

EQUILIFE[®]
LIMITED PAY
UNIVERSAL LIFE

ADVISOR GUIDE



equilife

ABOUT EQUITABLE LIFE OF CANADA®



Equitable Life® is one of Canada's largest mutual life insurance companies. For generations we've provided policyholders with sound financial protection, and we look forward to continuing to deliver long-term financial value. We're focused on the needs of our clients, and pride ourselves on the breadth and quality of our financial and insurance products and on our premier client service.

The mutual structure of our company ensures that our participating policyholders are owners with voting rights on company issues. With no shareholders imposing undue emphasis on short-term earnings, Equitable Life always operates in the best interest of our policyholders.

Equitable Life is a focused, stable and strong company.

Our mutual structure is a key element of our value proposition, along with our diversified product portfolio and superior service. As an organization we're progressive, competitive and firmly committed to serving the best interests of our policyholders, through longer-term strategies that foster ongoing stability, growth and profitability.

ABOUT THIS GUIDE

This guide provides an overview of EquiLife Limited Pay universal life insurance. For complete contractual details, please refer to your policy contract, which will govern in all cases.

Questions? Equitable Life is committed to providing you with the service you need to support your business. If you have questions or require additional information, please contact your Equitable® Life Regional Sales Manager.

Table of Contents

EquiLife... An Introduction & Summary of Benefits	1
Target Markets for EquiLife	2
Features at-a-glance	3
How EquiLife works	4
Life Insurance Protection	6
Cost of Insurance (COI) Types	6
Death Benefit Option	6
Coverage Options	7
Non-smoker definition	7
Changes to Insurance Coverage	8
Premiums	8
Policy Values	10
Savings and Investment Opportunities	11
Investment Interest Accounts	11
Daily Interest Account (DIA)	12
Guaranteed Deposit Accounts (GDA)	12
Linked Interest Options	14
Cash Accessibility	22
Cash Withdrawals and Policy Loans	22
Policy Surrender	22
Monthly Charges	23
Linked Interest Option Administration Fees	25
Dividends	26
Taxation	26
Shuttle Account	28
Built-in Features	31
Bereavement Counselling Benefit	31
Disability Benefit Disbursement	31
Special Options Provision (joint First-to-Die policies only)	32
Living Benefit	33

Additional Benefits and Riders	34
Waiver of Monthly Charges	34
Applicant's Waiver of Charges Rider – Death/Disability	34
Guaranteed Insurability Option	35
Children's Protection Rider	35
Flexible Guaranteed Insurability Option	36
Term Riders	36
EquiLiving Critical Illness Insurance Rider	38
Policy Set up and Administration	44
Adding up the Benefits	46
Questions	46

EQUILIFE™ ...AN INTRODUCTION

EquiLife Limited Pay Universal Life is a participating* life insurance plan that combines guaranteed cost of insurance pay periods and guaranteed cash values with the benefits of tax-advantaged investing. With a wide variety of investments options and the flexibility to change your premiums and coverage as your life changes, EquiLife provides a choice when it comes to serving your long-term protection, savings, and investment needs.

This Advisors Guide will provide you with the information you need to successfully market EquiLife to your clients. It will discuss who the plan was designed for, how it works, and will cover the various plan features and benefits in detail.

*EquiLife Limited Pay universal life is a participating policy of the Company. While it is in force, this policy is eligible for ownership dividends. These dividends may be paid based on the overall earnings of the Company and when the Company has a strong capital position at the time and into the foreseeable future. Ownership dividends are paid at the discretion of the Board of Directors. Dividends are not guaranteed. This policy is not eligible for experience dividend.

EQUILIFE...A SUMMARY OF BENEFITS

EquiLife provides your clients with more than just life insurance protection. The following is a summary of some of the key features and benefits of the EquiLife plan, each of which will be described in more detail throughout this guide.

- **Life Insurance Protection:** Your clients can choose from four level Limited Pay Cost of Insurance (COI) periods. The COI rates are guaranteed and are payable for the Limited Pay COI period selected.
- **Flexibility:** EquiLife provides your clients with considerable flexibility to design a life insurance plan specifically tailored to meet their personal, family, or business protection needs. With EquiLife, your clients can feel secure knowing they have the flexibility to make changes* to their insurance plan as their needs change including, increases or decreases to the Sum Insured and changes to the COI type. (* subject to Equitable Life's then current administrative rules and underwriting)
- **Guaranteed Values:** EquiLife offers your clients a Guaranteed Death Benefit. Guaranteed Cash Values are also available as early as the 5th Policy Anniversary.
- **Savings and Investment Opportunities:** EquiLife offers a wide range of savings and investment opportunities designed to meet each of your unique client's needs. Choose from the Daily Interest Account, Guaranteed Deposit Accounts, five Index Interest Options, seven Performance Fund Interest Options and five Portfolio Interest Options, all designed to help your clients meet each of their unique savings and investment styles.
- **Tax-Advantaged Growth:** Your clients will enjoy the tax-advantaged growth of the savings and investment component offered by their EquiLife policies. EquiLife allows the savings and investment interest to accumulate on a tax-advantaged basis up to maximums as set out in the Income Tax Act (Canada).

- **Cash Accessibility:** As circumstances change, your clients will be pleased to know that their EquiLife policies give them access to the accumulated cash value should they need it. Whether it is used for an emergency or to take a well deserved vacation...the accumulated cash is there! With EquiLife, your clients can access their cash through withdrawals and policy loans. It is important to note that restrictions may apply and that taking a withdrawal and/or policy loan could have tax consequences for your client..
- **Creditor Protection:** No one plans for financial upsets down the road...however; your client's EquiLife Universal Life insurance policy may be protected from claims of the creditors of the policy owner, subject to certain conditions. It is important to note that any funds held in the Shuttle Account due to exempt testing would not be creditor protected.
- **Protection against Critical Illness:** Should your clients choose to add, at issue, EquiLiving® Critical Illness Riders on the qualified lives under the EquiLife plan, they can rest assured that they are provided with financial protection in the event they suffer from one of the 25 covered critical conditions and survive the applicable survival period. The EquiLiving Critical Illness insurance rider also offers your clients an Early Detection Benefit and access to the services of Best Doctors®.

TARGET MARKETS FOR EQUILIFE

EquiLife Limited Pay Universal Life has been designed for those clients who want to ensure that their life insurance premiums are paid for within a specific period of time. From Estate Preservation or leaving an insurance gift to the next generation to providing the security of guaranteed cash values EquiLife has your clients covered.

- **Families**... Consider the many events that may occur in one's lifetime...a new career, birth of a child, providing for a child's or grandchild's education, reaching retirement, or suffering from an unexpected illness, just to name a few. EquiLife may be ideal for pre-retirees who are looking for a permanent insurance plan with a cost of insurance pay period that ends before they retire or for those looking to leave an insurance gift to future generations.
- **The Boomer Generation**...EquiLife will appeal to those who are searching for a balance between guarantees, investment growth potential, tax-advantaged opportunities and the comfort of knowing their cost of insurance and administration charges will not continue beyond the period they select.
- **Estate Preservation**... Consider the effort made to build an estate to leave to your heirs. Transferring the value of that estate to future generations requires careful tax planning. EquiLife can help make the tax efficient transfer of assets to heirs a reality.
- **Business Owners**... Replacing a key person, funding a buy/sell agreement, planning for retirement and business succession...these are just a few of the many reasons that a successful business person, may seek financial protection. EquiLife appeals to business owners for its' guaranteed protection, guaranteed costs and fixed end date for cost of insurance payments.

FEATURES AT-A-GLANCE

Cost of Insurance (COI) Options	Level 10 Year COI Level 15 Year COI	Level 20 Year COI Level to age 65 COI
Death Benefit Option	Account Value Protector (Sum Insured + Account Value)	
Issue Ages	<ul style="list-style-type: none"> • 0 - 75 on Level 10 Year COI • 0 - 70 on Level 15 Year COI • 0 - 65 Level 20 Year COI • 0 - 55 on Level to age 65 • Issue ages for children's plans: 0 – 17 	
Coverage Types	<ul style="list-style-type: none"> • Single Life • Joint First-to-Die (2 lives) • Joint Last-to-Die (2 lives) 	
Minimum Face Amount	\$25,000	
Rate Bands	\$ 25,000 - \$ 49,999 \$ 50,000 - \$ 99,999	\$100,000 - \$249,999 \$250,000 - \$499,999 \$500,000 - \$999,999 \$1,000,000 +
Policy Fee	Guaranteed to be \$5 per month regardless of the number of coverages for the duration of the COI period.	
Guaranteed Cash Values	Available as early as the 5 th policy anniversary	
Built-in Features	<ul style="list-style-type: none"> • Bereavement Counselling Benefit • Special Options Provision (Joint First-to-Die) • Disability Benefit Disbursement • Living Benefit 	
Optional Riders	<ul style="list-style-type: none"> • Waiver of Monthly Charges Rider • Guaranteed Insurability Option • Applicant's Waiver of Charges Rider - Death/Disability • Children's Protection Rider • Flexible Guaranteed Insurability Option • EquiLiving® Critical Illness Rider • 10/20 Year Term and Additional Life Term Life Insurance Riders 	
Non-smoker Definition	To be considered a non-smoker, the insured must not have used any cigarettes, pipe or chewing tobacco, smoking cessation products, tobacco surrogates, or marijuana within the past 12 months. Up to one cigar/cigarillo is permitted per month, subject to a negative cotinine level.	

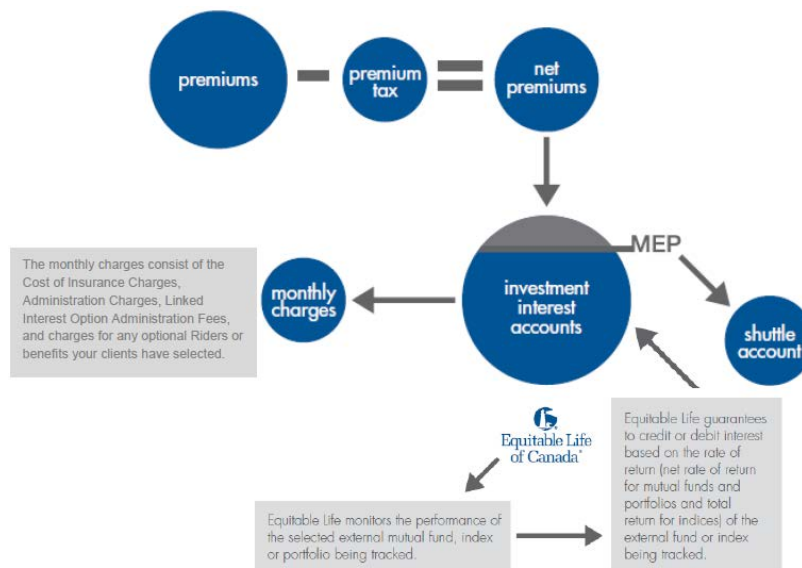
HOW EQUILIFE WORKS

The following is a brief overview of how the EquiLife Universal Life policy works. For complete details, please refer to the EquiLife policy contract.

