved by directly purchasing that stock would also indirectly affect the derivative contract holder. Losses may also occur if the counterparty to a derivative transaction defaults on its obligations to pay the specified amounts of the derivative contract. In addition, derivative securities are also subject to the risk that the Fund may not be able to readily sell or close out its positions in a derivative security.

Portfolios of Funds

The following Portfolios of Funds use mixes of existing mutual and pooled funds in order to attain their stated objectives.

For the DFS GIF – Ultimate Equity – Multi-managers, a specific benchmark or target mix is determined by the Company considering a long-term horizon and using future expectations to meet the objective of this Fund. This benchmark is reflective of the current environment and can be changed at the Company's discretion. The DFS GIF – Ultimate Equity – Multi-managers will be rebalanced annually to its benchmark proportions, but the frequency of the rebalancing may be changed depending on market conditions, at the Company's sole discretion.

The Company retains the right to change any of the underlying funds at its sole discretion; however, should such a change occur, Notice will be provided after the fact.

The DFS GIF – Diversified Income – Quotential, DFS GIF – Balanced Income – Quotential, DFS GIF – Balanced Growth – Quotential and DFS GIF – Growth – Quotential all use geographic and asset class weightings to determine which of the underlying mutual and pooled funds are most suitable to meet the investment objectives of each fund. These weightings are subject to change at the sole discretion of Franklin Templeton, which also retains the right to change any and all of the underlying funds without advance Notice to either the Company or the Owner(s).

The DFS GIF – Growth and Income – Northwest Quadrant uses geographic and asset class weightings to determine which of the underlying mutual and pooled funds are most suitable to meet the investment objectives of the Fund. These weightings are subject to change at the sole discretion of Northwest which also retains the right to change any and all of the underlying funds without advance Notice to either the Company or the Owner(s).

A detailed description of each segregated fund's investment policy and, where applicable, the investment policy and/or prospectus and financial statements of the underlying fund(s) is available upon request by writing to the Company at its address 95 St. Clair Avenue West, 8th Floor, Toronto, Ontario, M4V 1N7 noted in the front material of this Document.

On the following pages, we show you the current investment objective for each of our segregated fund portfolios as well as the top holdings of each Fund portfolio as of December 31, 2006. If the Company changes the objectives of a Fund, you will be given sixty (60) days advance Notice and have the right to transfer or exit the Fund as described in the section "Fundamental Changes". It is important to note, that although you will receive Notice, a change in an underlying mutual fund or pooled fund will not be treated as a fundamental change and you will not have any special exit or transfer rights.

Further information about the holdings of the underlying Funds is available upon request.

We also show performance data for each Portfolio of Funds, which include tables, charts and graphs. The tables show selected key financial information about the Portfolio of Funds and are intended to help you understand each Fund's financial performance since inception.

This information is derived from that particular Fund's audited annual financial statements and is not indicative of future results. The returns or performance data shown reflect changes in unit values and assume that all income/realized net gains are retained by the segregated fund in the periods shown. The returns or performance data do not take into account sales, redemption, distribution or other optional changes or income taxes payable that would have reduced returns or performance. It is important to remember that how the segregated fund has performed in the past does not necessarily indicate how it will perform in the future.

The objectives of the investment policy for each of the Portfolios of Funds are as follows:

Fund Manager	Franklin Templeton
Underlying Fund	Franklin Templeton/Quotential Diversified Income Portfolio
CIFSC Category	Canadian Fixed Income Balanced
Geographic Category	Canada
Benchmark	SC Bond Universe

This Fund is available for the GMWB option.

Objective of the Fund

To provide a balance of capital growth and interest income by investing primarily in units of an underlying fund in order to gain the desired exposure to the equity and fixed income markets.

Strategy of the Fund

To emphasize investments in fixed income underlying funds in order to provide income and capital preservation. The Fund also invests, to a lesser extent, in equity underlying funds in order to increase the potential for capital appreciation over a longer investment horizon.

The exact mix of the underlying funds will vary based on market performance but will be rebalanced no less than once a year to be more in line with the long-term strategic asset allocation.

The Fund is suitable for those investors with secure investment profiles.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

MER	2.60% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.20%
Current 75/100 i additional guarantee fee	0.20%
Current GMWB additional guarantee fee	0.20%

Financial Highlights

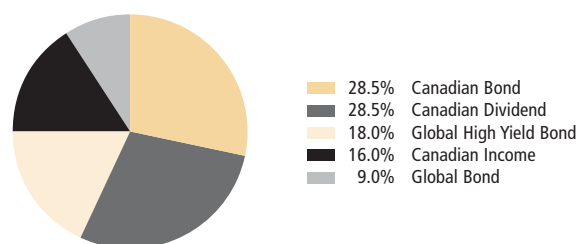
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Holdings of the underlying fund as of December 31, 2006

Bissett Dividend Income Fund	33.1%
Bissett Bond Fund	30.6%
Bissett Income Fund	13.2%
Franklin Strategic Income Fund	10.0%
Templeton Global Bond Fund	9.0%
Franklin High Income Fund	3.6%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Franklin Templeton
Underlying Fund	Franklin Templeton/Quotential Balanced Income Portfolio
CIFSC Category	Canadian Neutral Balanced
Geographic Category	Canada

This Fund is available for the GMWB option.

Composition of the Indices:

Index Name	Percentage Used
SC Bond Universe Index	60%
S&P/TSX Index	18%
S&P 500 Index	11%
MSCI World Index	11%

Objective of the Fund

To provide a balance of capital growth and interest income by investing primarily in units of an individual underlying fund in order to gain the desired exposure to the equity and fixed income markets.

Strategy of the Fund

To invest in fixed income underlying funds in order to provide income and capital preservation. The Fund also invests in equity underlying funds in order to increase the potential for capital appreciation over a longer investment horizon.

The exact mix of the underlying funds will vary based on market performance but will be rebalanced no less than once a year to be more in line with the long-term strategic asset allocation.

The Fund is suitable for those investors with moderate investment profiles.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

MER	2.60% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.25%
Current 75/100 i additional guarantee fee	0.25%
Current GMWB additional guarantee fee	0.25%

Financial Highlights

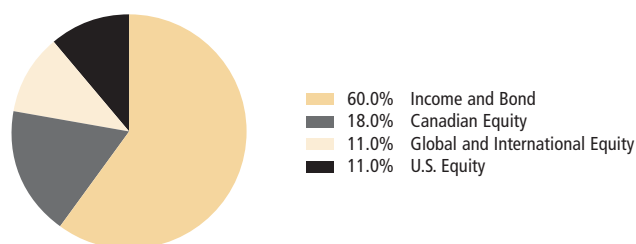
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Holdings of the underlying fund as of December 31, 2006

Bissett Bond Fund	49.5%
Bissett Canadian Equity Fund	14.4%
Mutual Beacon Fund	6.5%
Franklin Strategic Income Fund	5.3%
Bissett Income Fund	4.4%
Mutual Discovery Fund	3.8%
Franklin Templeton U.S. Rising Dividends Fund	3.7%
Templeton Global Smaller Companies Fund	3.7%
Templeton Growth Fund, Ltd.	3.6%
Bissett All Canadian Focus Fund	2.5%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Franklin Templeton
Underlying Fund	Franklin Templeton/Quotential Balanced Growth Portfolio
CIFSC Category	Global Neutral Balanced
Geographic Category	Canada

This Fund is available for the GMWB option.

Composition of the Indices:

Index Name	Percentage Used
SC Bond Universe Index	40%
S&P/TSX Index	35%
S&P 500 Index	13%
MSCI World Index	12%

Objective of the Fund

To provide a balance of capital growth and interest income by investing primarily in units of an individual underlying fund in order to gain the desired exposure to the equity and fixed income markets.

Strategy of the Fund

To emphasize investments in equity underlying funds in order to increase the potential for capital appreciation over a longer investment horizon. The Fund also invests, to a lesser extent, in fixed income underlying funds in order to provide stability.

The exact mix of the underlying funds will vary based on market performance but will be rebalanced no less than once a year to be more in line with the long-term strategic asset allocation.

The Fund is suitable for those investors with balanced investment profiles.

The **principal risk factors** of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

MER	2.65% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.30%
Current 75/100 i additional guarantee fee	0.25%
Current GMWB additional guarantee fee	0.45%

Financial Highlights

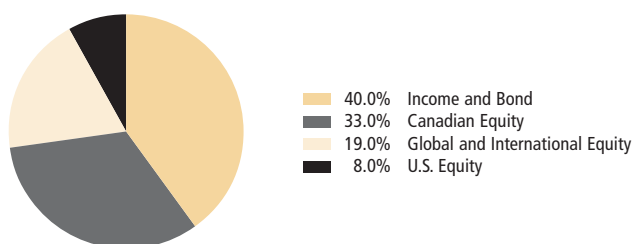
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Holdings of the underlying fund as of December 31, 2006

Bissett Bond Fund	30.1%
Bissett Canadian Equity Fund	18.5%
Mutual Beacon Fund	8.7%
Franklin Templeton U.S. Rising Dividends Fund	5.9%
Franklin Strategic Income Fund	5.6%
Bissett All Canadian Focus Fund	5.3%
Mutual Discovery Fund	4.4%
Bissett Small Cap Fund	3.3%
Templeton Emerging Markets Fund	3.1%
Templeton Growth Fund, Ltd.	3.0%
Templeton Global Smaller Companies Fund	3.0%
Bissett Income Fund	3.0%
Franklin Templeton Canadian Small Cap Fund	1.2%

Series 5 was created on October 29, 2007 and no financial information is available.

