Five *for* Life™

ADVISOR GUIDE

Certainty *in an* Uncertain World™

FOR ADVISOR USE ONLY

TRANSAMERICA LIFE CANADA

Your clients dream of enjoying a comfortable retirement.

However, with Canadians living longer than ever before and the cost of living increasing each year, meeting the financial challenges of retirement can seem like a daunting task. Moreover, a significant market downturn near or during the early years of retirement can considerably reduce your clients' retirement portfolio and the income it produces. Help your clients achieve their retirement dreams. Transamerica's Five *for* Life™ can be an important part of their overall retirement plan and can help them achieve the retirement lifestyle of their dreams.

Contents

Why consider Five *for* Life?

Five *for* Life helps maximize your clients' retirement savings and provides income for life, regardless of what happens in the markets!*

Five *for* Life was specifically designed to benefit investors

Nearing retirement

- Seeking a product that will enhance wealth accumulation before retirement.
- Looking to capture gains when markets perform well and increase their income potential when markets perform poorly.

At retirement

- Wanting a product with the potential to capture market gains while providing guaranteed income when markets fall.
- Seeking estate planning benefits unique to segregated funds.

The number of Canadians aged 55 to 64 has increased by 28% in the past five years to 3.7 million!†

Five *for* Life offers your clients:

- **Guaranteed annual income for life** starting the year your client turns 65.*
- The **potential to increase income** through annual 5% bonuses until the end of the year the Annuitant turns age 94.
- The **potential to lock-in market gains** through automatic Resets every three years – increasing the withdrawal amount, income bonus and death benefit guarantee independently.
- The option to **increase the withdrawal rate to 5.5%** if income is deferred to the year the client turns age 75.*
- **100% death benefit** guarantee and 75% maturity guarantee.‡
- A select choice of **23 investment options** managed by some of Canada's leading money managers.
- **Estate planning and potential creditor protection** benefits only available from a segregated funds contract.

* Exceeding the withdrawal limits may have a negative impact on future payments.
† Source: Stats Canada – 2006 Census
‡ Less proportionate reductions for withdrawals

Features at-a-glance*

Features	At-a-glance
Guaranteed annual income for life	• The Guaranteed Lifetime Withdrawal Amount (GLWA) becomes available January 1st of the year the Annuitant turns 65. • Initially, the annual guaranteed amount is set at 5% of the first deposit and is recalculated during the first 45 days of the policy (if there are any additional deposits) and at the end of each calendar year. • The annual guaranteed amount can increase with additional deposits, income bonuses, and Resets. • Any withdrawals made in a calendar year prior to the Annuitant reaching age 65 or that exceed the annual guaranteed amount will reduce future guaranteed income. • For RRIF policyholders, Five *for* Life can provide predictable, sustainable, and potentially increasing income for life. • For RRIF contracts, policyholders will be able to withdraw the legislated minimum (if higher than the guaranteed amount) without impacting guaranteed income, as long as the RRIF Minimum Withdrawal amount is based on the Annuitant's age, or a younger spouse, if elected. • For RRIF contracts, the annual guaranteed amount will be exceeded by using an older spouse to determine the RRIF Minimum Amount, and this will reduce future guaranteed income.
Potential to increase income	• A 5% income bonus is available annually until the end of the year the Annuitant turns age 94 in years where no withdrawals are taken. • Income bonuses increase the amount that is guaranteed to be available for future withdrawals. • Income bonuses are not cash, are not a guaranteed rate of return, are not available for withdrawals and are not added to the death benefit guarantee.
Potential to lock-in market gains	• Resets are automatically performed every three years on the contract anniversary date. • Resets will potentially increase the guaranteed annual income, the income bonus, and the death benefit independently if the market value of the policy is greater than these amounts. • Resets are available until the earlier of the 10th Reset for the contract or the Annuitant's 81st birthday.
Opportunity to increase the withdrawal rate	• If the first withdrawal from the policy is deferred to the year the Annuitant turns 75, the withdrawal rate for the guaranteed annual income increases to 5.5%.
Death Benefit	• Five *for* Life provides a 100% Death Guaranteed Amount. • This guarantee can potentially increase with Resets that occur every three years until the earlier of the 10th Reset for the contract or the Annuitant's 81st birthday. • Withdrawals from the contract will reduce the Death Benefit guarantee on a proportionate basis.
Choice of investments options	• A choice of 23 investment options is offered. • Choose from a variety of Canadian and global balanced funds and portfolios managed by some of Canada's leading money managers. • Several investment options are unique to Transamerica's Five *for* Life.

* This summary of the Five *for* Life features is intended for information purposes only and should be used to supplement other product materials. Please refer to the Information Folder and Annuity Policy for details of the Five *for* Life contract.

Understanding Five *for* Life

When money is deposited into a Five *for* Life policy, in addition to the policy's market value, several different "values" are tracked to determine the amount of benefits that are to be provided by the contract.

Values tracked in Five *for* Life	What is it used for?
Guaranteed Withdrawal Base (GWBase)	To determine the **Guaranteed Lifetime Withdrawal Amount (GLWA)**
Future Income Escalator Base (FIEBase)	To determine the **Future Income Escalator Bonus (FIE Bonus)**
Death Guaranteed Amount	To determine the **Death Benefit** the beneficiary will receive upon the death of the Annuitant

We will explain how these values are impacted by various transactions and activities, such as deposits, withdrawals and Resets. However, before we do, it is important to understand some key product terms that are applicable to Five *for* Life.

The three most important terms to know:
Guaranteed Lifetime Withdrawal Amount (GLWA)
Guaranteed Withdrawal Base (GWBase)
Future Income Escalator Bonus (FIE Bonus)

Other related terms you should know:	
Withdrawal Percentage (WD%)	**Downward Adjustment**
Calendar Age	**GLWA RRIF Minimum**
Future Income Escalator Base (FIEBase)	**GLWB Fund Fee**
Excess Withdrawals	**Guaranteed Payment Phase (GPP)**

For more details on these terms and Five *for* Life, please refer to the Five *for* Life Information Folder, Annuity Policy and Fund Information Folder.

Guaranteed Lifetime Withdrawal Amount (GLWA)

The **Guaranteed Lifetime Withdrawal Amount (GLWA)** is the amount of income guaranteed to be available annually for the life of the Annuitant.

The GLWA is available in the calendar year the Annuitant turns age 65. This means that if the client is turning age 65 on December 30, 2011, their annual guaranteed income for life is available anytime in 2011.

The GLWA must be taken in the year the Annuitant turns age 95 and the guaranteed annual amount must be withdrawn each calendar year thereafter.

The GLWA is initially calculated based on the first deposit to the policy and is recalculated:

- During the first 45 days of the policy (to accommodate funds that are being transferred into the policy from other sources).
- At the end of each calendar year.

There are two key components used for determining the GLWA:

1. **Guaranteed Withdrawal Base (GWBase), and the**
2. **Withdrawal Percentage (WD%)**

The GLWA is determined by simply multiplying the GWBase by the WD%.

Any withdrawals made in a calendar year prior to the Annuitant reaching age 65 or that exceed the GLWA will reduce future guaranteed income.

For RRIF contracts, using an older spouse to determine the GLWA will reduce future guaranteed income.

Any unused GLWA is not carried forward to the next year.

Withdrawal Percentage (WD%)

The **Withdrawal Percentage (WD%)** is used for determining the GLWA and varies based on the age of the Annuitant when the first GLWA withdrawal is made.

Once the WD% is set, it cannot be changed. In years where the Annuitant is between the Calendar Ages of 65 and 74, the WD% is 5%, and 75 or older, the WD% is 5.5%.

If the client can wait until the year he or she turns 75 to make the first GLWA withdrawal*, his or her guaranteed annual income for life can significantly increase. For example, using a very basic scenario to illustrate, if the client's GWBase was $500,000 and his or her WD% was 5%, his or her guaranteed income would be $25,000. However, if the WD% was 5.5%, his or her guaranteed annual income for life would be $27,500. This would be an increase of $2,500 or 10% from the previous amount.

You should also know that withdrawals made in years before the Annuitant is age 65 will not set the WD%; however, they are considered Excess Withdrawals and will reduce future guaranteed income.

Calendar Age

A number of the features of Five *for* Life are based on the Calendar Age of the Annuitant. Simply put, the Calendar Age is the current year minus the birth year of the Annuitant. For example, an Annuitant born in 1946 would have a Calendar Age of 65 in 2011 (i.e. 2011 – 1946 = 65).

