DEFINITIONS

The following are definitions of some of the terms used in your Equimax whole life policy. If you need additional information or clarification please call one of our Individual Customer Service Representatives at 1-800-668-4095 or your financial advisor.

Age: means the age of the Life Insured on his or her nearest birthday.

Beneficiary(ies): means the person(s) designated by the Owner to receive the Death Benefit proceeds in the event of the death of the Life Insured under this Equimax whole life policy. While this policy is in effect, the Owner may choose to designate in writing to us a change in the Beneficiary(ies) to receive the Death Benefit proceeds payable on the death of the Life Insured under this policy if that change is allowed under laws that apply. The Equitable Life Insurance Company of Canada will pay the Death Benefit proceeds payable to the Beneficiary(ies) in effect at the date of death of the Life Insured under this policy.

Business Day: means any day other than Saturday and Sunday and all applicable statutory holidays in the province that the Company's Head Office is located.

Class of Risk: means the Company's mortality risk assessment of the Life Insured. It is based upon our review of the application for insurance and all medical and other information received by the Company. A standard or normal risk assessment is 100%. A Class of Risk greater than 100% indicates a higher mortality risk. The Class of Risk will affect the Premium applicable to the policy. Mortality refers to the incidence of death.

Company: The terms "we", "our", "us", "Equitable Life" and "Company" mean The Equitable Life Insurance Company of Canada.

Description of Benefits: means the schedule of benefits associated with the Life Insured as shown on the Description of Benefits page(s) of this policy.

Effective Date: means the date specified for each Insurance Coverage on the Description of Benefits page(s).

First Policy Year Begins: means the date specified on the Policy Specifications page.

Indebtedness: means outstanding Policy Loans and Automatic Premium Loans and includes any unpaid interest owing for those loans.

Insurance Coverage: means the different benefits that apply under this Equimax whole life policy and are shown on the Description of Benefits page(s) and in the Premium Schedule and includes the Equimax benefit, as well as any benefits added through the available Riders.

Life Insured: means the person for whom the life insurance associated with this policy is applicable. The Life Insured may or may not be the Owner of this Equimax whole life policy.

Owner: means the applicant(s) and Owner(s) as indicated on the Policy Specifications page of this policy. The terms "you", "your", and "Owner" refer to the applicant(s) and Owner(s) of this policy. The Owner(s) may or may not be the Life Insured under this policy.

Owner Signature Date: means the date the Owner signed the application for this policy, or, if there is more than one Owner, the latest of the dates that the Owners signed the application for this policy.

Policy Anniversary: means the same day and month each year as the First Policy Year Begins date of this policy shown on the Policy Specifications page. Policy years and policy months are also measured from the First Policy Year Begins date of this policy.

Premium: means the amounts paid to Equitable Life for this Equimax whole life policy.

Rider: means an additional benefit applied for and issued by us as shown on the Description of Benefits page(s) of this policy. The provisions, terms and conditions of any Riders applicable to this policy are stated in the Rider pages attached to this Equimax whole life policy.

Sample

GENERAL PROVISIONS

The following are General Provisions applicable to your Equimax whole life policy.

Assignment: This policy may be assigned by the Owner as permitted by law. The assignment will not be binding on Equitable Life unless the assignment is made in writing and filed with our Head Office in Waterloo, Ontario. Equitable Life is not responsible for the validity of any assignment.

Death of a Beneficiary: Unless otherwise designated by the Owner, in the event of the death of a Beneficiary, the deceased Beneficiary's share of the proceeds from this policy will be payable to the surviving Beneficiary(ies). If no Beneficiary survives, the proceeds will be payable to the Owner or to the executors, administrators, or assignees of the Owner, subject to the right of the Owner to appoint a new Beneficiary or contingent Beneficiary as allowed under laws that apply.

Contract: This Equimax whole life Contract consists of the following documents:

- this policy and any documents attached to the policy when issued
- the application
- any amendments or endorsements to the policy agreed upon in writing by the Company
- any Riders attached to this policy providing additional benefits.

This policy takes effect as of the First Policy Year Begins date provided that:

a) the policy is delivered to you; and
b) the full amount of the first Premium has been paid to the Company, and
c) no change has taken place in the insurability of the Life Insured under this policy between the date the application for life insurance was signed by the Life Insured and the date the policy was delivered to you.

Only the President or an Officer of The Equitable Life Insurance Company of Canada has the authority to bind the Company or to make any change in the Contract, and then only in writing. Equitable Life will not be bound by any promises or representations made by any other persons including your financial advisor, broker or agent. Without limiting the generality of the above statement, no financial advisor, broker or agent is authorized to waive, amend or modify any of the terms, conditions or provisions of this Contract.

Should any legislative or regulatory authority having jurisdiction impose requirements that would impact this Contract, Equitable Life may unilaterally make the required changes to this Contract.

Incontestability: Failure to disclose a fact or the misrepresentation of a fact in the application for life insurance, medical examination, or any written or verbal statement or answers given as evidence of insurability will cause this policy including any Riders to be voidable by Equitable Life. Where this policy has been in effect for two (2) years from the First Policy Year Begins date, or in the case of Reinstatement, two (2) years from the last Reinstatement date, with the exception of Misstatement of Age or Sex which is described below, the failure to disclose or the misrepresentation, except in the case of fraud, will not cause this policy including any Riders to become voidable.