DFS GIF – GROWTH AND INCOME – NORTHWEST QUADRANT

Fund Manager	Northwest
Underlying Fund	Northwest Quadrant Growth and Income Portfolio
CIFSC Category	Global Equity Balanced
Geographic Category	Canada

This Fund is available for the GMWB option.

Composition of the Indices:

Index Name	Percentage Used
SC Bond Universe Index	35%
S&P/TSX Index	35%
S&P 500 Index (CAD)	10%
MSCI EAFE Index (CAD)	10%
MSCI World Index (CAD)	10%

Objective of the Fund

To provide a balance of capital growth and interest income by investing primarily in units of individual underlying funds in order to gain the desired exposure to the equity and fixed income markets.

Strategy of the Fund

To emphasize investments in equity underlying funds in order to increase the potential for capital appreciation over a longer investment horizon. The Fund also invests to a lesser extent, in fixed income underlying funds in order to provide income and capital preservation.

The exact mix of the underlying funds will vary based on market performance but will be rebalanced no less than once a year to be more in line with the long-term strategic asset allocation.

The Fund is suitable for those investors with dynamic investment profiles.

The principal risk factors of this Fund are interest rate, credit, foreign currency, sovereign, market and derivatives risk.

MER	2.80% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.30%
Current 75/100 i additional guarantee fee	0.25%
Current GMWB additional guarantee fee	0.45%

Financial Highlights

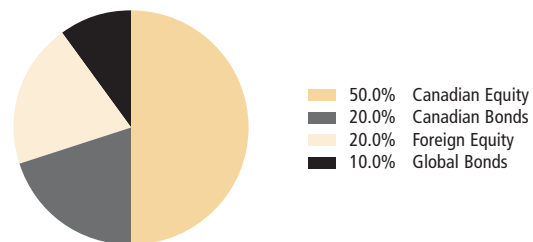
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Underlying funds as of December 31, 2006	Benchmark
Northwest Canadian Equity Fund	23.9%
Northwest Global Equity Fund	19.2%
Northwest Canadian Bond Fund	18.9%
Northwest Canadian Dividend Fund	14.4%
Northwest Specialty Growth Fund Inc.	9.6%
Northwest Specialty Global High Yield Bond Fund	9.5%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Franklin Templeton
Underlying Fund	Franklin Templeton/ Quotential Growth Portfolio
CIFSC Category	Global Equity Balanced
Geographic Category	Global

This Fund is available for the GMWB option.

Composition of the Indices:

Index Name	Percentage Used
SC Bond Universe Index	20%
S&P/TSX Index	22%
S&P 500 Index (CAD)	44%
MSCI EAFE Index (CAD)	14%

Objective of the Fund

To provide a balance of capital growth and interest income by investing primarily in units of an individual underlying fund in order to gain the desired exposure to the equity and fixed income markets.

Strategy of the Fund

To emphasize investments in a diversified mix of equity underlying funds in order to increase the potential for capital appreciation over a longer investment horizon. The Fund also invests, to a lesser extent, in fixed income underlying funds in order to provide income and capital preservation.

The exact mix of the underlying funds will vary based on market performance but will be rebalanced no less than once a year to be more in line with the long-term strategic asset allocation.

The Fund is suitable for those investors with growth investment profiles.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

MER	2.85% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.40%
Current 75/100 i additional guarantee fee	0.30%
Current GMWB additional guarantee fee	0.65%

Financial Highlights

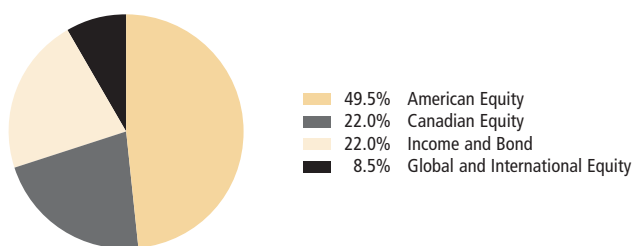
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Holdings of the underlying fund as of December 31, 2006

Mutual Beacon Fund	22.6%
Bissett Canadian Equity Fund	18.7%
Bissett Bond Fund	14.3%
Franklin Templeton U.S. Rising Dividends Fund	9.6%
Bissett All Canadian Focus Fund	6.5%
Mutual Discovery Fund	4.7%
Templeton Emerging Markets Fund	4.5%
Franklin Strategic Income Fund	3.7%
Templeton Global Smaller Companies Fund	3.6%
Templeton International Stock Fund	3.6%
Bissett Small Cap Fund	3.5%
Bissett Income Fund	2.5%
Franklin Templeton Canadian Small Cap Fund	1.6%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Multi-managers
CIFSC Category	Canadian Focused Equity
Geographic Category	Global

This Fund is available for the GMWB option.

Composition of the Indices:

Index Name	Percentage Used
S&P/TSX Index	40%
MSCI EAFE Index (CAD)	15%
MSCI World Index (CAD)	35%
BMO NB Small Cap Index	10%

Objective of the Fund

To provide capital growth through a portfolio primarily comprised of equity investments managed by specialists in all areas.

Strategy of the Fund

To invest in a wide array of underlying funds managed by using a multi-manager approach provided by acclaimed fund managers and sub-advisors.

The exact mix of the underlying funds will vary based on market performance but will be rebalanced no less than once a year to be more in line with the long-term strategic asset allocation.

The Fund is suitable for those investors with long term capital growth investment profiles.

The **principal risk factors** of this Fund are interest rate, credit, foreign currency, sovereign, market, special equities and derivatives risk.

MER	2.65% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.45%
Current 75/100 i additional guarantee fee	0.35%
Current GMWB additional guarantee fee	0.85%

Financial Highlights

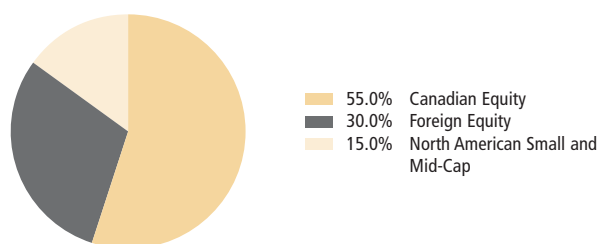
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Underlying funds as at December 31, 2006

Underlying funds as at December 31, 2006	Benchmark
McLean Budden Canadian Equity Growth Fund	29.8%
Bernstein International Equity Value Fund	20.5%
Bissett Small Cap Fund	15.0%
Jarislowsky Fraser Canadian Equity Fund	14.8%
McLean Budden American Equity Growth Fund	10.0%
Northwest Specialty Equity Fund	5.0%
Northwest Specialty Growth Fund Inc.	4.9%

This Series was created on October 29, 2007 and no financial information is available.

Individual Funds

As with the Portfolios of Funds, a detailed description of each segregated fund's investment policy and, where applicable, the investment objective, policy and/or prospectus and financial statements of the underlying fund is available upon request by writing to the Company at its principal office address noted on page 4 of this Document.

On the following pages, we show you the current investment objective for each of our segregated funds as well as the top holdings of the Funds as of December 31, 2006. If the Company changes the objectives of a Fund, you will be given 60 days advance Notice and have the right to transfer or exit the Fund as described in the section "Fundamental Changes." It is important to note, that although you will receive Notice, a change in an underlying mutual fund or pooled fund will not be treated as a fundamental change and you will not have any special exit or transfer rights. We also show performance data for each fund, which include tables, charts and graphs. The tables show selected key financial information about the Funds and are intended to help you understand each Fund's financial performance since inception.

This information is derived from that particular Fund's audited annual financial statements and is not indicative of future results. The returns or performance data shown reflect changes in Unit values and assume that all income/realized net gains are retained by the segregated fund in the periods shown. The returns or performance data do not take into account sales, redemption, distribution or other optional changes or income taxes payable that would have reduced returns or performance. It is important to remember that how the segregated fund has performed in the past does not necessarily indicate how it will perform in the future.

The objectives of the investment policy for each of the Funds are as follows:

Fund Manager	Fiera
CIFSC Category	Canadian Money Market
Geographic Category	Canada
Benchmark	SC 91-Day Treasury Bill

This Fund is available for the GMWB option.

Objective of the Fund

To provide a higher level of interest income than can normally be obtained from savings accounts, combined with a high level of liquidity and safety of capital.

Strategy of the Fund

To invest primarily in Canadian government treasury bills and in bankers' acceptances, which have a maximum maturity of 12 months, and the dollar-weighted average term to maturity of the portfolio does not exceed 180 days.

