



Welcome to the EasyLife

Producer's Guide

Table of Contents

- Welcome to the Easylifei
- About this guide 1
- About Easylife 1
- Whole Life insurance 1
- The cash value of Whole Life 1
- Dividends 1
- Easylife – the basics 2
- Enhanced Dividend Option 2
- The details of Paid Up Additions 3
- Build chart 4
- Withdrawals 4
- Loans 5
- Conversions, Reduced Paid Up and Surrenders 5
- Optional coverage 6
- Dividend Option after Crossover 6
- Creating an Easylife case 7
- Terms and conditions 11
- Definitions 11
- Appendix I 13
- Appendix II 15

Welcome to the Easylife

Foresters is pleased to introduce Easylife, our new par product. Easylife is based around our goal of doing everything we can to simplify your life.

With Easylife, you now have the ability to offer your clients permanent protection without the hassles that come with an underwritten product. You can insure your client for up to \$100,000 in one easy interview and know that if your client signs the health declaration, they will be covered instantly.

And our delivery system is designed to shave weeks off the processing time. This means that not only do you get paid faster, but you can spend more time selling and less time administering.

Easylife is not designed to fill all your client's insurance needs. It is designed to provide them with an affordable base of permanent protection without having to go through the normal underwriting process.

Easylife is not for everyone, but for those looking for affordable, hassle-free permanent protection, Easylife is ideally suited to meet their needs.

This guide is intended to provide you with the information you need to know about Easylife. One you've gone through it, we think you'll be as excited about our new product as we are.

And in no time, you'll be living the Easylife.

About this guide

The purpose of this marketing Guide is to identify the specific markets that Easylife is positioned for and to explain how Easylife is designed. This guide will help you understand the mechanics of how Easylife works as well as the process of how it is sold.

About Easylife

Easylife is positioned for the low to mid end of the market. This means individuals who typically are in their forties and younger, who have a family and who are price conscious.

They are looking for a base of permanent protection without the hassles that come with normal underwriting. The convenience of Easylife is key. These individuals are prepared to pay a slightly higher premium for the benefit of not having to go through an underwriting process and the benefit of knowing that if they qualify for coverage, they are protected instantly.

Whole Life insurance

Whole Life is one of the oldest types of permanent insurance in the marketplace. It currently accounts for approximately one-third of all sales in Canada on a premium basis. The goal of Whole Life insurance is to provide lifetime protection with a level premium. Unlike Term insurance which typically has renewal premiums which go up in cost as the insured gets older, Whole Life spreads the cost of insurance over the duration of the policy.

The cash value of Whole Life

One of the main features of Whole Life is the build up of cash values in the plan.

As noted previously, the cost of insurance in a Whole Life plan is spread over the lifetime of the policy. This means that premiums paid in the early years are higher than what is actually required to cover the cost of insuring an individual. This is done in order to keep the premiums level in the later durations when the premiums charged are less than what is required to cover the insured.

In the early years, when premiums are higher than required, an accumulation of policy reserves occurs. Since the policyowner is paying more than necessary in the early years, cash values are provided to give the policyowner access to funds building up in the reserves. The difference between the death benefit and the cash value is known

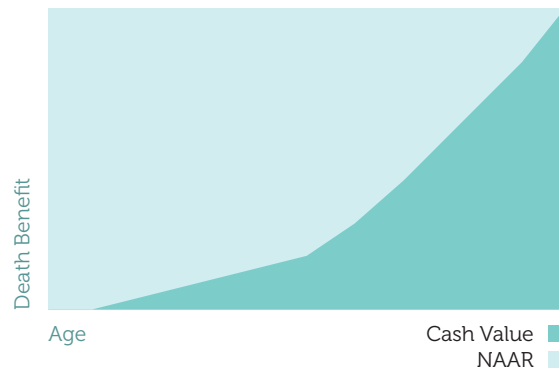
as the Net Amount at Risk (NAAR). Over time, the NAAR reduces as the cash values build up until the NAAR is equal to zero.

Dividends

Easylife is a participating Whole Life insurance certificate, which means that the certificate owner is able to "participate" in the divisible surplus as determined by Foresters. This participation allows the certificate owner to receive dividends.

Since premiums on participating plans are based on conservative estimates of Foresters mortality costs, expenses and return on capital, outperforming these assumptions may contribute to a divisible surplus. Part of this surplus may be distributed back to the certificate owner in the form of dividends.

These dividends are declared annually at the certificate anniversary. The dividend paid on a participating certificate is based on the Basic Face Amount and Paid-Up insurance in force on the certificate anniversary.



Typically, participating plans allow for a variety of dividend options. In the case of Easylife, however, only one dividend option is provided until the Crossover Point is reached; the Enhanced Dividend Option (see section on Enhanced Dividend Option for definition of Crossover Point). Since Easylife is designed for low cost permanent protection, it makes sense to allow the dividend option that is best suited for this type of plan design. For more information on this dividend option, please refer to the section in this guide on Enhanced Dividend Option. Once the Crossover Point is reached, other dividend options may be available. Please refer to Dividend Option after Crossover for more details.

Easylife – the basics

Issue ages

Easylife is available from issue ages 20–60 with issue age determined by the Insured's age on the birthday nearest the issue date. Rates are available for both smokers and non-smokers.

Joint lives

Easylife does not offer any joint coverage.

Case size

The minimum total face amount of Easylife is \$25,000. The maximum total face amount is \$100,000. The total amount of coverage that can be purchased across all Easylife certificates per insured is also \$100,000. This means that if your client purchased \$50,000 of Easylife and wanted to purchase a subsequent Easylife certificate, the most they could purchase is an additional \$50,000.

Inclusive of Easylife, the maximum amount of all coverage with Foresters is \$500,000. For example, if your client currently has \$450,000 of coverage with Foresters, the most they could purchase of Easylife would be \$50,000.

Minimum premium

The minimum premium for Easylife is \$300 annually or \$25 monthly. These minimums include the certificate fee.

Certificate fee

The certificate fee for Easylife is \$50 annually or \$5 monthly based on the premium mode. The policy fee is fully commissionable.

Rate banding

Easylife has no rate banding.

Ownership

The owner must be the insured.

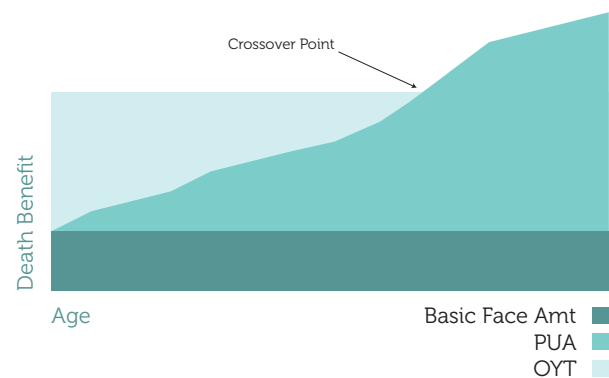
Guarantees

- The Basic Face Amount is guaranteed while Easylife is in effect assuming all premiums are paid when due.
- The cash value related to the Basic Face Amount is guaranteed.
- The Total Face Amount (the combination of Basic Face Amount, PUA and OYT) is guaranteed while Easylife is in effect provided that no withdrawals or premium holidays are made. This is referred to as the Total Face Amount Guarantee.

Enhanced Dividend Option

The dividend option that is allowed in Easylife is referred to as the Enhanced Dividend Option. This dividend option requires the dividends to be used to purchase insurance over and above the Basic Face amount for no additional charge. Dividends that are generated are used to purchase a combination of Yearly Renewable Term Insurance (OYT) and Paid-Up Additions (PUA) so that the total of the two equals the Enhanced Amount. This amount of OYT is established at issue and varies by the age, sex and smoking status of the insured and forms part of the core design of Easylife. In other words, the certificate owner does not choose the amount of the OYT; it is already a predetermined amount.

The objective of this design is that over time the amount of OYT will decrease and the amount of PUAs will increase to the point where there is no more OYT coverage. The point at which this occurs is referred to as the Crossover Point.



The Total Face Amount (the combination of Basic Face Amount, PUA and OYT) is guaranteed while Easylife is in effect provided that no withdrawals or premium holidays are made. This is referred to as the Total Face Amount Guarantee.

The Enhanced Amount is provided automatically in the first year of the policy, as no dividends have been credited and is comprised entirely of OYT. From the second year onwards, as dividends are declared, a mix of OYT and PUA are purchased equal to the Enhanced Amount. A predetermined formula is used to calculate this mix. The objective is to maximize the amount of Paid Up Additions that is purchased each year.

For example, suppose a certificate is purchased that has a Total Face Amount of \$50,000. This total coverage is a combination of the Basic Face Amount plus OYT. For purposes of this example, let's assume the Basic Face

Amount is \$10,000 and the OYT amount is \$40,000 and that at no time withdrawals of PUA cash value is made.

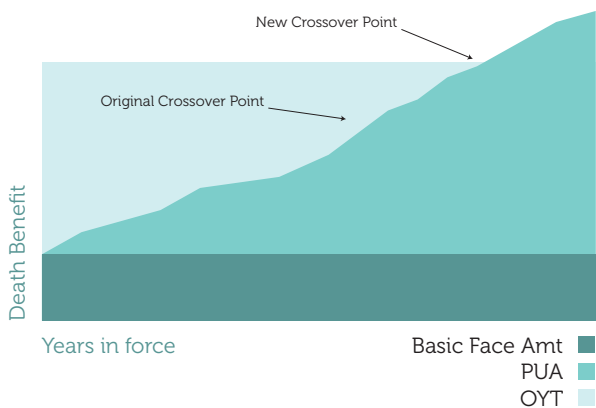
On the first certificate anniversary, a dividend of \$1,000 is declared. The formula would determine (in our hypothetical example), that a maximum of \$100 could be used to purchase PUAs such that the remaining \$900 is sufficient to pay the cost of OYT that is needed to maintain the Enhanced Amount.

