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Document Name	Description	Expiration Date
770719_US_d	Application for Individual Life Insurance	12/31/2199
105362_KY	Life Insurance Buyer's Guide	12/31/2199
102129_US	Producer Certification: Sales Materials used ...	12/31/2199
104978_US	Important Notice: Replacement Of Life Insuran...	12/31/2199

The Independent Order of Foresters (“Foresters”)

A Fraternal Benefit Society.

789 Don Mills Road, Toronto, ON, Canada M3C 1T9

F. 877 329 4631

U.S. Mailing Address: P.O. Box 179 Buffalo, NY 14201-0179

T. 800 828 1540

foresters.com

Foresters
Financial

Tips for Submitting a Foresters Application for Individual Life Insurance - Foresters PlanRight

This Checklist is a quick guide to help avoid processing delays. For more information on completing the Application, please refer to the *Guide to Completing the PlanRight Application*, available on Foresters producer website. If you have questions about Foresters, Foresters PlanRight product, Foresters PlanRight Application process, or if you have trouble initiating the required personal health interview (PHI) with Apptical Corp. (“Apptical”), contact Foresters Service Center, Monday through Friday 8:00 a.m to 8:00 p.m. ET.

Things You Need To Know

- Money orders or cashier’s checks are not permitted for the payment of initial premiums.
- Do not use white out (liquid paper/correction fluid) on any part of the Application.
- Cash is not permitted for the payment of premium(s).
- A producer cannot make premium payments (unless the proposed insured is the producer or a dependent of the producer).
- A personal health interview (PHI) **must** be completed with the proposed insured at the time the Application is taken in order for the Application to be processed. The PHI must be conducted as soon as sections 1 through 10 of the Application have been completed and signed, and while you are still with the proposed insured.
- Completion of the PHI must take place at the point of sale and during Apptical’s hours of operation, **8:30 a.m. to 2:00 a.m. ET, Monday through Friday and 10:00 a.m. to 10:00 p.m. ET, Saturday and Sunday.** To call Apptical, dial **1-866-844-9276.**
- In **ALL** cases where a PHI has been initiated, the signed Application **must** be submitted to Foresters and the Notices page given to the proposed insured, regardless of whether or not the Application is to be processed. Foresters is required to retain the signed Application as it contains the authorization used to complete the PHI. If the Application is not to be processed, write ‘Withdrawn’ on the Producer Report and send the Application to Foresters; no premium should be accepted and the Acknowledgement of First Premium should not be left with the owner.
- For instructions on conducting a PHI, refer to the *PlanRight Producer Guide*, available on Foresters producer website.
- The certificate’s issue date is the date that Foresters approves the Application, unless a preferred draft date is requested.

How To Avoid Delays

- Are you contracted with Foresters? You must provide your producer number to Apptical in order to proceed with the PHI.
- Do you have the right Application and forms for the state where the application is signed? Did you verify the product rules and state availability for the applicable state?
- Did you print legibly in English, using ink (preferably black)?
- If the payer is other than the proposed insured or the owner, did you complete a Contingent Owner/Other Payer Identification form and include with the Application?
- If PAC has been requested, did you complete a Payment Information form and include with the application? Did you explain PAC to the payer and are they fully aware that the PAC authorization is effective immediately?
- When choosing a preferred draft date did you include the day (between the 1st and the 28th) and the month the draft should begin?
- If replacing existing insurance or an annuity, did you complete the applicable replacement form(s) and include with the Application?
- If there were changes, did you, the proposed insured and the owner, if other than the proposed insured, initial **ALL** corrections before signing the Application?
- Is the Application dated the same day as the Apptical interview?
- Are all sections of the Application signed?
 - Section 10 (Signature Section) by the proposed insured and the owner, if other than the proposed insured.
 - Section 11 (Producer Certification) by the producer.
 - Acknowledgement of First Premium signed by the producer.
- Did you leave the following pages from the Application Package?
 - Notices page with the proposed insured.
 - Acknowledgement of First Premium with the owner.
- Did you record the Inspection Reference ID number provided by Apptical on the Producer Report? We can’t proceed without it.
- If you’d like to save insurance age, did you indicate this on the Producer Report?
- If paying the first premium by check, did the payer make the check payable to Foresters? The check must be dated no later than the date the Application was signed by the owner.
- If mailing the Application and a check was provided, did you mail the Application and the check together?
- If submitting the Application by fax, Foresters fax number is 1-866-300-3830. When faxing, did you include a photocopy of the void check?

