

EQUILIFE-JOINT LAST TO DIE UNIVERSAL LIFE POLICY SPECIFICATIONS

At the last death of the Lives Insured named under the EQUILIFE-JOINT LAST TO DIE Universal Life Coverage Specifications page of this policy, The Equitable Life Insurance Company of Canada will pay to the Beneficiary(ies), the EQUILIFE-JOINT LAST TO DIE Universal Life Death Benefit, subject to the terms, conditions and provisions of this policy.

Any Riders attached to this policy will provide the benefits as described under the terms, conditions and provisions applicable to the Rider.

Policy Number: **500001524**

Plan: **EQUILIFE-JOINT LAST TO DIE
UNIVERSAL LIFE, PARTICIPATING POLICY**

Applicant and Owner: **Mickey Mouse**

Effective Date: **November 9, 2007**



PRIMARY BENEFICIARY(IES)

The Primary Beneficiary(ies) for this policy is(are) as follows unless otherwise specified on the Coverage Specification page(s):

<u>Beneficiary Name</u>	<u>Relationship</u>	<u>Percent</u>
Minnie	Spouse	100

Monthly charges will be deducted on the 9th day of each calendar month.

Based on the information shown on the Coverage Specifications page(s), the first year Minimum Annual Premium for the policy is \$1,758.00.

Additional premium information may be found in the Premiums Section of this policy.

This policy contains the following pages:

PSP-UL10 CSP-UL10 CHRG V-UL10 GUIDE-ULLPL

**EQUILIFE-JOINT LAST TO DIE UNIVERSAL LIFE
COVERAGE SPECIFICATIONS**

Policy Number 500001524
Life Insured Mickey Mouse

EQUILIFE-JOINT LAST TO DIE UNIVERSAL LIFE

Death Benefit Option: Account Value Protector
Sum Insured: \$150,000
Cost of Insurance Rates: See TABLE OF CHARGES
Effective Date: November 9, 2007
Expiry Date: Life of the Last Survivor
Equivalent Single Age at Issue: 34

SAMPLE

TABLE OF CHARGES

Policy Number 500001524
 Life Insured Mickey Mouse
 Plan EQUILIFE-JOINT LAST TO DIE UNIVERSAL LIFE
 Initial Death Benefit \$150,000
 Cost of Insurance Charges Level for 10 Years

Age	Monthly Cost of Insurance Rates per \$1000 Amount at Risk	Age	Monthly Cost of Insurance Rates per \$1000 Amount at Risk
34	0.90333	68	0.00000
35	0.90333	69	0.00000
36	0.90333	70	0.00000
37	0.90333	71	0.00000
38	0.90333	72	0.00000
39	0.90333	73	0.00000
40	0.90333	74	0.00000
41	0.90333	75	0.00000
42	0.90333	76	0.00000
43	0.90333	77	0.00000
44	0.00000	78	0.00000
45	0.00000	79	0.00000
46	0.00000	80	0.00000
47	0.00000	81	0.00000
48	0.00000	82	0.00000
49	0.00000	83	0.00000
50	0.00000	84	0.00000
51	0.00000	85	0.00000
52	0.00000	86	0.00000
53	0.00000	87	0.00000
54	0.00000	88	0.00000
55	0.00000	89	0.00000
56	0.00000	90	0.00000
57	0.00000	91	0.00000
58	0.00000	92	0.00000
59	0.00000	93	0.00000
60	0.00000	94	0.00000
61	0.00000	95	0.00000
62	0.00000	96	0.00000
63	0.00000	97	0.00000
64	0.00000	98	0.00000
65	0.00000	99	0.00000
66	0.00000	100	0.00000
67	0.00000		

SAMPLE

TABLE OF GUARANTEED VALUES

Policy Number	500001524
Life Insured	Mickey Mouse
Plan	EQUILIFE-JOINT LAST TO DIE UNIVERSAL LIFE
Sum Insured	\$150,000
Effective Date	November 9, 2007

The values provided are those in respect of the sum insured as shown above.

Anniversary Date	Cash Value	Anniversary Date	Cash Value	Anniversary Date	Cash Value
NOV 09 2008	0	NOV 09 2030	21,660	NOV 09 2052	69,597
NOV 09 2009	0	NOV 09 2031	22,772	NOV 09 2053	72,675
NOV 09 2010	0	NOV 09 2032	23,883	NOV 09 2054	75,753
NOV 09 2011	0	NOV 09 2033	25,365	NOV 09 2055	78,860
NOV 09 2012	1,340	NOV 09 2034	26,990	NOV 09 2056	82,080
NOV 09 2013	1,739	NOV 09 2035	28,643	NOV 09 2057	85,187
NOV 09 2014	2,394	NOV 09 2036	30,410	NOV 09 2058	88,807
NOV 09 2015	3,050	NOV 09 2037	32,291	NOV 09 2059	92,447
NOV 09 2016	3,734	NOV 09 2038	34,200	NOV 09 2060	96,221
NOV 09 2017	4,788	NOV 09 2039	36,138	NOV 09 2061	99,928
NOV 09 2018	5,472	NOV 09 2040	38,304	NOV 09 2062	103,742
NOV 09 2019	6,270	NOV 09 2041	40,499	NOV 09 2063	107,697
NOV 09 2020	7,211	NOV 09 2042	42,722	NOV 09 2064	111,677
NOV 09 2021	8,180	NOV 09 2043	45,059	NOV 09 2065	115,711
NOV 09 2022	9,405	NOV 09 2044	47,510	NOV 09 2066	119,741
NOV 09 2023	10,859	NOV 09 2045	50,018	NOV 09 2067	123,942
NOV 09 2024	12,341	NOV 09 2046	52,640	NOV 09 2068	128,169
NOV 09 2025	14,193	NOV 09 2047	55,262	NOV 09 2069	132,422
NOV 09 2026	16,217	NOV 09 2048	58,026	NOV 09 2070	136,701
NOV 09 2027	18,497	NOV 09 2049	60,819	NOV 09 2071	141,126
NOV 09 2028	19,466	NOV 09 2050	63,726	NOV 09 2072	145,606
NOV 09 2029	20,549	NOV 09 2051	66,662	NOV 09 2073	150,000

Values between anniversaries and for years not shown in this table will be furnished on request.

EquiLife Joint Last-to-Die Universal Life Policy Contract

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SAMPLE

DEFINITIONS

The following are definitions of some of the terms used in your EquiLife Joint Last-to-Die policy. If you need additional information or clarification please call one of our Individual Customer Service Representatives at 1-800-668-4095 or your Financial Advisor.