Guaranteed Withdrawal Base (GWBase)

The **Guaranteed Withdrawal Base (GWBase)** is established by the first deposit into the policy and increases immediately through **additional deposits, income bonuses** and **resets** that occur every three years when the market value of the policy is greater than the current GWBase.

The GWBase is not reduced by withdrawals that are less than or equal to the GLWA, but withdrawals made in a calendar year that are in excess of the GLWA will reduce future guaranteed income.

Future Income Escalator Bonus (FIE Bonus)

The **Future Income Escalator Bonus (FIE Bonus)** is a 5% income bonus that is available annually until the end of the year the Annuitant turns age 94. The bonus is added to the GWBase at the end of the year, in years where no withdrawals are taken. The FIE Bonus is determined at the end of the year and is equal to 5% of the **Future Income Escalator Base (FIEBase)**. The FIEBase is initially set by the first deposit to the policy and can increase through additional deposits and Resets. Income bonuses simply increase the amount that is guaranteed to be available for future withdrawals. Income bonuses are not cash, are not a guaranteed rate of return, are not available for withdrawals and are not added to the death benefit guarantee.

The FIE Bonus is available annually until the end of the year the Annuitant turns age 94 in years where no withdrawal has been made. For example, if no withdrawals are made in years one, two and three, but a withdrawal is made in year four, the income bonus will be added to the GWBase in years one, two and three, but not added in year four. If the next withdrawal is not made until year twenty-one, the bonus will be added in years five through twenty.

* GLWA payments must begin no later than the year the Annuitant is 95 years of age.

Future Income Escalator Bonus (FIE Bonus) continued

The FIEBase will reduce by the value of withdrawals up to the GLWA. If an Excess Withdrawal is made, the FIEBase is reduced by a Downward Adjustment.

The FIEBase is not increased by the FIE Bonus and thus future FIE Bonus calculations are not impacted by previous bonuses that have been added to the GWBase.

In years where transactional fees (i.e. Switch Fee, Early Withdrawal Fee, Early Switch Fee, movement of funds between different sales charges) occur, the FIE Bonus will not be available since transactional fees are treated as withdrawals. However, the withdrawal of the GLWB Fee will not impact the availability of the FIE Bonus.

Resets

Resets are automatically performed every three years on the contract anniversary date. Therefore, if a Five *for* Life policy was first established on December 14, 2010, the contract anniversary for the first Reset would be December 14, 2013.

Resets will potentially increase the GWBase, FIEBase and the Death Guaranteed Amount independently, so if the market value of the policy is greater than these amounts, each will be increased accordingly.

Where the total market value of the Funds is lower than the then current value of the Funds, the Reset is applied but no change is made to the value.

Resets provide the potential of "locking-in" market gains during positive markets. Moreover, in years when a reset occurs, your clients can potentially benefit from an increase in their GWBase followed by an increase in the amount of the FIE Bonus – all in the same year. As a result, the GLWA will be increased.

Resets are available until the earlier of the 10th Reset or the Annuitant's 81st birthday.

Increasing the value of the GWBase – An example

On November 26, 2010 a policyholder makes his or her first investment into a Five *for* Life contract and deposits $100,000. This deposit immediately establishes the GWBase of the contract at $100,000. Before the end of the year, the policyholder deposits another $50,000 to the contract immediately increasing the GWBase to $150,000. No withdrawals are made in 2010 and on December 31, the GWBase is increased by another $7,500 as a result of the Future Income Escalator Bonus. The year closes with the Five *for* Life contract having a GWBase of $157,500. For the next two years – 2011 and 2012 – the policyholder does not make any more deposits, but he or she also does not take any withdrawals. At the end of each of those years, the GWBase increases another $7,500 respectively, resulting in a GWBase of $172,500 on December 31, 2012. On November 26, 2013 the contract's market value is $182,000. This is also the three year policy anniversary and a Reset of the GWBase occurs increasing it to match the contract's market value (there would be no Reset of the GWBase if the market value of the contract was less than the GWBase).

Excess Withdrawals

An **Excess Withdrawal** triggers a Downward Adjustment of both the GWBase and the FIEBase, and this will reduce future guaranteed income and the FIE Bonus if applicable.

An Excess Withdrawal can occur in two ways:

1. **When a withdrawal in a calendar year is greater than the GLWA**
2. **When a withdrawal is made in a year where the Annuitant is Calendar Age 64 or younger**

Also, using an older spouse to determine the RRIF Minimum in situations where the minimum RRIF payments exceed the GLWA will result in Excess Withdrawals and will reduce future guaranteed income.

An Excess Withdrawal leads to an immediate **Downward Adjustment** to both the GWBase and the FIEBase respectively, and a proportionate reduction to the Death Guaranteed Amount.

Downward Adjustment

The **Downward Adjustment** reduces the GWBase and FIEBase independently by the greater of the:

- dollar value of the Excess Withdrawal; or
- proportional market value of the Excess Withdrawal relative to the market value of the contract before the Excess Withdrawal multiplied by the GWBase and FIEBase as applicable

Due to the potential for a proportionate reduction, an Excess Withdrawal may reduce the GWBase and FIEBase by more than the actual value of the Excess Withdrawal.

Below is an example of the Downward Adjustment

A policyholder has a Five *for* Life contract with a GWBase of $193,196 and a FIEBase of $174,337. The contract's market value is $174,850. The policyholder makes an Excess Withdrawal of $5,000 immediately reducing the contract's market value to $169,850.

How much are the GWBase and FIEBase reduced as a result of the Excess Withdrawal?

Separate calculations will be made for both the GWBase and FIEBase. Both will be reduced respectively by the greater of the:

(A) dollar value of the Excess Withdrawal; or

(B) proportional market value of the Excess Withdrawal relative to the market value of the contract *before* the Excess Withdrawal multiplied by the GWBase and the FIEBase, as applicable

GWBase Downward Adjustment	FIEBase Downward Adjustment
A = $5,000 B = $193,196 x ($5,000/$174,850) = $5,524.62	A = $5,000 B = $174,337 x ($5,000/$174,850) = $4,985.33
B is greater than A in this example. Therefore, the GWBase reduces by $5,524.62 to $187,671.38.	A is greater than B in this example. Therefore, the FIEBase reduces by $5,000 to $169,337.

Five *for* Life RRIF

A RRIF is designed to provide retirement income, ideally for life. But few RRIF investments were able to provide that type of peace of mind, until now. A **Five *for* Life RRIF** is designed to provide guaranteed income for life.

As discussed in the previous section, a withdrawal greater than the GLWA is considered an Excess Withdrawal and will lead to a Downward Adjustment of the GWBase and FIEBase. However, RRIF policyholders may exceed the GLWA without triggering an Excess Withdrawal.

GLWA RRIF Minimum

The **GLWA** RRIF Minimum is used to reduce the impact of an Excess Withdrawal as a result of the Annuitant taking the required RRIF Minimum amount from the contract. Withdrawals from a RRIF will only be considered Excess Withdrawals if the amount exceeds the greater of the GLWA and the GLWA RRIF Minimum.

If the Annuitant elects to base his or her RRIF Minimum amount on his or her age, the GLWA RRIF Minimum will be equal to the RRIF Minimum amount.

If the Annuitant elects to base his or her RRIF Minimum amount on his or her spouse's age, we will determine the GLWA RRIF Minimum based on the younger of the Annuitant and the Annuitant's spouse. As such, using an older spouse to determine the RRIF Minimum will result in Excess Withdrawals and will reduce future guaranteed income.

Calculating the GLWA RRIF Minimum

To determine the RRIF Minimum, an Annuitant can use his or her own age, or his or her spouse's age.

In the example below, the Annuitant is 73 years old, the market value of the Five *for* Life RRIF is $150,000, the GWBase is $200,000 and the Withdrawal Percentage is 5%.

As shown below, when the Annuitant uses his or her own age to calculate the RRIF Minimum amount the GLWA RRIF Minimum will equal the RRIF Minimum.

RRIF Minimum Amount (based on the Annuitant's age)*	GLWA	GLWA RRIF Minimum	Excess Withdrawal
$11,385 (7.59% of $150,000)	$10,000 (5% of $200,000)	$11,385	$0

In this case the RRIF Minimum exceeds the GLWA but is not considered an Excess Withdrawal since the GLWA RRIF Minimum has been set to equal the RRIF Minimum.

* Under the *Income Tax Act* (ITA), the RRIF minimum percentage for an Annuitant aged 73 is 7.59%.