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Application for Individual Life Insurance

1. Proposed Insured (Full legal name)							
First name		Middle name		Last name			
Street address			City	State	Zip code	E-mail Address (optional)	
Home phone #		Alternate phone/Cell #		Date of birth (mmm/dd/yyyy)		State & Country of birth	Social security #
Sex: <input type="radio"/> Male <input type="radio"/> Female		Height / Weight /		Used tobacco or nicotine in any form within the past 12 months? <input type="radio"/> Yes <input type="radio"/> No		Foresters member? <input type="radio"/> Yes <input type="radio"/> No, applying for membership.	

2. Medical Questions (For purposes of these questions "you" means the proposed insured, "diagnosed", "advised", "tested" and "treatment" mean by a licensed physician or medical practitioner and "terminal illness" means an illness that would reasonably be expected to cause death within 12 months.)

Part A. If a "Yes" answer in Part A, the proposed insured is not eligible for Foresters PlanRight. Do not complete or submit this Application.

- Are you currently: a resident in a nursing home or skilled nursing facility; a patient in a hospital or psychiatric facility; receiving, or have been advised to receive, skilled nursing care, hospice care, or home healthcare; confined to a correctional facility? Yes No
- Do you require a wheelchair due to a chronic illness or disease, or do you require assistance (from anyone) with activities of daily living such as taking medications, bathing, dressing, eating, or toileting? Yes No
- Within the past 12 months, have you:
 - Used, or been advised to use, oxygen equipment to assist with breathing (excluding use for sleep apnea) or had, or been advised to have, kidney dialysis? Yes No
 - Been advised to have surgery, hospitalization or a diagnostic test (excluding tests related to the Human Immunodeficiency Virus (HIV)) which has not yet been started, completed, or for which results are not known? Yes No
- Have you ever received, or been advised to receive, an organ or bone marrow transplant, or had an amputation due to complications of diabetes? Yes No
- Have you ever been diagnosed with, or received or been advised to receive treatment or medication for:
 - Amyotrophic Lateral Sclerosis (ALS), congestive heart failure, or any terminal illness or end-stage disease? Yes No
 - Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC), or tested positive for Human Immunodeficiency Virus (HIV)? Yes No
 - Alzheimer's disease or dementia, or been prescribed: Aricept, Cognex, Donepezil, Exelon, Razadyne, or Namenda? Yes No
- Have you ever had or been diagnosed with more than one occurrence of the same or different type of cancer; or do you currently have cancer (excluding basal cell skin cancer)? Yes No

If all "No" answers in Part A, complete Part B.

Part B. Complete all questions and circle the condition(s) to which each "Yes" answer, if any, applies.

- Within the past 2 years have you had, or been diagnosed with, or received or been advised to receive treatment or medication for:
 - Alcohol or drug abuse, or have you used illegal drugs? Yes No
 - Complications of diabetes such as: diabetic coma, insulin shock, retinopathy (eye), nephropathy (kidney), or neuropathy (nerve, circulatory)? Yes No
- Within the past 2 years have you had, or been diagnosed with:
 - Angina (chest pain), heart attack, cardiomyopathy, or any type of heart or circulatory surgery? Yes No
 - Stroke or Transient Ischemic Attack (TIA/mini-stroke)? Yes No
 - Brain tumor or aneurysm? Yes No
- Within the past 3 years have you had or been diagnosed with cancer, or received or been advised to receive chemotherapy or radiation for cancer (the term "cancer" excludes basal cell skin cancer)? Yes No

If a "Yes" answer in Part B, select Foresters PlanRight (With a modified death benefit) in Section 4. If all "No" answers, complete Part C.

Part C. Complete all questions and circle the condition(s) to which each "Yes" answer, if any, applies.

- Have you ever had, or been diagnosed with, or received or been advised to receive treatment or medication for:
 - Parkinson's disease or Systemic Lupus (SLE)? Yes No
 - Liver or kidney disease or condition (such as chronic hepatitis or cirrhosis of the liver)? Yes No
 - Chronic Obstructive Pulmonary Disease (COPD), chronic bronchitis, or emphysema? Yes No

If a "Yes" answer in Part C, select Foresters PlanRight (With a graded death benefit) in Section 4. If all "No" answers, select Foresters PlanRight (With a level death benefit) in Section 4.

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3. Other Insurance and Financial Questions

Does the proposed insured currently have any life insurance or an annuity in force? _____ Yes No
 Will insurance applied for in this application replace, reduce coverage or modify premiums paid for any existing life insurance or an annuity in force? _____ Yes No
 Is there an intention that a person or entity, other than the owner, will obtain a right, title, or interest in a certificate issued (including possible assignment)? _____ Yes No

4. Insurance Applied For

Certificate type: Foresters PlanRight (With a level death benefit.) Foresters PlanRight (With a graded death benefit.) Foresters PlanRight (With a modified death benefit.)

