



DATA PAGE

POLICY NUMBER **000123457L**
OWNER(S) **JO CUNNINGHAM**
POLICY DATE **MAY 12, 2020**

LIVES INSURED AND SCHEDULE OF BENEFITS	INITIAL ANNUAL PREMIUM/ PAYMENT	MATURITY OR EXPIRY DATE
<p>LIFE INSURED(S): JAMES JONES INSURANCE AGE: 11 RATE CLASS: JUVENILE</p> <p>LIFE INSURANCE Optimax Wealth 20 Pay Participating \$250,000 Base Sum Insured Premiums are payable for 20 years from the effective date of this Optimax Wealth 20 Pay Coverage</p> <p>\$250,000 Total Sum Insured For James Jones</p>	<p>\$3,637.50</p>	<p>Life</p>

Included in this policy are pages with the following codes:
GP-P-1, OWLP-2, CV-1, DV-1, SA-1, ADO-1
Issued by the Company, May 13, 2020

SCHEDULE OF PREMIUMS

POLICY 000123457L

The premiums shown in this schedule of premiums are for all coverages and include the policy administration fee.

BEGINNING	ANNUAL PREMIUM	MONTHLY PRE-AUTHORIZED DEBIT PREMIUM
May 12, 2020	\$3,637.50	\$327.38
May 12, 2040	\$0.00	\$0.00

TABLE OF GUARANTEED VALUES

POLICY ANNIVERSARY	POLICY YEAR	GUARANTEED CASH VALUE	GUARANTEED PAID-UP VALUE
2020	0	0	0
2021	1	760	9,789
2022	2	1,723	21,361
2023	3	2,888	34,495
2024	4	4,273	49,189
2025	5	5,880	65,261
2026	6	7,290	78,018
2027	7	8,788	90,687
2028	8	10,383	103,319
2029	9	12,078	115,885
2030	10	13,880	128,412
2031	11	15,793	140,879
2032	12	17,825	153,294
2033	13	19,983	165,638
2034	14	22,273	177,938
2035	15	24,698	190,128
2036	16	27,263	202,275
2037	17	29,965	214,312
2038	18	32,815	226,295
2039	19	35,813	238,179
2040	20	38,973	250,000
2041	21	40,408	250,000
2042	22	41,895	250,000
2043	23	43,438	250,000
2044	24	45,033	250,000
2045	25	46,685	250,000
2046	26	48,393	250,000
2047	27	50,158	250,000
2048	28	51,975	250,000
2049	29	53,845	250,000
2050	30	55,768	250,000
2051	31	57,740	250,000
2052	32	59,775	250,000
2053	33	61,870	250,000
2054	34	64,028	250,000
2055	35	66,248	250,000
2056	36	68,538	250,000
2057	37	70,893	250,000
2058	38	73,320	250,000
2059	39	75,818	250,000
2060	40	78,385	250,000
2061	41	81,025	250,000
2062	42	83,735	250,000
2063	43	86,518	250,000

TABLE OF GUARANTEED VALUES

POLICY ANNIVERSARY	POLICY YEAR	GUARANTEED CASH VALUE	GUARANTEED PAID-UP VALUE
2064	44	89,373	250,000
2065	45	92,300	250,000
2066	46	95,298	250,000
2067	47	98,365	250,000
2068	48	101,503	250,000
2069	49	104,708	250,000
2070	50	107,980	250,000
2071	51	111,315	250,000
2072	52	114,713	250,000
2073	53	118,168	250,000
2074	54	121,680	250,000
2075	55	125,243	250,000
2076	56	128,855	250,000
2077	57	132,508	250,000
2078	58	136,200	250,000
2079	59	139,925	250,000
2080	60	143,678	250,000
2081	61	147,453	250,000
2082	62	151,240	250,000
2083	63	155,033	250,000
2084	64	158,828	250,000
2085	65	162,615	250,000
2086	66	166,388	250,000
2087	67	170,138	250,000
2088	68	173,858	250,000
2089	69	177,538	250,000
2090	70	181,173	250,000
2091	71	184,755	250,000
2092	72	188,278	250,000
2093	73	191,733	250,000
2094	74	195,115	250,000
2095	75	198,423	250,000
2096	76	201,650	250,000
2097	77	204,798	250,000
2098	78	207,863	250,000
2099	79	210,855	250,000
2100	80	213,778	250,000
2101	81	216,653	250,000
2102	82	219,500	250,000
2103	83	222,368	250,000
2104	84	225,323	250,000
2105	85	228,480	250,000
2106	86	232,030	250,000
2107	87	236,310	250,000
2108	88	241,923	250,000

TABLE OF GUARANTEED VALUES

POLICY ANNIVERSARY	POLICY YEAR	GUARANTEED CASH VALUE	GUARANTEED PAID-UP VALUE
2109	89	250,000	250,000

POLICY NO.: **000123457L**
OPTIMAX WEALTH 20 PAY PARTICIPATING: **Juvenile**
AMOUNT: **\$250,000.00**
POLICY DATE: **May 12, 2020**
LIFE INSURED(S): **James Jones**

SAMPLE

GENERAL PROVISIONS

GP1 Definitions

The following are definitions for some of the key terms used throughout this policy. Terms are also defined in other sections of this policy.

