

ASTRA GUARANTEED INCOME 2.1

ADVISOR'S GUIDE

Effective as of May 22, 2012

SSQ *Investment
and Retirement*

We thrive on mutual trust



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Retirement is a growing concern for investors as they see their wage-earning years coming to an end and wonder if their savings will be enough to get them through retirement.

Many investors are also concerned about how market fluctuations will affect their savings during the years leading up to their retirement. They think about taking their money out of the equity markets, but don't know what kind of investment vehicle would be profitable AND secure.

This vast market, which will continue to grow in the coming years, is above all looking for peace of mind.

You can give these clients the reassurance they need by offering them a turnkey solution that will help them secure the retirement of their dreams!

***OFFER YOUR CLIENTS
PEACE OF MIND AND A
SECURE RETIREMENT***



BENEFITS OF ASTRA GUARANTEED INCOME

The ASTRA Guaranteed Income product is a segregated fund investment that provides annual income. As such, it offers the same benefits as an investment in funds, including flexibility, return potential, etc. Because it offers a minimum guaranteed income for life, the ASTRA Guaranteed Income product also combines the benefits traditionally associated with annuities such as secure income and protection of capital.

The ASTRA Guaranteed Income product can offer all the security of annuity products

- Predictable income regardless of market conditions
- Guaranteed lifetime income from age 55
- 100% protection of capital or more in the event of death*
- Possible exemption from seizure and easier estate planning

While offering the flexibility and growth potential of variable investments

- Ability to select and modify investments
- Flexibility as to the time and the amount of the lifetime withdrawal: income may be increased when payments are deferred
- Capital and income may increase over time through bonuses and resets
- Ability to make withdrawals at any time
- Choice of registered and non-registered plans

*reduced in proportion to withdrawals

ASTRA GUARANTEED INCOME: AN OVERVIEW

Investments in the ASTRA Guaranteed Income product are made in the segregated funds selected by the client from the available options. The value of these investments varies according to the financial markets, and full or partial withdrawals can be made at any time. The client retains control of these amounts. Like all segregated funds, the funds available under ASTRA Guaranteed Income offer a guarantee upon maturity and a guarantee upon death.

Unlike our regular product, however, we use the amounts invested to calculate the maximum amounts the client can withdraw annually without affecting the guarantees. When clients are within these maximum amounts, SSQ guarantees a lifetime income available as of age 55 which may vary between 3% and 5% of the guaranteed withdrawal balance, depending on the annuitant's age when the lifetime income payments began.

Clients are not required to make withdrawals if they don't wish to do so. There is even an annual bonus for not making any withdrawals during a given year. In addition, resets can be used to crystallize capital gains in order to increase the guaranteed amounts.

Worry-free security and flexibility...
without compromising on growth!

MAIN CHARACTERISTICS OF ASTRA GUARANTEED INCOME

Initial minimum investment	\$10,000 per contract in funds eligible for the guaranteed minimum withdrawal benefit (i.e. all funds available under ASTRA Guaranteed Income, except for ASTRA Money Market Fund and ASTRA Treasury Fund).
Guarantee upon maturity	75% of contributions (reduced in proportion to withdrawals) on the annuitant's 100th birthday.
Guarantee upon death of the annuitant	At least 100% of contributions (reduced in proportion to withdrawals) The guaranteed amount may increase as a result of the automatic resets occurring every three years, up to age 80.
Guaranteed minimum withdrawal benefit (GMWB)	A guaranteed lifetime withdrawal amount benefit starting at age 55 or later, depending on the investor's choice. The lifetime withdrawal amount (LWA) varies from 3% to 5% of the guaranteed withdrawal balance (GWB) based on the annuitant's age at the start of the LWA payments. This percentage may be reset when the GWB is automatically reset every three years, depending on the annuitant's age at the time. The guaranteed amounts may increase as a result of automatic resets occurring every three years and a bonus of 5% for every year where no withdrawals are made.
Investment options	A wide range of income and balanced funds are available. ASTRA Funds available invest in different asset classes including alternative asset classes, and the equity component may represent up to 90%.
Fees	The management expense ratios (MERs) are the same as for our regular product. The guarantee fees include fees for the guarantee upon maturity, the guarantee upon death and the GMWB, where applicable.

Refer to the product *Information Folder* for details. Redemptions may have a significant impact on guaranteed amounts and available bonuses.

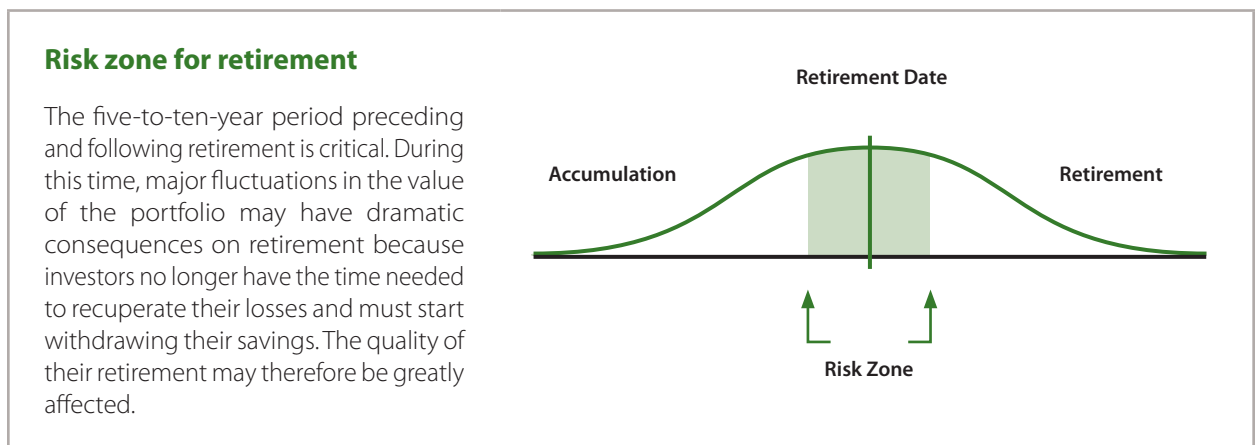


TARGET CLIENTELE

There are a number of factors that investors approaching their retirement need to think about to determine whether their savings will be sufficient to get them through their retirement years:

- their life expectancy
- inflation
- their financial needs
- market fluctuations

The first three factors can be assessed when the person starts investing. However, market fluctuations are especially unpredictable and investors are at their mercy, particularly during the years immediately before retirement. In fact, “last minute” market slow-downs can have a catastrophic impact on the savings of individuals who are planning to retire soon, because they won’t have the time required to make up their losses. That’s why clients find the ASTRA Guaranteed Income product so reassuring.



The target clientele for the ASTRA Guaranteed Income product **are clients approaching retirement, who already have a certain amount of capital and who want to receive a stable, guaranteed income in the short or medium term.** There are additional benefits for clients who don’t need to withdraw income certain years. However, even if they do make withdrawals, they will be able to take advantage of a number of benefits related to security and income growth.