If the same 73-year-old Annuitant decided to use his or her 78-year-old spouse's age to determine his or her RRIF Minimum, the amount withdrawn will exceed the GLWA RRIF Minimum and will result in an Excess Withdrawal, which will reduce the GWBase and FIEBase.

As shown below, using an older spouse to determine the RRIF Minimum will result in Excess Withdrawals and will reduce future guaranteed income.

RRIF Minimum Amount (based on the older spouse's age)*	**GLWA**	**GLWA RRIF Minimum**	**Excess Withdrawal**
$12,495 (8.33% of $150,000)	$10,000 (5% of $200,000)	$11,385 (7.59% of $150,000)	$1,110 ($12,495 - $11,385)

* Under ITA, the RRIF minimum percentage for an Annuitant aged 73 is 7.59% and for the Annuitant's spouse aged 78 it is 8.33%.

Five *for* Life RRIF in action – An example

A Five *for* Life RRIF provides policyholders with several unique advantages:

- A guaranteed minimum withdrawal amount even if the market value of the contract reduces to zero.*
- In the initial year where no RRIF withdrawals are required to be made, the FIE Bonus increases the guaranteed annual income of the contract.
- The potential to take withdrawals that exceed the RRIF Minimum without affecting future guaranteed withdrawal amounts.†

* Exceeding the withdrawal limits (GLWA & GLWA RRIF Minimum for RRIF contracts) may have a negative impact on future payments.
† As long as the RRIF Minimum amount is based on the age of the Annuitant.

The following example illustrates how the GLWA and GLWA RRIF Minimum can maximize the income potential of a Five *for* Life RRIF contract.

In this example, Karen, age 71, invests $200,000 in a Five *for* Life RRIF contract. Karen's initial deposit establishes a GWBase of $200,000. She does not make a withdrawal in the initial year of the policy allowing her to benefit from the FIE Bonus at the end of the year, increasing the GWBase of her contract to $210,000. The higher GWBase means her GLWA is now $10,500. She has decided to determine her RRIF Minimum amount based on her own age; therefore, her GLWA RRIF Minimum will be equal to her RRIF Minimum amount.

In the first year she begins taking withdrawals, her GLWA RRIF Minimum is $14,760. However, during this year the markets take a dramatic downturn and her contract's market value is dramatically reduced. In the second year of taking withdrawals, her GLWA RRIF Minimum has reduced to $9,748. However, her GLWA remains at $10,500 allowing her to withdraw this much from her RRIF without reducing her guaranteed withdrawal amount.

Over the next 19 years until her death, the amount of withdrawals she makes from her Five *for* Life RRIF totals $216,813. If she had invested in a RRIF that did not provide a Guaranteed Lifetime Withdrawal Benefit, the amount of her RRIF withdrawals would have totaled $201,624 – an income difference of $15,189.

Five *for* Life RRIF in action – An example

Five *for* Life provided Karen with:

- A guaranteed minimum amount to be available from her RRIF for life.
- An income bonus in the initial year of establishing her RRIF.
- The ability to maximize the amount of income generated from her RRIF investments.

Age	Market value at Dec. 31*	Market return†	Required RRIF Minimum %	Required RRIF Minimum payment‡	GLWA RRIF Minimum	Guaranteed Lifetime Withdrawal Amount (5% of $210,000)	What Karen may withdraw each year without negatively impacting her withdrawal benefits
71	$200,000						
72	$130,320	-27.46%	7.38%	$14,760	$14,760	$10,500	$14,760
73	$109,811	-7.68%	7.48%	$9,748	$9,748	$10,500	$10,500
74	$128,785	26.84%	7.59%	$8,335	$8,335	$10,500	$10,500
75	$139,058	16.13%	7.71%	$9,929	$9,929	$10,500	$10,500
76	$154,744	19.13%	7.85%	$10,916	$10,916	$10,500	$10,916
77	$175,912	21.67%	7.99%	$12,364	$12,364	$10,500	$12,364
78	$113,270	-27.46%	8.15%	$14,337	$14,337	$10,500	$14,337
79	$94,071	-7.68%	8.33%	$9,435	$9,435	$10,500	$10,500
80	$108,820	26.84%	8.53%	$8,024	$8,024	$10,500	$10,500
81	$115,872	16.13%	8.75%	$9,522	$9,522	$10,500	$10,500
82	$127,538	19.13%	8.99%	$10,417	$10,417	$10,500	$10,500
83	$143,353	21.67%	9.27%	$11,823	$11,823	$10,500	$11,823
84	$90,255	-27.46%	9.58%	$13,733	$13,733	$10,500	$13,733
85	$72,824	-7.68%	9.93%	$8,962	$8,962	$10,500	$10,500
86	$81,869	26.84%	10.33%	$7,523	$7,523	$10,500	$10,500
87	$84,575	16.13%	10.79%	$8,834	$8,834	$10,500	$10,500
88	$90,254	19.13%	11.33%	$9,582	$9,582	$10,500	$10,500
89	$99,018	21.67%	11.96%	$10,794	$10,794	$10,500	$10,794
90	$59,242	-27.46%	12.71%	$12,585	$12,585	$10,500	$12,585
Total of RRIF Minimum withdrawals $201,624					**Total Five *for* Life RRIF withdrawals $216,813**		

* Assumes withdrawals are done at the end of the year.
† Returns are based on the S&P/TSX TR Index, repeating a six year period (Oct 2000 to Oct 2006) and are not reduced by MERs.
‡ Required RRIF payment is based on the market value of the policy in the previous year.

Successor Annuitant (for RRIFs only)

If there is a Successor Annuitant on a Five *for* Life RRIF contract, the contract benefits will be subject to an adjustment upon the death of the primary Annuitant. Both the GWBase and FIEBase will be adjusted to equal the policy's market value on the **Death Benefit Date**. This means that the benefits can be increased if the market value is greater than the GWBase and FIEBase. **However, it also means that these benefits will reduce if the market value of the policy has been significantly reduced.**

Death Guaranteed Amount

The **Death Guaranteed Amount** is used to calculate the Death Benefit.

The Death Guaranteed Amount is initially set at 100% of the first deposit into the policy and is increased by 100% of the value of additional deposits as well as Resets.

However, the Death Guaranteed Amount is proportionately reduced by withdrawals, including the GLWA withdrawals and client initiated transaction fees.

Guaranteed Lifetime Withdrawal Benefit (GLWB) Fees do not impact the Death Guaranteed Amount.

Death Benefit

The **Death Benefit** is the amount that the beneficiary receives on the death of the last surviving Annuitant. It is calculated on the **Death Benefit Date** and is equal to the greater of the Death Guaranteed Amount and the market value of the contract. If the market value on the Death Benefit Date is less than the Death Guaranteed Amount, a "Top-Up Benefit" to make up the difference will be applied.

The Death Benefit Date is the Valuation Date on which satisfactory proof of the death of the last surviving Annuitant is received.

The Death Benefit does not apply to a contract in the Guaranteed Payment Phase (GPP).

There are no withdrawal fees charged on Funds under the Deferred Sales Charge Option (DSC) on the Death Benefit.

The Death Benefit – An example

On December 17, 2010 a policyholder makes his or her first investment into a Five *for* Life contract and deposits $100,000. This deposit immediately establishes the Death Guaranteed Amount of the Contract at $100,000. The policyholder makes an additional deposit of $50,000 on March 2, 2011. The additional deposit will immediately increase the Death Guaranteed Amount to $150,000. On December 17, 2013 the Contract's market value is $167,000. This is also the three year policy anniversary for the Contract and a Reset of the Death Guaranteed Amount occurs, increasing it to match the Contract's market value (there would be no Reset if the market value of the contract was less than the Death Guaranteed Amount). On January 11, 2014 the Annuitant dies. Transamerica receives satisfactory proof of the death of the Annuitant on January 16, 2014 and this date becomes the Death Benefit Date. On this date, the Contract had a market value of $158,500; however, the Death Guaranteed Amount for the Contract was $167,000. A "Top-up Benefit" of $8,500 ($167,000 - $158,500) will be paid by Transamerica to make up the difference. The Death Benefit to be received by the beneficiary will be $167,000.

Contract Maturity Guaranteed Amount – An example

The **Contract Maturity Guaranteed Amount** is used to calculate the **Contract Maturity Benefit**. It is set equal to 75% of the sum of all deposits made to the Contract.

However, the Contract Maturity Guaranteed Amount is proportionally reduced by withdrawals, including the GLWA withdrawals and client initiated transaction fees.

Guaranteed Lifetime Withdrawal Benefit Fees do not impact the Contract Maturity Guaranteed Amount.