"Attained Insurance Age" at any time is the Insurance Age increased by the number of policy years that have elapsed since the effective date of each Coverage.

"Company" means The Empire Life Insurance Company.

"Coverage" means any Life Insurance, Critical Illness Insurance, or Additional Benefit shown on the most recent Data Page.

"Death Benefit" is any money that becomes payable under the terms of the contract if a Life Insured dies.

"Insurance Age" for each Coverage is as shown on the most recent Data Page. It is based on the age of the Life or Lives Insured provided in the application and is subject to any modifications due to underwriting ratings.

"Life Insured" means the individual whose life is insured as shown on the most recent Data Page.

"Life or Lives Insured" means each individual Life Insured or all Life Insureds.

"Owner" means the person or person(s) who own the contract and all of the rights, options and privileges associated with it. An Owner may also be a Life Insured. If the contract is owned by more than one person, they will be joint owners with right of survivorship, except in Québec. In Québec, joint owners who wish to obtain the same legal effect as the right of survivorship must each appoint the other Owner as his or her subrogated policyholder.

"Premium(s)" means the amount payable for each Coverage and the policy administration fee.

"Proceeds" means any money payable by the Company under the terms of the contract.

"Sum Insured" means the insured amount for a Coverage, which is shown on the most recent Data Page.

GP2 The Contract

The **"contract"** includes the terms set out in this policy, in the original application for the contract, in any subsequent applications for a change to or reinstatement of the contract, and in any endorsements or amendments, all of which constitute the entire agreement between the Company and the Owner. The Owner and the Company may mutually agree to change a provision of the contract, subject to all applicable laws. In addition, the Company can waive a contract provision or change a contract provision if it does not lessen the Owner's rights or increase the Owner's obligations under the contract. Any change or waiver of a contract provision must be in writing and signed by an authorized officer of the Company to be valid.

The contract will be governed and administered in accordance with the laws of the province or territory of Canada in which the Owner signs the application for this policy. When joint Owners sign the application for this policy in different locations, the province or territory of Canada where the first Owner signs will determine the laws that govern the contract.

Other than in Québec, the contract will take effect only if:

- 1) the initial premium has been paid; and
- 2) the insurability of the Life or Lives Insured has not changed between the completion of the application for this policy and the delivery of this policy; and
- 3) the policy has been delivered to the Owner, an agent or assignee of the Owner, or the beneficiary.

In Québec, the contract will take effect only if:

- 1) the initial premium has been paid; and
- 2) the insurability of the Life or Lives Insured has not changed between the completion of the application for the contract and the date the application is approved without modification by the Company.

GP3 Incontestability

If an Owner or Life Insured misrepresents or fails to disclose in the original application for the contract, or in any subsequent application to change or reinstate the contract that requires evidence of insurability, a fact that is material to the contract, the Company can void the contract.

If an Owner or Life Insured misrepresents or fails to disclose in any subsequent application to change the contract that requires evidence of insurability, a fact that is material to the contract change applied for, the Company can void the contract but only in relation to the Coverage(s) affected by the contract change.

The Company cannot void the contract or a Coverage affected by the contract change as described above after the contract or Coverage has been in force for a period of two years, unless one of the following applies:

GENERAL PROVISIONS

- 1) the non-disclosure or misrepresentation constitutes fraud; or
 - 2) the Coverage is a Waiver of Premium Benefit; or
 - 3) the Coverage is a Critical Illness Coverage and a claim arises from symptoms or medical problems that commenced before the end of the two year period and lead to a Diagnosis or surgery,
- in which case, there is no time limit for voiding the contract or Coverage.

The two-year period is measured from the later of the effective date of:

- 1) the contract; or
- 2) the Coverage affected by the contract change; or
- 3) the last reinstatement of the contract.

Without limiting when misrepresentation or non-disclosure constitutes fraud, if the total premium charged for the contract is based, in whole or in part, on a declaration made on the application for this policy or any subsequent application for policy change or reinstatement as to the non-use of tobacco or tobacco products by the Life or Lives Insured and the declaration is false, the declaration will be deemed to be fraud and the contract will be void.

Misstatement of age or sex will not be considered misrepresentation for the purpose of the contract.

GP4 Currency

Payments made to or by the Company will be in Canadian currency.

GP5 Premiums

The Schedule of Premiums page shows the total premium due for the contract and future adjustments in premiums for Coverages that have guaranteed premium rates on renewal.

Premiums are payable in advance. Premiums may be paid on a monthly Pre-Authorized Debit basis or any other basis that is agreed to by the Company.

No premiums will be due or payable after the contract terminates or becomes paid-up in accordance with the terms and conditions of a Paid-Up Option or Paid-Up Privilege, if applicable.

The acceptance of any premium made in respect of any Coverage after the termination of that Coverage in accordance with its terms will not impose any liability on the Company and the premium will be refunded to the Owner.

Other than as expressly provided in these General Provisions, premiums are not refundable, in whole or in part.

