

## DEFINITIONS

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*The following are definitions of some of the terms used in your Equitable Generations universal 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.
- Amount at Risk for an Insurance Coverage:** is equal to the Death Benefit less the Account Value of the applicable Insurance Coverage.
- Beneficiary(ies):** is (are) the person(s) designated in the application by the Owner and listed on the Policy Specifications page of this policy who is (are) to receive the Death Benefit proceeds in the event of the death of the Life Insured under this Equitable Generations universal 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, 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 mortality risk assessment is 100%. A class of risk greater than 100% indicates a higher mortality risk. The class of risk will affect the cost of insurance rates. Mortality risk refers to the incidence of death.
- Company:** The terms "we", "our", "us", "Equitable Life" and "Company", mean The Equitable Life Insurance Company of Canada and its Head Office located in Waterloo, Ontario, Canada.
- Coverage Years:** Each Insurance Coverage and Rider applicable to this Equitable Generations universal life policy has an effective date. Coverage Years are measured from the effective date of each Insurance Coverage or Rider as shown on the Coverage Specifications page(s).
- Currency:** All amounts payable to or by the Company under the terms, conditions or provisions of this policy are payable in the lawful currency of Canada.
- Date Policy Takes Effect:** means the later of:
- a) either: (i) in Quebec, the date Equitable Life accepts the policy without modification; or (ii) in provinces other than Quebec, the date the policy is delivered to you; and
  - b) the date the full amount of the first Premium has been paid to the Company;
- provided that no change has taken place in the insurability of any 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.
- Effective Date:** means the Effective Date for this policy shown on the Policy Specifications page.
- Indebtedness:** refers to outstanding Policy Loans and includes any unpaid interest owing for those loans.
- Insurance Coverage:** is the Equitable Generations universal life Death Benefit applicable to the Life Insured.
- Any increase applied for and made in the future, by the Owner, will result in an additional Insurance Coverage applicable to the Life Insured.
- Life Insured:** is 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 policy.
- Monthly Anniversary:** The Monthly Anniversary for this policy will occur on the same day of each month as the Effective Date of this policy. Regardless of whether the premiums are being paid annually or monthly, the Monthly Anniversary is the day each month that all of the Monthly Charges applicable to the policy are deducted.

**DEFINITIONS – continued**

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- Monthly Charges:** All charges associated with this Equitable Generations universal life policy are referred to as Monthly Charges and include Cost of Insurance Charges, Administration Charges, Linked Interest Option Administration Fees and any charges applicable to additional benefits or Riders as specified on the Coverage Specifications page(s).
- Net Premium(s):** is equal to the Premium(s) paid less any applicable government premium taxes required to be deducted now or in the future.
- Equitable Life reserves the right to increase or decrease the current deduction for government premium taxes should the government premium taxes be increased or decreased.
- Owner:** The Owner of this policy refers to 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.
- Policy Anniversary:** The Policy Anniversary will occur on the same day and month each year as the Effective Date of this policy, as shown on the Policy Specifications page. Policy Years and Policy Months are also measured from the Effective Date of this policy.
- Premium:** Premium refers to the amounts paid to Equitable Life and applied to this Equitable Generations universal life policy.
- Rider:** A Rider is an additional benefit applied for and issued by us as shown on the Coverage Specifications 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 Equitable Generations universal life policy.
- Shuttle Account:** The Shuttle Account is a separate Premiums-on-Deposit Account set up at issue of your Equitable Generations universal life policy. This account is held outside of your Equitable Generations universal life policy and is used to hold funds that must be transferred out of your policy in order to maintain its tax exempt status. Interest and income earned on the Shuttle Account is taxed annually.

## **GENERAL PROVISIONS**

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*The following are General Provisions applicable to your Equitable Generations universal 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:** 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.
- Contract:** The Equitable Generations universal life Contract consists of the following documents:
- this policy
  - 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 Date Policy Takes Effect.
- 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 statement or answers provided 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 later of:
- (a) the Date Policy Takes Effect; and
  - (b) the last Reinstatement date of this policy,
- 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 or amended Insurance Coverages effective after the Date Policy Takes Effect will be considered to be incontestable (with the exception of fraud) only after the additional or amended Insurance Coverage has been in effect for two (2) years from the later of:
- (1) the date the additional or amended Insurance Coverage took effect; and
  - (2) the last Reinstatement date of this policy.
- Misstatement of Age or Sex:** If the date of birth and/or sex of the Life Insured has been misstated, the amount payable under this policy due to the death of that Life Insured will be adjusted to be equal to the sum of the following:
- (a) the portion of the Account Value of the policy that is allocated to the Insurance Coverage applicable to the Life Insured; and
  - (b) the amount of Insurance Coverage the Cost of Insurance Charges on the Life Insured (deducted at the beginning of the Policy Month in which the death has occurred) would have purchased had the Cost of Insurance Charges for the Insurance Coverage 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 has been misstated, then the amount payable for the Rider will be the amount that the Monthly Charge for that Rider would have purchased based on the correct age and/or sex.

**GENERAL PROVISIONS - continued**

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**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 mailing or 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.

**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 Rider.

**Participating:**

This policy, excluding any Riders that may be attached to it, is participating and therefore may be eligible for dividends, or to participate in any divisible surplus of the Company.

**Right of Rescission:**

You will have 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, the market value of 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:**

At any time, subject to our administration rules and guidelines, you may request that the Smoker Classification of a Life Insured 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 16 on the Date Policy Takes Effect, we will classify them as Non-Smoker.

**Suicide:**

Equitable Life will not pay any Death Benefit if any Life Insured dies by suicide, regardless of the mental state of the Life Insured, within two (2) years from the later of:

- (i) the Date Policy Takes Effect; and
- (ii) the last Reinstatement date of 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.

## Death Benefit

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***An important part of your Equitable Generations universal life insurance policy is the Death Benefit provided to the Beneficiary(ies). The Death Benefit Option you have selected is shown on the Coverage Specifications page(s) of this policy.***

**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 at death are calculated as of the date Equitable Life receives notice of the death of the Life Insured under this policy. Immediately following the calculation of the proceeds payable at death, the Account Value attributable to the policy becomes zero. Any Indebtedness under the policy will be deducted from the proceeds payable.

On the Effective Date of this policy, the initial Death Benefit will be the Sum Insured as shown on the Coverage Specifications page(s) of this policy. Thereafter, the Death Benefit will be determined in accordance with one of the following Death Benefit Options as shown on the Coverage Specification page(s).

### **Death Benefit Options:**

All Insurance Coverages are required to have the same Death Benefit Option.

**Level Protector:** Under this Death Benefit Option the Sum Insured will remain level for the duration of the policy unless you take a Cash Withdrawal or unless it is increased as required to assist in maintaining the tax exempt status of your policy. Upon death of the Life Insured, the Company will pay the Beneficiary(ies) the Death Benefit which is equal to the greater of the Sum Insured or the Account Value attributable to this Equitable Generations universal life policy.

This Death Benefit Option is available with Yearly Renewable Term (YRT) Cost of Insurance Charges and may be available with Level Cost of Insurance Charges.

**Account Value Protector:** Under this Death Benefit Option the Sum Insured will remain level for the duration of the policy unless it is increased as required to assist in maintaining the tax exempt status of your policy. Upon death of the Life Insured, the Company will pay the Beneficiary(ies) the Death Benefit which is equal to the Sum Insured plus the Account Value attributable to this Equitable Generations universal life policy.