- Age:** means the age of a Life Insured on his or her nearest birthday.
- Amount at Risk:** is equal to the Death Benefit less the Account Value of your policy.
- Beneficiary(ies):** is (are) the person(s) designated in the application by the Owner and listed on the Policy Specifications page of this policy who is (are) to receive the Death Benefit proceeds in the event of the last death of the Lives Insured under this EquiLife policy. While this policy is in effect, the Owner may choose to designate in writing to us a change in the Beneficiary(ies) to receive the Death Benefit proceeds payable on the last death of the Lives Insured under this policy. The Equitable Life Insurance Company of Canada will pay the Death Benefit proceeds payable to the Beneficiary(ies) in effect at the date of the last death of the Lives Insured under this policy.
- Business Day:** means any day other than Saturday, Sunday and all applicable statutory holidays in the province, in which the Company's Head Office is located.
- Class of Risk:** means the Company's mortality risk assessment of the life of a Life Insured. It is based upon our review of your application for insurance and all medical and other information received by the Company. A standard or normal mortality risk assessment is 100%. A class of risk greater than 100% indicates a higher mortality risk. The class of risk will affect the cost of insurance rates. Mortality risk refers to the incidence of death.
- Company:** The terms "we", "our", "us", "Equitable Life" and "Company", mean The Equitable Life Insurance Company of Canada and its Head Office located in Waterloo, Ontario, Canada.
- Coverage Years:** Each Insurance Coverage and Rider applicable to this EquiLife policy has an effective date. Coverage Years are measured from the effective date of each Insurance Coverage or Rider as shown on the Coverage Specifications page(s).
- Currency:** All amounts payable to or by the Company under the terms, conditions or provisions of this policy are payable in the lawful currency of Canada.
- Effective Date:** is the date the policy is issued and is specified on the Policy Specifications page.
- Equivalent Single Age:** is the "insurance age" for this policy and is calculated based on the ages of both of the Lives Insured under this EquiLife policy.
- Indebtedness:** refers to outstanding Policy Loan(s) or Automatic Premium Loan(s) and includes any unpaid interest owing for those loans.
- Insurance Coverage:** is the EquiLife Universal Life Death Benefit applicable to both of the Lives Insured. Any increases applied for and made in the future, by the Owner, will result in an additional Insurance Coverage applicable to both of the Lives Insured.
- Lives Insured:** are the persons for whom the life insurance associated with this policy is applicable. The Lives Insured may or may not be the Owner(s) of this EquiLife policy.
- Monthly Anniversary:** The Monthly Anniversary for this policy will occur on the same day of each month as the Effective Date of this policy. Regardless of whether the premiums are being paid annually or monthly, the Monthly Anniversary is the day each month that all of the Monthly Charges applicable to the policy are deducted.

DEFINITIONS – continued

Monthly Charges:	All charges associated with this EquiLife policy are referred to as Monthly Charges and include Cost of Insurance Charges, Administration Charges, Linked Interest Option Administration Fees and any charges applicable to additional Benefits or Riders as specified on the Coverage Specifications page(s).
Net Premium:	is equal to the Premiums paid less premium taxes required to be deducted now or in the future. Equitable Life guarantees the percentage of premium tax deducted from your policy will never increase, even if there is an increase in provincial premium taxes in the future.
Owner:	The Owner of this policy refers to the applicant(s) and Owner(s) as indicated on the Policy Specifications page of this policy. The terms "you", "your", and "Owner" refer to the applicant(s) and Owner(s) of this policy. The Owner(s) may or may not be the Life Insured under this policy.
Policy Anniversary:	The Policy Anniversary will occur on the same day and month each year as the Effective Date of this policy, as shown on the Policy Specifications page. Policy Years and Policy Months are also measured from the Effective Date of this policy.
Premium:	Premium refers to the amounts paid to Equitable Life and applied to this EquiLife Universal Life policy.
Rider:	A Rider is an additional benefit applied for and issued by us as shown on the Coverage Specifications page(s) of this policy. The provisions, terms and conditions of any Riders applicable to this Policy are stated in the Rider pages attached to this EquiLife policy.
Shuttle Account:	The Shuttle Account is a separate Premiums-on-Deposit Account set up at issue of your EquiLife policy. This account is held outside of your EquiLife policy and is used to hold funds that must be transferred out of your policy in order to maintain its tax exempt status.

GENERAL PROVISIONS

The following are General Provisions applicable to your EquiLife Policy.

Assignment: This Policy may be assigned by the Owner as permitted by law. The assignment will not be binding on Equitable Life unless the Assignment is made in writing and filed with our Head Office in Waterloo, Ontario. Equitable Life is not responsible for the validity of any Assignment.

Death of a Beneficiary: In the event of the death of a Beneficiary, the deceased Beneficiary's share of the proceeds from this policy (payable on the last death of the Lives Insured) will be payable to the surviving Beneficiary(ies). If no Beneficiary survives, the proceeds will be payable to the Owner or to the executors, administrators, or assignees of the Owner, subject to the right of the Owner to appoint a new Beneficiary or contingent Beneficiary.

Contract: The EquiLife Joint Last-to-Die Universal Life Contract consists of the following documents:

- this policy
- the application (a copy will be provided by us upon your request)
- any amendments or endorsements to the policy agreed upon in writing by the Company
- any Riders attached to this policy providing additional benefits.

This policy takes effect as of the Effective Date provided that the policy is delivered to you, the full amount of the first Premium has been paid to the Company, and no change has taken place in the insurability of any of the Lives Insured under this policy since the application was completed. Delivery of this policy is deemed to have taken place not later than 45 days from the date on our letter of approval.

Only the President or an Officer of The Equitable Life Insurance Company of Canada has the authority to bind the Company or to make any change in the Contract, and then only in writing. Equitable Life will not be bound by any promises or representations made by any other persons including your financial advisor, broker or agent. Without limiting the generality of the above statement, no financial advisor, broker or agent is authorized to waive, amend or modify any of the terms, conditions or provisions of this Contract.

Should any legislative or regulatory authority having jurisdiction impose requirements that would impact this Contract, Equitable Life may unilaterally make the required changes to this Contract.

Incontestability: Failure to disclose a fact or the misrepresentation of a fact in the application for life insurance, medical examination, any written statement or answers given as evidence of insurability will cause this policy including any Riders to be voidable by Equitable Life. Where this policy has been in effect for two (2) years from the Effective Date, or in the case of Reinstatement, two (2) years from the last Reinstatement date, with the exception of Misstatement of Age or Sex which is described below, the failure to disclose or the misrepresentation, except in the case of fraud, will not cause this Policy including any Riders to become voidable.

Any additional Insurance Coverages effective after the date of issue or reinstatement of this policy will be considered to be incontestable only after the additional Insurance Coverage has been in force from its Effective Date for two years, with the exception of fraud.

GENERAL PROVISIONS - continued**Misstatement of Age or Sex:**

If the date of birth and/or sex of one or more of the Lives Insured has been misstated, the amount payable under this policy on the last death of the Lives Insured will be adjusted to be equal to the sum of the following:

- (a) the Account Value of the policy; and
- (b) the amount of life insurance that would have been purchased based on the last Cost of Insurance Charge that was greater than zero, had the Cost of Insurance Charges for the Life Insured been calculated based on the correct age and/or sex to calculate the Equivalent Single Age.

If the date of birth and/or sex of a Life Insured covered by a Rider has been misstated, then the amount payable for the Rider will be the amount that the Monthly Charge for that Rider would have purchased based on the correct age and/or sex.

Notice/ Correspondence:

Any Notice or Correspondence that is required to be provided to you by the Company will be sent by regular mail, facsimile or electronic mail. We will consider the notices and/or correspondence to be received by you on the 7th Business Day following the mailing or transmission.

Any notice or correspondence from you may be sent by regular mail, facsimile or electronic mail (provided a signature is not required) and will be considered received by us on the date we receive it at our Head Office in Waterloo, Ontario.

Proof of Age:

Equitable Life requires satisfactory proof of the date of birth of a Life Insured before making any payment under this policy or Rider.

Participating:

This policy, excluding any Riders that may be attached to it, is participating and therefore may be eligible for dividends, or to participate in any divisible surplus of the Company.

Right of Rescission:

You will have 45 calendar days from the date of our letter of approval for this policy, to review this Contract. If for any reason during that time you want to cancel the Contract, the market value of any Premium received will be refunded as of the date Equitable Life receives your notice requesting cancellation. This policy will then be considered void from inception.

Settlement on Death:

At the last death of the Lives Insured under this policy, before making any payment under this policy, Equitable Life will require the policy and satisfactory proof of:

- (a) the death of a Life Insured;
- (b) the date of birth and sex of the deceased Life Insured; and
- (c) the claimant's right to receive payment.

