

**POLICY NUMBER:
JOINT INSUREDS:**

Sample

THE CANADA LIFE ASSURANCE COMPANY

HEAD OFFICE: 330 UNIVERSITY AVE.,
TORONTO, CANADA M5G 1R8

We, The Canada Life Assurance Company, agree to provide insurance and pay benefits as described in this policy. This agreement to pay is subject to the provisions on the attached pages included in this policy which, together with the application and any subsequent applications and amendments, form the contract between you and us.

This policy, as issued, provides joint life insurance coverage on the first person to die of the Joint Insureds and single life insurance coverage on any Additional Insured during their lifetimes. Coverages may change or terminate in accordance with the contract provisions.

BASIC DEFINITIONS

"You" and "your" refer to the owner of this policy.

"We", "our", "us" and "the Company" refer to The Canada Life Assurance Company ("Canada Life").

TEN DAY RIGHT TO EXAMINE POLICY

Within ten days after first receiving this policy, you may return it with a written cancellation request to any of our offices in Canada. The policy is then void from commencement and we will refund to you any payment we received for it.

MILLENNIUM UNIVERSAL LIFE

Joint coverage payable on first death of Joint Insureds
A Universal Life Plan with Client Bonus
Variable Death Benefits
Variable Premiums
Not Eligible for dividends.

THIS POLICY CONTAINS OPTIONS FOR NON-GUARANTEED BENEFITS

Sample

TABLE OF CONTENTS

SECTION	PAGE
POLICY DETAILS	3
DEFINITIONS	5
PAYMENT OF PROCEEDS	8
PAYMENT OPTIONS	11
CHANGES IN COVERAGE	12
PREMIUMS AND DEDUCTIONS	16
TAXATION	19
INTEREST OPTIONS	21
POLICY VALUES	35
COST OF INSURANCE	38
SUBSTITUTION OF INSURED	40
GENERAL PROVISIONS	41
MULTIPLE LIVES BENEFIT	44
CHANGE TO JOINT LAST-TO-DIE	47
EXCHANGE OPTION	48
SURVIVOR'S BENEFIT	49
CLIENT BONUS	51

ANY APPENDIX AND ADDITIONAL BENEFITS OR RIDERS
ARE INCLUDED AT THE END OF THE POLICY

DEFINITIONS

Insured(s) A "Joint Insured" is one of the lives insured on a joint coverage basis for the Specified Amount of life insurance at issue of this policy, as shown on the Policy Details page(s). Life insurance which is on a joint coverage basis under this policy is not payable on the death of each Joint Insured, but only on the death of the first Joint Insured to die (the "Primary Insured", as described below). Any riders and benefits shown on the Policy Details pages provide additional insurance on the Joint Insureds unless otherwise indicated, or specified in the rider or benefit provisions.

The "Primary Insured" is the life insured upon whose death the Specified Amount of life insurance coverage under the basic policy is payable. For joint coverage under this policy, the Primary Insured is the first of the Joint Insureds to die. The Primary Insured may only be changed in accordance with the terms of the Replacement of Primary Insured or Substitution of Insured provisions.

An "Additional Insured" is any Additional Life Insured at issue of this policy who is named in the Policy Details pages for an Initial Amount of life insurance coverage under the Multiple Lives Benefit. An Additional Insured may be added or terminated for coverage under this policy in accordance with the terms of the Multiple Lives Benefit provisions.

Any Joint Insured, Primary Insured, Additional Insured(s) and any other persons insured under this policy may be referred to as the "insured(s)", where applicable.

Insurance Coverage A "Coverage" is an insurance coverage as provided under the terms of the basic policy including the Multiple Lives Benefit. Joint coverage provides insurance on the lives of the Joint Insureds, payable only on the death of the "Primary Insured" who is the first to die of the Joint Insureds. Single life coverage provides insurance payable on the death of an Additional Insured, or the single insured determined under the Replacement of Primary Insured provision or insurance on any insured on whom we agree to provide single life coverage. The initial Coverage Amount(s) and details for any Additional Insured are shown on the Policy Details page(s), or are shown on such pages or notices we send to you in accordance with a policy provision or amendment. A "Total Coverage Amount" with respect to an Additional Insured is the sum total of the Coverages then in force on that insured under the Multiple Lives Benefit.

Specified Amount The "Specified Amount" is the sum total of the life insurance Coverage(s) then in force under the basic policy, which is payable on the death of the Primary Insured. The Specified Amount at Issue is shown on the Policy Details page and may subsequently be changed in accordance with the terms of the Changes in Coverage provision and other policy provisions or amendments. The Specified Amount is included in the determination of the Death Benefit payable on the death of the Primary Insured, in accordance with the Death Benefit and Claims provisions.

Rider Coverage "Rider Coverage" is additional insurance coverage under optional riders or benefits included in the contract. Rider Coverage can insure one or more of the Joint Insureds and, subject to our consent, Additional Insureds or other insureds, for joint or single life insurance coverage or other coverage as specified under the terms of the additional rider or benefit. The initial Rider Coverage Amount(s) and details for any insured are shown on the Policy Details page(s), or are shown on such pages or notices we send to you in accordance with a policy or rider provision or amendment.

(Continued)

DEFINITIONS (Continued)

Dates The "Policy Date" which is shown on the Policy Details page is the date from which policy months, policy years and annual policy anniversaries are measured. It is also the date used to calculate the Age or Joint Age of any person or persons insured at issue of the policy. However, the date on which the policy first takes effect shall be determined by governing law.

The "Date of Issue" of this policy is the date on which we issue the policy document.

A "Monthly Deduction Date" is the first day of each policy month and is the same numbered day of each successive policy month as measured from the Policy Date.

The "Coverage Date" for any Rider or insurance Coverage is the date from which Coverage months, Coverage years and annual Coverage anniversaries are measured. For insurance and Rider Coverages present at issue of the policy, the Coverage Dates are the same as the Policy Date.

For any Rider or insurance Coverage Amount added or increased under this contract at your request after the Policy Date, the Coverage Date shall be the Monthly Deduction Date on or immediately following the date of our approval of such request, unless specified otherwise by policy provision or with our consent.

Age The "Age" of an insured as shown on the Policy Details page at issue of the policy is that insured's age at his or her birthday nearest to the Policy Date. For the Joint Insured's, the "Joint Age" shown on the Policy Details page is a combined Age determined for a Joint Coverage, based on the age, sex, coverage type and amount and smoking status of each of the Joint Insureds at the Policy Date. An "Attained" age is the total of the Age or Joint Age at the applicable Coverage Date, plus the subsequent number of elapsed Coverage Years to the most recent Coverage anniversary. An "Insurance Age" is the Age or Joint Age recalculated at a new Coverage Date or other date of recalculation, on a similar basis as described above.

Rate Class Rate Classes are broad class groupings of persons we establish to categorize the anticipated health and insurability of insurance applicants. Rate Classes are used in determining the acceptability of persons proposed for insurance, along with Cost of Insurance (COI) rates applicable for the different class groupings, for the various types and amounts of insurance coverages we may offer. The Rate Class, with any smoking status determined for a life insured, will also indicate whether the cost of insurance rates for the type(s) of insurance coverage provided may be based on standard or standard non-smoker rates for a type and amount of coverage, or may be other than such standard rates. Different Rate Classes may be specified for separate Coverages on an insured or Joint Insureds under the same policy, as different types and amounts of coverage may have different risk classification and class grouping requirements.

The Basic Policy Rate Class shown on the Policy Details page applies to any additional riders and benefits on both Joint Insureds, unless shown otherwise in the Policy Details page description of such a rider or benefit, or by other amendment to the policy.

(Continued)

DEFINITIONS (Continued)

Expense Charge The Expense Charge as shown on the Policy Details page at issue of the policy is the expense charge for the Joint Insureds for the duration of the COI of the basic policy.

If the COI of the basic policy is changed to Limited Pay COI or Level COI the expense charge will continue for the same duration as the new selected cost of insurance charges.

Head Office "Head Office" refers to the then current head office of the Company or to any office of the Company, to the extent the Company assigns a role to it this contract associates with "Head Office".

Any office of the Company, to the extent the Company assigns a role to it that this contract associates with "Canadian Head Office", or with "Head Office in Canada", is deemed to be such an office. "Canadian Head Office" is the same as "Head Office in Canada", and both are the same as "Head Office", in each case unless, and then to the extent, the Company determines otherwise.

PAYMENT OF PROCEEDS

CLAIMS Subject to the terms of this policy, including any additional benefits and riders, we will pay the amount due on the death of an insured when we receive evidence, satisfactory to us, of the death of that insured, which occurred while insurance coverage payable on that insured's death was in force under this policy. We may also require satisfactory evidence of the date of birth of any person insured under the policy, along with the correct name and age of any beneficiary and the right of any claimant to receive payment.

The claim proceeds which are payable on an insured's death consist of:

- 1) The Death Benefit in force on that insured at the date of death.
- 2) Any Rider Coverage Amounts then in force on that insured which are payable on death under the terms of any riders and benefits included in this contract.
- 3) A reduction of the total of the above two items resulting from any amounts owed on the policy, as described under the Allocated Amounts provision with respect to that insured, depending on the Death Benefit Option then in effect. (See the Death Benefit, Allocated Amounts and Policy Loans provisions.) Any reduction amount under this provision will be applied toward repayment of such amounts owed on the policy at the date of death.

If an insured dies during a Grace Period, we will deduct from the claim proceeds any Monthly Deduction amount which is due but not paid. The claim proceeds due on the death of an insured will accumulate with interest from the date of death to the date of payment. The rate of interest will be the rate determined under our administrative rules in effect at the date of death. Unless we agree otherwise, we reserve the right to make payment of any claim proceeds, or part thereof, jointly to those entitled.

MISSTATEMENT OF AGE OR SEX

If an insured's date of birth or sex has been misstated, any amounts payable with respect to any Coverage on that insured will be the amounts which the Cost of Insurance and any additional rider and benefit charges related to that insured, which were included in the most recent applicable Monthly Deduction, would have provided for the correct date of birth and sex.

COMMON DISASTER

This Common Disaster provision is subject to any applicable beneficiary designation filed with us at our Head Office and to the other provisions of the policy. In the event of a common disaster, any amount payable by us will be paid in accordance with this provision. A "common disaster" occurs if the deaths of two or more insureds take place at the same time or in circumstances that make it uncertain which of them survived the other or others.

Coverages on single lives

If insureds die in a common disaster, then, with respect to coverages on them individually (i.e., a separate coverage on each single life), their deaths will be deemed to have occurred in order of seniority (i.e., an older insured will be deemed to have died before a younger insured). However, any of those insureds who are also Joint Insureds will be deemed i) to have survived those insureds who are not also Joint Insureds, and ii) to have died immediately afterwards, in order of seniority.

Coverages on joint lives

If Joint Insureds die in a common disaster, so that determination of the Primary Insured is uncertain, then, with respect to joint coverage(s) on their lives, the amount of claim proceeds payable on the Primary Insured's death shall be divided by the number of such Joint Insureds, into equal portions. Each such portion shall be paid, with respect to each such Joint Insured, as if that Joint Insured were the Primary Insured. Where, with respect to a particular Joint Insured, a portion is to be divided into shares for payment to two or more persons (e.g., more than one beneficiary for that Joint Insured), the payments will each be in the same direct proportion to what they would have been, had that Joint Insured been proven to be the Primary Insured.

See the Survivor's Benefit section for any additional benefit payable, in the event of a common disaster.

(Continued)

PAYMENT OF PROCEEDS (Continued)

DEATH BENEFIT Subject to the other terms of this policy, the Death Benefit payable with respect to an insured is determined effective at the date of that insured's death, and depends on the Death Benefit Option elected by you which is then in effect for that insured. The Death Benefit Option in effect at issue of the policy is shown on the Policy Details page.

If and when the joint coverage for the Specified Amount is replaced by single life coverage on one sole Primary Insured, you may elect a change between Option A. (Coverage Plus Option) and Option B. (Level Option) below, subject to the provisions of the Changes in Coverage section. Any other Death Benefit Option change, or election of any different Total Account Value portion under Option A. below, shall be subject to any requirements, which may include our consent, as determined under our then current administrative rules.

The options currently available are:

A. Coverage Plus Option:

The Death Benefit is (i) either the Specified Amount then in force for the Joint or Primary Insured(s), or the applicable Total Coverage Amount then in force for an Additional Insured, plus (ii) any amount payable under one of the following Options (i.e. sub-options) which you had previously elected:

- A. 1) Under this Option, the Death Benefit payable will include a pro-rated portion of the then current Total Account Value of the policy then allocated to that insured as determined under the Allocated Amounts provision.
- A. 2) Under this Option, the Death Benefit payable will include a specified portion of the then current Total Account Value of the policy as determined effective at the death of each applicable insured. The specified portion of Total Account Value shall be zero per cent unless, prior to the death of that insured, you have elected a specified portion of Total Account Value payable under this Option which is equal to or greater than 25%. Option A. 3) will apply automatically if no Additional Insured is living at the time of death of the Primary Insured.
- A. 3) Under this Option, the Death Benefit payable will include the current Total Account Value, but only at the death of the last survivor of the Primary and any Additional Insureds under this policy.

Under Coverage Plus Options A. 1) and A. 2), the Death Benefit payable shall be reduced, if necessary, so that the Total Account Value remaining in the policy is equal to at least 12 times the current Monthly Deduction amount, unless that Death Benefit is payable as a result of the death of the last survivor of the Primary and any Additional Insureds under this policy.

No Death Benefit under the Coverage Plus Option will include any Guaranteed Cash Values.

B. Level Option:

Under this Option, the Death Benefit for the Primary Insured is an amount equal to the greater of the Specified Amount then in force and the current Total Account Value of the policy. The current Total Account Value of the policy is payable effective at the death of the Primary Insured, as it is included within and forms part of the Specified Amount under this Option. The Death Benefit for an Additional Insured is the applicable Total Coverage Amount then in force for that insured and does not include any Total Account Value.

(Continued)

PAYMENT OF PROCEEDS (Continued)

ALLOCATED AMOUNTS

As at the date of death of a Primary or Additional Insured, the Total Account Value and any amounts then owed on the policy under the Policy Loans provision will be deemed to be divided and allocated among the insureds as determined under this provision, where applicable for the Claims and Death Benefit provisions.

Under Death Benefit Options A. 1) and A. 2), the claim proceeds are reduced by an Allocated Loan Amount and the Death Benefit shall be increased by an Allocated Total Account Value amount, both as determined by the formula described below.

Under Death Benefit Option A. 1), the following formula applies for any such Allocated Amounts effective at that insured's date of death:

A multiplied by **B** then divided by **C**, where:

- A** is either the Total Account Value, or Policy Loan and accrued interest amount, as applicable;
- B** is the Specified Amount for a deceased Primary Insured, or is the Total Coverage Amount for a deceased Additional Insured, as applicable;
- C** is the sum of the Specified Amount and all Total Coverage Amounts under the Multiple Lives Benefit, if any.

Under Death Benefit Option A. 2), the following formula applies for any such Allocated Amounts effective at that insured's date of death:

A multiplied by **B**, where:

- A** is either the Total Account Value, or Policy Loan and accrued interest amount, as applicable;
- B** is the percentage of Total Account Value to be payable, as specified under the terms of Death Benefit Option A. 2).

Under Death Benefit Option A. 3), the claim proceeds are reduced by the total of any Policy Loan and interest amounts then owed and the Death Benefit includes the Total Account Value of the policy at the date of death.