This Death Benefit Option is available with Yearly Renewable Term (YRT) Cost of Insurance Charges and may be available with Level Cost of Insurance Charges.

## **Changes to Insurance Coverage**

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***With Equitable Generations universal life insurance, you can choose to make changes to the Insurance Coverage provided by your policy.***

At any time while this policy is in effect you may request any of the following changes, subject to the following requirements, and our current administrative rules and guidelines in effect at the time:

- (a) additional Insurance Coverage, subject to evidence of insurability as determined by the Company;
- (b) a decrease in Insurance Coverage; a pro-rata Surrender Charge will be applied. The Surrender Charges under this policy are shown in the Table of Charges;
- (c) cancellation of a Rider attached to this policy;
- (d) a change in Death Benefit Option, subject to evidence of insurability as determined by the Company;
- (e) a change in the Cost of Insurance Charges Type, subject to evidence of insurability as determined by the Company;
- (f) a cancellation of an Insurance Coverage;

No other changes may be made.

All changes are subject to receipt of a written request from you at the Head Office of the Company.

SAMPLE

## Premiums

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**Premium is the term used to define the money that you pay to Equitable Life for your Equitable Generations universal life policy.**

**Premiums:** All Premiums are payable to Equitable Life and must be received in our Head Office, in Waterloo, Ontario. You may choose to submit your Premium by mail or deliver it in person or by courier. You may also choose to have your Premiums automatically withdrawn from your chequing account with our pre-authorized debit plan (P.A.D.).

At any time while this policy is in effect you may make additional Premium payments. Your Premium payments may be increased or decreased at any time or you may change the frequency of the Premium payment, subject to limits and restrictions as determined by Equitable Life at that time.

Monies received during a Policy Year in excess of the Maximum Exempt Premium for that Policy Year will be deposited into the Shuttle Account and will not be considered a Premium paid under your Equitable Generations universal life policy. If at any time in the future, Equitable Life determines that monies can be transferred from the Shuttle Account to your Equitable Generations universal life policy, these monies will be considered to be Premiums paid to the policy.

**Net Premiums:** Government Premium tax is deducted from each Premium paid to your Equitable Generations universal life policy. The percentage of the deduction required varies by province. Therefore, the premium tax deducted from your policy will be based on your province of residence. Equitable Life reserves the right to change the current deduction for the Government premium taxes should the premium taxes applicable to this policy be changed. Your Premium less the applicable premium tax is the Net Premium.

**Minimum Annual Premiums:** The Minimum Annual Premium shown on the Policy Specifications page, 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 effect.** Depending on the Cost of Insurance Charges, Death Benefit Option, Riders and performance of the Investment Interest Account(s) you have selected, the Minimum Annual Premium may not be sufficient to maintain your Equitable Generations universal life policy.

**Maximum Exempt Premium:** The Maximum Exempt Premium is the maximum Premium that you can deposit into your Equitable Generations universal life policy during a Policy Year. At issue and at each Policy Anniversary thereafter we will calculate this amount for the upcoming Policy Year. The Maximum Exempt Premium is the estimated maximum amount that can be deposited to your policy while maintaining your policy exempt from accrual taxation under the provisions of the Income Tax Act (Canada) and Regulations.

## Investment Interest Accounts

***The Investment Interest Accounts make up the savings portion of your Equitable Generations universal life policy.***

**Interest Accounts:** Each Net Premium may be invested in any combination of the following Interest Accounts:

- (a) the Daily Interest Account;
- (b) the Guaranteed Deposit Accounts;
- (c) the Linked Interest Options
  - the Index Options
  - the ESG Index Options
  - the Managed Fund Options
  - the Portfolio Options
  - the Target Date Options

The portion of each Net Premium to be allocated to the various Interest Accounts is shown on your application for life insurance for this Equitable Generations universal life policy, unless subsequently changed by the Owner as described below.

All Net Premiums will be invested within five (5) Business Days of receipt of the Premiums at Equitable Life's Head Office in Waterloo, Ontario, or the date of transfer from the Shuttle Account.

You may request in writing to change the portion of the Net Premiums allocated to the various Investment Interest Accounts. The first change in any Policy Year is free of charge. Any additional changes in that Policy Year will be subject to a fee of \$25.00 per change.

**The following is a description of the Interest Accounts available with Equitable Generations universal life:**

**Daily Interest Account:** The interest rate credited on Net Premiums allocated to this account will be determined by Equitable Life from time to time, but is guaranteed not to be less than 90% of the yield on 91-Day Government of Canada Treasury Bills less 1.5% to a minimum credited interest rate of 0%.

The effective annual interest rate is compounded daily and credited to the Daily Interest Account at least once per month.

Should 91-Day Government of Canada Treasury Bills become unavailable, Equitable Life reserves the right to use another yield in determining the above guarantee.

**Account Value:** The Account Value of the Daily Interest Account at any time is equal to the following:

- (a) Net Premiums and net transfers credited to the Daily Interest Account; plus
- (b) Interest and any Investment Bonus credited to the Daily Interest Account; less
- (c) Amounts withdrawn or transferred out of the Daily Interest Account; less
- (d) Any administration fees or charges deemed to have come from this account.

**Guaranteed Deposit Accounts:**

You can select one or more Guaranteed Deposit Accounts for your Equitable Generations universal life policy. The terms available for each Guaranteed Deposit Account may be 1, 5, or 10 years. We reserve the right to change or discontinue Guaranteed Deposit Account terms available to you at any time.

The minimum amount that may be allocated to a Guaranteed Deposit Account at any time is \$500.00. If you have selected a Guaranteed Deposit Account as one of your Investment Interest Accounts, Premiums will be held in the Daily Interest Account until the \$500.00 minimum is accumulated. Each allocation to a Guaranteed Deposit Account is considered separate with its own interest rate and investment term.

Equitable Life will declare the interest rate for each new Guaranteed Deposit Account as of the date of the investment.

The interest rate for a Guaranteed Deposit Account with a term of 1 year is guaranteed not to be less than (90% of X\*), less 1.50% to a minimum credited interest rate of 0%.



**Investment Interest Accounts – continued****Guaranteed Deposit Accounts:** - continued

The interest rate for a Guaranteed Deposit Account with a term of 5 years is guaranteed not to be less than the greater of:

- (a) 0.00%; and
- (b) (90% of X\*) less 1.50%.

The interest rate for a Guaranteed Deposit Account with a term of 10 years is guaranteed not to be less than the greater of:

- (a) 0.00%; and
- (b) (90% of X\*) less 1.50%

\* "X" in the above formulas represents the yield on Government of Canada bonds with the same term and date of investment as the Guaranteed Deposit Account. If at any time there is not a regularly published Government of Canada Bond of the same term as the Guaranteed Deposit Account Equitable Life reserves the right to substitute the bond with the closest published term.

In determining the above guarantee, Equitable Life reserves the right to use a measurement other than the yield on Government of Canada Bonds should they become unavailable or unsuitable as determined by Equitable Life.

The effective date of each Guaranteed Deposit Account will be the same day of the month as the Effective Date of this policy that is coincident with or immediately following the date of investment. The term period for your Guaranteed Deposit Account is measured from this date.

At the end of the term of each Guaranteed Deposit Account, the Account Value of that Guaranteed Deposit Account will automatically be reinvested as another Guaranteed Deposit Account with the same term as the original Guaranteed Deposit Account unless you have elected otherwise in writing.