Insurance amount: \$ _____ Premium amount: (based on payment mode) \$ _____

Additional coverage: Accidental Death Rider (only if selecting Foresters PlanRight (With a level death benefit)) \$ _____
 Other: _____

Automatic selection, insurance amount and premium adjustment – Owner agrees that if: (i) selecting but not qualifying for, based on the information in this application, Foresters PlanRight (With a level death benefit) the owner is instead automatically applying in this application for Foresters PlanRight (With a graded death benefit); (ii) selecting or applying as per (i) above but not qualifying for, based on the information in this application, Foresters PlanRight (With a graded death benefit), the owner is instead automatically applying in this application for Foresters PlanRight (With a modified death benefit); (iii) the proposed insured qualifies for the certificate selected above but the premium amount paid with this application is not sufficient for the insurance amount shown above, Foresters shall issue that certificate type for a reduced insurance amount based on the above, or modified if necessary according to the applicable rates, premium amount for that reduced insurance amount. If the premium amount shown above is more or less than the amount required for the certificate type issued, Foresters will increase or decrease the insurance amount and/or premium for that certificate.

Automatic premium loan provision elected? (“Yes” or “No” must be indicated) _____ Yes No

If “Yes”, overdue premium will be paid through a loan against, and for as long as there is, available cash value, if any. If “No”, the certificate’s Nonforfeiture provision will automatically apply, if premium is overdue at the end of the grace period, resulting in either reduced coverage or surrender.

5. Payment Information

Payer is: Proposed insured Owner (if other than proposed insured) Other (complete Payer ID Form)

First premium payment provided by: Pre-Authorized Check (PAC) (complete Payment Form) Check Other (complete Payment Form)

Subsequent premium payments made by: Pre-Authorized Check (PAC) (complete Payment Form) Direct bill Other (complete Payment Form)

Payment mode: Monthly (PAC only) Quarterly Semi-annually Annually

Is a specific draft date being requested? No
 Yes, draft on the _____ day (choose between 1st and 28th) of the month, beginning in _____ (month).

Conversion Notification: Foresters can process a check provided for payment as a check transaction or instead take the information from the check to make a one-time electronic fund transfer from the account that the check relates to.

6. Beneficiary Information (Each beneficiary below is revocable. If, however, a beneficiary is to be irrevocable, insert the word “irrevocable” next to the name of that beneficiary.)

Full legal name, home phone # and address (street, city, state, zip code) of each primary beneficiary.		Relationship to proposed insured	% Share
Name	Home phone #		Total
Address			
Name	Home phone #		must equal
Address			
Name	Home phone #		100%
Address			
Full legal name, home phone # and address (street, city, state, zip code) of each contingent beneficiary.		Relationship to proposed insured	% Share
Name	Home phone #		Total must
Address			
Name	Home phone #		equal 100%
Address			

7. Owner (Complete only if other than the proposed insured.)

Full legal name of Individual (First, Middle, Last), Institution or Trust				
Street address		City	State	Zip code
Home phone #	Alternate phone/Cell #	E-mail Address (optional)		Social security /Tax ID #
Relationship to the proposed insured		If individual: Sex <input type="radio"/> Male <input type="radio"/> Female Date of birth (mmm/dd/yyyy):		

8. Agreements

I, the proposed insured and/or owner, declare that I have reviewed all of the statements and answers as they pertain to me and that they are true and complete to the best of my knowledge and belief. The statements and answers in this application are the basis for an insurance contract (defined as a certificate and each rider attached to that certificate), if any, issued by Foresters. No information about me will be considered to have been given to Foresters by me unless it is stated in this application. A material misrepresentation, or untrue declaration, or failure to disclose all material facts, may result in loss of coverage or cancellation of the insurance contract. No producer, medical examiner, or any other person, except Foresters Executive Secretary or successor position, has power on behalf of Foresters to make, modify, or discharge an insurance contract. No person is authorized to advise me that any untrue or incomplete answer or information is acceptable. Foresters will have no liability until an insurance contract is issued based on this application, the first premium due is paid in full on or before the delivery date of that insurance contract, and provided that there has been no change in either an answer to an application question or the proposed insured's health or habits between the date this application was signed and the issue date of that insurance contract. Changes or corrections made to this application by Foresters, if any, are ratified by the owner if the insurance contract delivered, if any, is not returned during the cancellation period. This application, Foresters Instruments of Incorporation and its Constitution now in force or subsequently enacted, shall form part of the entire contract with Foresters. This application and related documents may be sent by electronic means. Foresters may contact or send messages to me, including pre-recorded and text messages and calls or messages by use of an automatic telephone dialing system, using the phone number(s), including wireless number(s), either provided in this application or number(s) that I later provide. If I have chosen to provide an email address in this application or choose to provide one in the future, Foresters may use that address to send messages or documents to me electronically. Foresters may review, transfer and otherwise use, information provided in this application to offer and issue (including post issue administration), other insurance products to me. Before issuing an insurance contract, Foresters may require and obtain information about me to validate my identification. Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