Under Death Benefit Option B., the claim proceeds payable on the death of the Primary Insured are reduced by the total of any Policy Loan and interest amounts then owed.

PAYMENT OPTIONS

The expression "Options Date" means the earlier of,
(a) the date of an insured's death; and
(b) the date this policy is surrendered for its Cash Surrender Value.

The term "payee" means the person or persons entitled to receive payments under these provisions.

Normally, at an Options Date, a lump sum would be paid. These options allow for payment of claim proceeds or the Cash Surrender Value otherwise than in a lump sum.

ELECTION OF OPTIONS

An election of a Payment Option must be in writing, signed by you, and be received by us together with the written consent of any irrevocably designated beneficiary and any assignee, before the option is to take effect.

If an election under this provision is not in effect with respect to an insured at that insured's death or if payment is to be made in one sum under an existing election, the beneficiary entitled on that insured's death may make an election as described above. This election must be made within one year after that insured's death and before any payment of any claim proceeds for that insured has been made by us.

PAYMENT OPTIONS

You may elect to have the claim proceeds or the total Cash Surrender Value under this policy applied to any of the options described below. The beneficiary(ies) entitled to claim proceeds on the death of an insured may elect any of these options with respect to the applicable claim proceeds, subject to our then current administrative rules, unless you have elected otherwise.

- 1) To be left with us for any period to which we consent, at interest.
- 2) To be paid in the form of an annuity certain.
- 3) To be paid in the form of a life annuity of any type offered by us at the time, whether it is a single life or a joint and last survivor annuity and with or without a period certain, as elected by you on your own life, or as otherwise elected on the life or lives of the beneficiary(ies) entitled as payee(s) at an insured's death.
- 4) To be applied to any other payment option then made available by us.

LIMITS

We reserve the right to determine the minimum and maximum amounts that may be applied under these Payment Options, according to our then current administrative rules.

CHANGES IN COVERAGE

CHANGES IN COVERAGE

After the first policy year you may increase any Death Benefit amount by adding a new Coverage Amount based on the appropriate Rate Class, Cost of Insurance Rate and additional Surrender Charges, effective at the new Coverage Date. After a Coverage Amount has been in force for two years from its Coverage Date, it may be decreased. You may make a written application to us, electing an increase or decrease, by changing the Death Benefit Option, or by the addition or decrease of any Coverage Amount. The maximum and minimum amounts of any such addition or decrease, and the Total Coverage or Specified Amount resulting from any such election will be subject to limits according to our then current administrative rules. Any such change in Coverage or Death Benefit Option will also be subject to the following conditions (each condition being subject to our then current administrative rules):

- A) An election to change the Death Benefit Option from Level to Coverage Plus or to add any new Coverage Amount must be made before a Monthly Deduction Date on which the attained Age of an applicable insured is 85. You may also elect a change in the specified portion of Total Account Value applicable for a Death Benefit Option, subject to such Age and insurability limitations and requirements as then determined. We must receive your election, together with such satisfactory evidence of insurability as we may require for any applicable insured, and any premium payment then necessary. We will establish the appropriate Rate Class, Cost of Insurance Rate and additional Surrender Charges for any such new Coverage Amount, effective at the new Coverage Date. (See the Surrender Charges and Cost of Insurance Rates provisions).
- B) An election to change the Death Benefit Option from Coverage Plus to Level, or to decrease any Coverage Amount, may be made at any time, subject to the requirements of each provision applicable, including the limitations described in following items C), D) and E). An election to decrease or terminate any Coverage Amount on any insured(s) will first be applied against the most recently added Coverage Amount on the applicable insured(s). Any excess amount of decrease will then be successively applied in order against the next most recent Coverage Amount(s) on the applicable insured(s), and finally against the Initial Coverage or Specified Amount at issue of the applicable Coverage(s), until the full amount of the decrease is accounted for. A Coverage Amount in effect immediately following the date on which an election to decrease takes effect, may be not less than \$25,000.00, unless the election results from the Optimal Decreases provision.
- C) Any of the above changes shall not take effect until the Monthly Deduction Date which is on or next follows the date on which we approve the election.
- D) Any decrease in a Coverage Amount will cause a recalculation, effective at the date of decrease, of the Target Premium, Basic Target Premium, and Minimum Premium amounts for the policy. The recalculation of these Premiums for the Coverage(s) remaining after such decrease will use the same criteria as were used to determine those Premiums at the original Coverage Date(s), but shall take into account the reduced Coverage Amount(s). Surrender Charges effective at the date of any decrease in a Coverage Amount will not be adjusted.

We reserve the right to limit or decline any election to decrease any Specified or Coverage Amount, if the resulting amount of Total Account Value minus any amounts owed on the policy would be less than zero.

- E) An election to change the Death Benefit Option from the Coverage Plus Option to the Level Option cannot be made at any time while a Level COI Rate or Limited Pay COI Rate is in effect for any Specified Amount Coverage.

(Continued)

CHANGES IN COVERAGE (Continued)

MILLENNIUM ACCUMULATOR

The purpose of the Millennium Accumulator is to provide for the modification of the Specified Amount to maintain the tax-exempt status of the policy under the Income Tax Act (Canada), as described in the Taxation provision. The possible modification, determined at each policy anniversary, will depend on which option you elect in the application to include the Millennium Accumulator option. The option you choose may include a combination of the Automatic Increase and Optimal Decrease features available, as described in the options below. If you do not specify an Accumulator option in the application for the policy, the default option will be Automatic Increases only. The Millennium Accumulator does not limit our ability under the Taxation provision to make adjustments to your policy, if necessary to maintain the policy's tax exempt status.

Automatic Increases

The purpose of this option is to add a life insurance Automatic Increase Coverage, if and when necessary at a policy anniversary, to maintain the tax exempt status of the policy under the Income Tax Act (Canada), as described in the Taxation provision. The accumulated total of all Automatic Increase Coverages added under the terms of this option will be referred to as the Automatic Increase Total Coverage Amount. This amount, decreased by any subsequent Optimal Decrease amounts, will form part of the Specified Amount of insurance which is payable on the death of the Primary Insured, as described in the Death Benefit provision.

This option will take effect at the same time as the policy, unless this default option in the application is declined by you or by us. If this option was declined or was later terminated, it will subsequently take effect only on our approval of an acceptable application by you, when provided along with evidence of the insurability of the Primary or Joint Insured(s) which is satisfactory to us.

As described in the Taxation provision, we may determine at a policy anniversary that your policy would otherwise fail to maintain its tax-exempt status. If this option is then in effect, we will add an Automatic Increase Coverage, with a Coverage Date effective immediately prior to that anniversary for the purposes of the Taxation provision. We will determine the appropriate amount of the Automatic Increase Coverage in accordance with the terms of the Taxation provision and our then current administrative rules.

If the maximum amount of Automatic Increase Coverage being added at a policy anniversary is insufficient to maintain the tax-exempt status, other corrective adjustments will be made as described in the Taxation provision.

(Continued)

CHANGES IN COVERAGE (Continued)

Automatic Increases (cont'd)

While this option is in effect, any Automatic Increase Coverage will be added in accordance with the terms of the Changes in Coverage provision, other applicable policy provisions, our then current administrative rules, and the following:

- 1) Annual application and evidence of insurability is not required for addition of an Automatic Increase Coverage.
- 2) No additional Surrender Charges are applicable for any Automatic Increase Coverage.
- 3) The Cost of Insurance (COI) Option applicable at the Coverage Date of an Automatic Increase Coverage may be as selected by you at the time of application for the policy. You may make a written application to us to select a different COI Option for any future Automatic Increase Coverage. The COI Rate will be based on the current Insurance Age at the new Coverage Date, and the risk classification we approved for the Rate Class of the most recent Coverage included in the Specified Amount.
- 4) At the effective date of the Automatic Increase, the Monthly Deductions and each new Automatic Increase Coverage premium duration will be recalculated based on the increase of coverage and on the COI rate.

The maximum Automatic Increase Total Coverage Amount available at any policy anniversary will be determined by our then current administrative rules, which include our retention limits and reinsurance rules.

Optimal Decreases

If and when the joint coverage for the Specified Amount on the Joint Insureds is replaced by single life coverage on one sole Primary Insured, you may apply to elect this option, subject to our approval of any requirements determined under our then current administrative rules. You may request only this option or a combination of this option and the Automatic Increases option, subject to the terms of that provision.

The purpose of this option is to decrease the Specified Amount in order to reduce the policy's Cost of Insurance, while maintaining the tax-exempt status of the policy under the Income Tax Act (Canada), as described in the Taxation provision. Each Optimal Decrease effected under this option will reduce the Specified Amount which is part of the Death Benefit otherwise payable on the death of the Primary Insured.

While your election of this option is in effect, we will determine annually, at each successive policy anniversary, the amount of any Optimal Decrease then possible. Each Optimal Decrease will then be effected only in accordance with the relevant terms of the Notice provision below, the Changes in Coverage provision, other applicable policy provisions, our then current administrative rules, and the following:

- 1) An Optimal Decrease will not be applied against any Coverage for which a Level COI Rate or Limited Pay COI Rate is then in effect.
- 2) An Optimal Decrease of any eligible Coverage will, when effected, be applied first to reduce the most recent Automatic Increase Coverage, if any. Any excess amount of the decrease remaining will then be successively applied against the next most recent Automatic Increase Coverages in order, if any, and then to similarly reduce successively the most recent Coverages added to the Specified Amount, if any, and finally to reduce the Specified Amount at issue.
- 3) At the effective date of the Optimal Decrease the Monthly Deductions will be recalculated based on the reduction of coverage.

(Continued)

CHANGES IN COVERAGE (Continued)

Notice While the Automatic Increases option is in effect, we will give you notice of the amount of any Automatic Increase Coverage when added under the terms of that option. You may terminate that new Coverage effective at its Coverage Date, provided we receive your signed election to terminate that new Coverage within the 60 days following that new Coverage Date. If you make this election to terminate, a partial surrender of the policy's Total Account Value, or other corrective adjustment(s), will be made by us to maintain the tax exempt status, as described in the Taxation provision.

While the Optimal Decreases option is in effect, we will give you notice at each applicable policy anniversary of the Optimal Decrease amount then possible under the terms of that option. You will be asked to elect each such decrease. We will effect an Optimal Decrease under this option only if we receive your signed election for it. Any such Optimal Decrease will take effect at the Monthly Deduction Date on or next following the date we receive your election, provided that date is prior to the next policy anniversary following the date of Notice.

Termination of Millennium Accumulator Options (cont'd) Termination of a Millennium Accumulator option does not terminate any Automatic Increase Coverage previously added, nor any Optimal Decrease previously effected, except as permitted under the Notice provision above.

While the policy remains in force, the option for future addition of Automatic Increase Coverages will terminate on the earliest of the following:

- 1) The date we receive your signed request for termination of this option.
- 2) The date we receive your signed request for decrease or termination of any Coverage or Automatic Increase Coverage in accordance with the Changes in Coverage provision, or similar decrease or termination of any Rider Coverage Amounts of life insurance payable on the death of the Primary Insured (excluding any accidental death, critical illness or disability insurance Rider Coverage). The election of a decrease under the Optimal Decreases provision will not terminate the option for future addition of Automatic Increase Coverages.
- 3) The date on which the Automatic Increase Total Coverage Amount reaches the maximum determined under the provisions of this option, in accordance with our then current administrative rules.
- 4) The policy anniversary on which the attained Age of the Primary Insured or the joint attained Age of the Joint Insureds is 85.
- 5) The date an insured is changed under the terms of the Substitution of Insured provision.
- 6) The date of death of the Primary Insured.

While the policy remains in force, the option for future elections of Optimal Decreases will terminate on the earliest of the following:

- 1) The date we receive your signed request for termination of this option.
- 2) The date an insured is changed under the terms of the Substitution of Insured provision.
- 3) The date of death of the Primary Insured.

PREMIUMS AND DEDUCTIONS

PAYMENT OF PREMIUMS

The amount of the initial Scheduled Premium and the Premium Frequency, Monthly Deduction amount and Duration are shown on the Policy Details page. The first premium is payable on the Policy Date and must be paid before this policy may take effect. Each premium after the first is payable to us on its due date, which is the first day of each Premium Frequency period then applicable for the Scheduled Premium payments, as measured from the Policy Date. You may change the Premium Frequency of Scheduled Premium payments to such other Premium Frequency and payment method as we may offer, subject to our then current administrative rules.

You may pay additional premiums at any time while this policy is in force, subject to our rights to limit the number and amount of such premiums. After the first policy year, you may change the amount of the Scheduled Premium payable, within the minimum and maximum acceptable amounts, and subject to our then current administrative rules. The effective dates for changes in the Scheduled Premium amount or Premium Frequency and any payment of an additional premium will be as described under the terms of the Processing provision and the Interest Options section of the policy.

We reserve the right to reduce the Scheduled Premium or make a premium refund to you or transfer a premium payment from this policy to the designated Millennium Account. (See the Taxation provision.)

If any cheque, draft or such other instrument that you may use to pay premiums is not paid when presented for payment in the normal course of business, the premium will be considered unpaid. We reserve the right to charge a transaction fee for any such unpaid premium and, if there is a balance in the Total Account Value, we may deduct a charge from the balance of any applicable Accounts, as described under the Withdrawal Order Provision. We may also discontinue a Premium Frequency and payment method and substitute a different Premium Frequency and payment method as then available for your policy, if two consecutive Scheduled Premiums are unpaid.

TARGET PREMIUM

The initial Target Premium amount is determined effective at the Policy Date. Calculation of this amount is based on the Specified Amount for the Joint Insured(s), each Total Coverage Amount for any Additional Insured, each insured's sex, insurance age, and the Rate Class and the Level Cost of Insurance Rate which would be applicable for each such Coverage at its Coverage Date, together with the Monthly Deduction charge for any additional Rider Coverages, the monthly Expense Charge, and the premium tax rate. The Target Premium includes any additional premium amount required for any extra Cost of Insurance rating. The Target Premium amount may change, as it is determined at each successive Monthly Deduction Date, and is recalculated at the effective date of addition or decrease of any Coverage or Rider Coverage and on any change in the premium tax rate, or in the Rate Class applicable for any Coverage on an insured. The Target Premium amount may also change on the Replacement of a Primary Insured or Substitution of Insured under the terms of those provisions.

(Continued)

PREMIUMS AND DEDUCTIONS (Continued)

- MINIMUM PREMIUM** The initial Minimum Premium amount is determined effective at the Policy Date. Calculation of this amount is based on the Specified Amount for the Joint Insured(s), each Total Coverage Amount for any Additional Insured, each insured's sex, insurance age, the Rate Class and the Cost of Insurance Rate which would be applicable for each such Coverage at its Coverage Date, together with the Monthly Deduction charge for any additional Rider Coverages, the monthly Expense Charge, and the premium tax rate. The Minimum Premium includes any additional premium amount required for any extra Cost of Insurance rating. The Minimum Premium amount may change, as it is determined at each successive Monthly Deduction Date, and is recalculated at the effective date of addition or decrease of any Coverage or Rider Coverage and on any change in the premium tax rate, or in the Rate Class applicable for any Coverage on an insured. The Minimum Premium amount may also change on the Replacement of a Primary Insured or Substitution of Insured under the terms of those provisions. The Minimum Premium will be used as described in the Grace provision, when applicable for determining the premium amount sufficient to pay the sum of any Monthly Deductions.
- NET PREMIUM** The net premium is the premium paid less the premium tax deducted for any provincial or territorial premium tax or other applicable government tax.
- MONTHLY DEDUCTIONS** Each Monthly Deduction amount consists of the applicable costs of insurance for the insureds, plus the cost of any Rider Coverages under optional riders and benefits and the monthly Expense Charge shown on the Policy Details page. On each Monthly Deduction Date, we will make a withdrawal of sufficient funds to pay the total Monthly Deduction amount then due from the balance of each Interest Option Account then in effect. Withdrawals from two or more such Accounts will be made in accordance with our then current administrative rules. At issue of this policy such withdrawals are made on a proportionate basis, based on the balance held in each Account in relation to the Total Account Value of the policy.
- GRACE** Your policy will remain in force while the Total Account Value, less any amounts owing, is sufficient to pay the Monthly Deduction due at a Monthly Deduction Date. If this amount is not sufficient to pay the Monthly Deduction then due, the policy will remain in force for a grace period of 31 days. The policy will lapse without value at the end of the grace period, unless you have paid an amount sufficient to cover the sum of any unpaid Monthly Deductions.