This Fund is suitable for the investor who wants a temporary depository for balances previously invested in one of the other Funds that are intended to be reinvested in those Funds at a later date.

The principal risk factors of this Fund are interest rate and market risk.

MER	1.25% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.05%
Current 75/100 i additional guarantee fee	0.05%
Current GMWB additional guarantee fee	0.05%

Financial Highlights

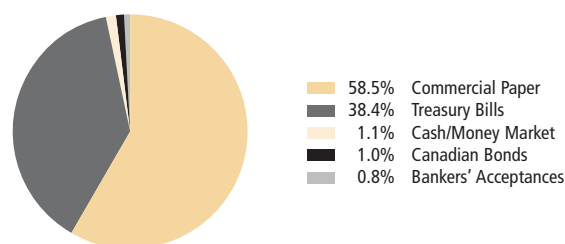
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the Fund as of December 31, 2006

	Percentage of Assets
Sound Trust, Discounted Commercial Paper, 4.33%, January 17, 2007	4.1%
Gemini Trust, Discount Commercial Paper, 4.36%, February 5, 2007	4.1%
Canada Treasury Bill, 4.12%, November 29, 2007	3.9%
Vancouver City, Discounted Promissory Note, 4.34%, January 16, 2007	3.9%
Fusion Trust RIM, Discount Com. Paper, 4.42%, January 8, 2007	3.9%
Canada Treasury Bill, 4.39%, June 14, 2007	3.7%
LOTO-QUÉBEC, Disc. Promissory Note, 4.32%, January 17, 2007	3.5%
Bay Street Trust, Discounted Commercial Paper, 4.34%, January 15, 2007	3.3%
Financement agricole Québec, Discounted Promissory Note, 4.31%, May 18, 2007	3.2%
Canada Treasury Bill, 4.17%, May 3, 2007	3.0%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Fiera
CIFSC Category	Canadian Fixed Income
Geographic Category	Canada
Benchmark Index	SC Bond Universe Index

This Fund is available for the GMWB option.

Objective of the Fund

To provide above-average interest income with some potential for capital growth by investing primarily in bonds and other interest-bearing instruments of Canadian federal and provincial governments and investment-grade corporations.

Strategy of the Fund

To place emphasis primarily on medium and long-term maturities. Such maturities normally provide higher returns and better potential for capital gains but also higher variability of performance during periods of rapidly changing interest rates.

The exact mix and the average term to maturity of bond holdings will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Company.

This Fund is suitable for the investor who wants high interest income with the potential for capital gains.

The principal risk factors of this Fund are interest rate, market and some credit risk.

MER	1.75% +
Additional fee for each selected guarantee or option	
Current 100/100 r additional guarantee fee	0.10%
Current 75/100 i additional guarantee fee	0.10%
Current GMWB additional guarantee fee	0.10%

Financial Highlights

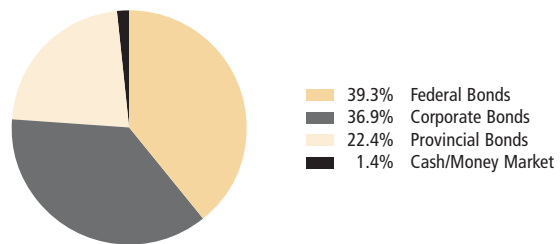
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the Fund as of December 31, 2006	Percentage of Assets
Government of Canada, 3.75%, June 1, 2008	14.1%
Government of Canada, 5.75%, June 1, 2033	7.1%
Hydro-Québec, 6.00%, February 15, 2040	7.0%
Government of Canada, 4.50%, June 1, 2015	6.9%
Ontario, 6.50%, March 8, 2029	4.8%
Government of Canada, 5.50%, June 1, 2009	4.5%
Government of Canada, 5.25%, June 1, 2013	4.4%
Ontario School Boards Financing Corp., 5.07%, April 18, 2031	3.9%
Quebec, 6.50%, October 1, 2007	3.0%
BCE Inc., 7.35%, October 30, 2009	2.7%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Addenda
Underlying Fund	DFS Addenda Canadian Bond Fund
CIFSC Category	Canadian Fixed Income
Geographic Category	Canada
Benchmark Index	SC Bond Universe Index

This Fund is available for the GMWB option.

Objective of the Fund

To provide a high yield and reasonable stability of capital. This Fund will normally provide higher returns and better potential for capital gains and also some variability of performance during periods of rapidly changing interest rates. Income is reinvested to enhance long-term returns through compounding.

Strategy of the Fund

To include mainly investment grade Canadian federal, provincial government and corporate bonds, debentures, and short-term notes. The Fund will overweight its investment in high quality corporate and provincial issues which tend to perform better over time.

The exact mix and the average term to maturity of bond holdings will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Fund.

This Fund is suitable for conservative investors.

The principal risk factors in this Fund are interest rate, credit and market risk.

MER	1.75% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.10%
Current 75/100 i additional guarantee fee	0.10%
Current GMWB additional guarantee fee	0.10%

Financial Highlights

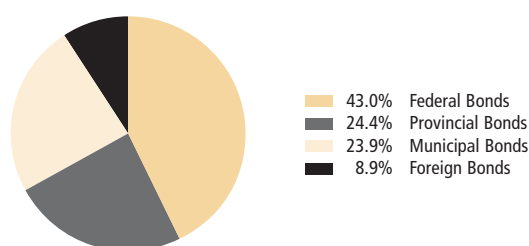
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Government of Canada, 3.00%, June 1, 2007	15.4%
Ontario, Floating Rate Note, October 1, 2008	14.2%
Government of Canada, 2.75%, December 1, 2007	10.9%
U.S. Treasury Bill, 4.625%, November 15, 2016	9.0%
Government of Canada, 4.00%, September 1, 2010	7.7%
Ontario, 5.70%, December 1, 2008	2.9%
Canada Housing Trust, 4.05%, March 15, 2011	2.8%
Quebec, 5.75%, December 1, 2036	2.5%
Ontario, 5.60%, June 2, 2035	1.8%
Quebec, 6.25%, December 1, 2010	1.4%

Series 5 was created on October 29, 2007 and no financial information is available.

** Formerly the Bissett Bond Fund. The underlying fund was changed to the DFS Addenda Canadian Bond Fund on Oct. 29, 2007.

Fund Manager	Jarislowsky Fraser
Underlying Fund	Jarislowsky Fraser Global Balanced Fund
CIFSC Category	Global Neutral Balanced
Geographic Category	Global

This Fund is available for the GMWB option.

Composition of the Indices:

Index Name	Percentage Used
SC 91 T-Bills Index	8%
SC Bond Universe Index	40%
S&P/TSX Index	20%
S&P 500 Index (CAD)	16%
MSCI EAFE Index (CAD)	16%

Objective of the Fund

To provide investors with an opportunity to achieve a high rate of return by investing in a diversified portfolio consisting of a balance of equity and fixed-income securities of issuers located throughout the world.

Strategy of the Fund

To provide such an opportunity through a diversified portfolio consisting of a balance of mainly large cap equity and mainly investment grade fixed-income securities of issuers located throughout the world.

The exact mix between the two components of the portfolio is the result of security selections. **While the weighting between fixed-income and equity investments may be shifted from time to time to obtain better returns, both components will be represented at all times.**

This Fund is suitable for the more conservative investor who wants the benefits of a balanced asset mix that provides the potential for some capital growth and some interest income.

The **principal risk factors** of this Fund are interest rate, market, foreign currency and credit risk.

MER	2.55% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.25%
Current 75/100 i additional guarantee fee	0.25%
Current GMWB additional guarantee fee	0.25%

Financial Highlights

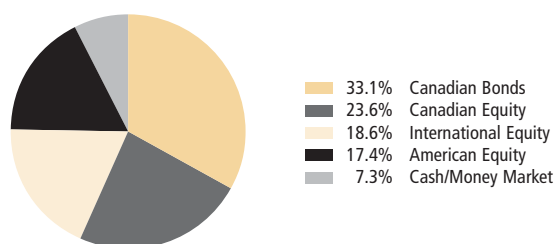
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Jarislowsky International Equity Fund (USD)	18.7%
Government of Canada, 5.75%, June 1, 2029	2.3%
Ontario, 6.50%, March 8, 2029	1.7%
Bank of Nova Scotia	1.6%
Ontario, 6.10%, November 19, 2010	1.6%
Royal Bank of Canada	1.5%
Manulife Financial	1.5%
Government of Canada, 8.00%, June 1, 2023	1.4%
Toronto-Dominion Bank	1.3%
Nexen Inc.	1.3%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Multi-managers
CIFSC Category	Global Fixed Income
Geographic Category	Global

This Fund is available for the GMWB option.

Objective of the Fund

To actively manage a diversified portfolio of income generating securities.

Strategy of the Fund

To invest primarily in global real estate investment trusts, income trusts and other securities issued by Canadian and non-Canadian governments, financial institutions and companies.

The Fund is suitable for those investors with moderate risk investment profiles.

The **principal risk factors** of this Fund are interest rate, credit, sovereign, market, special equities and derivatives risk.