- Premium Payments**...With EquiLife, premium payment(s) to Equitable Life are made for the policy in Canadian funds on either a monthly (by pre-authorized payment) or annual basis. Upon receipt of the payment, Equitable Life will deposit the premium, less any applicable government premium taxes (referred to as the net premium), to the EquiLife policy. Each net premium will be deposited to the Investment Interest Account(s) selected on your application for life insurance.

If your clients have elected to pay the minimum premium on a monthly basis through Pre-Authorized Payment, the Pre-Authorized Payment date should coincide with the Monthly Anniversary date. In addition, they should consider electing the Daily Interest Account or the Guaranteed Deposit Account as their Investment Interest Option. Clients who pay only the minimum premium on an annual basis should note that due to the potential volatile nature of the Linked Interest Options, the minimum annual premium may not be enough to keep their policy in force.

- Policy Charges**...Each month (regardless of whether premiums are paid monthly or annually) Equitable Life takes money out of the Investment Interest Accounts to cover monthly charges. Monthly charges include Cost of Insurance (COI) Charges, Administration Charges, Linked Interest Option Administration Fees, and the charges for any riders and/or additional benefits attached to the policy. Charges are described in more detail in this guide under the section titled Monthly Charges.



With EquiLife, your clients cost of insurance and administration charges are payable for the period of time that they select!

- **Policy Values**...Any funds remaining in the Investment Interest Accounts will form the Account Value and will earn interest based on the performance of the Investment Interest Account(s) selected. Interest earned will fluctuate based on the investments selected and can be either positive or negative. Earning positive interest will result in an increase the Account Value while earning negative interest will result in a decrease, meaning insufficient funds may be available to cover the future monthly policy charges.

Guaranteed Cash Values are also available beginning as early as the 5th Policy Anniversary and are available to you upon policy surrender or as a policy loan. The Cash Surrender Value of your EquiLife policy consists of the Account Value, the Guaranteed Cash Value, and the Shuttle Account, reduced by any indebtedness (ie. Policy Loan or Automatic Premium Loan).

- **Additional Premiums**...With EquiLife, additional premium payments can be made. If the additional premium is greater than what is allowed by Government guidelines, the portion of the premium that is in excess of the allowable amount will be deposited to what is called the Shuttle Account. While amounts deposited to the Shuttle Account will not have premium taxes applied, interest growth attributed to the funds held in the Shuttle Account will be subject to annual accrual taxation. In the future, if there is room in the policy, we will automatically transfer funds from the Shuttle Account to the policy, at which time, the applicable premium taxes will be deducted.
- **Keeping EquiLife Inforce**... Should your clients EquiLife policy have insufficient funds available to cover the Monthly Charges (including the fluctuation of the Account Value due to the interest credited or debited), the policy will lapse and all liability of Equitable Life will cease. Equitable Life will provide your clients with a 31-day grace period to make the premium payment(s) required to keep their policy in force. In cases where insufficient Account Value within your clients EquiLife policy is available to pay the Monthly Charges and the policy has a Guaranteed Cash Value, an Automatic Premium Loan will be used to pay the Monthly Charges.
- **Death Benefit**...The Death Benefit available with EquiLife is Account Value Protector (Sum Insured plus Account Value)

The above information is limited and basic and is intended to provide you with a general overview of how EquiLife works. Please refer to the policy contract for details.

LIFE INSURANCE PROTECTION

An important component of EquiLife Universal Life is the life insurance protection it provides for your clients.

Cost of Insurance (COI) Types:

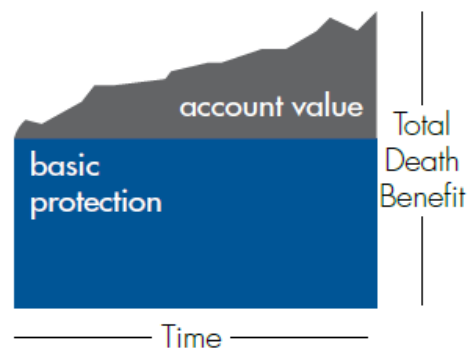
EquiLife offers a choice of up to four Level Cost of Insurance structures, depending on your client's age. The COI charges associated with each coverage are level and are guaranteed not to increase and are guaranteed payable for the duration selected by your client. For example, if your client has selected Level COI for 10 Years as the COI type then the Cost of Insurance and Administration Charges applicable to their coverage will remain level until the 10th Policy Anniversary, at which time they will cease.

- Level COI for 10 Years (issue ages 0 – 75)
- Level COI for 15 Years (issue ages 0 – 70)
- Level COI for 20 Years (issue ages 0 – 65)
- Level COI to Age 65 (issue ages 0 – 55)

Children's rates (ages 0 – 17) are available for Single Life plans only. For Joint First-to-Die and Joint Last-to-Die plans, issue ages are based on the Equivalent Single Age(ESA). (ie. issue age for Level COI for 20 Years is ESA 18 – 65)

Death Benefit Option:

The Death Benefit option available with EquiLife is Account Value Protector. This Death Benefit option provides your clients with a level Sum Insured plus the payout of the Account Value. It should be noted that the Guaranteed Cash Values do not form part of the Account Value. Any funds held in the Shuttle Account are paid out upon the death of the owner or termination of the EquiLife contract.



Coverage Options:

With EquiLife, you can provide your clients with the opportunity to have life insurance coverage on one life or on two lives under a joint policy.

- **Single Life Coverage:** provides a Death Benefit on one life.
- **Joint First-to-Die Coverage:** provides a Death Benefit that is payable on the first death of the lives insured under the plan. With a Joint First-to-Die plan two lives may be insured. Monthly charges apply up to the first death, at which time the Death Benefit is paid and the policy terminates.

Special Options Provision:

Within 60 days of the death of one of the lives insured under a Joint First-to-Die policy, a request can be made to purchase a single life policy on the surviving life insured, without evidence of insurability, for an amount equal to the Sum Insured in effect at the time of the first death.

- **Joint Last-to-Die Coverage:** provides a Death Benefit that is payable on the last death. With a Joint Last-to-Die plan, two lives may be insured. Monthly charges apply up to the second death, at which time the Death Benefit is paid and the policy terminates.

Tip: This coverage option provides your clients with a great way to efficiently pass their estates to their loved ones or favourite charities.

Non-smoker definition (applies to adult plans only)

To be considered a non-smoker on the base policy, the insured must not have used any cigarettes, pipe or chewing tobacco, smoking cessation products, tobacco surrogates, or marijuana within the past 12 months. Up to one cigar/cigarillo is permitted per month, subject to a negative cotinine level.

Changes to Insurance Coverage:

With EquiLife Universal Life, your clients can choose to make changes to their insurance coverage as their circumstances change. Your clients may, at any time, request in writing any of the following changes:

- an increase to the Sum Insured
- a decrease to the Sum Insured
- cancellation of a rider attached to this policy
- a change in the Cost of Insurance type provided:
 - The request for change occurs within the first 5 policy years
 - The change occurs on the Policy Anniversary
 - The change must be to a COI type with a longer duration
 - Satisfactory Evidence of Insurability must be provided

These change requests are subject to Equitable Life's then current administration rules. Evidence of Insurability will be required for increases to the Sum Insured.

PREMIUMS

Premium Flexibility:

With EquiLife Universal Life, your client controls the amount and the timing of the premiums going into the policy. With your assistance, your client can customize the premium stream to meet his or her needs, provided that all monthly charges associated with the plan are covered to ensure that the policy remains in force.

At issue, your client elects the level of premiums he or she wishes to pay--this amount is the "Planned Premium." The amount of this premium is subject only to the policy minimums and is payable either annually or by monthly pre-authorized payment. In the future, your client can increase, decrease, or entirely skip premium payments, provided sufficient cash value is in the policy to meet the monthly charges.

Net Premium:

Government premium tax is deducted from each premium paid to the EquiLife policy. The premium less the applicable government premium tax is the net premium. The percentage of Premium Tax to be deducted for your clients' base EquiLife coverage, currently 2%, is guaranteed and will not increase, even if there is an increase in government premium taxes in the future.

Minimum Premiums:

- **Paid Annually** - The Minimum Annual Premium is the Minimum Annual Premium applicable for the first Policy Year, including the charges for any Riders. **Payment of the Minimum Annual Premium does not guarantee that your policy will remain in force.** Depending on additional Riders and performance of the Investment Interest Account(s) you have selected, the Minimum Annual Premium may not be sufficient to maintain your clients EquiLife policy.
- **Paid Monthly** - If you have elected to pay your premiums on a monthly basis through Pre-Authorized Payment, your Monthly Anniversary should be the same date as your Pre-Authorized Payment date. In addition, you should consider electing the Guaranteed Deposit Accounts and/or the Daily Interest Account as your Investment Interest Account(s).

Maximum Exempt Premium:

The Maximum Exempt Premium is the maximum premium your client can pay annually into his or her EquiLife Universal Life policy as legislated by the Income Tax Act (Canada). Clients may make a premium payment that is greater than the Maximum Exempt Premium if they choose. Premiums in excess of the Maximum Exempt Premium in any policy year will be deposited to the Shuttle Account and will not be considered a premium payment to the EquiLife policy. The money in the Shuttle Account is subject to annual taxation. If at any time in the future, exempt room exists in your client's policy, monies will be transferred from the Shuttle Account. These transfers will be considered premiums paid.

Rate Bands:

- \$ 25,000 - \$ 49,999
- \$ 50,000 - \$ 99,999
- \$100,000 - \$249,999
- \$250,000 - \$499,999
- \$500,000 - \$999,999
- \$1,000,000 +

POLICY VALUES

Guaranteed Cash Value:

One of the benefits of EquiLife is the Guaranteed Cash Values that are available. Guaranteed Cash Values are available with all COI types and begin as early as the 5th Policy Anniversary. The Guaranteed Cash Value is available to your clients upon surrender of their policy or as a Policy Loan. Equitable Life may also initiate an Automatic Premium Loan against the Guaranteed Cash Surrender Value, if the Account Value of the EquiLife policy is insufficient to pay the monthly charges.

It is important to note that the Guaranteed Cash Value is not payable on the death of a Life Insured and does not form part of the EquiLife death benefit.