Any additional Insurance Coverages effective after the First Policy Year Begins date or reinstatement of this policy will be considered to be incontestable only after the additional Insurance Coverage has been in effect from its Effective Date for two years, with the exception of fraud.

Misstatement of Age or Sex: If the date of birth and/or sex of the Life Insured have been misstated, the amount payable under this policy due to the death of that Life Insured will be adjusted to provide the amount of life insurance that would have been purchased had the Premium been calculated based on the correct age and/or sex.

If the date of birth and/or sex of the Life Insured covered by a Rider have been misstated, then the amount payable under the Rider will be the amount that the Premium for that Rider would have purchased based on the correct age and/or sex.

Sample

GENERAL PROVISIONS (continued)

Notice/ Correspondence: Any notice or correspondence that is required to be provided to you by the Company will be sent by regular mail, facsimile or electronic mail. We will consider the notices and/or correspondence to be received by you on the 7th Business Day following the day of mailing or on the 1st Business Day following electronic transmission.

Any notice or correspondence from you may be sent by regular mail, facsimile or electronic mail (provided a signature is not required) and will be considered received by us on the date we receive it at our Head Office in Waterloo, Ontario.

Participating: This policy, excluding any Riders that may be attached to this policy, is a participating policy of the Company. As a participating policy, it is eligible to participate in the distributable earnings of the participating account in the form of dividends at each Policy Anniversary. Dividends are not guaranteed. They are subject to change, and will vary based on the actual investment returns in the participating account as well as mortality, expenses, lapse, claims experience, taxes and other experience of the participating block of policies. Each year the Company's Board of Directors determines, in its sole discretion, the amount of distributable earnings, if any, to be paid to participating policyholders in the form of dividends in accordance with the Company's Dividend Policy.

Proof of Age: Equitable Life requires satisfactory proof of the date of birth of the Life Insured before making any payment under this policy or any Rider.

Right of Rescission: You will have ten (10) calendar days from the date you receive this policy to cancel it provided you have given us written notice of your request to cancel it within the 10 days. If for any reason during that time you want to cancel the Contract, any Premium received will be refunded as of the date Equitable Life receives your notice requesting cancellation. This policy will then be considered void from inception.

Settlement on Death: In the event of death of the Life Insured under this policy, before making any payment under this policy, Equitable Life will require the policy and satisfactory proof of:

(a) the death of the Life Insured;
(b) the date of birth of the deceased Life Insured;
(c) the sex of the deceased Life Insured; and
(d) the claimant's right to receive payment.

Smoking Classification:

If the Life Insured has been classified as a smoker, at any time, subject to our administrative rules and guidelines, you may request that the Smoking Classification be changed to a non-smoker classification by providing a written declaration to Equitable Life that provides satisfactory evidence to qualify the Life Insured as a non-smoker. Equitable Life reserves the right to require evidence of good health before approving a change in Smoking Classification.

If the Life Insured was under the Age of eighteen (18) on the First Policy Year Begins date of this policy, on the Policy Anniversary nearest their eighteenth (18th) birthday, we will classify them as a smoker. Any increase to Premiums for the Equimax Insurance Coverage or other Rider coverages in effect on this policy which result from this smoker classification will be as shown in the Premium Schedule of this policy. You may apply to have the classification changed to that of a non-smoker subject to the administration rules and guidelines in effect at the time the change is requested.

Suicide: If the Life Insured dies by suicide, regardless of the mental state of the Life Insured, within two years of the Effective Date or Reinstatement date of an Insurance Coverage(s) applicable to that Life Insured, Equitable Life will not pay any Death Benefit. Equitable Life will return to the Beneficiary(ies) a limited amount equal to the Premium paid to the Company applicable to that Insurance Coverage(s), less any outstanding policy loans (including interest), less any withdrawals made since the First Policy Year Begins date, and less any other amounts already paid by the Company. Equitable Life will have no further liability under this policy.

Limitation Period: Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act or other applicable legislation.

Sample

DEATH BENEFIT

An important part of your Equimax whole life insurance policy is the Death Benefit provided to the Beneficiary(ies).

Death Benefit: The Death Benefit will be payable to the Beneficiary(ies) provided this policy is in effect as of the date of death of the Life Insured. The proceeds payable are calculated as of the date of the death of the Life Insured under this policy.

The Death Benefit will be equal to the following:

a) the total Insurance Amount as shown on the Description of Benefits page(s); plus
b) any additional participating paid-up insurance purchased by dividends; plus
c) the Cash Value of any Dividends On Deposit with Equitable Life plus accrued interest; plus
d) any Rider benefits payable on the Life Insured; less
e) any Premium which is currently due; less
f) any Indebtedness under the policy;

or, the Death Benefit will be the amount of insurance provided under the Reduced Paid-Up Insurance option, if that option is in effect.

On the First Policy Year Begins date of this policy, the initial Equimax Death Benefit will be the total Insurance Amount as shown on the Description of Benefits page(s) of this policy.

PREMIUM

Premium is the term used to define the money that you pay to Equitable Life for your Equimax whole life policy.

Premium Schedule: is the section of your policy Contract that shows the amount of Premium payable for each Insurance Coverage under your policy.

Premium(s): All Premiums are payable to Equitable Life and must be received in our Head Office, in Waterloo, Ontario for the period specified in the Premium Schedule page(s).