**Account Value:**

The Account Value of the Guaranteed Deposit Account(s) at any time is equal to the following:

- (a) Net Premium and net transfers credited to the Guaranteed Deposit Account(s); plus
- (b) interest and any Investment Bonus credited to the Guaranteed Deposit Account(s); less
- (c) amounts withdrawn or transferred out of the Guaranteed Deposit Account(s) including any Market Value Adjustments that apply to these withdrawals or transfers; less
- (d) any administration fees or charges deemed to have come from this account.

**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 you selected. Any amounts withdrawn, transferred out or deducted for monthly charges from the Guaranteed Deposit Account, including any Market Value Adjustment that may apply, are taken into account when the Maturity Value of a Guaranteed Deposit Account is determined.

**Market Value Adjustment:**

At any time prior to the end of the term of each Guaranteed Deposit Account, 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 us) of the Guaranteed Deposit Account being valued.

If a partial withdrawal or transfer to another Interest Account is being made a pro-rata Market Value Adjustment will apply.

**Investment Interest Accounts – continued**

**Linked Interest Options:** You can select one or more of the Linked Interest Options for your Equitable Generations universal life policy. The Account Value of each Linked Interest Option must be at least \$150.00. If the minimum Account Value is not met we reserve the right to transfer the full value of that Linked Interest Option to the Daily Interest Account.

A Linked Interest Option Administration Fee may apply. (Refer to the Monthly Charges provision of this policy for details.)

**1) Index Options:**

Net Premiums allocated to one or more of these Interest Accounts are credited or debited interest from the date each Net Premium is invested. The interest debited or credited is guaranteed to be not less than 100% of the comparative increase or decrease of the Total Return (which includes dividends) of the index tracked by the Index Option. The rate of return the interest is based on can be either positive or negative depending on the movement of the applicable index. A negative rate of return will result in a debit to the Account Value (a negative interest rate). A positive rate of return will result in a credit to the Account Value (a positive interest rate).

Currently, interest rates are calculated on a daily basis (Business Day) at a time as determined by Equitable Life, based on the movement of the applicable index. Any conversion to Canadian dollars, if applicable, will be based on a rate obtained from a recognized quotation service as selected by Equitable Life. We reserve the right to change the timing and frequency of the calculation at our discretion.

The applicable Index for each Index Option is selected by Equitable Life and may change at any time. We reserve the right to discontinue the use of any Index Option(s) at our discretion, without prior notification, and transfer the Account Value to a similar Index Option as determined by us, or if a similar Index Option is not available at that time, we will transfer the Account Value to the Daily Interest Account.

For information on the index tracked by each Index Option and its past performance please ask your financial advisor or visit our website as shown on your most recent policy statement.

The following are the current Index Options available with Equitable Generations universal life:

- (a) **Index Option: American Equity Index**  
The index tracked will consist primarily of U.S. equity securities and Equitable Life guarantees to provide interest not less than 100% of the comparative increase or decrease of the total return of the applicable index;
- (b) **Index Option: Canadian Equity Index**  
The index tracked will consist primarily of Canadian equity securities and Equitable Life guarantees to provide interest not less than 100% of the comparative increase or decrease of the total return of the applicable index;
- (c) **Index Option: U.S. Technologies Index**  
The index tracked will consist primarily of U.S. technology equity securities and Equitable Life guarantees to provide interest not less than 100% of the comparative increase or decrease of the total return of the applicable index;

## Investment Interest Accounts – continued

### 2) ESG Index Options:

Net Premiums allocated to one or more of these Interest Accounts are credited or debited interest from the date each Net Premium is invested. The interest debited or credited is guaranteed to be not less than 100% of the comparative increase or decrease of the Total Return (which includes dividends) of the index tracked by the Environmental, Social, and Governance (ESG) Index Option. The rate of return the interest is based on can be either positive or negative depending on the movement of the applicable index. A negative rate of return will result in a debit to the Account Value (a negative interest rate). A positive rate of return will result in a credit to the Account Value (a positive interest rate).

Currently, interest rates are calculated on a daily basis (Business Day) at a time as determined by Equitable Life, based on the movement of the applicable index. Any conversion to Canadian dollars, if applicable, will be based on a rate obtained from a recognized quotation service as selected by Equitable Life. We reserve the right to change the timing and frequency of the calculation at our discretion.

The applicable Index for each ESG Index Option is selected by Equitable Life and may change at any time. We reserve the right to discontinue the use of any ESG Index Option(s) at our discretion, without prior notification, and transfer the Account Value to a similar ESG Index Option as determined by us, or if a similar ESG Index Option is not available at that time, we will transfer the Account Value to the Daily Interest Account.

For information on the index tracked by each ESG Index Option and its past performance please ask your financial advisor or visit our website as shown on your most recent policy statement.

The following are the current ESG Index Options available with Equitable Generations universal life:

**(a) ESG Index Option: American Equity Index (ESG)**

The index tracked will consist primarily of U.S. equity securities and Equitable Life guarantees to provide interest not less than 100% of the comparative increase or decrease of the total return of the applicable index. The index tracked is one with the intention of applying ESG (Environmental, Social and Governance) principles in the securities selected;

**(b) ESG Index Option: Canadian Equity Index (ESG)**

The index tracked will consist primarily of Canadian equity securities and Equitable Life guarantees to provide interest not less than 100% of the comparative increase or decrease of the total return of the applicable index. The index tracked is one with the intention of applying ESG (Environmental, Social and Governance) principles in the securities selected;

**(c) ESG Index Option: European Equity Index (ESG)**

The index tracked will consist primarily of European equity securities and Equitable Life guarantees to provide interest not less than 100% of the comparative increase or decrease of the total return of the applicable index, after converting to Canadian dollars. The index tracked is one with the intention of applying ESG (Environmental, Social and Governance) principles in the securities selected.

**Investment Interest Accounts – continued****3) Managed Fund Options:**

Net Premiums allocated to one or more of these accounts are credited or debited interest from the date each Net Premium is invested. The interest credited or debited is guaranteed to be not less than 100% of the net rate of return (i.e. less management fees and assuming the reinvestment of dividends) of the applicable underlying fund for each Managed Fund Option. The rate of return the interest is based on can be either positive or negative depending on the movement of the applicable underlying fund. A negative rate of return will result in a debit to the Account Value (a negative interest rate). A positive rate of return will result in a credit to the Account Value (a positive interest rate).

Currently, interest rates are calculated on a daily basis (Business Day) at a time determined by Equitable Life, based on the movement of the applicable underlying fund. Any conversion to Canadian dollars, if applicable, will be based on a rate obtained from a recognized quotation service as selected by Equitable Life. We reserve the right to change the timing and frequency of the calculation at our discretion.

For each Managed Fund Option, the applicable underlying fund and series are selected by Equitable Life and may change at any time. We reserve the right to discontinue the use of any Managed Fund Option at our discretion, without prior notification, and transfer the Account Value to a similar Managed Fund Option as determined by us, or if a similar Managed Fund Option is not available at that time, we will transfer the Account Value to the Daily Interest Account.

For information on the underlying fund tracked by each Managed Fund Option and its past performance please ask your financial advisor or visit our website as shown on your most recent policy statement.

