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*If necessary, amendments, endorsements, additional guarantees and the
Child Module are indicated on the Contract Specifications Page,
and are described by their respective clauses
after page 36*

GENESIS

YOUR UNIVERSAL LIFE INSURANCE CONTRACT

In this contract, the words "Company" and "we" mean Industrial Alliance Insurance and Financial Services Inc. The word "you" means the applicant or applicants whose name(s) appear(s) on the Contract Specifications Page. In addition, to simplify the text, the masculine singular form is used to include both men and women.

DEFINITIONS AND ABBREVIATIONS

In this contract, notwithstanding any other provision and unless otherwise indicated by the context, the following definitions shall apply:

- **ACB**

The adjusted cost basis of your contract as calculated under the Income Tax Act.

- **Age**

Individual coverage

The age of the insured whose name appears on the Contract Specifications Page on the birthday closest to the effective date of the coverage.

Joint coverage

When joint coverage is issued, the term "age" means the **equivalent age**.

For the T10 (R&C) and T20 (R&C) Options the term «age of insured» means the age of the oldest insured for all conditions of the Options except for the **Incontestability** provision of the **GENERAL CONDITIONS** that apply to this contract.

The equivalent age is established by the Company based on the age at the birthday closest to the effective date of the coverage and the risk category of each insured, and is indicated on the Contract Specifications Page.

The equivalent age replaces the real age of each insured for all conditions of the **GENESIS – UNIVERSAL LIFE** coverage described on the Contract Specifications Page, except for the **Incontestability** provision of the **GENERAL CONDITIONS** that apply to this contract, and for the **Paid-Up Insurance** provision of the **GENESIS – UNIVERSAL LIFE** coverage.

- **All**

Automatic investment instructions.

- **AOFA**

Automatic optimization of face amount.

- **DDA**

Designated deduction account.

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- **Evidence**
Evidence deemed satisfactory by the Company.

 - **Excess premiums**
The excess of the premiums paid in the accumulation fund over the minimal premiums due during the period.

 - **Extra Premium**
Any additional insurance premium required from the policyowner, that corresponds to coverage for a more serious risk than normal.

 - **Insured**
Any individual whose name appears on the Contract Specifications Page.

Joint coverage
When joint coverage is issued, the term "insured" means the individuals whose names appear on the Contract Specifications Page, except for the **Suicide** provision of the **GENERAL CONDITIONS** that apply to this contract where it means either of these individuals.

 - **ITA**
The Canada Income Tax Act (R.S.C. 1985, c.1 (5th suppl.) as revised) and its regulations.

 - **Level Cost of Insurance**
Cost of insurance based on the insured's age when the contract is issued. The cost remains the same for the duration of the coverage.
- SPECIMEN
- **Net Premium**
Any cashed premium minus the premium tax payable based on your province of residence.

 - **Portfolio Account**
An account within which all transactions are carried out. This type of account does not qualify for the automatic investment instructions (All) or the designated deduction account (DDA).

 - **Premium Tax**
The premium tax payable based on your province of residence. This tax applies to all premiums paid into the Accumulation Fund.

We reserve the right to adjust the premium tax under the present contract in the following cases:
 - Your place of residence changes;
 - The legislation that applies to your province of residence is amended.

 - **Target Premium**
The amount you choose to pay as a premium for this contract. The target premium appears on the Contract Specifications Page. You may modify your target premium at any time, provided it is sufficient to keep the contract in force.

 - **Yearly Renewable Term Cost of insurance (YRT Cost of insurance)**
Cost of insurance based on the insured's age on each policy anniversary. The cost increases from year to year.

GENERAL CONDITIONS

Contract

This contract describes all the agreements entered in to between you and us.

The contract includes: the application for insurance, including the medical questionnaire, the medical examination and all answers provided in place of a medical examination, the Contract Specifications Page, as well as all riders, amendments and additional benefits purchased.

In order to be valid, any modification or waiver of any provision under this contract must be made in writing.

Effective Date

Contract

The effective date of the contract is indicated on the Contract Specifications Page. It determines the date of the oldest coverage still in force under the contract.

Coverage

Each coverage has its own effective date, which is indicated on the Contract Specifications Page. The policy years and the monthly anniversaries of the insurance are determined based on this date. In addition, the 2-year period provided under the **Incontestability** and **Suicide** provisions of the **GENERAL CONDITIONS** of the contract begins from this date for each coverage.

Incontestability

The statements made in the application are, except in the case of misstatement of age or fraud, accepted to be true and incontestable once the insurance has been in force for 2 years during the lifetime of the insured.

Substitution of Insured

Restriction

This clause does not apply:

- to the 10-15-20 options, 10-15-20 Quick Payment options or the Accelerated Payment Rider-1;
- to joint coverages.
Certain modifications could be available according to the plan categories and criteria pre-established by the Company. All changes must be requested in writing. If it is available, the modification is subject to the rate category and schedule in effect on the date of the request.

As of the third policy anniversary, you may designate a new insured to replace the individual insured under this contract. The new proposed insured must satisfy the conditions for issuing this policy, and you must:

- Send us satisfactory evidence of insurability for the new proposed insured, including proof of your insurable interest in this new proposed insured;
- Pay any expenses incurred by us to obtain and examine the evidence of insurability submitted.

When an insured is substituted:

- The suicide and incontestability provisions will apply again for the new proposed insured for a period of two years starting on the date the substitution is made;

- All optional benefits under the contract with respect to the replaced insured will terminate.

Please note that exercising this option may result in tax consequences based on the laws in effect at that time.

Reinstatement

Within 2 years following cancellation of the contract due to non-payment of premiums, you may reinstate your contract subject to the following conditions:

- Presentation of evidence of insurability deemed satisfactory by the Company;
- Payment of all minimum premiums due, including interest and any other amounts owed to the Company.

The investment accounts surrendered upon termination, if any, are not restored. When the contract is reinstated, new investments are made according to the terms of the contract.

The reinstatement of the contract is always conditional on the payment of the premiums in arrears and proof that the insured meets the necessary conditions to be insurable with respect to the cancelled contract.

Suicide

If the insured commits suicide during the 2 years following the effective date or reinstatement of the coverage and:

- **The contract covers only one insured with or without the Child Module**, the Company pays the beneficiary an amount limited to the amount of premiums paid for the coverage since its effective date or its reinstatement, as the case may be, less any amount already received;
- **The contract has a joint coverage payable on the last death and paid-up on the first death**, premiums and monthly costs of insurance for this joint coverage still apply. In return, the Company issues joint coverage payable on the last death;
- **The contract covers several insureds other than the insureds covered by the Child Module**, the Company pays the beneficiary an amount limited to the amount of minimum premiums paid for the coverage since its effective date or its reinstatement, as the case may be, less any amount already received, and adjusts the value of the Accumulation Fund, which is not payable at that time.

However, if the coming into force of the present coverage directly and simultaneously results in the complete or partial cancellation of another coverage in force at the Company on the insured's life, the 2-year period is calculated from the effective date or the date of the last reinstatement of the cancelled coverage, whichever is later. If 2 years have elapsed from this date, the amount payable to the beneficiary of the present coverage in such case is equal to the cancelled face amount, less any cash value that was credited or paid to the applicant under the cancelled coverage, but without exceeding the face amount indicated on the Contract Specifications Page of this contract. If the face amount indicated on the Contract Specifications Page exceeds the amount payable in such case, the Company refunds the applicant the portion of the premiums paid for this excess amount.