This product may not be advantageous for clients who want to make withdrawals that are above the maximum amounts allowed during a given year.

As a result, you need to properly assess your client’s needs before offering the ASTRA Guaranteed Income product. However, note that for clients who have a change of heart and decide this product no longer meets their needs, the market value of the investments is redeemable at any time, according to the same terms and conditions as our regular product. There are no specific penalties outside of those that may apply based on the sales charge option selected.

ASTRA Guaranteed Income is the perfect solution for clients seeking both income and security. Focus in particular on individuals who have GIAs and balanced funds, which can be transferred to this product. Your clients will definitely thank you!

MAXIMUM AGE

The cut-off ages prescribed by law for the various plans apply to the ASTRA Guaranteed Income product. In addition, **in order to ensure that the client receives all the benefits of the product**, SSQ adds additional cut-off ages for subscribing and contributing: **investors may not subscribe to the ASTRA Guaranteed Income product or contribute to funds eligible for the GMWB after the annuitant has reached age 80**. If so desired, investors may, however, contribute to the ASTRA Money Market Fund and ASTRA Treasury Fund after this age since these investments are not eligible for the GMWB.

Please note that it is no longer possible to contribute new amounts once the “guaranteed withdrawal period” begins, i.e. when the lifetime income payments are made while the market value of the funds eligible for the GMWB is depleted.

Plan	Maximum age of annuitant to subscribe	Maximum age of annuitant to contribute	
	All available ASTRA Funds	ASTRA Money Market Fund and ASTRA Treasury Fund	Other available ASTRA Funds
RRSP and LIRA	Age 71*	Age 71*	Age 71*
Non-registered Savings Plan (NRSP), TFSA, RRIF, LIF, PRRIF and LRIF	Age 80***	Age 100**	Age 80***

* According to legislation in force on the date this document is printed.

** In Newfoundland and Labrador, the balance in a LIF must be converted to a life annuity by age 80, at the latest, according to legislation in force on the date this document is printed.

*** Up until the date the annuitant reaches age 80.

MINIMUM INVESTMENT

The minimum amount for obtaining the ASTRA Guaranteed Income product is a lump sum contribution of **\$10,000** per contract in funds eligible for the GMWB, i.e. all available funds except the ASTRA Money Market Fund and ASTRA Treasury Fund. Contributions to the ASTRA Money Market Fund and ASTRA Treasury Fund are not counted for the purposes of reaching this minimum. When the initial investment amount comes from various sources and is invested through a number of different payments, we will invest the partial amounts in the fund(s) selected at enrolment, provided that the minimum amount of \$10,000 is reached within a reasonable time frame.

The minimum investment with SSQ is very affordable. Take advantage of this affordability to attract clients who didn't think they could benefit from this product.

Target Clientele and Eligibility

For the ASTRA Money Market Fund and ASTRA Treasury Fund or for any contribution subsequent to the initial minimum contribution for the other funds, all lump-sum contributions must be of at least \$400.

Under the Periodic Purchase Program, for the ASTRA Money Market Fund and ASTRA Treasury Fund or for any contribution subsequent to the initial minimum contribution for the other funds, the minimum amount is \$40 per contribution.

Fund	Initial minimum contribution	Subsequent minimum contributions
ASTRA Money Market Fund and ASTRA Treasury Fund	\$400 (\$40 per automatic periodic transaction)	\$400 (\$40 per automatic periodic transaction)
Other Available ASTRA Funds	\$10,000 per contract	\$400 (\$40 per automatic periodic transaction)

AVAILABLE PLANS

All individual plans offered at SSQ are available under the ASTRA Guaranteed Income product. These include the RRSP, LIRA, NRSP, TFSA, RRIF, LIF, PRRIF and LRIF plans.

For RRIF, LIF, PRRIF and LRIF plans, the ASTRA Guaranteed Income product includes features to ensure that the minimum withdrawal prescribed by law does not penalize the client. Refer to page 20 for more details.



GUARANTEE UPON MATURITY

Applicable for all funds in the ASTRA Guaranteed Income contract, including funds eligible for the GMWB, as well as the ASTRA Money Market Fund and the ASTRA Treasury Fund.

The guaranteed value upon maturity is equal to **75%** of all contributions made to funds in the contract (adjusted for withdrawals).

Maturity corresponds to the date of the annuitant's 100th birthday.

If, on the guarantee application date, the guaranteed value upon maturity is greater than the total market value of all funds held in the contract, SSQ will credit the client an amount equal to the difference between these two values in units of funds.

Please note:

- The maturity guarantee is no longer applicable during the guaranteed withdrawal period.
- No reset of the guaranteed value upon maturity is possible.

GUARANTEE UPON DEATH

Applicable for all funds in the ASTRA Guaranteed Income contract, including funds eligible for the GMWB, as well as the ASTRA Money Market Fund and the ASTRA Treasury Fund.

The guaranteed value upon death of the annuitant is equal to **100%** of all contributions made to funds in the contract (adjusted for withdrawals).

If, on the guarantee application date, the guaranteed value upon death is greater than the total market value of all funds held in the contract, SSQ will credit the client an amount equal to the difference between these two values in units of funds.

Please note:

- The guarantee upon death is no longer applicable during the guarantee withdrawal period.

GUARANTEED VALUE UPON DEATH RESET

The guaranteed value upon death is reset **automatically once every three years**, on the anniversary date of the initial contribution to funds eligible for the GMWB.

Resets continue to be made **up to the year in which the annuitant reaches age 80**. A final reset is done on the date of the annuitant's 80th birthday.

The automatic reset of the guaranteed value upon death gives your client worry-free security.

Guarantee Upon Maturity and Guarantee Upon Death

This reset feature establishes the value guaranteed upon death at the total market value of all funds held in the contract (including the ASTRA Money Market Fund and the ASTRA Treasury Fund) in force at the time of the reset, provided it exceeds the value guaranteed upon death in the contract. Therefore, the reset cannot decrease the guaranteed value upon death.

Please note:

- No other reset of the guaranteed value upon death is possible.

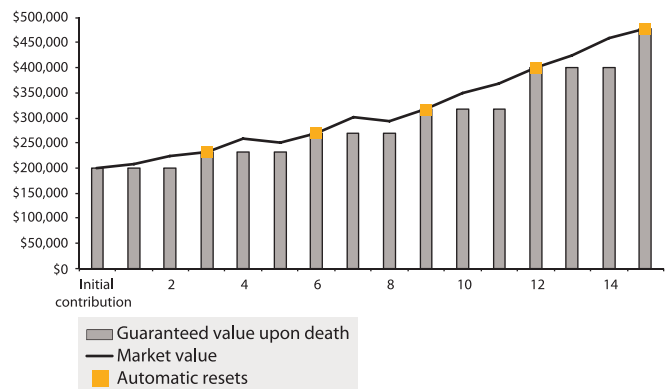
Example of guarantee upon death in a downward market

An investor contributes \$200,000 and doesn't make any withdrawals for 15 years. In this example, the value of the investments decreases throughout the entire period. Regardless of the value of the investments, the amount of the guarantee upon death **always** remains at \$200,000 during this period.



