

10-YEAR RENEWABLE AND CONVERTIBLE TERM PROVISIONS

INTRODUCTION

- 1- This coverage can either be the Base Coverage or a Rider Coverage. The Base Coverage has a policy fee included in the Yearly Premium, while a Rider Coverage does not.
- 2- If there are any contradictions between these provisions and the policy provisions, these provisions will prevail for this coverage.
- 3- If this coverage is attached to a Perspecta policy, and taking into account the fact that premiums are paid through monthly deductions, these provisions shall be interpreted with the following modifications:
 - a) The words "premium", "Yearly Premium" or "Total Premium" shall be replaced by "monthly deduction".
 - b) The "Yearly Premium" definition is not applicable.
 - c) The section "Premium Amount" is replaced by the following section:

MONTHLY DEDUCTIONS

The monthly deductions for this Rider Coverage are level until the first renewal and are payable simultaneously with the other monthly deductions and under the same conditions. The monthly deduction at each subsequent renewal will be calculated the same way as the Yearly Premium in the "Renewal" clause. The monthly deductions are not adjusted by any modal factor.

DEFINITIONS

"Converted Policy" means the policy purchased in conditions described in the "Conversion Option" clause below.

"Death Benefit" means the amount payable on the death of an Insured as described in the "Death Benefit" clause of these provisions.

"Final Conversion Date" means the latest date on which this coverage can be converted which is the anniversary of the coverage nearest to the Insured's 65th birthday.

"Profile Class" or "Risk Class" is a broad class grouping of Insureds satisfying underwriting criteria related to specific aspects of family health history, tobacco usage, health, lifestyle and other personal history information, along with the type and the amount of coverage. Insureds with a non-smoker status are classified in either Profile 1, 2 or 3 and those with a smoker status are classified in either Profile 4 or 5. Profiles 1, 2 and 4 are defined as "Preferred" Classes and Profiles 3 and 5 as "Residual" Classes. The Profile Class is used to establish the premium.

"Sum Insured" is shown on the Coverage Data Page.

"Unearned Premium" means the Total Premium, multiplied by the modal factor, as referred to under the "Payment of Premiums" clause of the "Policy Provisions", multiplied by the number of days following the termination date to the next premium due date, divided by the number of days of the premium frequency.

"Yearly Premium" means the annual premium including any policy fee, if applicable.

INSURANCE COVERAGE

A 10-Year Renewable and Convertible Term coverage for the Sum Insured shown on the Coverage Data Page is included in this policy in consideration of the application therefore and the payment of premiums related to this coverage. It provides life insurance coverage subject to all provisions of this policy while the policy is in force. The coverage terminates as described in the "Termination of the Coverage" clause.

PREMIUM AMOUNT

The Yearly Premium shown on the Coverage Data Page is for the first ten years this coverage is in force. The Yearly Premium at each subsequent renewal will be calculated as described in the "Renewal" clause below.

If this is a Base Coverage, the Yearly Premium includes the policy fee payable under this policy.

This Yearly Premium will be adjusted by an appropriate modal factor according to the payment frequency you have chosen. The resulting modal premium will be part of the Total Premium payable for this policy.

DEATH BENEFIT

The Death Benefit is the Sum Insured, which we will pay on the death of the Insured if it occurs before the anniversary of the coverage nearest to the Insured's 85th birthday while this coverage is in force.

RENEWAL

Provided the policy is in force immediately before a renewal date of this coverage, this coverage will be renewed automatically every ten years for the Sum Insured shown on the Coverage Data Page.

(please see reverse)

On each renewal date, the Yearly Premium will be recalculated as the sum of:

- a) the Yearly Premium Rates per \$1,000 of Sum Insured shown in the attached Table at the Attained Age of the Insured at that time, plus any multiple rating charges defined as a percentage of the premium rates and shown on the Coverage Data Page, multiplied by the Sum Insured, plus any flat extra charges; and
- b) a \$65 yearly policy fee, if this is a Base Coverage.