Policy Lapse

Your contract terminates when the first of the following events occurs:

- When all amounts owed to the Company, including interest, equal or exceed the surrender value, excluding the Shuttle Fund;
- When the value of the Accumulation Fund, with no market value adjustments, is less than 0;

- When the value of the Accumulation Fund, with no market value adjustments, is lower than the surrender charges;

AND

the amount of premiums deposited in the Accumulation Fund, less any partial withdrawals, disability benefits paid under the **GENESIS - DISABILITY BENEFIT** clause of the present contract and transaction fees incurred since the contract was issued, is less than the sum of the minimum monthly premiums since the effective date of the contract.

However, if the contract contains the 10-15-20 Options, it is maintained in force by an automatic premium loan established by the Company on that date, granted from the surrender value of the 10-15-20 Options on the condition that the amounts owed to the Company after the transaction, including interest, remain lower than the surrender value of the contract, excluding the Shuttle Fund.

• **Dissociation**

Individual coverage

With your consent, an insured may withdraw from this contract and continue to be insured under an individual contract of the same type that includes the features indicated on the Contract Specifications Page. Exercising this privilege results in transaction fees that are charged to this contract and policy fees that apply to the new contract.

If there are surrender fees associated with one or more of the dissociated coverages, the Company automatically transfers a portion of the Accumulation Fund to the new contracts that is proportionate to the surrender fees of the dissociated coverages in relation to the total surrender fees of the contract prior to dissociation, without exceeding the total surrender fees for the dissociated coverages.

In all cases, we reserve the right to issue a contract we deem to be equivalent.

Joint coverage

Joint insurance is considered to be undivided for the purpose of this section. However, it may be fully dissociated from a contract containing other coverage, to be continued under a new contract of the same type that includes the features indicated on the Contract Specifications Page.

• **Dissolution**

Joint coverage payable on the first death

Upon your request, we agree to replace the present joint coverage, without evidence of insurability, with a new life insurance contract for each of the insureds.

When coverage on two insureds is dissolved, the face amount under each of the new contracts is equal to 50% of the face amount of the joint coverage under this contract on the date the written request is received.

When coverage on more than two insureds is dissolved, the face amount for each of the new contracts is equal to the face amount of the joint coverage under this contract divided by the number of insureds on the date the written request is received.

The effective date and the particulars of the new contracts are the same as those of the present joint coverage under this contract. However, each insured is granted the appropriate rate category indicated on the Contract Specifications Page.

The premium payable for each new contract corresponds to the age of each of the insureds on the effective date of the present joint coverage under this contract and according to the conditions and restrictions of the joint coverage. Policy fees apply to each new contract.

If surrender fees are associated with one or more of the dissolved coverages, the Company automatically transfers to the new contracts a portion of the Accumulation Fund that is proportionate to the surrender fees of the dissolved coverages in relation to the total surrender fees of the contract prior to dissolution, without exceeding the total surrender fees for the dissolved coverages.

In all cases, we reserve the right to issue a contract we deem to be equivalent.

Joint coverage payable on the last death or joint coverage payable on the last death and paid up on the first death

The coverage cannot be dissolved.

- **Payment of Premiums**

Premiums for this contract are payable in legal Canadian tender at the Company's Head Office or at one of its offices. The premium payment period is 31 days, except for the initial premium for each coverage, which is payable on the effective date of the coverage.

- **Premium Rates**

The rate category applicable to each coverage is indicated on the Contract Specifications Page.

- **Preferred rates**

The preferred rates currently available are: **Elite Non Smoker, Preferred Non Smoker, Elite Smoker** and **Preferred Smoker**. These rates are granted by taking into account several criteria pre-established by the Company.

- **Non-preferred rates**

The non-preferred rates are: **Smoker** and **Non Smoker**. All rate classes bearing another qualifier are considered to be part of the **Preferred rates** category.

Decreasing the face amount of a coverage may lead to a change in the rate category if the new face amount is lower than the minimum required by the Company to receive the same rate category as the original coverage. The new premium rate applicable to the reduced coverage is established according to this new rate category based on the scale in effect on the effective date of the coverage.

- **Minimum Premium**

The minimum policy premium is equal to the sum of the premiums and extra premiums, if applicable, for each of the following items:

- For the **GENESIS – UNIVERSAL LIFE** coverages;
- For the 10-15-20 Options, if applicable;
- For the riders and additional benefits, if applicable.

In addition to this sum, policy fees apply.

The minimum premium for each of these items is indicated on the Contract Specifications Page.

We reserve the right to adjust the minimum premium to reflect any future addition, deletion or change in any benefit or risk class, taking into account the premium tax rate that applies on the date of the adjustment

The minimum premium is not necessarily adjusted further to a modification of the premium tax. The policyowner may have to modify the target premium of his contract however as a result of such a modification. For the 10-15-20 Options, the 10-15-20 Quick Payment option and the Accelerated Payment Rider – 1, the minimum premium is fully guaranteed.

• **Policy Fees**

Once a month, we deduct the guaranteed policy fees indicated on the Contract Specifications Page, net of the premium tax, from your contract's Accumulation Fund as long as a cost of insurance or a premium for a rider or a premium for an additional benefit is payable for an insured. Adding an additional insured after the contract is issued may lead to an increase in the policy fees depending on the Company's policy in effect at that time.

• **Transaction Fees**

We reserve the right to deduct fees for any transactions made, or for any dishonoured cheques.

• **Amounts Owed to the Company**

The amounts owed to the Company include the following items:

- Premiums due and unpaid,
- Transaction fees incurred and unpaid,
- Policy loans,
- Any amount required to maintain the contract in force in accordance with the **Policy lapse** provision of this clause.

• **Termination of Insurance**

Your insurance terminates when the first of the following events occurs:

- Upon the death of the last insured;
- On the contract surrender date;
- On the contract lapse date;
- On the contract cancellation date.

• **Joint Coverage Payable on the First Death - Specific Provisions**

Addition of an insured

Upon request, we agree to add a new, proposed insured to the joint coverage payable on the first death according to the eligibility criteria established by the Company and subject to acceptance by the Company of satisfactory evidence of insurability for this new proposed insured.

The new face amount of the coverage corresponds to the initial face amount of the coverage established on a joint basis on the date the written request is received.

The equivalent age is recalculated according to the attained age of all insureds for the coverage on the date of the addition.

The new coverage is established according to the rate category indicated on the Contract Specifications Page and then in effect.

Withdrawal of an insured

- Upon written request of an insured who wishes to withdraw from a joint coverage payable on the first death, we agree to issue, without evidence of insurability, a permanent insurance contract on the life of this insured.

The face amount of this contract corresponds to the face amount of the joint coverage on the date the written request is received, divided by the number of insureds on the same date.

The effective date of this contract is the date the written request is received.

This contract is issued according to the insured's age on the birthday closest to the effective date of the coverage from which he is withdrawing. It is established according to the rate category indicated on the Contract Specifications Page. It also contains the same conditions and restrictions as the coverage established on a joint basis. However, we reserve the right to issue a contract according to a rate category that we deem equivalent if the rate category indicated on the Contract Specifications Page is no longer available.

The contract of the insured who withdraws from a joint coverage payable on the first death may include additional benefits associated with the joint coverage payable on the first death described on the Contract Specifications Page, if applicable, including disability benefits, provided the definition of disability is the same as the one under the present contract, and provided these additional benefits are available for the selected product.