The following are the current Managed Fund Options available with Equitable Generations universal life:

Fixed Income**(a) Managed Fund Option – Canadian Bond**

The underlying fund tracked will invest mainly in fixed income Canadian securities. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

**(b) Managed Fund Option – Global Fixed Income**

The underlying fund tracked will invest mainly in fixed income securities issued by foreign companies and governments. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

Domestic Equity**(a) Managed Fund Option – Special Situations**

The underlying fund tracked will invest mainly in Canadian small/mid cap equity securities. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

**(b) Managed Fund Option – Canadian Equity**

The underlying fund tracked will invest mainly in Canadian equity securities. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

**(c) Managed Fund Option – Large Cap Canadian Equity**

The underlying fund tracked will invest mainly in a select group of high-quality, large-cap Canadian equity securities. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

**Investment Interest Accounts – continued**Foreign Equity

- (a) **Managed Fund Option – American Equity**  
The underlying fund tracked will invest mainly in American equity securities. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;
- (b) **Managed Fund Option – American Growth Equity**  
The underlying fund tracked will invest mainly in American equity securities. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;
- (c) **Managed Fund Option – Global Equity**  
The underlying fund tracked will invest mainly in equity securities of companies around the world. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;
- (d) **Managed Fund Option – Global Innovators Equity**  
The underlying fund tracked will invest mainly in equity securities of companies around the world and fixed income securities issued by governments or companies in any country. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;
- (e) **Managed Fund Option – International Equity**  
The underlying fund tracked will invest mainly in equity securities in countries other than Canada and the United States. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

Balanced and Asset Allocation

- (a) **Managed Fund Option – Global Equity Balanced**  
The underlying fund tracked will invest mainly in fixed income and equity securities issued around the world. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

Sustainable Investment

- (a) **Managed Fund Option – Sustainable Bond**  
The underlying fund tracked will invest mainly in fixed income securities. The underlying fund tracked is one which utilizes a responsible investment approach. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;
- (b) **Managed Fund Option – Sustainable Equity**  
The underlying fund tracked will invest mainly in equity securities. The underlying fund tracked is one which utilizes a responsible investment approach. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;
- (a) **Managed Fund Option – Sustainable Balanced**  
The underlying fund tracked will invest mainly in fixed income and equity securities. The underlying fund tracked is one which utilizes a responsible investment approach. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund.

**4) Portfolio Options:**

Net premiums allocated to one or more of these accounts are credited or debited interest from the date each Net Premium is invested. The interest credited or debited is guaranteed to be not less than 100% of the net rate of return (i.e. less management fees and assuming the reinvestment of dividends) of the applicable portfolio for each Portfolio Option. The rate of return the interest is based on can be either positive or negative depending on the movement of the applicable portfolio. A negative rate of return will result in a debit to the Account Value (a negative interest rate). A positive rate of return will result in a credit to the Account Value (a positive interest rate).

**Investment Interest Accounts – continued**

Currently, interest rates are calculated on a daily basis (Business Day) at a time determined by Equitable Life, based on the movement of the applicable portfolio. Any conversion to Canadian dollars, if applicable, will be based on a rate obtained from a recognized quotation service as selected by Equitable Life. We reserve the right to change the timing and frequency of the calculation at our discretion.

For each Portfolio Option the applicable portfolio and series are selected by Equitable Life and may change at any time. We reserve the right to discontinue the use of any Portfolio Option at our discretion, without prior notification, and transfer the Account Value to a similar Portfolio Option as determined by us, or if a similar Portfolio Option is not available at that time, we will transfer the Account Value to the Daily Interest Account.

For information on the portfolio tracked by each Portfolio Option and its past performance please ask your financial advisor or visit our website as shown on your most recent policy statement.

The following are the current Portfolio Options available with Equitable Generations universal life:

- (a) **Portfolio Option: Balanced Growth Portfolio**  
The portfolio tracked will be comprised of underlying funds that invest mainly in a diversified mix of equity and income securities with a bias towards capital appreciation. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable portfolio;
- (b) **Portfolio Option: Balanced Income Portfolio**  
The portfolio tracked will be comprised of underlying funds that invest mainly in a diversified mix of equity and income securities with a bias towards income. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable portfolio;
- (c) **Portfolio Option: Canadian Balanced Portfolio**  
The portfolio tracked will be comprised of underlying funds that invest mainly in global equity securities and fixed income securities issued primarily by Canadian companies. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable portfolio;
- (d) **Portfolio Option: Canadian Neutral Portfolio**  
The portfolio tracked will be comprised of underlying funds that invest mainly in equity securities and fixed income securities issued primarily by Canadian companies. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable portfolio;
- (e) **Portfolio Option: Diversified Equity Portfolio**  
The portfolio tracked will be comprised of underlying funds that invest primarily in a diversified mix of global equity securities. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable portfolio;
- (f) **Portfolio Option: Diversified Income Portfolio**  
The portfolio tracked will be comprised of underlying funds that invest mainly in a diversified mix of equity and fixed income securities. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable portfolio;
- (g) **Portfolio Option: Global Equity Portfolio**  
The portfolio tracked will be comprised of underlying funds that invest mainly in global equity securities and fixed income securities issued primarily by Canadian companies. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable portfolio;
- (h) **Portfolio Option: Growth Portfolio**  
The portfolio tracked will be comprised of underlying funds that invest mainly in a diversified mix of equity and fixed income securities. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable portfolio;

**Investment Interest Accounts – continued****5) Target Date Options:**

Net Premiums allocated to one or more of these accounts are credited or debited interest from the date each Net Premium is invested. The interest credited or debited is guaranteed to be not less than 100% of the net rate of return (i.e. less management fees and assuming the reinvestment of dividends) of the applicable underlying fund for each Target Date Option. The rate of return the interest is based on can be either positive or negative depending on the movement of the applicable underlying fund. A negative rate of return will result in a debit to the Account Value (a negative interest rate). A positive rate of return will result in a credit to the Account Value (a positive interest rate).

Currently, interest rates are calculated on a daily basis (Business Day) at a time determined by Equitable Life, based on the movement of the applicable underlying fund. Any conversion to Canadian dollars, if applicable, will be based on a rate obtained from a recognized quotation service as selected by Equitable Life. We reserve the right to change the timing and frequency of the calculation at our discretion.

For each Target Date Option, the applicable underlying fund and series are selected by Equitable Life and may change at any time. We reserve the right to discontinue the use of any Target Date Option at our discretion, without prior notification, and transfer the Account Value to a similar Target Date Option as determined by us, or if a similar Target Date Option is not available at that time, we will transfer the Account Value to the Daily Interest Account.

For information on the underlying fund tracked by each Target Date Option and its past performance please ask your financial advisor or visit our website as shown on your most recent policy statement.

The following are the current Target Date Option available with Equitable Generations universal life:

**(a) Target Date Option – Target Date 2035**

The underlying fund tracked will invest with a balanced criteria with adjustments made to the asset allocation weighting as the maturity date in 2035 is approached. After this maturity date, the assets of the underlying fund will be reinvested in fixed income or a balanced fund holding. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

**(b) Target Date Option – Target Date 2040**

The underlying fund tracked will invest with a balanced criteria with adjustments made to the asset allocation weighting as the maturity date in 2040 is approached. After this maturity date, the assets of the underlying fund will be reinvested in fixed income or a balanced fund holding. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

**(c) Target Date Option – Target Date 2045**

The underlying fund tracked will invest with a balanced criteria with adjustments made to the asset allocation weighting as the maturity date in 2045 is approached. After this maturity date, the assets of the underlying fund will be reinvested in fixed income or a balanced fund holding. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

**(d) Target Date Option – Target Date 2050**

The underlying fund tracked will invest with a balanced criteria with adjustments made to the asset allocation weighting as the maturity date in 2050 is approached. After this maturity date, the assets of the underlying fund will be reinvested in fixed income or a balanced fund holding. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

**(e) Target Date Option – Target Date 2055**

The underlying fund tracked will invest with a balanced criteria with adjustments made to the asset allocation weighting as the maturity date in 2055 is approached. After this maturity date, the assets of the underlying fund will be reinvested in fixed income or a balanced fund holding. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund;

**(f) Target Date Option – Target Date 2060**

The underlying fund tracked will invest with a balanced criteria with adjustments made to the asset allocation weighting as the maturity date in 2060 is approached. After this maturity date, the assets of the underlying fund will be reinvested in fixed income or a balanced fund holding. Equitable Life guarantees to provide interest that is based on not less than 100% of the net rate of return of the applicable underlying fund.