MER	2.45% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.25%
Current 75/100 i additional guarantee fee	0.25%
Current GMWB additional guarantee fee	0.25%

Financial Highlights

Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Underlying funds	Percentage of Assets
Fiera Income Trust Fund (Top Ten Holdings of the underlying fund as of December 31, 2006)	50.0%
Vermillion Energy Trust	6.5%
IPC US REIT	5.9%
Primaris Retail REIT	5.6%
Ag Growth Income Fund	5.4%
Sterling Shoes	5.0%
Enerplus Resources Fund	4.6%
Livingston International	4.6%
ARC Energy Trust	4.5%
Energy Savings Income Fund	4.4%
Yellow Pages	4.2%
Desjardins Global Real Estate Fund*	35.0%
Northwest Specialty Global High Yield Bond Fund (Top Ten Holdings of the underlying fund as of December 31, 2006)	15.0%
Currency (Canada)	4.7%
GMAC, 6.75%, December 1, 2014	2.4%
Ford Motor Credit, 7.375%, February 1, 2011	2.4%
Crocket Comms 144A, 9.375%, November 1, 2014	2.0%
HCA 144A, 9.25%, November 15, 2016	1.8%
Other Assets & Liabilities (Canada)	1.7%
Rogers Wireless, 7.5%, March 15, 2015	1.7%
Allied Waste North America, 8.5%, December 1, 2008	1.5%
Intelsat 144A, 11.25%, June 15, 2016	1.4%
Mosaic 144A, 7.625%, December 1, 2016	1.4%

The Fund was created on March 12, 2007 and no financial information is available.

* This underlying fund was created on January 23, 2007 and no financial history is available.

Fund Manager	Northwest
Underlying Fund	Northwest Growth and Income Fund
CIFSC Category	Canadian Equity Balanced
Geographic Category	Canada
Benchmark	S&P/TSX

This Fund is available for the GMWB option.

Objective of the Fund

To provide a consistent stream of income and capital appreciation by investing primarily in a mix of Canadian equities and fixed-income securities.

Strategy of the Fund

To invest in a diversified portfolio consisting primarily of a balance of large cap equity and investment grade fixed-income securities issued principally by Canadian issuers.

The Fund is suitable for those investors with growth investment profiles.

The principal risk factors of this Fund are interest rate, market, some minor foreign currency and credit risk.

MER	2.65% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.25%
Current 75/100 i additional guarantee fee	0.25%
Current GMWB additional guarantee fee	0.25%

Financial Highlights

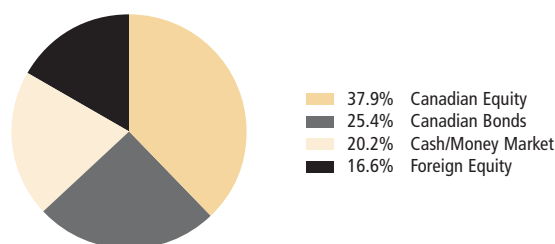
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as at December 31, 2006	Percentage of Assets
Northwest Canadian Bond Fund	29.6%
Northwest Foreign Equity Fund	19.9%
TD Bank Financial Group	2.5%
Royal Bank of Canada	2.4%
Shaw Communications Inc.	2.2%
Rogers Communication Inc.	2.0%
AGF Management Ltd.	1.9%
Telus Corporation	1.8%
Kingsway Financial Services Inc.	1.8%
Power Corporation of Canada	1.8%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	McLean Budden
Underlying Fund	McLean Budden Balanced Growth Fund
CIFSC Category	Global Neutral Balanced
Geographic Category	Canada

This Fund is available for the GMWB option.

Composition of the Indices:

Index Name	Percentage Used
SC 91 day T-Bills Index	5%
SC Bond Universe Index	40%
S&P/TSX Capped Index	38%
MSCI World Index (CAD)	17%

Objective of the Fund

To provide investors with an opportunity to achieve as high a rate of return as is consistent with a conservative investment policy.

Strategy of the Fund

To invest in a diversified portfolio consisting primarily of a balance of large cap equity and investment grade fixed-income securities issued principally by Canadian issuers.

While the portfolio advisors will shift the weighting between the two components of the portfolio from time to time to seek to obtain better returns, at all times both components will be represented.

This Fund is suitable for the more conservative investor who wants the benefits of a balanced asset mix that provides the potential for some capital growth and some interest income.

The principal risk factors of this Fund are interest rate, market, and some minor foreign currency and credit risk.

MER	2.50% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.25%
Current 75/100 i additional guarantee fee	0.25%
Current GMWB additional guarantee fee	0.30%

Financial Highlights

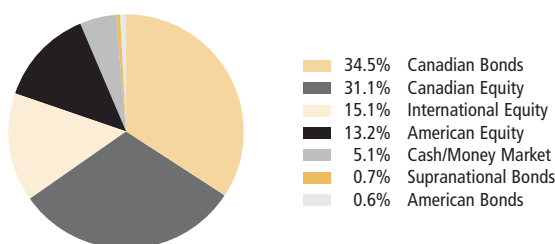
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006

Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
McLean Budden International Equity Growth Fund	10.3%
McLean Budden Global Equity Fund	10.0%
McLean Budden American Equity Fund	8.0%
Government of Canada, 4.25%, September 1, 2008	2.9%
Ontario, 5.00%, March 8, 2014	2.4%
Government of Canada, 8.00%, June 1, 2027	1.9%
Cameco Corporation	1.8%
Manulife Financial	1.7%
Toronto-Dominion Bank	1.6%
Government of Canada, 5.75%, June 1, 2029	1.6%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Fiera
CIFSC Category	Canadian Neutral Balanced
Geographic Category	Canada

This Fund is available for the GMWB option.

Composition of the Indices:

Index Name	Percentage Used
SC 91 T-Bills Index	10%
SC Bond Universe Index	30%
S&P/TSX Capped Index	40%
S&P 500 Index (CAD)	10%
MSCI EAFE Index (CAD)	10%

Objective of the Fund

To provide investors with a balance of capital growth and interest income by investing primarily in Canadian fixed income and equity securities.

Strategy of the Fund

To provide such a balance by investing a portion of its assets in the common shares of medium and large cap Canadian corporations and the remainder in Canadian government and Canadian investment-grade corporate bonds and other interest-bearing instruments.

While the portfolio advisors will shift the weighting between the two components of the portfolio from time to time to seek to obtain better returns, at all times both components will be represented.

This Fund is suitable for the more conservative investor who wants the benefits of a balanced asset mix that provides the potential for some capital growth and some interest income.

The principal risk factors of this Fund are interest rate, market, derivative and some minor foreign currency and credit risk.

MER	2.30% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.25%
Current 75/100 i additional guarantee fee	0.25%
Current GMWB additional guarantee fee	0.30%

Financial Highlights

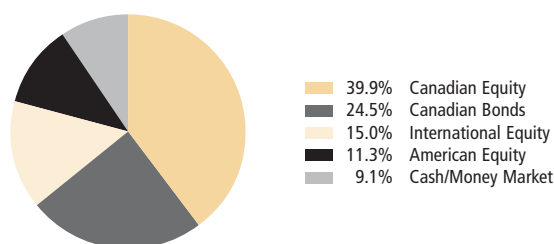
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the Fund as of December 31, 2006	Percentage of Assets
Government of Canada, 3.75%, June 1, 2008	3.6%
Government of Canada, 4.50%, June 1, 2015	3.3%
Manulife Financial	2.0%
Royal Bank of Canada	2.0%
Hydro-Québec, 6.00%, February 15, 2040	1.6%
Toronto-Dominion Bank	1.5%
Bank of Nova Scotia	1.4%
Suncor Energy Inc.	1.3%
Nexen Inc.	1.3%
Petro-Canada	1.3%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Bissett
Underlying Fund	Bissett Canadian Balanced Fund
CIFSC Category	Canadian Neutral Balanced
Geographic Category	Canada

This Fund is available for the GMWB option.

Composition of the Indices:

Index Name	Percentage Used
SC Bond Universe Index	40.0%
S&P/TSX Index	35.0%
S&P 500 Index (CAD)	12.5%
MSCI EAFE Index (CAD)	12.5%

Objective of the Fund

To provide investors with a balance of current income and long-term capital appreciation primarily through the investment in Canadian fixed-income and equity securities.

Strategy of the Fund

To provide such an opportunity by investing in a diversified portfolio of Bissett mutual funds. The underlying funds may invest in foreign securities.

While the portfolio advisors will shift the weighting between the two components of the portfolio from time to time to seek to obtain better returns, at all times both components will be represented.

This Fund is suitable for the more conservative investor who wants the benefits of a balanced asset mix that provides the potential for some capital growth and some interest income.

The **principal risk factors** of this Fund are interest rate, market and some minor foreign currency and credit risk.