This Yearly Premium will be adjusted by an appropriate modal factor according to the payment frequency you have chosen. The resulting modal premium will be part of the Total Premium payable for this policy.

The Yearly Premium will apply for a maximum period of ten years until the next renewal date or expiry. The Profile Class to which the Insured belongs will be that at the later of the Issue Date of this coverage or the date of its last reinstatement.

CONVERSION OPTION

At any time on or before the Final Conversion Date, the Owner has the right to exercise this option, provided this coverage is in force. This option permits the Owner, without further evidence of insurability and in exchange of this coverage, to purchase on the life of the Insured a permanent plan of life insurance issued by us at the date of exercise of the option and for the Sum Insured shown on the Coverage Data Page or, if requested, such lesser amount satisfying the then minimum Sum Insured requirement of the Converted Policy. Any option under the Converted policy that provides an increase in the Sum Insured is not permitted. Your signed application for this option and the payment of the first premium for the Converted Policy must be received by us by the Final Conversion Date. Your completed application must satisfy our then current administrative rules.

Any evidence of the Insured's good health and insurability as well as any exclusion which formed part of this contract on or before the Final Conversion Date will be deemed to be part of the Converted Policy.

If a Waiver of Premium on Disability Benefit is included in this policy when the Conversion Option is exercised on this 10-Year Renewable and Convertible Term coverage, the Owner may apply for it to be included in the Converted Policy without further evidence of insurability. This application will be accepted on the life of the Owner so covered under this policy provided that, at that time, the Owner is not totally disabled as defined in the appropriate Additional Benefit Provisions and has not exceeded the maximum Insurance Age at which the Additional Benefit will be issued. If the Converted Policy is a Perspecta Policy, the maximum amount of the coverage for the Waiver of Premium Benefit will be the monthly deduction of the converted coverage only. If the Owner is totally disabled on the Final Conversion Date of the policy to be converted and unless notified otherwise in writing by the Owner, we will automatically convert to the permanent plan of insurance which has the lowest premium rate at that time, with the Waiver of Premium on Disability Benefit.

If any other Additional Benefit on the life of the Insured is included in this policy, then written application will be accepted for inclusion of this Additional Benefit in the Converted Policy without further evidence of insurability of the Insured.

The premium rates used will be those in effect at the date of conversion for the Attained Age of the Insured and, if applicable, the Attained Age of the Owner at that date. The appropriate Risk Class will be deemed to be that at the later of the issue date of this coverage or the date of its last reinstatement, and shall reflect any applicable rating.

If the Insured's Profile Class under this coverage is a Preferred one, the Insured's Risk Class under the Converted Policy will be the closest equivalent Profile Class to that for this coverage, provided that:

- a) the conversion is made to a coverage and amount of insurance for which we then offer similar risk classification to that for this coverage; and
- b) the date of conversion of the Converted Policy is within 10 years of the Coverage Issue Date of this coverage.

If either of the above conditions is not satisfied or if the Insured's Profile Class under this coverage is a Residual Class, the Insured's Risk Class under the Converted Policy shall be the corresponding Residual Class according to the Insured's smoking status.

TERMINATION OF THE COVERAGE

Subject to any clause related to the cessation of risk under this policy, this coverage will terminate on the earliest of:

- a) the date of death of the Insured under this coverage,
- b) the Expiry Date of this coverage, shown on the Coverage Data Page,
- c) the exercise of the conversion option,
- d) the date Standard Life receives written instructions from the Owner to cancel this Coverage, if this is a Base Coverage. In this case, Standard Life will refund the Owner any Unearned Premium, without interest, in respect of the policy. If this is a Rider Coverage, no premium refund will be possible and the coverage will be terminated at the next Premium Due Date, or
- e) the termination of the policy as determined under the "Termination of the policy" clause of the "Policy Provisions".