Account Value:

Premium payments deposited to the EquiLife contract beyond what is required to cover the monthly charges will form the Account Value. The Account Value of the EquiLife policy is equal to the sum of the following:

- The Account Value of the Daily Interest Account
- The Account Value of the Guaranteed Deposit Accounts
- The Account Value of the Linked Interest Options

Cash Surrender Value:

The Cash Surrender Value of the EquiLife policy is equal to the sum of the following reduced by any indebtedness to the policy (such as a Policy Loan).

- The Account Value of the Daily Interest Account
- The Market Value Adjustment of the Guaranteed Deposit Accounts
- The Account Value of the Linked Interest Options
- The Guaranteed Cash Value
- The Shuttle Account Value

SAVINGS AND INVESTMENT OPPORTUNITIES

EquiLife offers your clients a wide range of investment opportunities, each with competitive interest rates!

When assisting your clients with the selection of Investment Interest Accounts, it is important to consider their funding levels, as well as their risk profiles.

Tip: Clients who are minimum funding their policies should be wary of investing in Investment Interest Accounts where the interest rates may be positive or negative. It is suggested that these clients should select either the Daily Interest Account (DIA) or the Guaranteed Deposit Accounts (GDA) as their Investment Interest Accounts.

Investment Interest Accounts	
Daily Interest Account	
Guaranteed Deposit Accounts (1, 5 and 10 year)	
Linked Interest Options (Index, Performance Fund, and Portfolio Interest Options)	
Index/Fund/Portfolio being tracked	
Index Interest Options	
• Canadian Equity	S&P/TSX 60
• American Equity	S&P 500
• U.S. Technologies	Nasdaq 100
• European	DJ Euro STOXX 50
• U.S. Blue Chip	Dow Jones Industrial Average
Performance Fund Interest Options	
• Canadian	Sun Life MFS Balanced Growth Fund
• Canadian Bond	Sun Life MFS Canadian Bond Fund
• Canadian Value Stock	Mackenzie Cundill Canadian Security Fund
• Large Cap Canadian Equity	Mackenzie Ivy Canadian Fund
• Global Fixed Income	Mackenzie Global Bond Fund
• Global Balanced	Templeton Global Balanced Fund
• Global	Templeton Growth Fund, Ltd.
Portfolio Interest Options	
• Diversified Income	Franklin Quotential Diversified Income Portfolio
• Balanced Income	Franklin Quotential Balanced Income Portfolio
• Balanced Growth	Franklin Quotential Balanced Growth Portfolio
• Growth	Franklin Quotential Growth Portfolio
• Diversified Equity	Franklin Quotential Diversified Equity Portfolio

On the application, the policy owner indicates his or her desired Investment Interest Account allocation for the premiums. The Investment Interest Account allocation may be changed at any time. The first change in any policy year is free; however, a \$25.00 processing fee will be applied to each subsequent change made in that same policy year.

Tip: With the Equitable Sales Illustrations™ system, you can illustrate the Investment Interest Account allocation your client wants by selecting Custom Premium Allocation. It is important to note that should the Investment Interest Account allocation indicated on the application differ from what is illustrated, the application will govern in all cases for the Initial Investment Interest Account selections.

Daily Interest Account (DIA):

The Daily Interest Account features a fluctuating interest rate, which changes to reflect current money market trends. The interest rate credited to this account is similar to daily interest savings accounts offered through other financial institutions. Interest is calculated on a daily basis and credited to this account at least once per month.

The interest rate is currently guaranteed to be not less than 90% of the yield on 91 day Government of Canada T-Bills, less 2%. Interest credited will never be negative.

Tip: Clients who choose to minimum fund their plans should consider selecting this account as one of their Investment Interest Accounts, as the fluctuating interest paid will not result in a debit to the Account Value.

Guaranteed Deposit Accounts (GDA):

Guaranteed Deposit Accounts are term deposits offering your clients a choice of 1, 5, and 10 year terms*. The minimum amount that may be allocated to a GDA at any time is \$500.00. Interest on amounts held in a GDA is compounded annually and credited at the end of the term. Interest credited will never be negative. The Automatic Investment Option can be used to automatically re-invest funds.

The minimum interest rates provided for Guaranteed Deposit Accounts are dependent on the EquiLife plan type selected and are as follows:

EquiLife – GDA Guaranteed Minimums
The interest rate credited to a 1 Year GDA is guaranteed not to be less than 90% of the yield on Government of Canada bonds with the same term and maturity date less 1.50%, interest credited will never be negative.
The interest rate credited to a 5 Year GDA is guaranteed not to be less than the greater of 1.00%; and 90% of the yield on Government of Canada bonds with the same term and maturity date less 1.50%
The interest rate credited to a 10 Year GDA is guaranteed not to be less than the greater of 2.00%; and 90% of the yield on Government of Canada bonds with the same term and maturity date less 1.50%

* We reserve the right to change or discontinue Guaranteed Deposit Account terms available at any time.

Maturity Value:

The Maturity Value of a Guaranteed Deposit Account is the net amount originally invested in the Guaranteed Deposit Account plus the interest compounded annually at the guaranteed rate for the term your client elected. Any amounts withdrawn, transferred out, or deducted from the GDAs for monthly charges, including any Market Value Adjustment(s) that may apply, are taken into account when the Maturity Value is determined.

Market Value Adjustment:

The Market Value Adjustment of a Guaranteed Deposit Account is the discounted value of the Maturity Value with the interest rate used for discounting being 1% plus the higher of:

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

Automatic Investment Option:

Your client may have the following transactions automatically completed:

- a) A transfer of a specified amount (subject to GDA minimums) from the DIA to a GDA of a pre-selected term
- b) A re-investment of the proceeds of a GDA at the end of its term into another GDA of the same or different term as specified by the policy owner. At maturity of any GDA, Equitable Life will automatically re-invest the proceeds from the maturing GDA to a GDA for the same term, unless otherwise advised by the policy owner.

Tip: Guaranteed Deposit Accounts are ideal for your risk adverse clients, or those clients who are minimum funding their plans. In addition, if your client is considering collaterally assigning his or her policy to a lending institution in the future, your client may wish to transfer amounts to the Guaranteed Deposit Accounts at the time of collateral assignment.

Linked Interest Options:

The Linked Interest Options available with EquiLife offer policy owners the opportunity to have non-registered accounts that enjoy tax-advantaged earnings (provided all government exempt testing guidelines are met) with performance that reflects domestic or global equity and bond markets.

There are three types of Linked Interest Options Available: Index Interest Options, Performance Fund Interest Options and Portfolio Interest Options.

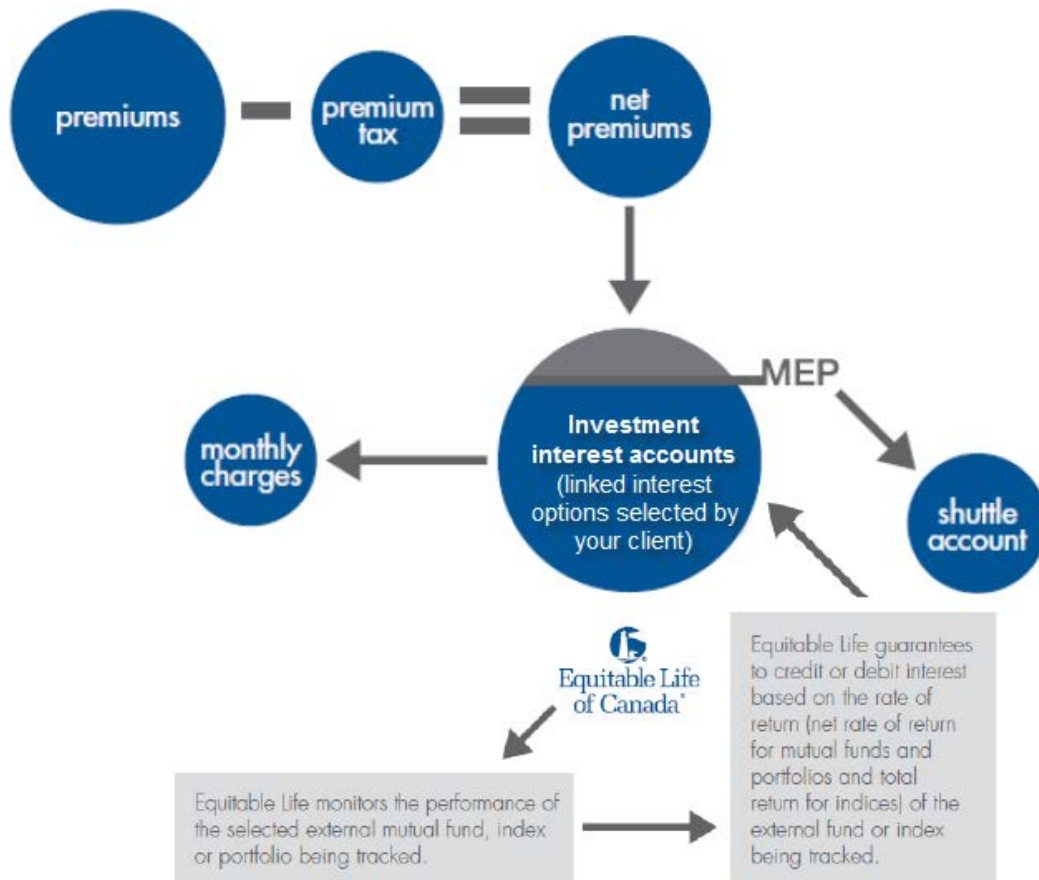
1. **Index Interest Options** give your clients the opportunity to receive interest based on the movement of the index being tracked by the Index Interest Option your client selected.
2. **Performance Fund Interest Options** provide your clients with an opportunity to receive interest based on the performance of the mutual fund to which the Performance Fund Interest Option is linked.
3. **Portfolio Interest Options** offer your clients the opportunity to earn interest based on the performance of a series of mutual funds, which are contained in the Portfolio being tracked by the Portfolio Interest Option your client selected. It is important to note that your clients are not investing in the index, mutual fund or portfolio being tracked; they are placing money on deposit with Equitable Life.

Tip: Recommend that clients suited to variable investments diversify their savings by directing the appropriate amounts into the right mix of Investment Interest Accounts. This may include a mix of amounts in the GDAs, the DIA, and Linked Interest Options. You may want to take advantage of the 1190 Universal Life Investor Profile Questionnaire to help determine a suggested asset mix based on your client's time horizon, financial goals and tolerance to risk.