Smoking Classification:

At any time you may request that the Smoker Classification of a Life Insured be changed to a Non-Smoker Classification by providing a written declaration to Equitable Life that provides satisfactory evidence to qualify that Life Insured as a Non-Smoker. Equitable Life reserves the right to require evidence of good health before approving a change in Smoking Classification.

Suicide:

If one or more of the Lives Insured dies by Suicide, while sane or insane, within two years of the Effective Date or reinstatement date of an Insurance Coverage or Rider applicable to that Life or Lives Insured, Equitable Life will not pay the amount described under the Death Benefit provisions of this policy. Equitable Life will return to the Beneficiary(ies) an amount equal to the Premiums paid to the Company applicable to that Insurance Coverage or Rider, less any Indebtedness and any amounts already paid by the Company. Equitable Life will have no further liability under this policy.

Death Benefit

An important part of your EquiLife Joint Last-to-Die Universal Life Insurance policy is the Death Benefit provided to the Beneficiary(ies).

Death Benefit: The Death Benefit will be payable to the Beneficiary(ies) provided this policy is in force as of the date of the last death of the Lives Insured. The proceeds payable at death are calculated as of the date Equitable Life receives notice of the last death of the Lives Insured under this policy. Immediately following the calculation of the proceeds payable at death, the Account Value attributable to the policy becomes zero. Any Indebtedness under the policy will be deducted from the proceeds payable.

On the Effective Date of this policy, the initial Death Benefit will be the Sum Insured as shown on the Coverage Specifications page(s) of this policy. Thereafter, the Death Benefit will be equal to the Sum Insured plus the Account Value attributable to this EquiLife policy.

Account Value Protector: Under this Death Benefit Option the Sum Insured will remain level for the duration of the policy. Upon last death of the Lives Insured, the Company will pay the Beneficiary(ies) proceeds equal to the Sum Insured plus the Account Value attributable to this EquiLife policy.

Changes to Insurance Coverage

With EquiLife Universal Life Insurance you can choose to make changes to the Insurance Coverage provided by your policy. The following provides details on the changes you can make and the requirements Equitable Life may need from you to make these changes.

At any time while this policy is in force you may request any of the following changes:

- (a) an increase to the Sum Insured, subject to evidence of insurability as determined by the Company for both Lives Insured;
- (b) a decrease in the Sum Insured;
- (c) cancellation of a Rider attached to this policy; or
- (d) a change in the Cost of Insurance Charges Type provided:
 - i the request for the change occurs within the first five policy years;
 - ii the change occurs on the Policy Anniversary;
 - iii the change is to a Cost of Insurance Charge Type with a longer duration;
 - iv subject to satisfactory evidence of insurability submitted, as determined by the Company for both Lives Insured.

No other changes may be made.

All changes are subject to receipt of a written request from you at the Head Office of the Company and our then current administrative practices.

Premiums

Premium is the term used to define the money that you pay to Equitable Life for your EquiLife Joint Last-to-Die Universal Life policy.

Premiums: All Premiums are payable to Equitable Life and must be received in our Head Office, in Waterloo, Ontario. You may choose to submit your Premium by mail or deliver it in person or by courier. You may also choose to have your Premiums automatically withdrawn from your chequing account with our Pre-Authorized Payment plan (P.A.P.).

At any time while this policy is in force you may make additional Premium payments. Your Premium payments may be increased or decreased at any time or you may change the frequency of the Premium payment, subject to limits and restrictions as determined by Equitable Life at that time.

Monies received during a Policy Year in excess of the Maximum Exempt Premium for that Policy Year will be deposited into the Shuttle Account and will not be considered a Premium paid under your EquiLife policy. If at any time in the future, Equitable Life determines that monies can be transferred from the Shuttle Account to your EquiLife policy, these monies will be considered to be Premiums paid to the policy.

Net Premiums: Government Premium tax is deducted from each Premium paid to your EquiLife policy. Equitable Life guarantees the percentage of premium tax deducted from your policy will never increase, even if there is an increase in provincial premium taxes in the future. Your Premium less the applicable premium tax is the Net Premium.

Minimum Annual Premiums: The Minimum Annual Premium shown on the Policy Specifications page is the Minimum Annual Premium applicable for the first Policy Year, including the charges for any Riders. **Payment of the Minimum Annual Premium does not guarantee that your policy will remain in force.** Depending on additional Riders and performance of the Investment Interest Account(s) you have selected, the Minimum Annual Premium may not be sufficient to maintain your EquiLife policy.

Minimum Payments: Payment of the Minimum Annual Premium may keep your policy in force if you elect the Guaranteed Deposit Accounts and/or the Daily Interest Account as your Investment Interest Account(s). If you have elected to pay your premiums on a monthly basis through Pre-Authorized Payment, your Monthly Anniversary should be the same date as your Pre-Authorized Payment date. In addition, you should consider electing the Guaranteed Deposit Accounts and/or the Daily Interest Account as your Investment Interest Account(s).

Maximum Exempt Premium: The Maximum Exempt Premium is the maximum Premium that you can deposit into your EquiLife policy during a Policy Year. At issue and at each Policy Anniversary thereafter we will calculate this amount for the upcoming Policy Year. The Maximum Exempt Premium is the estimated maximum amount that can be deposited to your policy while maintaining your policy exempt from accrual taxation under the provisions of the Income Tax Act (Canada) and Regulations.

Investment Interest Accounts

The Investment Interest Accounts make up the savings portion of your EquiLife Universal Life Policy.

Interest Accounts: Each Net Premium may be invested in any combination of the following Interest Accounts:

- (a) the Daily Interest Account;
- (b) the Guaranteed Deposit Accounts;
- (c) the Linked Interest Options
 - the Index Interest Options
 - the Performance Fund Interest Options
 - the Portfolio Interest Options

The portion of each Net Premium to be allocated to the various Interest Accounts is shown on your application for life insurance for this EquiLife policy, unless subsequently changed by the Owner as described below.

All Net Premiums will be invested within five (5) Business Days of receipt of the Premiums at Equitable Life's Head Office in Waterloo, Ontario, or the date of transfer from the Shuttle Account.

You may request in writing to change the portion of the Net Premiums allocated to the various Investment Interest Accounts. The first change in any Policy Year is free of charge. Any additional changes in that Policy Year will be subject to a fee of \$25.00 per change.

The following is a description of the Interest Accounts available with EquiLife:

Daily Interest Account: The interest rate credited on Net Premiums allocated to this account will be determined by Equitable Life from time to time, but is guaranteed not to be less than 90% of the yield on 91-Day Government of Canada Treasury Bills less 2% to a minimum credited interest rate of 0%.

The effective annual interest rate is compounded daily and credited to the Daily Interest Account at least once per month.

Should 91-Day Government of Canada Treasury Bills become unavailable, Equitable Life reserves the right to use another yield in determining the above guarantee.

Account Value: The Account Value of the Daily Interest Account at any time is equal to the following:

- (a) Net Premiums and net transfers credited to the Daily Interest Account; plus
- (b) Interest credited to the Daily Interest Account; less
- (c) Amounts withdrawn or transferred out of the Daily Interest Account; less
- (d) Any administration fees or charges deemed to have come from this account.

Guaranteed Deposit Accounts:

You can select one or more Guaranteed Deposit Accounts for your EquiLife policy. The terms available for each Guaranteed Deposit Account may be 1, 5, or 10 years.

The minimum amount that may be allocated to a Guaranteed Deposit Account at any time is \$500.00. If you have selected a Guaranteed Deposit Account as one of your Investment Interest Accounts, Premiums will be held in the Daily Interest Account until the \$500.00 minimum is accumulated. Each allocation to a Guaranteed Deposit Account is considered separate with its own interest rate and investment term.