- The face amount of the joint coverage payable on the first death from which the insured has withdrawn is reduced to correspond to its initial face amount on the date the written request is received, divided by the number of insureds on that date, multiplied by the number of insured remaining covered according to the joint coverage payable on the first death.

The equivalent age for this coverage is recalculated according to the age of the insureds on their birthday closest to the effective date of the initial coverage. The coverage is issued according to the rate category indicated on the Contract Specifications Page. It also contains the same conditions and restrictions as the initial joint coverage. However, we reserve the right to issue a contract according to a rate category we deem equivalent if the rate category indicated on the Contract Specifications Page is no longer available.

The coverage resulting from the withdrawal of an insured may include additional benefits associated with the joint coverage payable on the first death described on the Contract Specifications Page, if applicable, including disability benefits, provided the definition of disability is the same as the one under the present contract, and provided these additional benefits are available for the selected product.

Options available at death

- New Contract

Coverage for two insured

Within 45 days following the date of the first death, upon written request from the surviving insured who is under 70 years of age, we agree to issue, without evidence of insurability, a new permanent insurance contract on the life of the surviving insured.

The face amount under the new contract may not exceed the face amount of the present joint coverage under this contract on the date the written request is received.

The effective date of the new contract is the date the written request is received.

The new contract is issued based on the insured's age on the nearest birthday. It is issued according to the rate category indicated on the Contract Specifications Page and then in effect. It also contains the same conditions and restrictions as the present joint coverage. However, we reserve the right to issue a contract according to a rate category we deem equivalent if the rate category indicated on the Contract Specifications Page is no longer available.

The new contract may include additional benefits associated with the present joint coverage described on the Contract Specifications Page, if applicable, including disability benefits, provided the definition of disability is the same as the one under the present contract, and provided these additional benefits are available for the selected product.

Coverage for more than two insured

If more than one insured survives within 45 days following the date of the first death, upon written request from the surviving insureds who are under 70 years of age, we agree to issue, without evidence of insurability, a new permanent joint insurance contract payable on the first death on the life of the surviving insureds who are under 70 years of age. The face amount under the new contract is the same face amount that the insureds held under the multiple insureds coverage.

The effective date of the new contract is the date the written request is received.

The new contract is issued based on the age of each surviving insured on their nearest birthday. It is issued according to the rate category indicated on the Contract Specifications Page and then in effect. It also contains the same conditions and restrictions as the present joint coverage. However, we reserve the right to issue a contract according to a rate category we deem equivalent if the rate category indicated on the Contract Specifications Page is no longer available.

The new contract may include additional benefits associated with the present joint coverage described on the Contract Specifications Page, if applicable, including disability benefits, provided the definition of disability is the same as the one under the present contract, and provided these additional benefits are available for the selected product.

Extended Coverage

Coverage for two insured

If, within 45 days following the date of the first death, the surviving insured dies before turning 70, upon receipt of satisfactory proof we pay the beneficiary a benefit equal to the face amount payable upon the first death.

This benefit is granted only if the option described under the **New Contract** provision has not been exercised.

Coverage for more than two insured

If, within 45 days following the date of the first death, one or many surviving insureds die before turning 70, upon receipt of satisfactory proof we pay the beneficiary a face amount equal to the benefit payable upon the first death. The additional payment may be payable as often as there are insureds who die during the aforementioned period.

This benefit is granted only if the option described under the **New Contract** provision has not been exercised.

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**GENESIS
UNIVERSAL LIFE**

DESCRIPTION OF DEATH BENEFITS

The amounts contained in the Accumulation Fund and the Shuttle Fund are deemed to be death benefits. In every case, The Accumulation Fund and the Shuttle Fund are paid according to the type of detained protection, subject to their sufficiency to keep the contract in force.

The death benefit you selected is described on the Contract Specifications Page.

Individual Coverage

The death benefit under this type of coverage is payable on the death of the insured.

Joint Coverage Payable on the First Death

The death benefit under this type of coverage is payable on the first death.

Joint Coverage Payable on the Last Death or Joint Coverage Payable on the Last Death and Paid Up on the First Death

The death benefit under these types of coverage is payable on the last death. The Accumulation Fund and the Shuttle Fund are paid on the death of each insured.

Benefits payable to the beneficiary of insurance

"Face Amount Only" Death Benefit

Upon the death of the insured, the Company pays the beneficiary a lump sum equal to the difference between the face amount indicated on the Contract Specifications Page and the Accumulation Fund.

"Face Amount + Fund" Death Benefit

Upon the death of the insured, the Company pays the beneficiary a lump sum amount equal to the face amount indicated on the Contract Specifications Page.

"Wealth Maximizer" Death Benefit

Upon the death of the insured, the Company pays the beneficiary a lump sum amount of the face amount indicated on the Contract Specifications Page, adjusted as follows:

- Before the date selected by the applicant, indicated on the Contract Specifications Page, which cannot be earlier than the end of a five-year minimum period from the effective date of the contract, the Company does not make any adjustments.
- Starting on this date and on every subsequent annual coverage anniversary date, the Company adjusts the face amount of the first **GENESIS - UNIVERSAL LIFE** coverage on Insured 1, indicated on the Contract Specifications Page according to one of the following situations:

- **Reduction in the face amount**

When the maximum fund allowed by the ITA is greater than the cash surrender value of the contract, the Company reduces the face amount so that the new maximum fund allowed by the Act, calculated according to the new face amount, corresponds to the balance of the cash surrender value. This procedure allows us to minimize the mortality costs charged to the Accumulation Fund while maximizing the accumulated funds.

The maximum annual decrease can never be higher than 10% of the initial face amount of the first coverage.

The face amount of the first coverage can never be lower than the floor face amount indicated on the Contract Specifications Page. The floor face amount can be modified at any time upon receipt of a request from you. The floor face amount may never be higher than the face amount attained at that time or lower than \$1 000.

The minimum premium for this first coverage remains unchanged.

- Increase in the face amount

When the maximum fund allowed by the ITA is lower than the cash surrender value, the Company increases the face amount, if it is obligated to do so, in accordance with the **Automatic Optimization of Face Amount (AOFA)** provision of the **GENESIS-TAXATION** clause.

"Face Amount + Fund with Wealth Maximizer Option" Death Benefit
The **Wealth Maximizer Option** can be exercised starting at the 5th policy anniversary.

Upon the death of the insured, the Company pays the beneficiary a lump sum amount of the face amount indicated on the Contract Specifications Page, adjusted as follows:

- If you have not selected a date to activate the **Wealth Maximizer** option, or if your death occurs before the period that you selected, indicated on the Contract Specifications Page, the Company does not make any adjustments.
- When you have selected a date to activate the **Wealth Maximizer** option, on every annual coverage anniversary starting on this date, the Company adjusts the face amount of the first **GENESIS - UNIVERSAL LIFE** coverage on Insured 1, indicated on the Contract Specifications Page according to one of the following situations:

- Reduction in the face amount

When the maximum fund allowed by the ITA is greater than the cash surrender value of the contract, the Company reduces the face amount so that the new maximum fund allowed by the Act, calculated according to the new face amount, corresponds to the balance of the cash surrender value. This procedure allows the Company to minimize the mortality costs charged to the Accumulation Fund while maximizing the accumulated funds.

The maximum annual decrease can never be higher than 10% of the initial face amount of the first coverage.

The face amount of the first coverage can never be lower than the floor face amount indicated on the Contract Specifications Page. The floor face amount can be modified at any time upon receipt of a request from you. The floor face amount may never be higher than the face amount attained at that time or lower than \$1 000.

The minimum premium for this first coverage remains unchanged.

