

INVESTMENT POLICY

for

Ontario Harness Horse

The Manufacturers Life Insurance Company

The Manufacturers Life Insurance Company agrees to accept contributions made under the Policy, to invest those contributions, and to provide benefits in accordance with the provisions and conditions of this Policy and the Plan.

TABLE OF CONTENTS

Title	Section
Definitions	1
Contributions	2
Investment Options	3
Benefit Payments	4
Transfers	5
Miscellaneous Provisions	6

Section 1 - Definitions

"Applicable Legislation" means the pension legislation of the applicable province or the Office of the Superintendent of Financial Institutions. It will also mean the Income Tax Act of Canada, the administrative rules of Canada Customs and Revenue Agency, and any other legislation of Canada or a province or territory thereof, together with any rules, guidelines, regulations or conditions established or prescribed affecting the Plan.

"Business Day" means a day on which our Head Office is open for business.

"Daily Interest Account" means the portion of a Daily Interest Fund accumulated to the credit of the Policyholder or Member, as applicable.

"Daily Interest Fund" means an account that receives interest on a daily basis.

"Guaranteed Interest Account" means the portion of the Guaranteed Interest Fund accumulated to the credit of the Policyholder or Member, as applicable.

"Guaranteed Interest Fund" means an account that receives interest at a guaranteed rate.

"Head Office" means the Head Office of Manulife Financial, Canadian Pensions Operations, Kitchener, Ontario, or any subsequent location.

"Member" means a person who enrolls in the Plan and is entitled to its benefits and privileges.

"Plan" means the Employer's or Plan Sponsor's registered plan.

"Plan Services Agreement" means the Agreement between the Policyholder and Manulife, outlining the services provided and any fees charged.

"Policy Year" means the period beginning on the Policy's Effective Date or on a Policy Anniversary Date, as stated in the Application, and ending on the day before the next Policy Anniversary.

"Policyholder" means the Employer or Plan Sponsor who completed the application.

"Pooled Fund Account" means the number of units of the Pooled Funds credited to the Policyholder or Member, as applicable.

"Pooled Funds" means the Pooled Funds available under this Policy.

"Valuation Date" means a date as of which the Pooled Fund(s) will be valued. This date will be a day when both (i) the Toronto Stock Exchange is open for business, and (ii) a value is available for the underlying assets. Valuation Dates end at 4 p.m. Eastern Time, except in situations where the Toronto Stock Exchange has closed earlier.

"We, our, us" means The Manufacturers Life Insurance Company.

"You, your" means the Policyholder.

Section 2 - Contributions

You will remit contributions to us as described in the Plan. Contributions must be remitted at least as frequently as required by Applicable Legislation.

We will allocate contributions to the Guaranteed Interest Account(s), Daily Interest Account or Pooled Fund Account(s) according to written or electronic direction from the Policyholder, or the Member if applicable. If we don't receive specific instructions, we allocate the contributions to a Daily Interest Account.

We will establish a Guaranteed Interest Account, Daily Interest Account and Pooled Fund Accounts for each Member for each type of contribution made.

If contributions are not made for a period of 6 months after the earlier of

- (i) the due date of the last contribution as indicated in the Plan, or
- (ii) the end of the previous calendar year,

we reserve the right to terminate the Policy.

You may terminate the Policy by notifying us in writing. In either of these events, all contributions will remain under the Policy to provide benefits for each Member in accordance with the terms of the Plan.

Section 3 – Investment Options

3.1 Guaranteed Interest Accounts

We merge contributions to any Guaranteed Interest Accounts with our general assets. We invest these assets in a widely diversified portfolio including, but not limited to, mortgages and real estate, bonds and debentures, convertible securities, equities and short term notes as permitted by any governing provincial or federal legislation.

We establish the interest rate for a contribution when we deem the contribution to be invested in the Guaranteed Interest Accounts. This rate is credited from the later of the following days:

- the first Business Day we receive the deposit at our Head Office; and
- the first Business Day we receive the deposit information at our Head Office.

We reserve the right to invest the contribution no later than three business days following the date that we receive any outstanding required information.

Interest will be earned until the guaranteed investment period ends. At the end of the interest guarantee period a new interest rate is established for another period. We will reinvest the contributions and interest for the same length of time as the previous term, unless you or the Member instructs otherwise.

For the purposes of Guaranteed Interest Accounts, we determine the Market Value by calculating the deposit plus the interest from the date of the deposit to the end of the guaranteed period for each deposit. The amount is then discounted to the date specified at the interest rate that would apply to a new deposit to the Guaranteed Interest Account.