You can find the 1190 Universal Life Investor Profile Questionnaire as well as full details on the Linked Interest Option investment options, 1193 Universal Life Savings & Investment Options, available in pdf form on EquiNet™ under Insurance – Marketing Materials – Universal Life

How Linked Interest Options Work:

Net Premiums allocated to the Linked Interest Options are investments in an interest bearing account on deposit with The Equitable Life Insurance Company of Canada. Your clients are not investing or buying units in the mutual fund, index or portfolio being tracked; they are placing money on deposit with the general funds of Equitable Life. The interest credited or debited to their account is guaranteed to be based on the performance of the relevant mutual fund, index or portfolio the Linked Interest Option is tracking.



Due to the variable nature of the market-based investments that are being tracked, the value of a Linked Interest Option will fluctuate positively or negatively in any given period depending on market conditions. The performance experienced by each policy owner will depend on the amounts and the timing of the premiums relative to the mutual fund, portfolio or index being tracked by his or her Linked Interest Option(s).

It is important to note that if the Account Value of any one of the Linked Interest Options falls below the \$150.00 minimum, Equitable Life reserves the right to transfer the remaining Account Value to the Daily Interest Account.

Examples:

If your client has a value of \$2,000 in one of the Index Interest Options and the index this option is tracking increases from 300.0 to 309.0 (a 3% increase) the value of your client's account will increase by the credited 3% interest to \$2,060. On the other hand, if the index decreases from 300.0 to 288.0 (a 4% decrease), the value of your client's account will receive a debit of a negative interest rate of 4% to \$1,920. Since Index Interest Options track Total Return Indices, the interest credited (or debited) to your client's account is based not only on the movement of the selected index, but any dividend returns as well!

If your client has a value of \$2,000 in one of the Performance Fund Interest Options and the mutual fund it is tracking has a 2% net rate of return, the value of your client's account will increase by the credited 2% interest to \$2,040. Correspondingly, if the mutual fund has a net rate of return of -3% (a 3% decrease), the value of that Performance Fund Interest Option account will receive a debit of a negative interest rate of 3.0% to \$1,940. With the Performance Fund Interest Options, the interest rate your client receives is based on the net rate of return of the fund and assumes dividends are being reinvested.

If your client has a value of \$2,000 in one of the Portfolio Interest Options and the portfolio of mutual funds being tracked has a 2.5% net rate of return, the value of your client's account will increase by the credited 2.5% interest to \$2,050. Conversely, if the portfolio of mutual funds has a net rate of return of -4.5% (a 4.5% decrease) the value of that Portfolio Interest Option account will receive a debit of a negative interest rate of 4.5% to \$1,910. With the Portfolio Interest Options your clients receive interest based on the net rate of return of the portfolio of mutual funds the Portfolio Interest Option is mirroring and assumes that dividends are reinvested!

Tip: While Linked Interest Options may provide the potential for greater rates of return over the long term, there is an inherent risk in selecting them as investment options. Unlike investing in the Daily Interest Account or Guaranteed Deposit Accounts where there are guarantees applicable to the credited interest rates, investments in Linked Interest Options are not guaranteed. It is possible to receive negative interest, which means a decrease in the Account Value. It is important to consider these factors, your client's funding level and tolerance to risk when advising your client on his or her selection of EquiLife Investment Interest Accounts.

Index Interest Options:

Index Interest Options are Investment Interest Accounts that are credited interest which is guaranteed to be not less than 100% of the comparative increase or decrease of the Total Return Index being tracked. The rate of interest can be either positive or negative depending on the movement of the applicable index. A negative return will result in a debit to the Account Value (a negative interest rate), whereas a positive return will result in a credit to the Account Value (a positive interest rate). Currently, the interest is calculated on a daily basis (business day); however, we reserve the right to change the frequency and timing of measurement at our discretion.

By selecting the Index Interest Options, your clients are provided with the opportunity to participate in the returns of some of the worlds leading stock market indexes, without having to buy the securities.

Index Interest Options available:

The applicable Index for each Index Interest Option is selected by Equitable Life and may change at any time. We reserve the right to discontinue the use of any Index Interest Option at our discretion and transfer the Account Value to the Daily Interest Account. At time of publication of this guide the current Index Interest Options available with EquiLife Limited Pay Universal Life are as outlined below.

Canadian Equity Index Interest Option:

The Canadian Equity Index Interest Option offers your EquiLife policyholders the opportunity for exposure to the Canadian equity marketplace. Currently, this Index Interest Option tracks the S&P/TSX 60 Total Return Index. Therefore, interest credited or debited to your client's account is not only based on the movement of the index--it includes any dividend returns, as well.

American Equity Index Interest Option:

The American Equity Index Interest Option provides your clients with the opportunity to have exposure to a broad cross section of the U.S. equity market. This Index Interest Option currently tracks the Standard and Poor's 500 Total Return Index. Interest credited or debited to your client's account is not only based on the movement of the index--it includes any dividend returns, as well.

U.S. Technologies Index Interest Option:

The U.S. Technologies Index Interest Option offers your clients the opportunity for exposure to the technology industry. Currently, this Index Interest Option tracks the NASDAQ 100 Total Return Index. Therefore, interest credited or debited to your client's account is not only based on the movement of the index--it includes any dividend returns, as well.

European Index Interest Option:

The European Index Interest Option offers your EquiLife clients the opportunity for exposure in the European marketplace. This Index Interest Option currently tracks the DJ EURO STOXX 50 Total Return Index. Interest credited or debited to your client's account is not only based on the movement of the index--it also includes any dividend returns, as well.

U.S. Blue Chip Index Interest Option:

With the U.S. Blue Chip Index Interest Option, your clients have the opportunity for exposure to 30 blue chip U.S. stocks. This Index Interest Option currently tracks the Dow Jones Industrial Average Total Return Index. Therefore, interest credited or debited to your client's account is not only based on the movement of the index--it also includes any dividend returns, as well.

Performance Fund Interest Options:

Performance Fund Interest Options are Investment Interest Accounts that earn interest based on the net rate of return (net of management fees and expenses) of the mutual fund being tracked, assuming the reinvestment of dividends. The rate of return the interest is based on can be either positive or negative depending on the performance of the applicable mutual fund being tracked. A negative rate of return will result in a debit to the Account Value (negative interest). On the other hand, a positive rate of return will result in a credit to the Account Value (positive interest). Currently, interest is calculated on a daily basis (business day), however, we reserve the right to change the timing and frequency of measurement at our discretion.

By selecting the Performance Fund Interest Options your clients can participate in the performance of seven well-managed and diversified mutual funds without having to purchase them

Performance Fund Interest Options available:

For each Performance Fund Interest Option the applicable mutual fund and series are selected by Equitable Life and may change at any time. We reserve the right to discontinue use of any Performance Fund Interest Option at our discretion and transfer the Account Value to the Daily Interest Account. At time of publication of this guide the current Performance Fund Interest Options available with EquiLife Limited Pay Universal Life are as outlined below.

Performance Fund Interest Option – Global:

The Performance Fund Interest Option – Global allows your clients to mirror the performance of one of Canada's premier mutual funds – the Templeton Growth Fund, Ltd., series A. This Performance Fund Interest Option is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of dividends, of this well managed global equity fund.

Performance Fund Interest Option – Canadian:

With the Performance Fund Interest Option – Canadian, your clients can track the performance of a solid Canadian mutual fund – Sun Life MFS Balanced Growth Fund, series D. This Performance Fund Interest Option is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of dividends, of this well managed balanced fund.

Performance Fund Interest Option – Canadian Bond:

The Performance Fund Interest Option – Canadian Bond enables your clients to have an Investment Interest Account that mirrors the performance of the Sun Life MFS Canadian Bond Fund, series D. This Performance Fund Interest Option is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of interest income of this well managed Canadian Bond Fund.

Performance Fund Interest Option – Global Fixed Income:

By selecting the Performance Fund Interest Option – Global Fixed Income, your clients are able to have an Investment Interest Account that tracks the performance of Mackenzie Global Bond Fund, series A, a foreign bond fund managed by Mackenzie. The Performance Fund Interest Option – Global Fixed Income is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of interest!

Performance Fund Interest Option – Canadian Value Stock:

With the Performance Fund Interest Option – Canadian Value Stock, your clients have an Investment Interest Account that emulates the performance of Mackenzie Cundill Canadian Security Fund, series C, one of the many funds managed by Mackenzie's Cundill management team. The Performance Fund Interest Option – Canadian Value Stock is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of dividends, of this well managed Canadian equity fund.

Performance Fund Interest Option – Large Cap Canadian Equity:

The Performance Fund Interest Option – Large Cap Canadian Equity gives your clients the opportunity to reflect the performance of Mackenzie Ivy Canadian Fund, series A, one of the many funds managed by Mackenzie's Ivy Funds management team. This Performance Fund Interest Option is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of dividends, of this well managed Canadian equity fund.

Performance Fund Interest Option – Global Balanced:

The Performance Fund Interest Option – Global Balanced gives your clients an opportunity to have an Investment Interest Account that reflects the performance of the Templeton Global Balanced Fund, series T, another outstanding fund managed by Franklin Templeton Investments. The Performance Fund Interest Option – Global Balanced is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of dividends of this well managed global balanced fund.

Portfolio Interest Options:

Portfolio Interest Options are Investment Interest Accounts that are credited (or debited) with interest based on the net rate of return (net of management fees) of the portfolio being tracked, assuming the reinvestment of dividends. Portfolio Interest Options mirror the performance of selected portfolios, which are made up of mutual funds (also known as a 'fund of funds'). The interest your client earns can be either positive or negative depending on the performance of the applicable portfolio being tracked. A negative rate of return will result in a debit to the Account Value (negative interest). Conversely, a positive rate of return will result in a credit to the Account Value (positive interest). Currently, interest is calculated on a daily basis (business day), however Equitable Life reserves the right to change the timing and frequency of measurement at our discretion.

The Portfolio Interest Options give your clients the opportunity to participate in the performance of five Franklin Quotential Portfolios managed by Franklin Templeton Investments Private Client Group without having to purchase the portfolios directly.

Portfolio Interest Options Available:

For each Portfolio Interest Option the applicable portfolio and series are selected by Equitable Life and may change at any time. We reserve the right to discontinue use of any Performance Fund Interest Option at our discretion and transfer the Account Value to the Daily Interest Account. At time of publication of this guide the current Portfolio Interest Options available with EquiLife Limited Pay Universal Life are as outlined below.

Diversified Income Portfolio Interest Option:

With the Diversified Income Portfolio Interest Option your clients have the opportunity to have an Investment Interest Account that reflects the performance of the Franklin Quotential Diversified Income Portfolio, series T. The Franklin Quotential Diversified Income Portfolio is one of the five portfolios offered through the Franklin Quotential Program managed exclusively by Franklin Templeton Investments Private Client Group. This Portfolio Interest Option is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of dividends, of this well managed conservative income portfolio.

