



## Term 10 Plan Description

Term 10<sup>1</sup> is a non-participating renewable and convertible plan. The premium amounts are guaranteed and remain level for a 10-year period. The policy will automatically renew without evidence of insurability for subsequent 10-year periods until its termination on the policy anniversary nearest the insured person's eighty-fifth (85<sup>th</sup>) birthday and it is convertible by age 71. For Joint First-to-die policies, coverage terminates on the policy anniversary nearest the oldest insured person's eighty-fifth (85<sup>th</sup>) birthday.

### Issue ages

18-75 (age nearest birthday)

### Issue amounts

#### Standard

\$100,000 - \$1,000,000

#### Preferred

\$1,000,001 - \$5,000,000

### Modal factors

PAC= 0.09

### Annual policy fee

\$50.00

### Joint lives

Term 10 is available on a Joint First-to-die basis. A reduction of 5% will be applied to the sum of both premiums (excluding the policy fee) to calculate the joint premium.

If an insured person under a Joint First-to-die policy should die the survivor may exercise the Conversion Privilege within 60 days of that death without providing evidence of insurability, provided this privilege is exercised prior to the policy anniversary nearest the survivor's seventy-first (71<sup>st</sup>) birthday.

We will provide interim life insurance coverage on the surviving insured person for 60 days from the date of death or until a new policy has been issued under the Survivor Privilege. If the second insured person dies during this period of interim life insurance coverage, we will pay a supplementary death benefit equal to the maximum death benefit that would have been

payable if a new policy had been issued under the terms of the Survivor Privilege, excluding riders.

### Conversion privilege

Term 10 policies may be converted without evidence of insurability to any permanent insurance plan offered by The Independent Order of Foresters or Foresters Life Insurance Company for conversion at that time prior to the policy anniversary nearest the insured person's seventy-first (71<sup>st</sup>) birthday. A Joint First-to-die policy may be converted prior to the policy anniversary nearest the oldest insured person's seventy-first (71<sup>st</sup>) birthday.

When a partial conversion is requested, the premium rates applicable to any remaining term coverage will be those of the applicable band. If the amount of the remaining coverage is \$1,000,000 or less, then preferred rates will not be available.

### Exchange privilege

This privilege allows the policy owner to exchange a term insurance policy in its entirety to any term insurance plan offered by The Independent Order of Foresters or Foresters Life Insurance at that time, with a longer term if offered by Foresters at the time of exchange. A term insurance policy may be partially exchanged only if the balance of coverage is being converted under the terms of the conversion privilege. This Exchange Privilege is available on or after the 2<sup>nd</sup> policy anniversary, without evidence of insurability. The new policy will be issued at attained age and then current rates.

An exchange for a Term 20 policy must occur prior to the earlier of the 5<sup>th</sup> policy anniversary and the policy anniversary nearest the insured person's sixtieth (60<sup>th</sup>) birthday (or the oldest insured person's sixtieth (60<sup>th</sup>) birthday if exchanging a Joint First-to die policy).

An exchange for a Term 30 policy must occur prior to the earlier of the 5<sup>th</sup> policy anniversary and the policy anniversary nearest the insured person's fifty-fifth (55<sup>th</sup>) birthday (or the oldest insured person's fifty-fifth (55<sup>th</sup>) birthday if exchanging a Joint First-to-die policy).

A term policy cannot be exchanged if it was issued under the Exchange Privilege of a previous term insurance policy.

## Bereavement assistance

This benefit is made available to the beneficiaries upon the death of the insured person. We may reimburse up to \$1,000 in counseling expense to the beneficiaries subject to conditions described in the policy.

## Charity Benefit

This feature provides a benefit that is payable, upon the death of the insured person, to the eligible beneficiary, if any, designated for the benefit. Eligible beneficiary means an organization registered as a charity with the Canada Revenue Agency. The Charity Benefit will only be paid if an eligible beneficiary has been designated prior to, and is in effect on, the date of death of the insured. An eligible beneficiary can be designated, or if designated can be changed, at any time prior to the date of death of the designated insured.

The Charity Benefit will equal the lesser of 1% percent of the certificate's basic insurance amount, in effect on the date of death of the insured, and \$100,000.

## Preferred underwriting

Preferred underwriting applies for amounts over \$1,000,000. Based on our underwriting criteria related to factors such as health, lifestyle, tobacco usage, family history and personal history, we determine which of the following insurance classes applies to every insured person and use it to establish the premium:

- Preferred Plus Non-Smoker
- Preferred Non-Smoker
- Standard Non-Smoker
- Preferred Smoker
- Standard Smoker

## Term riders

Term riders are available on the life of the person insured under the base plan, provided the term of that rider is less than the term of the base plan.

For single life policies, a term rider is also available on the life of that insured person's spouse. If the person insured under a term rider survives the insured person under the base plan, the Conversion Privilege will be extended by 60 days from the death of that insured person.

## Combined band discount

Our term insurance premiums are based on rate bands that may provide a rate reduction over the previous band.

A combined band discount may also apply at policy issue when a term rider is added to a term policy, taking into account the combined amount of coverage for which each insured person is underwritten.

If a policy owner reduces the coverage amount after a policy has been issued with a combined band discount, we will adjust the applicable rate band accordingly. Similarly, if a policy owner cancels or reduces the amount of a term rider on the same life before the 5<sup>th</sup> policy anniversary, we will adjust the applicable rate band accordingly. However, if the policy owner cancels or reduces the amount of their term rider after the 5<sup>th</sup> policy anniversary, we will maintain the rate band discount.

Individual coverage of \$1,000,000 or less, cannot be combined for the purpose of achieving a preferred class rate.

## Accidental death benefit

Available from issue ages 18-60. Premiums are guaranteed level and the benefits expire before the policy anniversary date nearest that person's seventieth (70<sup>th</sup>) birthday.

## Waiver of premium benefit

Rates are 13% of the premium. Issue ages 18-55 and the benefit expires at the policy anniversary nearest the insured person's sixtieth (60<sup>th</sup>) birthday. There is a 6 month waiting period before benefits begin, during which time the premium must be paid. Once the waiver of premium benefit is approved, premiums paid during the 6 month waiting period will be refunded.

## Children's term rider

Issue ages 15 days – 18 years. The premium amount is guaranteed and payable for only 20 years. While this rider is in effect, coverage for an insured child remains in effect until that child's twenty-fifth (25<sup>th</sup>) birthday or until that child's coverage is converted. This rider includes a valuable conversion privilege, allowing each insured child to convert their coverage to a new permanent insurance policy without evidence of insurability, for an amount up to 10 times the amount of term insurance in effect under the rider or \$250,000, whichever is less.