MER	2.50% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.30%
Current 75/100 i additional guarantee fee	0.25%
Current GMWB additional guarantee fee	0.30%

Financial Highlights

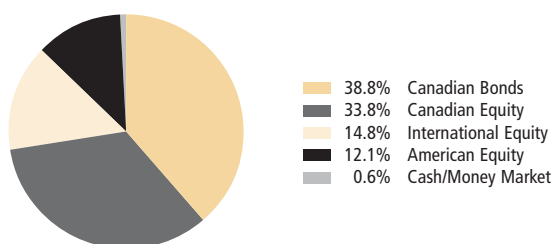
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Bissett Bond Fund	38.9%
Bissett Canadian Equity Fund	25.4%
Franklin Templeton U.S. Rising Dividends Fund	12.1%
Bissett International Equity Fund	10.7%
Bissett Small Cap Fund	6.1%
Bissett Multinational Growth Fund	4.1%
Bissett Microcap Fund	2.4%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Bissett
Underlying Fund	Bissett Dividend Income Fund
CIFSC Category	Canadian Equity Balanced
Geographic Category	Canada

This Fund is available for the GMWB option.

Composition of the Indices:

Index Name	Percentage Used
SC Bond Universe Index	10%
BMO NB Preferred Shares Index	25%
S&P/TSX Capped Index	50%
S&P 500 Index (CAD)	15%

Objective of the Fund

To provide the investor with a consistent return through investment in dividend paying common shares and preferred shares.

Strategy of the Fund

To invest in a diversified portfolio of large cap Canadian issuer preferred shares and common shares as well as common shares of large cap United States issuers with long histories of dividend growth. From time to time the Fund also invests in investment grade interest-bearing securities to a maximum of 25% of the total assets of the Fund.

The exact mix between preferred and common shares and the weighting in specific economic sectors will vary from period to period based on a continuous review of the portfolio by the portfolio advisors of the Fund.

The Fund is suitable for the investor who wants the benefits of an asset mix that produces a good income stream eligible for the dividend tax credit together with the potential for capital growth.

The principal risk factors of this Fund are interest rate, foreign currency, credit and market risk.

MER	2.65% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.35%
Current 75/100 i additional guarantee fee	0.30%
Current GMWB additional guarantee fee	0.45%

Financial Highlights

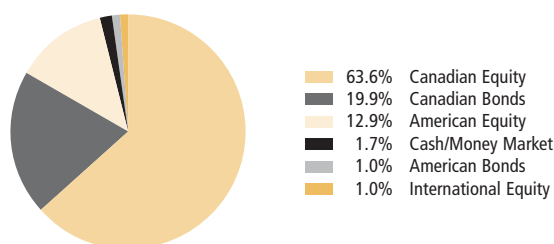
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Royal Bank of Canada	3.8%
Toronto-Dominion Bank	3.3%
IGM Financial Inc.	3.2%
National Bank of Canada	3.2%
Bank of Montreal	3.1%
Bank of Nova Scotia	3.0%
BCE Inc.	2.9%
Thomson Corporation	2.8%
Power Financial Corporation	2.4%
Canadian Imperial Bank of Commerce	2.3%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Fiera
CIFSC Category	Canadian Dividend & Income Equity
Geographic Category	Canada

This Fund is available for the GMWB option.

Composition of the Indices:

Index Name	Percentage Used
SC Bond Universe Index	5%
BMO NB Preferred Shares Index	35%
S&P/TSX Capped Index	60%

Objective of the Fund

To provide the investor with a balance of capital growth and dividend income through investments primarily in large, financially stable corporations.

Strategy of the Fund

To emphasize investments in high-yield preferred shares and a core, limited-turnover portfolio of common shares. The investment approach benefits investors due to the preferential tax treatment on dividends received and the deferral of realized gains generated on common shares.

The exact mix between preferred and common shares, and the weighting in specific economic sectors will vary from period to period based on a continuous review of the portfolio by the portfolio advisors of the Company.

This Fund is suitable for the investor who wants the benefits of an asset mix that produces a good income stream eligible for the dividend tax credit together with the potential for capital growth.

The principal risk factors of this Fund are interest rate, credit and market risk.

MER	2.20% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.35%
Current 75/100 i additional guarantee fee	0.30%
Current GMWB additional guarantee fee	0.50%

Financial Highlights

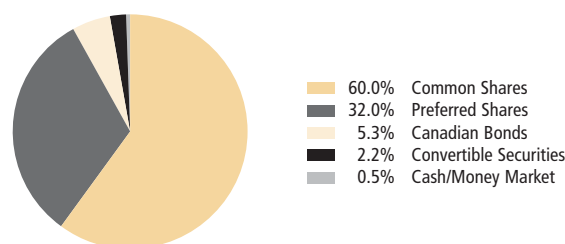
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the Fund as of December 31, 2006

	Percentage of Assets
Manulife Financial	3.5%
Royal Bank of Canada	3.5%
Toronto-Dominion Bank	3.2%
Bank of Nova Scotia	3.0%
EnCana Corporation	2.8%
Husky Energy	1.8%
Royal Bank of Canada, Series AD	1.8%
Canadian Imperial Bank of Commerce	1.7%
Government of Canada, 3.75%, June 1, 2008	1.7%
Canadian National Railway Company	1.7%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Jarislowsky Fraser
Underlying Fund	Jarislowsky Fraser Canadian Equity Fund
CIFSC Category	Canadian Equity
Geographic Category	Canada
Benchmark	S&P/TSX

This Fund is available for the GMWB option.

Objective of the Fund

To achieve long-term capital appreciation while continuing to emphasize the preservation of capital by investing primarily in large cap Canadian equity securities.

Strategy of the Fund

To invest primarily in Canadian equity securities in areas of the Canadian economy where superior rates of growth are expected.

The exact mix between corporations of different sizes and the weightings of specific economic sectors will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Fund.

The Fund is suitable for the equity investor who wants to share in the opportunities offered by the general Canadian economy.

The principal risk factor of this Fund is market risk.

MER	2.60% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.40%
Current 75/100 i additional guarantee fee	0.30%
Current GMWB additional guarantee fee	0.65%

Financial Highlights

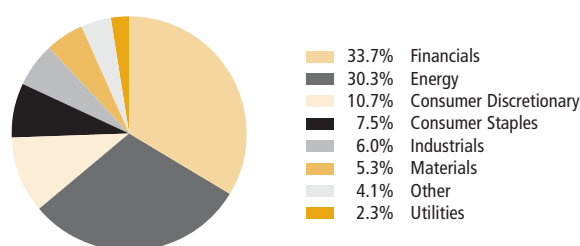
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Bank of Nova Scotia	6.8%
Royal Bank of Canada	6.2%
Manulife Financial	6.0%
Toronto-Dominion Bank	5.5%
Nexen Inc.	5.3%
Jarislowsky Special Equity Fund	5.2%
Shell Canada	4.1%
Talisman Energy Inc.	4.0%
TransCanada Corporation	3.3%
Great-West Lifeco	3.3%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Fidelity
Underlying Fund	Fidelity Global Fund
CIFSC Category	Global Equity
Geographic Category	Global
Benchmark Index	MSCI World Index (CAD)

This Fund is available for the GMWB option.

Objective of the Fund

To achieve long-term capital growth by investing primarily in equity securities of companies anywhere in the world while remaining diversified with respect to major geographic regions, capitalizations, sectors, styles, and individual holdings.

Strategy of the Fund

To invest primarily in the common shares and other equity investments of companies with attractive relative valuations located in many countries.

The exact mix among the different geographic areas will vary from period to period, based on a continuous review by the portfolio advisors of the Fund.

This Fund is suitable for the investor who wants broad exposure to global equities.

The principal risk factors of this Fund are foreign currency, derivatives, sovereign and market risk.

MER	2.95% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.45%
Current 75/100 i additional guarantee fee	0.35%
Current GMWB additional guarantee fee	0.85%

Financial Highlights

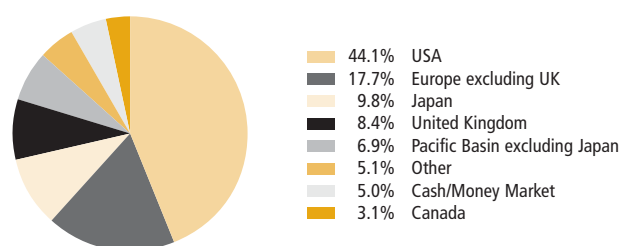
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Hewlett-Packard Company	1.8%
Bank of America Corporation	1.5%
Exxon Mobil Corporation	1.5%
Merrill Lynch & Company	1.5%
Total SA	1.5%
UnitedHealth Group	1.4%
MCKesson Corporation	1.4%
Nestlé SA	1.4%
Nippon Steel Corporation	1.4%
Frontier Oil Corporation	1.4%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	AllianceBernstein
Underlying Fund	DFS Bernstein Global Equity Value Fund
CIFSC Category	Global Equity
Geographic Category	Global

This Fund is available for the GMWB option.

Objective of the Fund

To achieve long-term capital growth by investing primarily in equity securities.

Strategy of the Fund

To control the level of volatility of return relative to the overall stock markets by maintaining strong geographic diversification and by investing in attractively-valued securities. The Fund will primarily invest in common stocks of American, European, and Asian corporations.

The exact mix among the different geographic areas will vary from period to period, based on a continuous review by the portfolio advisors of the Fund.