GP6 Rescission Right

The Owner has 10 days after receiving the contract to change his or her mind about buying it. This is called a Rescission Right. If the Owner submits a request to rescind the contract, the Company will refund the initial premium to the Owner.

GP7 Grace Period

While the contract is in force, any premium, or any part of a premium that is not paid on or before the due date will constitute a premium in default. A "**grace period**" of 31 days after the due date of a premium will be allowed for payment of the premium in default during which time the contract will remain in force.

If a Life Insured dies at any time during the grace period, an amount equal to any premium in default will be deducted from the Proceeds payable on the death of the Life Insured.

If the contract includes Critical Illness Coverage for a Life Insured and the Life Insured is diagnosed with a Critical Illness during the grace period, an amount equal to any premium in default will be deducted from the Proceeds payable as a result of the Critical Illness.

If a premium in default remains unpaid at the end of the grace period, the following steps will be taken in the order specified to pay the premium in default:

- 1) the Company will withdraw the amount of the premium in default from any accumulated value of the Side Account, as described in SA5 Withdrawals;
- 2) the Company will withdraw the amount of the premium in default from any accumulated value of the ADO Account, as described in ADO7 Withdrawals;
- 3) the Company will withdraw the amount of the premium in default from any accumulated value of the Cash Accumulation account (if applicable), as described in DV5 Dividend Options; and
- 4) if there is Cash Value available, an automatic premium loan as described in CV5 Automatic Premium Loans

GENERAL PROVISIONS

will be applied.

If the Company takes any of the steps described above, it may change the premium payment frequency from monthly to annual.

If the premium in default remains unpaid after the above steps have been taken, this policy will lapse and cease to be in force effective the due date of the premium in default.

If this policy lapses, no Proceeds will be payable or privileges enforceable except if specified in a provision of this policy and then only to the extent and in accordance with the terms of the provision.

GP8 Reinstatement

If the contract lapses for non-payment as described in GP7 Grace Period, the Owner can apply to reinstate the contract within two years of the date it lapsed and ceased to be in force by:

- 1) paying to the Company all overdue premiums and any other Indebtedness owed to the Company at the time of application for reinstatement, plus interest; and
- 2) submitting evidence of the good health and other evidence of the insurability for the Life or Lives Insured, satisfactory to the Company.

The reinstatement will be effective on the later of:

- 1) the date the Company receives all overdue premiums and other indebtedness; and
- 2) the date the Company determines that the submitted evidence of good health and insurability is satisfactory.

GP9 Policy Years and Policy Anniversaries

If the contract takes effect, the effective date of any Coverage applied for on the original application for the contract is the Policy Date shown on the Data Page. Policy years will be measured from that date. Each succeeding anniversary of the Policy Date will constitute a policy anniversary for those Coverage(s).

The effective date for any Coverage applied for after the Policy Date shown on the Data Page is the date indicated by the Company in writing. Each succeeding anniversary of the effective date of those Coverage(s) will constitute a policy anniversary for those Coverage(s).

GP10 Indebtedness

"Indebtedness" means all indebtedness owed to the Company under this policy at any time and will consist of the total of:

- 1) amounts loaned by the Company on the security of this policy; plus
- 2) interest on 1); less
- 3) the amount of any repayment of 1) or 2).

The interest rate charged on Indebtedness will be set by the Company from time to time. Interest payable on Indebtedness will be compounded annually.

Indebtedness will be a first charge against the contract, the accumulated value of the Side Account (if any), and the accumulated value of the ADO Account (if any), in favour of the Company and in priority to the claim of any beneficiary, assignee or other person making a claim, and will be deducted from the Proceeds.

Repayment, in whole or in part, of Indebtedness may be made to the Company at any time.

GP11 Suicide

If a Life Insured commits suicide, while sane or insane, within two years of the later of the effective date of:

- 1) the contract;
- 2) a Coverage for that Life Insured; or
- 3) the last policy change requiring evidence of insurability; or
- 4) the last reinstatement,

the only amounts payable by the Company will be:

- 1) the Cash Value, determined at the date of death in accordance with the Cash Value Provisions, (if any); and
- 2) the accumulated value of the Cash Accumulation account, as described in DV5 Dividend Options (if applicable);
- 3) the accumulated value of the Side Account, as described in SA4 Accumulated Value (if any); and
- 4) the accumulated value of the ADO Account (if any).

GENERAL PROVISIONS

GP12 Payment of Proceeds

Before making payment of any Proceeds, the Company will require:

- 1) sufficient proof of the right of the claimant to receive a payment;
- 2) satisfactory proof of age for the Life or Lives Insured;
- 3) for a Death Benefit, satisfactory evidence of the death and the cause of death of a Life Insured;
- 4) any other information the Company may reasonably require to establish the validity of the claim.

On making payment of any Proceeds that become payable under the terms of the contract, a valid discharge of all liability under the contract for such Proceeds will also be required.

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 (for British Columbia, Alberta and Manitoba), the Limitations Act, 2002 (for Ontario), or other applicable legislation (for all other provinces and territories).