## Investment Interest Accounts – continued

Account Value: At any time the Account Value of a Linked Interest Option is equal to the following:

- (a) Net Premiums and net transfers credited to that Linked Interest Option; plus
- (b) interest and any Investment Bonus credited to that Linked Interest Option; less
- (c) interest debited to that Linked Interest Option; less
- (d) amounts withdrawn or transferred out of that Linked Interest Option; less
- (e) any administration fees or charges deemed to have come from these accounts.

### **Changes to Your Investment Interest Accounts:**

You may select to change your Investment Interest Accounts or the percentage of your Net Premium allocated to the various Investment Interest Accounts at any time, provided you submit your request in writing to Equitable Life's Head Office.

You may elect to transfer a portion of the Account Value of this policy from one Interest Account to another Interest Account available under this policy at any time, provided you submit your request in writing to Equitable Life's Head Office.

Equitable Life reserves the right to limit the number of requested transfers in any Policy Year.

There will be no additional fees charged for the transfers outlined below:

- (a) **Daily Interest Account:** You may elect to move savings from the Daily Interest Account to a Guaranteed Deposit Account or a Linked Interest Option at any time subject to minimum deposit requirements as determined by us. These transfers are based on the Account Value of the Daily Interest Account being transferred as of the effective date of the transfer.
- (b) **Guaranteed Deposit Account:** You may elect to move savings from one Guaranteed Deposit Account to another Guaranteed Deposit Account, the Daily Interest Account or a Linked Interest Option. These transfers are based on the Market Value Adjustment of the Account as of the effective date of the transfer. The Account Value of the Guaranteed Deposit Account must be at least equal to the \$500.00 minimum after the transfer has been made.
- (c) **Linked Interest Options:** You may request to move savings from a Linked Interest Option to another Linked Interest Option, the Daily Interest Account or a Guaranteed Deposit Account, subject to minimum deposit requirements as determined by us. These transfers are based on the Account Value of the Linked Interest Option being transferred as of the effective date of the transfer.

The effective date of the transfer will be within five (5) business days of receipt of your written request at Equitable Life's Head Office.

### **About Your Investment Interest Accounts:**

Linked Interest Options are NOT mutual funds, segregated funds or any other kind of investment fund; you are NOT acquiring units in an investment fund or other security. You are placing funds on deposit, earning interest, with the general funds of Equitable Life. Performance is NOT guaranteed. You may be credited positive or negative interest depending on the performance of the underlying fund(s) or index being tracked. The underlying fund(s) or index being tracked may change at any time. Linked Interest Option Administration Fees may apply.



## Policy Values

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**Investment Bonus:** Starting in the 1<sup>st</sup> Policy Year, at each Monthly Anniversary a guaranteed Investment Bonus will be credited to the Account Value of the Equitable Generations universal life policy. This Investment Bonus will be credited regardless of the Account Value of the policy. Currently the Investment Bonus credited will be allocated in the same manner as the Net Premium allocation. Equitable Life reserves the right to change the manner in which the Investment Bonus is allocated at any time without prior notification.

The Investment Bonus will be equal to 1/12th of the annual bonus percent applied to the Account Value of this policy on the applicable Monthly Anniversary.

Policy Year	Annual Bonus Percent
1+	0.75%

**Account Value:** The Account Value of this Equitable Generations universal life policy at any time will be equal to the sum of the following:

- (a) the Account Value of the Daily Interest Account;
- (b) the Account Value of all Guaranteed Deposit Accounts;
- (c) the Account Value of all Linked Interest Options.

**Cash Surrender Value:** The Cash Surrender Value of this Equitable Generations universal life policy at any time will be equal to the sum of the following:

- (a) the Account Value of the Daily Interest Account;
  - (b) the Market Value Adjustment of all Guaranteed Deposit Accounts;
  - (c) the Account Value of all Linked Interest Options;
- reduced by the total Surrender Charges and any Indebtedness to the policy.

**Policy Surrender Value:** The Policy Surrender Value of this Equitable Generations universal life policy at any time will be equal to the Cash Surrender Value plus the Shuttle Account Value.

**Non-Guaranteed Values:**

The interest rate for the Linked Interest Options is **NOT GUARANTEED** and could be positive or negative depending on the performance of the applicable Linked Interest Options. A negative rate of return will result in a debit to the Account Value (a negative interest rate). A positive rate of return will result in a credit to the Account Value (a positive interest rate).

**Surrender Charges:** The Surrender Charges applicable to each Insurance Coverage under this policy are shown in the Table of Charges. If you choose to surrender your Equitable Generations universal life policy in the 12th month of the ninth (9th) Policy Year, the Surrender Charge shown in the Table of Charges will apply. For all other months within the first nine (9) Policy Years, a pro-rata Surrender Charge will apply. From the first month of the 10th policy year and thereafter, a Surrender Charge will not apply.

If you take a withdrawal during the first nine (9) Policy Years, a pro-rata Surrender Charge will be calculated but not applied. Upon full surrender of your Equitable Generations universal life policy during the first nine (9) Policy Years, any pro-rata Surrender Charges that were calculated but not applied due to withdrawals, will apply upon the full surrender of the policy. Therefore at any time during the first nine (9) Policy Years, the total Surrender Charges are the total of the above, plus any Surrender Charges held in suspense for any previous withdrawals.

## Monthly Charges

***On each Monthly Anniversary a charge will be withdrawn from the Investment Interest Accounts. These monthly charges include but are not limited to the costs for the insurance portion of your plan, as well as any additional Riders or benefits.***

The monthly charge for your Equitable Generations universal life policy will be equal to the sum of the following:

- (a) the total Administration Charges applicable for this policy;
- (b) the total of all Cost of Insurance Charges applicable to this policy;
- (c) the total Monthly Charge(s) for any optional additional benefits and Riders;
- (d) the Linked Interest Option Administration Fees.

Equitable Life will automatically deduct the Monthly Charges from the Accounts and/or Linked Interest Options based on the method you elected on the application for life insurance. You may have elected a percentage (%) of the total monthly charges to be deducted from specific accounts or you may have elected the monthly charges be deducted from all accounts on a pro-rata basis, depending on the Account Value in the Accounts at the Monthly Anniversary. In the event that you did not elect a method for deduction of monthly charges, the default method of pro-rata from all Accounts will be the method used. At any time you may change the method and/or Accounts from which your Monthly Charges are deducted by providing written notice at Equitable Life's Head Office.

If the Monthly Charges listed in items (a), (b), and (c), have not previously ceased, they will cease on the Policy Anniversary following the Life Insured's 100th birthday. (The same period as shown in the Table of Charges). Thereafter, no further deduction for these charges will be made.

Equitable Life reserves the right to deduct from the Investment Interest Accounts an amount equal to any taxes or assessments applicable to the policy, including those that are currently in place or may be subsequently imposed.