The investment strategy of the Fund will emphasize finding undervalued, large cap common stocks within each economic sector.

This Fund is suitable for the investor who is seeking to achieve capital appreciation but with a lower volatility of return compared to investing in one specific stock market.

The principal risk factors of this Fund are foreign currency, derivatives, sovereign and market risk.

MER	2.60% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.45%
Current 75/100 i additional guarantee fee	0.35%
Current GMWB additional guarantee fee	0.85%

Financial Highlights

Net Asset Value Per Unit as at December 31st (\$)

This Fund was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

This Fund was created on October 29, 2007 and no financial information is available.

Top Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Cash and Cash equivalents	3.1%
General Electric Company	1.8%
Muenchener Rueckversicherungs-Gesellschaft	1.6%
JP Morgan Chase & Co.	1.5%
Citigroup	1.4%
Toyota Motor Corporation	1.4%
ING Group	1.3%
JFE Holdings	1.2%
Total, Series B	1.2%
Chevron Corporation	1.2%

* This Fund was created on October 29, 2007 and no financial history is available.

Fund Manager	Fiera
CIFSC Category	Canadian Equity
Geographic Category	Canada
Benchmark Index	S&P/TSX Capped Index

Objective of the Fund

To provide investors with long-term capital growth by investing primarily in Canadian equity securities.

Strategy of the Fund

To invest primarily in the common shares of medium and large cap Canadian securities of growth-oriented companies.

The exact mix between medium and large corporations and the weightings of specific economic sectors will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Company.

This Fund is suitable for the equity investor who wants to share in the opportunities offered by the general Canadian economy.

The principal risk factors of this Fund are market and derivatives risk, with some minor foreign currency risk.

MER	2.30% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.45%
Current 75/100 i additional guarantee fee	0.35%

Financial Highlights

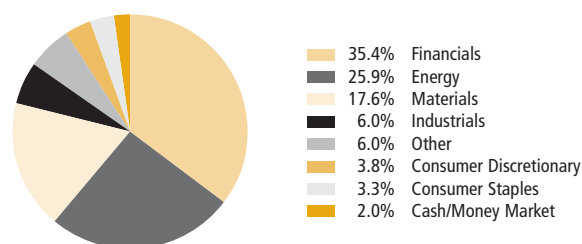
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the Fund as of December 31, 2006

Top Ten Holdings of the Fund as of December 31, 2006	Percentage of Assets
Manulife Financial	4.9%
Royal Bank of Canada	4.8%
Toronto-Dominion Bank	3.7%
Bank of Nova Scotia	3.3%
Suncor Energy Inc.	3.2%
Nexen Inc.	3.2%
Petro-Canada	3.1%
Barrick Gold Corporation	2.8%
Canadian National Railway Company	2.7%
EnCana Corporation	2.5%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	UBS Global Asset Management
Underlying Fund	DFS UBS U.S. Large Cap Equity Fund
CIFSC Category	US Equity
Geographic Category	U.S.A.
Benchmark Index	Russell 1000

Objective of the Fund

To provide investors with long-term capital growth by investing primarily in U.S. equities.

Strategy of the Fund

To invest primarily in the common shares of high quality, publicly traded mid to large United States companies across a wide range of market sectors.

The exact mix between medium and large corporations and the weightings of specific economic sectors will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Company.

This Fund is suitable for the investor who wants to share in the opportunities offered by the general American economy and currency.

The principal risk factors of this Fund are foreign currency, derivatives and market risk.

MER	2.75% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.45%
Current 75/100 i additional guarantee fee	0.35%

Financial Highlights

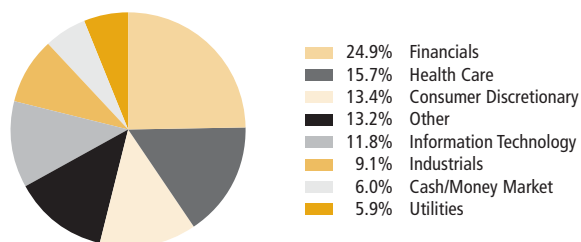
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Citigroup	4.5%
Morgan Stanley	4.0%
Microsoft Corporation	3.5%
Wells Fargo & Company	3.0%
Exelon Corporation	2.6%
Allergan, Inc.	2.3%
American International Group	2.3%
Wyeth	2.2%
Johnson Controls	2.0%
Sprint Nextel Corporation	2.0%

Series 5 was created on October 29, 2007 and no financial information is available.

* Formerly the American Equity Fund. The fund was changed to the DFS UBS U.S. Large Cap Equity Fund on October 29, 2007.

Fund Manager	Bissett
Underlying Fund	Bissett Canadian Equity Fund
CIFSC Category	Canadian Equity
Geographic Category	Canada
Benchmark Index	S&P/TSX Index

Objective of the Fund

The fundamental investment objective of this Fund is to achieve long-term capital appreciation while continuing to emphasize the preservation of capital by investing primarily in Canadian equity securities.

Strategy of the Fund

To invest primarily in mid to large cap Canadian equity securities of growth-oriented companies. The Fund may also have a foreign equity component.

The exact mix between corporations of different sizes and the weightings of specific economic sectors will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Fund.

This Fund is suitable for the equity investor who wants to share in the opportunities offered by the general Canadian economy.

The principal risk factors of this Fund are market and minor foreign currency risk.

MER	2.70% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.45%
Current 75/100 i additional guarantee fee	0.35%

Financial Highlights

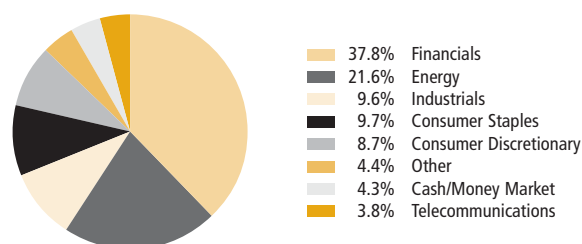
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Royal Bank of Canada	4.5%
Power Financial Corporation	4.2%
Bank of Nova Scotia	4.1%
Canadian National Railway Company	4.0%
Manulife Financial	4.0%
Petro-Canada	3.3%
Nexen Inc.	3.1%
Alliance Atlantis Communications Inc.	3.0%
Bank of Montreal	2.9%
Canadian Natural Resources Ltd.	2.9%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	AllianceBernstein
CIFSC Category	International Equity
Geographic Category	International
Benchmark Index	MSCI EAFE Index (CAD)

Objective of the Fund

The fundamental investment objective of this Fund is to provide investors with long-term capital growth based on an internationally diversified equity portfolio by investing primarily in Europe and the Far East.

Strategy of the Fund

To invest its assets primarily in the common shares of large corporations with attractive relative valuations located in many countries.

The exact mix among the different geographic areas, will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Company.

This Fund is suitable for the investor who wants a geographically diversified international equity fund.

The principal risk factors of this Fund are foreign currency, derivatives, sovereign and market risk.

MER	2.45% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.45%
Current 75/100 i additional guarantee fee	0.35%

Financial Highlights

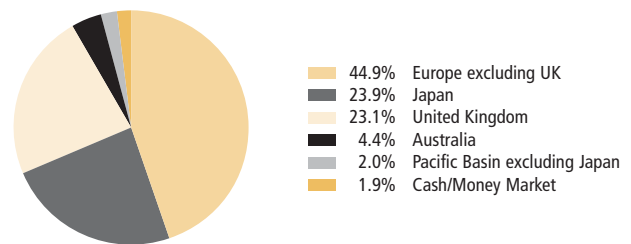
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the Fund as of December 31, 2006

	Percentage of Assets
Total SA	2.2%
Vodafone Group plc	2.2%
ING Groep NV	2.1%
Toyota Motor Corporation	2.0%
Royal Bank of Scotland Group	1.9%
Credit Suisse Group	1.8%
Barclays plc	1.8%
sanofi-aventis SA	1.7%
E.ON AG	1.6%
Ente Nazionale Idrocarburi SPA	1.6%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	AllianceBernstein
CIFSC Category	European Equity
Geographic Category	Europe
Benchmark Index	MSCI Europe Index (CAD)

Objective of the Fund

To provide investors with long-term capital growth by investing primarily in European equities.

Strategy of the Fund

To invest its assets in shares of medium and large corporations located in European countries.

The exact mix between medium and large corporations, European countries, and the weightings of specific economic sectors may vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Company.

The Fund is suitable for the investor who wants to share in the opportunities offered by European economies and their currencies.

The principal risk factors of this Fund are market, foreign currency, derivatives and sovereign risk.