Equitable Life will declare the interest rate for each new Guaranteed Deposit Account as of the date of the investment.

The interest rate for a Guaranteed Deposit Account with a term of 1 year is guaranteed not to be less than (90% of X*), less 1.50%.

Investment Interest Accounts – continued

Guaranteed Deposit Accounts: - continued

The interest rate for a Guaranteed Deposit Account with a term of 5 years is guaranteed not to be less than the greater of:

- (a) 1.75%; and
- (b) (90% of X*) less 1.50%.

The interest rate for a Guaranteed Deposit Account with a term of 10 years is guaranteed not to be less than the greater of:

- (a) 2.75%; and
- (b) (90% of X*) less 1.50%

* "X" in the above formulas represents the yield on Government of Canada bonds with the same term and date of investment as the Guaranteed Deposit Account. If at any time there is not a regularly published Government of Canada Bond of the same term as the Guaranteed Deposit Account Equitable Life reserves the right to substitute the bond with the closest published term.

In determining the above guarantee, Equitable Life reserves the right to use a measurement other than the yield on Government of Canada Bonds should they become unavailable or unsuitable as determined by Equitable Life.

The effective date of each Guaranteed Deposit Account will be the same day of the month as the Effective Date of this policy that is coincident with or immediately following the date of investment. The term period for your Guaranteed Deposit Account is measured from this date.

At the end of the term of each Guaranteed Deposit Account, the Account Value of that Guaranteed Deposit Account will automatically be reinvested as another Guaranteed Deposit Account with the same term as the original Guaranteed Deposit Account unless you have elected otherwise in writing.

Account Value:

The Account Value of the Guaranteed Deposit Account(s) at any time is equal to the following:

- (a) Net Premium and net transfers credited to the Guaranteed Deposit Account(s); plus
- (b) interest credited to the Guaranteed Deposit Account(s); less
- (c) amounts withdrawn or transferred out of the Guaranteed Deposit Account(s) including any Market Value Adjustments that apply to these withdrawals or transfers; less
- (d) any administration fees or charges deemed to have come from this account.

Maturity Value:

The Maturity Value of a Guaranteed Deposit Account is the net amount originally invested in the Guaranteed Deposit Account plus the interest compounded annually at the guaranteed rate for the term you selected. Any amounts withdrawn, transferred out or deducted for Monthly Charges from the Guaranteed Deposit Account, including any Market Value Adjustment that may apply, are taken into account when the Maturity Value of a Guaranteed Deposit Account is determined.

Market Value Adjustment:

At any time prior to the end of the term of each Guaranteed Deposit Account, the Market Value Adjustment of a Guaranteed Deposit Account is the discounted value of the Maturity Value with the interest rate used for discounting being 1% plus the higher of:

- (a) the actual interest rate for each applicable Guaranteed Deposit Account, or
- (b) the then current interest rate based on the original term and band (as determined by us) of the Guaranteed Deposit Account being valued.

If a partial withdrawal or transfer to another Interest Account is being made a pro-rata Market Value Adjustment will apply.

Investment Interest Accounts – continued

Linked Interest Options: You can select one or more of the Linked Interest Options for your EquiLife policy. The Account Value of each Linked Interest Option must be at least \$150.00. If the minimum Account Value is not met we reserve the right to transfer the full value of that Linked Interest Option to the Daily Interest Account.

A Linked Interest Option Administration Fee may apply. (Refer to the Monthly Charges provision of this policy for details.)

1) Index Interest Options:

Net Premiums allocated to one or more of these Interest Accounts are credited or debited interest from the date each Net Premium is invested. The interest debited or credited is guaranteed to be not less than 100% of the comparative increase or decrease of the Total Return (which includes dividends) of the index tracked by the Index Interest Option. The rate of return the interest is based on can be either positive or negative depending on the movement of the applicable index. A negative rate of return will result in a debit to the Account Value (a negative interest rate). A positive rate of return will result in a credit to the Account Value (a positive interest rate).

Currently, interest rates are calculated on a daily basis (Business Day) at a time as determined by Equitable Life, based on the movement of the applicable index. We reserve the right to change the timing and frequency of the calculation at our discretion.

The applicable Index for each Index Interest Option is selected by Equitable Life and may change at any time. We reserve the right to discontinue the use of any Index Interest Option(s) at our discretion and transfer the Account Value to the Daily Interest Account.

The following are the current Index Interest Options available with EquiLife:

- (a) **Canadian Equity Index Interest Option:**
Currently tracking the S&P/TSX60 Total Return Index, Equitable Life guarantees to provide interest not less than 100% of the comparative increase or decrease of the total return of this index;
- (b) **American Equity Index Interest Option:**
Currently tracking the S&P 500 Total Return Index, Equitable Life guarantees to provide interest not less than 100% of the comparative increase or decrease of the total return of this index, after converting to Canadian dollars. The conversion to Canadian dollars will be based on a rate obtained from a recognized quotation service as selected by Equitable Life;
- (c) **U.S. Technologies Index Interest Option:**
Currently tracking the NASDAQ 100 Total Return Index, Equitable Life guarantees to provide interest not less than 100% of the comparative increase or decrease of the total return of this index, after converting to Canadian dollars. The conversion to Canadian dollars will be based on a rate obtained from a recognized quotation service as selected by Equitable Life;
- (d) **European Index Interest Option:**
Currently tracking the DJ EURO STOXX 50 Total Return Index, Equitable Life guarantees to provide interest not less than 100% of the comparative increase or decrease of the total return of this index, after converting to Canadian dollars. The conversion to Canadian dollars will be based on a rate obtained from a recognized quotation service as selected by Equitable Life;
- (e) **U.S. Blue Chip Index Interest Option:**
Currently tracking the Dow Jones Industrial Average Total Return Index, Equitable Life guarantees to provide interest not less than 100% of the comparative increase or decrease of the total return of this index, after converting to Canadian dollars. The conversion to Canadian dollars will be based on a rate obtained from a recognized quotation service as selected by Equitable Life.

Investment Interest Accounts – continued

2) Performance Fund Interest Options:

Net Premiums invested in one or more of these accounts are credited or debited interest from the date each Net Premium is invested. The interest credited or debited is guaranteed to be not less than 100% of the net rate of return (i.e. less management fees and assuming the reinvestment of dividends) of the applicable mutual fund for each Performance Fund Interest Option. The rate of return the interest is based on can be either positive or negative depending on the movement of the applicable mutual fund. A negative rate of return will result in a debit to the Account Value (a negative interest rate). A positive rate of return will result in a credit to the Account Value (a positive interest rate).

Currently, interest rates are calculated on a daily basis (Business Day) at a time determined by Equitable Life, based on the movement of the applicable mutual fund. We reserve the right to change the timing and frequency of the calculation at our discretion.

The applicable mutual fund for each Performance Fund Interest Option is selected by Equitable Life and may change at any time. We reserve the right to discontinue the use of any Performance Fund Interest Option at our discretion and transfer the Account Value to the Daily Interest Account.

The following are the current Performance Fund Interest Options available with EquiLife:

- (a) **Performance Fund Interest Option – Global**
Currently tracking the Templeton Growth Fund, Ltd. series A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this mutual fund;
- (b) **Performance Fund Interest Option – Canadian**
Currently tracking the McLean Budden Balanced Growth Fund, class A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this mutual fund;
- (c) **Performance Fund Interest Option – Canadian Bond**
Currently tracking the McLean Budden Fixed Income Fund, class A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this mutual fund;
- (d) **Performance Fund Interest Option – Global Fixed Income**
Currently tracking Mackenzie Sentinel Global Bond Fund, series A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this mutual fund;
- (e) **Performance Fund Interest Option – Canadian Value Stock**
Currently tracking Mackenzie Cundill Canadian Security Fund, series C, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this mutual fund;
- (f) **Performance Fund Interest Option – Large Cap Canadian Equity**
Currently tracking Mackenzie Ivy Canadian Fund, series A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this mutual fund;
- (g) **Performance Fund Interest Option – Global Balanced**
Currently tracking the Templeton Global Balanced Fund, series A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this mutual fund.