- Increase in the face amount

When the maximum fund allowed by the ITA is lower than the cash surrender value of the contract, the Company increases the face amount, if it is obligated to do so, in accordance with the **Automatic Optimization of Face Amount (AOFA)** provision of the **GENESIS-TAXATION** clause.

Benefits payable to the beneficiary of the funds

The Accumulation Fund and Shuttle Fund are payable to you or to any other person you have designated as beneficiary of the funds.

When you are the beneficiary of the funds designated in the application or according to any subsequent specific designation,

- If the deceased insured is an insured other than you and other than an insured covered by the Child Module, the Company pays you the value of the Accumulation Fund and the Shuttle Fund, with no market value adjustments and clear of any policy loans and any additional amount necessary to maintain the contract in force under the policy lapse clause;
- If you are the deceased insured, the Company pays the contingent policyowner named in the application or according to any subsequent specific designation, the value of the Accumulation Fund and the Shuttle Fund with no market value adjustments and clear of any policy loans and any additional amount necessary to maintain the contract in force under the policy lapse clause.

The absence of a contingent policyowner designation in the application or by subsequent specific designation constitutes a designation in favour of the applicant's estate.

When the beneficiary of funds designated in the application or according to any subsequent specific designation is any other person,

- Upon the death of an insured, other than an insured covered by the Child Module, the Company pays the beneficiary of the funds the value of the Accumulation Fund and the Shuttle Fund, with no market value adjustments and clear of any policy loans and any additional amount necessary to maintain the contract in force under the policy lapse clause.

If more than one beneficiary is designated, any payment we make are distributed according to the share indicated in the application, or according to any subsequent specific designation.

The absence of a beneficiary designation for the funds in the application or by subsequent specific designation constitutes a designation in favour of the life insurance beneficiary of Insured 1.

Costs of Insurance

The costs of insurance under the present **GENESIS – UNIVERSAL LIFE** contract are calculated monthly on the face amount adjusted based on the rules described under the title **Description of death benefits** of the present clause. We deduct the costs of insurance from the Portfolio Account of the Accumulation Fund on each monthly anniversary.

Yearly Renewable Term (YRT) Cost of insurance

If you opted for a YRT cost of insurance for the **GENESIS - UNIVERSAL LIFE** coverage, the guaranteed monthly cost per \$1,000 of face amount at the attained age is indicated on Contract Specifications Page F.3333.

If a permanent YRT extra premium applies to your coverage, its monthly cost is included in the guaranteed monthly costs indicated on Contract Specifications Page F.3333.

- **Levelling Privilege**
Once the **GENESIS - UNIVERSAL LIFE individual coverage** or the **GENESIS - UNIVERSAL LIFE Joint coverage payable on the first death** has been in force for a minimum period of 36 months, you may request in writing that the Company change your YRT cost of insurance to a level cost of insurance. For the **GENESIS - UNIVERSAL LIFE Joint coverage payable on the last death** the minimum period is 120 months.

This kind of request automatically results in your death benefit being changed to a **Face Amount + Fund** benefit. The new level monthly cost of insurance corresponds to the attained age of the insured on the date of the change according to the rate category indicated on the Contract Specifications Page of the table that applies to level costs then in effect. However, we reserve the right to level the cost according to a rate category we deem equivalent if the rate category indicated on the Contract Specifications Page is not available. Further to the leveling, to prevent the other parameters of your contract based on the minimal premium from being modified, this latter will not be adjusted on the new Contract Specifications Page, which will then be forwarded to you. However, the premium due could be higher than the minimal premium.

If a permanent YRT extra premium applies to your coverage, the extra premium's new monthly cost is established the same way, but the minimum premium of the extra premium indicated on the Contract Specifications Page is adjusted accordingly.

Surrender fees, if any, continue to apply after the levelling according to the rules described under the **GENESIS - SURRENDER VALUE - PARTIAL WITHDRAWAL** clause.

Level Cost of Insurance

If you opted for a level cost of insurance for the **GENESIS - UNIVERSAL LIFE** coverage, the guaranteed monthly cost per \$1,000 of face amount is indicated on the Contract Specifications Page.

Change in Death Benefit

You may change the death benefit that appears in your contract by sending a written request to the Company.

If you wish to change your "Wealth Maximizer" death benefit to a "Face Amount + Fund" death benefit

- The face amount under the **GENESIS - UNIVERSAL LIFE** coverage is adjusted to the level attained based on the rules described under the title **Description of death benefits** of the present clause, the AOFA is stopped, and the face amount remains at this level thereafter;
- The surrender charges specific to the **Wealth Maximizer** death benefit continue to apply;
- The minimum premium is adjusted based on the new face amount, if applicable;
- The **Wealth Maximizer** death benefit is no longer available;
- Upon the death of the insured, the Company pays the beneficiary a lump sum amount of the adjusted face amount indicated on the new Contract Specifications Page confirming the change.

If you wish to change your "Face Amount + Fund with Wealth Maximizer Option" death benefit to a "Face Amount + Fund" death benefit

- The face amount under the **GENESIS - UNIVERSAL LIFE** coverage is adjusted to the level attained based on the rules described under the title **Description of death benefits** of the present clause, the AOFA is stopped, and the face amount remains at this level thereafter;

- The surrender charges specific to the **Face Amount + Fund with Wealth Maximizer Option** death benefit continue to apply;
- The minimum premium is adjusted based on the new face amount, if applicable;
- The **Face Amount + Fund with Wealth Maximizer Option** death benefit is no longer available;
- Upon the death of the insured, the Company pays the beneficiary a lump sum amount of the adjusted face amount indicated on the new Contract Specifications Page confirming the change.

Reduction in Genesis - Universal life coverage

When you request in writing that the Company reduce the **GENESIS - UNIVERSAL LIFE** coverage for an insured:

SPECIMEN

- The reduction first applies to the last **GENESIS - UNIVERSAL LIFE** coverage or **Permanent Coverage** to take effect for this insured, followed by the other **GENESIS - UNIVERSAL LIFE** coverages or **Permanent Coverages** in the reverse order of their effective date;
 - When the reduction applies to a coverage for which the death benefit is **Wealth Maximizer** or **Face Amount + Fund with Wealth Maximizer Option**, the death benefit is automatically changed to **Face amount + Fund** as described under the title **Change in death benefit** of this clause.
- The **AOFA**, if applicable, no longer applies if the reduction applies to Insured 1;
- The minimum premium is adjusted;
- If the coverage comprises surrender charges, surrender charges proportional to the decrease in the face amount under the **GENESIS - UNIVERSAL LIFE** coverage or **Permanent Coverage** are deducted from the Accumulation Fund. If the death benefit for the coverage is **Wealth Maximizer** or **Face Amount + Fund with Wealth Maximizer Option** and the face amount has been reduced at least once by the Company to minimize the costs of insurance in accordance with the description of these benefits, the surrender fees charged are proportional to the reduction of the face amount in relation to the face amount resulting from any automatic reduction of face amount for these types of benefits.

Paid-up Insurance

Individual Coverage

The costs of insurance for the **GENESIS - UNIVERSAL LIFE** individual coverage cease to be payable when the insured reaches age 100.

Joint Coverage Payable on the First Death

When the **oldest** insured reaches age 100, the costs of insurance of the **GENESIS - UNIVERSAL LIFE** joint coverage payable on the first death cease to be payable.

Joint Coverage Payable on the Last Death

When the **youngest** insured reaches age 100, the costs of insurance of the **GENESIS - UNIVERSAL LIFE** joint coverage payable on the last death cease to be payable.