PREMIUMS AND DEDUCTIONS (Continued)

REINSTATEMENT If this policy has lapsed, you may apply to reinstate it at any time within three years after the date of lapse. You may not reinstate the policy if you have surrendered it for its Cash Surrender Value.

To reinstate the policy, you will have to:

- 1) Provide proof, satisfactory to us, that the Joint Insureds, any Primary Insured, any Additional Insured and any other person insured under this policy at the date of lapse, are each insurable based on the same or any more favourable Rate Class basis, and Health Class basis if applicable, as was in effect for each Coverage and any Rider Coverage then in force on each such insured at the date of lapse; and
- 2) Pay or re-establish all amounts owed on the policy as of the date of lapse; and
- 3) Pay an amount sufficient to cover the cost of all additional Rider Coverages under any optional riders and benefits, for which Monthly Deductions have not been collected since the start of the grace period, together with compound interest at an appropriate rate then set by us; and
- 4) Pay an amount sufficient to cover the monthly Cost of Insurance amounts, for which Monthly Deductions have not been collected since the start of the grace period, that are not waived by us as determined by our then current administrative rules, together with compound interest at an appropriate rate then set by us; and
- 5) Pay an amount sufficient to cover the sum of any unpaid Monthly Deductions at the start of the grace period, as described in the Grace provision; and
- 6) Pay a premium which is sufficient to keep the policy in force for the three consecutive months following the Monthly Deduction Date at which the policy is reinstated in accordance with this provision.

The application to reinstate this policy must be made in writing and must be received by us together with payment of all amounts then due. The reinstated policy will be in force effective from the Monthly Deduction Date which is on or next follows the date on which we approve the request for reinstatement.

(Continued)

TAXATION

TAXATION This policy is issued with the intent that it be maintained as a policy exempt from accrual taxation, as may be permitted under the provisions and regulations of the Income Tax Act (Canada) and administrative rules of the Canada Revenue Agency. To maintain this tax-exempt status, we will make various adjustments to your policy, in accordance with the policy provisions and our then current administrative rules.

We will review our records for your policy annually at each policy anniversary. If we determine that your policy would otherwise fail to maintain its tax-exempt status at that anniversary, we will make adjustments which may include any combination of the items described below. We may:

- 1) increase the Specified Amount of life insurance payable under the basic policy on the death of the Primary Insured, in accordance with the terms of the Millennium Accumulator provision, if that option is then in effect; and
- 2) make a partial surrender of the policy's Total Account Value, in accordance with the Partial Surrender and Withdrawal Order provisions; and
- 3) make other adjustments to any premium payment or the policy as we may determine appropriate for the purposes of these Taxation provisions.

The order in which the above items are processed is determined under our current administrative rules, which may change at our discretion.

Any refund or payment resulting under these provisions will be credited to the Millennium Account as set up outside of your policy and may be paid to you on request as provided under the terms of the Millennium Account (see Appendix 1 – Millennium Account).

For the purposes of these Taxation provisions and subject to our then current administrative rules, we reserve the right to make adjustments to any premium payments or the policy, which may include, but are not limited to, the following:

- 1) Before making any partial surrender of policy funds, we may make a full or partial refund of any premium paid within the year ending on the policy anniversary, subject to our then current administrative rules and any applicable government taxation provision.
- 2) On our receipt of a premium payment for the policy, we may allocate any portion of that payment to your Millennium Account then in effect, if that portion would exceed the maximum premium we then determine is permitted for the current policy year.

We reserve the right to refuse a requested transaction under the policy which would jeopardize the policy's tax exempt status intended under this Taxation provision, unless an appropriate policy adjustment may also be made to maintain such status.

(Continued)

TAXATION (Continued)

Other Tax Reporting

Although the intent is to keep the policy exempt from accrual taxation, other provisions of the Income Tax Act (Canada) may require you to include an amount in your income for tax purposes. Under such current taxation provisions, this requirement may occur as a result of a full or partial disposition of the policy, which currently includes, but is not limited to, a full or partial surrender, policy loans, and certain changes to, including changes in ownership of, the policy.

We will inform you, to the extent we may be required to do so by law, of amounts to be included in your income for tax purposes.

Sample

INTEREST OPTIONS

INTEREST OPTIONS You can elect one or more of the Daily, Guaranteed and Variable Interest Options for which we will establish Accounts under this policy, referred to respectively as DIOs, GIOs and VIOs. Amounts credited to an Account under any of these Interest Options will be invested with the general funds of the Company. Any rate of interest for an Account under these Interest Options is guaranteed only to the extent specified in the Interest Options provisions applicable for that Account.

PREMIUM ALLOCATIONS Each net premium paid will be credited to one or more Accounts established under the Interest Option(s) in accordance with your election of these options, subject to our then current administrative rules. Net premiums are allocated to the DIO Account, unless you elect automatic premium allocation to any other Interest Option Account(s) in the application for the policy, or in a subsequent allocation elected in accordance with the Interest Options provisions. You may specify different premium allocation percentages or amounts for a particular additional premium or change future Scheduled Premium allocations, in accordance with the Option Changes and Transfers provision.

ACCOUNT BALANCE The "balance" of an Interest Option Account at any time means the total of all amounts which have then been credited to the Account, minus the total of all amounts which have then been withdrawn from the Account. The balance of each Account is part of the Total Account Value of the policy. Policy transactions and effective dates for increases and decreases of Account Balances are described under the Processing provisions and other applicable Interest Option and policy provisions. A summary of these adjustments is itemized in the Total Account Value provision. When applicable, Account Balances may also be reduced by any amounts owed on the policy (e.g., policy loans), Market Value Adjustments, and by any current surrender charges, as described in the Policy Values section provisions.

OPTION CHANGES AND TRANSFERS Subject to the provisions of the policy and our then current administrative rules, including any minimum or maximum amount and transaction fee requirements, you may elect any of the following transactions:

- 1) Change the Interest Option Account(s) to which net premiums are automatically allocated; or
- 2) Change the percentage amount(s) of net premiums automatically allocated to the Interest Option Account(s) elected; or
- 3) Withdraw all or part of the balance of an Interest Option Account and transfer the withdrawal amount (the "transfer amount") to one or more other Interest Option Accounts we then offer under this policy.

We reserve the right to deduct a transaction fee from any Account Balance applicable for any such option changes and amount transfers and to change the amount of any such fee without notice. We may also limit the number and amounts of such transfers and option changes within any time period, as determined by our then current administrative rules. Any amount transferred during a guarantee period from the balance of a Term Deposit held under a GIO Account may also be reduced by a charge, when applicable under the Market Value Adjustment provision. Any balance amounts of VIO and GIO Accounts are deemed transferred to the Daily Interest Option on surrender or lapse of the policy. We also reserve the right to transfer all or part of the balance of any VIO Account to the DIO Account, when necessary to satisfy the requirements of the Policy Loans provision, and to otherwise withdraw and transfer amounts as described in the Withdrawal Order provision.

(Continued)

INTEREST OPTIONS (Continued)

BUSINESS DAY	For the purposes of this policy, the term "Business Day" will mean any day on which our Canadian Head Office is open for business.
TRADING DAY	For the purposes of the Variable Interest Option provisions, the term "Trading Day" will have the appropriate meaning where applicable, as described respectively under the Index-Linked VIO and the Fund-Linked VIO provisions.
NEXT ELIGIBLE VALUATION DATE	For any Fund-Linked VIO, the term "Next Eligible Valuation Date" will mean the Valuation Date which satisfies the requirements of the Minimum Notice provision as specified below.
MINIMUM NOTICE	We may require a "Minimum Notice" period, in advance of the Valuation Date or Trading Day otherwise applicable for a VIO Account, if all or part of a premium payment, or other transaction resulting from your written election or request under the Interest Options or Policy Values provisions, will cause any change to the balance or premium allocation for any VIO Account. The Next Eligible Valuation Date for a Fund-Linked VIO shall be the Valuation Date which follows the date of receipt of the payment, election, or request by a period of time equal to or greater than the Minimum Notice period then specified for that VIO.

The Minimum Notice may be any period of time or days we may set, for each VIO Account and each type of transaction applicable to it. A Minimum Notice period will not apply unless specified for a particular VIO Account or transactions affecting it. The length of a Minimum Notice period may vary between each VIO Account and type of transaction. We reserve the right to add, change or cancel any Minimum Notice period. We also reserve the right to waive all or part of any such Minimum Notice period, as determined at our discretion under our then current administrative rules.

For each Fund-Linked VIO included in this policy at the Policy Date, the current Minimum Notice period is 10 days.

PROCESSING

Day Received

For the purposes of the Interest Options and Policy Values sections, any premium payment, written election or request of yours must be received at our Canadian Head Office by 4 p.m. Eastern time on a Business Day, in order for that day to be deemed the "day received" (date of receipt), otherwise the immediately following Business Day will be deemed the day received. We reserve the right to waive or extend the time of day specified for such receipt, as determined at our discretion under our then current administrative rules. Transactions resulting from such payments, elections and requests will be processed to take effect as described in the Processing provisions below.

Processing Premium Payments

Any portion of a net premium paid which is allocated to:

- A) A DIO or GIO Account or an Index-Linked VIO Account will be credited to that Account effective at the end of the day received;
- B) A Fund-Linked VIO Account will be credited to that Account effective at the end of the Next Eligible Valuation Date on or next following the day received.

Any portion of a net premium paid which may not, as a result of the Minimum Notice provision, be credited to a Fund-Linked VIO Account on the day received, as described under item B above, will be held in the Transition Account until the Valuation Date such portion can be credited to the applicable VIO Account.

(Continued)

INTEREST OPTIONS (Continued)

Processing Option Changes and Transfers Your written election of a transaction under the Option Changes and Transfers provision will be processed based on an effective date which shall be the latest of:

- 1) The end of the day received;
- 2) The end of the Trading Day on or next following the day received, if your election would affect the balance of any Index-Linked VIO Account; and
- 3) The end of the Next Eligible Valuation Date on or next following the day received, if your election would affect the balance of any Fund-Linked VIO Account.

Processing Withdrawals Any withdrawal from an Interest Option Account which results from your election or request under the Partial Surrender, Cash Surrender Value or Policy Loans provisions, will be processed based on an effective date which shall be the latest of:

- 1) The end of the day received;
- 2) The end of the Trading Day on or next following the day received, if your election or request would affect the balance of any Index-Linked VIO Account; and
- 3) The end of the Next Eligible Valuation Date on or next following the day received, if your election or request would affect the balance of any Fund-Linked VIO Account.

Any such withdrawal which results from the requirements of the Policy Loans provision will be processed in a similar manner, but with an effective date at the end of the applicable Business or Trading Day or Valuation Date on which that withdrawal is required.

Processing Requests for Policy Loans A Policy Loan which results from your request under the Policy Loans provision will be processed based on an effective date which shall be the latest of:

- 1) The end of the day received;
- 2) The end of the Trading Day on or next following the day received, if your request would affect the balance of any Index-Linked VIO Account; and
- 3) The end of the Next Eligible Valuation Date on or next following the day received, if your request would affect the balance of any Fund-Linked VIO Account.

Processing Deferral With respect to any Interest Option, we may delay the processing and effective dates of any transaction to transfer, withdraw or otherwise surrender any portion of the Account Balance. We reserve the right to defer any such processing or effective date for up to seven Business Days or Trading days, as applicable for the Account, following the date otherwise effective for any such transaction.

(Continued)

INTEREST OPTIONS (Continued)

TRANSITION ACCOUNT	If the effective date applicable for crediting any portion of a net premium payment is one or more days after the day received, the amount of any such portion will be held in a Transition Account until the date it can be credited to the applicable Account. For the purposes of the Interest Options provisions, the Transition Account is deemed to be one of the Interest Option Accounts. The rate of interest applicable for any balance held in the Transition Account will be zero per cent unless we set any greater rate from time to time, but shall never be less than zero per cent.
DAILY INTEREST OPTION (DIO)	<p>Net premiums and transfer amounts allocated to this option are held in a DIO Account and will accumulate interest for each day at the daily rate of interest then in effect. Interest will be credited to the funds held in the Account on each Monthly Deduction Date.</p> <p>The effective annual interest rate under the DIO will be set by us at least weekly, and is guaranteed to be not less than 90% of the yield on short term Government of Canada Treasury Bills that are then monitored for this purpose based on term to maturity, minus 2.25%, and shall not be less than zero per cent. We reserve the right to use a different basis and guarantee in determining applicable interest rates for this Option if the yields on any such Government of Canada Treasury Bills are not available.</p>
Option for Automatic Transfers From DIO Account	<p>You may make an election at any time for future automatic transfers of the entire balance of the DIO Account to the credit of one or more Guaranteed or Index-Linked VIO Accounts then available under this policy, and you may revoke such an election. You may only elect such automatic transfers to any Fund-Linked VIO Account subject to our approval in accordance with our then current administrative rules.</p> <p>While the election is in effect, an automatic transfer will be processed at each subsequent Monthly Deduction Date on which the current balance of the DIO Account exceeds the "threshold amount" you specify in your election. The applicable portion of the DIO Account Balance transferred will be credited to each eligible Interest Option Account elected, effective at the date established under the terms of the Processing provision. You may select any threshold amount, subject to such maximum and minimum amount limits as we may set at any time, at our discretion. At the time of issue of this policy the minimum threshold amount is \$25 and the minimum amount that may be allocated to each Interest Option Account is also \$25, unless we otherwise approve. Depending on such amount limits, you may select appropriate portions of the DIO threshold amount for automatic transfers to one or more other Interest Option Accounts, subject to any maximum number of allocations per automatic transfer or other requirement as determined under our then current administrative rules.</p>

(Continued)

INTEREST OPTIONS (Continued)

GUARANTEED INTEREST OPTIONS (GIOs)

Each net premium or transfer amount allocated to this option will be held as a "Term Deposit" amount (i.e., amount allocated for a particular term) under a "GIO Account". The Account Balance of a GIO Account is the sum of the balances of each Term Deposit held under that Account. We currently offer various durations of guarantee periods, during which a Term Deposit will earn a guaranteed rate of interest. A GIO Account will consist of one or more Term Deposits which each have the same duration of guarantee period. For example, all Term Deposits with a five-year guarantee period will be held under one Five-Year GIO Account. You can allocate both premium and transfer amounts to such different durations of guarantee periods as we may offer from time to time for this policy.

The effective annual interest rate for a Term Deposit under a GIO Account will be established by us at the effective date the net premium or transfer amount is credited to the Account.