The first Premium is due on the First Policy Year Begins date shown on the Policy Specifications page(s) of the policy.

Premium Type: If your policy has been issued with the Equimax Life Pay premium option (shown in the Premium Schedule), Premiums for the Equimax Insurance Coverage are payable to the last Policy Anniversary date shown in the Premium Schedule. If the policy is still in effect at the last Policy Anniversary date shown in the Premium Schedule, the Equimax Insurance Coverage will become paid up and no further Premiums for the Equimax Insurance Coverage under this policy would be due.

If your policy has been issued with the Equimax 20 Pay premium option (shown in the Premium Schedule), Premiums for the Equimax Insurance Coverage are payable for 20 years from the Effective Date of the Equimax Insurance Coverage shown on the Description of Benefits page(s). If, after 20 years, the policy is still in effect, the Equimax Insurance Coverage will become paid up and no further Premiums for the Equimax Insurance Coverage under this policy would be due.

If your policy has been issued with the Equimax 10 Pay premium option (shown in the Premium Schedule), Premiums for the Equimax Insurance Coverage are payable for 10 years from the Effective Date of the Equimax Insurance Coverage shown on the Description of Benefits page(s). If, after 10 years, the policy is still in effect, the Equimax Insurance Coverage will become paid up and no further Premiums for the Equimax Insurance Coverage under this policy would be due.

Premiums for Riders: If your policy has been issued with any additional Riders, as shown on the Description of Benefits page(s) of this policy, Premiums are payable for these additional Riders as shown in the Premium Schedule. Premiums for these additional Riders may be required to be paid even if no further Premiums are required for the Equimax Insurance Coverage under this policy.

Premium Tax: The Premium(s) shown on the Premium Schedule page(s) of this policy includes a provision for premium tax.

Sample

PREMIUM (continued)

Grace Period: A Grace Period of 31 days, measured from the date a Premium is due, is permitted for payment in full of the Premium due. During the Grace Period your policy will remain in effect. If Equitable Life does not receive the Premium due under your policy by the end of the Grace Period your policy lapses, your coverage terminates and Equitable Life will have no further liability under the policy, subject to your rights under Reinstatement.

If a Life Insured dies during the Grace Period, the portion of any overdue amounts applicable to that Life Insured will be deducted from the Death Benefit payable on the death of that Life Insured.

Automatic Premium Loan: If a Premium is not paid when due and remains unpaid for 31 days, and the policy has a Cash Value an Automatic Premium Loan will be used to pay the Premium. With the Automatic Premium Loan, the Company will use the Cash Value to advance the Premium amount due as a loan against the policy.

While unpaid Premium will become Indebtedness under the policy, you may choose to restart paying your Premium at any time while this policy is in effect. Unless specified as a loan repayment, any amounts submitted to Equitable Life will be applied to pay the current Premium due.

When the Cash Value is no longer sufficient to support an Automatic Premium Loan, the policy will lapse as set out under Grace Period. Upon policy lapse, your Insurance Coverage will terminate and Equitable Life will have no further liability under the policy subject to your rights under Reinstatement.

Any amount advanced through Automatic Premium Loan shall be Indebtedness under the policy, bearing interest from the date the Premium was due. Interest will be charged on Automatic Premium Loans at a rate as set by the Company from time to time and accrue daily from the effective date of the loan. At each Policy Anniversary, if the interest due on your Automatic Premium Loan is not paid, Equitable Life will add the interest due to the balance of your loan and interest will be charged on the entire Indebtedness under your policy. At any time, while this policy is in effect, you may repay all or a part of the amounts owed on the policy subject to a minimum amount as determined by us.

If, at any time while this policy is in effect, the total Indebtedness under this policy, including accrued interest, exceeds the Cash Value, this policy will lapse, your Insurance Coverage will terminate and Equitable Life will have no further liability under the policy subject to your rights under Reinstatement.

On death of the Life Insured under this policy, the outstanding Automatic Premium Loan balance plus any accrued interest shall be deducted from the Death Benefit payable.

Reinstatement: a) If your Equimax whole life insurance policy lapses at the end of the Grace Period because a premium due at the beginning of the Grace Period was not paid, the policy may be reinstated by payment of the overdue premium within a further period of thirty (30) days after the end of the Grace Period, but only if the person whose life was insured under the policy is alive at the time payment is made.

b) If your Equimax whole life insurance policy lapses and it is not reinstated under subsection (a), the policy may be reinstated within two (2) years of its lapse upon written application by you and submission of evidence of insurability (according to the then current underwriting guidelines as determined by Equitable Life) pertaining to the Life Insured (based on attained age) that is satisfactory to Equitable Life.

The reinstatement of this policy must be accompanied by the payment of an amount equal to the sum of the following:

(I) the Premium that would have been required to maintain the policy in effect from the date of lapse to the date of reinstatement; plus
(II) interest due on the above amount; plus
(III) any Indebtedness under this policy.

These amounts will be determined by Equitable Life at the time of request for reinstatement.

The rate of interest to be charged above will be determined by Equitable Life, but will not exceed that permitted under legislation.

Sample

POLICY VALUES

Equimax whole life insurance provides you with some values that are guaranteed. The Table of Guaranteed Values page(s) in your policy shows the guaranteed values available at the applicable Anniversary Date.