Balanced Income Portfolio Interest Option:

By selecting the Balanced Income Portfolio Interest Option your clients are able to have an Investment Interest Account that tracks the performance of the Franklin Quotential Balanced Income Portfolio, series A. The Franklin Quotential Balanced Income Portfolio is another of the five portfolios offered through the Franklin Quotential Program managed by Franklin Templeton Investments Private Client Group. This Portfolio Interest Option is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of dividends, of this well managed moderate conservative income portfolio.

Balanced Growth Portfolio Interest Option:

The Balanced Growth Portfolio Interest Option gives your clients the opportunity to have an Investment Interest Account that emulates the performance of the Franklin Quotential Balanced Growth Portfolio, series A. The Franklin Quotential Balanced Growth Portfolio is offered through the Franklin Quotential Program managed by Franklin Templeton Investments Private Client Group. This Portfolio Interest Option is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of dividends, of this well managed balanced growth portfolio.

Growth Portfolio Interest Option:

With the Growth Portfolio Interest Option your clients are afforded the opportunity to earn interest reflecting the performance of the Franklin Quotential Growth Portfolio, series A. The Franklin Quotential Growth Portfolio is yet another portfolio offered through the Quotential Program managed by Franklin Templeton Investments Private Client Group. This Portfolio Interest Option is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of dividends, of this well managed moderate growth portfolio.

Diversified Equity Portfolio Interest Option:

By selecting the Diversified Equity Portfolio Interest Option your clients have the opportunity to have an Investment Interest Account that mirrors the performance of the Franklin Quotential Diversified Equity Portfolio, series A. The Franklin Quotential Diversified Equity Portfolio is also offered through the Franklin Quotential Program managed by Franklin Templeton Investments Private Client Group. This Portfolio Interest Option is credited or debited with an interest rate equal to not less than 100% of the net rate of return, including the reinvestment of dividends, of this well managed global equity portfolio.

For full details on the Linked Interest Option investment options, refer to 1193 Universal Life Savings & Investment Options which is available in pdf from on EquiNet™ under Insurance – Marketing Materials – Universal Life

*The portfolio advisor may, in its sole discretion, modify the optimal asset mix, change the percentage of holdings of any fund, remove any fund or add other funds managed by the Manager or by third parties. Equitable Life will credit or debit interest based on 100% of the net rate of return of the applicable Portfolio regardless of any changes made.

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

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

CASH ACCESSIBILITY

For increased flexibility, EquiLife allows the policy owner to access the cash within his or her policy at any time with the choice of cash withdrawals, policy loans or policy surrender. These options provide your clients with the flexibility they need for meeting future financial needs. It is important to be aware that there could be tax consequences should your client elect to access the values in their policy through any of these options.

Cash Withdrawals:

Your client has the ability to take a cash withdrawal from his or her EquiLife policy at any time, provided there is an Account Value (net of indebtedness) in the policy. The policy owner simply specifies from which Investment Interest Account(s) the withdrawal is to be made. If no withdrawal order is specified, then withdrawals will be made from the Investment Interest Accounts using the same order as used for the monthly charges.

It is important to note that if there is any value in the Shuttle Account, all cash withdrawals will be made from this account first (see Shuttle Account for details.)

The withdrawal can be made for any amount ranging from \$500.00 up to the current Account Value of the policy, less any indebtedness, less \$500.00. On each cash withdrawal, a \$25.00 fee will be applied. When a withdrawal is made, both the Account Value and the Cash Surrender Value are reduced by the amount of the withdrawal. With EquiLife, the Account Value will reduce by the amount withdrawn, thereby reducing the Death Benefit.

Policy Loans:

The policy owner may borrow up to the Maximum Loan value of the EquiLife Universal Life insurance policy. The Maximum Loan value is equal to 90% of the Cash Surrender Value of the Guaranteed Cash Value, the Guaranteed Deposit Accounts and the Daily Interest Account, reduced by one year's loan interest, at the rate charged on policy loans. The amount payable on death will be reduced by any existing indebtedness under the policy.

It is important to note that the value in the Shuttle Account is not taken into consideration when calculating the Maximum Policy Loan Value. If your clients have value in the Shuttle Account, it may be in their best interest to withdraw those funds for their use before taking a policy loan.

Policy Surrender:

At any time, your client can surrender their policy for its current Cash Surrender Value, less any indebtedness to the policy (ie. a Policy Loan). Please note that there are no Surrender Charges with EquiLife.

MONTHLY CHARGES

Regardless of whether your client is paying his or her premium annually or monthly, charges for EquiLife are withdrawn from your client's account(s) monthly. On each monthly anniversary, a charge will be withdrawn from the Investment Interest Accounts. These monthly charges include the costs for the insurance portion of your client's EquiLife plan as well as any costs for additional riders or benefits.

Monthly Charges consist of:

- a) the total Administration Charges applicable to all insurance coverages under the EquiLife policy
- b) the total of all Cost of Insurance Charges applicable to all insurance coverages under the EquiLife policy
- c) the total monthly charge(s) for any Additional Benefits and Riders provided under the EquiLife policy
- d) the Linked Interest Option Administration Fees

The monthly charges will be withdrawn from the Daily Interest Account, the Guaranteed Deposit Account(s), and/or the Linked Interest Option(s) based on the method your client elects on the application. Your client may elect a percentage of the total monthly charges to be deducted from specific accounts, or your client may elect to have the monthly charges deducted from all accounts on a pro-rata basis, depending on the Account Value in the accounts at the monthly anniversary. If your client does not elect a method for deduction of monthly charges, the default method of pro-rata from all accounts will be used. In addition, if your client has elected specific accounts for the deduction of the monthly charges and one (or more) of these accounts does not contain sufficient funds, then the monthly charges will be deducted on a pro-rata basis from the remaining accounts your client elected for the deduction of the monthly charges.

Your client may, at any time, change the method or accounts from which the monthly charges are deducted by providing written notice at Equitable Life's Head Office. It is important to note that the minimum account balance requirements must continue to be met. In addition, if your client has elected specific accounts from which the monthly charges are to be deducted, these same accounts must also be elected in your client's premium allocation.

The Administration Charges:

Administration Charges with EquiLife are guaranteed. The Monthly Administration Charges is \$5.00 per month, for both Single Life and Joint Life plans. The monthly Administration Charges are payable for the COI duration only.

The Cost of Insurance Charges:

This charge is determined at the beginning of each policy month and is equal to the current Amount at Risk multiplied by the Cost of Insurance rate applicable for that amount of coverage. The Cost of Insurance rates are fully guaranteed for the life of the policy.

The Amount at Risk for any insurance coverage is the current Death Benefit less the current Account Value of the policy attributable to that insurance coverage. The Cost of Insurance rates associated with your client's policy are guaranteed not to increase and are guaranteed payable for the COI duration they have elected.

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

Additional Benefits and Riders:

Each month, the charges for any optional additional riders and benefits are deducted. Additional benefits and riders include: Term Riders, Waiver of Monthly Charges, Applicant's Waiver of Charges Death & Disability (Children's plans only), Guaranteed Insurability Option, Flexible Guaranteed Insurability Option (Children's plans only), Children's Protection Rider, and the EquiLiving Critical Illness Rider (on all qualified person(s) insured covered under the EquiLife policy).

Linked Interest Option Administration Fees

The Linked Interest Option Administration Fee applies only to money that has been allocated to the Index Interest Options, the Performance Fund Interest Options or the Portfolio Interest Options. The current and maximum Linked Interest Option Administration Fees are as follows:

EquiLife – Current & Maximum Linked Interest Option Administration Fees	
Linked Interest Option	Fee
Index Interest Options	
Canadian Equity	1.75%
American Equity	1.75%
U.S. Technologies	1.95%
European	1.95%
U.S. Blue Chip	1.75%
Performance Fund Interest Options	
Canadian	0.75%
Canadian Bond	0.75%
Canadian Value Stock	0.00%
Large Cap Canadian Equity	0.00%
Global Fixed Income	0.00%
Global Balanced	0.00%
Global	0.00%
Portfolio Interest Options	
Diversified Income	0.45%
Balanced Income	0.45%
Balanced Growth	0.45%
Growth	0.45%
Diversified Equity	0.45%

DIVIDENDS

EquiLife Limited Pay universal life is a participating policy of the Company. While it is in force, this policy is eligible for ownership dividends. These dividends may be paid based on the overall earnings of the Company and when the Company has a strong capital position at the time and into the foreseeable future. Ownership dividends are paid at the discretion of the Board of Directors. Dividends are not guaranteed. This policy is not eligible for experience dividend. If any policy dividends are declared, they would be credited in a manner determined by Equitable Life at that time.

TAXATION

EquiLife is designed to conform with the current provisions and regulations under the Income Tax Act (Canada); thereby providing your clients with the various tax advantages found with exempt life insurance policies. Periodically, but not less than on each policy anniversary, Equitable Life will monitor your client's policy to determine its tax status.

Equitable Life will test your client's EquiLife policy to ensure the Cash Surrender Value of the policy is less than the accumulating fund of the applicable Exempt Test Policy. In addition, starting on the tenth policy anniversary and at each policy anniversary thereafter, we will ensure that the policy passes the 250% (anti dump-in) rule.

The Exempt Test Policy:

The Exempt Test Policy is an imaginary policy that is set up at the same time your client's EquiLife policy is issued. The Exempt Test Policy is based on an endowment to age 85 policy, as set out in the Income Tax Act (Canada). When determining the tax status of a life insurance policy, the value of the accumulating fund of the applicable Exempt Test Policies is compared to the Cash Surrender Value of your client's policy. For Joint EquiLife plans, the Equivalent Single Life Age of the lives insured under the policy is used to determine the test issue age for the Exempt Test Policy. It is important to note that the actual tax exempt test occurs at the end of each policy year.

250% Rule:

The 250% Rule (often referred to as the "anti dump-in rule") is a test, as set out in the Income Tax Act (Canada), which begins at the tenth policy anniversary. Therefore, starting at the tenth policy anniversary and on each policy anniversary thereafter, Equitable Life will ensure that the Cash Surrender Value at the current policy anniversary is not greater than 2.5 times the Cash Surrender Value of the policy on the policy anniversary three years earlier.

Failing the Exempt Test:

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

Premiums:

If your client's policy fails the exempt test at the time of a premium payment, we will accept as a premium for the policy an amount that will maintain the policy's tax exempt status. We will then transfer the balance to the Shuttle Account. The balance will not be considered a premium payment or any other part of the policy.