10-15-20 OPTIONS

If this option appears on the Contract Specifications Page

Definition

The 10-15-20 Option automatically pays up the **GENESIS - UNIVERSAL LIFE** coverage associated with this option, for its face amount, at the end of the option's term indicated on the Contract Specifications Page.

Monthly Cost

The guaranteed monthly cost per \$1,000 of face amount is indicated on the Contract Specifications Page.

Surrender Value

A guaranteed surrender value is available as from the 6th anniversary of the 10-15-20 Option. The surrender values are indicated on the contract's Guaranteed Values Page.

Upon written request from the applicant before the paid-up date, the Company pays the guaranteed surrender value of the 10-15-20 Option indicated on the contract's Guaranteed Values Page, less all amounts owed to the Company, which terminates the 10-15-20 Option.

Upon written request from the applicant after the paid-up date, the Company pays the guaranteed surrender value of the 10-15-20 Option indicated on the contract's Guaranteed Values Page, less all amounts owed to the Company, and terminates the 10-15-20 Option as well as **GENESIS - UNIVERSAL LIFE** coverage associated with this option.

Upon the death of the insured, before or after the paid-up date, during or after the premium payment period, the surrender value of 10-15-20 Options is not payable.

Paid-up Insurance

Once the **GENESIS - UNIVERSAL LIFE** coverage has been paid up under its 10-15-20 Option, the premiums and the monthly costs of insurance are no longer payable for this 10-15-20 Option as well as for the **GENESIS - UNIVERSAL LIFE** coverage associated with this option.

However, the policy fees are still in effect in accordance with Company policy as long as a cost of insurance or a premium for a rider or a premium for an additional benefit is payable for an insured.

Termination of 10-15-20 Option

The 10-15-20 Option terminates when the first of the following events occurs:

- The surrender date of the 10-15-20 Option;
- The termination date of the **GENESIS - UNIVERSAL LIFE** coverage associated with this option.

GENESIS

ACCUMULATION FUND AND SHUTTLE FUND

ACCUMULATION FUND

The Accumulation Fund is a fund where the Company:

- deposits: - the net premiums,
- the interest credited on the Accumulation Fund,
- the interest bonus on the Accumulation Fund, if applicable.

- deducts: - the monthly deductions,
- the transaction fees of the contract,
- the surrender charges, if applicable,
- any withdrawals requested by you, or made automatically in order to maintain the contract's tax-free status, and
- the disability benefit paid under the GENESIS - DISABILITY BENEFITS clause of this contract.

The deposits are made to, and the deductions are taken from the **Portfolio Account** of the Accumulation Fund and the guaranteed interest rate for this account is the higher of:

- 1%
- 90% of the average weighted return over the last 60 months, expressed annually, on Canada 3 to 5-year Bonds less 1.75%. The average weighted return is based on the rate of Canada Bonds on the date the Company made the investments on which all contracts of this type are supported.

Monthly Deductions

On each monthly anniversary, we deduct the following from the Portfolio Account:

- the costs of insurance for each **GENESIS - UNIVERSAL LIFE** coverage as well as for each permanent coverage,
- the costs for the 10-15-20 Options,
- the premiums for the riders, net of taxes,
- the premiums for additional benefits, net of taxes,
- the extra premiums, net of taxes, and
- the policy fees, net of taxes.

If the balance of the Portfolio Account is insufficient, we transfer a sufficient amount based on the DDA, in addition to a monthly deduction to cover the deficit.

SHUTTLE FUND

The Shuttle Fund is a fund where the Company:

deposits: - the deposits that exceed the maximum allowed under the ITA,
- the transfers from the Accumulation Fund in accordance with the **TAXATION** clause of this contract,
- the interest credited on the Shuttle Fund.

transfers: - strating on the second policy year, amounts from this fund to the Accumulation Fund when the balance of the Accumulation Fund is lower than the maximum allowed under the ITA.

These transfers are made in the following order:

- from the Portfolio Account, **then**
- from the Index-Based Accounts, beginning with the one most recently created, **then**
- from the Fixed-Term Accounts, according to the closest expiry date, **and**
- if necessary, from the 5-Year Average Account.

deducts: - any withdrawals requested by you,
- the transaction fees, if applicable.

These deposits, transfers and deductions are made from the **Portfolio Account** of the Shuttle Fund and the guaranteed interest rate for this account is the higher of:

- 1%
- 90% of the average weighted return over the last 60 months, expressed annually, on Canada 3 to 5-year Bonds less 1.75%. The average weighted return is based on the rate of Canada Bonds on the date the Company made the investments on which all contracts of this type are supported.

The credited interest is taxable annually as interest income if it is positive. Losses can only be considered for income tax purposes when an amount is withdrawn from the Shuttle Fund or transferred to the Accumulation Fund.

Designated Deduction Accounts (DDA)

The Designated Deduction Accounts (DDA) enables you to have the costs of insurance and your policy fees deducted from certain investment accounts when these costs cannot be covered by the Portfolio Account.

No more than 5 investment accounts can be designated as a DDA. Deductions are made according to the percentages you indicated when you signed the application for insurance, or when any subsequent changes were made. The deduction percentages under the DDA may be different from those specified for the All.

If you did not specify a DDA when you signed your application for insurance, by default, it will be the same as the All you specified when you signed your application for insurance.

If the accounts selected for the DDA do not have sufficient funds to cover the deductions, we will withdraw the deductions proportionately from all the investment accounts in the Accumulation Fund.

GENESIS

GUARANTEED BONUS ON THE ACCUMULATION FUND

The Accumulation Fund guaranteed bonus is payable at the end of the 1st policy year and at the end of each subsequent year. The bonus is paid proportionately across all of the Accumulation Fund's active investment accounts.

The bonus is calculated as follows:

$$\text{BONUS} = 1.20\% \times \text{AVERAGE BALANCE of the Accumulation Fund}$$

Where: AVERAGE BALANCE
of the Accumulation Fund
for the year

balance of the Accumulation Fund,
before the bonus, weighted by the
number of days

No bonus is payable in the Shuttle Fund.

GENESIS INVESTMENT OPTIONS

The level and duration of premium payments may be influenced by the returns obtained. You are responsible for the impact your investment decisions have on the future evolution of the capitalization of the contract and its sufficiency.

You must provide an automatic investment instructions (All). By default, the account used for the All is the Strategy Balanced Account. The same All applies to the Accumulation Fund and the Shuttle Fund. We automatically transfer the funds to be invested to the various types of accounts selected once the Portfolio Account balance is high enough. No minimum amount is necessary to invest in the investment accounts, except for the Fixed-Term Accounts where an amount of \$500 per investment is required for each. You can change your All at any time by notifying us in writing.

The Company reserves the right to maintain, at all times, enough funds in the Portfolio Account of the Accumulation Fund to cover the monthly deductions until the next billing.

Addition or Deletion of Investment Options

The Company reserves the right to offer new investment options or to discontinue options, when it deems pertinent, without prior approval from the applicant.

In the event an option is discontinued, the Company advises the applicant concerned in writing and offers the applicant the choice of new options. If the applicant has not provided written notice of his choice to the Company within 30 days following the mailing of this notice, the Company transfers the value of the discontinued account to an account it deems similar.

From time to time, we add new investment options to this contract. By the very fact that you decided to invest in one of these options, it is understood that you are responsible for inquiring about the nature and conditions of these options, and that you agree to the terms as though they were stipulated in the present contract.

