

General Provisions

The contract takes effect on the Policy Date shown in the Benefit and Premium Information Schedule only if the policy has been delivered to the Insured and the first premium has been paid to the Insurer and provided that there has been no change in the insurability of the life to be insured between the time of the application and the time the policy was delivered. It may take effect otherwise if a temporary insurance receipt has been issued.

1. DEFINITIONS - The following definitions apply to this policy:

- "We", "Us" and "Ours" means FORESTERS LIFE INSURANCE COMPANY.
- "You", and "Your" means the owner of this policy named in the Benefit and Premium Information Schedule of this policy.
- "Life Insured" means the person whose life is insured. The proposed Life Insured referred to in the application becomes the Life Insured in the Policy. If more than one Life Insured is contemplated in the contract, the plural is intended, as applicable.
- "Policy Date" means the date stated on the Benefit and Premium Information Schedule from which policy anniversaries, policy years, policy months and premium due dates are determined.
- "Policy Anniversary" means the same day and month as the Policy Date for each succeeding year that the policy remains in force.
- "Expiry Date" means the date the Policy terminates, unless renewed in accordance with the renewal provision, if any.
- "Attained Age" means the Life Insured's age last birthday at the Issue Date plus the number of years from the Policy Date. If the Life Insured's birthday falls on the issue date, the age of the Life Insured will be deemed to be his/her age as of that date.
- "Written Request" means a request signed by you and filed at our office in Mississauga, Ontario in a written form which is satisfactory to us.
- "Indebtedness" means unpaid policy loans and unpaid loan interest.
- "In Force" means the Life Insured remains insured under the terms of this policy.
- "Beneficiary" means the person or entity entitled to receive the proceeds of the policy in the event of the Life Insured's death.
- "Proceeds" means the amount payable under the terms of this policy when it is surrendered, matures or when the Life Insured dies.
- "Issue Date" means that date which is the later of:
 - a. The date shown in the Benefit and Premium Information Schedule as the Policy Date; and
 - b. The date upon which the first premium is received at our office; and
 - c. The date upon which all amendments, signed by the owner and required by us to issue the policy, are received by us at our office.
- There are additional definitions provided in the provisions of this policy and the amendments and riders to it.

2. THE CONTRACT - The contract includes (a) the applications, together with all other documents authorized by the Life Insured and submitted as evidence of insurability to us; (b) the policy; (c) any documents attached to this policy on the Issue Date and, (d) any amendments agreed to by us in writing.

Only our President or Vice-President together with our Secretary or Actuary have the authority to waive or agree to change any of the conditions or provisions of the policy, and then only in writing. We will not be bound by any promise or representation heretofore or hereafter made by or to any agent or person other than as specified above.

3. BENEFIT - We will pay the proceeds of this policy including the sum insured and other amounts due to the beneficiary upon the death of the Life Insured. This payment will be subject to the terms and conditions of this policy and will be made only after we receive evidence, which we consider sufficient proof of the death of the Life Insured.