If, on any policy anniversary, there is room for additional premiums in your client's EquiLife policy and there are funds in the Shuttle Account, Equitable Life will automatically move funds from the Shuttle Account to your client's EquiLife policy.

The above reflects the current provisions of the Income Tax Act (Canada) and Regulations applicable to the policy as at the Effective Date. Equitable Life reserves the right to modify its practices to reflect any subsequent changes made in the Income Tax Act (Canada) and Regulations affecting the policy.

SHUTTLE ACCOUNT

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

In order to maintain the policy's tax-exempt status, a separate Shuttle Account policy (premiums-on-deposit account) will be set up in conjunction with all EquiLife policies. Any premiums received over the Maximum Exempt Premium in any policy year will be deposited to the Shuttle Account. The Shuttle Account holds the funds until they can be paid as premiums into the EquiLife policy, or are withdrawn by the policy owner.

In addition, funds are transferred to the Shuttle Account as required to maintain your client's EquiLife policy's status as exempt from annual accrual taxation. Funds in the Shuttle Account will automatically be used to pay premiums to EquiLife on any annual policy anniversary, where enough tax-exempt room exists.

Shuttle Interest Accounts:

The same Investment Interest Accounts available with EquiLife are available for selection in the Shuttle Account. Your clients can make their selection of the Shuttle Interest Accounts on the application for life insurance. If your clients do not select any Shuttle Interest Accounts, any amounts transferred to the Shuttle Account will automatically be deposited into the Daily Interest Account.

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

Interest will be credited or debited to the Shuttle Accounts in the same manner as the Investment Interest Accounts. Any Administration Fees applicable to the Investment Interest Accounts will also be applicable to those Shuttle Interest Accounts in the Shuttle Account. **Any guarantees applicable to the Investment Interest Accounts within the EquiLife policy will NOT be applicable to the Shuttle Account.** For example, the minimum interest rate guarantee applicable to the Guaranteed Deposit Accounts held within the EquiLife policy does NOT apply to any Guaranteed Deposit Account held in the Shuttle Interest Accounts. Any interest earned in the Shuttle Account will be subject to annual taxation.

If your clients select a Guaranteed Deposit Account within the Shuttle Account, a Market Value Adjustment will not be applied to funds paid as premiums to your client's EquiLife policy. However, should the owner choose to withdraw funds from the Shuttle Account, a Market Value Adjustment, calculated in the same manner as a Market Value Adjustment applicable to Guaranteed Deposit Accounts within the EquiLife policy, will apply.

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

Shuttle Premiums:

Shuttle Premiums are premiums paid from the Shuttle Account to your client's EquiLife policy. Upon determination of the Maximum Exempt Premium, at each policy anniversary, we will automatically pay a premium, if possible, from the Shuttle Account to the EquiLife policy. Premiums paid from the Shuttle Account will be deducted from the Shuttle Interest Accounts in the same method as used for the deduction of monthly charges from the Investment Interest Accounts, unless Equitable Life receives alternative written instruction from the client at our Head Office. The premium paid, less applicable premium tax, will be allocated to the Investment Interest Accounts selected by your client for his or her EquiLife policy.

Shuttle Deposits:

Shuttle Deposits are funds that are transferred from an EquiLife policy to the Shuttle Account. Shuttle Deposits will occur at any time a premium in excess of the Maximum Exempt Premium is paid. Shuttle Deposits will also occur on any policy anniversary the EquiLife policy fails the exempt test. The amount of the Shuttle Deposit will be determined to be the amount necessary to maintain your client's policy's exempt status. Shuttle Deposits are not subject to premium tax.

In Case of Death:

If death of a life insured under the EquiLife policy results in termination of the policy, the Shuttle Account will be paid to the owner or to the owner's beneficiary.

Policy Surrender:

If your client's EquiLife policy is surrendered, the Shuttle Account Value will be surrendered and paid out to the EquiLife policy owner.

Withdrawal:

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

Shuttle Account Value:

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

Policy Loans:

Funds in the Shuttle Account are not considered when taking a policy loan.

Taxation:

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

Protection from Creditors:

Subject to certain conditions, protection from creditors may be available with EquiLife Universal Life. However, Creditor Protection does NOT apply to the Shuttle Account. The Shuttle Account is not part of the EquiLife policy; it is a premiums-on-deposit account. This account is similar to a bank account and is treated in a manner similar to a bank account in bankruptcy.

BUILT-IN FEATURES

Bereavement Counselling Benefit:

In addition to the Death Benefit EquiLife provides your client's heirs, we have included a Bereavement Counselling Benefit to assist your client's beneficiaries with their grief. Upon the death of a life insured covered under the EquiLife policy and payment of the Death Benefit, we will provide a Bereavement Counselling Benefit to the beneficiary(ies) of your client's EquiLife policy. The beneficiary(ies) will receive reimbursements up to a total of \$500.00 of the costs of counselling expenses, shared among all beneficiaries as long as the following requirements are met:

- the beneficiary(ies) will submit receipts within 12 months of the date of death of the life insured; and
- the counsellor has professional accreditation or certification as determined appropriate by Equitable Life at the time of receipt.

It is important to note that regardless of the number of beneficiaries under an EquiLife policy, only a total of \$500.00 will be reimbursed for counseling for all beneficiaries. Payment under this benefit will result upon remittance of receipts only. Reimbursement is subject to Equitable Life's then current administrative practices.

Disability Benefit Disbursement:

The Disability Benefit Disbursement is available for all EquiLife coverage types except Joint Last-to-Die. Provided your client's EquiLife Universal Life insurance policy has been in force for at least 24 months and is in good standing, a life insured under that policy may be eligible to receive a Disability Benefit Disbursement paid out from the policy's Account Value. Please note that the Guaranteed Cash Value is not payable under the Disability Benefit Disbursement provision.

If a life insured under the EquiLife policy provides, at his or her own expense, Equitable Life with acceptable evidence of a Disability as defined in the policy contract, your client may be eligible for a Disability Benefit Disbursement from the Account Value of the policy.

The Disability Benefit Disbursement may be paid out subject to the following conditions:

- a) One Disability Benefit Disbursement per policy will be permitted in any policy year, provided the policy has been in force and in good standing for at least 24 months from the Effective Date. If the policy is reinstated, the 24 month period runs from the Effective Date of the reinstatement.
- b) If a Disability Benefit Disbursement is taken from the Guaranteed Deposit Accounts, a Market Value Adjustment will apply. The Market Value Adjustment calculation will be the same as the Market Value Adjustment which applies to a regular cash withdrawal.
- c) The Minimum Disability Benefit Disbursement in any policy year is \$500.00 excluding Market Value Adjustments (if applicable).
- d) The Maximum Disability Benefit Disbursement in any policy year is 50% of the Account Value of the policy in that policy year.

- e) The \$25.00 withdrawal charge applicable to your client's EquiLife policy will be waived for withdrawals made under this Disability Benefit Disbursement.

Your client may specify the Accounts and/or Linked Interest Options from which the Disability Benefit Disbursement is to be made. However, if there is any value in the Shuttle Account, all Disability Benefit Disbursements will be made from the Shuttle Account first regardless of the order specified.

The Account Value and Death Benefit applicable to the life insured will be reduced by the amount of the Disability Benefit Disbursement. A Disability Benefit Disbursement may not be available if the policy has been assigned, if the disabled life insured is not the owner of the policy, or if there is an irrevocable beneficiary designation for the proceeds of the policy. Your client may be able to take a Disability Benefit Disbursement upon written authorization to Equitable Life of the assignee, the owner of the policy, or the irrevocable beneficiary, subject to our then current administrative practices and the then current income tax legislation.

Note: Qualifying to receive the Disability Benefit Disbursement does not guarantee that the EquiLife policy will remain in force. If your clients have not elected Waiver of Charges as an additional benefit with this policy, they must continue to make premium payments to keep the EquiLife policy in force.

Pre-existing Conditions:

No Disability Benefit Disbursement will be payable if Equitable Life determines that a life insured, who would have otherwise qualified for the Disability Benefit Disbursement, had that impairment at the Effective Date or the Reinstatement Date of the policy. That determination will be based on the conditions specifically identified in, or that can reasonably be inferred to have existed at that time from: the application, a related declaration of health, or other information available to us.

Taxation:

Currently, the Income Tax Act (Canada) and Regulations provide that a disability benefit is not considered a disposition of an interest in a life insurance policy. Therefore, disability benefits are currently not subject to income tax. However, we cannot guarantee that a Disability Benefit Disbursement will not be subject to income tax at the time it is made.

Furthermore, we do not guarantee that it will always be in the best interest of the life insured to take a Disability Benefit Disbursement, should the Income Tax Act (Canada) and Regulations change in the future.

Special Options Provision

Within 60 days of the death of one of the lives insured under a Joint First-to-Die policy, a request can be made to purchase a single life policy on the surviving life insured, without evidence of insurability, up to a maximum of the Sum Insured in effect at the time of the first death.

Living Benefit

If the life insured is diagnosed with an illness that will become terminal within 24 months, they may qualify for a Living Benefit payment. The Living Benefit payment is a portion of the death benefit and will be the lesser of \$25,000 or 50% of the face amount of the policy less any existing policy loans. The policy must be in force for the benefit to be paid. Subject to current administration guidelines. This is a non-contractual benefit.

ADDITIONAL BENEFITS AND RIDERS

The numerous optional riders and benefits available with EquiLife allow you to customize a life insurance plan based on your clients' own unique needs.

Waiver of Monthly Charges Rider

Issue Ages: 18 to 55

Expiry Age: 60

This benefit provides the policy owner with the assurance that, in the event of a total disability lasting six months or more, the monthly charges under the EquiLife policy will be waived as long as the life insured remains disabled.

This rider is also available on the applicant's life for single life children's policies to cover both death and disability.

Tip: EquiLife protects your client on death. Why not suggest the Waiver of Monthly Charges rider to ensure that your client's policy will continue to provide protection in the event your client becomes disabled!

Applicant's Waiver of Charges Rider – Death/Disability

Issue Ages: person insured is 0 - 15 years, and the payor/applicant is between 16 - 55 years

This Rider provides for the payment of all charges applicable to the plan if the payor/applicant is totally disabled by sickness or accident for at least six consecutive months, or dies before the waiver expires.

- The waiver expires at age 60 of the payor/applicant or age 21 of the insured child, whichever comes first.
- In the event of disability, Equitable Life will refund any charges paid during this six-month period and waive any charges that come due during the continuation of the total disability until age 21 of the insured child.
- In the event of death, charges will continue to be waived until age 21 of the insured child. At age 21, the Rider expires and the insured child has the option to add Disability Waiver on their own life.

