

Destiny

Universal Life Insurance

Policy Number:

Policy Date:

Owner(s):

Schedule of Benefits and Premiums

Plan of Insurance	Initial Sum Insured	Expiry Date	Cost of Insurance
Destiny Death Benefit Type: Increasing Life Insured(s): Beneficiary(s):	\$ 100,000.00	LIFE	Level COI Type: Insurance Age:

Life Insured(s):

Insurance Age:

Initial Minimum Annual Premium:

Destiny Billing Premium Annually:

Investment Allocation:

The following preprinted pages are included in your contract:

1.0 Definitions - Destiny 02 2004

2.0 General Provisions - Destiny 02 2003

3.0 Ownership - Destiny 02 2003

4.0 Death Benefit - Destiny 02 2003

5.0 Premiums and Reinstatement - Destiny 02 2004

6.0 Investment Accounts - Destiny 02 2003

7.0 Other Benefits - Destiny 02 2004

8.0 Withdrawals and Policy Loans - Destiny 02 2004

9.0 Settlement Options - Destiny 02 2003

Monthly Insurance Charge Schedule LCOI - Destiny 02 2003

S_ADB1100E Accidental Death Benefit Provision

RBC LIFE INSURANCE COMPANY

Part 1 - Definitions

The following definitions describe **your** rights and obligations under the policy. Refer back to these meanings as you read the policy.

We, us and our mean RBC Life Insurance Company.

You and your mean the **owner** of this policy.

Attained age means the life insured's age nearest birthday at issue, plus the number of years from the **policy date**.

Beneficiary means the person, or legal entity, entitled to receive the applicable **death benefit** if the life insured dies.

Cash surrender value means the **total investment value** of **your** policy less the sum of any applicable surrender charges, market value adjustment, **indebtedness**, and unpaid monthly insurance charges.

Cost of Insurance means the amount we charge **you** for the **Net amount at risk**. For Level **Death Benefit** policies this can be **Yearly Renewable Term Cost of Insurance**. For Increasing **Death Benefit** policies you have a choice of either **Level** or **Yearly Renewable Term Cost of Insurance**.

Death benefit means one of the following **death benefit** options, chosen by **you**:

- a) Level Death Benefit; or
- b) Increasing Death Benefit.

Effective date means that date on which **your** coverage begins and is the later of:

- a) the **policy date**;
- b) the date on which the first premium is received at **our** office, or
- c) the date on which we receive all amendments, signed by **you**, at **our** office.

Grace period means the period of time that **your** policy will remain **in force**, following the premium due date, if **your** minimum premium due is not paid. The **grace period** for **your** Destiny policy is 31 days. At the end of the **grace period**, if the overdue premium is not paid, **your** policy will lapse, except as otherwise provided.

Indebtedness means any unpaid policy loans, and unpaid loan interest.

In force means the life insured remains insured under the terms of this policy.

Insurance Age means the life insured's age nearest birthday at issue for single life policies. For joint life policies, it is the one age that results from combining the age, gender and smoking status of each of the lives insured.

Issue date means that date we print the policy in **our** office. This date has no bearing on the **policy date** or **effective date**.

Level Cost of Insurance means the cost of insurance rate as shown in the Monthly Insurance Charge Schedule. This rate remains constant over the life of the policy provided no changes are made to this coverage.

Monthiversary means the **policy date** and one complete month. Thereafter, it means one complete month from the preceding **monthiversary**.

Net amount at risk means the **sum insured** less the **total investment value** for policies with Level **Death Benefits**; for policies with Increasing **Death Benefits**, it is the **sum insured**.

Owner means the person named on the Schedule of Benefits and Premiums as the **owner** of this policy, unless subsequently changed. The **owner** is the only person entitled to exercise the rights provided under this policy prior to the life insured's death.

Policy anniversary means the same day and month as the **policy date** for each succeeding year that the policy remains **in force**.

Policy date means the date stated on the Schedule of Benefits and Premiums, from which **policy anniversaries**, policy years, and premium due dates are determined.