GP13 Settlement Options

Proceeds payable under the terms of the contract will be paid by cheque, unless the person entitled to the Proceeds wants to use them to purchase an annuity or another settlement option available at the time the Proceeds are payable. Details of the options and the conditions under which they are available will be provided by the Company on request.

GP14 Age and Gender

If the age or gender of a Life Insured for any Coverage is misstated in the application for the Coverage, the Proceeds payable for that Coverage will be adjusted to the amount that would have been provided on the basis of the correct age or gender by the premium actually paid in respect of that Coverage. If, on the basis of the correct age, the Coverage would not have been available for that Life Insured, that Coverage will be void and cancelled and all premiums paid for that Coverage will be refunded to the Owner.

GP15 Beneficiary for Death Benefit

The Owner can designate one or more person(s) to receive the Death Benefit payable with respect to each Life Insured. Each designated person is called a "**beneficiary**".

The Owner can change or revoke the beneficiary designation, as permitted by applicable legislation, by a written declaration signed by the Owner and submitted to the Company. If the designation is irrevocable, it cannot be changed or revoked and certain privileges cannot be exercised without the irrevocable beneficiary's written consent. The Company assumes no responsibility for the validity or effect of any beneficiary designation.

In the event of a common disaster, if the Company cannot determine the first to die of the Life Insured or the beneficiary, the beneficiary will be deemed to have died first.

The Owner can designate primary and contingent beneficiaries. If a primary beneficiary dies before the Life Insured, that primary beneficiary's share will be divided equally among the remaining primary beneficiaries who survive the Life Insured. Any contingent beneficiary will become a beneficiary only if all of the primary beneficiary(ies) have died before the Life Insured, unless otherwise indicated by the Owner.

If no beneficiary is designated or no designated beneficiary survives the Life Insured, the beneficiary will be the Owner, unless the Owner is the deceased Life Insured, in which case the beneficiary will be the estate of the Owner.

GP16 Control of Policy

Subject to the provisions of the law governing the contract and to the rights of any beneficiary, the Owner may:

- 1) exercise all the rights, options and privileges granted by the contract or permitted by the Company; and/or
- 2) assign the contract.

The Owner can designate a contingent Owner or a subrogated policyholder (for Québec only) for the contract. If the Owner dies and the contract remains in force because the Owner is not the sole Life Insured, the contingent Owner or subrogated policyholder will have all the rights, options and privileges of the Owner. If no contingent Owner or subrogated policyholder has been named, all rights, options and privileges of the Owner will be transferred to the Life or Lives Insured under this policy.

GP17 Assignment

The Company will not be bound by any assignment of the contract, unless it is in writing and filed with the Company. The Company assumes no responsibility for the validity or effect of any assignment of the contract.

GENERAL PROVISIONS

GP18 Termination of a Coverage

A Coverage will terminate,

- 1) on the date payment of the Sum Insured for that Coverage is made; or
- 2) when the Company receives a written request from the Owner to terminate the Coverage; or
- 3) at the expiry date for the Coverage as shown on the most recent Data Page; or
- 4) when the contract terminates,

whichever occurs first.

GP19 Termination of the Contract

The contract will terminate:

- 1) if all Coverages have been terminated; or
 - 2) for non-payment of premiums as described in GP7, Grace Period; or
 - 3) at any time Indebtedness exceeds the Cash Value; or
 - 4) when the Company receives a written request from the Owner to cancel the contract,
- whichever occurs first.

SAMPLE

OPTIMAX WEALTH

LIFE INSURANCE PROVISIONS

These provisions apply to only those Coverages identified as Optimax Wealth 100, Optimax Wealth 20 Pay, Optimax Wealth 10 Pay or Optimax Wealth 8 Pay on the most recent Data Page (referred to below as the "**Coverage**"). If there is a conflict between an Optimax Wealth Life Insurance Provision and a General Provision, the Optimax Wealth Life Insurance Provision will apply.

OW1 Optimax Wealth Base Sum Insured

The Optimax Wealth Base Sum Insured for a Life or Lives Insured is as shown on the most recent Data Page. The Optimax Wealth Base Sum Insured is guaranteed not to change while the Coverage is in force, unless the Owner submits a written request to decrease it.

OW2 Paid-Up Benefit

Optimax Wealth 8 Pay: If the Coverage is identified as Optimax Wealth 8 Pay on the most recent Data Page, premiums are payable for 8 years from the effective date of the Coverage. If all premiums due for the first 8 policy years are paid, the Coverage becomes paid-up, which means no more premiums are due or payable. The Coverage remains in force and cash values and dividends continue to be earned in accordance with the applicable provisions until the Coverage is terminated in accordance with GP18 Termination of a Coverage.

Optimax Wealth 10 Pay: If the Coverage is identified as Optimax Wealth 10 Pay on the most recent Data Page, premiums are payable for 10 years from the effective date of the Coverage. If all premiums due for the first 10 policy years are paid, the Coverage becomes paid-up, which means no more premiums are due or payable. The Coverage remains in force and cash values and dividends continue to be earned in accordance with the applicable provisions until the Coverage is terminated in accordance with GP18 Termination of a Coverage.