For Term Deposits with guarantee periods of five and ten years, the effective annual interest rate is guaranteed to be not less than the greater of:

- 1) 90% of the yield on current coupon Government of Canada Bonds with a similar term period and effective date as the Term Deposit, minus 2.00%; and
- 2) 2.50% for Term Deposits with guarantee periods of ten years; or
- 3) 2.00% for Term Deposits with guarantee periods of five years.

For Term Deposits with guarantee periods of less than five years, the effective annual interest rate is guaranteed to be not less than the greater of:

- 1) 90% of the yield on current coupon Government of Canada Bonds with a similar term period and effective date as the Term Deposit, minus 1.75%; and
- 2) zero per cent.

We reserve the right to use a different basis and guarantee in determining applicable interest rates for Term Deposits under these GIO Accounts if the yields on any such Government of Canada Bonds are not available.

Each Term Deposit amount in a GIO Account will earn interest at the rate determined at the effective date on which the amount is credited to the Account, until the end of the guarantee period for that Term Deposit. The duration of guarantee period of a Term Deposit is determined in your election to allocate premium or transfer amounts, subject to our then current administrative rules for the duration of guarantee periods available.

At the end of the guarantee period of a Term Deposit the entire Term Deposit balance may be transferred, with no transaction fee, to any other Interest Option we then offer under this policy, provided we receive your election of the transfer at least seven days before the end of the applicable guarantee period. If we do not receive such notification from you, the entire Term Deposit balance will be credited to a new Term Deposit with the same duration of guarantee period as the one just ended, if then available, otherwise to a new Term Deposit with the next shortest available period which we then offer for this policy. However, at the end of the guarantee period of any Term Deposit, if the same or a shorter guarantee period is not then available, the balance of that Term Deposit will be transferred to the DIO Account.

Compounding of Interest

While a GIO Account is in effect, interest earned on the daily balance of any Term Deposit in the Account will accrue within that Term Deposit as part of its balance, with interest credited to the balance on a monthly basis until the end of the guarantee period.

(Continued)

INTEREST OPTIONS (Continued)

Market Value Adjustment (MVA)	A Market Value Adjustment charge may apply to any balance of a Term Deposit in a GIO Account when all or part of the balance is withdrawn from the Account during a guarantee period, or at surrender or lapse of the policy. This provision does not apply to an amount withdrawn under the Monthly Deduction or Death Benefit provisions. This charge will apply if, at the effective date on which it is being determined, the interest rate for a new Term Deposit with the same duration of guarantee period and amount would be higher than the interest rate which then applies to the Term Deposit from which the amount is withdrawn. We will determine the amount of the charge in accordance with our then current administrative rules.
VARIABLE INTEREST OPTIONS (VIOs)	<p>A Variable Interest Option (VIO) provides for variable Interest Rate Factors which fluctuate based on the performance of an external economic or financial standard or fund. At the Date of Issue of this policy we offer two types of VIOs:</p> <ol style="list-style-type: none">1) Index-Linked VIOs. The Interest Rate Factors for these options fluctuate depending on the performance of the Designated Index on which the Interest Option is based.2) Fund- Linked VIOs. The Interest Rate Factors for these options fluctuate depending on the performance of the Designated Fund on which the Interest Option is based.
UNPAID PREMIUM CHARGE	If a premium payment, which has any portion allocated to a VIO Account, is subsequently unpaid as described in the Payment of Premiums provision, we may, at our discretion, charge an amount to be deducted from the applicable VIO Account then available, or as otherwise provided in the Withdrawal Order provision. The amount of the charge will be the sum of any negative interest rate amounts resulting from the unpaid premium, as determined effective at the next applicable Trading Day or Valuation Date following the date we receive notification of the unpaid premium.
INDEX-LINKED (VIOs)	<p>The Index-Linked Variable Interest Options (VIOs) available at the time of issue of this policy are:</p> <ol style="list-style-type: none">1) The Canadian Equity Index-Linked VIO2) The American Equity Index-Linked VIO3) The Canadian Bond Index-Linked VIO4) The Global Equity Index-Linked VIO5) The Science and Technology Index-Linked VIO6) The American Small Cap Index-Linked VIO7) The Real Return Bond Index-Linked VIO8) The European Equity Index-Linked VIO9) The Japanese Equity Index-Linked VIO

(Continued)

INTEREST OPTIONS (Continued)

Interest Rate Factors An Interest Rate Factor will be applied to the Account Balance of an Account under an Index-Linked VIO, from the effective date on which a net premium or transfer amount is credited to the Account, while the Account is in effect. The Interest Rate Factors applicable for Index-Linked VIO Accounts are not guaranteed and will fluctuate depending on the performance of the Current Designated Index on which a particular VIO is based. The Interest Rate Factor applicable for each Index-Linked VIO Account which is not based solely on a Canadian currency Index will also fluctuate depending on the prevailing daily rate of exchange between Canadian currency and any applicable foreign currency.

The Interest Rate Factor for any Index-Linked VIO may be either positive or negative. A negative Interest Rate Factor applied to the balance of an Index-Linked VIO Account will reduce the balance in that Account. We make no warranty or representation regarding the performance of any Current Designated Index on which Interest Rate Factors are based.

Designated Index Each Interest Rate Factor we set effective for a Trading Day for an Index-Linked VIO will be based on the performance of a generally recognized index, which is selected by us to be the "Current Designated Index" appropriate for that option.

We reserve the right to change the Current Designated Index used for a VIO to another index appropriate for that option if the Current Designated Index becomes unavailable or if we, in our sole discretion, determine that the Current Designated Index is no longer appropriate for that option.

The provider of any Current Designated Index does not warrant any results that may be obtained by use of that index and makes no warranties as to the applicability of that index for any particular Index-Linked VIO.

Trading Day For the purposes of any Index-Linked VIO, the term "Trading Day" shall mean a Business Day on which the office of the provider of that option's Current Designated Index is open for business. For any Index-Linked VIO, the term Trading Day shall not include any day for which the provider of the applicable index does not publish the closing value of that option's Current Designated Index.

(Continued)

INTEREST OPTIONS (Continued)

Minimum Interest Rate Factors

For each successive Trading Day we will set an Interest Rate Factor for each Index-Linked VIO. The Interest Rate Factor will be zero for any day other than a Trading Day. The positive or negative interest to be applied to the Account Balance of an Index-Linked VIO Account at the end of a Business Day is calculated by multiplying the daily Interest Rate Factor we set for that day, by the Account Balance at the end of the immediately preceding Business Day.

The Interest Rate Factors applicable on a Trading Day for Index-Linked VIOs are based on the difference between **A** and **B**, where:

- A** is the Canadian dollar value of the applicable Current Designated Index at the end of that Trading Day, and
- B** is the Canadian dollar value of the applicable Current Designated Index at the end of the immediately preceding Trading Day.

An Interest Rate Factor set on a Trading Day for an Index-Linked VIO may be greater but shall not be less than the Minimum Interest Rate Factor determined in accordance with the following description and table.

Any interest applied to an Account held under an Index-Linked VIO is based on the performance of the Current Designated Index then applicable for that Account. While the Current Designated Index for a VIO is the applicable Index as specified for each respective VIO in the following table, the Minimum Interest Rate Factor set for that VIO for a Trading day shall not be less than the factor determined according to the following formula:

$$\text{Minimum Interest Rate Factor} = \frac{\mathbf{A} - \mathbf{B}}{\mathbf{B}} \text{ minus daily Interest Option Fee}$$

Where **A** and **B** are the values as defined above in this provision, and the daily Interest Option Fee is the value specified in the following table, for the applicable Current Designated Index for that VIO.

(Continued)

INTEREST OPTIONS (Continued)

**Minimum Interest
Rate Factors
(cont'd)**

Index-Linked VIO	Current Designated Index	Interest Option Fee (daily)
Canadian Equity	S&P/TSX 60 Total Return Index	0.000120
American Equity	Standard and Poor's 500 Total Return Index	0.000120
Canadian Bond	Scotia Capital Markets Universe Bond Index	0.000114
Global Equity	Morgan Stanley Capital International World Total Return Index	0.000150
Science and Technology	NASDAQ-100 Total Return Index	0.000130
American Small Cap	Russell 2000 Total Return Index	0.000130
Real Return Bond	Scotia Capital Markets Real Return Bond Index	0.000114
European Equity	Dow Jones EURO STOXX 50 Total Return Index	0.000140
Japanese Equity	Nikkei 225 Stock Total Return Index	0.000140

If the Current Designated Index for an Index-Linked VIO is changed, as described in the Designated Index provision, we will have the right to change the daily Interest Option Fee and calculation method for the Minimum Interest Rate Factor for that VIO. We will give you notice of any such change which we determine to be a material change, in the manner described in the Interest Option Changes provision.

We do not warrant the accuracy of the value of any Current Designated Index as calculated or supplied by the provider of that Index. We reserve the right to revise and correct any Interest Rate Factor we determine which was based on an inaccurate value provided for a Current Designated Index.

(Continued)

INTEREST OPTIONS (Continued)

FUND-LINKED VIOS The Fund-Linked Variable Interest Options (VIOS) are selected by you from a list of available managed fund Options designated by us. From time to time, we may discontinue, change, or add Fund-Linked VIOS as described in the Interest Option Changes provision. To obtain information on the Fund-Linked VIOS currently available to you, use the contact information shown in your policy statement.

Interest Rate Factors An Interest Rate Factor will be applied to the Account Balance held in an Account under a Fund-Linked VIO, from the effective date on which a net premium or transfer amount is credited to the Account, while the Account is in effect. The Interest Rate Factors applicable for Fund-Linked VIO Accounts are not guaranteed and will fluctuate depending on the performance of the Designated Fund on which a particular VIO is based. The Interest Rate Factor applicable for each Fund-Linked VIO Account which is not based solely on a Canadian currency net asset value per unit will also fluctuate depending on the prevailing daily rate of exchange between Canadian currency and any applicable foreign currency at a Valuation Date.

The Interest Rate Factor for any Fund-Linked VIO may be either positive or negative. A negative Interest Rate Factor applied to the balance of a Fund-Linked VIO Account will reduce the balance in that Account. We make no warranty or representation regarding the performance of any Designated Fund on which Interest Rate Factors are based.

Designated Fund Each Interest Rate Factor we set effective at the Valuation Date for a Fund-Linked VIO will be based on the performance during a Valuation Period of the Fund selected by us as the "Designated Fund" appropriate for that option.

We reserve the right to change the Designated Fund selected for a Fund-Linked VIO to another Fund appropriate for that option if that Designated Fund becomes unavailable or if we, in our sole discretion, determine that Designated Fund is no longer appropriate for that option.

Any Trustee, Manager or other owner of any Designated Fund does not warrant any results that may be obtained by use of that Fund and makes no warranties as to the applicability of that Fund for any particular Fund-Linked VIO.

(Continued)

INTEREST OPTIONS (Continued)

Fund	For the purposes of the Fund-Linked VIO provisions, "Fund" means a mutual fund or a pooled fund of investment monies (Profile Funds) managed by a professional investment Manager.
Trustee	"Trustee" means the current Trustee(s) named under the existing Trust for the Designated Fund, if applicable.
Manager	"Manager", with respect to a Designated Fund, means any Manager(s) including any professional investment management company then responsible for investments and administrative management for that Fund.
Net Asset Value Per Unit	The Manager of a Designated Fund will have the "Net Asset Value per Unit" calculated, effective at each successive Valuation Date for the Fund, by dividing the total value of the Fund's net assets by the total number of units then outstanding in the Fund. We do not warrant the accuracy of the Net Asset Value per Unit of a Designated Fund as calculated or provided by the Manager. We reserve the right to revise and correct any Interest Rate Factor we determine which was based on an inaccurate Net Asset Value per Unit calculated or provided by the Manager for the Designated Fund.
Valuation Period	A Valuation Period means the period of time occurring between each sequential Valuation Date we establish for the Designated Fund on which a Fund-Linked VIO is based. Valuation Periods may vary between different Designated Funds and may vary depending upon the Valuation Dates we establish for each such Fund.
Trading Day	A Trading Day, with respect to a Designated Fund, means any day on which: (a) the primary trading exchange for the major investments of that Fund is open for business and a value is available for the underlying assets of that Fund, and (b) the principal office of the Manager of that Fund and our Head Office in Canada are open for business.
Valuation Date	A Valuation Date for a Fund-Linked VIO will normally mean the regularly recurring effective date and time we establish for determination of an Interest Rate Factor, which is effective at the end of each successive Valuation Period for that option's Designated Fund. The Valuation Date is normally effective at the regular close of business on the last Trading Day of each successive Valuation Period we establish for a Designated Fund. The regular close of business on a Trading Day will normally be deemed to be 4 P.M. Eastern Time, or any earlier closing time of the primary trading exchange for a particular Designated Fund on that day, or as otherwise specified by the terms of any policy provision for a Designated Fund. The Valuation Dates and Valuation Periods we establish for a Designated Fund will normally be the same as those selected by the Manager of that Fund, for valuation of the Net Asset Value per Unit of that Fund. Valuation Dates may vary between different Designated Funds and we reserve the right to change without notice the frequency and timing of the Valuation Dates we establish for any such Fund.

(Continued)

INTEREST OPTIONS (Continued)

Valuation Date (cont'd) A Valuation Date for a Designated Fund will not, without our approval, be deemed to be any day for which the Manager or Trustee of that Fund does not publish or provide us with such timely confirmation of that Fund's valuation data, as we may reasonably require for prompt determination of the Interest Rate Factor then applicable for the Fund-Linked VIO based on that Designated Fund. Upon notice from the applicable Manager or Trustee of intent to suspend valuation or dissolve a Designated Fund, we may defer the next Valuation Date for that Fund until the next effective date for which the Manager or Trustee publishes or provides us with appropriate valuation data and permits general redemption of the Units or values of that Fund.

Minimum Interest Rate Factors For each successive Valuation Date we will set an Interest Rate Factor for each Fund-Linked VIO. The Interest Rate Factor will be zero for any day other than a Valuation Date. The positive or negative interest to be applied to the Account Balance of a Fund-Linked VIO Account at the end of a Business Day is calculated by multiplying the Interest Rate Factor we set for that day by the Account Balance at the end of the immediately preceding Business Day.

The Interest Rate Factors applicable on a Valuation Date for each of the Fund-Linked VIOs are based on the difference between **A** and **B**, where:

- A** is the Canadian dollar value of the Net Asset Value Per Unit (plus any distributions per unit) of the applicable Designated Fund on a Valuation Date, and
- B** is the Canadian dollar value of the Net Asset Value Per Unit of the applicable Designated Fund on the immediately preceding Valuation Date.

An Interest Rate Factor set effective on a Valuation Date for a Fund-Linked VIO may be greater but shall not be less than the Minimum Interest Rate Factor determined in accordance with the following description.

Any interest applied to an Account held under a Fund-Linked VIO is based on the performance of the Designated Fund then applicable for that Account. The Minimum Interest Rate Factor set for a Fund-Linked VIO on a Valuation Date shall not be less than the factor determined according to the following formula:

Minimum Interest Rate Factor = $\frac{\mathbf{A} - \mathbf{B}}{\mathbf{B}}$ minus Interest Option Fee

Where **A** and **B** are the values as defined above in this provision, and the Interest Option Fee is a fee associated with each Fund-Linked VIO. The Interest Option Fee may be monthly or daily depending on the Fund-Linked VIO type. The monthly Interest Option Fee will not exceed 0.002250 for any Fund-Linked VIO of that type.