Investment Interest Accounts – continued

3) Portfolio Interest

Options:

Net premiums invested in one or more of these accounts are credited or debited interest from the date each Net Premium is invested. The interest credited or debited is guaranteed to be not less than 100% of the net rate of return (i.e. less management fees and assuming the reinvestment of dividends) of the applicable portfolio for each Portfolio Interest Option. The rate of return the interest is based on can be either positive or negative depending on the movement of the applicable portfolio. A negative rate of return will result in a debit to the Account Value (a negative interest rate). A positive rate of return will result in a credit to the Account Value (a positive interest rate).

Currently, interest rates are calculated on a daily basis (Business Day) at a time determined by Equitable Life, based on the movement of the applicable portfolio. We reserve the right to change the timing and frequency of the calculation at our discretion.

The applicable portfolio for each Portfolio Interest Option is selected by Equitable Life and may change at any time. We reserve the right to discontinue the use of any Portfolio Interest Option at our discretion and transfer the Account Value to the Daily Interest Account.

The following are the current Portfolio Interest Options available with EquiLife:

- (a) Diversified Income Portfolio Interest Option:**
Currently tracking the Quotential Diversified Income Portfolio, series A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this portfolio;
- (b) Balanced Income Portfolio Interest Option:**
Currently tracking the Quotential Balanced Income Portfolio, series A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this portfolio;
- (c) Balanced Growth Portfolio Interest Option:**
Currently tracking the Quotential Balanced Growth Portfolio, series A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this portfolio;
- (d) Growth Portfolio Interest Option:**
Currently tracking the Quotential Growth Portfolio, series A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this portfolio;
- (e) Global Growth Portfolio Interest Option:**
Currently tracking the Quotential Global Growth Portfolio, series A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this portfolio;
- (f) Maximum Growth Portfolio Interest Option:**
Currently tracking the Quotential Maximum Growth Portfolio, series A, Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of this portfolio.

Account Value:

At any time the Account Value of a Linked Interest Option is equal to the following:

- (a) Net Premiums and net transfers credited to that Linked Interest Option; plus
- (b) interest credited to that Linked Interest Option; less
- (c) interest debited to that Linked Interest Option; less
- (d) amounts withdrawn or transferred out of that Linked Interest Option; less
- (e) any administration fees or charges deemed to have come from these accounts.

Investment Interest Accounts – continued

Changes to Your Investment Interest Accounts:

You may elect to change your Investment Interest Accounts or the percentage of your Net Premium allocated to the various Investment Interest Accounts at any time, provided you submit your request in writing to Equitable Life's Head Office.

You may elect to transfer a portion of the Account Value of this policy from one Interest Account to another Interest Account available under this policy at any time, provided you submit your request in writing to Equitable Life's Head Office.

Equitable Life reserves the right to limit the number of requested transfers in any Policy Year.

There will be no additional fees charged for the transfers outlined below:

- (a) **Daily Interest Account:** You may elect to move savings from the Daily Interest Account to a Guaranteed Deposit Account or a Linked Interest Option at any time subject to minimum deposit requirements as determined by us. These transfers are based on the Account Value of the Daily Interest Account being transferred as of the effective date of the transfer.
- (b) **Guaranteed Deposit Account:** You may elect to move savings from one Guaranteed Deposit Account to another Guaranteed Deposit Account, the Daily Interest Account or a Linked Interest Option. These transfers are based on the Market Value Adjustment of the Account as of the effective date of the transfer. The Account Value of the Guaranteed Deposit Account must be at least equal to the \$500.00 minimum after the transfer has been made.
- (c) **Linked Interest Options:** You may request to move savings from a Linked Interest Option to another Linked Interest Option, the Daily Interest Account or a Guaranteed Deposit Account, subject to minimum deposit requirements as determined by us. These transfers are based on the Account Value of the Linked Interest Option being transferred as of the effective date of the transfer.

The effective date of the transfer will be within five (5) business days of receipt of your written request at Equitable Life's Head Office.

Notes About Your Investment Interest Accounts:

Linked Interest Options are NOT Mutual Funds or Indexes; you are NOT acquiring units in a mutual fund or investment fund or other security. You are placing funds on deposit, earning interest, with the general funds of Equitable Life. Performance is NOT guaranteed. You may be credited positive or negative interest depending on the performance of the Mutual Fund or Index being tracked. The Mutual Fund or Index being tracked may change at any time. Linked Interest Option Administration Fees may apply.

EquiLife Universal Life is not issued, sponsored, endorsed, sold or promoted by: Toronto Stock Exchange, Standard & Poor's, The McGraw-Hill Companies Inc., The NASDAQ Stock Market Inc., STOXX Limited, Dow Jones & Company Limited, Templeton Growth Fund, Ltd., Franklin Templeton Investments, McLean Budden Limited, or Mackenzie Financial Corporation. None of these entities make any representation or warranty, expressed or implied, whatsoever, regarding the advisability of selecting Linked Interest Options, making any investment or acquiring this policy. As such, none of the entities have any association, liability or responsibility with respect to this policy. S&P, S&P 500 and TSX are trademarks of the McGraw-Hill Companies Inc., NASDAQ 100 is a trademark of the NASDAQ Stock Market Inc., DJ Euro STOXX 50 and Dow Jones Industrial Average are trademarks of Dow Jones and Company, Limited.

Policy Values

Account Value: The Account Value of this EquiLife policy at any time will be equal to the sum of the following:

- (a) the Account Value of the Daily Interest Account;
- (b) the Account Value of all Guaranteed Deposit Accounts;
- (c) the Account Value of all Linked Interest Options.

Cash Surrender Value: The Cash Surrender Value of this EquiLife policy at any time will be equal to the sum of the following:

- (a) the Account Value of the Daily Interest Account;
- (b) the Market Value Adjustment of all Guaranteed Deposit Accounts;
- (c) the Account Value of all Linked Interest Options;
- (d) the Guaranteed Cash Value;
- (e) the Shuttle Account Value;

reduced by any Indebtedness to the policy.

Guaranteed Cash Value: The Guaranteed Cash Values available with your policy are shown on the Table of Guaranteed Values.

Your Guaranteed Cash Value is available to you upon surrender of your policy or for a Policy Loan. Equitable Life may also initiate an Automatic Premium Loan against your Guaranteed Cash Value, if the Account Value of your policy is insufficient to pay your Monthly Charges.

If you choose to decrease your Insurance Coverage and there is a Guaranteed Cash Value available at the time of the decrease, a pro-rata amount of the Guaranteed Cash Value will be deposited to the Investment Interest Accounts as elected by you for premium deposits.

The Guaranteed Cash Value is not payable on the death of a Life Insured and does not form any part of the death benefit.

Non-Guaranteed Values:

The interest rate for the Linked Interest Options is **NOT GUARANTEED** and could be positive or negative depending on the performance of the applicable Linked Interest Options. A negative rate of return will result in a debit to the Account Value (a negative interest rate). A positive rate of return will result in a credit to the Account Value (a positive interest rate).

Monthly Charges

On each Monthly Anniversary a charge will be withdrawn from the Investment Interest Accounts. These Monthly Charges include but are not limited to the costs for the insurance portion of your plan, as well as any additional Riders or benefits.