Guaranteed Insurability Option

Issue Ages: 0 to 38 on Single Life plans

Expiry Age: 40

Option Amounts:

Individual Age at Issue	Individual Option Amount	Total of All Option Amounts
0 to 18	\$50,000	\$400,000
19 to 21	\$50,000	\$350,000
22 to 24	\$50,000	\$300,000
25 to 27	\$50,000	\$250,000
28 to 30	\$50,000	\$200,000
31 to 33	\$50,000	\$150,000
34 to 36	\$60,000	\$120,000
37 to 38	\$75,000	\$75,000

This additional benefit is right for your clients who are concerned about their future insurability. The Guaranteed Insurability Option helps provide for future financial security by giving the life insured the option to purchase additional policies at specified dates in the future, without providing Evidence of Insurability.

Tip: This option is particularly useful in the early family market, where the current need for insurance isn't as great as it will be in the future.

Children's Protection Rider

Issue Ages: Parents from 18 to 55

Maximum Amount: \$30,000

This rider assists in making EquiLife a family insurance plan! The Children's Protection Rider provides term insurance protection for all children of the life insured, aged 15 days to 18 years, under one plan. The protection continues in force to a child's age 25. This coverage may be converted to any permanent plan or term plan for up to 5 times the original coverage amount, when the child is between the ages of 21 and 25, without the necessity of providing Evidence of Insurability. Premiums for this rider are payable for only 20 years, even if children are still covered by the rider.

Tip: The Children's Protection Rider is a great way to protect the future insurability of your client's children.

Flexible Guaranteed Insurability Option

Issue Ages: 0 to 15

Option Amounts:

- Minimum individual option amount - \$ 25,000
- Maximum individual option amount - \$250,000

The total of all option amounts under all policies on any one life may not exceed \$500,000. Amounts of individual options, including the Special Option at 18 may be different

This benefit helps to provide for the financial security of your clients' children or grandchildren. With the Flexible Guaranteed Insurability Option, the child insured has the option to purchase additional policies at specified dates in the future, without providing Evidence of Insurability. Your clients can select a variety of option dates and amounts at issue.

Term Riders

Issue Ages: 10 YRCT: ages 18 to 75

20 YRCT: ages 18 to 65

Expiry Age: 85

Minimum Amount: \$50,000

Minimum to be considered for a Preferred risk class: \$250,000

Maximum Amount: Total coverage limited to \$10,000,000 on base life

Both 10 and 20 YRCT Term Riders are available on EquiLife Universal Life. The riders can be included at issue or added to an inforce policy after issue, giving your clients the opportunity to add term insurance when it is needed!

Term Riders are available to insure a life covered under the basic EquiLife policy. To provide protection for the spouse of the life covered under the basic policy or any other third party sharing an insurable interest with the parties covered under the base plan, an Additional Life Term Life Insurance Rider is available. Term Riders are available on a single life basis only and can be added to any EquiLife policy subject to satisfactory Evidence of Insurability and underwriting.

Preferred Risk Classes:

Term riders enjoy the same benefits of a stand alone Term policy without the additional policy fee. In order to be considered for preferred rates, the face amount of the rider must be a minimum of \$250,000. Five risk classes are available on the term riders:

Class 1 Preferred Plus Non-Smoker	The life insured is a very healthy non-smoker (no smoking or cessation aids within the past 24 months) with an excellent family medical history.
Class 2 Preferred Non-Smoker	The life insured is in good health, a non-smoker (no smoking or cessation aids within the past 12 months) with a good family medical history
Class 3 Non-Smoker	The life insured is a healthy non-smoker (no smoking or cessation aids within the past 12 months. Up to one cigar/cigarillo per month is acceptable)
Class 4 Preferred Smoker	The life insured is in good health and smokes cigarettes or uses nicotine-based products. Evaluated with similar health criteria as Class 2 Preferred Non-Smoker.
Class 5 Smoker	The life insured is healthy and smokes cigarettes or uses nicotine-based products

Exchange Option:

A 10 year term rider can be exchanged to a 20 year term rider anytime after the first coverage anniversary up to the earliest of the fifth policy anniversary or the insured person's 65th birthday. If the person qualified for preferred rates on the 10 year term they will carry that preferred class over to the new 20 year term upon exchange.

Conversion: Until age 71 of the insured, term riders can convert to any permanent insurance plan available for sale at the time. If the permanent insurance plan has preferred risk classes, and the conversion is done within the first 10 years of coverage, the insured will maintain its preferred risk class on the converted plan.

Automatic Policy Exchange Provision:

If the EquiLife policy to which an Additional Life Term Rider is attached terminates due to payment of the Death Benefit, Equitable Life will automatically exchange the rider for a separate Term Life Insurance policy on the life of the life insured under the rider. This can mean uninterrupted coverage for the spouse or the additional life insured! The separate Term Life Insurance policy will have the same Death Benefit, Class of Risk and status as the rider, without the requirement of Evidence of Insurability.

The premiums for the new policy will be the same as the rider premiums, with the addition of a policy fee. Upon the automatic exchange of a Term Rider, any additional riders will not be included. The owner may terminate the separate Term Life Insurance policy by notifying us in writing.

In addition, with the **Separate Term Life Insurance Policy Option**, at any time while a Term Rider or Additional Life Term Rider is in force, it can be exchanged for a separate Term Life Insurance policy on the life of the life insured by the rider, without Evidence of Insurability. This feature gives the life insured under the rider the flexibility he or she may need to accommodate changing insurance needs down the road! The separate Term Life Insurance policy provides the same benefits and is in the same form as the rider. It will have an amount of insurance not less than the minimum required by Equitable Life, but not more than the amount provided by the rider.

Tip: A Term Rider is an excellent way to access additional low cost life insurance coverage on the life of the base life insured under the EquiLife policy. An Additional Life Term Insurance Rider is a cost-effective way for your client and his or her spouse to obtain coverage on both lives--with an option to exchange the rider for a Separate Term Life Insurance Policy down the road. The Additional Life Term Rider is also very useful in those business situations where short-term coverage on another life not covered by the policy is required.

EquiLiving® Critical Illness Insurance Riders:

An EquiLife plan coupled with an EquiLiving Critical Illness Insurance Rider can provide your client with well-rounded protection. EquiLiving Critical Illness Insurance Riders provide the person insured under the rider with a lump sum benefit in the event that he or she is diagnosed with one of the 25 covered critical conditions (and/or 5 additional childhood conditions available on children's policies) as defined in the rider contract and survives the survival period applicable to the particular condition. The lump sum benefit is paid to the person insured ... not to the person insured's heirs.

EquiLiving Critical Illness Insurance Riders are available at issue on the life insured under a Single Life plan and on all qualified lives insured under the base policy on Joint Life plans.

EquiLiving Critical Illness Insurance Rider -- 10 Year Renewable to Age 75

- Issue Ages 30 days – 65 years
- Minimum Sum Insured \$25,000
- Maximum Sum Insured \$2,000,000 (\$250,000 for children's policies)
- Provides a level sum insured
- Guaranteed premiums renew (increase) every 10 years
- Rider automatically terminates at age 75
- Change Privilege

The EquiLiving Critical Illness Insurance Rider-- 10 Year Renewable to Age 75 features a Change Privilege, which gives your client the flexibility to change to a level premium to age 75 rider or a level premium to age 100 rider covering the same conditions as covered by the original rider, provided one is then available. The Change Privilege may be elected at any policy anniversary up to and including the policy anniversary nearest the person insured's attained age 60. No evidence of insurability is required for the Change Privilege, as long as there is no increase in the sum insured. To take advantage of the Change Privilege, your client simply makes a written request to Equitable Life's head office in Waterloo, Ontario at least 30 days prior to his or her 60th birthday. Premiums will be based on the then current rates for the level premium to age 75 or the level premium to age 100 rider at your client's attained age at the date of the change for the same class of risk and smoking status.

EquiLiving Critical Illness Insurance Rider—Level to Age 75

- Issue Ages 30 days – 64 years
- Minimum Sum Insured \$25,000
- Maximum Sum Insured \$2,000,000 (\$250,000 for children's policies)
- Provides a level sum insured
- Premiums are guaranteed level
- Rider automatically terminates at age 75

EquiLiving Critical Illness Insurance Rider – Level to Age 100

- Issue Ages 30 days – 65 years
- Minimum Sum Insured \$25,000
- Maximum Sum Insured \$2,000,000 (\$250,000 for children's policies)
- Provides a level sum insured
- Premiums are guaranteed level
- Rider is "paid-up" at age 100

Covered Conditions:

Heart Attack	Cancer (Life Threatening)	Stroke
Alzheimer's Disease	Aortic Surgery	Aplastic Anaemia
Bacterial Meningitis	Benign Brain Tumour	Blindness
Coronary Artery Bypass Surgery	Coma	Deafness
Heart Valve Replacement	Kidney Failure	Loss of Independent Existence*
Loss of Limbs	Loss of Speech	Major Organ Failure on Waiting List
Major Organ Transplant	Motor Neuron Disease	Multiple Sclerosis
Paralysis	Parkinson's Disease	Occupational HIV Infection
Severe Burns		

* Loss of Independent Existence provides a benefit for cognitive impairment and/or a total and permanent inability to perform two or more of: bathing, dressing, toileting, continence, transferring, feeding.

Any illness, disorder, or condition not specifically defined as a covered condition in the contract is not insured and no benefit payout will apply. Detailed information on the Covered Critical Conditions is available in "Understanding the Covered Conditions" guide (#1248).

Additional covered conditions for children

In addition to the 25 conditions above*, EquiLiving children's plans provide coverage for the following 5 childhood conditions until age 25:

Cerebral Palsy	Congenital Heart Disease	Cystic Fibrosis
Muscular Dystrophy	Type 1 Diabetes Mellitus	

*For plans insuring children, coverage for Loss of Independent Existence does not apply until age 18 at which time it is added automatically.

Any illness, disorder, or condition not specifically defined as a covered condition in the contract is not insured and no benefit payout will apply. Detailed information on the Covered Critical Conditions is available in "Understanding the Covered Conditions" guide (#1248).

EquiLiving Critical Illness Insurance Rider Benefit:

Provided the EquiLife policy and the EquiLiving Critical Illness Insurance Rider are in force, Equitable Life will pay the EquiLiving Critical Illness Insurance Rider benefit amount to your client in a lump sum following the diagnosis by a licensed physician (unless otherwise specified in the rider contract) in Canada, the US, or any other region as approved by Equitable Life of a covered critical condition as defined in the policy contract and satisfaction of the specified survival period. Any illness, disorder or conditions not specifically defined as a covered critical condition in the contract is not insured and no benefit will be payable.