**Administration Charges:** The guaranteed Administration Charge for an adult Insurance Coverage on this policy is \$0.00 per month.

The guaranteed Administration Charge for a juvenile Insurance Coverage on this policy is \$0.00 per month.

### **Cost of Insurance Charges Type:**

The Cost of Insurance Charge Type available is Yearly Renewable Term (YRT).

The Cost of Insurance Charge for each Insurance Coverage is determined at the beginning of each Policy Month. The Cost of Insurance Charge is calculated by multiplying the current Amount at Risk by the current Cost of Insurance Rate for the applicable Insurance Coverage as shown in the Table of Charges.

The rate per thousand of Amount at Risk will increase yearly until the Policy Anniversary after the Life Insured's 100th birthday.

If the Life Insured under this policy is an adult (the Life Insured's Age is 16 or greater when the Insurance Coverage is issued) you may select to have YRT or Level Cost of Insurance Charges. If the Life Insured under this policy is a juvenile (the Age is less than 16 when the Insurance Coverage is issued), the Cost of Insurance Type must be YRT until the juvenile Life Insured attains an Age at which Level Cost of Insurance rates may be available.

If Level Cost of Insurance Charge rates are made available for your Equitable Generations universal life policy and subject to any minimum and maximum age restrictions and our administrative rules and guidelines in effect at the time, you may change your Cost of Insurance Charges from YRT to Level (or, later, vice versa) provided they are applicable to your Death Benefit Option. Evidence of insurability, as determined by Equitable Life, may be required when switching from one Cost of Insurance Charges type to another. The Cost of Insurance Charges that will apply will be the applicable rates, if then available, at the Life Insured's attained Age with the same class of risk and smoking status. Selection of Level Cost of Insurance Charges will result in the rate per thousand of Amount at Risk remaining level until the Policy Anniversary after the Life Insured's 100th birthday.

The Amount at Risk for an Insurance Coverage is equal to the Death Benefit less the Account Value attributable to that Insurance Coverage.

The Cost of Insurance rates, as shown in the Table of Charges, are guaranteed not to increase from those shown.

**Monthly Charges – continued****Additional Benefit  
And Rider Charges:**

If you have elected to include any additional Benefit(s) and/or Rider(s) with your Equitable Generations universal life policy, Monthly Charges applicable to the additional Benefit(s) and/or Rider(s) are specified on the Coverage Specifications page(s) and/or are shown in the Table of Charges.

**Linked Interest Option  
Administration  
Fees:**

The Linked Interest Option Administration Fees apply only to the Account Value of the Index Options and the ESG Index Options.

The current and maximum Linked Interest Option Administration Fees which apply to the Index Options which apply to the Index Options are as follows:

American Equity Index Option:	1.75% per Policy Year (0.1458% per month);
Canadian Equity Index Option:	1.75% per Policy Year (0.1458% per month);
U.S. Technologies Index Option:	1.75% per Policy Year (0.1458% per month);

The Linked Interest Option Administration Fees applicable to the Index Options may be changed at any time, without prior notification, however, Equitable Life guarantees they will not exceed the current maximums.

The current and maximum Linked Interest Option Administration Fees which apply to the ESG Index Options are as follows:

American Equity (ESG) ESG Index Option:	1.75% per Policy Year (0.1458% per month);
Canadian Equity (ESG) ESG Index Option:	1.75% per Policy Year (0.1458% per month);
European Equity (ESG) ESG Index Option:	1.75% per Policy Year (0.1458% per month);

The Linked Interest Option Administration Fees applicable to the ESG Index Options may be changed at any time, without prior notification, however, Equitable Life guarantees they will not exceed the current maximums.

Linked Interest Option Administration Fees do not apply to the Account Value of the Managed Fund Options (MFO), the Portfolio Options (PO) and the Target Date Options (TDO).

## **Cash Withdrawals**

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***With your Equitable Generations universal life policy you have access to the cash accumulating in your policy if and when you need or want it.***

Cash Withdrawals from this Equitable Generations universal life policy are permitted at any time provided the Head Office of Equitable Life receives a written request from you.

The amount you can withdraw must be at least \$500.00 and cannot exceed the current Policy Surrender Value, less any Indebtedness, less, \$500.00. A Market Value Adjustment may apply to amounts withdrawn from the Guaranteed Deposit Accounts. For details on how the Policy Surrender Value is determined please see the Policy Values section.

If you choose to withdraw cash from your policy, the Death Benefit applicable to each Insurance Coverage will be reduced by the portion of the Account Value of the policy withdrawn that is attributable to that Insurance Coverage.

If you have elected Account Value Protector as your Death Benefit Option, the Account Value will reduce by the amount withdrawn, thereby reducing the Death Benefit. If you have elected Level Protector as your Death Benefit Option, the Sum Insured will be reduced by the portion of the Account Value withdrawn that is applicable to that Insurance Coverage, thereby reducing the Death Benefit.

If you choose to withdraw cash from your policy within the first nine (9) Policy Years, a pro-rata Surrender Charge equal to the amount withdrawn multiplied by the appropriate Surrender Charge rate divided by 1000 will be calculated but not deducted at the time of withdrawal. If you surrender your policy prior to completion of the 9th Policy Year, the Surrender Charge that would have been applied to the Cash Withdrawal will be deducted at that time along with any other Surrender Charges that may apply at that time.

Cash Withdrawals from your policy may have tax consequences and may be subject to income tax.

Equitable Life will charge a \$25.00 fee for each Cash Withdrawal from your policy.

You may specify the Investment Interest Accounts from which your withdrawals are to be made. However, if there is any value in the Shuttle Account, all Cash Withdrawals will be made from this Account first. In the absence of written instructions Equitable Life will make the withdrawals from the Investment Interest Accounts using the same method as used for Monthly Charges, until Equitable Life receives alternative written instruction from you at our Head Office.

Daily Interest Account, Guaranteed Deposit Account and Linked Interest Option minimum balance requirements must continue to be met.

The effective date of your Cash Withdrawal will be within five (5) Business Days of receipt of your written request at the Head Office of Equitable Life.

## **Policy Loans**

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***If a Cash Withdrawal does not meet your needs, you can take a Policy Loan with your Equitable Generations universal life policy.***

At any time while this Equitable Generations universal life policy is in effect, provided it has accumulated a Cash Surrender Value, you may request a Policy Loan from Equitable Life subject to our administrative rules and guidelines in effect at that time.

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.

You may borrow up to the amount by which the Maximum Loan Value of this policy exceeds any current Indebtedness to your Equitable Generations universal life policy.

The Maximum Loan Value for this policy is equal to 90% of the Cash Surrender Value excluding the Account Value of all Linked Interest Options reduced by one year's loan interest. 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.

Taking a Policy Loan against the available value in your policy may have tax consequences and may be subject to income tax.

If, at any time while this policy is in effect, the total indebtedness to Equitable Life under this policy exceeds the Maximum Loan Value, Equitable Life reserves the right to transfer sufficient amounts, if available, from the Linked Interest Options to the Daily Interest Account or the Guaranteed Deposit Accounts, without prior notice, to ensure that the Indebtedness of the Policy remains equal to the Maximum Loan Value. The required amounts will be transferred from the Linked Interest Options using the same method as elected by you for deduction of monthly charges and deposited to the Daily Interest Account, provided the Linked Interest Option minimum balance requirements are met. If sufficient amounts are not available in the Linked Interest Options, the 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".

The value of the Shuttle Account will not be considered in any Policy Loan calculation. You may not take a Policy Loan against the value in the Shuttle Account.