4. **OWNERSHIP** - You, as the owner of this policy, may exercise all the rights and options that the policy provides, while the Life Insured is living, subject to the rights of any irrevocable beneficiary. If you are not the Life Insured and you die before the Life Insured, your estate will become the owner, unless you have made a written request naming a contingent owner. You may name a new owner or contingent owner at any time while the Life Insured is living, by filing a written request with us. Your written request will not be effective until it has been recorded at our office. Once recorded, the change will be effective as of the date you signed the request, whether or not you or the Life Insured is alive when we record the change. However, the change will be subject to any payments made or other action taken by us before your request was recorded at our office.
5. **ASSIGNMENT** - You can assign the policy. An assignment does not bind us until we receive written notice of it at our office. We are not responsible for its validity. The assignment should be filed with us in duplicate, and we will return a copy to you.
6. **BENEFICIARY** - The beneficiary is named in the application and will receive the death proceeds unless you name a new beneficiary. In that event, we will pay the death proceeds to the beneficiary named in your last Change of Beneficiary request. You may name a new beneficiary by filing a Change of Beneficiary request with us. The written consent of any irrevocable beneficiary will be required. Your Change of Beneficiary request will not be effective until recorded by us at our office. Once recorded, the change will be effective as of the date you signed the request, whether or not you or the Life Insured is alive when we record the change. However, the change will be subject to any payments made or other action taken by us before your request was recorded at our office. If there is no beneficiary living when the Life Insured dies, you or your estate shall be deemed to be the beneficiary.
7. **MISSTATEMENT OF AGE** - If the date of birth of the Life Insured has been misstated, any amount payable shall be increased or decreased at any time to the amount that would have been provided by the premium paid, as determined by us, using the correct age.
8. **INCONTESTABILITY** - We may contest this policy or the payment of policy proceeds if any statement or answer on the application misrepresents or fails to disclose any facts material to the insurance. Except in the case of fraud, we will not contest this policy for the above reasons after it has been in force during the lifetime of the Life Insured, for two years from the later of the Issue Date or the last date of reinstatement.
9. **SELF DESTRUCTION** - If the Life Insured dies by his or her own act, while sane or insane, within two years from the Issue Date or any reinstatement date, then our liability will be limited to the amount of premiums paid, without interest, less any indebtedness and any other amounts paid by us.
10. **MISSTATEMENT OF SMOKING HABITS AND/OR NICOTINE USE** - The Smoking Habits Declaration/Agreement, completed in the application for each Life Insured, was relied upon by us to establish the appropriate premium rate for the insurance applied for. If it is discovered at any time that the facts stated therein have been misrepresented or constitute untrue declarations, this contract will be null and void.
11. **PREMIUMS** - The first premium is due on the policy date. Future premium due dates are determined by the frequency of payment you selected in the application. The amount of premiums, their due dates and the period of years for which they are payable are shown in the Benefit and Premium Information Schedule. You may change the frequency of premium payment on any premium due date with our consent. We will accept premium payments on an annual basis, semi-annual basis or monthly by pre-authorized cheque. The premium for any frequency will be based on our rates in effect at the time of change. A written request for change in premium frequency must be made to us. Each premium must be paid on, or before, its due date or within the grace period.
12. **OUR RIGHT TO CHANGE PREMIUMS** - Premiums for the initial 10 year term of the policy are guaranteed. We reserve the right, upon thirty one days' notice to you prior to any renewal date, to change at any time, and from time to time, renewal premium rates for the Policy. When such change is made, it shall be applicable to all policies of this kind then in force. Your Policy Anniversary occurs once a year on the same day and month as the Policy Date. Premiums on this product renew every ten years and are adjustable. Renewal premiums will never be increased by more than 25% of the premium rate shown in the Premium Schedule.

E-Z Term Sample Contract

13. GRACE PERIOD - We will allow a period of 31 days after the premium due date for payment of each premium after the first. This is the grace period. If the Life Insured dies during the grace period, before the premium is paid, we will deduct the outstanding premium from the death proceeds of this policy. If any premium is not paid on or before its due date, that premium is in default. If that premium is still unpaid at the expiration of the grace period, this policy automatically terminates, except as otherwise provided.
14. REINSTATEMENT - This policy may be reinstated within two years of lapse. Reinstatement requires: (a) A written application; and (b) Evidence which satisfies us of (i) the good health and (ii) other aspects of the insurability of the Life Insured; and (c) Payment of overdue premiums with interest at such rates determined by us or prescribed by law.
15. EVIDENCE ON DEATH - The proceeds payable on the death of the Life Insured will be paid by us when we receive evidence which we consider sufficient to establish: the cause and circumstances of the death; the age of the Life Insured; the right of the claimant to be paid.
16. INDEBTEDNESS - Indebtedness will be deducted in any settlement under this policy.
17. CURRENCY - All payments to or by us will be in Canadian dollars.
18. NON-PARTICIPATING - Your policy is non-participating. It does not earn dividends.
19. LAPSE - Your policy will lapse and the liability of the Insurer will cease at the end of the days of grace of an unpaid premium.