Optimax Wealth 20 Pay: If the Coverage is identified as Optimax Wealth 20 Pay on the most recent Data Page, premiums are payable for 20 years from the effective date of the Coverage. If all premiums due for the first 20 policy years are paid, the Coverage becomes paid-up, which means no more premiums are due or payable. The Coverage remains in force and cash values and dividends continue to be earned in accordance with the applicable provisions until the Coverage is terminated in accordance with GP18 Termination of a Coverage.

Optimax Wealth 100: If the Coverage is identified as Optimax Wealth 100 on the most recent Data Page, premiums are payable until the policy anniversary nearest the Life or Lives Insured's Attained Insurance Age 100. If all premiums due until the policy anniversary nearest the Life or Lives Insured's Attained Insurance Age 100 are paid, the Coverage becomes paid-up, which means no more premiums are due or payable. The Coverage remains in force and cash values and dividends continue to be earned in accordance with the applicable provisions until the Coverage is terminated in accordance with GP18 Termination of a Coverage.

OW3 Death Benefit

On the death of the Life Insured, the Company will pay to the beneficiary(ies) of that Life Insured (in accordance with GP15 Beneficiary):

- 1) the Base Sum Insured of the Coverage for that Life Insured and the Sum Insured of any other Life Insurance Coverage for that Life Insured as shown on the most recent Data Page; plus
- 2) the amount of any Paid-Up Additions for that Life Insured, if applicable; plus
- 3) the amount of any Term Additions for that Life Insured, if applicable.

CASH VALUE PROVISIONS

These provisions apply to only those Coverages identified as Optimax Wealth or EstateMax on the most recent Data Page.

CV1 Definitions

"Guaranteed Cash Value" means the Guaranteed Cash Values shown in the Table of Guaranteed Values for the end of the applicable policy year. Guaranteed cash values for other policy years or portions of policy years may be obtained from the Company on request.

"Guaranteed Paid-Up Value" means the Guaranteed Paid-Up Values shown in the Table of Guaranteed Values for the end of the applicable policy year. Guaranteed paid-up values for other policy years or portions of policy years may be obtained from the Company on request.

"Cash Value" shall mean the Guaranteed Cash Value plus the surrender value of any Paid-Up Additions as determined by the Company plus the accumulated value of the Cash Accumulation account (if applicable) less Indebtedness. Cash Value does not include the accumulated value of the Side Account or the ADO Account, if any.

"Loan Value" is the maximum amount of Cash Value available as a loan as determined by the Company at any time.

CV2 Cash Value Options

Subject to any legal restrictions and the Company's administrative rules, the Owner can request:

- 1) to terminate a Coverage and receive payment of the Cash Value of the Coverage in a single sum; or
- 2) to cancel some or all of any Paid-Up Additions and receive payment of the surrender value of the Paid-Up Additions in a single sum.

The request must be in writing and submitted to the Company. The liability of the Company will be limited to the payment provided for under the option requested. The Company can defer making payment of the Cash Value for a period not exceeding 90 days after receipt of the request.

CV3 Paid-Up Option

The Owner can request to change a Coverage to non-participating paid-up insurance on a Life Insured without any further evidence of insurability provided the Coverage has a Guaranteed Paid-Up Value as at the date of the request. Once a Coverage has been changed to non-participating paid-up insurance it will no longer earn dividends and no premiums will be due or payable. The non-participating paid-up insurance will remain in effect until it terminates in accordance with GP18 Termination of a Coverage.

The paid-up insurance will become effective at the time of the exchange. The Sum Insured for the paid-up insurance will be determined from the Guaranteed Paid-Up Value for the applicable Coverage for the Life Insured, adjusted for any Indebtedness.

The Owner may exercise this Paid-Up Option by submitting a written request to the Company. The Company reserves the right to refuse the exercise of the Paid-Up Option if the Sum Insured for the paid-up insurance will be less than \$5,000.

CV4 Cash Loans

The Owner can borrow an amount not exceeding the Loan Value, on the security of the contract, provided it is in force and has Cash Value available. The Company reserves the right to defer payment of a cash loan for a period not exceeding 90 days after a loan request is received.

CV5 Automatic Premium Loans

If a premium in default remains unpaid 31 days after the due date of the premium in default and the contract has Cash Value, the contract will remain in force. The Company will automatically apply the Cash Value toward payment of the premium in default.

If the Cash Value is less than the premium in default, the contract will remain in force for as long as the Cash Value will allow, as determined by the Company. The amount of the Cash Value used to pay the premium in default will constitute a loan by the Company on the security of the contract.

If the contract does not have any Cash Value, then provision GP7 Grace Period will apply.

DIVIDEND PROVISIONS

These provisions apply to only those Coverages identified as Optimax Wealth or EstateMax (referred to below as the "**Coverage**") on the most recent Data Page.

DV1 Participating Life Insurance

The Coverage is participating life insurance and the contract is called a "**participating policy**". This means the Owner is entitled to share in the profits of the Company's participating policies through dividends declared by the Company as described in DV2 Dividends.

DV2 Dividends

Dividends are not guaranteed.

Annually, the Company will determine the total amount of dividend payable on its participating policies based on the profits of its participating policies.