Example of guarantee upon death in a rising market

An investor aged 50 contributes \$200,000 and does not make any withdrawals for 15 years. In this example, the value of the investments increases throughout the entire period. After the 15th year, the amount of the guarantee upon death comes to \$477,403 due to **resets** made every three years.



GUARANTEED MINIMUM WITHDRAWAL BENEFIT

Applicable only for funds eligible for the GMWB, i.e. all funds available under the ASTRA Guaranteed Income product, excluding the ASTRA Money Market Fund and the ASTRA Treasury Fund.

The guaranteed withdrawal balance (**GWB**) is used to calculate the amount guaranteed to be paid out in the form of annual withdrawals. Depending on the age of the annuitant and the GWB remaining in the contract, the annual minimum guaranteed income for life corresponds to the lifetime withdrawal amount (**LWA**).

The GWB is determined at the time of the initial contribution to funds eligible for the GMWB, at 100% of the contribution. Subsequently, the GWB is increased by any new contributions and transfers, bonuses and resets, where applicable. It is decreased based on withdrawals.

Example:

Event	Amount	GWB
Initial Contribution	\$200,000	\$200,000
Withdrawal*	\$10,000	\$190,000
New Deposit	\$20,000	\$210,000

*Equal to or less than the maximum amounts permitted

The GMWB ensures a guaranteed income for life, even when the market value of the funds has been depleted. This income may even increase over time!



GUARANTEED MINIMUM WITHDRAWAL BENEFIT: LIFETIME WITHDRAWAL OPTIONS

The GMWB ensures that clients will receive a stable annual income for life even when the market value of the investments has been depleted.

The lifetime withdrawal amount (LWA) is the maximum amount that can be paid out each year, if desired, from the time the annuitant reaches age 55 or later, depending on the investor's choice, for the annuitant's lifetime. It is equal to a percentage of the GWB as detailed in the table below. It is calculated at the start of the LWA payments and is recalculated every December 31 for the following year.

Age of annuitant when the first LWA payment is made	Annual lifetime withdrawal amount (LWA)
age 55 to 59	3.00% of the guaranteed withdrawal balance
age 60 to 64	3.50% of the guaranteed withdrawal balance
age 65 to 69	4.00% of the guaranteed withdrawal balance
age 70 to 74	4.25% of the guaranteed withdrawal balance
age 75 and over	5.00% of the guaranteed withdrawal balance

The withdrawal percentage may be reset based on the age of the annuitant when the GWB is automatically reset (every three years) provided the GWB is reset to the market value at that time. For more details about GWB resets refer to page 13.

Example:

Contract year	Market value	GWB	Age of annuitant	Applicable rate	LWA (year end)
Implementation	\$200,000	\$200,000	62	3.50%	\$7,000
Year 3	\$170,000	\$173,000	65	3.50% ¹	\$7,000
Year 6	\$185,000	\$185,000	68	4.00% ²	\$7,400

¹ The market value being lower than the GWB, the GWB is not reset. The applicable rate is therefore not reassessed and it remains at 3.50%.

² The market value being higher than the GWB, the GWB is reset. The applicable rate is therefore reassessed and is increased to 4.00%.

In this example, the withdrawals made correspond to the LWA.

This flexibility allows your clients to choose when they begin withdrawing an income and adjust their lifetime withdrawal amount depending on other sources of income, for example.

And the percentage of lifetime income may be reset!

Please note:

- The LWA may be increased as a result of automatic resets every three years and eligible bonuses every year during which no withdrawals are made (through the GWB).
- The LWA will never be decreased during the annuitant's lifetime, unless the client makes withdrawals exceeding the maximum amounts permitted during a given year.
- If, during a given year, the investor does not withdraw the maximum amounts permitted, the amount that has not been withdrawn cannot be allocated to a subsequent year.
- The LWA may be paid until one of these events occurs: the LWA is equal to zero (subsequent to withdrawals exceeding the maximum amounts permitted), or the annuitant dies.

Withdrawals exceeding the maximum amounts allowed may impact guarantees. Refer to page 18 for more details about the impact of withdrawals on the guaranteed amounts.

The guaranteed amounts [GWB and LWA] are indicated on the investment statements, so you and your client will know where you're at!

GUARANTEED MINIMUM WITHDRAWAL BENEFIT: START OF LWA PAYMENTS

LWA payments may start as soon as the annuitant reaches age 55.

For all practical purposes, as soon as investors wish to start receiving their LWA payments, they may submit their request using the application form (FRA1233 or FRA1268), or at a later time using form FRA1239, as suits their need. On this form they indicate the date they wish to obtain the first payment and the provisions for subsequent payments (frequency, deposit method, etc.).

When SSQ receives this form, the percentage of LWA is determined based on the age of the annuitant on the date of the first withdrawal payment.

Please note:

- The request for LWA payments remains in effect until the death of the annuitant.

GUARANTEED MINIMUM WITHDRAWAL BENEFIT: GWB BONUS

If your client does not need to make withdrawals during any year following the initial contribution, a bonus is granted, which increases the GWB and therefore potentially the LWA for subsequent years. The annual GWB Bonus is granted **every** year following the initial contribution to funds eligible for the GMWB if **no** withdrawals are made during the year.

The GWB Bonus is calculated each December 31. It is equal to 5% of the bonus calculation base (**BCB**) and is added to the GWB.

The BCB is determined at the time of the initial contribution to funds eligible for the GMWB, at 100% of the contribution. The BCB is then increased by any new contributions and transfers. It can be increased by resets or decreased based on withdrawals. Refer to the *Information Folder* for more details.

The bonus is granted in full on December 31 of the first year, and is not prorated. This means that even if the client invests in December, a full 5% bonus will be granted on December 31.

Example:

Event	Date	Amount	GWB before the bonus	GWB bonus on December 31	GWB after the bonus
Initial Contribution	December 21	\$200,000	\$200,000	\$10,000	\$210,000

If no withdrawals are made from the contract during the year.

Please note:

- Withdrawals from the ASTRA Money Market Fund and ASTRA Treasury Fund do not cancel the GWB Bonus for a given year.
- The GWB bonus is not applicable during the guaranteed withdrawal period.
- The bonus is an amount added to the GWB. This amount is not a sum paid into the contract or a guaranteed rate of return, therefore, it has no redeemable value and cannot be withdrawn.

The bonus is granted every year during which no withdrawals are made, no limit applies.
 The 5% bonus is granted on December 31, even if the contract has not yet been in force for a full year.
 Take advantage of this great feature!

GUARANTEED MINIMUM WITHDRAWAL BENEFIT: RESETS

If markets are up, the resets enable the GWB to be increased immediately. The LWA may also be increased when it is calculated for the following year, on December 31.

The GWB is reset **automatically once every three years**, on the anniversary date of the initial contribution to funds eligible for the GMWB (i.e. all available funds except ASTRA Money Market Fund and ASTRA Treasury Fund).