Guaranteed Cash Value: The Cash Value shown in the Table of Guaranteed Values page(s) is the Guaranteed Cash Value associated with your policy.

Cash Value: is equal to the Guaranteed Cash Value as set out in the Table of Guaranteed Values page(s) less any Indebtedness to Equitable Life, increased by the cash value of any dividends credited to this policy. Dividends are not guaranteed. Should you request to surrender your policy, the Cash Value will be paid to you within thirty (30) days of receipt of your written request to surrender. However, we reserve the right to defer payment for a period up to six (6) months after the date we receive your request to surrender. If we defer payment for thirty (30) days or more, we will add interest, at an interest rate determined by us, calculated from the date we receive your request to surrender.

Reduced Paid-Up Insurance: Your policy also has a guaranteed Reduced Paid-Up Insurance value as shown in the Table of Guaranteed Values page(s). Under this option, provided there is a value shown in the Reduced Paid-Up Insurance column in the Table of Guaranteed Values at the applicable Anniversary Date, you can elect, in writing to continue your policy as paid-up life insurance with no further Premiums required.

The Insurance Coverage will be for a reduced amount, and will be at least equal to the Reduced Paid-Up Insurance amount as set out in the Table of Guaranteed Values page(s) at the applicable Anniversary Date.

Any Riders attached to this policy will terminate as at the effective date of the change to Reduced Paid-Up Insurance.

Once the Reduced Paid-Up Insurance option is elected the option cannot be changed. The Reduced Paid-Up Insurance policy is eligible to receive dividends. The dividend option that will apply to your Reduced Paid-Up Insurance policy will be determined by us at the time the request is received to change the policy to Reduced Paid-Up Insurance, and will be subject to our administrative rules and guidelines in effect at the time.

Please note that electing the Reduced Paid-Up Insurance option may have tax consequences and may result in your policy becoming non-exempt and your policy may be subject to income tax.

Sample

DIVIDENDS

An important part of your Equimax whole life insurance policy is the dividends your policy is eligible to earn.

This policy is a Participating policy, which means it is eligible to participate in the distribution of surplus in the form of dividends at each Policy Anniversary. Dividends are not guaranteed. They are subject to change, and will vary based on the actual investment returns in the participating account as well as mortality, expenses, lapse, claims experience, taxes and other experience of the participating block of policies. Dividends are payable at the sole discretion of the Company's Board of Directors.

On the application for life insurance for this policy, you elected that dividends be applied under one of the following Dividend Options. If you did not elect a Dividend Option on the application, dividends will be applied to your policy based on the endorsement attached to this policy. You may request to change your Dividend Option by providing us with written request indicating the new option. Any change in Dividend Option is subject to our administrative rules and guidelines in effect at the time, and may require proof of continued good health and insurability of the Life Insured. Changes to the Enhanced Protection Dividend Option are not permitted.

Dividend Options:

Paid In Cash: Under this dividend option, any dividends credited annually will be paid directly to you in cash. Dividends paid in cash may have tax consequences and you may have to report all or a portion of received payments as income for tax purposes.

Premium Reduction: Under this dividend option, any dividends credited annually will be applied to reduce the current policy Premium. If in the future, dividends payable are sufficient to pay your entire Premium, the excess, if any, will be paid directly to you in cash. Dividends paid in cash may have tax consequences and you may have to report all or a portion of received payments as income for tax purposes.

Paid-Up Additions: Under this dividend option, any dividend credited annually will be used to purchase participating paid-up insurance, which shall be payable at the same time as the Death Benefit.

On Deposit: Under this dividend option, any dividend credited annually will be deposited with Equitable Life. The dividend deposited with the Company will accumulate with compound interest at a rate as set by the Company from time to time. Interest earned will be reported as interest income to you each year.

Enhanced Protection: Under this dividend option, any dividend credited annually will be used to purchase an amount of One-Year Term Insurance, with the insurance to begin on the Policy Anniversary on which the dividend was credited. If the dividend credited was greater than the amount required to purchase the One Year Term Insurance, any remaining amount shall be used to purchase participating paid–up insurance in accordance with the Paid–Up Additions Dividend Option.

One–Year Term Insurance:
One-Year Term Insurance is additional non-participating insurance payable at the death of the Life Insured during the first policy year, or any subsequent policy year for which it is purchased. The amount of One-Year Term Insurance in the first policy year is provided automatically and is equal to the Initial Enhancement Amount as specified on the Description of Benefits page(s) of this policy. The One-Year Term Insurance is not eligible for dividends and has no cash surrender value.

The amount of One-Year Term Insurance in subsequent years shall be the lesser of:

a) the amount that the dividend will purchase; and
b) the Initial Enhancement Amount less any participating paid-up insurance in effect.

Once the Initial Enhancement Amount less any participating paid-up insurance in effect is equal to zero and the purchase of One-Year Term Insurance is no longer required, any dividends credited will be used to purchase participating paid-up insurance in accordance with the Paid-Up Additions Dividend Option.

Sample

DIVIDENDS (continued)

Enhanced Protection (continued):

Lifetime Enhancement Guarantee:
Under the Enhanced Protection dividend option this policy has the Lifetime Enhancement Guarantee provision on the amount of One-Year Term Insurance.