Contract Maturity Benefit

The **Contract Maturity Benefit** is calculated on the Contract Maturity Date, which is December 31st of the year the last surviving Annuitant turns age 120.

On the Contract Maturity Date, the Contract Maturity Benefit is the greater of the (i) Maturity Guaranteed Amount or (ii) market value of the Contract.

If the market value on the Contract Maturity Date is less than the Contract Maturity Guaranteed Amount, a "Top-up Benefit" to make up the difference will be applied.

Default Annuity

On the Contract Maturity Date the contract will end. If specific instructions are not provided, the Contract Maturity Benefit will be applied to provide a single life annuity.

The single life annuity contract will have the following characteristics:

- The annuity payment will be equal to the greater of:
  - the GLWA effective as of the Contract Maturity Date; or
  - an annuity based on a single premium equal to the Contract Maturity Benefit issued on the life of the Annuitant. The applicable rates will be those in effect at the time the annuity is issued.
- The annuity payment will be made annually.

If the Annuitant dies before the annuity payments have started, the Contract Maturity Benefit will be paid to the Beneficiary.

The Contract Maturity Benefit, including the default annuity provision, does not apply to a contract in the Guaranteed Payment Phase.

Guaranteed Payment Phase

When the market value of the policy is zero, but the GWBase is greater than zero, the Contract enters the **Guaranteed Payment Phase (GPP)**. During the GPP:

- Any remaining GLWA for the year is paid.
- For subsequent calendar years, annuity payments will be made based on the GWBase at the time the policy entered the GPP and the WD% that was set for the policy.
- Payments will continue for the life of the Annuitant.
- No additional deposits or bonuses will be allowed.
- The Death Benefit and Contract Maturity Benefit will no longer apply.
- Any Successor Annuitant will also no longer apply.
- GLWB fees do not apply.

Impact of deposits, withdrawals and other transactions/events

Coming back to the three values that we track for Five *for* Life, the table below provides a synopsis of how these values are impacted by various transactions and events. Again, for more details, please refer to the Five *for* Life Information Folder and Annuity Policy.

Transaction/event	GWBase	FIEBase	Death Guaranteed Amount
Deposits*	Increases by the amount of the deposit	Increases by the amount of the deposit	Increases by the amount of the deposit
FIE Bonus	Added on Dec. 31 (annually until the end of the year the Annuitant turns age 94)†	N/A	N/A
Resets	If less, increases to market value of the Policy	If less, increases to market value of the Policy	If less, increases to market value of the Policy
Withdrawals up to the GLWA	No impact	Reduces by the dollar amount of the withdrawal	Reduces proportionally
Excess Withdrawals	Downward Adjustment	Downward Adjustment	Reduces proportionally

* If ISC funds are purchased, the deposit equals the premium minus the sales charge.

† If no withdrawals are made during the calendar year

Five *for* Life in action – An example

An example of an Annuitant aged 65 who invests $50,000 in a Five *for* Life contract

Date	Transaction/ event	Amount	Market value of policy (after transaction/ event)	FIEBase	FIE Bonus (5% of FIEBase)	GWBase (after transaction/ event)	Death Guaranteed Amount	GLWA (5% of GWBase)
Sept. 20, 2010	Initial Deposit	$50,000	$50,000	$50,000	–	$50,000	$50,000	$2,500 for 2010
Dec. 31, 2010	FIE Bonus and GLWA calc	–	$52,250	$50,000	$2,500	$52,500	$50,000	$2,625 for 2011
Dec. 30, 2011	FIE Bonus and GLWA calc	–	$56,430	$50,000	$2,500	$55,000	$50,000	$2,750 for 2012
Dec. 31, 2012	FIE Bonus and GLWA calc	–	$58,970	$50,000	$2,500	$57,500	$50,000	$2,875 for 2013
Sept. 20, 2013	Reset	–	$58,200	$58,200	–	$58,200	$58,200	$2,875 for 2013
Dec. 31, 2013	FIE Bonus and GLWA calc	–	$57,700	$58,200	$2,910	$61,110	$58,200	$3,056 for 2014
Apr. 14, 2014	Withdrawal	$3,000	$54,000*	$55,200	–	$61,110	$55,137*	$3,056 for 2014
Dec. 31, 2014	FIE Bonus and GLWA calc	–	$54,900	$55,200	0†	$61,110	$55,137	$3,056 for 2015

* There is a proportional reduction of the Death Benefit = $58,200 x ($3,000/$57,000) = $3,063.

† No bonus was added at the end of the year due to the withdrawal that took place on April 14, 2014.

How does the contract work?

By referring to both tables below and on the previous page, we will provide you with a step-by-step review of how a Five *for* Life contract works. In this example, we have assumed the Annuitant has invested in a Five *for* Life contract in the year he or she turns 65 years of age. For simplicity of the illustration, we have also excluded the deduction of the GLWB Fees from this example.

Date	What happened?
Sept. 20, 2010	An initial deposit of $50,000 was made to the Five *for* Life contract and three values were immediately established for the tracking of various benefits – the FIEBase, the GWBase and the Death Guaranteed Amount. All three values were set at $50,000. Please note, since the Contract was opened in a year where the Annuitant is 65 years of age, the available GLWA for the Contract is also immediately established and is 5% of the GWBase (5% of $50,000) = $2,500.
Dec. 31, 2010	At the end of the year, two events occur. First, the FIE Bonus is added to the GWBase, and second, the GLWA is recalculated. The FIE Bonus is added at the end of the year, if no withdrawals are made during the year. The FIE Bonus is 5% of the FIEBase (5% of $50,000) and an amount of $2,500 is added to the GWBase. Please note, the FIE Bonus has no cash value, it is simply a notional amount added to the GWBase. The GLWA is recalculated at the end of the year and the owner of the Contract will have a Guaranteed Lifetime Withdrawal Amount of $2,625 starting in 2011.
Dec. 30, 2011 & Dec. 31, 2012	Similar to what happened on December 31, 2010, the FIE Bonus is added to the GWBase and the GLWA is recalculated. Again, no withdrawals were made during these years.
Sept. 20, 2013	This is the three year policy anniversary of the Contract. On this date, a Reset will occur and if the market value of the Contract is greater than the value of the GWBase, FIEBase and Death Guaranteed Amount, each of these values will be increased independently to match the market value of the policy.
Dec. 31, 2013	Again, at the end of the year the FIE Bonus is added (since no withdrawals happened during the year) to the GWBase and the GLWA is recalculated. Notice that both the FIE Bonus and the GWBase have increased this year as a result of the Reset that occurred earlier in the year. This illustrates how both the Reset feature and the FIE Bonus work together to potentially increase the guaranteed income for life.
Apr. 14, 2014	A withdrawal of $3,000 was made from the Contract. The withdrawal amount is less than the GLWA. The owner has a remaining GLWA of $56 for the year. Any withdrawals made in excess of this amount during this year will be considered an Excess Withdrawal and will lead to a Downward Adjustment of both the FIEBase and the GWBase. As a result of the withdrawal, both the policy's market value and the FIEBase are reduced by the amount of the withdrawal. Since the withdrawal was less than the GLWA, the GWBase does not change. Finally, since a withdrawal was made from the policy, the WD% for the policy will be set at 5% as the Annuitant is Calendar Age 69 in 2014.
Dec. 31, 2014	Unlike previous year ends, the FIE Bonus is not added to the GWBase as a withdrawal took place earlier in the year. Remember, any withdrawals made during the year will mean no FIE Bonus is added to the GWBase. The GLWA is recalculated and even though a withdrawal occurred, the GLWA remains the same for the next calendar year.