(Continued)

INTEREST OPTIONS (Continued)

Minimum Interest Rate Factors (cont'd)

If the Designated Fund for any Fund-Linked VIO is changed, as described in the Designated Fund provision, we will have the right to change the applicable Interest Option Fee and calculation method for the Minimum Interest Rate Factor for that VIO. For any such material change, we will give you notice of the change in the manner described in the Interest Option Changes provision.

INTEREST OPTION CHANGES

We reserve the right, subject to the following exceptions, to discontinue, change or add Interest Options. Subject to the limitations described below, we will offer the following Interest Options for the duration of the policy:

- 1) The Daily Interest Option.
- 2) The GIO Five-Year Compound Interest Account.
- 3) The GIO Ten-Year Compound Interest Account.
- 4) At least one Index-Linked VIO based on a key Canadian equity market index. The daily Interest Option Fee for this Option will not exceed 0.000120.
- 5) At least one Index-Linked VIO based on a key United States equity market index. The daily Interest Option Fee for this Option will not exceed 0.000120.
- 6) At least one Index-Linked VIO based on a key Canadian bond market index. The daily Interest Option Fee for this Option will not exceed 0.000114.

Limitations

However, if any government regulation or legislation is enacted which, in our opinion, would cause any of these six Interest Options to conflict with the intent of any policy provision, we may then discontinue or change that Option. We will send you notice of the reasons for the discontinuance or change, and any alternative Options available.

On discontinuance of any VIO, the Account Balance in the discontinued Account will be transferred to the Daily Interest Option, unless you have then elected otherwise. Any discontinuance of a Guaranteed Interest Option will not affect any applicable Account that has already been established under your policy, until the end of the guarantee period of the last Term Deposit then held under that Account. However, at the end of the guarantee period of any Term Deposit, if the same or a shorter guarantee period is not then available, the balance of that Term Deposit will be transferred to the DIO Account.

For either discontinuance or material change of an elected Interest Option, we will give you an opportunity to elect a transfer of that Account Balance to another Interest Option we then offer. We may also give you written notice of any new Interest Option we will offer under this policy and any changes determined for the Withdrawal Order, Designated Index, Designated Fund and Minimum Interest Rate Factors provisions. Any such written notice from us in accordance with these provisions shall be part of the policy.

(Continued)

INTEREST OPTIONS (Continued)

WITHDRAWAL ORDER

Withdrawals, including those for any related fees or charges, may be made from the policy values either as result of:

- your request (requests may vary the processing order set out below, subject to our then current administrative rules), or
- the requirements of other policy provisions (including the Partial Surrender, Policy Loan, Disability Lump Sum Benefit, and Death Benefit provisions).

Withdrawals will be made in the processing order described below.

First, withdrawals will be made, to the extent required by the amount sought, from the Interest Option Account(s). If the amounts withdrawn from the Interest Option Account(s) are insufficient, then withdrawals for the insufficiency will be made from any Guaranteed Cash Values, where they exist.

Where there is more than one Interest Option Account, withdrawals will be processed in accordance with our then current administrative rules, including the processing order then in effect. At the time of issue of this policy, the processing order of any such withdrawals is:

- 1) first, from any Daily Interest Option Account,
- 2) then from the VIOs beginning with any Fund-Linked VIO Profile Accounts, then from any Index-Linked VIO Accounts, beginning with any Canadian Equity Index-Linked VIO Account, then any American Equity Index-Linked VIO Account, then any Global Equity Index-Linked VIO Account, then any Science and Technology Index-Linked VIO Account, then any European Equity Index-Linked VIO Account, then any Japanese Equity Index-Linked VIO Account, then any American Small Cap Index-Linked VIO Account, then any Canadian Bond Index-Linked VIO Account, then any Real Return Bond Index-Linked VIO Account, then from any remaining Fund-Linked VIO Accounts in an equitable manner determined by us,
- 3) and finally, from each GIO Account then in effect, with an equal proportion of the remaining withdrawal amount being withdrawn from each such GIO Account. Where two or more Term Deposits are held under a GIO Account, the withdrawal order from that Account will be successively from each oldest Term Deposit. When the balance in any GIO Account is less than the equal proportion to be withdrawn from that Account, then that Account Balance is reduced to zero, with that balance being applied to the withdrawal amount, and an equal proportion of the remaining withdrawal amount will be withdrawn from each remaining GIO Account

ELECTIONS

Any election or transaction request of yours under any Interest Option or other policy provision, which affects any Account Balance, must be in writing and be signed by you. Any such election or transaction request must be received at our Head Office on or before the effective date for the applicable transaction, and must satisfy such requirements as we deem necessary for compliance with the provisions of the policy and any laws applicable to it.

POLICY VALUES

TOTAL ACCOUNT VALUE

The Total Account Value of the policy while in force is the sum of the Account Balance held in each Account under the Interest Option provisions, adjusted as follows. On a Monthly Deduction Date, the balance of each Account is calculated from its balance on the preceding Monthly Deduction Date, and adjusted as described for the items below at the effective date for each applicable item occurring since that preceding Monthly Deduction Date:

- 1) increased by any net premium amount allocated to the Account; and
- 2) increased by any amount transferred from another Interest Option Account; and
- 3) decreased by any amount transferred to another Interest Option Account; and
- 4) decreased by any withdrawal amount resulting from the Partial Surrender, Disability Lump Sum Benefit and Death Benefit provisions; and
- 5) decreased by any withdrawal for transaction fees, or under the Market Value Adjustment and Unpaid Premium Charge provision; and
- 6) adjusted for interest calculated on the daily balance in the Account during the month, in accordance with the terms of the applicable Interest Option provision. This includes any interest credited on the Monthly Deduction Date for DIO and GIO Accounts and any positive or negative interest effective for VIO Accounts at the Business Day or Valuation Date applicable for the Account; and
- 7) increased by any bonus amount credited under the Client Bonus provisions; and
- 8) decreased by the portion of the Monthly Deduction amount payable from the Account in advance for the following month.

On any date other than a Monthly Deduction Date the balance in each Account under the Interest Options will be calculated on a basis consistent with the above. Positive or negative interest applied to the balance of a Fund-Linked VIO Account is effective at the applicable Valuation Date only, as it is not pro-rated over the Valuation Period preceding the Valuation Date.

SURRENDER CHARGES

The Surrender Charges applicable to the Total Account Value of this policy at any time are the total of any Surrender Charge amounts then in effect for each Coverage under the basic policy including the Multiple Lives Benefit. The Surrender Charges for all Coverages in effect at issue of this policy are shown in the Table of Surrender Charges included with the Policy Details pages. The Surrender Charge for a Coverage is calculated at any time by multiplying the "Basic Target Premium" set for that Coverage by a predetermined percentage amount, which varies according to the duration of that Coverage since its Coverage Date.

An additional Basic Target Premium amount is set on your election of a new Coverage Amount which increases the Specified Amount for the Primary or Joint Insured(s) or Total Coverage Amount for an Additional Insured, and may also be set on exercise of the Substitution of Insured provision. However, no additional Surrender Charge or Basic Target Premium amount is set for an Automatic Coverage added under the Millennium Accumulator Option. We will give you notice of a change in the Surrender Charges.

GUARANTEED CASH VALUE (GCV)

Coverages with Limited Pay COI Rates contain guaranteed cash values (GCVs). If there is a decrease in the insurance coverage amount under a Limited Pay COI coverage, the GCVs will decrease accordingly.

The GCV for a Limited Pay COI coverage is determined from the insured's Rate Class, sex, insurance age, and Coverage Amount at each coverage anniversary.

The GCV can be used by you to establish a policy loan or by the Company to establish a policy loan to pay any Monthly Deductions. Any policy loan amount outstanding after the application of the Withdrawal Order provision will be withdrawn from any GCVs under this policy.

The amount payable on death does not include any GCV.

(Continued)

POLICY VALUES (Continued)

BASIC TARGET PREMIUM

The Basic Target Premium amount is used in the calculation of any Surrender Charges that may be applicable at the Surrender or a Partial Surrender of the policy. The initial calculation of the total Basic Target Premium amount is based on the Specified Amount Coverage for the Joint Insured(s), each Total Coverage Amount for any Additional Insured, each insured's sex, insurance age, Rate Class, and the Level Cost of Insurance Rate which would be applicable for each such Coverage at its Coverage Date, together with the monthly Expense Charge and the premium tax rate. The Basic Target Premium amount does not include any additional premium required for any extra Cost of Insurance rating on an insured, nor any premium amount related to any additional Rider Coverage included in the policy.

The Basic Target Premium amount may change and it is determined on a monthly basis at each successive Monthly Deduction Date. It is recalculated at the effective date of addition or decrease of any Coverage Amount, (excluding any Automatic Increase Coverage and any Rider Coverage). The Basic Target Premium amount will not change as a result of any change in the premium tax rate or in the Rate Class or Cost of Insurance Rate for any Coverage, but may change on the Replacement of a Primary Insured or Substitution of Insured under the terms of those provisions.

CASH SURRENDER VALUE

You may elect to surrender this policy for any Cash Surrender Value it has at any time. The Cash Surrender Value will be the Total Account Value plus any Guaranteed Cash Value, reduced by any amounts owed on the policy and any applicable Surrender Charges, transaction fees and Market Value Adjustment charges. Normally, we will make payment of any Cash Surrender Value or Partial Surrender amount within a few days of the effective date as described in the Processing provisions. However, we have the right to defer making payment for a period up to six months after the date of such surrender. If payment is deferred for thirty days or more, we will pay interest on the surrender value until the date of payment.

PARTIAL SURRENDER

Whenever the policy has a Cash Surrender Value, you may elect to surrender part of the Total Account Balance of any of the Interest Option Accounts or surrender part of the Guaranteed Cash Values by reducing the Coverage Amount(s), provided the Partial Surrender amount is within the minimum and maximum amounts available according to our then current administrative rules. The Partial Surrender value is the excess of (a) the Cash Surrender Value, over (b) the sum of the Monthly Deductions then remaining up to the next policy anniversary, and such loan interest on the total loan amount as would accrue over a one year period. We may agree to a greater Partial Surrender value, calculated by reducing the requirement described in (b).

The Partial Surrender amount will be withdrawn from the Account Balance(s) of the Interest Option(s), either as specified by you, or otherwise as described in the Withdrawal Order provision. If the Partial Surrender amount withdrawn as you specify would make any Policy Loan amount exceed the maximum loan then available, we may refuse or limit the amount requested, or may transfer an amount of Account Balance equal to such excess to the DIO Account from the VIO Accounts, as per the Option Changes and Transfers and Withdrawal Order provisions.

In any policy year, we will process one request for Partial Surrender without charging a transaction fee. For any subsequent Partial Surrender amount withdrawn in any policy year, we may charge a transaction fee in accordance with our then current administrative rules as part of each Partial Surrender amount withdrawn. Initially the charge is \$25, but we reserve the right to increase this amount at our discretion, for any cost increases..

(Continued)

POLICY VALUES (Continued)

PARTIAL SURRENDER (cont'd)

The Death Benefit and Total Account Value are immediately reduced by the amount of any Partial Surrender. If part of the Guaranteed Cash Value is surrendered the Coverage Amount(s) will be reduced accordingly. If the Level Death Benefit Option is then in effect for the Primary or Joint Insured(s), the Specified Amount will be immediately reduced by the amount of the Partial Surrender, in a similar manner as provided under the Changes in Coverage provision. The Specified Amount remaining after such reduction must not be less than the minimum allowed under the Changes in Coverage provision.

POLICY LOANS

You may obtain a loan from us on the sole security of this policy whenever it has a loan value. You may borrow all or part of the loan value provided the loan amount is within the minimum and maximum amounts available, according to our then current administrative rules. The loan value is the excess of,

- (a) the Cash Surrender Value at that time, less 25% of the sum of all Account Balances then held under all VIO Accounts, over
- (b) the sum of the Monthly Deductions then remaining up to the next policy anniversary, and such loan interest on the total loan amount as would accrue over a one year period.

We may agree to a greater loan value, calculated by reducing the requirements described above. Normally, we will make the loan within a few days of your request. However, we may defer making the loan for up to six months unless it is to be used to pay amounts owed to us. The maximum loan amount will be determined as of the date we make the loan.

We will charge interest on all loans at a rate we will set from time to time. The interest will accrue from day to day. The accrued interest at the end of a policy year will be added to the amount of the loan. The amount of the loan and the accrued interest are amounts owed on the policy.

At any time, while this policy is in force, you may repay all or part of the amounts owed on the policy. Each repayment is subject to any minimum amount limit under our then current administrative rules. You must identify any loan repayment made to us, to avoid it being treated as an additional premium. (See the Premiums and Deductions section.)

If you have requested a single or automatic transfer of funds to a VIO Account that would then cause amounts owed on the policy to exceed the loan value defined in (a) and (b) above, we may refuse such a transfer, or limit the transfer amount such that amounts owed on the policy will not then exceed the loan value. We reserve the right to limit the percentage of net premium amounts allocated to any VIO Accounts when a loan is in effect on the policy, and to increase the percentage allocations to other Interest Option Accounts for both premium payments and any automatic transfers from the DIO Account, in accordance with our then current administrative rules.

COST OF INSURANCE

COST OF INSURANCE (COI) RATES

Election of a Cost of Insurance (COI) Rate for a Coverage is subject to a restriction that no Level COI Rate or Limited Pay COI Rate is permitted for any Specified Amount Coverage while the Level Death Benefit Option is elected.

Otherwise, and subject to any minimum and maximum Age restrictions and our administrative rules in effect at issue of this policy, when applying for any new Coverage Amount you may elect Level COI, Limited Pay COI or Annually Increasing COI rates for:

- the Joint Insureds,
- any Additional Insured(s), or
- the Primary Insured for the Specified Amount under the Replacement of Primary Insured provision.

Similarly subject to such restrictions and our then current administrative rules, you may elect a change of COI Rate for a Coverage from Annually Increasing COI to the applicable Level COI Rate or Limited Pay COI Rate, or from Level COI to the applicable Limited Pay COI Rate, if then available for the current insurance age, without evidence of insurability.

Level COI Rate

When a Level COI Rate is elected for a Coverage, the "Level Rate Effective Date" for that Coverage is the later of the Coverage Date and the Monthly Deduction Date on or next following the date we receive your valid election to change that Coverage's COI Rate to Level. When validly elected, a Level COI Rate for the applicable joint or single life Coverage Amount on the Joint Insureds or any Additional Insured or sole Primary Insured, is based on the applicable Coverage Amounts and the Rate Class, sex and insurance age, as established at the Level Rate Effective Date, for the insured(s) applicable for each such Coverage. Once established, the Level COI Rate applicable for that Coverage Amount is guaranteed not to increase for the duration of that Coverage.

Annually Increasing Rate Scale and Annually Increasing COI Rates

Standard and Standard Non-Smoker Annually Increasing Rate Scales for males and females are included with this policy in Appendix "A", where applicable. If the Annually Increasing Rate Scale we establish from the Policy Date for a single life Coverage on an Additional Insured, is a Standard or Standard Non-Smoker Rate Scale, that established Rate Scale will be guaranteed for the duration of that Coverage. If the Annually Increasing Rate Scale we establish from the Policy Date for such a Coverage is not a Standard or Standard Non-Smoker Rate Scale, then the Rate Scales included in Appendix "A" shall not be applicable to that Coverage. We will give you written notice of any Standard or Standard Non-Smoker Annually Increasing Rate Scale as established for any new Coverage we approve after the Policy Date.