On the second certificate anniversary, a dividend of \$1,025 is declared. This dividend is based on the Basic Face Amount. In addition, the PUAs purchased to date receive a dividend in the form of additional PUAs. Like the first year, the dividend is used to purchase the maximum PUA possible after the required amount of OYT is purchased with the dividend. This PUA is combined with the PUA balance to date with the result that less OYT is needed to maintain the Enhanced Amount.

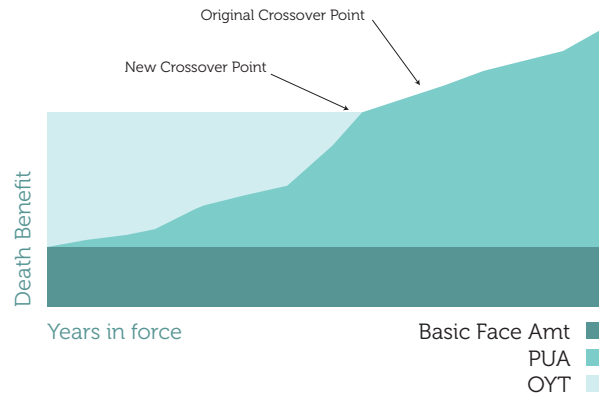
Over time, as the PUA builds up less OYT is needed to maintain the Total Face Amount.

This process repeats itself until the Enhanced Amount is made up entirely of PUA, which is the Crossover Point. At issue, the current dividend scale is used to project future values. Of course in reality, the dividend scale will most likely change over time. This can be in the form of either a dividend scale reduction or a dividend scale increase. The net effect of these changes is to alter the amount of PUA that can be purchased. This means that changes in the dividend can either lengthen when the Crossover Point is reached on a dividend scale reduction or shorten when it is reached in the case of an increase in the dividend scale.

Effect of a Dividend Scale Reduction



Effect of a Dividend Scale Increase



One of the powerful features of Easylife is that even in the event a dividend reduction is so drastic that there is not enough dividend to purchase the OYT necessary to maintain the original Total Face Amount, the certificate owner's premium will not increase. It is important to note that this guarantee applies while the certificate is in effect and provided that the certificate owner has not made a withdrawal from the plan.

The details of Paid Up Additions

As can be seen, Paid Up Additions (PUA) form a key component of Easylife and so it is helpful to have an understanding of what exactly they are.

Paid Up Additions is insurance coverage that is fully paid for, requiring no ongoing additional premium. As described above, a portion of a dividend is used to purchase Paid Up Additions, added to the Basic Face Amount. This provides the certificate owner with an increasing amount of permanent insurance coverage and higher cash values.

Paid Up Additions are purchased on a certificate anniversary. The amount of the PUA purchased depends on the size of the dividend, the amount of OYT required to maintain the Total Face Amount and the attained age, sex and smoking status of the insured. The PUA purchased is similar to the Basic Face Amount in that it earns its own dividends and has a gradually increasing cash value. Each year, the PUAs purchased to date earn a dividend in the form of additional PUAs.

The cash value of PUA is available for withdrawal. A withdrawal results in the surrender of a PUA. For more information, refer to the withdrawals section of this guide.

Paid Up Additions will reduce when automatically surrendered to pay for OYT in the Enhanced Amount (as described above), if the certificate owner surrenders PUA for cash or to fund part or all of a premium. As noted elsewhere, cash withdrawal or PUAs being used to pay for part or all of a premium cancels the Total Face Amount Guarantee.

Build chart

EasyLife has a build chart in which a client's height and weight must be within a certain range in order for your client to apply for a policy. The Sky illustration system for EasyLife has this built in. If your client is outside the range, you will not be able to create an application. The EasyLife build chart is shown below:

Height	Weight (lb)	Height	Weight (lb)
4'10"	175	5'10"	258
4'11"	185	5'11"	265
5'0"	195	6'0"	272
5'1"	200	6'1"	276
5'2"	205	6'2"	282
5'3"	212	6'3"	290
5'4"	218	6'4"	299
5'5"	223	6'5"	308
5'6"	232	6'6"	314
5'7"	238	6'7"	325
5'8"	245	6'8"	335
5'9"	252		

Withdrawals

At any time, a certificate owner may request a cash withdrawal from the unloaned portion of the Paid Up Additions cash value.

When such a request is made, then PUA will be surrendered for its cash value to pay for the withdrawal. Surrender of PUA is subject to the following:

- The minimum withdrawal amount is \$250 (subject to change).
- There is no withdrawal fee.
- The Total Face Amount Guarantee is cancelled on the effective date of the withdrawal. It cannot be reinstated.

- A withdrawal may also occur if the certificate owner switches from Smoker to Non-Smoker as it may cause a force out of some of the Guaranteed Cash Value and cash value of PUA. In this situation, the Total Face Amount Guarantee would not be cancelled.
- If the Basic Face Amount is reduced this may also cause a force out of some of the Guaranteed Cash Value and cash value of PUA. In this situation, the Total Face Amount Guarantee would not be cancelled but the guarantee would be reduced proportionally to the reduction in the Basic Face Amount. For example, if the Basic Face Amount was \$30,000 and the Enhanced Amount was \$70,000 (for a Total Face Amount of \$100,000), and the certificate owner reduced the Basic Face Amount by half to \$15,000, then the Enhanced Amount would also reduce by half to \$35,000. The Total Face Amount Guarantee would now apply to this new amount (\$50,000).

Withdrawals and the Adjusted Cost Basis

There are benefits in life insurance other than the death benefit and these benefits may be taxable. Generally, whenever a certificate owner receives a benefit that is greater than the certificate owner's Adjusted Cost Basis (ACB) in a life insurance contract, the difference is taxable. Of course, this does not apply to the death benefit, which is tax free income to the beneficiary.

The ACB is considered to be the cost to the certificate owner of acquiring and maintaining the certificate. It is adjusted as funds flow into the plan and benefits flow out.

The ACB of EasyLife is equal to the following:

(All funds deposited to date + all certificate loan interest + repayment of certificate loans, other than amounts deductible from income + any amounts previously taxed) – (the cost of insurance charges to date for certain riders as outlined in the Income Tax Act + all Net Cost of Pure Insurance deductions to date + withdrawals + certificate loans).

The Net Cost of Pure Insurance (NCPI) deduction is a charge from insurance based on the CIA 1969–1975 Mortality Table. This charge is the government's way of charging for the benefit received by the certificate owner during any given year. The coverage offered by the life insurance certificate.

The NCPI is determined by multiplying the net amount at risk for the year (the death benefit less the cash value) by the applicable rate from the CIA 1969–75 Mortality Table. There is no deduction for the NCPI in the year the certificate is fully surrendered or in the year of the certificate owner's death.

Typically, the NCPI increases in the early years of an Easylife certificate. But over time, the growth in Easylife plus the NCPI will make the Cash Value greater than the ACB of the plan. When this happens, a portion of a withdrawal (either forced or voluntary) becomes taxed at the certificate owner's Marginal Tax Rate. Eventually in a plan, the ACB of a plan disappears. When this happens, all of a withdrawal is subject to tax.

The formula for determining the taxable portion of a withdrawal is as follows:

$$\frac{(\text{Cash Value} - \text{ACB})}{\text{Cash Value}} \times \text{Withdrawal Amount}$$

For example, if an Easylife certificate had a cash value of \$4,000, an ACB of \$1,000 and a withdrawal of \$2,000 is made, the taxable portion of the withdrawal would be as follows:

$$\begin{aligned} \frac{\$4,000 - \$1,000}{\$4,000} \times \$2,000 \\ = 0.75 \times \$2,000 \\ = \$1,500 \end{aligned}$$

So in the example above, the certificate owner would receive \$500 of the withdrawal tax free and the balance would be included in the certificate owner's income and taxed at the certificate owner's marginal tax rate.

Below is a table summarizing the tax position of a withdrawal:

Condition	PUA Withdrawal
ACB > 0 & ACB > CV	No Tax
ACB > 0 & ACB < CV	Taxable Portion = (CV - ACB) / CV x Withdrawal
ACB = 0	Fully taxable

Loans

With Easylife, certificate loans are available. There are two main advantages to taking a loan rather than a Withdrawal. The first advantage — aside from the aspect of having to repay the loan — lies in the tax treatment a loan receives based on current tax legislation. As mentioned in the section on Withdrawals, tax may be payable at the time a withdrawal is made. This is also true of a loan. However, any taxable income incurred at the time of the loan will be negated if loan repayments over the remainder of the

year exceed that amount. A short term need for money, therefore, will result in no tax consequences if the loan is repaid before the end of the calendar year.

A second advantage is that taking a loan does not cause cancellation of the Total Face Amount Guarantee.

The maximum loan that is available is calculated as follows:

$$\begin{aligned} & 90\% \text{ of the Guaranteed Cash Value} \\ & + 90\% \text{ of the Cash Value of PUA} \\ & - \text{any premium due} \\ & - \text{any loans currently outstanding} \end{aligned}$$

Interest is calculated on all loans daily. This rate is set by us and subject to change based on the prime business rate determined by the Bank of Canada plus 3 percent. At the end of each certificate year, any unpaid interest will be added to the outstanding balance and interest for the next certificate year will be based on this new amount. If the certificate owner dies before the loan is repaid, the death benefit will be reduced by the amount of the outstanding loan.