Premium expense charge, in respect of a particular premium, means a percentage of the premium which is equal to the current provincial premium tax rate. This charge may change in accordance with any changes to provincial premium tax rates.

Sum insured means the amount of insurance applied for and approved by **us**.

Total investment value means the sum of individual investment accounts.

Yearly Renewable Term Cost of Insurance means the cost of insurance rates as shown in the Monthly Insurance Charge Schedule. These rates, increase each year until age 100 when they cease.

Written request means a request signed by **you** and received by **us**.

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Part 2 - General Provisions

2.1 The Contract

Your insurance contract consists of the application, this policy, any riders, amendments and endorsements, and any other document attached to this policy.

No one has the right to change or waive any part of this contract unless the change is approved in writing by one of our officers. The change will not be effective until approval is noted on, or attached to, the policy by us.

2.2 Suicide

We will not pay the benefit set out in the **death benefit** provision if the life insured dies by suicide, while sane or insane, within two years from the **effective date** of an insurance coverage, or within two years from the last date of reinstatement. Instead, we will only pay any amounts paid to us for that insurance coverage since such **effective date**, less any **indebtedness** and any amounts paid by us.

2.3 Misstatement Of Age

If the life insured's date of birth has been misstated in the application for this policy, the insured benefits payable by us under the policy will be increased or decreased to the amount that the premium paid would have purchased, as determined by us, if the correct age had been stated in the application.

2.4 Indebtedness

Indebtedness will be deducted in any settlement under this policy.

2.5 Currency

All amounts payable under this policy, either to us or by us, will be payable in Canadian currency.

2.6 Non-Participating

Your policy is non-participating. It does not earn dividends.

2.7 Incontestability

We may contest this policy or the payment of policy proceeds if any statement or answer on the application misrepresents or fails to disclose any facts material to the insurance, including, but not limited to, the smoking habits of the life insured. Except in the case of fraud, we will not contest this policy for the above reasons after it has been **in force** during the lifetime of the life insured, for two years from the later of the **effective date**, or the last date of reinstatement.

2.8 Termination of Policy

Unless otherwise specified in the policy, your insurance coverage will terminate on the earliest of:

- a) the date the life insured dies; or
- b) lapse of this policy for failure to pay a premium beyond the **grace period**; or
- c) the date the policy is surrendered.

Part 3 - Ownership

You, as the **owner** of this policy, may exercise all the rights and options that the policy provides, while the life insured is living, subject to the rights of any irrevocable **beneficiary**. If **you** are not the life insured and **you** die before the life insured, **your** estate will become the **owner**, unless **you** have made a **written request** naming a contingent **owner**. **You** may name a new **owner** or contingent **owner** at any time while the life insured is living, by providing a **written request**.

3.1 Assignment

This policy may be assigned. An assignment will not be binding on **us** until **we** receive written notice of it, from **you**, at **our** office. **We** do not assume responsibility for the validity or effect of the assignment.

3.2 Substitution Of Life Insured

On receipt of **your written request**, **we** will permit a substitution of the life insured under the policy (prior to the death of any life insured), subject to the following conditions:

- a) **we** must receive satisfactory evidence of the good health and other aspects of insurability of the proposed life insured and of the insurable interest of the **owner**;
- b) **we** may advise **you** of **our** intention to cancel any benefits or riders attached to the policy;
- c) for single life policies, the minimum premium for the proposed life insured will be calculated based on **attained age**. The cost of insurance rates used in determining the new minimum premium will be based on **our** current rates in effect at the time of substitution;
- d) for joint life policies, a new **insurance age** will be calculated based on the **attained ages** of both the proposed life and the existing life insured(s). The new minimum premium will be changed to reflect the change in the **insurance age**;
- e) coverage on the substituted life insured will commence on the **effective date** of the endorsement or amendment of the policy; and
- f) **we** receive payment of **our** then current service fee to effect the change.
- g) suicide and incontestability clauses will apply to the substituted life. The two-year period will begin as of the date of substitution; and
- h) there may be tax implications as a result of the substitution of a life insured.