This reset is done as long as the contract investment period has not terminated (annuitant reaches age 100).

This reset feature establishes the GWB at the market value of the funds eligible for the GMWB at the time of the reset, provided it exceeds the current GWB. **Therefore, the reset cannot decrease the GWB.**

Please note:

- An exceptional reset is done when the LWA payments begin.
- No other GWB reset is possible.

Automatic resets and bonuses are ways of increasing future income without having to incur market risks.



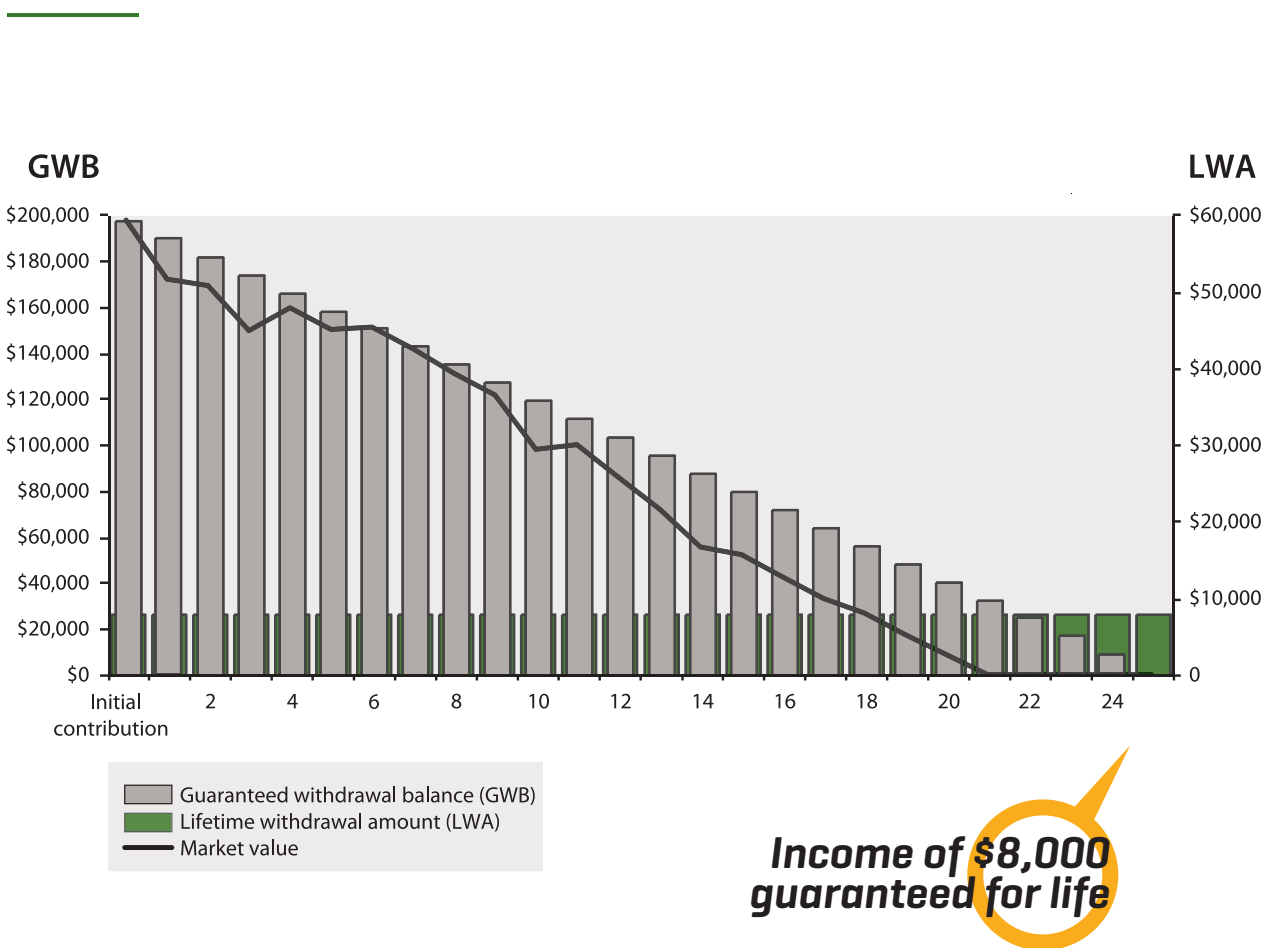
GUARANTEED INCOME FOR LIFE, REGARDLESS OF MARKET BEHAVIOUR

Example of immediate income (LWA) in a downward market

An investor (annuitant) aged 65 invests \$200,000 and would like to begin withdrawing income immediately. In this example, the value of the investments decreases through the entire period in question, and the investor never withdraws more than the allowed maximums in a given year.

- Regardless of the market value of the investments, the investor is assured of obtaining 4% of his/her investment each year (i.e. the LWA rate applicable upon the first LWA payment) for life. In this example, the amount is \$8,000.
- This income does not decrease, even if the market value of his/her investments declines to \$0.

The investor may at any time withdraw amounts exceeding the allowed maximums up to the market value of his/her investments (subject to back-load sales charges). However, in this case, the LWA may be reduced for future years.



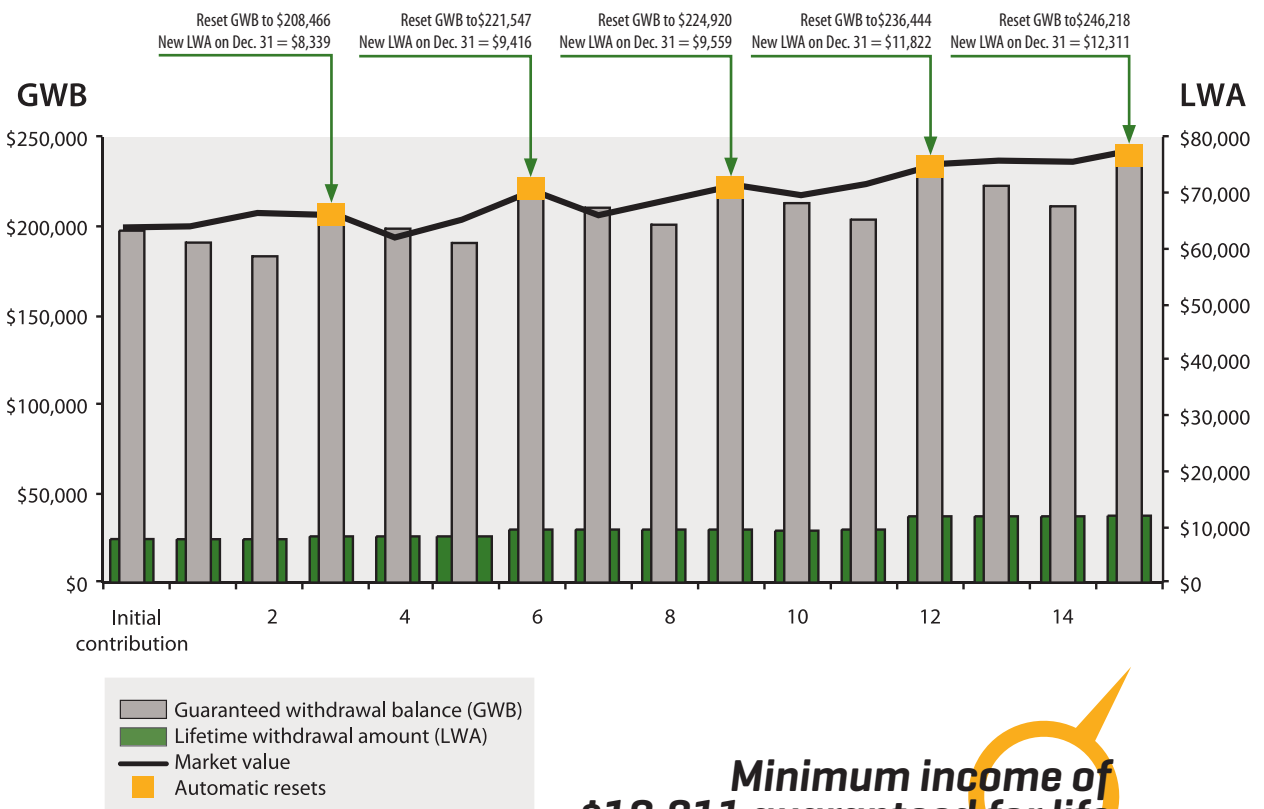
GUARANTEED INCOME FOR LIFE, WHICH MAY INCREASE WHEN THE MARKETS ARE PERFORMING WELL