Automatic Premium Loans

If a premium remains unpaid at the end of the 31-day grace period, if there is sufficient cash surrender value in the policy a loan will automatically be generated to pay all or part of the premium. This process will continue until the cash surrender value of the certificate equals zero. At this point the certificate will lapse subject to the grace period.

Conversions, Reduced Paid Up and Surrenders

Easylife is a simplified issue product. As such, it would not be possible to allow conversions and still maintain Easylife's product design. Therefore, conversions are not allowed with this product.

While the Enhanced Amount is in effect, no other dividend option is available. However, once the Crossover Point is reached, i.e. once the PUA amount equals or exceeds the Total Face Amount, the dividend option can be changed and would be manually changed to the requested dividend option and the combination purchase of OYT/PUA would no longer occur. The accumulated PUA at that point would remain and would continue to receive dividends. Any new dividends declared and paid would be applied as per the allowable selected dividend option. For more information, please refer to the section Dividend Option after Crossover.

At any time, an Easylife certificate may be surrendered for its cash surrender value.

The cash surrender value is equal to the following:

- The Guaranteed Cash Value
- + the cash value of any PUA
- debt

Once a written request for full surrender has been received, coverage will be terminated. A full surrender of the certificate may require the certificate owner to include some or all of the value as income in their tax returns.

Optional coverage

The only optional coverage offered in Easylife is the Accidental Death Benefit (ADB). The accidental death must be caused by an accidental bodily injury, directly and independently from all other causes, evidenced by a visible contusion or wound on exterior of the body, except for drowning, and death occurs within 365 days of this accidental bodily injury.

The ADB rider is available from ages 25–60. The minimum amount that is allowed is \$25,000 and the maximum is the face amount of the Easylife certificate. Coverage will expire at the certificate anniversary nearest the insured's 70th birthday.

Dividend Option after Crossover

The Enhanced Dividend Option is the only dividend option available until the Crossover Point is reached. At that point

in time, Easylife is comprised of the Basic Face Amount and PUA. Since there is no longer any OYT, the Enhanced Dividend Option ends and Easylife automatically switches to the Paid Up Insurance dividend option. As mentioned earlier, this is simply a recognition that no OYT is being purchased and therefore 100% of the dividend is now being used to purchase PUA.

After the Crossover Point, the certificate owner may wish a dividend option other than the Paid Up Insurance dividend option. Alternative dividend options are non-contractual and the certificate owner must notify Foresters if a dividend option is preferred from amongst those offered by us at that time if any.

Subject to our administrative rules, alternative dividend options may, at our option, included one or more of the following:

Dividends on Deposit¹

Dividends remain in Easylife and accumulate with interest at a rate determined by Foresters. Dividends on Deposit are available for withdrawal at any point in time unless they have been borrowed against.

Cash¹

Dividends are paid out annually in cash to the certificate owner as earned.

Reduction of premium¹

Dividends are used to pay part or all of any premium due on an annual basis.

¹ These dividend options may result in tax reporting.

Creating an Easylife case

Client Data

Output Options

Easylife

Salutation: Mr.

Client's First Name: Initials:

Client's Last Name:

Birthdate (M/d/yyyy):

Age (At nearest birthday): 40

Sex: Male

Smoker Status: Non Smoker

Measurement: Imperial

Height (feet/inches): 5' 9"

Weight (lbs.): 150

Address:

Riders:

Coverage Amount: \$100,000

Summary

Client: Male, 40, Non Smoker

Basis: Single Life

Face Amount: \$100,000

Payment Mode: Monthly PAC

Total Premium: \$114.66

Easylife Application Summary

First name required

Last name required

Birthdate is required

Address required

Login

One of Easylife's innovative features is the way an application is created and submitted. In order to accelerate the time it takes from issuing a case to having it settled, Easylife uses an online application i.e. there is no pre-printed application.

The way an Easylife case is prepared is fairly straightforward. Upon entering Sky, you would select Easylife from the product menu. Once in Easylife, you can create an Easylife illustration in the same manner as any other product. Basic information regarding the client is entered and an Easylife product ledger showing premium, cash values, coverage amounts, etc. is produced. You do not have to be online in order to create and print an Easylife ledger.

If your client wants to apply for Easylife, additional information needs to be entered into the Sky software. Most of this information can be entered offline. Certain information however, such as SIN and pre-authorized payment, can only be entered while you are online. This is because this type of client information cannot be stored on your computer and will only be stored on the Foresters server.

To fully complete entering information in order to generate an application, you must be online. Enter the remaining information, such as the client's SIN and banking information, and then click on the Logon button. Enter your username and password and click Logon.

Once you have logged on, you can now access cases by clicking on the Cases button at the bottom right of the screen.

Client Data

Output Options

Easylife

Salutation: Mr.

Client's First Name: Initials:

Client's Last Name:

Birthdate (M/d/yyyy):

Age (At nearest birthday): 40

Sex: Male

Smoker Status: Non Smoker

Measurement: Imperial

Height (feet/inches): 5' 9"

Weight (lbs.): 150

Address:

Riders:

Coverage Amount: \$100,000

Summary

Client: Male, 40, Non Smoker

Basis: Single Life

Face Amount: \$100,000

Payment Mode: Monthly PAC

Total Premium: \$114.66

Easylife Application Summary

First name required

Last name required

Birthdate is required

Address required

Login

User Logon

Userid:

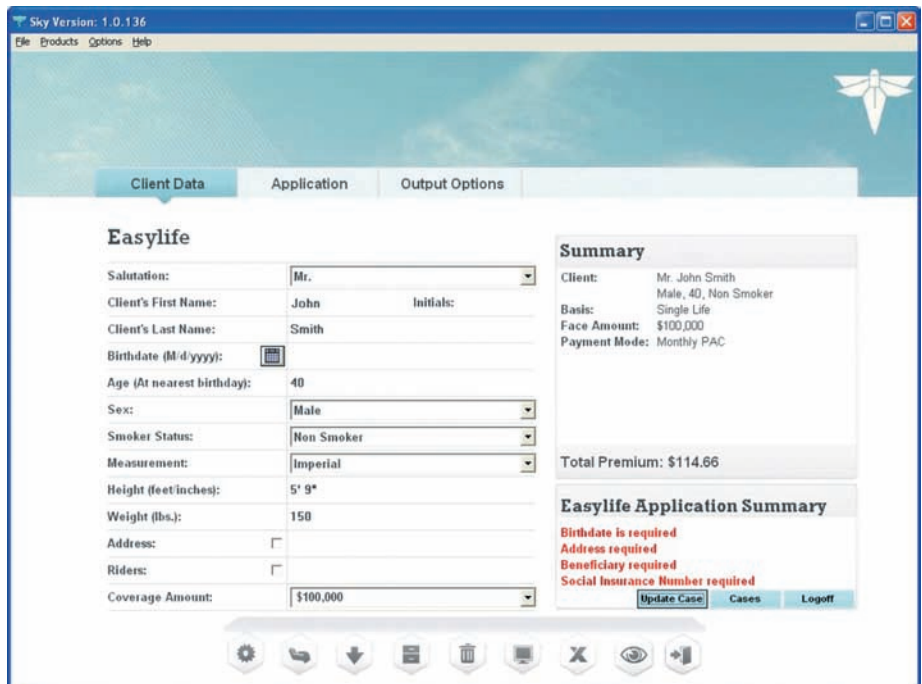
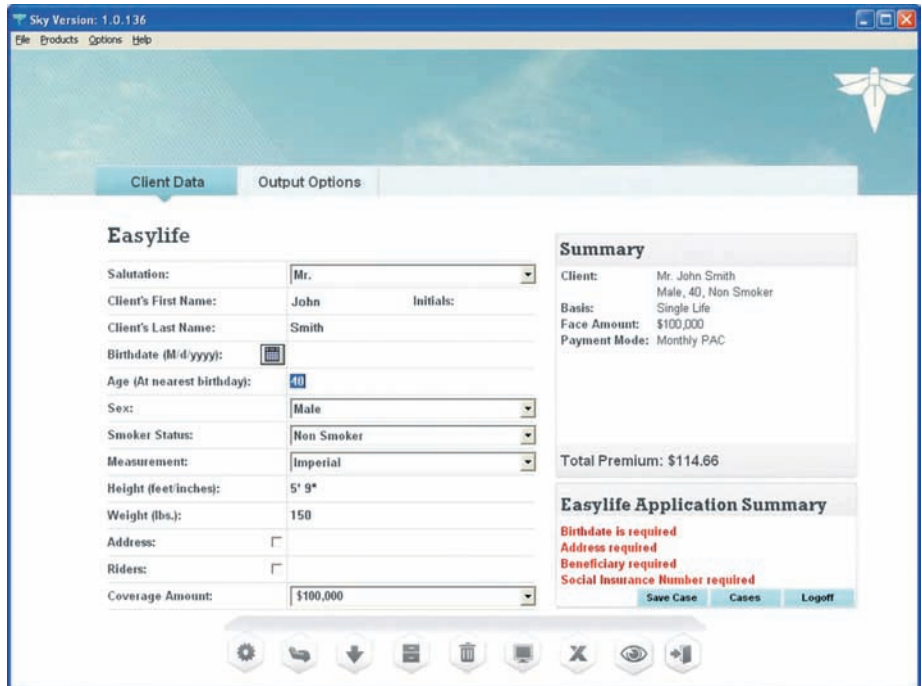
Password:

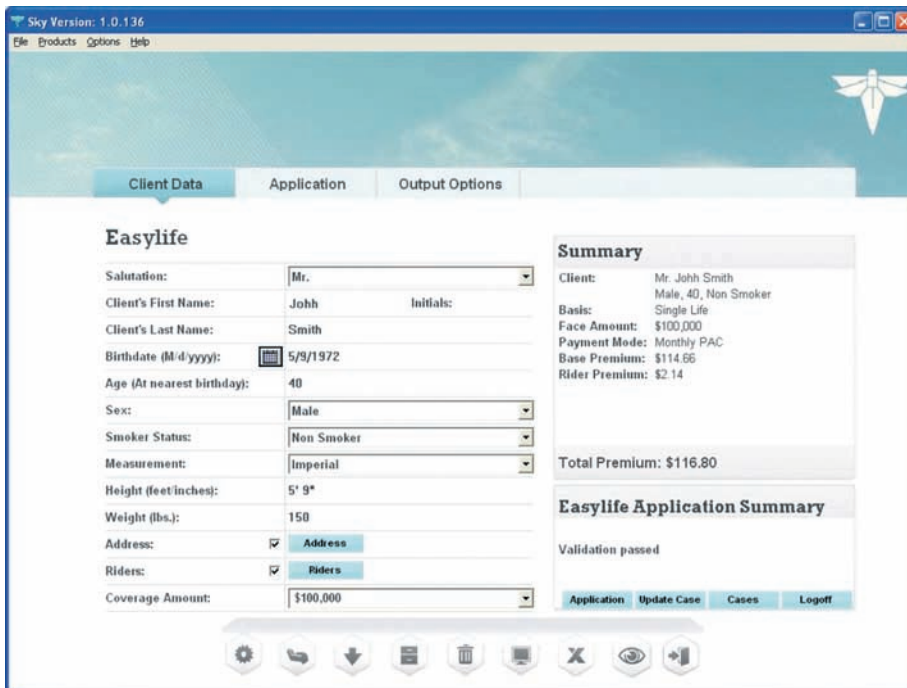
Logon Cancel

If this is a new case, you simply need to add the first and last name of the client in order to be able to save a case to the server.

Once you save a case, an extra tab will open on the software called "Application." This will allow you enter information that cannot be stored on your computer such as SIN and banking information.

Once you have entered all the information necessary to produce an application, a new button will appear that will allow you to print an application.





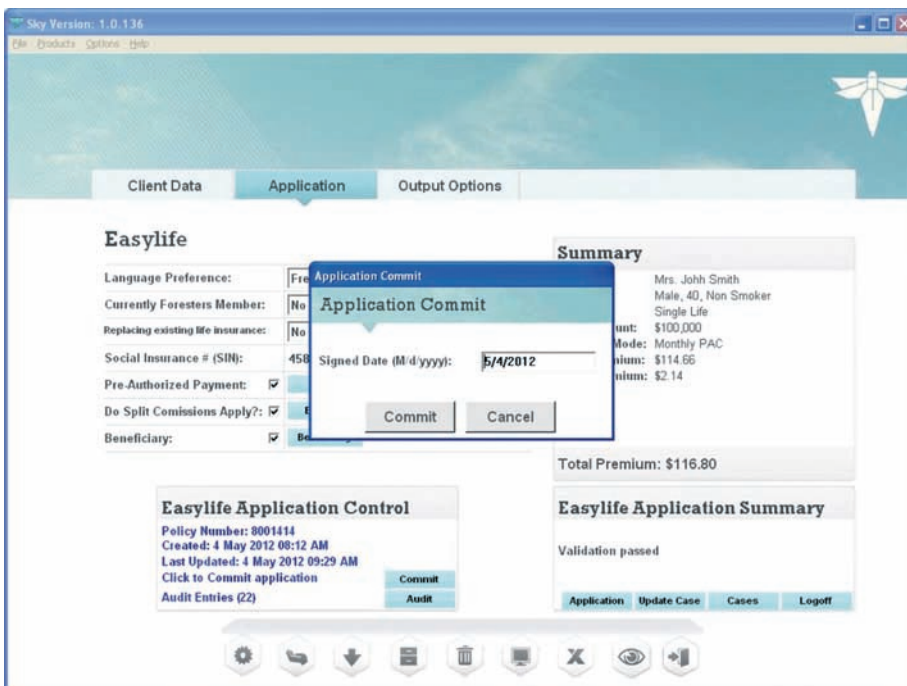
When you click on the application button, the system will run a check back at Foresters that validates a number of entries. When it comes time to submit a case, you go to the Application tab and press the Commit button. A pop-up window will occur that enables you to enter the signed application date.

Once the Commit button is clicked the case is now in settled status and you cannot make any more changes.

The signed application date is extremely important and you need to ensure you understand why it is so important. The system is using that date to check the client's birth date to ensure the client has not become a year older. The earliest you can set this date is the last time you generated an application on the client. For example, if you generate an application on April 12th, 2012 and your client signs the application April 16th, 2012 then you can enter a date no earlier than April 12th, 2012.

You **should not** do the following:

You generate an application April 12th and your client signs it April 16th. On April 18th you go back into Sky and inadvertently regenerate an application for this client. If you do this, April 18th is now the earliest you can set the signed Application date. If the client's age were to change on April 17th, you cannot reverse the case back to the 16th. So you need to ensure that you do not generate a new application for a client once it has been signed.



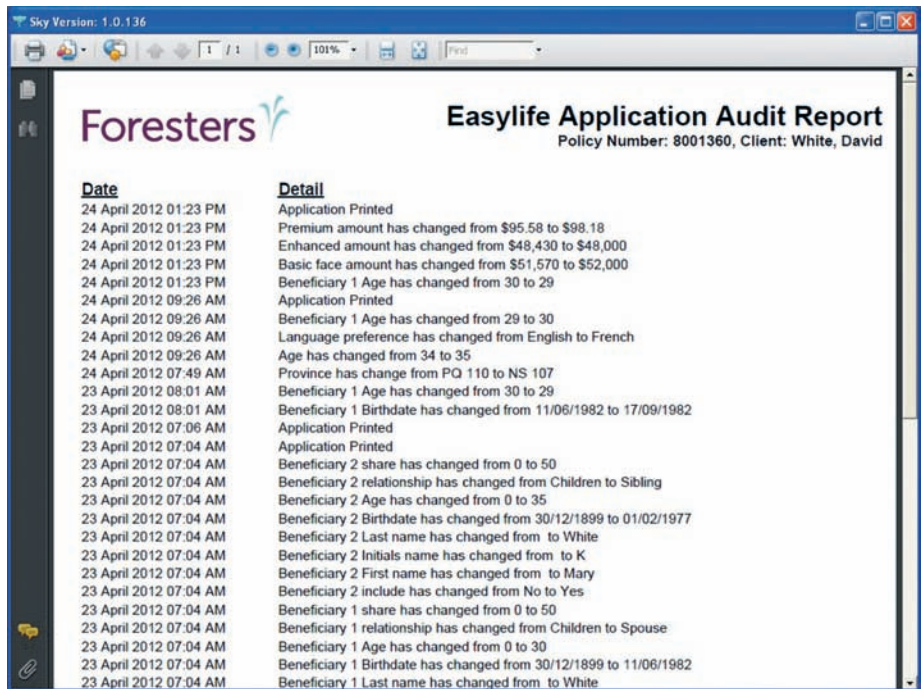
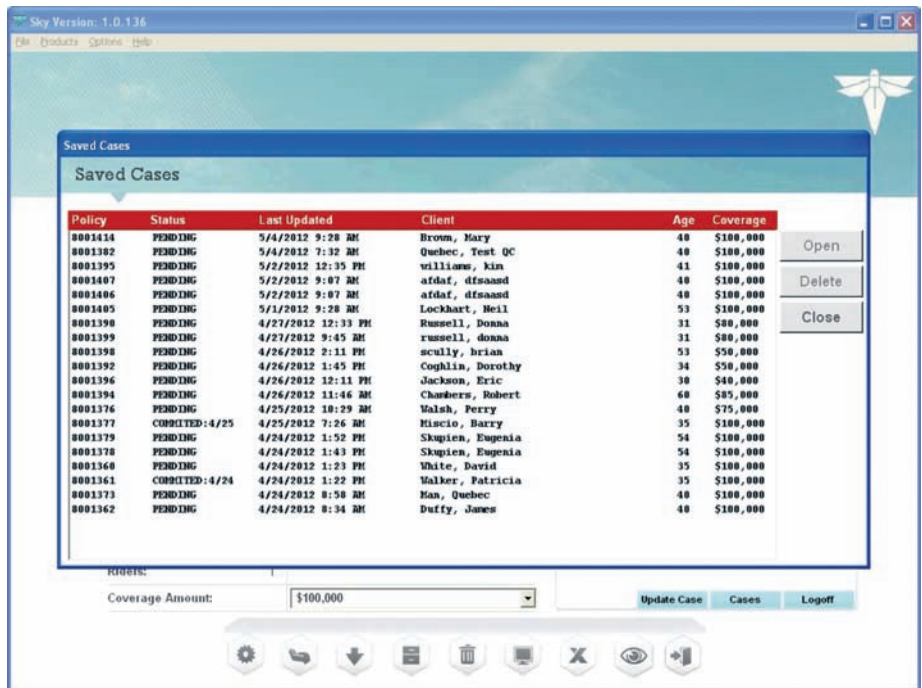
Once you have clicked on the Commit button and the application moves into settled status, the Client moves into a committed state vs. a pending state. You can see which of your cases are in each state by clicking on the Case button.

If your client has made any changes to their coverage at the closing interview stage, you **must** ensure you make those changes to the online case as the information you submit electronically is what is used to create the certificate record at home office and generate the Certificate Information Confirmation mailed to your client confirming the Total Face Amount and ADB coverage amount, if applicable. For example, if a client changed the Total Face Amount, you must make the change to the online case. If you do not do this, your client will have to call Foresters because the Certificate Information Confirmation letter that is mailed to the client will not match what they may have thought they purchased. It is extremely important, therefore, that you remember this.