At a Monthly Deduction Date, each Annually Increasing COI Rate for each applicable Coverage Amount on any Additional Insured or sole Primary Insured, is based on that Coverage Amount, the applicable Annually Increasing Rate Scale, and the Rate Class, sex, and insurance age, as established for the applicable insured at the beginning of the current Coverage year for each respective Coverage. A Coverage Amount change under the Changes in Coverage provision may affect the Annually Increasing COI rate for any Coverage Amount(s), as will any requested change in an insured's Rate Class, which we approve for a Coverage Amount. Any revised Annually Increasing COI rate resulting from such change shall take effect at the Monthly Deduction Date on or next following the date of such change.

(Continued)

COST OF INSURANCE (Continued)

Limited Pay COI Rate When a Limited Pay COI Rate is elected for a Coverage, the "Limited Pay Rate Effective Date" for that Coverage is the later of the Coverage Date and the Monthly Deduction Date on, or next following, the date we receive your valid election to change that Coverage's COI Rate to Limited Pay.

When validly elected, a Limited Pay COI Rate for the applicable joint or single life Coverage on the Joint Insured's life or any Additional Insured or sole Primary Insured, is based on the applicable Coverage Amounts and the Rate Class, sex and insurance age, as established at the Limited Pay Rate Effective Date for the insured(s) applicable for each such Coverage.

Guaranteed rate Once established, the Limited Pay COI Rate applicable for that Coverage Amount is guaranteed not to increase for the duration of that Coverage.

Guaranteed time (duration) The monthly deduction duration for that Coverage Amount is shown on the applicable Policy Details page (or on such pages or notices we send to you, e.g., when Limited Pay COI is elected for that Coverage Amount after issue of the policy). That duration is guaranteed. Beyond that duration, no further monthly deductions for that Coverage are required to maintain that Coverage Amount.

Guaranteed protection If all Cost of Insurance deductions for that Coverage Amount have been made for the duration of monthly deductions as shown on the applicable Policy Details page (or on such pages or notices we send to you, e.g., when Limited Pay COI is elected for that Coverage Amount after issue of the policy), that Coverage Amount is guaranteed to remain in force, without any further monthly deductions for that Coverage Amount, past the duration until the earlier of: (i) the death(s) of the applicable insured(s), and (ii) surrender or termination, in whole or part, of the Coverage.

COST OF INSURANCE (COI) The monthly Cost of Insurance (COI) for the Coverage(s) included in the Specified Amount is calculated at a Monthly Deduction Date on the basis of the applicable COI Rate for each such Coverage, and either:

- (a) the current Specified Amount, while any Coverage Plus Death Benefit Option is in effect; or
- (b) the excess of the current Specified Amount over the Total Account Value of the policy, while the Level Death Benefit Option is in effect.

The monthly COI amount for each Coverage on any Additional Insured, and for each Coverage included in the Specified Amount as described in clause (a) above, is calculated by multiplying each Coverage Amount then in effect by the respective COI rate then applicable to each such Coverage. The total COI amount payable will be the sum of the monthly COI amounts calculated for all such Coverages. The Total Account Value of the policy is not applicable for the COI calculation for the Specified Amount while any Coverage Plus Death Benefit Option is in effect, nor for an Additional Insured at any time.

While the Level Death Benefit Option is in effect, to calculate the COI amount payable for the Specified Amount, the excess described in clause (b) above will be divided into portions. The first portion is the part of the excess which is equal to the most recently added Specified Amount Coverage. Each additional portion will be the next most recent Specified Amount Coverage until the entire excess is accounted for. The COI amount payable will then be the sum of the amounts determined by multiplying each such portion by its applicable COI rate.

SUBSTITUTION OF INSURED

SUBSTITUTION OF INSURED

While this policy is in force at any time after the first policy year, you may make written application to us to change an insured under the basic policy Specified Amount to a Substitute Insured. Any such change will be subject to our then current administrative rules, including, but not limited to, the following:

- 1) We must receive your application including proof, satisfactory to us, of the insurability of the Substitute Insured. At our discretion, we may also require similar evidence of insurability with respect to any Joint Insured under any applicable joint coverage. The completed application must satisfy any requirements we deem necessary for compliance with the provisions of the policy and any laws applicable to it including, but not limited to, the written consent of any irrevocable beneficiary and assignee under the policy.
- 2) We may require payment of any premium and administrative fee amounts, as determined by us from time to time for any election under this provision.
- 3) We will establish the appropriate Basic Policy Rate Class, Cost of Insurance Rate, Target Premium, Basic Target Premium, Minimum Premium, any additional Surrender Charges and the Guaranteed Cash Values if applicable, for the Substitute Life Coverage, as at the date the substitution takes effect. If the substitution is approved and made, we will give you written notice of such change, which shall form part of this contract.
- 4) Effective immediately prior to the date on which the substitution takes effect, any joint or single life Coverages or Rider Coverage or other coverage, which is based on or includes the insured being replaced, shall terminate. On the date the substitution takes effect, the Substitute Insured shall immediately be insured, for the same Specified Amount as had then been provided for the replaced insured, unless we agree otherwise. The date on which the substitution takes effect shall be the Monthly Deduction Date on or next following the date on which we have received all requirements and any payment then necessary, and have approved the substitution.
- 5) For the purposes of the Incontestability and Suicide Exclusion Provisions, exercise of the Substitution of Insured Provision shall be deemed to be an increase in insurance Coverage for that Substitute Insured, effective at the date the substitution takes effect.

GENERAL PROVISIONS

CONTRACT The whole contract is made up of the policy including any documents attached to it when issued, the application for the policy including any supplementary or reinstatement application, any endorsement issued by us and any amendment to the contract agreed upon in writing after the policy is issued. It is understood that our administrative and other rules may change from time to time, at our sole discretion, without notice.

Only our President, Secretary, one of our Vice-Presidents, or another authorized officer can agree to an amendment to this policy or waive any of our rights or requirements. Any such amendment or waiver must be in writing and must bear the signature of one or more of these officers.

INCONTESTABILITY In the absence of fraud, we will not contest the validity of this policy after it has been in force continuously during the lifetime of all insureds for two years from the latest of:

- the date of issue of the policy,
- the date the policy takes effect, and
- the date of the last reinstatement of the policy.

We reserve the right to contest the validity of the policy with respect to any increase in insurance coverage by the addition of any Coverage or Rider Coverage, or change in Death Benefit Option or other contract amendment that increases the claim proceeds payable or improves any Rate or Health Class for an insured, until such increase or amendment has been in effect continuously, during the lifetime of that insured, or of all Joint Insureds applicable for any such Joint Coverage, for two years from the later of the effective date of such increase or amendment and the date of the last reinstatement of the policy. We will have the right at any time to contest the validity of the policy with respect to any fraud and, where permitted by law, with respect to any Automatic Payment Benefit on Disability rider or other disability insurance rider or provision included in the policy. This provision does not apply to any misstatement of the age or sex of an insured.

OWNER The first owner of the policy is as shown on the Policy Details page(s). Subject to the provisions of the contract, you, the owner, have all the rights and privileges granted by the policy. If you appoint an irrevocable beneficiary then your rights may be subject to those of that beneficiary, where so provided by law. If you assign the policy, your rights and the rights of anyone who is to receive payment are subject to the terms of that assignment.

CONTINGENT OWNER In the application for the policy, or in a subsequent valid election, you may nominate a person to be the contingent owner of the policy, who, on your death while the policy is in force, will become the owner and will have all of your rights and interests in the policy. You may also nominate more than one person as successive contingent owners of the policy and you may specify in such a nomination the order in which those persons will succeed to all the rights and interests of any such prior contingent owner. You may make such a nomination while the policy is in force during your lifetime and you may revoke or change any such nomination as may be permitted by law. Any such nomination, change or revocation must be made in writing, signed by you, and must be filed with us. We are not responsible for the validity or effect of any such nomination or revocation.

(Continued)

GENERAL PROVISIONS (Continued)

ASSIGNMENT/ HYPOTHECATION

You can assign this policy as security as may be permitted by law. An assignment of the policy or of an interest in it cannot be binding on us without the assignment, a certified copy of it, or a notice of it (in a form acceptable to us) being filed with us. We are not responsible for the validity or effect of any assignment.

The terms "assign", "assignment", and "assignee", as used in this policy and in Appendix 1, mean respectively "hypothesize", "hypothesize" and "hypothesize creditor", as may be applicable, where the Civil Code of Quebec applies.

BENEFICIARY

Subject to the provisions of the contract and any beneficiary designation already made, you may designate in writing to us one or more beneficiaries to receive any amount of claim proceeds payable on an insured's death. You may revoke or change any designation, as may be permitted by law.

A designation must be made while the policy is in force (leaving aside designations included as part of the application for the policy) and prior to the applicable insured's death.

On the death of an insured, we will pay the claim proceeds due under the terms of the Claims provision, in accordance with the applicable beneficiary designation(s) then in effect. If more than one primary beneficiary is designated to receive particular claim proceeds, and one or more of those beneficiaries is not living at the death of the insured, such proceeds will be paid to the primary beneficiaries who are then surviving, otherwise to any contingent beneficiaries then surviving that you designated to receive such proceeds on the death of all those primary beneficiaries. In all cases, the preceding is subject to your having specified otherwise in a valid designation and to the Common Disaster provision.

If there is(are) no beneficiary(ies) to whom particular claim proceeds are payable, they will be paid to you, if living, otherwise to your estate.

(Continued)

GENERAL PROVISIONS (Continued)

**SUICIDE
EXCLUSION**

We will not pay any claim proceeds or provide any benefit otherwise due with respect to any Coverage on an insured under this policy, including any joint or single life Coverage and Rider Coverage or any amendment increasing an insurance coverage, on or including that insured, if, within the two year period immediately following the latest of the date of issue of the policy, the date on which any such Coverage or amendment first takes effect, and the date of the last reinstatement of this policy, that insured:

- (a) commits suicide, while sane or insane; or
- (b) attempts to commit suicide and death results directly or indirectly from any such action.

Instead, any such Coverage on or including that insured under this policy, including any applicable joint or single life Coverage and Rider Coverage and any amendment increasing any such insurance coverage, that first took effect or was reinstated during the applicable two year period, is terminated at the death of that insured. Our liability with respect to any such Coverage, Rider Coverage and amendment increasing coverage for that insured shall be limited to only such amount described under the applicable item(s) below:

- 1) With respect to life insurance under any such Coverage, Rider Coverage and amendment, which is terminated as a result of this provision, we will pay only an amount equal to the Cost of Insurance or any Monthly Deduction amounts which were due and paid for each such Coverage, Rider Coverage and increased Coverage Amount on that insured, since the applicable coverage, amendment or reinstatement effective date within that two year period.
- 2) With respect to the death of a Primary Insured who has then survived all Additional Insureds under the policy, if any, when the death occurs under circumstances as described in this provision, we will pay an amount equal to the remaining portion, if any, of the Total Account Value at the death of that insured less any amounts then owed on the policy at the time of that insured's death, provided that portion is not otherwise payable as part of any Death Benefit or claim proceeds then due under the terms of the policy. If the terms of this clause are applicable on the insured's death, the policy terminates at the date of that death.

Payment of any amount determined under this provision will be subject to the requirements as described in the Claims provision, and will be payable in accordance with the beneficiary designation then in effect for the applicable insured.

OUR CONSENT

If our consent is required, it must be given in writing. It must bear the signature, or a reproduction of the signature of one or more of our President, Secretary or one of our Vice-Presidents.

**CURRENCY AND
PLACE OF
PAYMENT**

All amounts payable to or by us under this policy are payable in Canada in Canadian currency.

**NON-
PARTICIPATION**

This policy is not eligible for dividends and will not participate in any surplus of ours.

**POLICY
TERMINATION**

The policy, including all coverage under any additional policy riders and benefits, will terminate, subject to the policy provisions applicable, on the earliest of:

- 1) the date on which the policy lapses;
- 2) the date on which the policy is surrendered for its Cash Surrender Value; and
- 3) the date of death of the last survivor of the Primary and all Additional Insureds, if any. The Primary Insured shall be deemed to have survived all Additional Insureds, if their deaths take place at the same time or in circumstances that make it uncertain which of them survived the other or others.

MULTIPLE LIVES BENEFIT

BENEFIT PROVISIONS Unless otherwise specified under the terms of this Benefit, the provisions of the policy shall apply, where consistent with the provisions of this Benefit. However, the provisions of this Benefit will prevail where inconsistent with another policy provision.

COVERAGE OPTION You may elect to provide one or more life insurance Coverage Amounts under this Benefit on one or more Additional Insureds, subject to our then current administrative rules and the following conditions:

- 1) The Joint or Primary Insured under the policy may not be an Additional Insured under this Benefit without our consent.
- 2) The minimum amount of life insurance that may be provided on any Additional Insured under this Benefit is \$25,000.
- 3) We will have the right to limit the number of Additional Insureds under this Benefit and the number of Coverages that may be added on each such insured.
- 4) In order to apply for a life insurance Coverage Amount under this Benefit on an Additional Insured, you and the Additional Insured must sign and submit to us a properly completed application form which is acceptable to us when received, together with any initial premium required and proof, satisfactory to us, of the Additional Insured's insurability.

DEATH BENEFIT If an Additional Insured dies while insured under this Benefit, the Death Benefit due is the "Total Coverage Amount", which is the sum total of the Coverage Amounts then in force on that Additional Insured under this Benefit, subject to the provisions of the Payment of Proceeds section of the policy and this Benefit. The Death Benefit provision of the policy applies to this Benefit and any Total Coverage Amount due will be payable in accordance with the terms of the Death Benefit Option then in effect. Payment of any claim proceeds with respect to an Additional Insured will be made to the beneficiary entitled under the terms of the Beneficiary provision of the policy, as it applies for that insured.

COVERAGE DATE The date on which any insurance on an Additional Insured takes effect at issue of the policy is determined in accordance with the provisions of the application form. For any Coverage which is included under this Benefit at issue of the policy, the Coverage Date is the same as the Policy Date. Any Coverage added under this Benefit after the Policy Date shall not take effect until its Coverage Date, which shall be the Monthly Deduction Date which is on or next follows the date we approve your application for such additional Coverage.

TERMINATION OF INSURANCE All Coverages under this Benefit on an Additional Insured will expire with no Cash Surrender Value applicable, on the earliest of the following dates:

- 1) The date on which the policy lapses.
- 2) The date on which the policy is surrendered for its Cash Surrender Value.
- 3) The Monthly Deduction Date which is on or next follows the date we receive a signed election from you to terminate all Coverages under this Benefit on the Additional Insured you specify. Any such election will be processed in accordance with the terms of the Changes in Coverage provision. The termination is a decrease in the Total Coverage Amount and may result in a recalculation of the Basic Target Premium, where applicable.
- 4) The date on which an Additional Insured becomes the Primary Insured under the terms of the Replacement of Primary Insured provision below. The Total Coverage Amount on that Additional Insured is terminated under this Benefit, but is continued as the Specified Amount Coverage on the new Primary Insured.