The Company guarantees that at least 1 Fixed-Term Account and 3 Index-Based Accounts will be available, subject to regulatory requirements and the applicable legislation. These 3 Market Index Accounts will include at least one major Canadian equity based market index, one major American equity based market index and one major recognized equity based market index. For the Canadian equity based market index and for the American equity based market index, the Company guarantees a maximum Management Expense Ratio of 3.5%.

At the present time, the funds accumulated in the Accumulation Fund and the Shuttle Fund may be invested in the accounts listed below:

5-Year Average Account

The interest credited monthly to this account is paid into the Portfolio Account of the fund. No minimum amount is required to invest in this account.

The minimum **guaranteed** interest rate for this account is the higher of:

- 1%;
- 90% of the average weighted return over the last 60 months, expressed annually, on Canada 3 to 5-year Bonds less 1.75%. The average weighted return is based on the rate of Canada Bonds on the date the Company made the investments on which all contracts of this type are supported.

• **Fixed-Term Accounts (1, 2, 3, 4, 5, 10 years) with Compound Interest**

Interest is capitalized monthly. A minimum amount of \$500 per investment is required to invest in these accounts.

The minimum **guaranteed** interest rate for these accounts is the higher of a) and b):

a)

Accounts	Minimum guaranteed interest rate
1-year, 2-year, 3-year Fixed-Term Accounts	0 %
4-year Fixed-Term Account	1 %
5-year Fixed-Term Account *	2 %
10-year Fixed-Term Account *	3 %

* Amounts accumulated in the Shuttle Fund cannot be invested in these accounts.

b) 90% of the return on Canada Bonds for an equivalent term, less 1.75%.

• **Index-Based Accounts**

These accounts generate returns based on an index. The value of these indexes can vary daily. Interest is credited or debited to the account on each monthly anniversary. When the balance of an account is equal to 0, the account is considered to be closed. No minimum amount is required to invest in these accounts.

The Company reserves the right to use another reference index if the current index is no longer available or if the Company deems it pertinent.

The Company reserves the right to defer any transaction when an index value is not available.

The Company reserves the right to defer by 2 days any investment resulting from a new deposit or new investment instructions.

The Index-Based Accounts currently available are:

- **Market Index Accounts**

The interest rate credited for each of these accounts is equal to 100% of the compound return of a recognized reference index, including any applicable dividends, net of income taxes, less current annual fees that cannot exceed the level indicated in the table below. The annual fees are compounded daily and the net return is converted into Canadian dollars if necessary.

The following table indicates the reference index and the guaranteed maximum annual fees for each account.

Accounts (series III)	Market Indexes	Guaranteed annual fees	Guaranteed daily fees
Canadian Stocks	S&P /TSX 60, total return	3.25%	0.0087629%
U.S. Stocks	S&P 500, total return	3.25%	0.0087629%
U.S. Stocks / DAQ	Nasdaq 100	3.50%	0.0094255%
European Stocks	MSCI Europe, total net return	3.75%	0.0100865%
International Stocks	MSCI EAFE World, total net return	3.75%	0.0100865%
Global stocks	MSCI World, total net return	3.75%	0.0100865%
Global Bonds	Citigroup World Government Bond Index	3.50%	0.0094255%
Bonds	Scotia Capital Universe Bond	3.25%	0.0087629%
Money Market	91-Day Canada Treasury bills	2.50%	0.0067653%

Diversified Strategy Accounts (series III):

The interest rate credited on of each of the 5 Diversified Strategy Accounts is equal to 100% of the return of a typical portfolio composed of 5 Market Index Accounts. Each Diversified Strategy Account will be rebalanced monthly or more often if needed, in order to respect the allocation stipulated below:

	Money Market	Bonds	Canadian Equity	U.S. Equity	International Equity	Guaranteed annual fees	Guaranteed daily fees
Prudent account	12%	60%	10%	9%	9%	3.21%	0.0086567%
Moderate account	10%	50%	14%	13%	13%	3.24%	0.0087363%
Balanced account	8%	40%	18%	17%	17%	3.28%	0.0088425%
Growth account	6%	30%	22%	21%	21%	3.31%	0.0089220%
Aggressive account	4%	20%	26%	25%	25%	3.35%	0.0090281%

The interest rate credited is net of proportional charges for each account.

Active Management Index Accounts

The interest rate credited for each of these accounts is equal to 100% of the net compound return of the underlying fund including, if applicable, dividends net of applicable taxes, less current annual fees which will never exceed the level indicated in the following table:

Accounts (series III)	Underlying fund	Guaranteed annual fees	Guaranteed daily fees
Canadian Bonds	R Bond Fund – A Series	1.50%	0.0040792%
Diversified (IA)	R Balanced Fund – A Series	1.50%	0.0040792%
Diversified (Fidelity)	Fidelity Canadian Asset Allocation Fund – A Series	1.50%	0.0040792%
Dividend Income (IA)	R Dividend Income Fund– A Series	1.50%	0.0040792%
Dividend Growth (IA)	IA Dividend Growth Fund– A Series	1.50%	0.0040792%
Canadian Stocks (IA)	R Canadian Leaders Fund – A Series	1.50%	0.0040792%
Canadian Stocks (Bissett)	Bissett Canadian Equity Fund– A Series	1.50%	0.0040792%
Canadian Stocks (Fidelity)	Fidelity True North® Fund – A Series	1.50%	0.0040792%
Canadian Stocks (Dynamic)	Dynamic Canadian Value Fund – A Series	1.50%	0.0040792%
Canadian Stocks Small Cap. (Fidelity)	Fidelity Canadian Growth Company Fund – A Series	1.50%	0.0040792%
Canadian Stocks (Leon Frazer)	IA Canadian Conservative Equity Fund – A Series	1.50%	0.0040792%
Global Stocks (Templeton)	Templeton Growth Fund Ltd – A Series	1.50%	0.0040792%
Global Stocks (New Star)	R Global Growth Fund – A Series	1.50%	0.0040792%
NorthStar (Fidelity)	Fidelity North Star– A Series	1.50%	0.0040792%
Global Financial Services (CI)	CI Global Financial Services Fund - A shares	1.50%	0.0040792%
Global Health Care (Talvest)	Talvest Global Health Care Fund, Class A	1.50%	0.0040792%
Emerging Markets (Templeton)	Templeton Emerging Markets (Canada) Fund, A Series	1.50%	0.0040792%
International Stocks (Templeton)	Templeton International Stock Fund– A Series	1.50%	0.0040792%
European Stocks (Fidelity)	Fidelity Europe Fund – A Series	1.50%	0.0040792%
European Stocks (Rothschild)	R European Fund – A Series	1.50%	0.0040792%
U.S. Stocks (McLean Budden)	R American Fund – A Series	1.50%	0.0040792%
U.S. Stocks (Legg Mason)	Legg Mason U.S. Value Fund – Class B units	1.50%	0.0040792%
Asian Stocks (Rothschild)	R Asian Fund–A Series	1.50%	0.0040792%
Boomernomics® (CI)	CI Global Boomernomics Fund - A shares	1.50%	0.0040792%

The total annual fees are compounded daily and the net return is converted into Canadian dollars if necessary.

The **GENESIS** contract is not a product from external managers and they do not offer any guarantee as to the return under the contract. You have no direct or indirect rights with respect to the underlying funds listed under the title **Active Management Index Accounts** of the present clause, or with respect to any other fund of the same family.