When you print off an application, you must print two copies, both to be signed. Provide one for your client and one to be sent to Foresters. Have your client sign two copies and fax a copy back to Foresters at 866 271 6215. There is no need to mail in a copy. Foresters needs a signed copy for our records evidencing that the client did in fact review the application and signed it, including the truthfulness of the declaration.

A copy of the Application is contained in Appendix I.

One final note regarding the Easylife software is your ability to see all changes made to a case. If you click on the Audit button in the Application Tab an audit trail is generated.



Terms and conditions

As a further way to streamline the time it takes for an application to be signed and coverage to go into force, there is no need to submit paper for a contract to be produced and delivered. The certificate wording is contained in the Easylife booklet. A supply of them will be sent to you. At the closing interview, you must provide your client with the booklet as well as go over the key conditions contained in the booklet.

Note that the booklet has a version number that is automatically updated in the Sky illustration software whenever changes are made. You must provide the current Easylife booklet to your client. The current version will be shown on the application so it is important you have the current version of the booklet. The version number appears on the back of the booklet.

A copy of the Easylife booklet is in Appendix II.

Definitions

The Certificate has a Definitions section. Some of the definitions are as follows:

Application means the application signed by the Insured for this Certificate and as shown in our records.

Attained Age means the age of the Insured as of their nearest birthday on the Issue Date plus the number of completed Certificate Years.

Basic Face Amount means the Basic Face Amount shown in the Certificate Information Confirmation, unless changed as shown in our Records.

Booklet means the Easylife Booklet with form number 408282 CAN (04/12) typeset on the back cover of the booklet.

Cash Value means the sum of the cash values of each of the Basic Amount and the Paid-up Insurance at the time of calculation.

Cash Surrender Value means the amount equal to the Cash Value minus the Debt.

Certificate means the content in the booklet pages beginning with the title "Easylife certificate" on the page of the Booklet that contains the signature of our Executive Secretary and International Fraternal President up to and including the statement in the Booklet, "This is the End of this Certificate," and each Rider.

Certificate Anniversary means the same month and day as the Issue Date for each calendar year following the Issue Date, while this certificate is in effect.

Certificate Year means an annual period as measured from the Issue Date with the first certificate year beginning on the Issue Date and that last is the day before the first Certificate Anniversary. Each subsequent certificate year begins on a Certificate Anniversary and the last day of that certificate year is the day before the next Certificate Anniversary.

Debt means the sum of the amounts owed to us under the following provisions: Maintenance of Reserves, Loans, Automatic Premium Loan and Grace Period.

Enhanced Amount means the difference between the Basic Face Amount and Total Face. The Enhanced Amount on the Issue Date is shown in the Certificate Information Confirmation.

Issue Date means the date the Application was signed by the Insured.

One Year Term Insurance means the one year term insurance purchased under the Dividends provision.

Paid-Up Insurance means the paid-up insurance purchased under the Dividends provision.

Premium means the amount shown on the Application as the Total Premium per Mode unless changed as shown in our Records.

Premium Due Date means the date on which the Premium is due, with the first Premium payable on the Issue Date and each successive premium payable on the monthly or annual anniversary of the Issue Date, as determined by the payment mode shown in the Application unless that mode is changed as shown in our Records.

Total Face Amount means the Total Face Amount shown in the Certificate Information Confirmation, unless changed as shown in our Records. The Total Face Amount is the sum of the Basic Face Amount plus the Enhanced Amount in effect on the date of calculation.



EasyLife Application

Applicant Information						
Last Name Smit	First Name John	Middle Name Initials	Height 5' 9"	Weight 150 lbs	Certificate #: 8001416	Booklet #: 408282 CAN (04/12)
Birth Date (dd/mmm/yyyy) 15/MAR/1972		Gender Male	Smoker Status Non Smoker		Social Insurance Number (SIN) 111 111 118	
Canadian Permanent Resident Yes	Address 64 Grand Avenue North		City Cambridge		Province Ontario	Postal Code N1S 2K9
Primary Phone # (519) 740-8178	Secondary Phone #	Email	Currently Foresters Member No, applying for membership		Replacing existing life insurance? No	
Beneficiary						
Last Name Smith		First Name Jennifer		Middle Name Initials	Birth Date (dd/mmm/yyyy) 22/FEB/1974	
Relationship Spouse	Share 100%	Primary/Contingent Primary		Irrevocable Beneficiary No	Trustee	
EasyLife Details						
Basic Face Amount \$54,836		Enhanced Amount \$45,164		Total Face Amount \$100,000		
ADB Coverage Amount None		Premium Mode Monthly PAC		Total Premium per Mode \$114.66		
PAC Authorization						
I, the Payor and Account Holder of the account identified below, authorize The Independent Order of Foresters to deduct premiums from the account, as per the PAC Agreement provision of the EasyLife Plan Booklet.						
Debits under this PAC Agreement are Personal Related		Payor is Applicant Yes		Name of Payor if not Applicant		
Government issued Photo identification Used to identify Payor Driver License			Bank TD Cedar Street			
Institution Number 134	Transit Number 54321		Account Type Chequing		Account Number 123456	
The Payor waives the right to receive pre-notification of the amount and date of the first debit and of a change in a debit amount required as premium, or charge for the insurance contract(s) in effect, or a change in amount requested by the Payor, Applicant or Certificate Owner by whatever means.						
Declaration						
I, the Applicant, by signing this Application, declare each of the following in 1 to 6 below:						
<ol style="list-style-type: none"> I have received and been given the opportunity to read the EasyLife Plan Booklet that includes the MIB Notice and Non-Smoker definition and I am aware of the Excluded Risks, including death due to "Pre-existing conditions" as defined. I have never been declined, rated or postponed for life insurance or critical illness insurance. I have never been diagnosed with or had treatment for: <ol style="list-style-type: none"> Heart attack, coronary bypass surgery, heart arrhythmias, congenital heart disease, heart enlargement, organic heart murmur, chest pain diagnosed as angina, arteriosclerotic disease affecting the arms or legs, or a cardiovascular disease or disorder. Cancer, stroke, diabetes, HIV infection, Hepatitis B or C, Systemic Lupus Erythematosus, major organ transplant, hemophilia, bipolar disorder, or a chronic or reoccurring disease of the kidney, liver, pancreas or lung. Ulcerative colitis, Crohn's disease, cirrhosis, esophageal varices or a gastrointestinal disease or disorder. Multiple Sclerosis, Motor Neuron Disease, Alzheimer's Disease, Muscular Dystrophy, Huntington's Disease, Parkinson's Disease, Paraplegia, Quadriplegia or a neurological disease or disorder. Within the past 3 years, I have not due to an illness, disease, disorder or medical condition other than childbirth: a). received sickness or disability benefits from any source; b). been absent from work or school for more than 10 consecutive days; or c). been a hospital patient for more than 5 consecutive days. Within the past 3 years, I have not been treated for, had a licensed medical professional recommend that I have treatment for, been medically diagnosed with, or taken prescription drugs for, alcohol, drug or substance abuse or addiction. Within the past 3 years I have not participated in a Hazardous Sport, as defined in the EasyLife Plan Booklet. 						
The information shown in this Application about me and each beneficiary and the Declaration above is true and complete and I understand is relied upon by The Independent Order of Foresters to provide the insurance certificate applied for or issued and that an untrue Declaration or untrue or incomplete information or failure to disclose a material fact may result in this certificate becoming null and void and a loss of coverage.						
'Authorized persons' means reinsurers, insurance agents and brokers, managing general agencies, affiliates of The Independent Order of Foresters ("Foresters") and those performing services in relation to membership, an application for insurance, insurance product or benefit claim. For purposes of assessing membership, insurance coverage eligibility, coverage continuation and administration, benefit claim and/or offering other products and services, I, the Applicant, authorize Foresters and its authorized persons to use, obtain, or provide, my personal information: between and among themselves; any physician, medical practitioner, hospital, pharmacy, clinic or other medically-related facility, insurance company, MIB, any investigative or security agency, any government agency or other organization or person that has any records or knowledge of me or my health. I authorize Forester to consult its existing files for this purpose. I authorize Foresters or its reinsurers, to make a brief report of my personal health information to MIB. A photocopy of this authorization shall be as valid as the original.						
DATED AND SIGNED THIS ____ DAY OF _____, 20 ____ IN THE PROVINCE OR TERRITORY OF _____						
Applicant's Signature		Thom Martz 52099		Broker Signature		
		Broker Name and Code				

408283 CAN (04/12)

EasyLife Certificate

This is a PARTICIPATING WHOLE LIFE INSURANCE CERTIFICATE. It is a legal contract between you and Foresters. This Certificate sets forth, in detail, the rights and obligations for both you and us.

Foresters issued this Certificate relying on the Insured's signed Application, including the representation, by the Insured, of the truthfulness of the statements made in the Declaration section of the Application, and on the collection of the Premium when the pre-authorized debit is presented by Foresters to the financial institution for debit from the account from which Premium payment is to be made. We will send you a Certificate Information Confirmation. If within 30 days of the date you signed the Application, you do not either receive the Certificate Information Confirmation or if the information in the Certificate Information Confirmation does not match the corresponding information in the application provided to you, call us immediately. If you do not call us within this 30-day period, the Total Face Amount and ADB Coverage Amount, if any, shown in the Certificate Information Confirmation shall be deemed to be correct and each of these amounts shall supercede the amounts shown in the comparable field of the Application in our records as well as the application provided to you.

Foresters will, subject to the provisions of this Certificate, pay the death benefit upon our receipt of proof of the Insured's death while this Certificate is in effect.