(Continued)

MULTIPLE LIVES BENEFIT (Continued)

REPLACEMENT OF PRIMARY INSURED

If any Coverage under this Benefit is in effect on the life of one or more Additional Insureds on the date of death of the Primary Insured (or on the date of death of two or more Joint Insureds in a common disaster, such that there is no Primary Insured (by definition) or the identity of the Primary Insured cannot be determined with certainty; see the Common Disaster provision), then immediately following such death one of the Additional Insureds shall become the Primary Insured under this policy on a single life coverage basis, subject to our then current administrative rules and each of the following conditions:

- 1) The person who becomes the Primary Insured shall be the Additional Insured who then has a Coverage in effect under this Benefit with a duration since its Coverage Date which is longer than the duration of any Coverage on any other Additional Insured under this Benefit. If two or more Additional Insureds have such a Coverage then in force with the same duration, the eldest of them shall become the Primary Insured.
- 2) There will be no change in any Coverage under this Benefit on the Additional Insured who then becomes the Primary Insured, except that the Total Coverage Amount of the continued life insurance Coverages on that insured shall become the new Specified Amount.
- 3) Any additional riders and benefits, which provided insurance on the deceased Primary Insured, or on any other Joint Insured, shall terminate at that Primary Insured's death (or on the death of two or more Joint Insureds in a common disaster, as considered above), and shall not be applicable to any surviving Insured or Additional Insured.

CONVERSION OPTION

The expression "Conversion Date", as used in this option, means the date on which all Coverages under this Benefit on the life of an Additional Insured expire, as described in items 1), 2) and 3) of the Termination of Insurance provision of this Benefit, provided the Conversion Date is prior to insurance age 86 of that Additional Insured.

On the Conversion Date applicable for an Additional Insured, there will be a right to convert the insurance which is then terminating, with no evidence of insurability required, into insurance on his or her life under a new policy, or, subject to our consent, under an existing policy which you own that was issued by us. You are entitled to exercise this right. However, if you do not exercise that right, the applicable Additional Insured will be entitled to exercise it, to convert the coverage then terminating on his or her life, and will be the Owner of any such new policy issued on his or her life under the terms of this option.

In order to convert the insurance, a signed application for conversion and the first premium required for the converted insurance must be received by us within 30 days after the Conversion Date. The completed application must satisfy our then current administrative rules and such other requirements as we may deem necessary for compliance with the provisions of the policy and any laws applicable to it.

The amount of the converted insurance may not exceed the Total Coverage Amount which was in effect under this Benefit on the life of the Additional Insured at the Conversion Date. The converted insurance will be on the same plan as this policy, if then available, or may, subject to our consent, be on a similar plan or on any type of life insurance plan or coverage we then offer for conversion. Any riders or benefits, which are additional to the life insurance plan or coverage requested, will be included with the converted insurance only with our consent, subject to our then current administrative rules.

(Continued)

MULTIPLE LIVES BENEFIT (Continued)

CONVERSION OPTION (cont'd)

If the converted insurance will be on the same plan as this policy, then each Coverage being converted, which had Level COI Rates or Limited Pay COI Rates applicable at the Conversion Date, will have the Level COI Rates or Limited Pay COI Rates that were applicable under this Benefit, for each corresponding Coverage based on the same amount(s) under the converted insurance. If the converted insurance continues with Limited Pay COI, with no increase in Total Coverage Amount, the guaranteed cash values will be applied to the new policy. Exercising this option may have tax implications including increasing your taxable income.

For any other type of plan, coverage or COI Rates, the premium or COI Rates required for the converted insurance are determined based on our then current rates applicable for the plan or coverage and insurance amount requested, using the applicable Additional Insured's sex and insurance age at the Conversion Date, together with the same Rate Class for each converted Coverage Amount as then in effect for each corresponding Coverage Amount terminating under this Benefit. The initial insurance age of an Additional Insured with respect to any new policy or coverage on his or her life converted from this Benefit, will be the insurance age of that insured at the applicable Conversion Date.

Since the Rate Class for each amount of converted insurance must be the same as the Rate Class for each corresponding Coverage Amount in effect under this Benefit at the Conversion Date, we may require that such Coverages be converted into as many new policies or coverages as determined necessary under our then current administrative rules.

If this policy includes any exclusion related to any Coverage(s) being converted under the terms of this option, a similar exclusion will apply to the insurance converted from such Coverage(s), along with any limitation to our liability regularly included for the type, amount and risk classification of the converted insurance.

The converted insurance will take effect on the Conversion Date. However, if the Additional Insured dies within 30 days after the applicable Conversion Date, an amount equal to the Total Coverage Amount in effect for that insured under this Benefit at the Conversion Date will be deemed to have continued in force under the terms of this policy until the date of death. Any policy or coverage which was issued under the terms of this Conversion Option on the life of that Additional Insured shall then be null and void.

Any evidence of an Additional Insured's good health and insurability, which formed part of the contract on a Conversion Date, will be deemed to form part of any contract under which the converted insurance is provided on that insured.

CHANGE TO JOINT LAST-TO-DIE

CHANGE TO JOINT LAST-TO-DIE COVERAGE

All or part of a Joint first-to-die universal life insurance coverage may, without evidence of insurability, be changed to Joint last-to-die universal life insurance, after the sixth anniversary of that Coverage and prior to the Coverage anniversary when the Attained Joint Age is 82, provided:

- the Coverage Amount is not Limited Pay COI, and
- a signed application for the change and the first Monthly Deduction for Joint last-to-die insurance are received while this policy is in force.

A new Insurance Age will be calculated for the changed coverage, as set out below.

The premium rates for the changed coverage will be based on our rates applicable at the effective date of the change for the coverage and insurance amount requested.

APPLICATION

The completed application must satisfy our then current rules, and such other requirements as we may deem necessary for compliance with the provisions of the policy and any laws applicable to it.

EFFECTIVE DATE

Changes will take effect at the Monthly Deduction Date on or next following the date we receive your valid election to change a coverage to Joint last-to-die, or on such other date as may be allowed by our then current administrative rules.

COVERAGE DATE

When changing a Joint-first-to-die coverage to Joint last-to-die, the Coverage Date for that changed Coverage:

A) will remain the same as the original Coverage Date, if:

- the COI is not changing,
- the Coverage Amount after the change is equal to or less than the Coverage Amount immediately prior to the change, and
- there is no part of the Joint first-to-die coverage which is not changed (if it is not changed, it must be surrendered).

B) will be the effective date of the change, if

- the COI is changed,
- the COI remains unchanged, but part of the Joint first-to-die coverage is to remain in effect.

INSURANCE AGE

When changing to Joint last-to-die coverage, a new Insurance Age will be calculated for that changed coverage as of the effective date of the change. We will use our then current rules for calculating age.

If before and after the change the COI is Level, the Insurance Age for the changed Coverage will be calculated as of the latest of:

- The original Coverage Date,
- The date the last Cost of Insurance election if any, was effective for that Coverage, and
- The date any Substitution of Joint Insured under that Coverage was effective in accordance with our then current rules.

If the Cost of Insurance is Annually Increasing, the Insurance Age for the changed Coverage will be calculated as of the effective date of the change.

UNCHANGED PORTION

Any portion of the Coverage Amount of this policy which is not changed may continue in force only if the remaining Coverage Amount and premium satisfy our then current minimum amount rules for this plan.

EVIDENCE

Any evidence of a Joint Insured's good health and insurability which formed part of this contract on and before the effective date of a coverage change will be deemed to apply to the changed coverage.

TAX IMPLICATIONS

A change under this provision may have tax implications, including increasing your taxable income.

EXCHANGE OPTION

EXCHANGE OPTION This exchange provision is not applicable to policies with more than two Joint Insureds or, if there are two Joint Insureds, either insured's Attained Age is 70 or greater.

You may apply to exchange a Joint first-to-die coverage for the same coverage as this policy, if then available, or may, subject to our consent, be on a similar plan or on any type of life insurance plan or coverage we then offer for exchange on the life of each individual joint insured,

- before the fifth coverage anniversary, for any reason, or
 - after the fifth coverage anniversary, only if made within 60 days following a legal separation or partnership dissolution of the Joint Insureds,
- provided the Coverage Amount is not Limited Pay COI and this policy is in force on the date of exchange.

An exchange may be made, in accordance with our then current administrative rules, without evidence of insurability by giving us written notice and paying the first premium under each individual coverage. On the date of exchange this policy may be surrendered for its Cash Surrender Value in accordance with the Policy Termination provision. Any Additional Insured coverage may be converted under the Multiple Lives Benefit Conversion Option provision.

Each individual policy may have an initial Coverage Amount no greater than the 50% of the Specified Amount last in force under this policy and may be on any permanent life insurance plan we offer on the date of exchange subject to our then current administrative rules. The Policy Date for each new individual policy will be the date of exchange.

The premiums for each new individual coverage will be based on our then current premium rates for the plan of insurance and Coverage Amount of the coverage, using the applicable life insured's sex and age nearest birthday at the date of exchange, with the appropriate Rate and Health Classes established under these Exchange provisions.

If this policy contains any exclusion rider with respect to any lives insured, a similar rider will be included in the applicable individual coverage(s) for those insured(s).

Any evidence of an Insured's good health and insurability, which formed part of this contract on the date of Exchange, will be deemed to form part of the new separate permanent single life insurance policy issued, in exchange, on the life of that insured.

Riders or benefits may be added to each individual policy only with our consent and subject to such evidence of insurability as we may require.

An exchange under this provision may have tax implications, including increasing your taxable income.

SURVIVOR'S BENEFITS

APPLICABILITY This Benefit (if included, or not excluded by amendment or otherwise, as part of this policy) is only applicable if, at the death of the Primary Insured, the Specified Amount of insurance under the basic policy includes only Joint Coverage(s) on the lives of two Joint Insureds and is payable on the first death of those insureds.

DEFINITION The Joint Insured who is alive after the death of the Primary Insured is referred to in this Benefit as Survivor.

AUTOMATIC TEMPORARY COVERAGE We will provide Automatic Temporary Coverage on the life of the Survivor from the date of death of the Primary Insured to the earlier of:
(a) the 60th day following the date of the Primary Insured's death; and
(b) the date on which any new insurance issued under the terms of the following Optional Permanent Coverage provision takes effect.

The Benefit payable under the Automatic Temporary Coverage will be an amount equal to the Specified Amount of Insurance in effect under the basic policy at the Primary Insured's Death. We will pay this Benefit to the beneficiary entitled to receive payment on the death of the Survivor, in accordance with the terms of the Beneficiary provisions, subject to any requirements under the Claims and policy provisions applicable.

Refer to the Beneficiary and Common Disaster provisions if the deaths of both Joint Insureds take place at the same time or in circumstances that make it uncertain as to which died first. In that event, payment under the Automatic Temporary Coverage will be made on the same basis as under the Common Disaster provision.

If the death of either the Survivor or the Primary Insured takes place under the circumstances specified in the Suicide Exclusion provision of the policy, we will make no payment under the Automatic Temporary Coverage.

OPTIONAL PERMANENT COVERAGE The "Option Date" is the Primary Insured's date of death as specified in the Definition provision above. You may apply, with no evidence of insurability, for new insurance on the life of the Survivor, prior to the Survivor's insurance age 71 or within two years of the coverage issue date, whichever occurs the later.

To exercise this Option, we must receive your signed application and the first premium required for the new insurance by the 60th day following the Option Date. The Survivor will be entitled to exercise this Option by that day if you do not, and will be the Owner of any new policy issued under this provision. The amounts applicable for the new insurance will be determined as at the Option Date, unless otherwise required by the terms of the policy under which the new insurance is issued, but that new insurance shall not take effect until the date we receive requirements satisfactory to us for exercise of the Option in accordance with the terms of this provision.

The new insurance will be a new single life policy on the same plan as this policy, if then available, or may otherwise, subject to our consent, be on a similar plan or any type of life insurance plan or coverage we then offer for this Option. The amount of new insurance will not exceed the benefit amount payable under the Automatic Temporary Coverage provision.

(Continued)

SURVIVOR'S BENEFITS (Continued)

**OPTIONAL
PERMANENT
COVERAGE
(cont'd)**

The Rate Class used for the new insurance will be the same as the most recent Rate Class and any applicable smoking status approved for the Survivor under this policy. The age used for the new insurance will be the Survivor's Insurance Age as at the Option Date. Any benefit or rider which is additional to the plan or coverage requested will be provided for the new insurance only with our consent.

If this policy includes any exclusion applicable to the Survivor, a similar exclusion will apply to the new insurance, along with any limitation to our liability regularly included for the type, amount and risk classification of that new insurance. Any evidence of the Survivor's insurability which was part of this contract on the Option Date will be deemed to be part of any contract under which the new insurance is provided.

Sample

CLIENT BONUS

CLIENT BONUS At each Monthly Deduction Date, the Account Balance of the Interest Option Accounts then in effect will be increased by any bonus amount which may be payable under the Guaranteed Bonus or Funding Bonus provisions, as described below. Any applicable Funding Bonus will be credited in addition to the Guaranteed Bonus. The dollar amount of any bonus is not guaranteed, as the Account Balance of an Interest Option Account will fluctuate. No Client Bonus will be credited to any Account held within the Millennium Account.

Guaranteed Bonus The Account Balance of each Interest Option Account will be increased at each Monthly Deduction Date by the amount determined by multiplying one twelfth of the applicable Guaranteed Bonus Factor by the applicable Account Balance.

GUARANTEED BONUS FACTOR

Policy Year	Guaranteed Bonus Factor
Prior to Policy Year 10	0.00%
From Policy Year 10 to 24	0.60%
From Policy Year 25	0.96%

Funding Bonus The Account Balance of each Interest Option Account will be increased at each Monthly Deduction Date by the amount determined by multiplying one twelfth of the applicable Funding Bonus Factor by the applicable Account Balance. The Funding Bonus Factor will be determined in accordance with the applicable table and provisions following, by adding:

- 1) the single factor determined by the Policy Year and Total Account Value Net of any Amounts Owed on the Policy, at that Monthly Deduction Date, and
- 2) the single factor determined by the Policy Year and Threshold Percentage described below, at that Monthly Deduction Date.

FACTORS FOR DIO AND GIO INTEREST OPTION ACCOUNTS

Policy Year	Total Account Value Net of Amounts Owed on the Policy			Threshold Percentage		
	Less than \$25,000	\$25,000 to \$100,000	Greater than \$100,000	Less than 150%	150% to 250%	Greater than 250%
Prior to Policy Year 2	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
From Policy Year 2 to 24	0.00%	0.12%	0.36%	0.00%	0.12%	0.24%
From Policy Year 25	0.00%	0.12%	0.12%	0.00%	0.12%	0.24%

(Continued)

CLIENT BONUS (Continued)

**Funding Bonus
(cont'd)**

FACTORS FOR VIO INTEREST OPTION ACCOUNTS

Policy Year	Total Account Value Net of Amounts Owed on the Policy			Threshold Percentage		
	Less than \$25,000	\$25,000 to \$100,000	Greater than \$100,000	Less than 150%	150% to 250%	Greater than 250%
Prior to Policy Year 2	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
From Policy Year 2 to 24	0.00%	0.24%	0.48%	0.00%	0.24%	0.48%
From Policy Year 25	0.00%	0.12%	0.36%	0.00%	0.12%	0.24%

Accumulated Basic Target Premium

The Accumulated Basic Target Premium is determined each month and is used in calculating the Threshold Percentage and Funding Bonus Factors set for any applicable Funding Bonus amount. At a Monthly Deduction Date, the Accumulated Basic Target Premium is an amount equal to the total Accumulated Basic Target Premium amount determined at the immediately preceding Monthly Deduction Date, plus the additional monthly amount calculated for the Accumulated Basic Target Premium for the policy month ending on that current Monthly Deduction Date. Calculation of this current monthly amount for addition is based on the same criteria as described in the Basic Target Premium provision in the Policy Values section. The current monthly amount calculated for addition to the Accumulated Basic Target Premium will change at a Monthly Deduction Date in a similar manner as described in the Basic Target Premium provision, and is recalculated at the effective date of any change in an insured's smoking status which affects the Rate Class of any Coverage under the basic policy.