Taking income now – Down market scenario

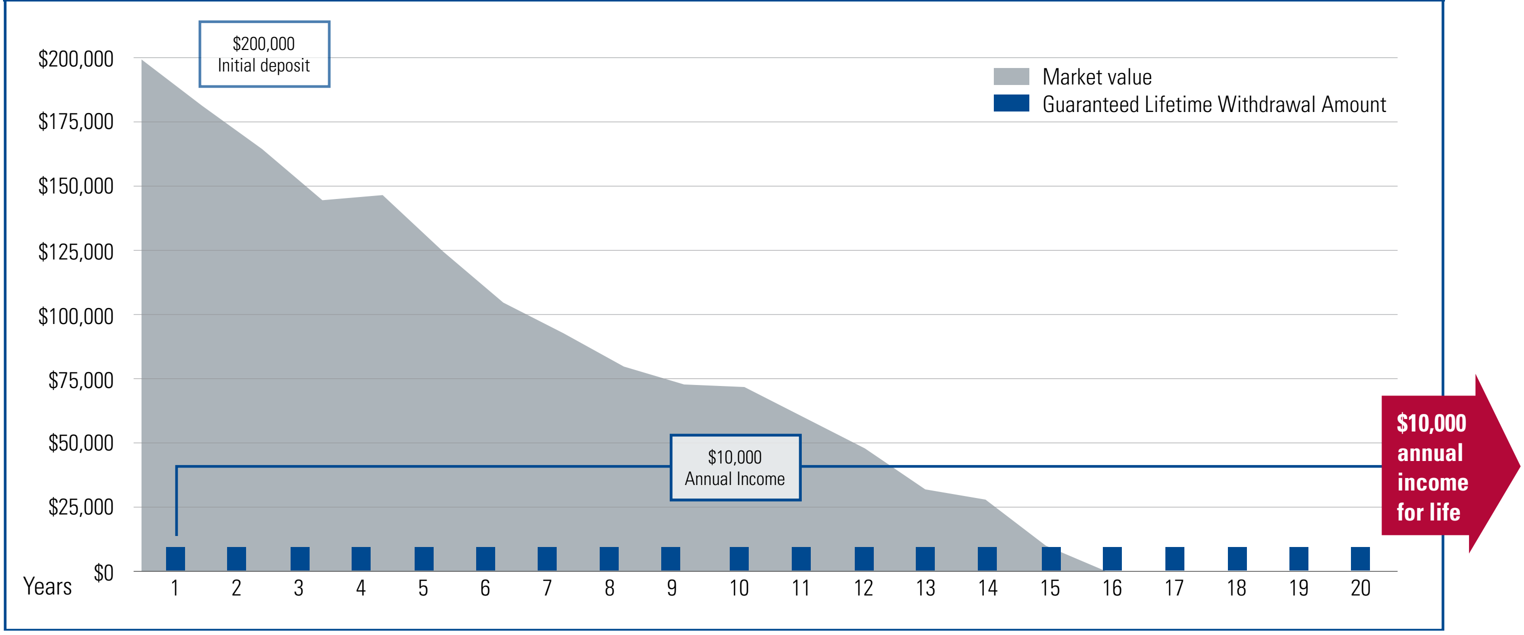
Five *for* Life can provide predictable and guaranteed annual income now, even in a down market.

In this example, Susan, age 67, has invested $200,000 in a Five *for* Life contract. Susan's initial deposit establishes a Guaranteed Withdrawal Base (GWBase) of $200,000. She immediately begins taking her Guaranteed Lifetime Withdrawal Amount of $10,000. Within 17 years, Susan's investment value decreases to zero. However, with Five *for* Life, she will continue to receive a guaranteed annual withdrawal amount of $10,000 (5% of $200,000) for the rest of her life*.

Five *for* Life can provide Susan with:

- A minimum amount guaranteed to be available for regular withdrawals equal to 5% of her deposit for life, in this case a $10,000 GLWA annually, no matter how the markets will perform.*
- Access to the market value of the investment at any time (subject to the deferred sales charge, if applicable)
- A Death Guaranteed Amount equal to 100% of her $200,000 investment less a proportional reduction for withdrawals. The Death Benefit is passed to named beneficiaries without probate costs.
- The Reset does not apply during a down market.

DOWN MARKET SCENARIO



For illustration purposes only. Market value is hypothetical, and not indicative of future performance.

As long as Susan does not withdraw more than the GLWA of $10,000, she will continue to receive a guaranteed annual withdrawal amount of $10,000 (5% of $200,000) for life.

* Exceeding the withdrawal limits may have a negative impact on future payments

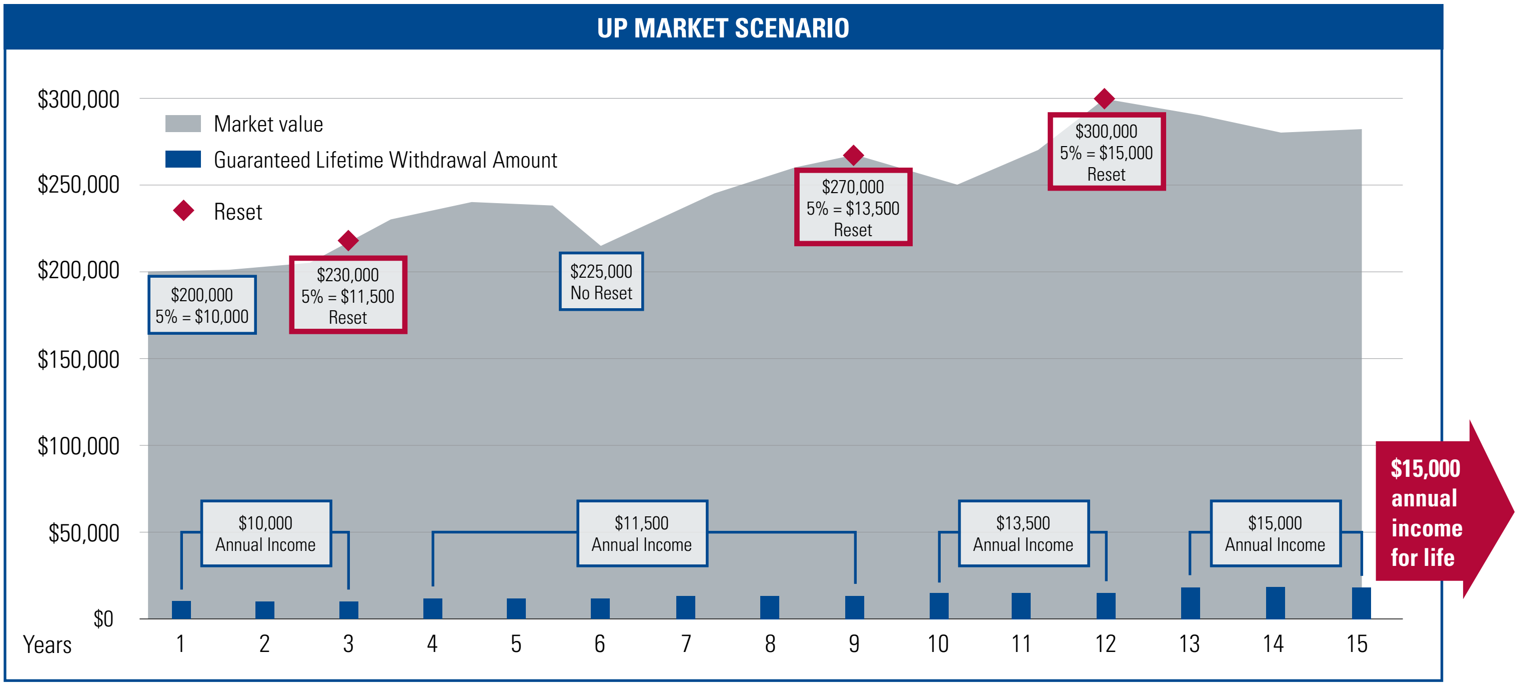
Taking income now – Up market scenario

Five *for* Life's Reset feature allows market gains to be locked-in every three years.

In this example, Susan, age 67, has invested $200,000 in a Five *for* Life contract. Susan's initial deposit establishes a Guaranteed Withdrawal Base (GWBase) of $200,000. When the market performs well, the Reset feature of her Five *for* Life contract will lock-in investment growth every three years, resulting in higher income. As a result of the Reset, the GWBase of Susan's contract has increased to $300,000 in year 13. This will allow her to withdraw an annual amount of $15,000. If markets continue to perform well, Susan's annual guaranteed income can continue to increase.

Five *for* Life can provide Susan with:

- A Reset Benefit that will lock-in a higher GWBase of her contract, every three years, locking in a higher GLWA for life, no matter how the markets perform in the future.† As a result of the GWBase Reset Benefit, Susan will be able to withdraw an annual amount of $15,000 beginning in year 13 and for the rest of her life no matter how the markets perform in the future.
- Access to the market value of the investment at any time (subject to the deferred sales charge, if applicable).
- A Death Guaranteed Amount Reset* will lock-in market gains for the Death Benefit.* The Death Benefit is passed to named beneficiaries without probate costs.



For illustration purposes only. Market value is hypothetical, and not indicative of future performance.

In this scenario, Susan was not able to take advantage of the FIE Bonus, because she needed to draw income immediately.

* Exceeding the withdrawal limits may have a negative impact on future payments

† Resets continue until the 10th Reset or the Annuitant's 81st birthday, whichever is earlier.