The monthly charge for your EquiLife policy will be equal to the sum of the following:

- (a) the total Administration Charges applicable for this policy;
- (b) the total of all Cost of Insurance Charges applicable to this policy;
- (c) the total Monthly Charge(s) for any optional additional benefits and Riders;
- (d) the Linked Interest Option Administration Fees.

Equitable Life will automatically deduct the Monthly Charges from the Accounts and/or Linked Interest Options based on the method you elected on the application for life insurance. You may have elected a percentage (%) of the total Monthly Charges to be deducted from specific accounts or you may have elected the Monthly Charges be deducted from all accounts on a pro-rata basis, depending on the Account Value in the Accounts at the Monthly Anniversary. In the event that you did not elect a method for deduction of Monthly Charges, the default method of pro-rata from all Accounts will be the method used. At any time you may change the method and/or Accounts from which your Monthly Charges are deducted by providing written notice at Equitable Life's Head Office.

Administration Charges: The guaranteed Administration Charge for an Insurance Coverage on this policy is \$5.00 per month. For each additional Insurance Coverage applicable to the Lives Insured the guaranteed Administration Charge is zero.

Cost of Insurance Charges:

The Cost of Insurance Charge for each Insurance Coverage is determined at the beginning of each Policy Month. The Cost of Insurance Charge is calculated by multiplying the current Amount at Risk by the current Cost of Insurance Rate for that insurance coverage as shown in the Table of Charges. The Cost of Insurance Charges associated with your policy are guaranteed not to increase and are guaranteed payable for the duration as shown in the Table of Charges.

Your EquiLife policy has four (4) Cost of Insurance Types. Depending on your age you may elect Level Cost of Insurance for 10 years (Level COI 10), Level Cost of Insurance for 15 years (Level COI 15), Level Cost of Insurance for 20 years (Level COI 20) or Level Cost of Insurance to Age 65 (Level COI to Age 65).

If your policy has Level COI for 10 Years as the Cost of Insurance type, the rate per thousand of Amount at Risk will remain level until the 10th Policy Anniversary at which time the cost of insurance and administration charges applicable to that insurance coverage will cease. Thereafter, no further deductions for these charges will be made.

If your policy has Level COI for 15 Years as the Cost of Insurance type, the rate per thousand of Amount at Risk will remain level until the 15th Policy Anniversary at which time the cost of insurance and administration charges applicable to that insurance coverage will cease. Thereafter, no further deductions for these charges will be made.

If your policy has Level COI for 20 Years as the Cost of Insurance type, the rate per thousand of Amount at Risk will remain level until the 20th Policy Anniversary at which time the cost of insurance and administration charges applicable to that insurance coverage will cease. Thereafter, no further deductions for these charges will be made.

If your policy has Level COI to Age 65 as the Cost of Insurance type, the rate per thousand of Amount at Risk will remain level until the Policy Anniversary nearest the Lives Insured attained Equivalent Single Age 65 at which time the cost of insurance and administration charges applicable to that insurance coverage will cease. Thereafter, no further deductions for these charges will be made.

On any Policy Anniversary prior to the 5th Policy Anniversary you may change your Cost of Insurance type to a Cost of Insurance type with a longer duration, provided that your attained Equivalent Single Age is within the issue ages available for the Cost of Insurance type you are electing.

Upon an election of a Cost of Insurance type change, evidence of insurability, as determined by Equitable Life, may be required. The Cost of Insurance charges that apply will be the rates and values that would have been used for a policy issued on the same date as the Effective Date of the policy, at the attained Equivalent Single Age, with the same class of risk and smoking status. Any Cost of Insurance type change is subject to our then current administrative practices.

After the 5th Policy Anniversary you may not make changes to your Cost of Insurance Charges.

Monthly Charges

Additional Benefit And Rider Charges:

If you have elected to include any additional Benefit(s) and/or Rider(s) with your EquiLife policy, Monthly Charges applicable to the additional Benefit(s) and/or Rider(s) are specified on the Coverage Specifications page(s) and/or are shown in the Table of Charges. These charges are payable for the duration as shown on the Table of Charges.

Linked Interest Option Administration Fees:

The Linked Interest Option Administration Fees apply only to the Account Value of the Index Interest Options, the Performance Fund Interest Options and the Portfolio Interest Options.

The current and maximum Linked Interest Option Administration Fees which apply to the Index Interest Options are as follows:

Canadian Equity Index Interest Option:	1.75% per Policy Year (0.1458% per month);
American Equity Index Interest Option:	1.75% per Policy Year (0.1458% per month);
U.S. Technologies Index Interest Option:	1.95% per Policy Year (0.1625% per month);
European Index Interest Option:	1.95% per Policy Year (0.1625% per month);

U.S. Blue Chip Index Interest Option: 1.75% per Policy Year (0.1458% per month).

The Linked Interest Option Administration Fees applicable to the Index Interest Options may be changed at any time, however, Equitable Life guarantees they will not exceed the current maximums.

The current and maximum Linked Interest Option Administration Fees which apply to the Account Value of the Performance Fund Interest Options (PFIO) are as follows:

	Current
PFIO – Global	0.00% per Policy Year (0.00% per month)
PFIO – Canadian	0.75% per Policy Year (0.0625% per month)
PFIO – Canadian Bond	0.75% per Policy Year (0.0625% per month)
PFIO – Global Fixed Income	0.00% per Policy Year (0.00% per month)
PFIO – Canadian Value Stock	0.00% per Policy Year (0.00% per month)
PFIO – Large Cap Canadian Equity	0.00% per Policy Year (0.00% per month)
PFIO – Global Balanced	0.00% per Policy Year (0.00% per month)

Linked Interest Option Administration Fees applicable to the Performance Fund Interest Options may be changed at any time, however Equitable Life guarantees the fees will never exceed the current maximums.

The current and maximum Linked Interest Option Administration Fees which apply to the Account Value of the Portfolio Interest Options (PIO) are as follows:

	Current
Diversified Income PIO	0.45% per Policy Year (0.0375% per month)
Balanced Income PIO	0.45% per Policy Year (0.0375% per month)
Balanced Growth PIO	0.45% per Policy Year (0.0375% per month)
Growth PIO	0.45% per Policy Year (0.0375% per month)
Global Growth PIO	0.45% per Policy Year (0.0375% per month)
Maximum Growth PIO	0.45% per Policy Year (0.0375% per month)

Linked Interest Option Administration Fees applicable to the Portfolio Interest Options may be changed at any time, however, Equitable Life guarantees the fees will never exceed the current maximums.

Dividends

While in force, this EquiLife policy may, at the end of each Policy Year, participate in the distribution of surplus of Equitable Life. If a distribution is declared for this policy, it would be credited as a dividend. The declaration of a dividend and the amount of any dividend payable, if any, will be determined by Equitable Life.

If any policy dividends are declared, they would be credited in a manner as determined by Equitable Life at that time.

Cash Withdrawals

With your EquiLife Universal Life policy you have access to the cash accumulating in your policy if and when you need or want it.

Cash Withdrawals from this EquiLife policy are permitted at any time provided the Head Office of Equitable Life receives a written request from the Owner.

The amount you can withdraw must be at least \$500.00 and cannot exceed the current Account Value of the policy, less any Indebtedness, less, \$500.00.

If you choose to withdraw cash from your policy, the Death Benefit will be reduced by the portion of the Account Value of the policy withdrawn.

Equitable Life will charge a \$25.00 fee for each Cash Withdrawal from your policy.