Frequent Transactions

The Company reserves the right to charge transaction fees, at any time, representing 2% of the amount of the transaction if surrenders or transfers between investment accounts are requested more than once a year within 60 days following the date of investment.

The Company also reserves the right to modify the transaction fees at any time.

Guarantee at Death

The amount of the guarantee at death for all active Index-Based Accounts in the Accumulation Fund and Shuttle Fund is the higher of:

- their balance on the date of death;
- the percentage of the amounts invested in the Index-Based accounts indicated in the following table, according to the insured's age at issue :

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Insured's age at issue	Guaranteed percentage
0 to 60	100%
61	95%
62	90%
63	85%
64	80%
65 and over	75%

The amounts invested in the Index-Based accounts are adjusted for any withdrawals and monthly deductions from these accounts. The adjustment is proportionate to the amount of the withdrawal in relation to the value of the accounts on the withdrawal date.

The **Guarantee at Death** of any Joint Coverage is payable according to the deceased Insured's age at issue.

The **Guarantee at Death** of a Joint Coverage Payable on the Last Death or Joint Coverage Payable on the Last Death and Paid Up on the First Death applies only on the last death.

GENESIS

MARKET VALUE OF FUNDS

The market value of the Accumulation Fund and the Shuttle Fund is equal, for their respective accounts, to:

- the balance of the Portfolio Account, **plus**
- the balance of the 5-Year Average Account, **plus**
- the balance of the Fixed-Term Accounts, **plus**
- the balance of the Index-Based Accounts, **less**
- the market value adjustment on the 5-Year Average Account and the Fixed-Term Accounts, if applicable.

A market value adjustment is applied to the 5-Year Average Account and the Fixed-Term Accounts in the case of transfer, partial withdrawal, surrender or any disability benefits paid under the **GENESIS - DISABILITY BENEFIT** clause.

However, no market value adjustment applies to the first annual withdrawal from the 5-Year Average Account up to 10% of its balance on the withdrawal date. Similarly, no market value adjustment is applied when the withdrawals are made to pay for the monthly deductions as well as withdrawals from the Shuttle Fund that are transferred to the Accumulation Fund.

For 1- and 2-Year Fixed Term Accounts, the market value adjustment (MVA) is calculated as follows:

$$\text{MVA} = \frac{\text{Amount Involved} \times [J - I]}{\text{Remaining Term}}$$

For 3-, 4-, 5- and 10-Year Fixed Term Accounts, the market value adjustment (MVA) is calculated as follows:

$$\text{MVA} = \frac{\text{Amount Involved} \times [(J - I) + 1\%]}{\text{Remaining Term}}$$

The **amount involved** is equal to the amount of the transfer, partial withdrawal, surrender or any disability benefits paid under the disability benefit under the **GENESIS - DISABILITY BENEFIT** clause for the account.

Items J and I are interest rates that are defined as follows:

Fixed-Term Account:

- J: interest rate currently credited to an account of the same type;
- I: guaranteed interest rate on the account being calculated.

5-Year Average Account:

- J: the annual return in effect at that time on 3 to 5-year Government of Canada bonds.
- I: the average weighted return of these types of Government of Canada bonds over the last 60 months. The average weighted return is based on the rate of Canada Bonds on the date the Company made the investments on which all contracts of this type are supported.

The **remaining term** is equal to the number days remaining before the term expires divided by 365. For the 5-Year Average Account, this term is always equal to 2 years and 6 months or 912 days.

The market value adjustment for a given account may be positive or negative. However, the total of the market value adjustments for all of the fund accounts being calculated is always greater than, or equal to 0.

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GENESIS

SURRENDER VALUE – PARTIAL WITHDRAWAL

Surrender Value

Upon written request from you, we pay you the surrender value of the contract, less all amounts owed to the Company. This kind of request automatically terminates the contract.

The surrender value is equal to:

- the market value of the Accumulation Fund, less the surrender charges, without however becoming less than 0, **plus**
- the market value of the Shuttle Fund, **plus**
- the surrender value of the 10-15-20 Options, if applicable, **less**
- any policy loan or other amount owed to the Company.

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- **Level Cost of Insurance**

No surrender fees apply to level cost **GENESIS - UNIVERSAL LIFE** coverage with or without 10-15-20 Options, unless they were originally subject to a (YRT cost of insurance. In such case, the surrender fees are calculated as described in the following paragraph.

- **YRT Cost of Insurance**

The surrender charges applied to each **GENESIS - UNIVERSAL LIFE** coverage with a **Wealth Maximizer** death benefit are calculated as follows:

$$\text{SURRENDER CHARGE} = \text{SURRENDER FACTOR} \times \left(\begin{array}{c} \text{BALANCE OF THE} \\ \text{ACCUMULATION FUND} \\ + \\ \text{CUMULATIVE SUM OF PARTIAL} \\ \text{WITHDRAWALS FROM THE} \\ \text{ACCUMULATION FUND} \end{array} \right)$$

where :

**SURRENDER
FACTOR:**

Varies according to the time elapsed between the surrender date and the effective date of the coverage, as indicated in the following table. When the surrender is made between two anniversaries, the surrender factor is determined on a proportional basis.

**CUMULATIVE
SUM OF PARTIAL
WITHDRAWAL FROM
THE ACCUMULATION FUND :**

Is the cumulative sum of the withdrawals made by the policyowner.

The following table lists the surrender factors that apply to the **GENESIS – UNIVERSAL LIFE** coverage that originally had a **Face Amount** death benefit or a **Face Amount + Fund** death benefit :

Coverage anniversary	Surrender Factor
0 to 5	60%
6	30%
7 or more	0%

The following table lists the surrender factors that apply to the **GENESIS - UNIVERSAL LIFE** coverage that originally had a **Wealth Maximizer** death benefit.

Coverage anniversary	Surrender Factor
0	65%
1	65%
2	65%
3	65%
4	60%
5	50%
6	40%
7	30%
8	20%
9	10%
10 or more	0%

These surrender factors continue to apply when the death benefit is changed.

Partial Withdrawal

Upon written request from you, we make withdrawals from the policy account(s) according to their market value, for an amount not to exceed the contract's surrender value, not including the surrender value of the 10-15-20 Options, less all amounts owed to us.

No surrender charges are deducted for a partial withdrawal.

Subject to your instructions, the withdrawal is first made from the Shuttle Fund, then, if necessary, from the Accumulation Fund in the following order:

- from the Portfolio Account, **then**
- from the Index-Based Accounts, beginning with the one most recently created, **then**
- from the Fixed-Term Accounts, according to the closest expiry date, **and**
- if necessary, from the 5-Year Average Account.

If the death benefit is **Face Amount**, the face amount under the **GENESIS - UNIVERSAL LIFE** coverage is reduced by the amount of the partial withdrawal from the Accumulation Fund in accordance with the title **Reduction in GENESIS - UNIVERSAL LIFE COVERAGE** of the **GENESIS - UNIVERSAL LIFE** clause.

GENESIS – POLICY LOANS

Upon your written request, if the contract has a surrender value, the Company loans an amount which, when added to the balance of the policy loans and to any other amounts owed, may not exceed 90% of the contract's surrender value excluding the amounts accumulated in the Index-Based Accounts, except Money Market, and in the Shuttle Fund.

Interest is payable on the contract's monthly anniversary. Any unpaid interest is added to the total amount owed, and accumulates interest. The interest rate charged varies each month, and corresponds to the average rate credited during the previous month on the amounts invested, excluding the amounts invested in the Index-Based Accounts, except Money Market, and in the Shuttle Fund, plus 3%. For purposes of calculating the interest rate charged on the loan, the surrender value of the 10-15-20 Options is considered as part of the invested amounts and accumulates interest at the same interest rate as the one credited on the 5-Year Average Account on the calculation date.