Example of immediate income (LWA) in an upward market

An investor (annuitant) aged 65 invests \$200,000 and would like to begin withdrawing income immediately. In this example, the value of the investments may increase throughout the period in question, and the investor never withdraws more than the maximum amounts allowed in a given year.

- Regardless of the market value of the investments, the investor is assured of obtaining 4% of his/her investment each year (i.e. the LWA rate applicable upon the first LWA payment) for life. In this example, the amount is \$8,000.
- This income does not decrease, even if the market value of his/her investments declines to \$0.
- Income may be increased as a result of the automatic resets made every three years. In this example, after the 15th year, the investor is guaranteed to receive a minimum of \$12,311 per year for life, and this amount may be increased if the value of the investments continues to increase.

The investor may at any time withdraw amounts exceeding the allowed maximums up to the market value of his/her investments (subject to back-load sales charges). However, in this case, the LWA may be reduced for future years.



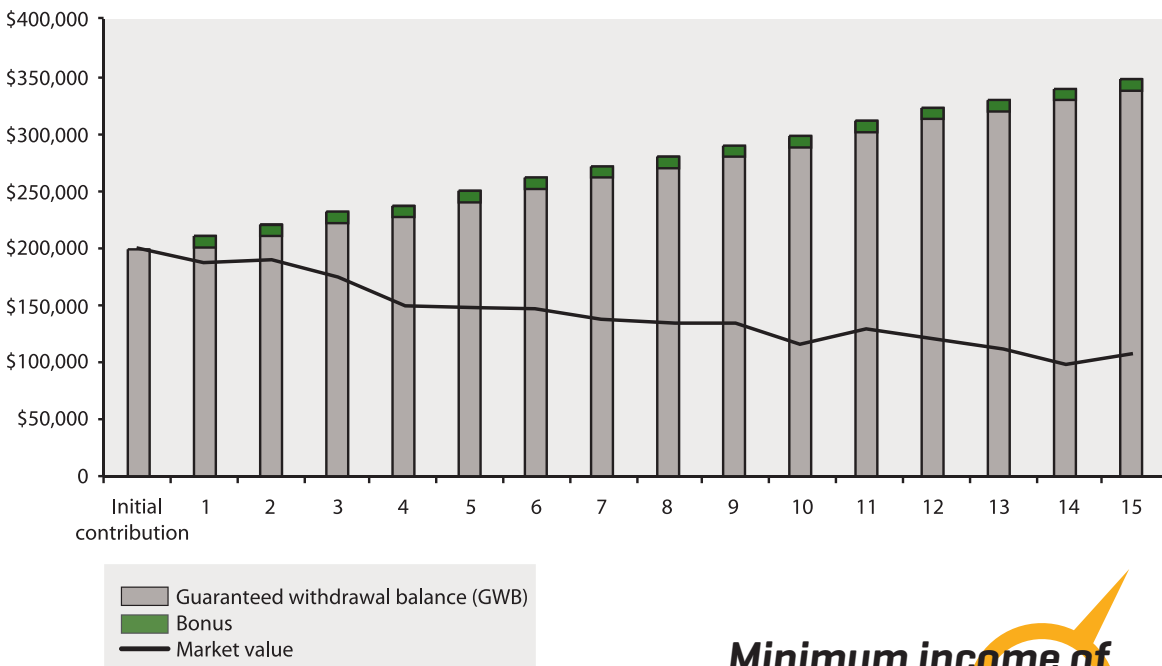
AN ANNUAL BONUS THAT INCREASES THE GUARANTEED INCOME FOR LIFE, REGARDLESS OF MARKET BEHAVIOUR

Example of deferred income (LWA) in a downward market

An investor (annuitant) aged 50 invests \$200,000 and would like to begin withdrawing an income starting January 1 after his/her 65th birthday. In this example, the value of the investments decreases throughout the period in question, and the investor does not make any withdrawals from funds eligible for the GMWB during this period.

- The guaranteed withdrawal balance (GWB) used to establish the LWA from the time the investor requests to receive it, is increased on December 31 by a 5% bonus. This occurs on each December 31 following the initial contribution (or transfer) to funds eligible for the GMWB.
- In this example, after the 15th year (i.e. as of January 1 after turning age 65), the investor is guaranteed to receive a minimum of \$14,000 per year for life (LWA). In addition, this amount (LWA) may be increased if the value of the investments increases. However, this amount may be decreased for future years if withdrawals exceed the maximum amounts allowed in a given year.

The investor may at any time withdraw amounts up to the market value of his/her investments (subject to back-load sales charges). The bonus, however, is not granted for years during which a withdrawal (regardless of the amount) is made from funds eligible for the GMWB, and future bonuses, if any, may be decreased.