Threshold Percentage

For the purpose of determining the Funding Bonus Factor applicable to the Account Balance of an Interest Option Account, the Threshold Percentage is the then current Total Account Value, reduced by any amounts owed on the policy, divided by the then current Accumulated Basic Target Premium amount. The Threshold Percentage will be calculated at each Monthly Deduction Date and will be used to determine the applicable Funding Bonus Factor for that Monthly Deduction Date.

DISABILITY LUMP SUM BENEFIT

COVERAGE If you selected this Benefit on the application (and if it is included, or not excluded by amendment or otherwise, as part of this policy), it is applicable to only the two Joint Insureds whose names are shown on the Policy Details page for the basic policy, who have been approved by us for the Benefit. This Benefit shall terminate on the date any Joint Insured is changed in accordance with the Replacement of Primary Insured or Substitution of Insured provisions, unless we consent otherwise. Our consent may be subject to such evidence of insurability and other requirements as determined by our then current administrative rules.

BENEFIT We will pay a Disability Lump Sum Benefit to you on or after the Effective Date of Disability for one or more of the Joint Insureds, provided the terms of this provision and all of the following conditions are satisfied:

- 1) The Joint Insured has become Totally Disabled while the policy is in force.
- 2) The Joint Insured is at least 18 years of age and is not more than 65 years of age at the date on which the period of Total Disability begins.
- 3) The terms of the Notice and Proof of Claim section of this Benefit have been met.

During any period of continuous Total Disability, whether affecting one or more Joint Insureds, only one Lump Sum Disability Benefit may be paid under this Benefit in any Policy Year, and no similar Benefit payment may be made within the six month period immediately following a Lump Sum Disability Benefit payment.

DEFINITIONS APPLIED TO THE PROVISIONS OF THIS BENEFIT

Regular Occupation Regular Occupation means the occupation(s) in which the applicable Joint Insured is regularly engaged immediately prior to the Effective Date of Disability.

Sickness Sickness means a sickness or disease which first manifests itself after the date this Benefit first takes effect and while the policy and this Benefit are in force.

Injury Injury means bodily injury to a Joint Insured which is caused by external accidental means, and which occurs after the date this Benefit first takes effect and while the policy and this Benefit are in force.

Doctor Doctor means a licensed physician practicing medicine in Canada or the United States as authorized by his or her licensing body, and must be a person other than you or any insured under this policy, or a relative or business associate of yours, or of any such insured.

Activities of Daily Living Activities of Daily Living include perceiving, thinking, remembering, feeding and dressing oneself, speaking or hearing in a quiet setting with another person familiar with the Joint Insured so as to be understood or understand, eliminating, and walking.

(Continued)

DISABILITY LUMP SUM BENEFIT (Continued)

DEFINITIONS (cont'd)

Total Disability & Totally Disabled

Total Disability and Totally Disabled mean the applicable Joint Insured's condition of continuous total disability which is caused directly by a Sickness or Injury that is not excluded under the Exclusions provision and which is subject to the following requirements. During the period of continuous Total Disability, the Joint Insured must be receiving the regular care and attendance of a Doctor appropriate for the condition, or we agree that such care and attendance would be unlikely to result in any improvement in the condition. The condition of Total Disability must also satisfy the conditions of either section A) or B) of the following requirements:

A)

- (i) During the first two years of the same period of Total Disability, the Joint Insured is continuously unable to perform the important duties of his or her Regular Occupation and is not engaged in any occupation, and
- (ii) After the first two years of the same period of Total Disability, the Joint Insured is continuously unable to engage in any occupation for which he or she is reasonably qualified, or may reasonably become qualified, considering the Joint Insured's education, training and experience.

OR

- B)** During the same period of Total Disability, the Total Disability markedly restricts the Joint Insured's ability to perform any of the Activities of Daily Living.

Effective Date of Disability

Effective Date of Disability shall mean the date on which the applicable Joint Insured has been continuously Totally Disabled for a period of 90 consecutive days.

Satisfactory Evidence of Disability

Satisfactory Evidence of Disability means such evidence of disability, provided at your expense, as we may reasonably require to determine the Joint Insured's eligibility for the condition of Total Disability.

EXCLUSIONS

No Disability Lump Sum Benefit shall be payable if disability results from injury inflicted intentionally by the Joint Insured on his or her own person, whether or not that insured is in possession of his or her mental faculties.

NOTICE AND PROOF OF CLAIM

Written notice and satisfactory proof of claim must be filed with us while the disabled Joint Insured is alive and, at the date of your request for payment of the Benefit Amount, has been continuously Totally Disabled since the Effective Date of Disability. Satisfactory proof of claim and your request for a payment under this Benefit must be filed with us no later than six months after the policy anniversary nearest the disabled Joint Insured's 65th birthday. We may require that you provide to us, at your expense, such evidence as we deem necessary for proof, satisfactory to us, of the Joint Insured's Total Disability. We may require that the Joint Insured be examined by a Doctor we specify, or by such other health care practitioner or provider as we may designate.

(Continued)

DISABILITY LUMP SUM BENEFIT (Continued)

AMOUNT OF DISABILITY LUMP SUM BENEFIT

The Disability Lump Sum Benefit amount will be paid from the policy's Total Account Value (excluding any amounts in the Guaranteed Interest Options or Guaranteed Cash Values), according to the percentage specified on the application.

The Disability Lump Benefit amount paid will be subject to all of the following conditions:

- 1) A Disability Lump Sum Benefit payment shall not exceed 50% of the amount then equal to the Total Account Value of the policy less the sum of all Account Balances of any Guaranteed Interest Option and less any amounts owed on the policy, determined at the date we approve your request for a payment under this Benefit.
- 2) If the Disability Lump Sum Benefit amount otherwise payable is less than \$500 no payment will be made.
- 3) If the Disability Lump Sum Benefit amount you specify would make any policy loan amount exceed the maximum loan permitted under the Policy Loans provision, we may refuse or limit the amount requested, or we may transfer an amount equal to such excess to the DIO Account from the VIO accounts, as provided by the Option Changes and Transfers provision and the Withdrawal Order provisions.

POLICY BENEFITS AFFECTED

The Death Benefit and the Total Account Value are immediately reduced by the amount of any Disability Lump Sum Benefit paid. If the Level Death Benefit Option is then in effect for this policy, the Specified Amount will be immediately reduced by the amount of the Disability Lump Sum Benefit paid, in a similar manner as provided under the Changes In Coverage provision. The Specified Amount remaining after such reduction must not be less than the minimum allowed under the Changes in Coverage provision.

TERMINATION

Coverage under this Benefit on a Joint Insured shall terminate on the date of that Joint Insured's 65th birthday, unless that Joint Insured is then Totally Disabled under the terms of this Benefit and no Disability Lump Sum Benefit amount has yet been approved for payment during the policy year in which that birthday occurs. In that event, coverage under this Benefit on that Joint Insured shall terminate on the earlier of the 180th day immediately following the Joint Insured's 65th birthday and the date we make any Disability Lump Sum Benefit payment, in accordance with the terms of this Benefit, for the then current policy year. However, all provisions of this Benefit applicable for either of the Joint Insureds are terminated at the date of death of the Primary Insured.

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Sample

APPENDIX 1 - MILLENNIUM ACCOUNT

THE ACCOUNT The Canada Life Assurance Company agrees to provide a Millennium Account as described in this Appendix 1 to you, the owner of the policy. This agreement is a separate contract between us, and does not form part of the policy.

Values in the Millennium Account (collectively, Millennium Account Value) do not, therefore, form part of the Total Account Value or the Cash Surrender Value of the policy and are in addition to any policy values.

INTEREST OPTIONS The following Interest Options are available (only one may be selected at any time):

- 1) Daily Interest Option; and
- 2) Guaranteed Interest Option (GIO) Five-Year Compound Interest Option.

If no Option is selected at the time of issue of this contract, amounts will be allocated automatically to the GIO Five-Year Compound Interest Option.

We reserve the right to discontinue, change, or add Interest Options. However, we guarantee that the Daily Interest Option will be available for the duration of this contract.

Daily Interest Option Amounts allocated to this Option will accumulate interest for each day at the daily rate of interest then in effect. Interest will be credited on each Monthly Deduction Date for the policy.

GIO Five-Year Compound Interest Option Amounts allocated to this Option will earn a guaranteed rate of interest. The effective annual interest rate for each amount allocated will be established by us at the effective date on which the amount is allocated. Interest is earned daily on each day's total value in the Option. Interest will be credited on each Monthly Deduction Date for the policy and will accrue within the Option until the end of the five-year guarantee period for each amount allocated.

At the end of the guarantee period for an amount allocated, the total value of the amount allocated may be transferred, with no transaction fee, to any other Interest Option we then offer under the Millennium Account, provided we receive your election of the transfer at least seven days before the end of the five-year guarantee period. If we do not receive such notification from you, the total value will be transferred to a new GIO Five-Year Compound Interest Option, if then available, otherwise to a GIO Compound Interest Option with the next shortest available period that we then offer for this contract. However, at the end of the guarantee period for any amount allocated, if the same or a shorter guarantee period is not then available, the total value will be transferred to the Daily Interest Option.

(Continued)

APPENDIX 1 - MILLENNIUM ACCOUNT (Continued)

AUTOMATIC TRANSFERS

To keep your policy exempt from accrual taxation as described under the Taxation provision of your policy, we may automatically take the following actions:

- 1) on receipt of a premium payment for the policy, we may allocate any portion of that payment that would exceed the maximum premium we then determine is permitted for the current policy year to the Millennium Account; or
- 2) on any policy anniversary that it is necessary to make a partial surrender of funds from any of the policy's Interest Option Accounts in accordance with the Partial Surrender and Withdrawal Order provisions we may transfer such funds to the Millennium Account.

Amounts deposited into the Millennium Account will be allocated to the Option in accordance with your election.

If, on any policy anniversary, or on any other date we may select, we determine an additional premium may be paid to your policy while keeping it exempt from accrual taxation, we may transfer this amount from the Millennium Account to your policy. Amounts transferred to your policy will be allocated to the Accounts within your policy in accordance with your election, subject to our then current administrative rules.

WITHDRAWAL

Whenever there is a positive Millennium Account Value, you may elect to withdraw all or part of the Millennium Account Value, provided the withdrawal amount is equal to or greater than the minimum amount allowed according to our then current administrative rules.

In any policy year, we will process one request for a withdrawal without charging a transaction fee. For any subsequent amount withdrawn in any policy year, we may charge a transaction fee in accordance with our then current administrative rules as part of each amount withdrawn. Initially the charge is \$25, but we reserve the right to increase this amount at our discretion, for any cost increases.

Withdrawals will be subject to any applicable Market Value Adjustment charges.

On termination of the policy, this Millennium Account contract will also terminate and the Millennium Account Value will be paid out to you or your estate. The amount paid will be:

- 1) increased by any interest earned to the date of payment, and
- 2) decreased by any applicable Market Value Adjustment charges and transaction fees.

MARKET VALUE ADJUSTMENT

A Market Value Adjustment charge may apply when all or part of the total value in the GIO Five-Year Compound Interest Option is withdrawn during a guarantee period. Market Value Adjustment charges will be calculated in the same manner as described under the Market Value Adjustment provision of your policy. Market Value Adjustment charges will not apply to withdrawals due to termination of the policy on death or to any automatic transfers from the GIO Five-Year Compound Interest Option, described under the Automatic Transfers provision on the previous page.

(Continued)

APPENDIX 1 – MILLENNIUM ACCOUNT (Continued)

TAXATION Automatic Transfers from the policy to the Millennium Account are partial dispositions from the policy and may result in taxable income.

Any interest earned in the Millennium Account is subject to annual taxation. It is your responsibility to pay any taxes due.

Premium tax applies to amounts transferred from the Millennium Account to your policy.

CONTRACT This contract consists of this appendix.

Should any legislative or regulatory authority having jurisdiction, impose requirements which impact your contract, we reserve the right to make appropriate changes to your contract.

Only our President, Secretary, one of our Vice-Presidents, or another authorized officer can agree to an amendment to this contract or waive any of our rights or requirements. Any such amendment or waiver must be in writing and must bear the signature of one or more of these officers.

OUR CONSENT If our consent is required, it must be given in writing. It must bear the signature, or a reproduction of the signature, of one or more of our President, Secretary or one of our Vice-Presidents.

OWNER Any transfer of ownership of your policy (for greater certainty, this means a transfer done by you, while you are living) will be considered to include the transfer of ownership of this contract to the same new owner. Ownership of the Millennium Account cannot be transferred otherwise.

ASSIGNMENT Any assignment of your policy as security will be considered to include the assignment of this contract as security to the same assignee, unless the assignment documentation for the policy specifies this contract is not included. This contract cannot be assigned otherwise.

CURRENCY AND PLACE OF PAYMENT All amounts payable to or by us under this contract are payable in Canada in Canadian currency.

TERMINATION ON DEATH In the event of the death of an owner, this Millennium Account contract terminates.

On termination, we will pay the Millennium Account Value:

- 1) on death of a single owner, to the owner's estate
- 2) on death of one of multiple owners, jointly to the deceased owner's estate and the surviving owner(s).

If the policy continues in force with a new owner(s) or surviving owner(s), a new Millennium Account contract is automatically established with such owner(s), having an initial Millennium Account Value of zero.

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Sample

INDEX

PROVISION	PAGE
Account Balance	21
Allocated Amounts	10
Assignment/Hypothecation	42
Automatic Increases	13
Basic Target Premium	36
Beneficiary	42
Cash Surrender Value	36
Changes in Coverage	12
Change to Joint Last-to-die Coverage	47
Claims	8
Common Disaster	8
Contingent Owner	41
Conversion Option	45
Contract	41
Cost of Insurance (COI) Rates	38
Currency & Place of Payment	43
Daily Interest Option (DIO)	24
Death Benefit	9
Definitions	5
Elections	34
Exchange Option	48
Fund-Linked VIOs	30
Grace	17
Guaranteed Cash Value (GCV)	35
Guaranteed Interest Options (GIOs)	25
Incontestability	41
Index-Linked VIOs	26
Interest Option Changes	33
Interest Options	21
Market Value Adjustment (MVA)	26
Millennium Accumulator	13
Minimum Premium	17
Misstatement of Age or Sex	8
Monthly Deductions	17

(Continued)

ANY APPENDIX AND ADDITIONAL BENEFITS OR RIDERS
ARE INCLUDED AT THE END OF THE POLICY

INDEX (Continued)

Provision	PAGE
Net Premium	17
Non-Participation	43
Optimal Decreases	14
Option Changes and Transfers	21
Option for Automatic Transfers from DIO Account	24
Our Consent	43
Owner	41
Partial Surrender	36
Payment of Premiums	16
Payment Options	11
Policy Loans	37
Policy Termination	43
Premium Allocations	21
Processing	22
Reinstatement	18
Replacement of Primary Insured	45
Suicide Exclusion	43
Substitution of Insured	40
Surrender Charges	35
Target Premium	16
Taxation	19
Total Account Value	35
Transition Account	24
Unpaid Premium Charge	26
Variable Interest Options (VIOs)	26
Withdrawal Order	34

ANY APPENDIX AND ADDITIONAL BENEFITS OR RIDERS
ARE INCLUDED AT THE END OF THE POLICY

MILLENNIUM UNIVERSAL LIFE
Joint coverage payable on first death of Joint Insureds
A Universal Life Plan with Client Bonus
Variable Death Benefits
Variable Premiums
Not Eligible for dividends.