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

**Policy Surrender**

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At any time while your Equitable Generations universal life policy is in effect, you may surrender your policy for its current Policy Surrender Value, less any Indebtedness to the policy.

Please refer to the Policy Values Section of this policy for details on Policy Surrender Value determination.

On request to surrender your policy the Policy Surrender 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 effective date of surrender of your policy to the date we forward payment of the Policy Surrender Value to you.

The effective date of surrender of your policy will be within five (5) Business Days of receipt of your written request at Equitable Life's Head Office. This policy and all benefits and any Riders associated with this policy will terminate on the effective date of the surrender and Equitable Life will have no further liability under this policy or any Riders.

Surrendering your policy for its Policy Surrender Value may have tax consequences and may be subject to income tax.

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## **Policy Lapse**

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Your Equitable Generations universal life policy will lapse and all liability of Equitable Life will cease at the earliest date on which:

- (a) the Account Value of the policy is equal to zero (0);
- (b) the Cash Surrender Value of the policy is equal to zero (0) and the total of all Premiums paid, less all Cash Withdrawals, is less than the sum of the Minimum Annual Premiums, including any Rider or additional benefit Premiums payable since the Effective Date of this policy; or
- (c) the Indebtedness under this policy is equal to the Cash Surrender Value of the policy.

However, the coverage under your policy will continue until the end of the Grace Period.

### **Grace Period:**

A Grace Period of 31 days measured from the date of policy lapse, as defined above, is permitted for payment in full of all overdue amounts as determined by Equitable Life. Your Equitable Generations universal life policy will terminate as of the date of lapse, if at the end of the Grace Period all overdue amounts have not yet been paid. Equitable Life will have no further liability under this policy.

If the 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.

### **Lapse Extension:**

Your policy may continue for a maximum of 12 months, during which time we will deduct the Monthly Charges from your Account Value provided all of the following conditions are satisfied:

- (a) the policy has been in effect for at least 3 years;
- (b) the Account Value of the policy is greater than zero and sufficient to pay the Monthly Charges for a period of 12 months; and
- (c) the Indebtedness under the policy does not exceed the policy's current Cash Surrender Value.

After the maximum 12 months, unless a full Premium payment is remitted to cover all overdue amounts as determined by Equitable Life, your policy will terminate effective immediately. All benefits and Riders applicable to this policy will cease at that time and the policy will be terminated subject to the Grace Period provision above. Equitable Life will have no further liability under this policy.

### **Reinstatement:**

a) If your Equitable Generations universal 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 Life Insured is alive at the time payment is made.

b) If your Equitable Generations universal life insurance policy lapses and 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 their 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 Premiums 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 of Reinstatement.

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

Any Account Value remaining in the policy at the time of lapse will be treated as a new investment and deposited as of the date of Reinstatement in the Daily Interest Account.

## Living Benefit

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

The Living Benefit 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 Living Benefit per policy will be permitted in any Policy Year;
- (b) each Living Benefit during the Surrender Charge period will be subject to the applicable Surrender Charge for that year;
- (c) if a Living Benefit 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;
- (d) the minimum and maximum Living Benefit in any Policy Year will be subject to our administrative rules and guidelines in effect at the time of the disbursement;
- (e) any fees that may apply for withdrawals made under the Living Benefit will be subject to our administrative rules and guidelines in effect at the time of the disbursement.

You may specify the Interest Accounts from which a Living Benefit is to be made. However, if there is any value in the Shuttle Account, any Living Benefit will be made from the Shuttle Account first, regardless of the order specified by you. In the absence of written instructions for a Living Benefit, Equitable Life will make the withdrawal from the Shuttle Account and Interest Accounts using the same method as used for Monthly Charges.

The Account Value applicable to this policy will be reduced by the amount of the Living Benefit. If you have elected Level Protector as the Death Benefit Option for your Equitable Generations universal life policy, the Sum Insured will be reduced by the amount of the Living Benefit. If you have elected Account Value Protector as the Death Benefit Option for your Equitable Generations universal life policy, the Death Benefit will be reduced by the amount of the Living Benefit. If a Living Benefit occurs during the Surrender Charge period, a pro-rata Surrender Charge will be calculated but not deducted at the time of payment. If you surrender your policy prior to the completion of the Surrender Charge period, the Surrender Charge that would have applied to the Living Benefit will be deducted at that time along with any other Surrender Charge which may apply at that time.

A Living Benefit may not be available if you assigned this policy or if you have made an irrevocable beneficiary designation for the proceeds of this policy. You may be able to take a Living Benefit 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 Living Benefit does not guarantee that your policy will remain in effect. If you have not elected Waiver of Charges as an additional Rider with this policy on the Life Insured for whom this Living Benefit applies, you must continue to make sufficient Premium payments in order to keep your Equitable Generations universal life policy in effect.



**Living Benefit – continued**

In order to receive the Living Benefit, the Owner must provide at their 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 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 Living Benefit will be payable if we determine that a Life Insured, who would have otherwise qualified for the Living Benefit, had that disability at the Effective Date or the 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.

**Taxation:** As of the Effective 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 Effective Date of this policy, disability benefits are not subject to income tax. However, Equitable Life offers no guarantee that a Living Benefit will not be subject to income tax at the time it is made. Furthermore, it may not always be in the best interest of the Owner to take a Living Benefit, should the Income Tax Act (Canada) and Regulations change in the future.

## **Bereavement Counselling**

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On the death of the Life Insured under this policy and payment of the Death Benefit under one or more Insurance Coverages, Equitable Life will provide a Bereavement Counselling benefit to the Beneficiary(ies) of this Equitable Generations universal life policy. Regardless of the number of Beneficiaries, Equitable Life will reimburse the Beneficiary(ies) up to a maximum of \$1,000 toward the cost of counselling expenses, as long as the following rules are adhered to:

- the Beneficiary(ies) will submit receipts within 12 months of the date of the first death of the Lives Insured; and
- the counsellor 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 \$1,000 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.

## **Dividends**

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While in effect, this Equitable Generations universal life policy may, at the end of each Policy Year, participate in the distribution of surplus of Equitable Life. If a distribution is declared for this policy, it will be credited as a dividend. The declaration of a dividend and the amount of any dividend payable, if any, will be determined by Equitable Life.

If any policy dividends are declared, they will be credited in a manner as determined by Equitable Life at that time.

## **Protection From Creditors**

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Protection from creditors of the Owner may be available with your Equitable Generations universal life policy, subject to certain conditions.

## Tax Status

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This Equitable Generations universal 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 Effective Date of this policy. Therefore, periodically, but not less than annually, this policy will be monitored to determine its tax status.

If, at any time, this Equitable Generations universal life 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 funds from a portion of the Cash Surrender Value attributable to the Daily Interest Account, Guaranteed Deposit Accounts and/or the Linked Interest Options to the Shuttle Account in order to maintain this policy's exempt status provided that it is possible for the Company to do so under the legislation in effect at that time. Funds in the Shuttle Account do not make up any part of this policy and are subject to annual taxation.

If this Equitable Generations universal life policy fails the exempt test at the time of a Premium payment, Equitable Life will accept as a Premium for this Equitable Generations universal life policy an amount that will maintain this policy's tax-exempt status. Equitable Life will deposit the balance to the Shuttle Account. The balance will not be considered a Premium payment under this policy.