3.3 Change To Non-Smoker Status

You may request that this policy be changed to a non-smoker policy within sixty days of the **policy anniversary** nearest the life insured's 18th birthday. **We** will grant this request provided that:

- a) the policy is **in force**;
- b) **we** receive satisfactory evidence that the life insured is a non-smoker as defined by **us**; and
- c) **we** receive payment of the current service fee to effect the change.

At any time after the life insured's 18th birthday, **you** may request this policy be changed to a non-smoker policy. **We** will grant this request provided that:

- a) the life insured is a non-smoker as defined by **us**;
- b) a non-medical declaration of health in **our** standard form is completed, submitted and approved by **us**;

- c) **we** receive evidence satisfactory to **us** as to the smoking status of the life insured, including the completion of **our** then current Non-Smoking Declaration;
- d) at the time of application being submitted to **us**, **we** offer non-smoker's policies; and
- e) **we** receive payment of the current service fee to effect the change.

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Part 4 - Death Benefit

4.1 Death Benefit Options

Any payment will be subject to the terms and conditions of this policy, and will be made after we receive evidence that we consider sufficient proof of the death of the life insured.

Option A - Level Death Benefit

The **death benefit** is equal to:

- a) the **sum insured** applied for and approved by us; less the sum of
- b) any **indebtedness**; and
- c) any outstanding premiums unpaid during the **grace period**.

Only the **Yearly Renewable Term Cost of Insurance** option is available with Option A.

Option B - Increasing Death Benefit

The **death benefit** is equal to:

- a) the **sum insured** applied for and approved by us; plus
- b) the **total investment value** on the valuation date next following the date of death; less the sum of
- c) any **indebtedness**; and
- d) any outstanding premiums unpaid during the **grace period**.

Both **Yearly Renewable Term** and **Level Cost of Insurance** options are available with Option B.

4.2 Change in Death Benefit Options

A change in the **death benefit** option can only be exercised once. **You** may exercise a change at any time after the second **policy anniversary**, by providing us with a **written request**. **Your** initial choice is set out on the Schedule of Benefits and Premiums. Any subsequent change **you** request which is approved by us will be reflected in an endorsement to this policy. If **you** have exercised one of the following options refer to Section 4.1.

Change from Level to Increasing Death Benefit

You may choose from the following options:

- a) The new **sum insured** will be the **net amount at risk** at the time of the change. This change must be approved by us and requires no medical evidence of insurability; or
- b) The new **sum insured** will be the same as the initial **sum insured**. This change must be approved by us and is subject to receipt of medical evidence of insurability satisfactory to us.

Change from Increasing to Level Death Benefit

You may choose from the following options:

- a) The new **sum insured** will be the same as the initial **sum insured**. This change must be approved by us and requires no medical evidence of insurability; or

- b) The new **sum insured** will be the initial **sum insured** plus the **total investment value** at the time of the change. This change must be approved by **us** and is subject to receipt of medical evidence of insurability satisfactory to **us**.

You may only change from Increasing to Level **Death Benefit** if **you** have chosen the **Yearly Renewable Term Cost of Insurance** option at issue.

4.3 Change of Beneficiary

You may name a new **beneficiary** by providing **us** with a **written request**. The written consent of any irrevocable **beneficiary** will be required.

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Part 5 - Premiums And Reinstatement

5.1 Premium Payments

The policy permits **you** to make payments at any time and in any amount subject to the minimum premium as defined in Section 5.5. The Schedule of Benefits and Premiums shows the Destiny premium **you** have agreed on.

Upon **written request**, **you** may change the frequency of premium payment on any premium due date with **our** consent. **We** will accept premium payments on an annual basis or monthly by pre-authorized cheque. Each premium must be paid on, or before, its due date or within the **grace period**. **We** reserve the right to charge fees when premium payments are returned from **your** bank. Such fees will be in accordance with **our** then current schedule of charges.