MER	2.45% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.45%
Current 75/100 i additional guarantee fee	0.35%

Financial Highlights

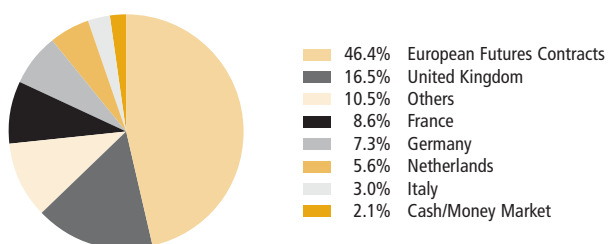
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the Fund as of December 31, 2006

Top Ten Holdings of the Fund as of December 31, 2006	Percentage of Assets
Futures contracts – Euro STOXX 50	26.1%
Futures contracts – FTSE 100	15.3%
Futures contracts – SWISS MARKET	5.0%
Royal Bank of Scotland Group	1.5%
Total SA	1.5%
Vodafone Group plc	1.4%
BP plc	1.4%
ING Groep NV	1.2%
Credit Suisse Group	1.2%
BNP Paribas	1.2%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Northwest
Underlying Fund	Northwest Specialty Growth Fund
CIFSC Category	Canadian Small/Mid Cap Equity
Geographic Category	Canada
Benchmark Index	S&P/TSX Index

Objective of the Fund

To provide investors with long-term capital appreciation by investing primarily in common shares and other equity securities issued by Quebec companies.

Strategy of the Fund

To invest primarily in common shares and other equity securities issued by Quebec companies (i.e., companies whose head office or a substantial part of their business, work force or assets are located in Quebec) that are leaders in their sector or have secured a specialized niche market. In certain circumstances, for example, the acquisition of a Quebec business by a foreign company, the Fund may hold a small proportion of foreign securities.

The exact mix between small, medium and large corporations and the weighting in specific economic sectors will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Fund.

The Fund is suitable for those investors willing to accept a high level of volatility in their investment in exchange for the potential of superior capital gains over the long term and also for those who take an interest in the success of the Quebec economy and who wish to participate in its growth potential.

The principal risk factors of this Fund are special equities and market risk.

MER	2.75% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.45%
Current 75/100 i additional guarantee fee	0.35%

Financial Highlights

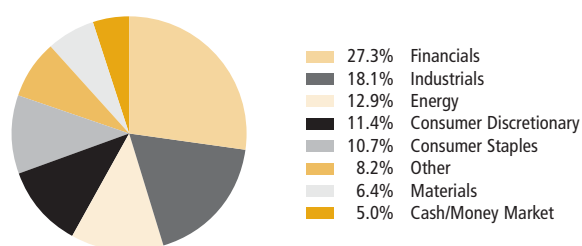
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Transat A.T., Inc.	6.5%
Industrial Alliance Insurance and Financial Services	5.9%
Bank of Nova Scotia	4.8%
Power Corporation of Canada	4.7%
Gildan Activewear	4.3%
Talisman Energy Inc.	4.2%
Metro Inc.	3.9%
Groupe Laperrière & Verreault, Class A	3.8%
Alimentation Couche-Tard	3.4%
Logibec Groupe Informatique	3.0%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	McLean Budden
Underlying Fund	McLean Budden Canadian Equity Growth Fund
CIFSC Category	Canadian Focused Equity
Geographic Category	Canada
Benchmark Index	S&P/TSX Capped Index

Objective of the Fund

To provide investors with a high rate of return through investment primarily in Canadian equity growth securities.

Strategy of the Fund

To invest primarily in the common shares of medium-sized and large cap Canadian corporations that have experienced sustained growth and have excellent future growth prospects.

The exact mix between medium and large corporations and the weightings of specific economic sectors will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Fund.

This Fund is suitable for the equity investor who wants to share in the opportunities offered by the general Canadian economy.

The principal risk factors of this Fund are market and minor foreign currency risk.

MER	2.65% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.50%
Current 75/100 i additional guarantee fee	0.40%

Financial Highlights

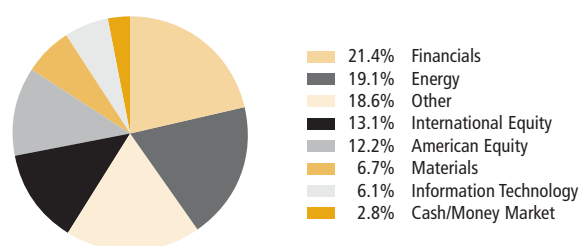
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
McLean Budden Global Equity Fund	9.9%
McLean Budden International Equity Growth Fund	8.4%
McLean Budden American Equity Fund	7.0%
Cameco Corporation	4.3%
Manulife Financial	3.9%
Research in Motion Ltd.	3.7%
Toronto-Dominion Bank	3.6%
Bank of Nova Scotia	3.5%
Talisman Energy Inc.	3.4%
Canadian National Railway Company	3.0%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	McLean Budden
Underlying Fund	McLean Budden American Equity Fund
CIFSC Category	US Equity
Geographic Category	U.S.A.
Benchmark Index	S&P 500 Index (CAD)

Objective of the Fund

To outperform the S&P 500.

Strategy of the Fund

To invest mainly in large cap equity securities of corporations located in the United States.

The exact mix between corporations of different sizes and the weightings of specific economic sectors will vary from period to period based on a continuous review and reassessment by the portfolio advisors of the Fund.

This Fund is suitable for the investor who wants to share in the opportunities offered by the growth of the American economy and currency.

The principal risk factors of this Fund are special equity, foreign currency and market risk.

MER	2.65% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.50%
Current 75/100 i additional guarantee fee	0.40%

Financial Highlights

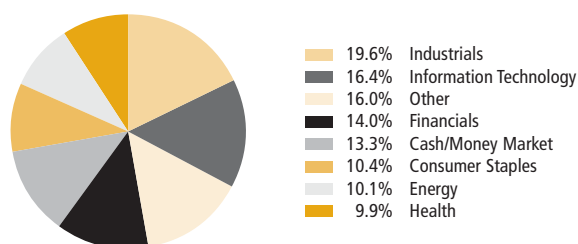
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Citigroup	5.4%
Microsoft Corporation	4.2%
Burlington Northern Santa Fe Corporation	3.6%
Pfizer Inc.	3.5%
American International Group	3.5%
Schlumberger Ltd.	3.3%
Cisco Systems, Inc.	3.1%
Federal National Mortgage Association	3.0%
Transocean Inc.	2.5%
Exelon Corporation	2.5%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Fiera
CIFSC Category	Canadian Small/Mid Cap Equity
Geographic Category	North America

Composition of the Indices:

Index Name	Percentage Used
BMO NB Small Cap Index	50%
Russell 2000 (CAD)	50%

Objective of the Fund

To provide investors with long-term capital growth. The Fund invests mainly in small cap shares of Canadian and American companies.

Strategy of the Fund

To seek to achieve significant growth through investments in small dynamic and fast-growing companies found throughout North America. The Fund invests much of its non Canadian component in futures contracts and other derivative assets based on foreign small-cap market indices. These derivative contracts will be purchased as unleveraged securities, fully collateralized by Canadian assets. Consequently, the risk exposure of these investments will always be equivalent to the notional amount specified in each derivative contract.

The exact mix between the corporations of the various countries and the weighting in specific economic sectors will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Company.

The Fund is suitable for those investors willing to accept a high level of volatility in their investment in exchange for the potential of superior capital gains.

The principal risk factors of this Fund are foreign currency, market, special equities, sovereign and derivatives risk.

MER	2.35% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.50%
Current 75/100 i additional guarantee fee	0.40%

Financial Highlights

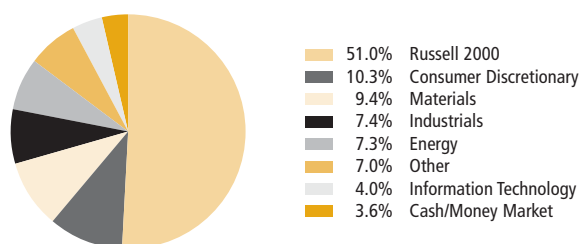
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the Fund as of December 31, 2006	Percentage of Assets
Futures contracts – Russell 2000	51.0%
MEGA Brands Inc.	1.9%
Reitmans (Canada) Ltd.	1.8%
Ceramic Protection Corporation	1.5%
Richelieu Hardware	1.4%
Cogeco Cable Inc.	1.2%
Astral Media Inc.	1.1%
Sierra Wireless Inc.	1.1%
Gildan Activewear	1.1%
Dorel Industries	1.1%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Bissett
Underlying Fund	Bissett Small Cap Fund
CIFSC Category	Canadian Small/Mid Cap Equity
Geographic Category	Canada
Benchmark Index	BMO NB Small Cap Index

Objective of the Fund

To provide investors with long-term capital appreciation. The Fund invests mainly in shares of Canadian companies with small to medium market capitalizations which are expected to provide above-average returns.

Strategy of the Fund

To be fully diversified at all times to compensate for the volatility inherent in investing in small capitalization equities.

The exact mix between the corporations of the various countries and the weighting in specific economic sectors will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the Fund.

The Fund is suitable for those investors willing to accept a high level of volatility in their investment in exchange for the potential of superior capital gains.

The principal risk factors of this Fund are market, special equities and foreign currency risk.