If you have questions about this Certificate, your understanding of it or generally want further information regarding what you have heard, seen or read relating to it, please call us at our toll-free number at 1-800-828-1540. Further information provided to you is only binding on us if issued as an amendment to this Certificate as described in this Certificate.

TEN-DAY RIGHT TO EXAMINE AND RETURN THIS CERTIFICATE

Please read this Certificate. You have the right to return this Certificate, issued by us to you, within 10 days of receiving it. Return this Certificate by delivering or mailing it to our address shown on the back cover. If returned it shall be as if this Certificate was never in effect and we will refund the premiums received by us for this Certificate.



Executive Secretary



International Fraternal
President

Definitions

When we refer to a provision in this Certificate, unless specifically stated to be a provision in a Rider, we mean the provision in this Certificate with that title. Provision headings are for reference only. For purposes of this Certificate, the following words and phrases shall have the meanings given to them below:

ADB means accidental death benefit, an optional coverage that is only in effect as described in this Certificate.

Application means the application signed by the Insured for this Certificate and received by us, as shown in our records.

Attained Age means the age of the Insured as of their nearest birthday on the Issue Date plus the number of completed Certificate Years.

Basic Face Amount means the Basic Face Amount shown in the Certificate Information Confirmation, unless changed as shown in our Records.

Booklet means the Easylife Booklet with form number 408282 CAN (04/12) typeset on the back cover of the booklet.

Cash Value means the sum of the cash values of each of the Basic Amount and the Paid-up Insurance at the time of calculation.

Cash Surrender Value means the amount equal to the Cash Value minus the Debt.

Certificate means the content in the Booklet beginning with the title "**EASYLIFE CERTIFICATE**" on the page of the Booklet that contains the signature of our Executive Secretary and International Fraternal President up to and including the statement in the Booklet "**THIS IS THE END OF THIS CERTIFICATE**"; and each Rider.

Certificate Anniversary means the same month and day as the Issue Date for each calendar year following the Issue Date, while this certificate is in effect.

Certificate Information Confirmation means the document we send you after the Issue Date, as shown in our records, entitled "Certificate Information Confirmation" that confirms some information about your Certificate, such as the Total Face Amount.

Certificate Year means an annual period as measured from the Issue Date with the first certificate year beginning on the

- 2 -

Issue Date and the last day is the day before the first Certificate Anniversary. Each subsequent certificate year begins on a Certificate Anniversary and the last day of that certificate year is the day before the next Certificate Anniversary.

Constitution means the instrument of incorporation, constitution and all other constating documents of Foresters, as well as the by-laws and rules in effect, together with the amendments made from time to time to any of them.

Debt means the sum of the amounts owed to us under the following provisions: Maintenance of Reserves, Loans, Automatic Premium Loan and Grace Period.

Enhanced Amount means the difference between the Basic Face Amount and Total Face Amount. The Enhanced Amount on the Issue Date is shown in the Certificate Information Confirmation.

Grace Period means the first thirty-one days after each Premium Due Date.

Hazardous Sport means:

- Sky diving, gliding, parachuting, bungee jumping, heli-skiing, back country skiing or any other comparable activity to those described in this sentence.
- Acrobatic skiing or snowboarding.
- Spelunking, sub-aqua pursuits involving underwater breathing apparatus and/or a depth of over 100 feet, mountaineering activities where specialized climbing equipment, ropes, or guides are normally or reasonably should have been used or practicing or training in preparation for any activity listed in this sentence.
- Racing including but not limited to racing by horse, motorized vehicle, motorcycle, snowmobile or water craft.

Head Office means our office located at 789 Don Mills Road, Don Mills, Ontario, Canada, M3C 1T9 unless we notify you of a different address.

Insured means the person named under the section titled "Applicant Information" on the Application.

Issue Date means the date the Application was signed by the Insured.

Medical Professional means a physician or a duly licensed medical practitioner, psychologist or health care practitioner.

- 3 -

Medical Treatment means advice, consultation, diagnostic test, diagnosis, medical care, medication, treatment or other health related services.

Non-Smoker means that within the 12 month period immediately preceding the Issue Date, the Applicant has not smoked or used a substance or product containing tobacco, nicotine or marijuana.

One Year Term Insurance means the one year term insurance purchased under the Dividends provision.

Paid-up Insurance means the paid-up insurance purchased under the Dividends provision.

Participating means the eligibility of this Certificate to receive dividends as described in the Dividends provision.

Pre-existing Condition means an illness, disease or physical condition, whether diagnosed by a Medical Professional or not, for which symptoms first occurred, or for which Medical Treatment was required, or was recommended by or obtained from a Medical Professional, or for which prescription drugs were prescribed or taken, within the twelve (12) consecutive months immediately preceding the Issue Date.

Premium means the amount shown on the Application as the Total Premium per Mode unless changed as shown in our Records.

Premium Due Date means the date on which the Premium is due, with the first Premium payable on the Issue Date and each successive premium payable on the monthly or annual anniversary of the Issue Date, as determined by the payment mode shown in the Application unless that mode is changed as shown in our Records.

Records means the records at our Head Office and the records stored elsewhere on our behalf, with our consent.

Reinstatement Date means the date on which we approve reinstatement of this Certificate as shown on our Records.

Rider means each rider added as an attachment to this Certificate.

Total Face Amount means the Total Face Amount shown in the Certificate Information Confirmation, unless changed as shown in our Records. The Total Face Amount is the sum of the Basic Face Amount plus the Enhanced Amount in effect on the date of calculation.

- 4 -

us, we, our or Foresters means The Independent Order of Foresters.

you and your means the owner of this Certificate, who is the Insured on the Issue Date.

Consideration

We issued this Certificate in reliance on the truthfulness of the information provided in the Application, including the declaration as described below, and in reliance on payment of the first premium as described in this Certificate.

The Declaration made by the Insured in the Application, and upon which Foresters relied to issue this Certificate, was the following:

I, the Applicant, by signing this Application, declare each of the following in 1 to 6 below:

1. I have received and been given the opportunity to read the EasyLife Plan Booklet that includes the MIB Notice and Non-Smoker definition and I am aware of the Excluded Risks, including death due to "Pre-existing conditions" as defined.
2. I have never been declined, rated or postponed for life insurance or critical illness insurance.
3. I have never been diagnosed with or had treatment for:
 - a. *Heart attack, coronary bypass surgery, heart arrhythmias, congenital heart disease, heart enlargement, organic heart murmur, chest pain diagnosed as angina, arteriosclerotic disease affecting the arms or legs, or a cardiovascular disease or disorder.*
 - b. *Cancer, stroke, diabetes, HIV infection, Hepatitis B or C, Systemic Lupus Erythematosus, major organ transplant, hemophilia, bipolar disorder, or a chronic or reoccurring disease of the kidney, liver, pancreas or lung.*
 - c. *Ulcerative colitis, Crohn's disease, cirrhosis, esophageal varices or a gastrointestinal disease or disorder.*
 - d. *Multiple Sclerosis, Motor Neuron Disease, Alzheimer's Disease, Muscular Dystrophy, Huntington's Disease, Parkinson's Disease, Paraplegia, Quadriplegia or a neurological disease or disorder.*

- 5 -

4. Within the past 3 years, I have not due to an illness, disease, disorder or medical condition other than childbirth: a). received sickness or disability benefits from any source; b). been absent from work or school for more than 10 consecutive days; or c). been a hospital patient for more than 5 consecutive days.
5. Within the past 3 years, I have not been treated for, had a licensed medical professional recommend that I have treatment for, been medically diagnosed with, or taken prescription drugs for, alcohol, drug or substance abuse or addiction.
6. Within the past 3 years I have not participated in a Hazardous Sport, as defined in the EasyLife Plan Booklet.

The information shown in this Application about me and each beneficiary and the Declaration above is true and complete and I understand is relied upon by The Independent Order of Foresters to provide the insurance certificate applied for or issued and that an **untrue Declaration or untrue or incomplete information or failure to disclose a material fact may result in this certificate becoming null and void and a loss of coverage.**

When this Certificate is in effect

Subject to the Incontestability provision, if this Certificate is not returned to us during the 10-day right to examine period, this Certificate comes into effect on the Issue Date if the Insured signed the Application and Foresters receives payment of the first Premium when the pre-authorized debit is presented by Foresters to the financial institution for debit from the account from which Premium payment is to be made pursuant to the PAC Plan Agreement set out in this Booklet.

Once in effect, this Certificate will remain in effect until the earliest of the following dates:

- The date of death of the Insured.
- The date, as shown in our records, that we receive your signed request to cancel or surrender this Certificate.
- The date this Certificate lapses as described in the Grace Period provision.
- The date this Certificate terminates as described in the Requested Loan provision.

- 6 -

- The date this Certificate is surrendered as described in the Surrender and Cash Withdrawal provision.

The Certificate will not be in effect after the earliest of the above dates. This means our liability ends under this Certificate and no death benefit would be paid for death after that date.

Premiums

The Premium must be paid on each Premium Due Date up to the Insured's Attained Age of 100. The Premium Due Dates are based on the payment mode in effect. If the payment mode in effect is annual, the Premium Due Dates will be on each Certificate Anniversary. If the payment mode in effect is monthly, the Payment Due Dates will fall on the monthly anniversary of the Issue Date.

The payment mode in effect is shown in the Application unless changed as shown in our Records. You may change your payment mode or payment method, subject to our administrative rules in effect at the time of the requested change, by contacting us to determine what methods and modes of payment are then available, as well as the adjusted premium that may be payable based on the change.

Death benefit

Subject to the entire contract, we will pay the death benefit if we receive the completed claim forms required by us and proof, satisfactory to us, of the Insured's death while this Certificate is in effect.