5.2 Monthly Insurance Charges

The monthly insurance charge will be deducted from the **total investment value** on the **policy date** and on each monthly deduction date after that. Monthly insurance charges will cease when the **Insurance Age** is equal to 100.

The monthly insurance charge is the sum of the following:

- a) the cost of insurance for the current month; and
- b) the guaranteed monthly administrative charge of \$9.00; and
- c) the cost of any riders, rider fees, and substandard extras for the current month.

The guaranteed monthly cost of insurance is set out on the Destiny Monthly Insurance Charge Schedule.

You may change from **Yearly Renewable Term** to **Level Cost of Insurance** any time after the second **policy anniversary**. This option is only available if you have an Increasing **Death Benefit**. The new **level cost of insurance rate** will be at **attained age** as specified on the Destiny Monthly Insurance Charge Schedule. The change can only be exercised once.

5.3 Account Processing

You may specify accounts from which **we** will make **your** deductions. If no accounts have been specified, the administration charge, insurance charge and rider and benefit charges deducted from any investment account will be determined by **us** based upon the ratio of the account value for that investment account to the **total investment value** of **your** policy.

On each **monthiversary** the following amounts are added to, or deducted from each of **your** policy's accounts.

Additions:

- a) all premiums paid since the last **monthiversary**, reduced by the **premium expense charge**; and
- b) investment income for the account balance since the previous **monthiversary**; and
- c) transfers into the account; and
- d) Preferred Client Bonus; and
- e) Wealth Accumulation Bonus, if payable.

Deductions:

- a) the guaranteed monthly insurance charge indicated on the Monthly Insurance Charge Schedule; and
- b) transfers and withdrawals from the account; and

- c) monthly rider and benefit charges, the initial amount of which is indicated on the Schedule of Benefits and Premiums.

5.4 Policy Statements

You will receive a policy statement following each **policy anniversary**. **Your** policy statement will provide **you** with the details of all transactions that have taken place since the last **policy anniversary**, as well as the current values for each of **your** investment accounts. Policy statements may be issued more frequently than annually upon **your** request.

5.5 Minimum Premium And Grace Period

The benefits covered by this policy are subject to a payment of a minimum premium. The initial minimum premium is the initial minimum annual premium, as defined on the Schedule of Benefits and Premiums, divided by the number of scheduled premium payments for the year. If the **cash surrender value** of the policy exceeds the monthly insurance charge required until the next premium due date, then payment of the minimum premium is not required.

The Minimum Annual Premium is the sum of:

- a) 105% of the Destiny Level monthly cost of insurance charge multiplied by twelve;
- b) 105% of the monthly administration charge multiplied by twelve;
- c) all monthly insurance charges for any riders, rider fees, and substandard extras multiplied by twelve.

If the **cash surrender value** of the policy is less than the monthly insurance charge required, then the premiums due are in default. **Your** policy will remain **in force** for a **grace period** of 31 days following the minimum premium due date if the minimum premium is not paid. Should the amount of the policy loan and accumulated interest exceed the current **cash surrender value** or if the premium due is still unpaid at the expiration of the **grace period**, this policy will automatically lapse.

5.6 Reinstatement

If this policy lapses it will be reinstated subject to the following conditions:

- a) a **written request** for reinstatement made by **you**, and submitted to **our** office within two years after the date that the policy lapses, if **you** are not the life insured and the life insured has attained the age of 16 (18 in Quebec) on the reinstatement date, a **written request** for reinstatement must also be signed by the life insured;
- b) submission of evidence of the life insured's insurability, including good health, satisfactory to **us**;
- c) any **indebtedness** which existed at the time of the lapse is either repaid or reinstated with interest compounded annually at the loan interest rate determined by **us**;
- d) payment of every overdue minimum premium, together with interest at a rate determined by **us** shall be paid in full from the due date of the overdue premium to the reinstatement date; and
- e) a reinstatement fee will be charged, the amount of which will be set by **us** from time to time.