MER	2.85% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.50%
Current 75/100 i additional guarantee fee	0.40%

Financial Highlights

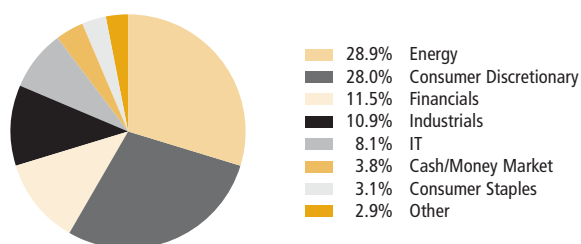
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
Alliance Atlantis Communications Inc.	9.3%
Flint Energy Services	7.1%
Aastra Technologies	5.7%
Richelieu Hardware	4.0%
Reitmans (Canada) Ltd.	4.0%
Equitable Group Inc.	3.9%
NuVista Energy Ltd.	3.5%
Gildan Activewear	3.5%
Mullen Group Income Fund	3.5%
Leon's Furniture Ltd.	3.3%

Series 5 was created on October 29, 2007 and no financial information is available.

Fund Manager	Northwest
Underlying Fund	Northwest Specialty Equity Fund
CIFSC Category	Canadian Small/Mid Cap Equity
Geographic Category	Canada
Benchmark Index	BMO NB Small Cap Index

Objective of the Fund

To achieve capital appreciation over the longer term by investing primarily in the equity of smaller, fast growing Canadian companies with small market capitalizations under a billion dollars.

Strategy of the Fund

To invest primarily in common shares and other equity securities issued by companies that are financially strong and have distinct competitive advantages at relative valuations.

The exact mix between small, medium and large corporations and the weighting in specific economic sectors will vary from period to period based on a continuous review and reassessment of the portfolio by the portfolio advisors of the fund.

The Fund is suitable for those investors willing to accept a high level of volatility in their investment in exchange for the potential of superior capital gains over the long term.

The principal risk factors of this Fund are special equities and market risk.

MER	2.90% +
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Additional fee for each selected guarantee or option

Current 100/100 r additional guarantee fee	0.50%
Current 75/100 i additional guarantee fee	0.40%

Financial Highlights

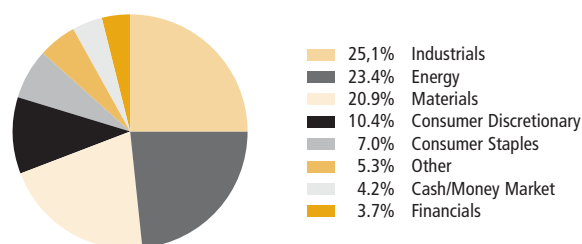
Net Asset Value Per Unit as at December 31st (\$)

Series 5 was created on October 29, 2007 and no financial information is available.

Ratios and Supplemental Data

Series 5 was created on October 29, 2007 and no financial information is available.

Asset Allocation as at December 31, 2006



Top Ten Holdings of the underlying fund as of December 31, 2006	Percentage of Assets
LionOre Mining International	7.5%
CAE Inc.	7.4%
Transat A.T., Inc.	6.2%
Anvil Mining	4.8%
Petrobank Energy and Resources	3.9%
Paramount Resources	3.9%
Linamar Corporation	3.3%
Niko Resources	2.6%
Uni-Select	2.6%
Cyries Energy	2.4%

Series 5 was created on October 29, 2007 and no financial information is available.

Other Information

Management of the Funds

The responsibility for day-to-day operations is delegated to the Company's officers.

The Company, acting by its Board of Directors through its officers, is responsible for the day-to-day operations and management of the Funds. In particular, the Company is responsible for providing or arranging to provide certain accounting, administrative, portfolio management and other services and facilities to the Funds. In return for providing or arranging to provide these services and facilities to the Funds, the Company is paid the management charges and expenses of operation which are described under the section titled "Charges and Fees".

Addenda, AllianceBernstein, Bissett, Desjardins Funds, Fidelity, Fiera, Franklin Templeton, Jarislowsky Fraser, McLean Budden, Northwest and UBS, have all been retained on a non-exclusive basis to provide mutual and pooled funds to satisfy the investment policies of some of the funds.

The address of Addenda is 800 René Lévesque Blvd. West, Suite 2750, Montreal, Quebec, H3B 1X9. The address of AllianceBernstein's head office is 1345 Avenue of the Americas, New York, New York, 10105. The address of Bissett Investment Management is 350, 7th Avenue S.W., Suite 3100, Calgary, Alberta, T2P 3N9. The address of Fidelity's head office is 483 Bay Street, Suite 200, Toronto, Ontario, M5G 2N7. The address of Fiera's head office is 1501 McGill College Avenue, Suite 900, Montreal, Quebec, H3A 3M8. The address of Franklin Templeton's head office is 1 Adelaide Street East, Suite 2101, Toronto, Ontario, M5C 3B8. The address of Jarislowsky Fraser's head office is 1010 Sherbrooke St. West, Suite 2005, Montreal, Quebec H3A 2R7. The address of McLean Budden's head office is 145 King Street West, Suite 2525, Toronto, Ontario, M5H 1J8. The address of Northwest's head office is 1, Complexe Desjardins, P.O. Box 34, Desjardins Station, Montreal, Quebec, H5B 1E4. The address of UBS is 600 de Maisonneuve Blvd. West, Suite 2700, Montreal, Quebec, H3A 3J2. Desjardins Financial Security has an ethical code in place which requires that all contracts entered into with related parties be approved by the Board of Directors of the Company and which can only be approved once each agreement has been thoroughly reviewed by the Company's Ethics Committee.

At any time our association with Addenda, AllianceBernstein, Bissett, Fidelity, Fiera, Franklin Templeton, Jarislowsky Fraser, McLean Budden, Northwest and UBS can be terminated with appropriate notice, which will not exceed 30 days. The Company may also from time to time retain the services of other portfolio advisors as it deems appropriate.

Compensation Paid

The Company pays a varying amount of compensation to the distributor with whom your financial advisor has an agreement. The compensation amount is based on the amount of your Deposit(s) to the Contract and the Fee Option you select as well as the overall value of your Contract throughout the calendar year. It is important that you discuss the compensation your financial advisor will receive before you decide on a Fee Option.

Material Contracts

There has been no material contract entered into within two years prior to the date hereof by the Company or any subsidiary pertaining to the Desjardins Financial Security Guaranteed Investment Funds Plan or any Fund. For the purpose of the foregoing, "material contract" means any contract not in the ordinary course of business that can be reasonably regarded as presently material to you with respect to any Fund.

Interest of Management and Others in Material Transactions

There have been no transactions within the three years prior to the date of filing of this Document nor is there any proposed transaction which in either case has materially affected or will materially affect the Company or any of its subsidiaries with respect to the Funds.

Creditor Protection

Your Desjardins Financial Security Guaranteed Investment Funds Plan is an annuity contract. It is our opinion that if your Contract is held in your name, your Contract may be protected against the claims of your creditors depending on the Beneficiary named.

If your Contract is held in nominee name (if you purchase this Contract through a mutual fund or securities dealer) or in a self-directed plan, it is not clear that the creditor protection will be maintained.

There are limitations with respect to this protection and circumstances where the protection will not exist. You should obtain independent legal advice regarding your particular circumstances.

Financial Statements

The Company will provide financial statements to you upon Notification. You may choose to receive the financial statements by mail or electronic transmission by notifying us of your preference.

Other Material Facts

There are no other material facts relating to the Desjardins Financial Security Guaranteed Investment Funds Plan which are not disclosed pursuant to the foregoing items.

Notes



Choosing Helios...

is choosing to benefit from the growth potential of mutual funds and Guarantees that protect deposits against market downturns.

Choosing Helios is choosing to have the possibility of drawing a guaranteed and predictable retirement income.

Choosing the Helios Contract is taking advantage of an investment tool that is adaptable to all life events.

Choosing DFS Guaranteed Investment Funds...

is choosing from a wide range of diversified Investment Solutions to meet the needs of all types of investors, provided by experienced investment managers, leaders in their field.

DFS stands for Desjardins Financial Security.

Choosing Desjardins Financial Security...

is choosing the strength and stability of a company specialized in providing individual insurance and retirement savings products to over five million Canadians, every day, to ensure their financial security.

Choosing Desjardins Financial Security is choosing a company that administers close to \$20 billion in assets, employs over 3,700 people, and assists its clients from offices in Vancouver, Calgary, Winnipeg, Toronto, Ottawa, Montreal, Quebec City, Levis, Halifax and St. John's.

Choosing Desjardins Financial Security is also choosing Desjardins Group, the largest integrated cooperative financial group in Canada, whose financial stability is recognized by the following credit ratings which are comparable, if not superior to those of the five largest Canadian banks and insurance companies:

- Standard and Poor's AA-
- Moody's Aa1
- Dominion Bond Rating Service AA



Money working for people

The Contract and Information Folder contains important information on the Desjardins Financial Security Guaranteed Investment Funds Plan – Helios and the Desjardins Financial Security Guaranteed Investment Funds. Please read it carefully before investing. Helios is a trademark owned by Desjardins Financial Security Life Assurance Company. The Desjardins Financial Security Guaranteed Investment Funds are established by Desjardins Financial Security Life Assurance Company.

This document is also available on our Web site:

desjardinsfinancialsecurity.com/helios

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