Survival Period:

Survival period refers to the number of days your client must survive starting on the date of diagnosis of, or surgery for, a critical condition before a benefit pay out will be made. The survival period is generally 30 days unless otherwise specified in the rider contract. The person insured must be alive at the end of the survival period and must not have experienced irreversible cessation of all brain functions during the survival period.

Extension of Expiry:

If your client has elected either a 10 Year Renewable to Age 75 or Level to Age 75 EquiLiving Critical Illness Insurance Rider, the rider expires on the policy anniversary nearest his or her attained age 75. However, if that rider expires while the person insured is satisfying an applicable survival period for a covered condition, the Extension of Expiry applies, and your client's EquiLiving rider will remain in force until the earlier of the date of the person insured's death, or the date the person insured's EquiLiving Benefit or Early Detection Benefit becomes payable. The Extension of Expiry provides coverage only for the particular covered critical condition or Early Detection Benefit covered condition that initiated the Extension of Expiry.

Automatic Policy Exchange:

If the EquiLife policy to which an EquiLiving Critical Illness Insurance rider is attached terminates due to payment of the Death Benefit, we will automatically exchange the EquiLiving Critical Illness Insurance Rider for a separate EquiLiving Critical Illness Insurance policy on the person insured under the rider. This can mean uninterrupted EquiLiving Critical Illness Insurance coverage for the person insured!

The premiums for the separate EquiLiving Critical Illness Insurance policy will be the same as for the rider, with the addition of a policy fee. The separate EquiLiving Critical Illness Insurance policy will have the same benefits and will be at the same class of risk and status as the rider, without the requirement of Evidence of Insurability. Upon the automatic policy exchange of an EquiLiving Critical Illness Insurance rider, any additional riders will not be included.

Early Detection Benefit:

This automatically included feature provides your clients with a one-time lump sum benefit if he or she is diagnosed with and survives the 30 day survival period applicable to one of four non life threatening conditions. The Early Detection Benefit

Covered Conditions are:

- Coronary Angioplasty
- Early Prostate Cancer
- Ductal Breast Cancer
- Superficial Malignant Melanoma.

The Early Detection Benefit will be the lesser of 15% of your client's then current EquiLiving Critical Illness Insurance rider benefit amount and \$50,000. This benefit can be paid twice during the lifetime of the policy, but only once for any of the Early Detection Benefit conditions.. Payment of the Early Detection Benefit will not cause the policy to terminate, reduce the EquiLiving benefit, , or the policy premiums. Note that unlike the survival period applicable to the covered critical conditions, during the Early Detection survival period, premiums are still payable.

Tax Handling of the EquiLiving Critical Illness Insurance Rider:

Presently, there are no tax laws specifically pertaining to Critical Illness Insurance in particular. Equitable Life interprets current tax laws as follows:

- if premiums are paid by an individual, the benefit payout received is not taxable regardless of who owns the policy.
- if premiums are paid by an employer and deducted as a business expense, either the premium paid (which will be added to a person insured's income) or the benefit payout received will be considered to be taxable to the person insured.

Note: This is general tax information only and should not be used as the basis for rider purchase decisions. Your clients should seek advice from their lawyer or tax advisor on the taxation of the EquiLiving Critical Illness Insurance Rider.

Access to Best Doctors®

If your client elected either a 10 Year Renewable to Age 75 or Level to Age 75 EquiLiving Critical Illness Insurance Rider, they have access to Best Doctors – the best medical expertise and treatment in the world.

What it is

Best Doctors connects your client, their spouse and immediate family members, along with their treating physician with world renowned specialists. This allows your client to take control of their health care by accessing the medical knowledge they need to make the best treatment choices.

How it works

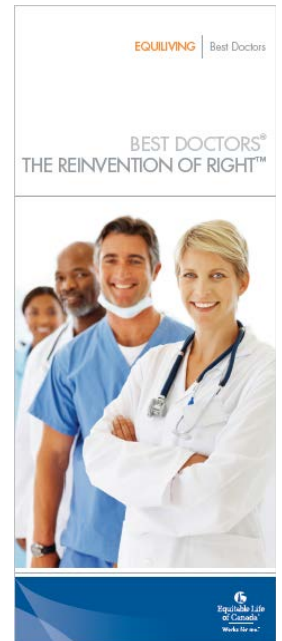
As soon as their EquiLife policy goes into effect, your client can call Best Doctors. They'll be connected to a Member Advocate, a Registered Nurse who will be dedicated to their case, providing ongoing one-on-one support and guidance. Your client can call as often as they want. Assistance is not limited to the conditions covered under the EquiLiving Critical Illness Insurance Rider.

What services it provides

Best Doctors provides:

- **InterConsultationSM**: In-depth review of your client's medical records by world-class specialists to confirm the correct diagnosis and provide treatment recommendations so they can make informed treatment decisions.
- **FindBestDocSM**: If your client doesn't have one, Best Doctors will tap into their network of leading Canadian physicians to find them a specialist best qualified to meet their medical needs and geographic preferences.¹
- **FindBestCareSM**: When an expert specialist located outside of Canada is required, Best Doctors will search their global database of 53,000+ specialists for the ones best suited to your client's needs.¹
- **Best Doctors 360[®]**: Best Doctors can provide medical information and resources, one-on-one support and customized health coaching for a wide range of health concerns, from simple to serious. Support is not limited to the conditions covered under the EquiLiving Critical Illness Insurance Rider.

¹ Expenses associated with medical treatment, travel and lodging related to FindBestDoc and FindBestCare services are the responsibility of the policyholder.



1262



For more information about Best Doctors, contact them at 1.877.419.2378 or visit www.bestdoctorscanada.com.

The Best Doctors service is not a contractual service or benefit under the policy. It is an extra service offered by Equitable Life to policyholders, and Equitable Life is not obligated to provide or continue this service under the terms of the policy. Consequently, Equitable Life may, in its sole discretion, cancel access to the service at any time without notice. Services are provided solely by Best Doctors. Equitable Life shall have no liability or responsibility for such services. Best Doctors and other trademarks and service-marks shown are the property of Best Doctors, Inc. Used under license.

EQUILIFE SET UP AND ADMINISTRATION

Procedures at Policy Issue:

1. An illustration must accompany the application. Both the illustration and the application must show the same Cost of Insurance type, Face Amount, premium paying mode and other details.
2. If the Investment Interest Options selected on the application differ from those in the illustration, the application will govern in all cases.
3. The illustration must be signed by both the client and the Advisor.

Policy Lapse:

Your client's EquiLife policy will lapse at the earliest date on which:

- a) the Cash Surrender Value of the policy is equal to zero or
- b) the indebtedness under your client's EquiLife policy is equal to the Cash Surrender Value of the policy.

Once the policy has lapsed, a grace period of 31 days measured from the date of policy lapse begins. During this period, your client has the opportunity to make payment in full. If we do not receive payment by the end of the grace period, the EquiLife policy will terminate as of the effective date of the lapse.

- **Automatic Premium Loan** - Should your clients EquiLife policy have insufficient funds in the Account Value to cover the Monthly Charges, and the policy has a Guaranteed Cash Value an Automatic Premium Loan will be used to pay the Monthly Charges. Equitable Life will use the Guaranteed Cash Value to advance the Monthly Charges amount due as a loan against the policy. These amounts will be considered indebtedness against the policy and will charge interest from the date the Monthly Charge was due.
- Should they choose to restart their premium payments, any amounts submitted will be applied to pay the current Monthly Charges due. Your client must specify if they want payments to be applied as a loan repayment.
- If the Guaranteed Cash Value of the policy is not sufficient to provide an Automatic Premium Loan to pay the Monthly Charges past due, and the unpaid Monthly Charges plus interest, the policy will lapse. The policy will also lapse if any Automatic Premium Loan plus interest exceeds the Guaranteed Cash Value of the policy.

Reinstatement:

Your client's EquiLife policy may be reinstated within two years of its lapse upon written application by your client. We require submission of satisfactory Evidence of Insurability (according to current underwriting guidelines) pertaining to the lives insured (based on their attained ages) that is satisfactory to Equitable Life, and repayment of premiums past due, interest, and any indebtedness under the policy, subject to the policy contract provisions.

Non-smoker definition (applies to adult plans only)

To be considered a non-smoker on the base policy, the insured must not have used any cigarettes, pipe or chewing tobacco, smoking cessation products, tobacco surrogates, or marijuana within the past 12 months. Up to one cigar/cigarillo is permitted per month, subject to a negative cotinine level.

Annual Statements and Confirmations:

At least annually, the policy owner will receive a statement that details all of the financial transactions that occurred over the past year. This statement will also update the policy owner on the current financial status of their policy.

In addition, the policy owner will automatically receive a confirmation notice detailing most financial transactions (other than processing monthly administrative transactions).

ADDING UP THE BENEFITS

Protecting today and tomorrow! EquiLife is a participating Universal Life Insurance plan that allows your clients to strike a balance between low cost life insurance protection, guarantees, tax-advantaged cash accumulation and limited pay cost of insurance periods.

- ✓ Four Level Limited Pay COI types including Level COI to age 65
- ✓ Guaranteed Cash Values
- ✓ Guaranteed Death Benefit
- ✓ Guaranteed Premium Tax
- ✓ Guaranteed Minimum Interest Rates on 5 & 10 Years GDAs
- ✓ Wide range of Savings and Investment opportunities including Guaranteed Deposit Accounts, five Index Interest Options, seven Performance Fund Interest Options and five Portfolio Interest Options
- ✓ Flexibility to change premium payments, insurance coverage, and savings opportunities
- ✓ Cash Accessibility
- ✓ Disability Benefit Disbursement
- ✓ Bereavement Counselling Benefit
- ✓ Many additional Riders and Benefits available to customize your clients' plans, including... EquiLiving Critical Illness Insurance Riders

Questions?

For more information, please refer to the policy contract or contact your Equitable Life Regional Sales Manager. To find the office nearest you, go to www.equitable.ca and click on "Get in Touch".

Works for me.™

Canadians have turned to Equitable Life since 1920 to protect what matters most. We work with you to offer solutions that provide good value, and help you navigate those solutions to meet the needs of your clients.

But we're not your typical financial services company. We have the knowledge, experience and ability to find solutions that work for you and your clients. We're friendly, caring and interested in helping. And we're owned by our participating policyholders, not shareholders. So we can focus on your interests and provide you with personalized service, security and wellbeing.

While Equitable Life has made every effort to ensure the accuracy of the information presented here, the policy contract governs in all cases.



**Equitable Life
of Canada®**

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® denotes a trademark of The Equitable Life Insurance Company of Canada.