The Lifetime Enhancement Guarantee means, during the lifetime of this policy, in which the Enhanced Protection Option is in effect, provided that all required Premiums are paid, and that there has not been any surrender of paid-up insurance for its cash value, Equitable Life guarantees that the amount of the One-Year Term Insurance will be equal to the Initial Enhancement Amount less any additional participating paid-up insurance in effect. This guarantee terminates upon the surrender of paid-up insurance for its cash value at any time.

This Lifetime Enhancement Guarantee provision will also automatically terminate if any of the following occurs:

a) the policy lapses;
b) the policy is surrendered for Reduced Paid-Up Insurance; or
c) the Dividend Option is changed to any option other than Enhanced Protection after issue.

If any participating paid-up insurance purchased with dividends is surrendered for its cash value at any time, other than for the purchase of One-Year Term Insurance as described above, the Initial Enhancement Amount will be reduced by an amount equal to the face amount of the additional participating paid-up insurance surrendered. The reduction of the Initial Enhancement Amount will be permanent.

The Initial Enhancement Amount is dependent on the Age, sex and Class of Risk of the Life Insured. If the date of birth or sex of the Life Insured has been misstated, the Initial Enhancement Amount shall be adjusted according to what would have been purchased had the Initial Enhancement Amount been calculated based on the correct Age and sex.

Conversion:
At any time prior to the Policy Anniversary nearest the Life Insured's 71st birthday, while the Enhanced Protection Dividend Option is in effect, all or a portion of the amount of One-Year Term Insurance in effect under the Enhanced Protection Dividend Option, may be converted without evidence of insurability to a permanent life insurance coverage issued by the Company at the time of conversion and subject to administrative rules and guidelines in effect at that time.

The new policy may not be for an amount of insurance greater than the amount of One–Year Term Insurance in effect under the Enhanced Protection Dividend Option at the time of conversion and must meet the minimums and maximums then required by us for the amount of insurance coverage, premiums and age for the product selected. Premiums and/or cost of insurance charges for the new insurance coverage will be based on the attained Age of the Life Insured, at the rates in effect at that time for a similar Class of Risk as determined by us at the time of conversion. If you request an improvement of risk classification on conversion, such request is subject to our consent and our administrative rules and guidelines in effect at that time.

If the new policy is to contain any Riders, evidence of insurability satisfactory to the Company may be required.
If Premiums are being waived for this Equimax policy under the provisions provided by a disability waiver of premium benefit and the One-Year Term Insurance is converted, premiums will not be waived and will be payable for the new converted policy.

The amount of One-Year Term Insurance in effect under the Enhanced Protection Dividend Option will be reduced by the amount converted. The reduction will be applied to the Initial Enhancement Amount as described in the Enhanced Protection provisions above.

When all of the One-Year Term Insurance has been converted, the Dividend Option will be changed from Enhanced Protection to Paid-Up Additions and any existing participating paid-up insurance in effect at that time shall be applied in accordance with the Paid-Up Additions Dividend Option. Any dividends credited will be used to purchase participating paid-up insurance in accordance with the Paid-Up Additions Dividend Option.

Sample

ACCESSING YOUR POLICY VALUES

Policy Loans:

At any time while this Equimax whole life policy is in effect, provided it has Cash Value and subject to our administrative rules and guidelines in effect at the time, you may request a Policy Loan from Equitable Life using the policy as security for repayment of the loan.

The maximum amount you may borrow of the then current Cash Value will be subject to our administrative rules and guidelines in effect at the time the loan is requested; however, the amount of the loan cannot be greater than ninety percent (90%) of the available Cash Value less any existing Indebtedness under this policy.

Taking a Policy Loan against the Cash Value in your Equimax whole life policy may have tax consequences and may be subject to income tax.

A Policy Loan will only be granted after Equitable Life has received a completed loan application. Normally, we will make the loan within thirty (30) days after the completed loan application has been received at our Head Office, in Waterloo, Ontario. However, we reserve the right to defer the loan for up to six (6) months.

Interest will be charged on Policy Loans at a rate as set by us from time to time and will accrue daily from the effective date of the loan.

At each Policy Anniversary, if the interest due on your Policy Loan is not paid, Equitable Life will add the interest due to the balance of your loan and interest will be charged on the entire Indebtedness under your policy. At any time, while this policy is in effect, you may repay all or a part of the amounts owed on the policy subject to a minimum amount as determined by us.

If, at any time while this policy is in effect, the total Indebtedness under this policy, including accrued interest, exceeds the Cash Value, this policy will lapse, your Insurance Coverage will terminate and Equitable Life will have no further liability under this policy subject to your rights under Reinstatement.

On death of the Life Insured under this policy, any outstanding Policy Loan balance plus any accrued interest will be deducted from the Death Benefit.

Accessing the cash value generated by dividends:

Depending on the Dividend Option you have elected with your Equimax whole life policy, you have the ability to access the additional cash value generated by dividends. Dividends are not guaranteed. It is important to note that surrendering paid-up insurance for its cash value or withdrawing cash value from dividends left on deposit with Equitable Life may have tax consequences and may be subject to income tax.

Surrender of paid-up additions:

If you have elected Paid–Up Additions or Enhanced Protection as the Dividend Option under this policy, you may request a surrender of participating paid-up insurance purchased by dividends at any time, provided it has not been applied under another provision contained in this policy. You will receive the cash value associated with the participating paid-up insurance you are surrendering.