Minimum income of \$14,000 guaranteed for life

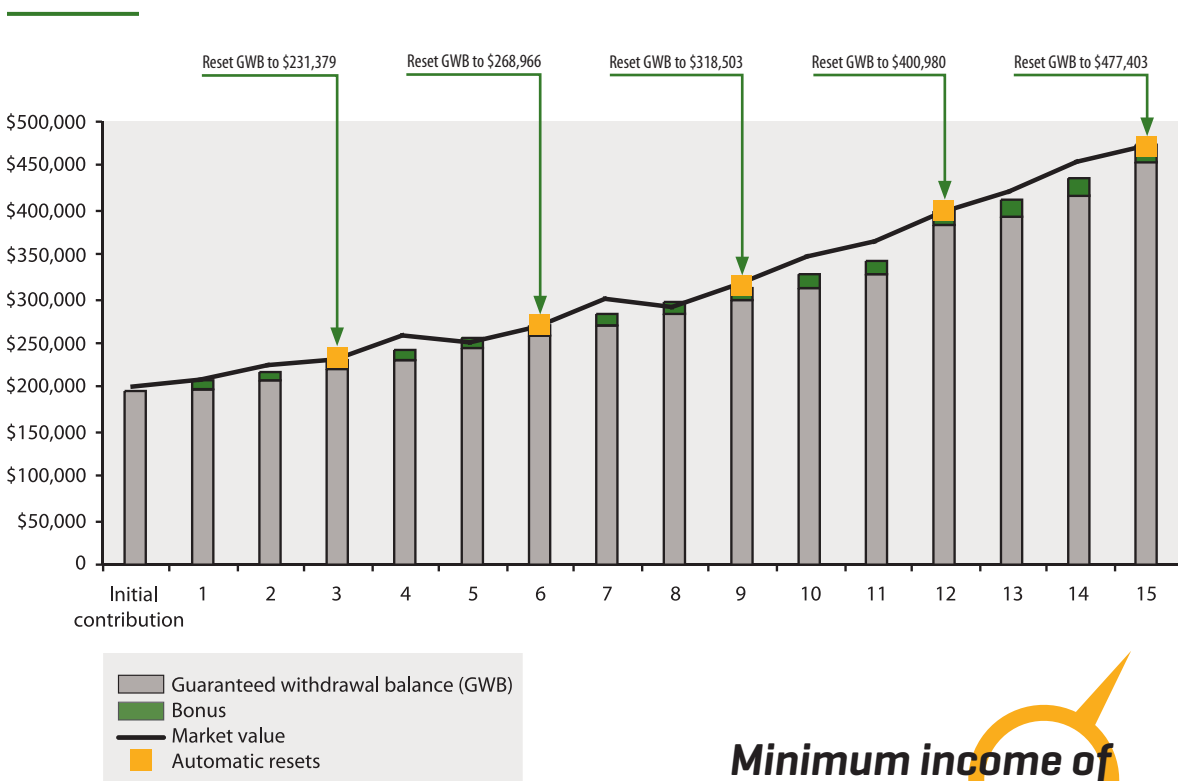
GUARANTEED INCOME FOR LIFE, MAXIMIZED BY BONUSES AND RESETS WHEN THE MARKETS ARE PERFORMING WELL

Example of deferred income (LWA) in an upward market

An investor (annuitant) aged 50 invests \$200,000 and would like to begin withdrawing an income starting January 1 after his/her 65th birthday. In this example, the value of the investments may increase throughout the period in question and the investor does not make any withdrawals from funds eligible for the GMWB during this period.

- The guaranteed withdrawal balance (GWB) used to establish the LWA from the time the investor requests to receive it, is increased on December 31 by a 5% bonus. This occurs on each December 31 following the initial contribution (or transfer) to funds eligible for the GMWB.
- The GWB may be increased through automatic resets every three years and the reset made when the initial LWA payment is made.
- In this example, after the 15th year (i.e. as of January 1 after turning age 65), the investor is guaranteed to receive a minimum of \$19,096 per year for life (LWA). In addition, this amount (LWA) may be increased if the value of the investments increases. However, this amount may be decreased for future years if withdrawals exceed the maximum amounts allowed in a given year.

The investor may at any time withdraw amounts up to the market value of his/her investments (subject to back-load sales charges). The bonus, however, is not granted for years during which a withdrawal (regardless of the amount) is made from funds eligible for the GMWB, and future bonuses, if any, may be decreased.



Minimum income of \$19,096 guaranteed for life

IMPACT OF WITHDRAWALS

The client can make withdrawals at any time. However, depending on the time and the amount of the redemptions, the impact on the guaranteed amounts may vary. **It is therefore important that your client understand the impact his/her withdrawals have on the guarantee because the investor is responsible for not exceeding the maximum amounts allowed for a given year in order to benefit from the promised guarantees.** More details on the impact of withdrawals can be found in the *Information Folder*.

As with our regular product, redemptions and transfers must be at least \$100 per redemption and may be done through automatic periodic transactions (APT), if desired.

Impact of withdrawals on bonuses and the bonus calculation base (BCB)

If a withdrawal is made during the year, whether as part of the lifetime withdrawal amount (LWA) or additional withdrawals, the bonus for the year in question is not granted, regardless of the amount withdrawn. For example, if a withdrawal was made in year 3 and year 11, the bonus is not granted for those years.

The BCB may be reduced following withdrawals, even if these do not exceed the maximum amounts allowed for a given year. Therefore, following a withdrawal, if the BCB is higher than the market value after the withdrawal, the BCB will be reduced proportionally by the amount withdrawn.

Impact of withdrawals on LWA

All withdrawals made before the start of LWA payment may decrease the amount that will be guaranteed for life. The LWA is calculated when the payments of LWA begin based on the GWB in effect at that time.

All withdrawals that exceed the maximum amounts allowed may decrease future LWA. Refer to *Information Folder* for more details.

Impact of fees charged

Certain fees are considered to be withdrawals: fees for a transfer to another financial institution, transfer to a Life Learning Plan (LLP) or a Home Buyer's Plan (HBP), purchase cancellation due to non-sufficient funds, inactive contract, payment not honoured, or any other fee charged to the client, are considered a redemption of units.

Please take this into account when managing the total annual withdrawals and the amounts in excess of the allowable maximums.

However, management expense ratios (MERs) and guarantee fees are not considered to be withdrawals, do not cancel out the bonus, and are not included in the calculation of withdrawals made during a given year.

IMPACT OF TRANSFERS

Your client may request transfers at any time.

For example, the client may transfer amounts between different funds as desired, with one exception: transfers from funds eligible for the GMWB to funds not eligible for the GMWB (ASTRA Money Market Fund and ASTRA Treasury Fund) are not permitted.

As with our regular product, transfers must be of at least \$100 per transfer and may be done through automatic periodic transactions (APT), if desired.

Transfers within the same ASTRA Guaranteed Income contract

- All transfers allowed within the same ASTRA Guaranteed Income contract have no impact on the guarantee upon maturity and the guarantee upon death.
- All transfers between funds eligible for the GMWB to the same ASTRA Guaranteed Income contract have no impact on the GMWB.
- All transfers from funds not eligible for the GMWB (ASTRA Money Market Fund and ASTRA Treasury Fund) to funds eligible for the GMWB are considered to be contributions to these funds for the purpose of the GMWB.
- Transfers from funds eligible for the GMWB to funds that are not eligible for the GMWB (ASTRA Money Market Fund and ASTRA Treasury Fund) are not permitted.