If on any Policy Anniversary, there is room for additional Premiums in this Equitable Generations universal life policy and you have funds in the Shuttle Account, Equitable Life will automatically pay a Premium from the Shuttle Account to this Equitable Generations universal life policy. The Premium paid will be allocated to the Investment Interest Accounts in the same manner as elected by you on the application or subsequently changed. Provincial Government Premium Tax will be applied to each Premium paid to this Equitable Generations universal life policy from the Shuttle Account. (See Net Premium for details on Premium Tax).

If at any Policy Anniversary this Equitable Generations universal life policy fails any of the applicable exemption tests, the Sum Insured will be automatically increased by up to 8% of the Sum Insured at that Policy Anniversary. If the increase in the Sum Insured is not sufficient to maintain the exempt status of this policy, a portion of the Cash Surrender Value attributable to the Daily Interest Account, Guaranteed Deposit Accounts and/or the Linked Interest Options will be transferred to the Shuttle Account in order to maintain this policy's exempt status. No evidence of insurability is required for the automatic increase in the Sum Insured.

The above provisions reflect the current provisions of the Income Tax Act (Canada) and Regulations applicable to this policy as at the Effective Date. Equitable Life makes no guarantees that these provisions will not change. Equitable Life reserves the right to modify its practices to reflect any subsequent changes made in the Income Tax Act (Canada) and Regulations affecting this policy. Equitable Life will provide to you any required tax reporting slips.

## Shuttle Account

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***The Shuttle Account is a separate premiums-on-deposit account which assists in maintaining your Equitable Generations universal life 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 or surrender of this Equitable Generations universal life policy.***

In order to maintain your policy's tax-exempt status, a separate Shuttle Account (premiums-on-deposit account) will be set up in conjunction with your Equitable Generations universal life policy. As stated in the Premiums provision of this policy, any monies received over the Maximum Exempt Premium for any Policy Year will be deposited on your behalf to the Shuttle Account. The Shuttle Account is a premiums-on-deposit account where funds are held until such time as they can be paid as Premiums into your Equitable Generations Universal Life policy.

The Shuttle Account receives amounts in excess of the Maximum Exempt Premium. In addition, funds will be transferred to the Shuttle Account as required to maintain your Equitable Generations universal life policy status as exempt from annual accrual taxation. Funds in the Shuttle Account will automatically be used to pay Premiums to your Equitable Generations universal life policy on any Policy Anniversary, provided that enough tax-exempt room exists.

### Shuttle Interest

#### Accounts:

The Shuttle Account is set up at issue of your Equitable Generations universal life policy. Any amounts transferred into the Shuttle Account will be allocated to the Shuttle Interest Accounts and any interest earned will be subject to annual taxation.

The Shuttle Account of your Equitable Generations universal life policy is credited or debited interest based on the rate of return, less any applicable administration fees, of the Shuttle Interest Accounts available and chosen by you. If you do not choose an allocation for your Shuttle Deposits, any amounts transferred to the Shuttle Account will be allocated to the Daily Interest Account.

You may at any time in the future request in writing to change the allocation of the deposits made to the Shuttle Account, subject to our administrative rules and guidelines in effect at that time. We reserve the right to charge a fee to change the allocation.

The Shuttle Interest Accounts available with your Equitable Generations universal life policy are selected by Equitable Life. Equitable Life reserves the right to change or discontinue the use of any Shuttle Interest Account at our discretion, without prior notification, and transfer the value to the Daily Interest Account.

#### Shuttle Premiums:

Shuttle Premiums are Premiums paid from the Shuttle Account to your Equitable Generations universal life policy. At each Policy Anniversary and after tax exempt testing, Equitable Life will determine the Maximum Exempt Premium for the following year. Upon determination of the Maximum Exempt Premium, Equitable Life will automatically pay a Premium, if possible, from the Shuttle Account to your Equitable Generations universal life policy. The Premium paid, less any applicable Premium tax, will be allocated to the Investment Interest Accounts within your Equitable Generations universal life policy, as elected by you on the application for life insurance or subsequently changed in writing by the Owner, or to the Daily Interest Account if no selection is made. The Premium paid from the Shuttle Account will be the lesser of the Maximum Exempt Premium and the Shuttle Account Value.

Premiums paid from the Shuttle Account will be deducted from the Shuttle Interest Accounts according to our administrative practices.

#### Shuttle Deposits:

Shuttle Deposits are funds that are transferred from your Equitable Generations universal life policy to the Shuttle Account in order to maintain the exempt status of your policy under the provisions of the Income Tax Act (Canada) and Regulations. Shuttle Deposits will also occur at any time a Premium in excess of the Maximum Exempt Premium is paid to your Equitable Generations universal life policy. The amount of the Shuttle Deposit will be determined to be the amount necessary to maintain your policy's exempt status.

The Shuttle Deposits will be allocated to the Shuttle Account according to the allocation selected on the application for life insurance, or subsequently changed in writing by the Owner. If no selection is made, Shuttle Deposits will automatically be allocated to the Daily Interest Account.

Shuttle Deposits are not subject to Premium Tax.

**Shuttle Account – continued**

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<b>Investment Bonus:</b>	The Investment Bonus does not apply to the Shuttle Account.
<b>In the Event Of Death:</b>	<p>On the death of the Life Insured under this Equitable Generations universal life policy, the Shuttle Account Value will be paid to the Owner or the Owner's Beneficiary(ies) as stipulated on the Policy Specifications page of this policy.</p> <p>On the death of the Owner, if other than the Life Insured under this Equitable Generations universal life policy, the Shuttle Account Value will be paid to those entitled to this account according to the applicable laws.</p>
<b>Policy Surrender:</b>	If your Equitable Generations universal life policy is surrendered, any Shuttle Account Value will be surrendered and paid out to the Owner, unless prohibited by law. There are no Surrender Charges applicable to the Shuttle Account.
<b>Withdrawal:</b>	If you elect to withdraw cash from your Equitable Generations universal life policy and there are funds being held in the Shuttle Account, the funds held in the Shuttle Account will be withdrawn first to satisfy the requested withdrawal amount. The withdrawal provisions applicable to the Shuttle Account are the same as specified under the Cash Withdrawals section in your Equitable Generations universal life policy.
<b>Shuttle Account Value:</b>	At any time the Shuttle Account Value will be equal to the sum of all Shuttle Deposits plus any interest credited to the Shuttle Interest Accounts; less any interest debited to the Shuttle Interest Accounts; less any administration fees applicable to the Shuttle Interest Accounts; less any Shuttle Premiums paid to the Equitable Generations universal life policy; less any Cash Withdrawals.
<b>Policy Loans:</b>	You may not take a Policy Loan against the Shuttle Account Value, nor will the value of your Shuttle Account be used when determining the Maximum Loan Value for an Equitable Generations universal life Policy Loan.
<b>Policy Lapse:</b>	The value of your Shuttle Account will not be used in determining whether or not your Equitable Generations universal life policy will lapse. However, if there are funds in the Shuttle Account, room available in your Equitable Generations universal life policy and failure of the lapse test is imminent, Equitable Life will automatically pay a Premium from the Shuttle Account to your Equitable Generations universal life policy.
<b>Taxation:</b>	Any interest earned in the Shuttle Account is subject to annual taxation. Each year, the amount of interest income will be reported on a tax information slip as Canadian source interest income, under current legislation.
<b>Protection from Creditors:</b>	Protection from creditors, which may be available to you with your Equitable Generations universal life policy, does NOT apply to the Shuttle Account. The Shuttle Account is not part of the Equitable Generations universal life policy. It is a separate Premiums-on-Deposit Account.

**SETTLEMENT OPTIONS**

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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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