The reinstated policy shall take effect on the reinstatement date as stated on the amended Schedule of Benefits and Premiums. A policy which has been surrendered for its **cash surrender value** will not be reinstated.

Part 6 - Investment Accounts

6.1 Investment Account Options

Premiums will be placed into accounts according to **your** application. **You** can choose any of the following investment account options in any combination:

- a) Daily Interest Account
- b) Long Term Interest Account
- c) Indexed Accounts
 - 1. S & P/TSX 60 Stock Index Account
 - 2. Standard & Poor's 500 Index Account
 - 3. Eurotop 100 Index Account
 - 4. Nikkei 225 Index Account
 - 5. Hang Seng Index Account
 - 6. NASDAQ 100 Index
 - 7. SCM Universe Bond Index Account
 - 8. GGOF Canadian Large Cap Value Fund Index Account
 - 9. Mackenzie MAXXUM Monthly Income Fund Index Account

We reserve the right to add or delete any of these investment accounts, however, **we** guarantee at least one account will have a 4% guaranteed return, including the Preferred Client Bonus and the Wealth Accumulation Bonus, if applicable.

Your specific premium allocation is shown on the Benefit and Premium Information Schedule of **your** policy. **You** may change **your** premium allocation upon **written request** to **us**. Any change will take effect on the valuation date coincident with, or next subsequent to, the valuation date **we** receive the request. Changes in **your** premium allocation may be subject to a fee.

6.2 Account Performance

- a) Daily Interest Account return is 90% of the 1 month Government of Canada Treasury Bills less 2%, with a guaranteed minimum return of 0%.
- b) Long Term Interest Account return is equal to 90% of the 5-year rolling average for the 3-5 year Government of Canada Bond less 2%, with a guaranteed minimum return of 4% (including the Preferred Client Bonus and the Wealth Accumulation Bonus, if applicable).
- c) Indexed Accounts
 - 1. The following Indexed Accounts return 100% of the applicable index, including dividend reinvestment, less 3.25%:
 - S & P/TSX 60 Stock Index Account
 - Standard & Poor's 500 Index Account
 - Eurotop 100 Index Account

Nikkei 225 Index Account
Hang Seng Index Account
NASDAQ 100 Index Account
SCM Universe Bond Index Account

2. The following Index Accounts return 100% of the applicable fund less 2.75%:

GGOF Canadian Large Cap Value Fund Index Account
Mackenzie MAXXUM Monthly Income Fund Index Account

The performance of the underlying indexes is based on market factors. Investment returns and account performance will fluctuate. Past performance is not indicative of future performance. We make no representations or warranties on the actual returns of any of the accounts other than the 4% minimum return on the Long Term Interest Account as set out in Section 6.2, (b) above.

6.3 Transfers Amongst Investment Account Options

You may transfer funds amongst accounts at any time upon written notice to us. You will be entitled to two transfers per policy year without charge. A surrender charge will not apply to transfers.

In the case of transfers to or from an index account, any transfer will take effect on the valuation date coincident with, or next subsequent to, the date we receive the request. The market value adjustment will apply when a transfer is made from an account to which it applies.

6.4 Market Value Adjustment

The Market Value Adjustment currently applies to the Destiny Long Term Interest Account only.

The Market Value Adjustment is an amount not less than 0 and otherwise equals:

$\text{amount} \times 2.5 \times (\text{current rate} - \text{crediting rate})$

Where:

Amount is the amount being withdrawn from the applicable account;

Current rate is the then current annual yield on Government of Canada Bonds with remaining terms to maturity equal to the original interest rate guarantee period for the amount. For the Destiny Long Term Interest Account, this is deemed to be the three to five year index. The rate is expressed as a percent;

Crediting rate is the yield on Government of Canada Bonds with remaining terms to maturity equal to the original interest rate guarantee period for the amount at the time that the interest rate was set. For the Destiny Long Term Interest Account, this is deemed to be the weighted average yield on three to five year Government of Canada Bonds over the previous sixty months, based on the timing of investments made in the fund held by us in backing all policies of this type. The rate is expressed as a percent.