It is important to note that you will forfeit the Lifetime Enhancement Guarantee associated with the Enhanced Protection Dividend Option upon the surrendering of participating paid-up-insurance to support a cash withdrawal.

Dividends left on deposit:

If you have elected On Deposit as the Dividend Option under this policy, you may withdraw the cash value of the dividends left on deposit with Equitable Life plus accrued interest at any time, provided it has not been applied under another provision contained in this policy.

Sample

DISABILITY BENEFIT DISBURSEMENT

The Disability Benefit Disbursement allows you to apply for a payment from the Cash Value of this policy if the Life Insured becomes disabled from a severe mental or physical impairment as described below.

Any payment for the Disability Benefit Disbursement will be withdrawn from the Cash Value of your policy, which will reduce the Death Benefit of your policy. Any payment for the Disability Benefit Disbursement will be withdrawn first from any non-guaranteed cash value generated by dividends, if applicable, then from the guaranteed cash value. Any payment for the Disability Benefit Disbursement withdrawn from the guaranteed cash value will result in a reduction to the Basic Insurance Amount shown on the Description of Benefits page of your policy.

If you have elected the Enhanced Protection dividend option, payment of the Disability Benefit Disbursement will void the Enhancement Guarantee that applies to your policy.

The Disability Benefit Disbursement may be paid out subject to the following conditions and our administrative rules and guidelines in effect at the time of the disbursement:

(a) one Disability Benefit Disbursement per policy will be permitted in any policy year;
(b) the minimum and maximum Disability Benefit Disbursement in any policy year will be subject to our administrative rules and guidelines in effect at the time of the disbursement; and
(c) any fees that may apply for withdrawals made under the Disability Benefit Disbursement will be subject to our administrative rules and guidelines in effect at the time of the disbursement.

A Disability Benefit Disbursement may not be available if you assigned this policy or if you have made an irrevocable beneficiary designation for the proceeds of this policy. A Disability Benefit Disbursement may not be available if the Life Insured has been assessed as a substandard health risk.

You may be able to take a Disability Benefit Disbursement upon written authorization to Equitable Life of the assignee or the irrevocable beneficiary, subject to our administrative rules and guidelines in effect at that time and the then current income tax legislation.

Qualifying to receive the Disability Benefit Disbursement does not guarantee that your policy will remain in effect. If you have not elected Waiver of Premium as an additional Rider with this policy on the Life Insured for whom this Disability Benefit Disbursement applies, or if the Waiver of Premium Rider has expired, has been terminated or the Life Insured does not meet all conditions for the benefit of the Waiver of Premium Rider, you must continue to make sufficient Premium payments in order to keep your policy in effect.

If you elect to take 100% of the Cash Value of your policy as a Disability Benefit Disbursement your policy will terminate and Equitable Life will have no further liability under this policy.

Sample

DISABILITY BENEFIT DISBURSEMENT (continued)

In order to receive the Disability Benefit Disbursement, you must provide at your own expense evidence in writing satisfactory to Equitable Life from a medical practitioner, who is qualified and licensed in Canada, of the exhibited severe physical or mental impairment of the Life Insured. The Life Insured must be living at the time you apply for the Disability Benefit Disbursement. The impairment must have existed for a period of at least 90 days and:

(a) must markedly restrict the ability of the Life Insured to perform any one of the following basic activities of daily living:
  (i) perceiving, thinking and remembering;
  (ii) feeding and dressing himself or herself;
  (iii) speaking so as to be understood, in a quiet setting, by another person familiar with the Life Insured;
  (iv) hearing so as to understand, in a quiet setting, another person familiar with the Life Insured;
  (v) eliminating (bowel or bladder functions); or
  (vi) walking;

or (b) (i) must prevent that Life Insured, if normally employed, from performing the essential duties of his or her occupation or employment; or
  (ii) must prevent that Life Insured, if not normally employed, from performing the essential duties of any occupation or employment for which he or she is qualified or could reasonably become qualified by reason of education; training or experience; or
  (iii) must prevent that Life Insured, if normally responsible for the maintenance of a home or care of immediate family members, from performing the essential duties of maintaining that home or caring for those individuals;

and the impairment under sub-paragraph (a) or (b) above must arise from one or more of the following:

- AIDS (Acquired Immune Deficiency Syndrome) or HTLV-III and/or HIV infection,
- Alzheimer's Disease,
- Cancer or Tumour,
- Coronary Artery Disease, Myocardial Infarction, or Congestive Heart Failure
- Chronic Kidney Failure, or Chronic Liver Disease,
- Loss of a Limb,
- Neuromotor disease,
- Muscular Dystrophy,
- Paralysis, paraplegia, or quadriplegia,
- Receipt of a major organ transplant,
- Third degree burns over more than 50% of the body,
- Multiple Sclerosis,
- Hepatitis,
- Stroke, with or without paralysis,
- Huntington's Chorea;

or (c) has resulted in the total and permanent loss of sight in both eyes, or the use of both hands, or the use of both feet, or the use of one hand and one foot;

or (d) either the impairment or the illness or injury that caused the impairment is expected by the medical practitioner to result in the death of that Life Insured within 24 months of the date of diagnosis.

Pre-existing Conditions: No Disability Benefit Disbursement will be payable if we determine that a Life Insured, who would have otherwise qualified for the Disability Benefit Disbursement, had that Disability at the First Policy Year Begins date or the last reinstatement date of this 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 required by Equitable Life.