For the purposes of Guaranteed Interest Accounts, we determine the Current Value by accumulating each amount deposited to a Guaranteed Fund at the guaranteed interest rate from the date of the deposit to the date specified.

3.2 Daily Interest Account

Contributions directed to a Daily Interest Account begin to earn daily interest on the day we deem the contribution to be invested, at the rate we declare to be in effect on that day. Interest earned will be credited to a Daily Interest Account monthly.

Section 3 – Investment Options - continued

3.3 Pooled Fund Accounts

Contributions to Pooled Funds will be kept separate from our general funds, as required by law. We may, at our discretion, hold part of the Pooled Funds in cash or in short term securities.

Contributions directed to daily valued Pooled Funds will acquire units at the unit value in effect on the later of the following Valuation Days:

- the date we receive your deposit at our Head Office; and
- the date we receive complete information at our Head Office.

This information must be received at our Head Office by our set deadline. If the information is received later, the units will be acquired on the date we receive complete information

We reserve the right to use the Valuation Date applicable on any of the three business days following the receipt of the required information.

Contributions directed to Pooled Funds valued less frequently than daily are valued on the next Valuation Date of such Pooled Fund.

For the purposes of Pooled Funds, Market Value is the value arrived at by using Valuation Date closing prices on nationally recognized stock exchanges. However, we may, at our discretion, determine Market Value using an alternate basis.

We deduct all charges on the purchase and sale of investments and any taxes from each Pooled Fund on each Valuation Date.

The unit value of each Pooled Fund is calculated by dividing the Market Value of the Pooled Fund by the number of units held in the Pooled Fund on each Valuation Date.

We reserve the right to value any or all of the Pooled Funds more or less frequently at our discretion.

Section 3 – Investment Options - continued

Pooled Funds

We select all fund managers for the Pooled Funds. We may change fund managers at our discretion without prior notice to you. We reserve the right to close any existing Pooled Funds. We may also offer additional Pooled Funds. We supply you, or the Member if applicable, with 30 days notice for this change. The notice, written or electronic, will serve as the amendment. We may redeem the units to the Member's credit in a Pooled Fund which will no longer be available, and allocate the value of these units to purchase units in another of our Pooled Funds. Our notice will specify:

- the Pooled Fund or Pooled Funds which will no longer be available,
- the Pooled Fund in which we propose to purchase units, and
- the date this automatic Inter-account transfer is to be effective.

You or the Members, as applicable, may request in writing that we make an alternative Inter-account transfer. If we do not receive the request before the date of the automatic Inter-account transfer, the automatic Inter-account transfer will take place.

Section 4 - Benefit Payments

- 4.1** We use the following values for Benefit Payments, determined at the date of payment:

Value used for			
Reason for Benefit Payment	Guaranteed Interest Funds	Daily Interest Funds	Pooled Funds
Retirement	Current Balance	Current Balance	Market Value
Termination of Employment	Market Value	Current Balance	Market Value
Death prior to retirement	Current Balance	Current Balance	Market Value
Withdrawal of Member voluntary contributions	Market Value	Current Balance	Market Value

We reserve the right to use the Valuation Date applicable to any of the three business days following receipt of the required information.

4.2 Death Benefit

Upon notification of the death of a Member, we will transfer the balance in the deceased Member's Guaranteed Interest Account and Pooled Fund Accounts to a Daily Interest Account, pending payment of the death benefit if there will be a delay in payment.

Section 5 - Transfers

5.1 Transfer Type

Inter-account

Each Member is entitled to a limited number of Inter-account transfers during each year without charge, as specified in the Plan Services Agreement. We will declare the charge for any additional Inter-account transfers and it will be payable at the time of such transfer.

An Inter-account transfer will be made on the later of (i) the date you or the Member specifies for the transfer, and (ii) up to three business days following the date the required information is received to process the request.

All Inter-account transfer requests received after 4 p.m. Eastern Time will require an additional Business Day for processing to be completed.

Additionally, all Inter-account transfers involving the following funds, which invest primarily outside of North America, and any similar funds that we may add from time to time, will be held for one further, additional Business Day for processing:

8172 - Manulife Seamark International Equity Fund

8192 - Manulife International Equity Fund

8241 - Manulife Jarislowsky Fraser International Equity Fund

All Inter-account transfer transactions will be completed using the interest rates and unit values in effect on the day that the transfer is processed.