6.5 Account Values

The account values attributed to this policy for each of the investment options will be calculated by us on the valuation date following each transaction. Accounts that have unit values are valued no less frequently than weekly. We reserve the right to change the day on which valuation dates occur and to change the number of valuation dates occurring each week.

6.6 Exemption from Accrual Income Tax

The provisions in this section are based upon the Income Tax Act (Canada), its regulations and the administrative rules of Canada Revenue Agency (CRA) in effect as at your policy's issue date. This section will remain compliant with the CRA and other legislative requirements.

If it is necessary, in order to maintain the tax-exempt status of **your** policy, **we** will take the following steps:

- a) Increase the **sum insured** of **your** policy by up to 8% of **your death benefit** as of **your** previous **policy anniversary**, annually, without medical evidence, and subject to **our** approval. Such a change will be on an **attained age** basis using **Yearly Renewable Term Cost of Insurance**. At a minimum, **we** will review **your** policy on each **policy anniversary** to determine whether the increase(s) in the **sum insured** is required to maintain the tax-exempt status of **your** policy. Should this increase, or a portion of this increase, no longer be required **we** will automatically decrease **your sum insured**. This decrease will not result in a **sum insured** less than the initial **sum insured** as shown on the Schedule of Benefits and Premiums of **your** policy;
- b) If the increase referred to above is insufficient to maintain the tax-exempt status of **your** policy, **we** will automatically surrender a portion of the **total investment value** and transfer it to a taxable interest annuity. Unless otherwise specified, the withdrawals from the **total investment value** will be made proportionately from the investment accounts.

In addition to the above, **you** have the following options:

- a) **You** may request that all or a portion of the funds transferred to the taxable interest annuity be paid to **you**.
- b) Within 30 days of **our** increasing the **sum insured** of **your** policy by up to 8% of **your death benefit**, **you** may request that **we** reverse this step. If **you** choose this option **we** may automatically surrender a portion of the **total investment value** and transfer it to a taxable interest annuity in order to ensure **your** policy remains tax-exempt; and/or
- c) Such other option as **we** may make available to **you** from time to time subject to this section.

6.7 Taxable Interest Annuity

The Taxable Interest Annuity is separate from **your** policy and the terms and conditions of **your** policy do not apply to this account except as expressly provided in this section. The terms and conditions in section 6.6 of **your** policy do apply to the Taxable Interest Annuity as applicable.

For the purpose of the Taxable Interest Annuity **your beneficiary** is the same **Beneficiary** which **you** have named under the policy. Unless **you** expressly notify **us** otherwise, in writing, any change in the **Beneficiary** of **your** policy will also be a change of the **beneficiary** under **your** Taxable Interest Annuity. **You** are free to designate a **beneficiary** under the Taxable Interest Annuity who is different from the **Beneficiary** under the policy but **you** must do so by way of a written designation.

Payment of the balance of the Taxable Interest Annuity will be made to **your beneficiary** after **we** receive evidence that **we** consider sufficient proof of death of the life insured. The life insured under the Taxable Interest Annuity is the life insured as shown on the Schedule of Benefits and Premiums of **your** policy.

6.8 Other Tax Reporting

This policy is issued and maintained as tax-exempt as described in section 6.6 above. Transactions including, but not limited to, full surrenders, cash withdrawals or change of ownership may result in all or a portion of the transactions being included in **your** income for tax purposes.

Part 7 - Other Benefits

7.1 Preferred Client Bonus

Immediately prior to the 3rd **policy anniversary** and each **policy anniversary** thereafter, the investment return applicable to each investment account will be credited by an additional 1.5% on all accounts as a Preferred Client Bonus, while **your** policy is **in force**. The bonus is payable as a lump sum at the end of the policy year based on the average monthly fund balance through the year.

The Preferred Client Bonus is applied to each account separately. To receive a bonus, the account must have a non-zero account balance at the time of crediting.

The Preferred Client Bonus on unit based options will add units to the account.