Transfers between two ASTRA Guaranteed Income contracts

- Transfers between two ASTRA Guaranteed Income contracts have no impact on the guarantee upon maturity and the guarantee upon death when the features for the purpose of the guarantee are the same (the same annuitant or the same product version, for example).
- Transfers between two ASTRA Guaranteed Income contracts may not have any impact on the GMWB under certain conditions:
 - The features for the purpose of the guarantee are the same (the same annuitant or the same product version, for example).
 - **Total** transfer of the original contract.
 - The destination contract is new or has never contained funds eligible for the GMWB.
- In other cases, for the purpose of the guarantee, all transfers between two ASTRA Guaranteed Income contracts are considered to be redemptions in the original contract and contributions in the destination contract. For these amounts, the guarantees for the original contracts are then cancelled and reset to zero in the destination contract.

Transfers between an ASTRA Guaranteed Income contract and another contract in our regular product

- For the purposes of the guarantee, all transfers between two contracts with different products are considered to be redemptions in the original contract and contributions in the destination contract. All guarantees for the original contract (guarantee upon maturity, guarantee upon death and GMWB) are then cancelled for these amounts and reset to zero in the destination contract.

RRIF, LIF, PRRIF AND LRIF PLANS

The ASTRA Guaranteed Income product is compatible with the RRIF, LIF, PRRIF and LRIF plans.

The minimum legal withdrawal requirements do not penalize the client.

We make sure that the minimum legal withdrawal requirements do not penalize the client for the purposes of the GMWB. If the minimum legal withdrawal amount results in a total annual withdrawal that is in excess of the maximum amounts allowed, these withdrawals will not be considered as withdrawals in excess. They will decrease the GWB as withdrawals that do not exceed the maximum amounts allowed, but nothing more. The withdrawals may also reduce the BCB.

The minimum legal requirement used to determine the allowable withdrawals without exceeding the maximum allowable amounts will be prorated where the contract contains funds not eligible for the GMWB. Refer to the *Information Folder* for more details.

N.B. Withdrawals may not exceed the LIF or LRIF maximum prescribed by law even if the LWA is higher than this amount.

TAX CONSIDERATIONS REGARDING MINIMUM WITHDRAWAL PAYMENTS

For registered plans, benefit payments are fully taxable, except when exempted by law. The guaranteed payments made in the case of the GMWB during the guaranteed withdrawal period are considered as benefits.

For non-registered plans, all income is taxable. For the time being, the guaranteed payments made under the GMWB during the guaranteed withdrawal period are considered as capital gains. If any changes should arise regarding this tax rule, SSQ will produce the appropriate documents in compliance with the tax rules that will apply.

AVAILABLE INVESTMENT VEHICLES

A wide range of **income and balanced funds** are available. These are funds that are also offered under our regular product. Equity funds are not offered since they are far too volatile for a product whose purpose is to provide security. All funds offered under the ASTRA Guaranteed Income product, with the exception of two, are eligible for the GMWB.

Please note:

- The ASTRA Money Market Fund and ASTRA Treasury Fund are available under the ASTRA Guaranteed Income contract, but are not eligible for the GMWB. They may be used, for example, to invest amounts awaiting investment in funds eligible for the GMWB.
- In addition, the ASTRA Money Market and ASTRA Treasury Funds are not available with the back-load sales charge option or with the no-load - Mode B sales charge option, given their role as short-term income funds.
- Guaranteed Interest Accounts (GIAs), including the ASTRA Equity GIA, are not available under the ASTRA Guaranteed Income contracts.
- Furthermore, the fund income payment option is not available.

The ASTRA Funds available invest in different asset classes, including alternative asset classes, and the equity component may represent up to 90%

Please consult the *Fund Facts* or *ASTRA Funds Summary (DRA719)* for more information about the funds offered under the ASTRA Guaranteed Income product, as well as their codes and fees.



FEES

The management expense ratios (MERs) of funds available are the same as for our regular product. They are expressed as an annual percentage of the fund's net assets, calculated daily and applied to the daily value of the fund's net assets.

The guarantee fees include the fees for the guarantee upon maturity, the guarantee upon death and the GMWB, where applicable.

Fees related to guarantees are expressed as an annual percentage of the guaranteed withdrawal balance (GWB) for the funds eligible for the GMWB, or as an annual percentage of the fund's net assets for the funds not eligible for the GMWB. They are calculated daily and are paid through redemption of units on a quarterly basis.

During the guaranteed withdrawal period, if SSQ makes income payments when the market value is at zero, no fees are charged even if the guarantee continues to apply.

MERs and guarantee fees are not considered to be withdrawals, do not cancel out the bonus and are not included in the calculation of withdrawals made during a given year.

COMMISSIONS AND SALES CHARGE OPTIONS

Please refer to your Remuneration Schedule for more details regarding your commission.

N.B. The back-load and no-load - Mode B sales charge options are not available for the ASTRA Money Market Fund and the ASTRA Treasury Fund.

ADMINISTRATION AND DOCUMENTATION

The ASTRA Guaranteed Income product comes with its own series of documents. You need to provide clients with the proper documents, depending on whether the person wants a “regular” contract or an ASTRA Guaranteed Income contract.

This means that a separate application form must be completed for the ASTRA Guaranteed Income product. It is not possible to hold both the ASTRA Guaranteed Income product and the regular product within the same contract.

The following documents must be provided to the client when enrolling in the ASTRA Guaranteed Income product:

- The *Information Folder and Contract* (BRA1592) and its *Amendment*, where applicable
- The *Application Form* (FRA1233 or FRA1268 for the TFSA)
- If desired, the *Investor’s Guide* (BRA1597)



Please note:

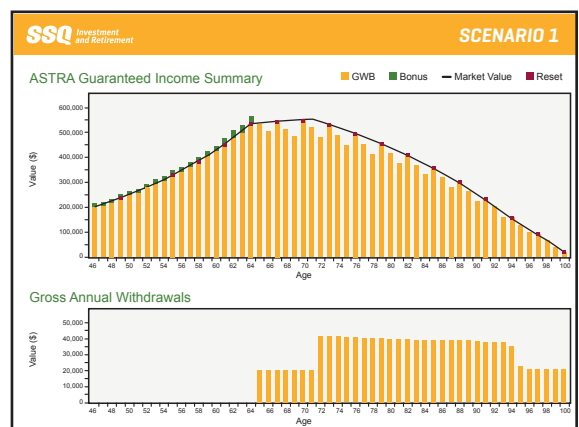
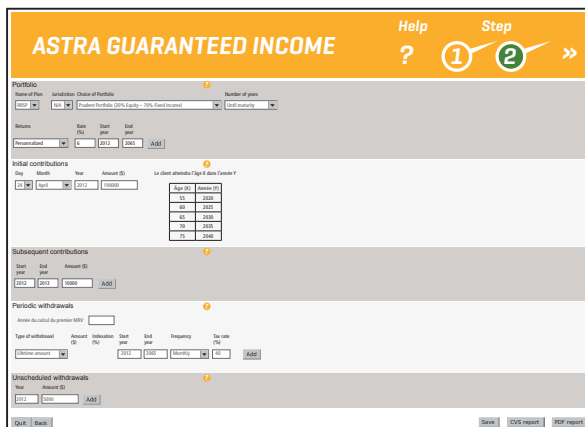
- The **ASTRA Guaranteed Income application forms** are similar to the regular application forms. However, there are differences: the GIAs and the option to pay out income from the funds have been removed because they are not available. The LWA payment options through APT have been added. For details, please refer to the forms available on our Web site reserved for advisors.
- Client **investment statements** include detailed information on the GWB, LWA, bonuses, etc. This way, you and your client will know the amounts available for making withdrawals within the allowable limits to fully benefit from the GMWB.
- The applicable **tax slips** will be sent to clients.