Provided there was no withdrawal, due to your request, of all or part of the cash value of Paid-up Insurance, that at the time of withdrawal was part of the Total Face Amount, the amount of the death benefit shall equal the sum of the following:

- a. *the Total Face Amount in effect on the date of death*
- b. *Paid-up Insurance in effect on the date of death, if any, above the Total Face Amount*
- c. *ADB Coverage Amount payable, as described in the Accidental Death Coverage provision*
- d. *unearned premium(s)*
- e. *minus Debt.*

- 7 -

If, at any time, there was such a withdrawal, the amount of the death benefit shall instead equal the sum of the following:

- a. *the Basic Face Amount in effect on the date of death;*
- b. *the amount of One Year Term insurance in effect on the date of death;*
- c. *the amount of Paid-up Insurance in effect on the date of death;*
- d. *ADB Coverage Amount payable, as described in the Accidental Death Coverage provision;*
- e. *unearned premium(s);*
- f. *minus Debt.*

Accidental death coverage

Accidental death coverage comes into effect on the Issue Date if each of the following is met:

- a. *An amount above \$0 is shown in the Application for the Total Face Amount.*
- b. *The ADB Coverage field on the Application does not show "none" and does show a dollar amount above \$0.*

Accidental death coverage that comes into effect ends on the earliest of the following dates:

- The date of the Insured's Attained Age of 70.
- The date we receive, as shown in our records, your signed request to end this coverage.
- The date this Certificate is no longer in effect.

When this coverage ends, this means this coverage is no longer in effect and the ADB Coverage Amount would not be paid for death after that date.

Subject to the entire contract, we will pay, as part of the death benefit, the ADB Coverage Amount, upon the accidental death of the Insured, provided we receive proof satisfactory to us of each of the following:

1. The accidental death is caused by an accidental bodily injury, directly and independently from all other causes. That accidental bodily injury must be evidenced by a visible contusion or wound on the exterior of the body, except if the accidental death is caused by drowning or internal injury revealed by an autopsy.

- 8 -

2. This accidental bodily injury occurs while this accidental death coverage is in effect.
3. Accidental death occurs within 365 days of this accidental bodily injury.

The ADB Coverage Amount is shown in the Certificate Information Confirmation, unless changed as shown in our Records.

Dividends

This is a participating policy. On each Certificate Anniversary, while this Certificate is in effect, we may credit a dividend to this Certificate, in an amount determined by us. In the first certificate year, we automatically provide One Year Term Insurance equal to the Enhanced Amount at no additional cost to you.

The dividend credited on a Certificate Anniversary will be used in one of the following ways:

- a. *If the Paid-up Insurance already in effect on that Certificate Anniversary is less than the Enhanced Amount in effect on that Certificate Anniversary, provided that prior to that Certificate Anniversary there has not been a requested withdrawal of cash value of Paid-up Insurance that was, on the date of withdrawal, part of the Total Face Amount, a combination, as determined by us, of One Year Term Insurance and Paid-up Insurance will be purchased, with that dividend credited, such that this combination of insurance purchased plus the Paid-up Insurance already in effect on that Certificate Anniversary is equal to that Enhanced Amount. If the dividend credited is not enough to pay for this One Year Term Insurance, we will automatically surrender Paid-up Insurance already in effect, if any, on that Certificate Anniversary to create sufficient cash value that will be withdrawn by us to purchase the One Year Term Insurance required to maintain that Enhanced Amount, if possible. If, however, after surrender of this Paid-up Insurance, there is not sufficient cash value to purchase this One Year Term Insurance we will, in the event of the Insured's death, during the Certificate Year beginning on that Certificate Anniversary for which a death benefit is payable,*

- 9 -

calculate the amount of the death benefit as if that Enhanced Amount was maintained.

- b. *If, prior to that Certificate Anniversary there was a requested withdrawal of cash value of Paid-up Insurance that was, on the date of withdrawal, part of the Total Face Amount, we will use the dividend credited as described in (a) above, except that we will not, in the event of the Insured's death, during the Certificate Year beginning on that Certificate Anniversary for which a death benefit is payable, calculate the amount of the death benefit as if that Enhanced Amount was maintained.*
- c. *If the Paid-up Insurance in effect on that Certificate Anniversary equals or exceeds the Enhanced Amount in effect on that Certificate Anniversary, we will purchase additional Paid-up Insurance.*

One Year Term Insurance purchased on a Certificate Anniversary is only in effect for a Certificate Year beginning on the Certificate Anniversary on which the One Year Term Insurance is purchased and ending on the last day of that Certificate Year.

Grace Period

If Premium is not paid on or before its Premium Due Date, that Premium is overdue. Other than the first Premium, you may pay the overdue Premium within the Grace Period. If the Premium remains unpaid at the end of the 31st day of the Grace Period and the Cash Surrender Value is then less than the overdue Premium, this Certificate will lapse, our liability will end and no death benefit will be payable on the death of the Insured. This certificate may be reinstated within 2 years after the lapse date as described under the Reinstatement provision.

Requested loan

You may obtain a loan from us if this Certificate has a Cash Surrender Value, on the effective loan date, greater than zero and you sign and deliver to us our loan agreement. We may defer payment of a requested loan for up to six months from the date we receive the signed loan agreement. The effective loan date is the date the loan

- 10 -

request is approved by us, as shown in our Records. The maximum loan amount available at any time is equal to 90% of the Cash Value minus Debt outstanding at the time of the loan.

If at any time the loan amount exceeds the Cash Value then this Certificate will terminate.

Automatic premium loan

The Premium that remains unpaid at the end of the 31st day of the Grace Period will automatically be paid, through a loan against this Certificate if, on that day, the Cash Surrender Value equals or exceeds the Premium due. If the unpaid Premium is greater than the Cash Surrender Value but more than zero, we will automatically apply the remaining Cash Surrender Value as premium to be prorated over the month to continue this Certificate for that part of the month, following the end of the Grace Period, over which the Cash Surrender Value is prorated, after which period this Certificate will no longer be in effect.

The payment mode, if not already monthly, will change to monthly while premium is paid through an automatic premium loan.

Loan security and interest

The loan amount equals the sum of the amount(s) loaned to you under the Requested Loan provision and under the Automatic Premium Loan provision, plus accrued interest on these amount(s) minus each repayment. Interest accrues daily on the loan amount. Interest accrued during a Certificate Year is due on the last day of that Certificate Year. If the interest accrued is not paid when due, it will be added to the loan and bear interest at the same rate as the loan. The interest rate will be the rate in effect as determined by us, as modified from time to time at our discretion, based on the prime business rate as determined by the Bank of Canada plus 3 percent.

The loan amount will first be secured against the unsecured portion of the cash value of the Basic Face Amount and if the loan amount exceeds this cash value, the balance of the loan amount will be secured against the unsecured portion of the cash value of the Paid-up Insurance.

- 11 -

All or part of a loan may be repaid while this Certificate is in effect. Each repayment will be applied to reduce the loan amount, effective the date that repayment is processed by us.

Surrender and cash withdrawal

You may surrender this Certificate and we will pay you the Cash Surrender Value.

When this Certificate has a Cash Surrender Value greater than zero, you may, upon request, make a withdrawal of the cash value of the Paid-up Insurance then in effect, up to the lesser of that cash value and the Cash Surrender Value, by surrendering the Paid-up Insurance that relates to the withdrawal. The Paid-up Insurance surrendered is no longer in effect. A withdrawal of cash value can reduce the death benefit amount.

We may defer the payment of the amount due on surrender or withdrawal for up to six months from the date we receive the request for it.

Beneficiaries

Each primary beneficiary and contingent beneficiary is as shown in the Application unless changed as shown in our Records.

You may request a change of beneficiary, while the Insured is alive and this Certificate is in effect. If a beneficiary is designated "irrevocable", then that beneficiary must also sign a request that changes that beneficiary's designation or the percentage or amount to be received by that beneficiary, to indicate the beneficiary's consent to the change. Where permitted by law, you may provide a court order instead of the beneficiary's consent. If the beneficiary is changed as provided above, the effective date of a change of beneficiary will be that date the change is received by us as shown in our Records.

Subject to applicable law, the death benefit payable will be paid as described in this provision. If no beneficiary survives the insured who is entitled to receive the proceeds or if no beneficiary is designated, this payment will be made to you or your estate.

- 12 -

Primary Beneficiary: Each primary beneficiary surviving the insured will be paid their share of the death benefit. That share is shown in the Application unless changed, as shown in our records. If no share is shown for all primary beneficiaries, then the share will be equal for all primary beneficiaries. If a primary beneficiary predeceases the insured, that beneficiary's share will be split among the surviving primary beneficiaries.

Contingent Beneficiary: If no primary beneficiary survives the insured who is entitled to receive the proceeds, each contingent beneficiary, if designated, surviving the Insured, will be paid their share of the death benefit, in the same manner as described above for the primary beneficiary.

Reinstatement

If this Certificate lapses, you may reinstate it within two years of the lapse date. You may reinstate this Certificate by paying the overdue premium within 30 days after the Certificate has lapsed, if the Insured is alive when you make this payment. To reinstate more than 30 days after the Certificate lapses, we require the following:

- evidence of insurability satisfactory to us.
- payment of the sum of the following:
 - the unpaid Premium(s) due before the lapse date, with interest at the then current rate determined by us;
 - the Premium that would have been due, as if the Certificate had not lapsed, for the period from the lapse date up to the Reinstatement Date.
 - The Premium for the 3-month period after the Reinstatement Date.

Upon reinstatement, any unpaid automatic premium loan amount outstanding on the date of lapse will be reinstated, including accrued interest on that amount.