You may specify the Investment Interest Accounts from which your withdrawals are to be made. However, if there is any value in the Shuttle Account, all Cash Withdrawals will be made from this Account first. In the absence of written instructions, Equitable Life will make the withdrawals from the Investment Interest Accounts using the same method as used for Monthly Charges, until Equitable Life receives alternative written instruction from you at our Head Office.

Daily Interest Account, Guaranteed Deposit Account and Linked Interest Option minimum balance requirements must continue to be met.

The effective date of your Cash Withdrawal will be within five (5) Business Days of receipt of your written request at the Head Office of Equitable Life.

Policy Loans

At any time while this EquiLife policy is in force, provided it has accumulated a Cash Surrender Value, you may request a Policy Loan from Equitable Life.

You may borrow up to the amount by which the Maximum Loan Value of this policy exceeds any current Indebtedness to your EquiLife policy.

The Maximum Loan Value for this policy is equal to 90% of the Cash Surrender Value of the Guaranteed Cash Value, the Guaranteed Deposit Accounts and the Daily Interest Account reduced by one year's loan interest. The Policy Loan Interest is based on the then current Policy Loan interest rate. The interest rate charged for the Policy Loan will be set by the Company from time to time. Interest on Policy Loans will accrue from the effective date of the loan.

If, at any time while this policy is in force, the total Indebtedness to Equitable Life under this policy exceeds the Maximum Loan Value, Equitable Life reserves the right to transfer sufficient amounts from the Linked Interest Options to the Daily Interest Account or the Guaranteed Deposit Accounts to ensure that the Indebtedness of the Policy remains equal to the Maximum Loan Value. The required amounts will be transferred from the Linked Interest Options using the same method as elected by you for deduction of Monthly Charges and deposited to the Daily Interest Account, provided the Linked Interest Option minimum balance requirements are met.

The value of the Shuttle Account will not be considered in any Policy Loan calculation. You may not take a Policy Loan against the value in the Shuttle Account, regardless of which Shuttle Interest Accounts you have selected.

A Policy Loan may not be deferred for more than 90 days after the application is received at the Head Office of Equitable Life. A Policy Loan will only be granted after Equitable Life's Loan Agreement has been executed and delivered to the Company's Head Office.

At the last death of the Lives Insured under this policy, the portion of any outstanding Policy Loan balance plus any accrued interest will be deducted from the Death Benefit.

Policy Surrender

At any time while your EquiLife policy is in force, you may surrender your policy for its current Cash Surrender Value, less any Indebtedness to the policy.

Please refer to the Policy Values Section of this policy for details on Cash Surrender Value determination.

The effective date of surrender of your policy will be within five (5) Business Days of receipt of your written request at Equitable Life's Head Office. This policy and all benefits and any Riders associated with this policy will terminate on the effective date of the surrender and Equitable Life will have no further liability under this policy or any Riders.

Policy Lapse

Your EquiLife policy will lapse and all liability of Equitable Life will cease at the earliest date on which:

- (a) the Cash Surrender Value of the policy is equal to zero (0) or
- (b) the Indebtedness under this policy is equal to the Cash Surrender Value of the policy.

However, the coverage under your policy will continue until the end of the Grace Period.

Grace Period:

A Grace Period of 31 days measured from the date of policy lapse, as defined above, is permitted for payment in full of all overdue amounts as determined by Equitable Life. Your EquiLife policy will terminate as of the date of lapse, if at the end of the Grace Period all overdue amounts have not yet been paid. Equitable Life will have no further liability under this policy.

If a Life Insured dies during the Grace Period, the portion of any overdue amounts applicable to that Life Insured will be deducted from the Death Benefit payable on the death of that Life Insured.

Automatic Premium Loan:

If there is insufficient Account Value to pay the Monthly Charges associated with your policy, and the policy has a Guaranteed Cash Value an Automatic Premium Loan will be used to pay the Monthly Charges. With the Automatic Premium Loan, the Company will use the Guaranteed Cash Value to advance the Monthly Charges amount due as a loan against the policy.

While unpaid Monthly Charges will become Indebtedness under the policy, you may choose to restart your Premium payments at any time while this policy is in force. Unless specified as a loan repayment, any amounts submitted to Equitable Life will be applied to pay the current Monthly Charges due.

If the Guaranteed Cash Value is insufficient to provide an Automatic Premium Loan to pay the entire Monthly Charges past due, and the unpaid Monthly Charges plus any interest is not paid to the Company the policy will lapse. Upon policy lapse, your coverage will terminate and Equitable Life will have no further liability under the policy subject to your rights under "Reinstatement".

If the balance of the Automatic Premium Loan plus interest exceeds the Guaranteed Cash Value of the policy at any time, your policy will lapse, your coverage will terminate and Equitable Life will have no further liability under the policy subject to your rights under "Reinstatement".

Any amount advanced through Automatic Premium Loan shall be Indebtedness under the policy, bearing interest from the date the Monthly Charge was due. On last death of the Lives Insured under this policy, the outstanding Automatic Premium Loan balance plus any accrued interest shall be deducted from the Death Benefit payable.

Reinstatement:

Your EquiLife policy may be reinstated within two (2) years of its lapse upon written application by you and submission of evidence of insurability (according to the then current underwriting guidelines as determined by Equitable Life) pertaining to all of the Lives Insured (based on their attained age) that is satisfactory to Equitable Life.

Policy Lapse

Reinstatement continued:

The Reinstatement of this policy must be accompanied by the payment of an amount equal to the sum of the following:

- (a) the Premiums that would have been required to maintain the policy in force from the date of lapse to the date of reinstatement; plus
- (b) interest due on the above amount; plus
- (c) any Indebtedness under this policy.

These amounts will be determined by Equitable Life at the time of request of Reinstatement.

The rate of interest to be charged above will be determined by Equitable Life, but will not exceed that permitted under current legislation.

Tax Status

This EquiLife policy is issued with the intention that it will be maintained exempt from accrual taxation under the provisions of the Income Tax Act (Canada) and Regulations in effect as of the Effective Date of this policy. Therefore, periodically, but not less than annually, this policy will be monitored to determine its tax status.

If, at any time, this EquiLife policy fails any of the applicable exemption tests and is therefore subject to annual accrual taxation, according to the requirements of the Income Tax Act (Canada) and Regulations, Equitable Life reserves the right to transfer funds from a portion of the Cash Surrender Value attributable to the Daily Interest Account, Guaranteed Deposit Accounts and/or the Linked Interest Options to the Shuttle Account in order to maintain the policy's exempt status provided that it is possible for the Company to do so under the legislation in force at that time. Funds in the Shuttle Account do not make up any part of this policy and are subject to annual taxation.

If on any Policy Anniversary, there is room for additional Premiums in your EquiLife policy and you have funds in the Shuttle Account, Equitable Life will automatically pay a Premium from the Shuttle Account to your EquiLife policy. The Premium paid will be allocated to the Interest Accounts in the same manner as elected by you on the application or subsequently changed. Provincial Government Premium Tax will be applied to each Premium paid to your EquiLife policy from the Shuttle Account. (See Net Premium for details on Premium Tax).

If your policy fails the exempt test at the time of a Premium payment, Equitable Life will accept as a Premium for your EquiLife policy an amount that will maintain your policy's tax-exempt status. Equitable Life will deposit the balance to the Shuttle Account. The balance will not be considered a Premium payment under this policy.

The above provisions reflect the current provisions of the Income Tax Act (Canada) and Regulations applicable to this policy as at the Effective Date. Equitable Life makes no guarantees that these provisions will not change. Equitable Life reserves the right to modify its practices to reflect any subsequent changes made in the Income Tax Act (Canada) and Regulations affecting this policy. Equitable Life will provide to the Owner any required tax reporting slips.