7.2 Wealth Accumulation Bonus for Increasing Death Benefit Only

The Wealth Accumulation Bonus is equal to 0.25% of **your total investment value** payable immediately prior to

- a) the 11th **policy anniversary** and
- b) each **policy anniversary** thereafter,

provided that one of the following conditions are met:

1. The sum of premiums paid (less any withdrawals, policy loans and surrender charges if applicable) is greater than or equal to 2 times the cumulative Minimum Annual Premiums (excluding the cost of Riders, Benefits and substandard extras) *OR*
2. The **total investment value** of **your** policy (less any withdrawals, policy loans and surrender charges if applicable) is greater than or equal to the cumulative Minimum Annual Premiums (excluding the cost of Riders, Benefits and substandard extras).

If either of the above conditions are met immediately prior to the 10th **policy anniversary**, while **your** policy is **in force**, no condition is required for subsequent policy years. This bonus will be paid as a lump sum to **your** largest account at the end of the policy year based on the average monthly fund balance through the year.

7.3 Cash Surrender Value

You may surrender this policy at anytime in exchange for its **cash surrender value**. **You** will receive the **cash surrender value** by returning this policy to **us** and requesting, in writing, that this policy be surrendered. **Your** insurance will terminate on the date that **we** receive the **written request**.

The **cash surrender value** is an amount equal to the **cash surrender value** coincident with, or next subsequent to, the valuation date **we** receive the **written request**.

Part 8 - Withdrawals And Policy Loans

8.1 Withdrawals

You may elect to withdraw a portion of **your cash surrender value** from the account(s) of **your** choice subject to a minimum amount that **we** will set from time to time. The current minimum is five hundred dollars (\$500). The market value adjustment will apply when a withdrawal is made from an account to which it applies.

For policies with an Increasing Death Benefit, no surrender charges will apply providing that **your** remaining **cash surrender value** is greater than zero.

For policies with a Level Death Benefit, the sum insured will be reduced, subject to our current minimum, by the sum of the total withdrawal. Partial surrender charges will apply.

8.2 Surrender Charge

A surrender charge equal to the lesser of the **total investment value** or \$ _____ will apply if this contract is surrendered within 119 months of your **policy date**.

8.3 Policy Loans

You may apply for a policy loan against the **cash surrender value** of this policy. The maximum loan allowed will be 90% of the then current **cash surrender value**. The annual interest charged on any outstanding loans will be 6.5%. The loaned portion of the **cash surrender value** will be credited with 4% annual interest, which includes the Preferred Client Bonus and the Wealth Accumulation Bonus, if applicable. Should the amount of the loan and accumulated interest exceed the current **cash surrender value**, the policy will lapse with no value.

Any monies loaned must be loaned from the Destiny Daily Interest Account. If this account does not have sufficient value for a loan, **you** will be required to transfer sufficient monies from other investment accounts into the Destiny Daily Interest Account. **We** reserve the right to automatically transfer amounts from any other accounts to the Destiny Daily Interest Account, if an insufficient amount in the Destiny Daily Interest Account arises due to the loan **indebtedness**. Transfer fees will not be charged on any amounts automatically transferred.

The market value adjustment will apply on any transfers from an account to which it applies.

Part 9 - Settlement Options

We will pay the insured benefits under this policy in a lump sum. Should **you** so desire, **you** may elect an alternate settlement option from those offered by **us** at the time **your** election is requested. If **you** make an alternate election on behalf of the **beneficiary**, the **beneficiary** will not have the right to commute, transfer or assign any of the installments unless specifically given this right by **you**.

The options available are determined by **us** from time to time. Arrangements may be made to use the insured benefits in any combination of the available options or in any manner mutually agreeable to **you** and **us**.