Taking income later – Down market scenario

Five *for* Life's FIE Bonus can augment your clients' retirement income while offsetting market volatility.

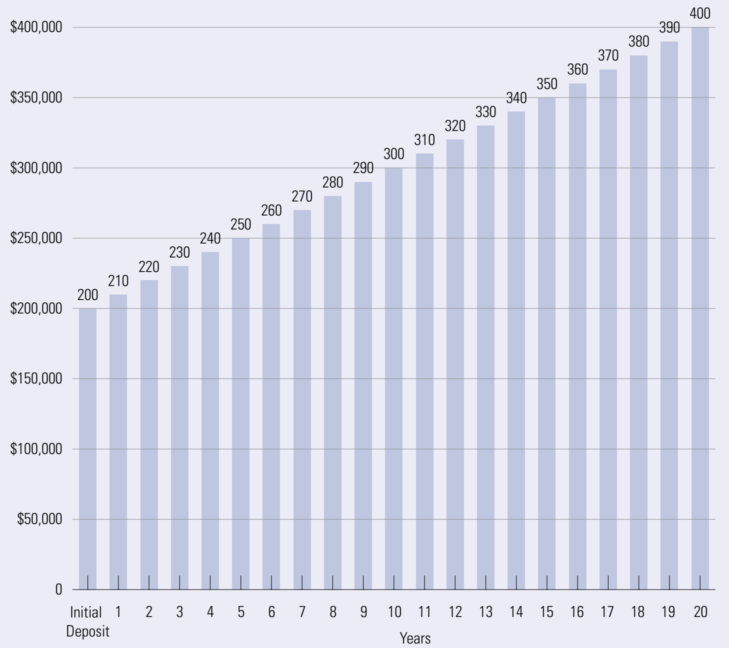
In this example, Bill, age 45 is saving for his retirement and has at least 20 years before he will need to make a withdrawal from his Five *for* Life contract. Bill's initial deposit establishes the Guaranteed Withdrawal Base of $200,000. Even in a down market, the GWBase will grow to $400,000 through annual bonuses of $10,000 for 20 years as no withdrawal is made in those years. The GLWA that Bill is allowed to withdraw in the year he turns 65, will be $20,000 (5% of $400,000).

Five *for* Life can provide Bill with:

- A minimum amount guaranteed to be available for regular withdrawals (in the year Bill turns age 65) for life, equal to 5% of his deposit, no matter how the markets perform.*
- Greater GLWA due to the impact of the FIE Bonus. An FIE Bonus of 5% of the FIEBase amount is credited to the value of the GWBase for each year in which no withdrawal is made. The FIE Bonus is applied each year until the end of the year Bill turns age 64, increasing the GWBase by $200,000, no matter how the market perform.The FIE Bonus will not apply once Bill's GLWA begins at age 65.
- Access to the market value of the investment at any time (subject to the deferred sales charge option, if applicable).
- A Death Guaranteed Amount equal to 100% of his $200,000 deposit less a proportional reduction for withdrawals. The Death Benefit is passed to named beneficiaries without probate costs.

DOWN MARKET SCENARIO

In this example, Bill's initial deposit establishes the Guaranteed Withdrawal Base of $200,000. Even in a down market, the GWBase will grow to $400,000 through annual bonuses of $10,000 for 20 years as no withdrawal is made in those years. The GLWA that Bill is allowed to withdraw after December 31st of the year he turns 65, will be $20,000 (5% of $400,000).



Guaranteed Withdrawal Base ($000)

Five *for* Life can profit from market growth.

For illustration purposes only. Market value is hypothetical, and not indicative of future performance.

When planning for retirement with your clients, show them what their investment amount could turn into at retirement with the FIE Bonus feature.

* Exceeding the withdrawal limits may have a negative impact on future payments

Taking income later – Up market scenario

Five *for* Life's resets and bonuses – a valuable combo for your clients.

In this example, Bill, age 45, is saving for his retirement and has at least 20 years before he will need to make a withdrawal from his Five *for* Life contract. Bill's initial deposit establishes the Guaranteed Withdrawal base of $200,000. If the market performs well, the GWBase will automatically reset every three years resulting in increased potential income. Resets can also increase bonuses for future years. Even though markets have declined in year 12, Bill's yearly 5% bonus continues at the year nine amount. By the end of year 20, when Bill is ready to start making withdrawals, his GWBase has increased to $644,600 and the GLWA available starting in year 21 is $32,230 (5% of $644,600).

Five *for* Life can provide Bill with:

- A Reset Benefit that will lock-in a higher GWBase and FIE Base, every three years, locking in a higher GLWA for life, no matter how the markets perform in the future.†
- Greater GLWA due to the impact of the FIE Bonus. An FIE Bonus of 5% of the FIE Base amount is credited to the value of the GWBase for each year in which no withdrawal is made, to the end of the year Bill turns age 64, increasing the GWBase by $200,000, no matter how the market perform.*
- Access to the market value of the investment at any time (subject to the deferred sales charge option, if applicable).
- A Death Guaranteed Amount Reset will lock-in market gains for the Death Benefit.* The Death Benefit is passed to named beneficiaries without probate costs.

UP MARKET SCENARIO

For illustration purposes only. Market value is hypothetical, and not indicative of future performance.

* Exceeding the withdrawal limits may have a negative impact on future payments

† Resets continue until the 10th Reset or the Annuitant's 81st birthday, whichever is earlier.

Contract information

Contract types	• Non-registered plans • Registered Retirement Savings Plans (RRSPs) • Registered Retirement Income Funds (RRIFs)
Number of contracts	Right to limit the number of Five *for* Life contracts issued to the same Annuitant
Deposits	• Minimum $25,000 Initial Deposit Period (first 45 days of the Contract) • Minimum $500 per Fund • PAC minimum $100/month, with a minimum $50 per Fund • Deposits of $2 million or more require pre-approval
Latest age to make a deposit	• Non-registered – The day before the Annuitant turns 81 • Registered Retirement Savings Plans (RRSPs) – December 31st of the year the Annuitant turns 71* • Registered Retirement Income Funds (RRIFs) – The day before the Annuitant turns 81 * Or, the latest age to hold an RRSP under the *Income Tax Act* (Canada), except that it cannot exceed the day before the Annuitant's age 81.
Fund switches	• Four free unscheduled switches per calendar year, thereafter we will charge a switch fee of 2% of the amount switched • Minimum switch amount of $100 with a minimum of $50 per Fund • We may also charge an early switch fee of 2% of the amount switched if an unscheduled switch is made within 90 days of allocating a deposit to the Fund
Withdrawal minimums	• Minimum withdrawal amount of $100 with a minimum of $50 per Fund • We may charge an early withdrawal fee of 2% of the amount withdrawn if the unscheduled withdrawal is made within 90 days of the deposit
Sales charges	• Initial Sales Charge (ISC) – Negotiable up to 5% • Deferred Sales Charge (DSC) – 6% declining over eight years • DSC and ISC units can be held in the same contract.
10% free withdrawal	The number of DSC units that may be withdrawn each year without a DSC is equal to the sum of the following: a) 10% of the number of DSC units that were allocated to the Fund at the end of the previous calendar year; and b) 10% of DSC units allocated to the Fund in the current year, prorated by the number of days the units have been held in the current year (not including the day of allocation. In prorating, we divide by 366 for leap years and by 365 for non-leap years); less c) Any DSC units withdrawn from the Fund in the current year under this privilege Any unused portion of the privilege may not be carried forward from one year to the next.