The balance of the Accumulation Fund, excluding the Index-Based Accounts except Money Market, plus the surrender value of the 10-15-20 Options, if applicable, must constantly be greater than or equal to the balance of the loan, otherwise an amount invested in an Index-Based Account, determined by the Company, is released automatically and transferred to the Money Market Account.

Loan repayments on this contract are not subject to the premium tax.

When the amount owed to the Company, including interest, equals or exceeds the contract's surrender value, excluding the Shuttle Fund, the contract is cancelled without prior notice. However, if the contract includes a Shuttle Fund, an amount determined by the Company is applied as a partial or total reimbursement of the amount owed.

GENESIS – TAXATION

This contract is established in such a way as to maintain its "exempted contract" status under the provisions of the ITA.

In order to ensure that this status is maintained, any deposit received that exceeds the maximum allowed under the ITA is deposited into the Shuttle Fund.

For the same reason, at the end of the year, we make any necessary adjustments, in the following order, unless you provide other instructions.

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- **Automatic Optimization of Face Amount (AOFA) for any GENESIS – UNIVERSAL LIFE coverage on Insured 1, indicated on the Contract Specifications Page.**

The automatic optimization of the face amount described in this clause does not apply to joint GENESIS – UNIVERSAL LIFE coverage payable on the last death and paid up on the first death. It also does not apply if you decided on this option when you purchased your contract, or subsequently.

This adjustment is available after the end of the 1st year. The AOFA does not apply when any of the coverages for Insured 1 is subject to an extra premium.

We make one of the following two adjustments, as the case may be:

- If the amounts accumulated in the Accumulation Fund, clear of the surrender fees, at the end of the year exceed the maximum allowed under the ITA, on the yearly anniversary we automatically add AOFA coverage for Insured 1 indicated on the Contract Specifications Page, or increase the AOFA coverage previously added under this clause;
 - The maximum annual AOFA coverage increase or addition is 8% of the face amount of all life insurance coverages on the life of insured 1 of the contract excluding the Child Module, for a total increase limited to the lesser of the following amounts:
 - 3 times the initial face amount of the first GENESIS – UNIVERSAL LIFE coverage for Insured 1 then in effect,
- OR
- the difference between \$25 million and the initial face amount of the first GENESIS – UNIVERSAL LIFE coverage for Insured 1 then in effect.
 - This increase is made without evidence of insurability.
 - A YRT cost of insurance at the attained age is charged on the increase in the face amount. The AOFA coverage does not have surrender charges.

In spite of this adjustment, there may still be amounts in excess of the maximum allowed under the ITA. These amounts will then be transferred to the Shuttle Fund in accordance with the title **Transfer to the Shuttle Fund**.

- If, on the other hand, the amounts accumulated in the Accumulation Fund, clear of the surrender fees, at the end of the year are lower than the maximum allowed under the ITA, on the annual anniversary, we automatically decrease the AOFA coverage.

At any time, you may ask to change the YRT cost to a level cost at the attained age. We then stop any automatic increase or decrease in the face amount of the **OAFA** coverage and the face amount remains levelled. You may also ask at any time to maintain the **OAFA** coverage. We then stop any automatic increase or decrease in the face amount. The Shuttle Fund remains the only tool used to maintain the "exempted contract" status.

• **Transfer to the Shuttle Fund**

If the amounts accumulated in the Accumulation Fund, clear of the ~~surrender fees~~, at the end of the year exceed the maximum allowed under the ITA, we make a transfer from the Accumulation Fund to the Shuttle Fund.

The transfers from the Accumulation Fund to the Shuttle Fund are made in the following order:

- from the Portfolio Account, **then**
- from the Index-Based Accounts, beginning with the one most recently created, **then**
- from the Fixed-Term Accounts, according to the closest expiry date, **and**
- if necessary, from the 5-Year Average Account.

These transfers constitute a disposition under the ITA and therefore may generate a taxable gain.

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GENESIS – DISABILITY BENEFIT

Benefit

During the total disability period of an insured 18 years of age or older, other than an insured covered by the Child Module, upon written request, the Company pays the applicant a benefit according to the following terms:

- The benefit is paid from the surrender value of the contract, excluding the surrender value of 10-15-20 Options, if applicable.
- The amount of the benefit, which is determined by the applicant, cannot exceed the surrender value less all amounts owed to the Company on the payment date and cannot be lower than the lesser of \$500 or the surrender value, less any sufficient amount to keep the contract in force.

Conditions Leading to a Disability

For a benefit to be payable, the insured must be stricken with one of the following conditions:

- Before age 60, the total and continuous inability to perform the duties of his regular occupation following an illness or injury, for an insured who practices a remunerated occupation at the onset of disability.
- Before age 60, the total and continuous inability, following an illness or injury, to perform the duties of any occupation for which he is reasonably qualified regardless of the availability of employment, for an insured who is temporarily unemployed or on employment insurance at the onset of disability.
- At any age, the total and continuous inability to perform his main regular daily occupations, and this impairment is caused by any of the following illnesses:
 - 1) AIDS (Acquired Immune Deficiency Syndrome) or HTLV-III and/or HIV infection;
 - 2) Alzheimer's disease;
 - 3) Cancer or tumor;
 - 4) Coronary artery disease, myocardial infarction or congestive heart failure;
 - 5) Chronic kidney failure or chronic liver disease;
 - 6) Limb amputation;
 - 7) Neuromotor disease;
 - 8) Muscular dystrophy;
 - 9) Paralysis, paraplegia or quadriplegia;
 - 10) Recipient of a major organ transplant;
 - 11) Third degree burns over more than 50% of the body;
 - 12) Multiple sclerosis;
 - 13) Hepatitis;
 - 14) Stroke, with or without paralysis, or
 - 15) Huntington's Chorea.
- At any age, the continued inability that prevents the insured from performing the basic activities of daily living, such as getting up, walking, washing, dressing and feeding himself.
- At any age, the continued inability caused by the total and permanent loss of sight in both eyes, or the use of both hands, both feet, or of one hand and one foot.
- At any age, the continued inability caused by an illness or injury which, according to the diagnosis of a medical practitioner, is expected to result in the death of the insured within 24 months of the date of the diagnosis.

Elimination Period

A continuous period of 90 days must elapse from the starting date of the insured's disability before you are eligible for a benefit payment.

Conditions of Payment

We make a maximum of 4 payments in a given calendar year.

Each payment is subject to the market value adjustment and transaction fees, if applicable.

The partial withdrawal terms as defined under the title **PARTIAL WITHDRAWAL** of the **GENESIS - SURRENDER VALUE - PARTIAL WITHDRAWAL** clause, apply to each payment.

We reserve the right to require any documents that we deem relevant as proof of disability each time a payment is made.

No benefit is payable for a disability that began before the effective date of the coverage on the life of the insured or before the reinstatement date of the contract.

Taxation

The ITA and the regulations in effect at the time the contract was issued stipulate that the payment of a disability benefit does not constitute the disposition of an interest under a life insurance policy and consequently is not currently subject to income taxes.

Consequently, the payments do not affect the contract's adjusted cost basis.

Termination of Benefit

The disability benefit terminates when the first of the following events occurs:

- On the date the insured's disability ends;
- On the date the coverage on the life of the insured terminates.

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