The amount of the annual dividend payable on the Coverage (the "**Dividend**") is determined by the Company based on factors it uses to allocate the total amount of the annual dividend among its participating policies.

If the Coverage is in force when a dividend is determined by the Company, the Dividend will be payable to the Owner on the policy anniversary of the Coverage following the determination of the dividend.

DV3 Selection of Dividend Option

The dividend option for the Coverage determines how Dividends declared on the Coverage are paid or used. The Owner can request a change to the dividend option by submitting a written request to the Company. A request to change the dividend option must be approved by the Company and is subject to the Company's administrative rules in effect at the time of the request. The Company may require evidence of insurability of the Life or Lives Insured, depending on the dividend option requested.

The original dividend option and any changes to it will apply to all participating life insurance within the contract.

DV4 Tax Exempt Limit

If, in any year, the Company determines, in accordance with the *Income Tax Act (Canada)*, that the policy has exceeded or will exceed the tax exempt limit of the policy, the Company will automatically deposit into the Side Account, an amount equal to the amount by which the tax exempt limit has been or will be exceeded. The amount deposited into the Side Account will be obtained by surrendering Paid-up Additions or using part or all of one or more Dividends, and once deposited, the amount will be treated in accordance with the Side Account Provisions.

DV5 Dividend Options

The Coverage will have one of the following dividend options:

Cash Payment

Each Dividend is paid to the Owner in a single lump sum. The Owner may have to report all or a portion of the Dividend on the Owner's income tax return.

Paid-Up Additions

Each Dividend is used to buy more participating life insurance on the Life or Lives Insured. This additional participating life insurance earns dividends and cash values, and is paid-up, which means once it is purchased, no premium payments are required to keep it in force.

Annual Premium Reduction

Each Dividend is applied towards the next annual premium due on the contract. If the Dividend exceeds the next annual premium due, the excess will be applied to the Cash Accumulation option.

Cash Accumulation

Dividends are deposited into an account that will earn interest compounded annually at a rate set by the Company from time to time. The interest rate will never be less than 0%.

The Owner will have to report the interest earned on this account on the Owner's income tax return and may have to report some or all of the Dividends deposited into this account on the Owner's income tax return.

The accumulated value of the Cash Accumulation account is the total of all dividends deposited to the Cash Accumulation account, plus interest earned to date, less any amounts withdrawn and less any Indebtedness as defined in GP10 Indebtedness. The Owner may, at any time, withdraw all or a portion of the accumulated value of this account by submitting a written request to the Company.

If the contract terminates due to the death of a Life Insured, the accumulated value of the Cash Accumulation account is payable to the beneficiary(ies) of that Life Insured. If the contract terminates other than due to the

DIVIDEND PROVISIONS

death of a Life Insured, the accumulated value of the Cash Accumulation account will be paid to the Owner or, if the Owner is deceased, to the Owner's estate.

Enhanced Coverage

Dividends will be used to buy one year term life insurance on the Life or Lives Insured (referred to as "**Term Additions**") up to the maximum amount of Term Additions that is permitted. Term Additions do not earn dividends and terminate one year after being bought.

If a Dividend exceeds the cost to buy the maximum amount of Term Additions that is permitted, the excess will be used to purchase Paid-up Additions. The maximum amount of Term Additions that is permitted is determined by subtracting the amount of Paid-up Additions from the Enhanced Coverage Amount.

If the total of all Paid-Up Additions equals or exceeds the Enhanced Coverage Amount, no more Term Additions can be bought and all future Dividends will be used to buy Paid-Up Additions. If a Dividend is not enough to buy the maximum amount of Term Additions that is permitted, the Dividend will be used to buy as much Term Additions as possible. The Company will then cancel that amount of Paid-Up Additions as is necessary to buy the remaining amount of Term Additions, or as much of the remaining amount of Term Additions as is possible, with the cash surrender value of the cancelled Paid-Up Additions. If the cash surrender value of the Paid-Up Additions is not enough to buy the maximum amount of Term Additions that is permitted, the Enhanced Coverage Lifetime Guarantee described in DV6 will apply, provided all of the conditions set out in DV6 are met.

Any cancellation of Paid-Up Additions will cause the Enhanced Coverage Amount shown on the most recent Data Page to be reduced by the amount of Paid-Up Additions that are cancelled.

DV6 Enhanced Coverage Lifetime Guarantee

The Enhanced Coverage Lifetime Guarantee only applies to the Enhanced Coverage dividend option provided all of the following conditions are met:

- 1) the Coverage remains in force;
- 2) the dividend option does not change;
- 3) the Owner has not surrendered any or all of the Paid-Up Additions for cash or to pay premiums;
- 4) the Base Sum Insured has not changed;
- 5) the Conversion Option described in DV7 Conversion Option for Term Additions has not been exercised; and
- 6) the policy has not been changed to paid-up as described in CV3 Paid-Up Option.

During the life of the Life or Lives Insured, if all of the above conditions are met, the amount of Term Additions plus the amount of Paid-up Additions for the Coverage will never be less than the Enhanced Coverage Amount shown on the most recent Data Page. This means that if there are not enough Dividends and Paid-Up Additions to buy the maximum amount of Term Additions that is permitted, the Company will automatically increase the Term Additions, at no cost to the Owner, so the amount of Term Additions equals the Enhanced Coverage Amount shown on the most recent Data Page.