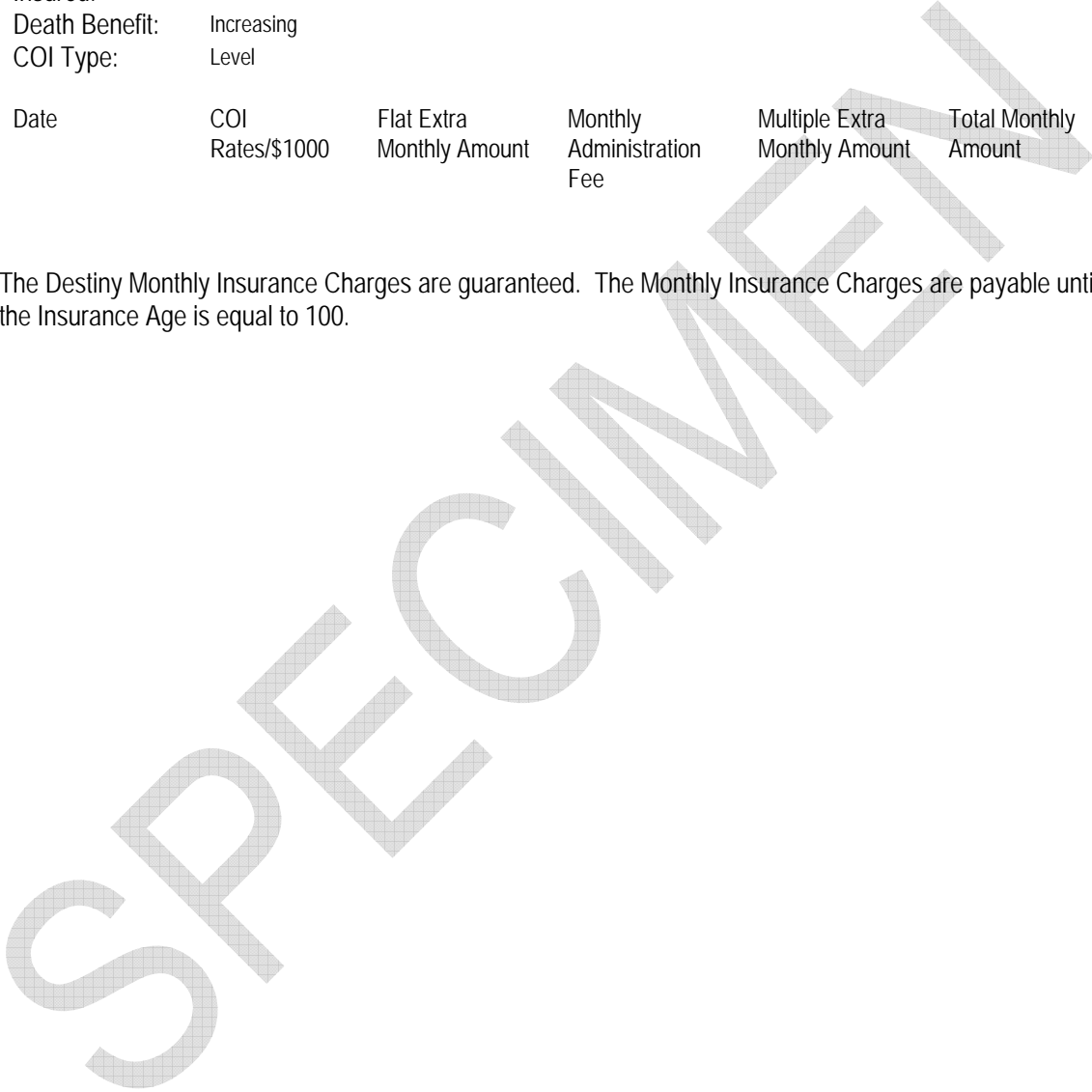
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Destiny Monthly Level Insurance Charge Schedule

Policy Number:
Insured:
Death Benefit: Increasing
COI Type: Level

Date	COI Rates/\$1000	Flat Extra Monthly Amount	Monthly Administration Fee	Multiple Extra Monthly Amount	Total Monthly Amount
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The Destiny Monthly Insurance Charges are guaranteed. The Monthly Insurance Charges are payable until the Insurance Age is equal to 100.



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