Practical and easy to use illustration software

The ASTRA Guaranteed Income **illustration software** is a powerful sales tool. You enter your client’s financial information, for example the amount of savings and the client’s age, and the software will give you different income scenarios in the form of tables and graphs.

This is a valuable tool to help you advise your client and present the advantages of the ASTRA Guaranteed Income product.

The software is available on our Web site, and is accessible to all your clients.



GLOSSARY

Annuitant

Annuitant is the physical person upon whose life the annuity and guarantee relative to segregated funds are established and upon whose death the death benefit is payable. In all registered plans (RRSP, LIRA, TFSA, RRIF, LIF, LRIF, PRRIF), the annuitant is the same person as the investor. In non-registered plans only (NRSP), the annuitant may be a different person from the investor.

Bonus calculation base (BCB)

The BCB is used to calculate the GWB Bonus, where applicable.

Date of initial contribution to funds eligible for the GMWB

The date that amounts are contributed or transferred to funds eligible for the GMWB for the first time. This date is used to establish the date of the resets for the guarantee upon death and the GWB.

Date on which the LWA payments begin

The date on which the investor begins to receive his/her LWA is chosen by the investor on the appropriate form. This date cannot be prior to the annuitant's 55th birthday. The rate applicable for calculating the LWA is established depending on the age of the annuitant on this date.

Funds eligible for the GMWB

These are all funds eligible under the ASTRA Guaranteed Income product, with the exception of the ASTRA Money Market Fund and the ASTRA Treasury Fund.

Guarantee application date upon death

The guarantee application date used to calculate the guaranteed value upon death is the date that SSQ accepts proof, satisfactory to SSQ, for the payment of benefits.

Guarantee application date upon maturity

The application date of the maturity guarantee corresponds to the date of the annuitant's 100th birthday.

Guaranteed minimum withdrawal benefit (GMWB)

The GMWB provides for an income paid from the time the annuitant turns age 55 or later, depending on the investor's choice, in the form of a lifetime withdrawal amount (LWA) for the life of the annuitant even if the market value of the funds is fully depleted, provided that the total withdrawals paid during a given year do not exceed the maximum amounts permitted. This is the lifetime withdrawal amount (LWA).

Guarantee upon death

The guaranteed value upon death is equal to 100% of all contributions made to the funds in the contract (adjusted for withdrawals).

Guarantee upon maturity

The guaranteed value upon maturity is equal to 75% of all contributions made to the funds in the contract (adjusted for withdrawals).

Guaranteed value upon death reset

The guaranteed value upon death is reset once every three years, on the anniversary date of the initial contribution (or transfer) to funds eligible for the GMWB. Resets continue to be made up to the year in which the annuitant reaches age 80. A final reset is done on the date of the annuitant's 80th birthday.

This reset feature establishes the value guaranteed upon death at the total market value of all funds held in the contract in force at the time of the reset, provided it exceeds the value guaranteed upon death in the contract.

Guaranteed withdrawal period

The guaranteed withdrawal period designates the period that starts when the market value of funds eligible for the GMWB is zero, and the GWB or the LWA are greater than zero.

During this period, the LWA payments continue, no guarantee fees are charged, new contributions are not permitted, no bonuses are granted and the values of the guarantee upon maturity and the guarantee upon death are null.

Guaranteed withdrawal balance (GWB)

The guaranteed withdrawal balance (GWB) is used to calculate the amount guaranteed to be paid out in the form of annual withdrawals. Depending on the age of the annuitant and the GWB remaining in the contract, the annual minimum income guaranteed for life corresponds to the lifetime withdrawal amount (LWA).

GWB bonus

Amount that can be added to the GWB on December 31 of every year that follows the initial contribution of the funds eligible for the GMWB, provided no withdrawal is made during that year.

The bonus is an amount added to the GWB, and not payments made into the contract or a guaranteed rate of return. Therefore, it has no redeemable value and cannot be withdrawn.

GWB Reset

The GWB is automatically reset once every three years, on the anniversary date of the initial contribution (or transfer) to funds eligible for the GMWB.

A reset is also done when the LWA payments begin.

This reset feature establishes the GWB at the market value of the funds eligible for the GMWB in force at the time of the reset, provided it exceeds the current GWB.

Investment period of the contract

The investment period of the contract starts on the day the contract comes into force. This period ends no later than the annuitant's 100th birthday, which is the expiry date of the contract's investment period.

Lifetime withdrawal amount (LWA)

The lifetime withdrawal amount (LWA) is the total annual amount that the investor may withdraw from the time the annuitant turns age 55, or later, depending on the investor's choice, for the life of the annuitant, even if the market value and/or the GWB of the funds is equal to zero.

The LWA is calculated based on the percentage of the GWB established according to the age of the annuitant when the first LWA payments begin.

The withdrawal percentage may be reset based on the age of the annuitant when the GWB is automatically reset (every three years) provided the GWB is reset to the market value then in effect.

Market value of funds eligible for the GMWB

This is the total of the market values of the funds eligible for the GMWB.

Market value of funds in the contract

This is the total of the market values of all funds in the contract, which include funds eligible for the GMWB, as well as the ASTRA Money Market Fund and the ASTRA Treasury Fund.

Minimum legal withdrawal amount for funds eligible for the GMWB

Minimum legal withdrawal amount for some plans (RRIF, LIF, PRRIF and LRIF) calculated for the purpose of establishing the maximum amount that can be withdrawn annually without exceeding the maximum amounts allowed.

This document is applicable only to ASTRA Guaranteed Income 2.1 and not the previous versions of the product.

Legal notice and limitation of liability

The financial scenario simulations and returns presented herein are provided for reference purposes only. Redemptions may have a significant impact on guaranteed amounts and available bonuses. Please refer to the *Information Folder, Annuity Contract* and *Application Form* before investing. The actual rate of return on investment is not guaranteed and may vary. There are no guarantees that past performance will be repeated in the future. Returns shown do not take into account sales, redemptions, distributions or other optional charges that may reduce returns.

The 5% annual bonus is an additional amount added to the guaranteed withdrawal balance and not a payment made into the contract or a guaranteed rate of return. As such, it has no redeemable value and cannot be withdrawn.

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

The information contained in this document is of a general nature pertaining to investment options and strategies and must not be considered as investment advice applicable to all investment situations. It is strongly recommended that you analyse the needs of your clients on an individual basis and then recommend products corresponding to the client's investor profile, financial situation, personal circumstances and risk tolerance level.

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