Exclusions: No Disability Benefit Disbursement will be payable if a Life Insured's disability arises directly or indirectly from:
a) suicide attempt or self-inflicted injury, regardless of the mental state of the Life Insured;
b) committing or attempting to commit a criminal offence; or
c) normal pregnancy or childbirth.

Taxation: As of the First Policy Year Begins date of this policy 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 as of the First Policy Year Begins date of this policy disability benefits are not subject to income tax. However, Equitable Life offers no guarantee that a Disability Benefit Disbursement will not be subject to income tax at the time it is made. Furthermore, it may not always be in your best interest to take a Disability Benefit Disbursement, should the Income Tax Act (Canada) and Regulations change in the future.

Sample

BEREAVEMENT COUNSELLING BENEFIT

On the death of a Life Insured under this policy and payment of the Death Benefit, Equitable Life will provide a Bereavement Counselling Benefit to the Beneficiary(ies) of this Equimax whole life policy. Equitable Life will reimburse the Beneficiary(ies) up to a maximum of $500.00 toward the cost of counselling expenses, as long as the following rules are adhered to:

- the Beneficiary(ies) submit receipts within 12 months of the date of death of the Life Insured; and
- the counselor has professional accreditation or certification as determined appropriate by Equitable Life.

Reimbursement is subject to Equitable Life's then current administrative practices.

Regardless of the number of Beneficiaries under this policy only a sum total of $500.00 will be reimbursed for counselling for all Beneficiaries. Equitable Life will not proportion the distribution of this benefit as per Beneficiary designation. Payment under this benefit will result upon remittance of receipts only.

PROTECTION FROM CREDITORS

Protection from creditors may be available to the Owner of this Equimax whole life policy, subject to certain conditions.

TAX STATUS

This Equimax whole life policy is issued with the intention that it will be maintained exempt from accrual taxation under the provisions of the Income Tax Act (Canada) and Regulations in effect as of the First Policy Year Begins date of this policy.

Equitable Life reserves the right to modify this policy and its administration of this policy as required by changes to legislation and regulations that affect this policy, and to maintain the policy exempt from accrual taxation.

SETTLEMENT OPTIONS

Provided this policy has not been assigned, you may elect, in writing and received at our Head Office in Waterloo, Ontario, that a specified amount of the proceeds payable in one lump sum upon the death of the Life Insured under this policy be applied under one of the following Payment Options, if available and subject to our administrative rules and guidelines in effect at the time the claim becomes payable:

a) Limited Payments – the specified amount would be paid as monthly income for a limited period of time in the form of an annuity certain, subject to minimum and maximum amounts required by us.
b) Continuous Payments – the specified amount would be paid as monthly income for the lifetime of the payee in the form of a life annuity or other type of annuity offered by us at the time, subject to minimum and maximum amounts required by us.
c) Proceeds on Deposit – the specified amount would be left with us for a period as agreed to by us. Interest will accrue on the proceeds at a rate as determined by us from time to time, but is guaranteed never to be negative.
d) Other Payment – the specified amount would be applied to any other payment option then made available by us.

You may revoke or change your election at any time in writing and received at our Head Office in Waterloo, Ontario.

The beneficiary(ies) entitled to the claims proceeds on the death of the Life Insured may also elect one of the above options with respect to the applicable claims proceeds, unless you have elected otherwise.

The amount of monthly income payable under Options a) or b) shall be an amount calculated by applying the Company's immediate annuity rates in effect on the date the monthly payments begin. The beneficiary(ies) will need to provide us with required personal information to put the annuity into effect.

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EXCELERATOR DEPOSIT OPTION

If your policy has a Premium Type that is Equimax Life Pay or Equimax 20 Pay, you can apply to add the Excelerator Deposit Option to this policy subject to our underwriting criteria and administrative rules and guidelines in effect at the time we receive your request to add the Excelerator Deposit Option.

If your policy has a Premium Type that is Equimax 10 Pay, the Excelerator Deposit Option is not available with the Equimax Insurance Coverage. If a term rider coverage(s) is in effect on this policy on the Life Insured, the term rider coverage(s) may allow you to apply to add the Excelerator Deposit Option. Whether a term rider coverage(s) in effect on this policy on the Life Insured allows the Excelerator Deposit Option to be added to this policy is determined by us and subject to our underwriting criteria and administrative rules and guidelines in effect at the time we receive your request to add the Excelerator Deposit Option.

If we approve the addition of the Excelerator Deposit Option to this policy, the provisions that apply are outlined in this Excelerator Deposit Option section of your contract.

The Excelerator Deposit Option allows you to make additional payments ("EDO Payments"), over and above the required policy Premiums, to purchase participating paid-up insurance, subject to our administrative rules and underwriting criteria in effect at the time you apply for the Excelerator Deposit Option and at the time you make an EDO Payment. A charge (premium load) applies to each EDO Payment to cover administration costs. The premium load that applies is set by Equitable Life and is not guaranteed. The participating paid-up insurance purchased by the Excelerator Deposit Option is in addition to the participating paid-up insurance purchased by the policy dividends. The Dividend Option must be either Paid-Up Additions or Enhanced Protection in order for you to make EDO Payments.

Single EDO Payment: Single EDO Payment refers to a one time EDO Payment. The Single EDO Payment can be made at any time subject to our administrative rules, payment limits and underwriting criteria in effect at the time you make the payment.