Policy

You may transfer Policy funds to another financial carrier or to another policy issued by us if the following provisions are satisfied:

1. You provide us with a written request to transfer the Policy funds and, if applicable, supply evidence that a continuing retirement plan has been established which has been or will be accepted for registration by Canada Customs and Revenue Agency and by any applicable government pension regulatory authority.
2. You submit all contributions required by the terms of the Plan up to the effective date of the new policy.
3. You provide us with any other information required to complete the transfer.

Once the provisions are met, we will transfer the accounts to the other depository.

Section 5 - Transfers - continued

We use the following values for transfers, determined at the date of transfer:

Value used for			
Transfer Type	Guaranteed Interest Funds	Daily Interest Funds	Pooled Funds
Inter-account	Market Value	Current Balance	Market Value
Policy	Adjusted Market Value*	Current Balance	Market Value**

*The adjusted Market Value of the Guaranteed Interest Accounts is determined by us according to the following formula, less any fees, if applicable:

Original deposit amount plus accumulated interest $\times ((1 + i) / (1 + j + .005))^n$

“n” is the remaining period until maturity

“i” is the annual rate of interest the original deposit is earning

“j” is the current rate of interest being offered for Guaranteed Interest Accounts with the same term as the original Guaranteed Interest Account.

**The Policy Transfer value from a Pooled Fund Account will be the amount in all Members' Pooled Fund Accounts on any date and will be the sum of:

1. The number of the Member's Pooled Fund units in the Pooled Fund Account, multiplied by the unit value on that day, and
2. Any amounts paid into the Member's Pooled Fund Account after the preceding Valuation Date that have not purchased units of the Pooled Fund Account.

Section 6 – Miscellaneous Provisions

6.1 Type of Annuity

Any annuity to be purchased under this Policy will be determined in accordance with the terms of the Plan, the types of annuity then currently issued by us or any other institution, and any Applicable Legislation.

6.2 Maximum Single Premium for Annuity

The single premium for any annuity purchased from us under this Policy will not exceed the premium that would be required on the basis of the Group Annuity Mortality Table for 1971 with Projection Scale D to the year of purchase, with interest at 2.5% per annum, loaded 10% for expenses. We may change the above basis by giving you 30 days notice.

6.3 Currency

The currency of this Policy is the lawful currency of Canada.

6.4 Amendment

We reserve the right to amend any provision of this Contract upon providing at least 30 days prior notice to you. We will provide you with a copy of the amendment.

6.5 Limitation On Payments

We will not pay any amounts out of the Accounts except as otherwise provided in this Policy and except for any payments agreed upon by you and us and approved by any applicable government pension regulatory authority.

6.6 Discontinuance Of Policy

This Policy will discontinue when all Accounts under the Policy have been exhausted.

6.7 No Assignment

Except as may be required under Applicable Legislation and regulations, the rights and interests of a Member and beneficiary under the Policy cannot be assigned, alienated, charged, attached, anticipated, encumbered or given as security and any transaction to do so will be void.

Section 6 - Miscellaneous Provisions - continued

6.8 Instructions and Authorizations

From time to time we may offer service initiatives, which enable you, the Employer(s) or Member(s) to issue non-written transaction instructions and authorizations to us through the Internet or telephone. We will consider transaction instructions and authorizations made through the Internet or telephone using the personal identification codes of you, the Employer(s), or a Member, to be as valid and binding as if the requests had been made in writing by you, the Employer(s), or a Member, as applicable.

The provisions under this Policy pertaining to written requests are also applicable to any requests made through the Internet or telephone.

In the event you use the Internet or telephone transaction processing or other electronic means provided in the future, or permit such use by Members, you hereby agree to release us from liability and agree to hold us harmless and indemnify us from any and all claims by any person, resulting from intentional or negligent misuse, or fraud committed by you, your agents, servants or employees, Members, or any person who wrongfully gains access as a result of obtaining information necessary to gain access from you, your agents, servants or employees or a Member, or as a result of any such person failing to keep that information secure.

6.9 Restrictions

We may, under special circumstances, impose restrictions on maximum withdrawal or transfer amounts, where the withdrawal or restriction may risk the integrity of the fund(s). We may restrict the amount of the withdrawal and reschedule to a later date. We will advise you in advance, if any restrictions apply.

6.10 Contract

The Investment Policy, the Plan Services Agreement, and amendments and the Application, a copy of which is attached to this Policy, constitute the entire contract between you and us.

Only our President or Vice-President has power on our behalf to change, unilaterally amend, modify or waive any provision of this Policy, and then only in writing. We will not be bound by any promise or representation made by anyone else at any time.