Contract information Continued

Change of Annuitant	• If there is a change of Annuitant requested for a non-registered plan, Five *for* Life's contract benefits will be subject to an adjustment upon the change of the primary Annuitant. Both the GWBase and FIEBase will be adjusted to equal the policy's market value on the effective date of the change. This means that the benefits will reduce if the market value of the policy has been significantly reduced. • In addition, the WD% will be based on the new Annuitant's Calendar Age and will be set based on the first withdrawal made by the new Annuitant after Calendar Age 65. This means that any withdrawals in a year where the new Annuitant is Calendar Age 64 or younger will be treated as Excess Withdrawals. • The Contract Maturity Benefit Date will be based on the new Annuitant's age
Management Fees & Operating Expenses	• Each Fund pays a management fee for the management of the Fund, commissions and service fees payable to advisors, and for the costs of providing the death and maturity benefits of the Contract. • Each Fund also pays its own Operating Expenses • Management Fees and expenses are deducted daily before the calculation of the Unit Value of the Fund • Management Fees and Operating Expenses vary for each Fund and are incorporated in the Management Expense Ratio (MER) of a Fund • There is no duplication of fees if the Fund invests in an underlying fund
GLWB Fees	• The GLWB Fee is paid out of the contract and is in addition to Management Fees • The GLWB Fee is paid monthly, through the withdrawal of units • The amount of the GLWB Fee is determined by the GWBase, the Fund Fee Rate and the proportionate market value of the Fund in relation to the market value of the contract
Transactional fees	• Switch Fee – 2% of the amount switched if more than four unscheduled switches are made in one year • Early Withdrawal Fee – 2% of the amount withdrawn if the unscheduled withdrawal is made within 90 days of the deposit • Early Switch Fee – 2% of the amount switched if the unscheduled switch is made within 90 days of allocating a deposit to the Fund • All transactional fees are treated as withdrawals and will also reduce the Contract Maturity Guaranteed Amount and Death Guaranteed Amount proportionally
Giving us instructions	Please send your correspondence to our head office: Transamerica Life Canada 5000 Yonge Street Toronto, Ontario M2N 7J8

GLWB Fee

The **Guaranteed Lifetime Withdrawal Benefit Fee** covers the cost of providing the Guaranteed Lifetime Withdrawal Benefit. The Fee is paid through a withdrawal of Fund units at the end of each month. The withdrawal of units to pay for the GLWB Fee has no impact on the Contract Maturity Benefit and Death Benefit and does not reduce the GWBase, FIEBase and GLWA.

The GLWB Fee is collected on the last valuation date of each month, after all transactions are processed, but before the GLWA recalculation.

If a full surrender is done prior to the last valuation date of the month, the GLWB Fees will not be collected for that month.

The GLWB Fee is not payable during the Guaranteed Payment Phase.

GLWB Fund Fee Level

A **GLWB Fund Fee Level** is assigned to each Fund depending on its risk level and volatility. Currently, there are four GLWB Fund Fee Levels available within the Contract. For each GLWB Fund Fee Level there is a corresponding Fund Fee Rate*. The riskier and more volatile the Fund, the higher the GLWB Fund Fee Level is for that Fund.

GLWB Fund Fee Levels	Annualized Fund Fee Rates
Level 1	0.40%
Level 2	0.65%
Level 3	0.95%
Level 4	1.20%

* We may change the amount of the Fund Fee Rate, up to the Maximum Fund Fee Rate, without prior notification. If the increase is beyond the Maximum Fund Fee Rate, we will provide at least 60 days advance notice and the client will have the right of free exit.

The above Fund Fee Rates relate to the Contracts issued under the current version of the Annuity Policy and Information Folder.

Please refer to the Information Folder issued to your client for further details on the GLWB Fund Fees and the Maximum Fund Fee Rate. The Information Folder is available at www.transamerica.ca.

GLWB Fee calculation

The monthly GLWB Fee is based on the following factors:

- Fee Rate of each Fund(s) held in the Contract.
- The value of the GWBase at the end of each month.
- The proportionate market value of the Fund in relation to the other Funds held in the Contract.

Specifically, the monthly GLWB Fee for each Fund is calculated based on the following formula:

F = GWBase x ((M x R)/12)

F = GLWB Fee collected on the last valuation date of the month

GWBase = Value of the GWBase on the last valuation date of the month (after all transactions have been processed, including the FIE Bonus or Reset)

M = Proportional weighting of the market value of the Fund relative to the market value of the Contract on the last valuation date of the month

R = Fund Fee Rate for the Fund

GLWB Fee calculation – An example

- The GWBase on the last valuation date of the month = $85,000
- Market value of the Contract on the last valuation date of the month = $90,000

Market value allocation by Fund:

Fund 1 = $5,000 **Fund 2 = $65,000** **Fund 3 = $20,000**

Fee Rates for the Funds:

Fund 1 = 0.40% **Fund 2 = 0.65%** **Fund 3 = 0.95%**

The GLWB Fee calculation on the last valuation date of the month is as follows:

Fund	Proportionate market value of Fund (M) relative to the Contract	Fund Fee Rate (R)	(M x R)/12	GWBase of the Contract	GLWB Fee to be applied to each Fund for the month
1	$5,000 ($5,000/$90,000) = 0.0556	0.40%	(0.0556 x 0.40%)/12 = 0.0000185	$85,000	$1.57
2	$65,000 ($65,000/$90,000)= 0.7222	0.65%	(0.7222 x 0.65%)/12 = 0.0003912	$85,000	$33.25
3	$20,000 ($20,000/$90,000) = 0.2222	0.95%	(0.2222 x 0.95%)/12 = 0.0001759	$85,000	$14.95
				Total GLWB Fee charged for the month	**$49.77**

Five *for* Life investment options – The importance of the right asset mix

Integral to the design of Five *for* Life is an income solution that has an appropriate mix of investment options for policyholders either near or at retirement.

We have a carefully selected line-up of balance-oriented Canadian and global funds managed by some of Canada's leading fund managers. Our investment options range from individual fund solutions to optimized, fund-of-funds portfolios and are intended to meet the varying investment objectives and risk profiles of retirement-oriented investors.

Please refer to the Five *for* Life Fund Information Folder for full details on the investment options available within the Five *for* Life contract.

Fund managers available within Five *for* Life

AEGON Capital Management Inc.

AGF What are you doing after work?

CI Investments

Fidelity Investments

Franklin Templeton Investments

Mackenzie Investments

TD Mutual Funds

TOP Optimized. Proven. Choice.

Five *for* Life fund codes and fees

The following table lists the Fund Codes, the Annual Fund Management Fee*, the GLWB Fund Fee Level, the GLWB Fund Fee Rate, the Maximum GLWB Fee Rate** and the estimated Management Expense Ratio***.

Five *for* Life Segregated Fund Name	Fund Codes		Annual Fund Management Fee (1)*	GLWB Fund Fee Level	GLWB Fee Rate(2)	Maximum GLWB Fee Rate**	Estimated Management Expense Ratio (MER)***
	DSC	ISC	Fees do not include applicable taxes				
Money Market & Fixed Income							
Canadian Money Market 5FL GIF	TLC950	TLC951	1.05%	1	0.40%	0.90%	1.56%
Canadian Bond 5FL GIF	TLC952	TLC953	1.60%	1	0.40%	0.90%	2.18%
Transamerica TD Income Advantage 5FL GIF	TLC956	TLC957	2.05%	1	0.40%	0.90%	2.71%
Canadian Balanced							
Canadian Balanced 5FL GIF	TLC960	TLC961	2.05%	4	1.20%	1.80%	2.69%
Transamerica AGF Canadian Large Cap Balanced 5FL GIP	TLC984	TLC985	2.20%	3	0.95%	1.45%	2.84%
Transamerica AGF Canadian Stock Balanced 5FL GIP	TLC970	TLC971	2.25%	4	1.20%	1.80%	2.86%
Transamerica Fidelity Canadian Balanced 5FL GIF	TLC944	TLC945	2.25%	3	0.95%	1.45%	2.93%
Transamerica Fidelity True North® Balanced 5FL GIP	TLC974	TLC975	2.20%	4	1.20%	1.80%	2.88%
Transamerica Fideltiy Canadian Asset Allocation 5FL GIF	TLC958	TLC959	2.40%	4	1.20%	1.80%	3.08%
Transamerica TD Dividend Balanced 5FL GIP	TLC980	TLC981	2.10%	3	0.95%	1.45%	2.75%
Transamerica TD Canadian Blue Chip Balanced 5FL GIP	TLC982	TLC983	2.15%	3	0.95%	1.45%	2.80%
Global Balanced							
Conservative Asset Allocation 5FL GIF	TLC964	TLC965	1.85%	2	0.65%	1.15%	2.46%
Balanced Asset Allocation 5FL GIF	TLC968	TLC969	1.90%	3	0.95%	1.45%	2.52%
Growth Asset Allocation 5FL GIF	TLC972	TLC973	2.05%	4	1.20%	1.80%	2.69%
Transamerica Fidelity NorthStar® Balanced 5FL GIP	TLC978	TLC979	2.20%	3	0.95%	1.45%	2.87%
Transamerica Fidelity Global Disciplined Balanced 5FL GIP	TLC976	TLC977	2.35%	4	1.20%	1.80%	3.02%
Asset Allocation Portfolios							
TOP Conservative 5FL GIP	TLC962	TLC963	2.15%	2	0.65%	1.15%	2.78%
TOP Canadian Balanced 5FL GIP	TLC994	TLC995	2.25%	2	0.65%	1.15%	2.91%
TOP Balanced 5FL GIP	TLC966	TLC967	2.25%	3	0.95%	1.45%	2.88%
Transamerica AGF Elements Conservative 5FL GIF	TLC940	TLC941	2.20%	2	0.65%	1.15%	2.81%
Transamerica AGF Elements Balanced 5FL GIF	TLC942	TLC943	2.25%	4	1.20%	1.80%	2.89%
Transamerica Quotential Balanced Income 5FL GIF	TLC946	TLC947	2.15%	2	0.65%	1.15%	2.79%
Transamerica Quotential Balanced Growth 5FL GIF	TLC948	TLC949	2.30%	4	1.20%	1.80%	2.99%

* Subject to the fundamental change rule we may change the management fee for any Fund by sending you written notice of the change at least 60 days in advance. Please see section 13.2 Fundamental Changes And Other Changes, of the Information Folder for more information.