Planned EDO Payments: Planned EDO Payments refer to the scheduled monthly or annual EDO Payments.

If we approve your application for planned monthly or annual EDO payments you will have up to 60 months from the date the application for the Excelerator Deposit Option was signed to make your initial payment. If you do not make your initial planned EDO Payment within one year of the date the application for the Excelerator Deposit Option was signed the amount of EDO Payments you can make may be limited in accordance with the administrative rules and guidelines in effect at the time of the EDO Payment and the maximum EDO Payment we will accept may be less than the planned amount.

If you miss or skip a planned EDO payment, the amount of EDO Payments you can make in the future may be limited in accordance with the administrative rules and guidelines in effect at the time of the EDO Payment and the maximum EDO Payment we will accept may be less than the planned amount.

The scheduled due date for your planned EDO Payment will depend on the premium mode selected for your policy. If the premium mode for your policy is monthly, the scheduled due date for monthly planned EDO Payments is the monthly policy anniversary and corresponds to the date the monthly premium for your policy is due. If the premium mode for your policy is annual, the scheduled due date for annual planned EDO Payments is the policy anniversary and corresponds to the date the annual premium for your policy is due.

If any planned EDO Payment has not been received within 60 months of the date the last EDO Payment was received, the Excelerator Deposit Option will stop. The Excelerator Deposit Option may be reinstated by providing a written request and satisfactory evidence of insurability that we require.

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EXCELERATOR DEPOSIT OPTION (continued)

Changes:

You may elect to add an Excelerator Deposit Option after the First Policy Year Begins date and make planned EDO Payments to your policy subject to our administrative rules and you providing satisfactory evidence of insurability that we require. The amount of EDO Payments you can make may be limited and is subject to our approval.

You may request to increase your planned EDO Payments at any time. Additional evidence of insurability may be required. The amount of EDO Payments you can make may be limited and is subject to our approval.

You may request to stop your planned EDO Payments at any time and you may resume EDO Payments, without providing additional evidence of insurability, provided you resume EDO Payments within 60 months of the date the last EDO Payment was received. The amount of EDO Payments that you can make may be limited in accordance with the administrative rules and guidelines in effect at the time of the EDO Payment and the maximum EDO Payment we will accept may be less than the planned amount. If you apply to start your EDO Payments again after 60 months of not making EDO Payments, you must provide satisfactory evidence of insurability that we require.

You may only make EDO Payments if the dividend option chosen for your Equimax policy remains as Paid-Up Additions or Enhanced Protection. If you decide to change your dividend option to other than Paid-Up Additions or Enhanced Protection, the EDO Payments will no longer be accepted.

All changes and additions of the Excelerator Deposit Option must be requested to us in writing at our Head Office in Waterloo, Ontario.

Excelerator Deposit Option Effective Date:

The Excelerator Deposit Option Effective Date is as follows a) if applied for at issue of the Equimax policy, the Excelerator Deposit Option Effective Date is the same as the First Policy Year Begins date as shown on the Policy Specifications page(s); or, b) if applied for or re-applied for after the First Policy Year Begins date, then the Excelerator Deposit Option Effective Date is the date the first EDO Payment is received following the approved application or re-application.

Term Rider(s):

If a term rider coverage(s) in effect on this policy applies to the Life Insured, it may allow you to add the Excelerator Deposit Option to this policy or to increase the planned EDO Payment, subject to our administrative rules and guidelines in effect at the time. Whether the Excelerator Deposit Option can be added or the planned EDO Payment can be increased will be subject to our approval and you providing satisfactory evidence of insurability that we require.

If we approve the addition of the Excelerator Deposit Option or any increase in the planned EDO Payment amount and you subsequently terminate a term rider coverage(s) we reserve the right to surrender participating paid-up insurance for its cash value and pay it to you in order to keep the policy exempt from accrual taxation. We also reserve the right to terminate the Excelerator Deposit Option or to limit the amount of subsequent planned EDO Payments we will accept. Surrendering paid-up insurance for its cash value may have tax consequences to you.

Waiver:

If the policy Premiums are being waived, you can continue to make EDO Payments. No increases or additions to the EDO Payments will be permitted while Premiums are being waived. If you are making EDO Payments when Premiums start being waived and then stop EDO Payments at a later time while Premiums are still being waived, you will not be permitted to resume EDO Payments while the policy Premiums continue to be waived.

Suicide:

If the Life Insured dies by suicide, regardless of the mental state of the Life Insured, within two years after the latest approved application for an Excelerator Deposit Option, the Company's liability with respect to that Excelerator Deposit Option will be limited to the amount of the EDO Payments, less the cash value of any portion of the paid-up additional insurance that is surrendered during that two year period.

Incontestability:

Except in the case of fraud or error of age or sex, statements made in the Excelerator Deposit Option application will be considered incontestable two years after the Excelerator Deposit Option Effective Date.

Taxation:

This policy is issued with the intention that it will be maintained exempt from accrual taxation under the provisions of the Income Tax Act (Canada) and Regulations in effect as of the First Policy Year Begins date of this policy. In order to maintain your policy's tax-exempt status we reserve the right to limit the amount of an EDO Payment or to surrender participating paid-up insurance for its cash value and pay it to you. Surrendering paid-up insurance for its cash value may have tax consequences to you.

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