DV7 Conversion Option for Term Additions

The Owner may convert all or a portion of the Term Additions to permanent life insurance coverage on the Life or Lives Insured without evidence of insurability if the following conditions are met:

- 1) the permanent life insurance coverage the Owner selects for conversion is a level premium permanent whole life insurance plan being offered by the Company at the time of conversion;
- 2) the sum insured for the permanent life insurance coverage is not greater than the amount of the Term Additions in force at the time of the conversion; and
- 3) the permanent life insurance coverage becomes effective at the time of the conversion.

If all of the Term Additions are converted, the dividend option must be changed to a dividend option other than Enhanced Coverage.

SIDE ACCOUNT PROVISIONS

These provisions apply to only those Coverages identified as Optimax Wealth or EstateMax on the most recent Data Page.

SA1 General

The Side Account is an account separate from and external to the policy. It is a means for the Owner to accumulate funds for payment of future premiums due for the policy.

General Provisions GP1, GP2, GP4, GP10, GP11, GP12, GP13, GP15, GP16 and GP17 apply to this Side Account as applicable.

SA2 Payments

Payments to the Side Account will be deposited, effective the date the Company receives them, to the general funds of the Company, at the credit of this Side Account.

Lump sum payments to the Side Account can be made at any time provided the policy is in force and the Company has not restricted payments.

Payments must be made in accordance with the Company's administrative rules in effect at the time payment is made. The Company reserves the right to, from time to time, at its discretion and without prior notice:

- 1) refuse to accept payments to the Side Account;
- 2) limit the amount of payments to the Side Account; and
- 3) impose additional conditions on payments made to the Side Account.

SA3 Interest Rate

Payments and, if applicable, any dividends deposited into the Side Account will accumulate interest at a rate set by the Company. The interest rate is not guaranteed and may change on a daily basis. Interest is calculated daily and credited annually on the policy anniversary.

SA4 Accumulated Value

The accumulated value of the Side Account is the total of all payments made and, if applicable, all dividends deposited to the Side Account, plus interest earned to date, less any amounts withdrawn and less any Indebtedness as defined in GP10 Indebtedness.

SA5 Withdrawals

The Owner may, at any time, withdraw all or a portion of the accumulated value of the Side Account by submitting a written request to the Company.

The Owner may, by providing written instructions to the Company, withdraw amounts from the accumulated value in the Side Account to pay all or a portion of the premium due for the contract.

The Company will automatically process a withdrawal from the accumulated value of the Side Account to pay the amount of a premium due for the contract that remains unpaid 31 days after the due date of the premium in accordance with provision GP7 Grace Period.

SA6 Policy Loans

The accumulated value of the Side Account does not form part of the Loan Value available on the contract. Loans are not available on the Side Account.

SA7 Tax Status

The Side Account will not be included in the tax exempt limits for the policy.

Any interest earned within the Side Account is taxable income and will be reported to the Owner on a T5 information slip that must be filed with the Owner's personal income tax return.

If, in any year, the Company determines, in accordance with the *Income Tax Act (Canada)*, that the contract has exceeded or will exceed the tax exempt limit of the contract, the Company will automatically deposit into the Side Account, an amount equal to the amount by which the tax exempt limit has been or will be exceeded. The amount deposited into the Side Account will be obtained by surrendering Paid-up Additions or using part or all of one or more Dividends, and once deposited, the amount will be treated in accordance with the Side Account Provisions.

SA8 Waiver of Premium

Payments made to the Side Account will not be included in coverage under any Waiver of Premium Benefit included in the policy.

SIDE ACCOUNT PROVISIONS

SA9 Maturity Date

The maturity date of the Side Account is when the youngest Life Insured attains the age of 105. On the maturity date, the accumulated value of the Side Account will be provided to the Owner in the form of a one year term certain annuity on the life of the youngest Life Insured payable in equal monthly instalments. The amount of each monthly instalment will be determined based on the Company's annuity rates in effect at that time but will not be less than \$83.34 per \$1,000 of the accumulated value of the Side Account.

SA10 Termination of the Side Account

The Side Account will terminate when the contract terminates as outlined in GP19 Termination of the Contract. Unless the contract terminates due to the death of the last Life Insured, the accumulated value of the Side Account will be paid to the Owner or, if the Owner is deceased, to the Owner's estate. If the contract terminates due to the death of the last Life Insured, the accumulated value of the Side Account is payable to the beneficiary(ies) of that Life Insured. Unless otherwise designated by the Owner, the beneficiary(ies) for the Side Account will be the same beneficiary(ies) as designated for the participating Coverage.

SAMPLE

ADDITIONAL DEPOSIT OPTION PROVISIONS

These provisions apply to only those Coverages identified as Optimax Wealth or EstateMax on the most recent Data Page. If there is a conflict between an Additional Deposit Option Provision and a General Provision, the Additional Deposit Option Provision will apply.