Rider

A rider in effect on the Issue Date is listed as a rider in the Application. If there is no rider listed, then no rider is in effect on the Issue Date. A rider added after the Issue Date will only be in effect, subject to the terms of that Rider, if we send you an Amendment as described in the Amendment provision.

- 13 -

Amendment

Changes permitted under this Certificate may only be made by written notice to us at our Head Office and will not be effective until approved by us. All notices shall be provided in compliance with the Notifications provisions. No one, including the agent who provided you with this Certificate, can make a promise or representation about benefits under this Certificate that differs from those described in the provisions of this Certificate, unless a change to this Certificate is approved by our Head Office, which we will evidence by endorsing the change on the Certificate or providing an amendment to be attached to this Certificate.

Governing law

The rights and obligations provided under this Certificate will be governed by the laws of the province or territory where the contract was made, as well as applicable federal laws. The contract is made in the jurisdiction where the Insured signed the application in the absence of evidence to the contrary, Conflict of laws rules will not apply.

Entire contract

This policy, the Act or instrument of incorporation of the society, its constitution, by-laws and rules, and the amendments made from time to time of any of them, the application for the contract and the medical statement of the application constitute the entire contract, and no agent has authority to change the contract or waive any of its provisions. The policy includes this Certificate, any attached agreements, endorsements or riders, and the Certificate Information Confirmation.

The benefits provided under this Certificate will not be reduced, nor will this certificate terminate, by any provision in our Constitution not stated or referred to in this Certificate or rider, as the case may be.

Suicide

If the death of the Insured is by suicide or intentionally self-inflicted injury, while sane or insane, within two years from the Issue Date or the Reinstatement Date, no death benefit will be paid and our liability is limited to the Premiums paid, since the later of these two dates, minus the Debt.

- 14 -

Misstatement of age or sex

If the age or sex of the Insured is misstated as at the Issue Date, the amounts referred to in the Application, this Certificate and each Rider will be adjusted either upward or downward, such that the revised amounts, will be that which the Premiums paid, would have purchased for the correct age and sex, according to our rates in effect on the Issue Date, except that if the correct age did not meet our rules in effect on the Issue Date regarding the minimum and maximum age for this Certificate, we can treat the Certificate as void and of no effect as permitted by law.

Incontestability

Except for fraud, we will not contest the validity of this Certificate based on statements made in the Application after it has been in force during the Insured's lifetime for two years from the Issue Date, except for non-payment of Premiums. If this Certificate is reinstated, this provision will also apply from the date this Certificate is reinstated with respect to statements made in the application for reinstatement.

Similarly, except for fraud, we will not contest any insurance that has been added, increased or changed, based on statements made in an application for that addition, increase or change, after that increase, change, or addition has been in effect for two years during the lifetime of the Insured.

Maintenance of reserves

If our reserves become impaired, you may be assessed an equitable proportion of the shortage, which may be paid in cash or by a reduction in benefits. If you do neither, your equitable proportion of the shortage will be paid by making a loan under this Certificate and any such amounts advanced to pay your share, as well as interest owing, will be calculated in the same manner as any other loan provided under the Loan Security and Interest provision.

Limitation of action

No action shall be taken with respect to this Certificate in a court of law unless the action is started within two years from the time the cause of action arose, or such longer time period provided by governing law.

- 15 -

Assignment

You may assign this Certificate unless you are prohibited by law from doing so. We are not bound by an assignment unless it is filed in writing at our Head Office, as shown in our records. We are not responsible for the validity or effect of an assignment. Despite the assignment, the membership rights and privileges provided under our Constitution remain those of the Insured.

Table of values

A table of Cash Values, together with the information about the basis of computing those cash values, is available on request.

Excluded risks

No benefit shall be payable on the death of the Insured, if such death results directly or indirectly from or is contributed to or by:

- War or act of war, whether declared or undeclared.
- Voluntary participation in a riot or civil commotion.
- Committing or attempting to commit a criminal offence.
- Aviation, of any form, unless as a fare paying passenger in a fully licensed passenger carrying aircraft.
- A Pre-Existing Condition if death is within 24 months of the Issue Date.

In addition to the preceding excluded risks, no ADB Coverage Amount will be paid if the Insured's death results directly or indirectly from or is contributed to or by bodily injury:

- From or due to cosmetic or elective surgery.
- Sustained in a motorized vehicle accident if the Insured was the operator of the motorized vehicle and one or more of the following exists:
 - A test or report completed by or at the direction of a coroner, law enforcement, government agency or representative, based on a sampling obtained from the body of the Insured within 24 hours of the accident, indicates the presence of a concentration of alcohol in the insured's blood in excess of the quantity

- 16 -

specified in the applicable legislation as an offense for the operation of that type of motorized vehicle.

- A coroner, law enforcement or government report indicates that, as a result of testing, it was determined that the Insured was operating the motorized vehicle while impaired, intoxicated or under the influence of alcohol or an intoxicant, above the legal limit.

Notifications

Notification(s) we send to you about this Certificate will be deemed received by you if sent to your last address shown in our records. You must notify us of a change in address for you. Notifications about this Certificate may, with your consent, and at our option, be sent or provided to you by electronic means. Every notification, designation and request that you make to us, for us to act on it, must be signed by you, in a form acceptable to us, and received by us, by a method acceptable to us, at our Head Office or any other office we designate for the purpose of receiving it. If permitted by, and subject to our administrative practices in effect at that time, notifications, designations and requests made by you to us may be by electronic means.

THIS IS THE END OF THIS CERTIFICATE.

PAC Plan Agreement

(To be provided to Applicant if Payor. To be provided to Payor if a person other than the Applicant)

The Payor, by signing the Application, verifies that the Payor is an account holder of the account identified and agrees that:

- 1) The Payor has authority, without any other signature required, to authorize The Independent Order of Foresters ("Foresters") to debit deductions under this PAC Plan Agreement, based on the Premium payment made in effect, from that account or another account later identified or substituted by the Payor;
- 2) The financial institution from which payments are to be drawn is authorized to treat each debit by Foresters as though the Payor made it personally;
- 3) Foresters reserves the right to determine when the first deduction, if any, will be made and the amount of that deduction for the Certificate, and each Rider, issued by it;
- 4) This PAC Plan Agreement is effective

- 17 -

immediately and will continue until terminated, which either the Payor or Foresters may do at any time, providing notice of at least 30 days to the other. Payor may obtain a sample cancellation form or further information on the right to cancel a PAC Plan Agreement at his/her financial institution or by visiting www.cdnpay.ca; 5) Should funds not be available due to insufficient funds, Foresters may at its option draw from the account on the next scheduled withdrawal date for the insufficient amount applicable while this Certificate is in effect; 6) The Payor understands that there are certain recourse rights if any debit does not comply with this PAC Plan Agreement. For example, the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAC Plan Agreement. To obtain more information on these recourse rights, contact your financial institution or visit www.cdnpay.ca. 7) The Payor may contact Foresters at its head office address shown below. 8) The Payor personal, including account, information provided in or pursuant to this PAC Plan Agreement will be, subject to applicable law, collected, used, available and/or disclosed to, Foresters, their respective reinsurers, agents, brokers and financial institutions, and the employees, contractors, consultants and service providers of each and to any other entity or person the Applicant authorizes, in writing, for purposes of processing the debits, servicing the PAC Plan Agreement and/or applying premium to the insurance contract(s) to which this PAC Plan Agreement pertains and that each, as well as the owner(s) of each insurance contract, may be informed of debit transactions processed or returned as insufficient funds and/or of inquiries in relation to, or termination of, this PAC Plan Agreement as well as for audit, regulatory or legal purposes and otherwise as required or permitted by applicable law. You can review such personal information about you, upon written request, except information prepared for, or as a result of, an anticipated or actual claim or civil, criminal or regulatory investigation or proceeding. Send your written request to our Chief Privacy Officer at 789 Don Mills Rd, Toronto, ON M3C 1T9.

MIB pre-notice

Information regarding your insurability will be treated as confidential. The Independent Order of Foresters ("Foresters") or its reinsurers may, however, make a brief report about you to the MIB, Inc. ("MIB"), a non-profit membership organization of life insurance companies, which operates an information exchange on behalf of its members. If you apply to another MIB member company for life, disability or health insurance coverage, or a claim for benefits is submitted to such a company, MIB, upon request, will supply such company with the information about you in its file. Upon receipt of a request from you, MIB will arrange disclosure of any information it may have in your file. If you question the accuracy of the information in MIB's file, you may contact MIB and seek a correction. The address of MIB's office is: MIB, 330 University Avenue, Toronto, Ontario M5G 1R7. Telephone (416) 597-0590. Foresters, or its reinsurers, may also release information about you in its file to other life insurance companies to whom you may apply for life, disability or health insurance or to whom a claim for benefits is submitted. Information for consumers about MIB may be obtained on its website at www.mib.com.

Expert Medical Opinion Program

The Insured, while the certificate owner, and the Insured's spouse, domestic partner and the Insured's dependent children up to age 18, may be eligible, at no additional cost, to receive an expert medical opinion upon request to Advance Medical, Inc. This Program is provided solely by Advance Medical, Inc, subject to eligibility requirements and limitations and may be changed or canceled at any time without notice. Additional information about this program and Advance Medical may be obtained by calling 1-888-218-9029. This Program is not a Certificate benefit and accordingly Foresters is not responsible for this Program and has no liability in relation to the expert medical opinion or any of the services provided, or functions performed, under the Program.

789 Don Mills Road
Toronto, ON, Canada
M3C 1T9

T 800 828 1540

foresters.com



For producer use only.

Foresters™ is the trademark of The Independent Order of Foresters, a fraternal benefit society; its subsidiaries are licensed to use this mark.