** We may change the GLWB Fee of a fund up to the Maximum GLWB Fee Rate without prior notification. We will let you know annually if such increase occurs. If the increase is beyond the Maximum GLWB Fee Rate of the fund, we will provide you with at least 60 days advance notice and you will have the rights outlined under section 13.2 Fundamental Changes and Other Changes of the Information Folder.

(1) The management fee of the Fund includes the management fee of the underlying mutual fund.

(2) 1/12 of this fee is collected monthly by the withdrawal of units from the contract. For further information on how this fee is calculated and collected, please refer to the ***Five for Life*** Information Folder Section 11.4.

*** Management expense ratios have been estimated for 2010, based on the current management fee plus applicable HST and the previous year's actual operating expenses, including GST. The current actual MERs are available in the most recent audited annual financial statements.

Tax implications

THIS IS A GENERAL SUMMARY OF THE INCOME TAX CONSIDERATIONS FOR INDIVIDUAL OWNERS WHO ARE CANADIAN RESIDENTS. IT DOES NOT ADDRESS ALL POSSIBLE TAX CONSIDERATIONS AND THEY SHOULD CONSULT THEIR TAX ADVISOR TO ADDRESS THEIR PERSONAL TAX CIRCUMSTANCES. THE SUMMARY IS BASED ON THE CURRENT *INCOME TAX ACT* (CANADA).

Legally, Transamerica is considered the Owner of the assets of the Funds. However, for tax purposes, each Fund is treated as a trust, separate from Transamerica. Transamerica does not pay taxes on income or net gains generated by the Fund. Rather, each Fund will allocate income, capital gains and capital losses to the policyholder based on the number of units they hold under the Contract.

Policyholders are responsible for the proper reporting and payment of taxes, irrespective of our interpretation of certain features offered under the Contract, which could be uncertain at this time.

We recommend that policyholders consult their tax advisor regarding the tax treatment of the benefits under this Contract as they apply to their individual circumstances.

Taxation of non-registered contracts

Withdrawal of units of a Fund due to the payment of the GLWA, death of the owner or otherwise, or a switch between Funds, may result in the policyholder realizing a capital gain or a capital loss.

The withdrawal of units to pay for the GLWB Fee, Switch Fee, Early Withdrawal Fee and Early Switch Fee can result in a capital gain or a capital loss in the year of withdrawal.

The discontinuance of a Fund and reallocation to another Fund is considered a disposition for income tax purposes, which can result in a capital gain or a capital loss. The substitution of an underlying fund is also considered a disposition for income tax purposes, which can result in a capital gain or a capital loss.

Transamerica will send policyholders a tax slip at the end of each year showing the income, capital gains and capital losses for units of each Fund allocated to their policy.

Taxation of registered contracts

In a registered contract, no tax is payable on income allocated to the contract or on capital gains realized as a result of a switch of Funds. **There are two types of registered contracts:**

- **Registered Retirement Savings Plans (RRSP)**
- **Registered Retirement Income Funds (RRIF)**

There are no tax consequences on the conversion from an RRSP Contract to a RRIF Contract.

RRSP

Deposits made to an RRSP can be deducted by the person making the deposit, up to the maximum permitted under the *Income Tax Act* (Canada). If the policyholder owns a spousal RRSP, his or her spouse who is contributing to the RRSP can make the deduction, subject to allowable limits.

Withdrawals from an RRSP, including the GLWA, are taxable. We are required to withhold and remit taxes on the amount withdrawn.

RRIF

The policyholder is required to take the RRIF Minimum Amount as determined by the *Income Tax Act* (Canada) each calendar year.

We are required to withhold taxes at the prescribed rates if the policyholder withdraws an amount in excess of the RRIF Minimum Amount. Therefore, if in any given calendar year the GLWA is greater than the RRIF Minimum Amount, the difference is subject to withholding taxes.

Taxation of Contract Maturity Benefit and Death Benefit top-up

Non-registered contracts	Registered contracts
If the Contract Maturity Benefit or Death Benefit is greater than the market value of the Contract on the Contract Maturity Date or Death Benefit Date, as the case may be, we will make up the difference. The difference is called "Top-up Benefit". The Top-up Benefit is taxable when it is deposited into the Contract. The taxation of the Top-up Benefit is not certain at this time. We recommend that policyholders consult their tax advisor to consider the tax treatment of Top-up Benefits in their individual circumstances. Based on Transamerica's current understanding of the *Income Tax Act* (Canada), the Top-up Benefit will be reported as a capital gain.	The Top-up Benefit amount that we pay on the Contract Maturity Date of a registered contract is not subject to taxation if it is deposited to the Contract. However, it is taxable when the Contract Maturity Benefit (including the Top-up Benefit) is paid. The Top-up Benefit amount we pay on the Death Benefit Date is not subject to taxation if it is deposited to the Contract. However, it is taxable to your client when the Death Benefit (including the Top-up Benefit) is paid to his or her beneficiary or estate, unless there is a Successor Annuitant or a qualified beneficiary. We recommend that policyholders consult their tax advisor to consider the potential tax treatment of a Contract Maturity Benefit and Death Benefit Top-up.

Taxation of payments during the Guaranteed Payment Phase

Non-registered contracts	Registered contracts
The taxation of payments made during the Guaranteed Payment Phase is uncertain at this time. We will report any payments during the Guaranteed Payment Phase based on our understanding of tax legislation and CRA assessing practices at that time. We recommend that policyholders consult their tax advisor to consider the potential tax treatment of a Contract Maturity Benefit and Death Benefit Top-up during the Guaranteed Payment Phase in their individual circumstances.	The amount of payments made during the Guaranteed Payment Phase will be taxable to policyholders when withdrawn from the Contract.

Taxation of GLWB Fees

Non-registered contracts	Registered contracts
The withdrawal of units to pay for the GLWB Fee is a tax disposition that may result in a capital gain or a capital loss. Policyholders may wish to consult their tax advisor to determine the deductibility of the GLWB Fee in their circumstances. The GLWB Fee is not currently subject to taxation.	At this time, the GLWB Fee that is charged through a withdrawal of units in a registered contract is considered a non-deductible expense to policyholders. The units withdrawn to pay for the GLWB Fee are not subject to withholding taxes and will not be reported to policyholders as taxable income. The GLWB Fee is not currently subject to taxation.

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Transamerica Life Canada is a leading life insurance company in Canada. Through a number of distribution channels, including a national network of thousands of independent advisors, Transamerica Life Canada provides a full spectrum of individual life insurance and savings products, including guaranteed investments, segregated funds and annuities, designed to improve the futures of Canadians from every walk of life.

Transamerica Life Canada is a member of AEGON, one of the world's largest life insurance and pension groups and a strong provider of investment products. With headquarters in The Hague, the Netherlands, AEGON companies employ over 30,000 people around the world and serve millions of customers in over 20 markets throughout the Americas, Europe and Asia.

Understanding the health and wellness issues affecting Canadians, Transamerica Life Canada commits funds annually to our *in the spirit of hope* charitable giving program, which supports our neighbours and communities through donations to numerous non-profit organizations.

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FOR ADVISOR USE ONLY

Transamerica Life Canada is the issuer and guarantor of the Five *for* Life contract.
Bonuses have no cash value.
Examples are for illustration purposes only.

Please refer to the Information Folder and Annuity Policy for details of the Five *for* Life contract. **Any amount that is allocated to the Five *for* Life contract is invested at the risk of the contract holder and may increase or decrease in value.** Exceeding the withdrawal limits may have a negative impact on future payments. Withdrawals proportionately reduce the contract maturity and death guarantees. Excess Withdrawals may negatively impact the future guaranteed withdrawal payments under the GLWB.

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