Renewal Privilege

On each tenth policy anniversary, this policy may be renewed without evidence of insurability for successive term periods of ten years each, provided that this policy is in full force with no premium in default on each such renewal date; but in no event shall any such renewal term period extend beyond the policy anniversary next following the Expiry Date as shown on the Benefit and Premium Information Schedule.

Premiums shall be due annually in advance until the end of the term period or until the prior death of the Life Insured.

The premiums payable during each renewal term period shall be in accordance with the Table of Renewal Term Periods for the Life Insured's age on his or her last birthday at the beginning of such term period.

If this policy is renewed, any attached benefit riders will also be renewed for the same term period except that in no event shall the renewal term of any benefit rider extend beyond the Termination Date specified in such benefit rider.

Conversion Privilege

The Owner may convert the insurance under this policy, without evidence of insurability, to a new policy on the Life Insured provided that this policy is in force with no premium in default on the Conversion Date specified below, provided that at least one year has lapsed since the date of issue of this policy and written request for conversion is submitted to the Insurer within 31 days before such date. This Conversion Privilege is subject to the following provisions:

1. **CONVERSION DATE** - The Conversion Date may be any date on or prior to the policy anniversary nearest the Life Insured's 65th birthday. The date of issue of the new policy shall be the Conversion Date. The age at issue for the new policy shall be the Life Insured's attained age on his or her nearest birthday on the Conversion Date. Any insurance provided by this policy, which is converted, shall end upon conversion.
2. **PLAN OF INSURANCE** - The new policy may be issued on any plan of non-participating permanent life insurance designated by the Insurer as eligible for conversion on the date of issue of the new policy, or any other plan then being offered for conversion of this plan, for the sex and then attained age nearest birthday of the Life Insured and for the amount of insurance converted. If this policy contains a limitation of liability provision, a similar provision will be included in the new policy. Subject to the following paragraphs, the new policy may include benefits for total and permanent disability or additional benefits for accidental death equivalent to any such benefits included in this policy provided such benefits would be issued at the then attained age nearest birthday of the Life Insured, under the Insurer's rules then in effect.
3. **SUM INSURED** - The Sum Insured of the new policy may not exceed the Sum Insured provided by this policy. In the event only a part of the Sum Insured is converted to the new policy, any residual unconverted Sum Insured below the minimum limits of issue for this policy will terminate with the converted portion of this policy.
4. **PREMIUMS** - The premiums for the new policy shall be based upon the same classification of risk as this policy, and shall be in accordance with the Insurer's rates in effect on the date of issue of the new policy for such classification of risk and for the age, sex, plan and Sum Insured. If on the conversion date, the premium rates of the new policy do not contain classifications of risk as favourable as this policy, the closest classification that is available will be used.

The new policy shall not become binding on the Insurer until the first premium is paid. Such amount must be paid to the Insurer within 31 days after the Conversion Date and during the lifetime of the Life Insured. If premiums for the insurance converted under this policy have been paid beyond the Conversion Date, such excess premiums shall be applied to the premiums for the new policy.

5. **CONVERSION WHILE DISABLED** - If a waiver of premium benefit for total disability is applicable to this policy and the Life Insured is totally disabled as defined under such benefit, the insurance under this policy may be converted;
 - a. under the terms of this Conversion Privilege set forth in the preceding paragraphs, with no waiver of premium benefit applicable to the new policy;

OR

 - b. on the last available date for conversion, with the premiums for the new policy being waived during the continuance of the disability in accordance with the terms of the waiver of premium benefit. If the insurance is converted under this part (b), conversion may be made only to a non-participating Whole Life Policy with premiums payable for life. Conversion under this part (b) is subject to all the terms of this Conversion Privilege not inconsistent herewith.