ADO1 Definitions

"ADO Account" means an account separate from and external to the policy in which the Owner can accumulate funds to purchase additional Paid-Up Additions.

"Paid-Up Additions" means additional participating life insurance on the Life or Lives Insured that earns dividends and cash values, and is paid-up, which means once it is purchased, no premium payments are required to keep it in force.

ADO2 General

For Optimax Wealth and EstateMax coverages with Paid-Up Additions or Enhanced Coverage dividend option, additional Paid-Up Additions can be purchased by the Owner using Additional Deposits (as described in ADO3), subject to our administrative rules. In some cases, Additional Deposits will not be accepted unless evidence of insurability, satisfactory to the Company, of the Life or Lives Insured is provided.

The Paid-Up Additions purchased with Additional Deposits are in addition to any Paid-Up Additions purchased with Dividends as provided in provision DV5 Dividend Options.

ADO3 Additional Deposits

Additional Deposits are payments made by the Owner to the ADO Account. These payments will be deposited, effective the date the Company receives them, to the general funds of the Company, at the credit of the ADO Account.

Additional Deposits can be made provided the policy is in force and the Company has not restricted deposits. Additional Deposits must be made in accordance with the Company's administrative rules in effect at the time a deposit is made.

The Company reserves the right to, from time to time, at its discretion and without prior notice:

- 1) refuse to accept Additional Deposits;
- 2) limit the amount of Additional Deposits; or
- 3) impose additional conditions on Additional Deposits.

ADO4 Interest Rate

Additional Deposits will accumulate interest at a rate set by the Company. The interest rate is not guaranteed and may change on a daily basis. Interest is earned and compounded daily at an effective annual interest rate.

ADO5 Accumulated Value

The accumulated value of the ADO Account is the total of all Additional Deposits, plus interest earned to date, less any amounts withdrawn and less any Indebtedness as defined in GP10 Indebtedness.

ADO6 Paid-Up Additions

The Owner may purchase additional Paid-Up Additions with Additional Deposits provided that:

- 1) the Company approves the additional amounts of Paid-Up Additions; and
- 2) the Company's current administrative rules are met; and
- 3) the Additional Deposit Option has not been terminated.

At least once per year, subject to the above conditions, the accumulated value of the ADO Account will be withdrawn in order to purchase additional Paid-Up Additions up to the maximum allowable amount. The maximum allowable amount will be determined in accordance with accrual taxation rules in order to maintain the tax-exempt status of the policy. A charge applies to each purchase of Paid-Up Additions to cover administration costs and will be deducted from the amount withdrawn from the ADO Account at the time of purchase. The amount of the charge is set by the Company and is not guaranteed.

The Company reserves the right to limit and/or cancel and use the cash surrender value of as many Paid-Up Additions as required to maintain the tax-exempt status of the policy.

ADDITIONAL DEPOSIT OPTION PROVISIONS

The effective date for the Paid-Up Additions is the purchase date.

ADO7 Withdrawals

The Owner may, at any time, withdraw all or a portion of the accumulated value of the ADO Account by submitting a written request to the Company.

If a premium in default remains unpaid 31 days after its due date and the accumulated value of the Side Account is not sufficient to pay the premium in default (as provided in provision GP7 Grace Period), the Company will automatically withdraw an amount from the accumulated value of the ADO Account to pay the premium in default.

ADO8 Policy Loans

The accumulated value of the ADO Account does not form part of the Loan Value available on the contract. Loans are not available on the ADO Account.

ADO9 Tax Status

The ADO Account will not be included in the tax exempt limits for the policy.

Any interest earned within the ADO Account is taxable income and will be reported to the Owner on a T5 information slip that must be filed with the Owner's personal income tax return.

ADO10 Maturity Date

The maturity date of the ADO Account is when the youngest Life Insured attains the age of 105. On the maturity date, the accumulated value of the ADO Account will be provided to the Owner in the form of a one year term certain annuity on the life of the youngest Life Insured payable in equal monthly instalments. The amount of each monthly instalment will be determined based on the Company's annuity rates in effect at that time but will not be less than \$83.34 per \$1,000 of the accumulated value of the ADO Account.

ADO11 Termination of the Additional Deposit Option

In addition to provision GP18 Termination of Coverage, the Additional Deposit Option will terminate if:

- 1) the Owner makes a request to change the dividend option, as outlined in provision DV3 Selection of Dividend Option, to a dividend option other than Paid-Up Additions or Enhanced Coverage and the Company approves such request; or
- 2) the Owner makes a request to waive the payment of premiums under any Waiver of Premium Benefit included in the policy and the Company approves such request; or
- 3) the Coverage terminates.

If the Additional Deposit Option terminates other than due to the death of the last Life Insured, the accumulated value of the ADO Account will be paid to the Owner or, if the Owner is deceased, to the Owner's estate, upon termination of the Additional Deposit Option. If the Additional Deposit Option terminates due to the death of the last Life Insured, the accumulated value of the ADO Account is payable to the beneficiary(ies) of that Life Insured. Unless otherwise designated by the Owner, the beneficiary(ies) for the ADO Account will be the same beneficiary(ies) as designated for the base Coverage.