Bereavement Counseling Benefit

On the last death of the Lives Insured under this policy and payment of the Death Benefit under one or more Insurance Coverages Equitable Life will provide a Bereavement Counseling Benefit to the Beneficiary(ies) of this EquiLife policy. Equitable Life will reimburse the Beneficiary(ies) up to a maximum of \$500.00 toward the cost of counseling expenses, as long as the following rules are adhered to:

- the Beneficiary(ies) will submit receipts within 12 months of the date of the death of the Life Insured; and
- the counselor has professional accreditation or certification as determined appropriate by Equitable Life.

Reimbursement is subject to Equitable Life's then current administrative practices.

Regardless of the number of Beneficiaries under this policy only a sum total of \$500.00 will be reimbursed for counseling for all Beneficiaries. Equitable Life will not proportion the distribution of this benefit as per Beneficiary designation. Payment under this benefit will result upon remittance of receipts only.

Protection From Creditors

Protection from creditors of the Owner may be available with your EquiLife policy, subject to certain conditions.

Shuttle Account

The Shuttle Account is a separate premiums-on-deposit account which assists in maintaining your EquiLife policy's tax-exempt status. The Shuttle Account may have a separate Beneficiary(ies) and is paid out on death of the Owner or on termination or surrender of this EquiLife policy.

In order to maintain your policy's tax-exempt status, a separate Shuttle Account (premiums-on-deposit account) will be set up in conjunction with your EquiLife policy. As stated in the Premiums provision of this policy, any monies received over the Maximum Exempt Premium for any Policy Year will be deposited on your behalf to the Shuttle Account. The Shuttle Account is a premiums-on-deposit account where funds are held until such time as they can be paid as Premiums into your EquiLife policy.

The Shuttle Account receives amounts in excess of the Maximum Exempt Premium. In addition, funds will be transferred to the Shuttle Account as required to maintain your EquiLife policy status as exempt from annual accrual taxation. Funds in the Shuttle Account will automatically be used to pay Premiums to your EquiLife policy on any Policy Anniversary, provided that enough tax-exempt room exists.

Shuttle Interest Accounts:

The Shuttle Account is set up at issue of your EquiLife policy with the same Investment Interest Accounts that are available within your EquiLife policy. Selection of Shuttle Interest Accounts takes place on the application for life insurance. If you do not select any Shuttle Interest Accounts, any amounts transferred to the Shuttle Account will automatically be deposited into the Daily Interest Account.

You may at any time in the future request in writing to change the allocation of the deposits made to the Shuttle Account. The first such change in any Policy Year is free of charge. Any additional changes in that year will be subject to a fee of \$25.00 per change.

Interest will be credited or debited to the Shuttle Interest Accounts in the same manner as the Investment Interest Accounts. Any administration fees applicable to the Investment Interest Accounts will also be applicable to the Shuttle Interest Accounts. Any interest earned in the Shuttle Account will be subject to annual taxation.

Equitable Life reserves the right to limit the terms of the Guaranteed Deposit Accounts available within the Shuttle Account from time to time. With respect to the Guaranteed Deposit Accounts within the Shuttle Account, a Market Value Adjustment will not be applied to funds paid as Premiums to your EquiLife policy. However, should the Owner choose to withdraw funds from the Shuttle Account, a Market Value Adjustment, calculated in the same manner as a Market Value Adjustment applicable to the Guaranteed Deposit Accounts within the EquiLife policy, will apply. Any minimum guarantees applicable to Guaranteed Deposit Accounts with your EquiLife policy do not apply to Guaranteed Deposit Accounts held within the Shuttle Account.

The Shuttle Interest Accounts available are selected by Equitable Life. Equitable Life reserves the right to change or discontinue the use of any Shuttle Interest Account at our discretion and transfer the value to the Daily Interest Account.

Shuttle Premiums:

Shuttle Premiums are Premiums paid from the Shuttle Account to your EquiLife policy. At each Policy Anniversary and after exempt testing, Equitable Life will determine the Maximum Exempt Premium for the following year. Upon determination of the Maximum Exempt Premium, Equitable Life will automatically pay a Premium, if possible, from the Shuttle Account to your EquiLife policy. The Premium paid, less any applicable Premium tax, will be allocated to the Investment Interest Accounts within your EquiLife policy, as elected by you on the application for life insurance or subsequently changed in writing by the Owner, or to the Daily Interest Account if no selection is made. The Premium paid from the Shuttle Account will be the lesser of the Maximum Exempt Premium and the Shuttle Account Value.

Premiums paid from the Shuttle Account will be deducted from the Shuttle Interest Accounts in the same method as used for the deduction of Monthly Charges from the Investment Interest Accounts, unless Equitable Life receives alternative written instruction from you at our Head Office.

Shuttle Account – continued

Shuttle Deposits: Shuttle Deposits are funds that are transferred from your EquiLife policy to the Shuttle Account. Shuttle Deposits will occur at any time a Premium in excess of the Maximum Exempt Premium is paid to your EquiLife policy. Furthermore, Shuttle Deposits will occur on any Policy Anniversary where the Cash Surrender Value of your EquiLife policy exceeds the maximum allowed under the provisions of the Income Tax Act (Canada) and Regulations. The amount of the Shuttle Deposit will be determined to be the amount necessary to maintain your policy's exempt status.

The Shuttle Deposits will be allocated to the Shuttle Account according to the allocation selected on the application for life insurance, or subsequently changed in writing by the Owner. If no selection is made, Shuttle Deposits will automatically be deposited to the Daily Interest Account.

Shuttle Deposits are not subject to Premium Tax.

In the Event Of Death:

On the last death of the Lives Insured under this EquiLife Joint Last-to-Die policy, the Shuttle Account will be paid to the Owner or the Owner's Beneficiary(ies) as stipulated on the Policy Specifications page of this policy.

Policy Surrender:

If your EquiLife Joint Last-to-Die policy is surrendered, any Shuttle Account Value will be surrendered and paid out to the EquiLife Policy Owner.

Withdrawal:

If you elect to withdraw cash from your EquiLife policy and there are funds being held in the Shuttle Account, the funds held in the Shuttle Account will be withdrawn first to satisfy the requested withdrawal amount. The withdrawal order and provisions applicable to the Shuttle Account are the same as specified under the Cash Withdrawals section in your EquiLife policy. If you have elected to have one or more Guaranteed Deposit Accounts as a Shuttle Interest Account, the same Market Value Adjustment as defined within your EquiLife policy will apply upon withdrawal of funds from these accounts.

Shuttle Account Value:

At any time the Shuttle Account Value will be equal to the sum of all Shuttle Deposits plus any interest credited to the Shuttle Interest Accounts; less any interest debited to the Shuttle Interest Accounts; less any administration fees applicable to the Shuttle Interest Accounts; less any Shuttle Premiums paid to the EquiLife policy; less any Cash Withdrawals.

Policy Loans:

You may not take a Policy Loan against the Shuttle Account Value, nor will the value of your Shuttle Account be used when determining the Maximum Loan Value for an EquiLife Policy Loan.

Policy Lapse:

The value of your Shuttle Account will not be used in determining whether or not your EquiLife policy will lapse. However, if there are funds in the Shuttle Account, room available in your EquiLife policy and failure of the lapse test is imminent, Equitable Life will automatically pay a Premium from the Shuttle Account to your EquiLife policy.

Taxation:

Any interest earned in the Shuttle Account is subject to annual accrual taxation. Each year, the amount of interest income will be reported on a tax information slip as Canadian source interest income, under current legislation.

Protection from Creditors:

Protection from creditors, which may be available to you with your EquiLife Universal Life policy, does NOT apply to the Shuttle Account. The Shuttle Account is not part of the EquiLife policy. It is a Premiums-on-Deposit Account.