9. Authorization To Obtain And Disclose Information

"Authorized persons" means reinsurers, insurance agents and agencies and those performing services in relation to an application for insurance, insurance product or benefit claim. For purposes of assessing insurance coverage eligibility, coverage continuation and/or benefit claim, I, the proposed insured, authorize The Independent Order of Foresters ("Foresters") and its authorized persons, to obtain information, including previously restricted information, about me from any: physician, medical practitioner, hospital, clinic, or medical facility; employer; benefit plan, other insurer or institution; consumer reporting agency; public records, pharmacy, pharmacy benefits manager, or other pharmacy related services organization; or MIB, Inc. This includes records or other information as to past, current, or future: diagnosis, treatment and prognosis of a physical or mental condition, drug, physical and mental health, and alcohol-related information that may be protected by federal or state laws and regulations. I, the proposed insured, authorize Foresters and its authorized persons, to make a brief report of my personal and/or protected health information to MIB, Inc. Information may be disclosed: between and among Foresters and its authorized persons; companies that I have applied or may apply to for life or health insurance, or benefits; as required or permitted by law. Obtained or disclosed information may no longer be protected by federal privacy laws. This authorization is valid for two years from the date of this application. A copy of this authorization shall be as valid as the original. This authorization may be revoked at any time by written notice to Foresters, except that action(s) taken before receipt of notice will not be affected. A copy of this authorization will be provided upon request. I have been provided the Notices.

10. Signature Section (For purposes of sections 1 to 9. Review entire Application before signing.)

X _____ Signed on: _____ Signed at: _____
Proposed insured's signature Date (mmm/dd/yyyy) (City, State)

X _____ Signed on: _____ Signed at: _____
Owner's signature (if other than the Proposed Insured) Date (mmm/dd/yyyy) (City, State)

11. Producer Certification

I certify the following: I am not aware of undisclosed information about the health, habits, or lifestyle of the proposed insured that might affect insurability. I complied with applicable regulatory requirements including those relating to the solicitation and sale of life insurance to active duty members of the United States military. All questions, to which an answer is shown, were asked as written in this application. The answers given by the proposed insured were recorded as shown and this application was reviewed with him/her before it was signed.

Will the certificate applied for be a replacement for or a change to existing insurance or an annuity? _____ Yes No

Producer's full name: _____ Producer's signature: **X** _____

Producer number: _____ Date (mmm/dd/yyyy): _____

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Payment Information Form

Billing and Payment Information

Proposed Insured: First Name: _____ Last Name: _____

Date of birth (mmm/dd/yyyy): _____

Reference/certificate number (if available): _____

Payer is: Proposed Insured Owner Other (complete Payer ID form)

PAC Banking Information to be taken from:

Checking Account (attach void check below) Savings Account (complete below) From check submitted with the application

Please:

1) Attach void check here

OR

2) Provide the following banking information (please print):

Name of financial institution: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Transit Number: _____ Account Number: _____

By signing below, I, as payer, verify that I am the account holder of the account identified in this Payment Information Form and I am permitted to provide this authorization, and agree that: 1) Foresters is authorized to draft deductions under the PAC selection(s) made in the application in relation to the above named Proposed Insured, from that account or another account later identified or substituted by me. 2) The financial institution from which payments are to be drafted is authorized to treat each draft by Foresters as though it was made personally by me. 3) Foresters reserves the right to determine when the first deduction and each subsequent deduction, if any, will be made and the amount of each deduction according to the coverage(s) and certificate type issued. 4) The PAC plan is effective immediately and will continue until terminated, which either Foresters or I may do at any time by written notice to the other.

Printed name of payer

X _____
Signature of payer

Signed on: _____
Date (mmm/dd/yyyy)

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Notices (This section must be given to the proposed insured.)

For purposes of these Notices the following words are defined: "Application" means the Application for Individual Life Insurance to which this Notice relates; "Producer" means the licensed individual who signed that Application as the producer; "Foresters", "we", "our", and "us" mean The Independent Order of Foresters; "You" and "your" mean the proposed insured. If you have questions, discuss them with your producer or contact us directly. Write to Foresters, Chief Underwriter 789 Don Mills Road Toronto, Canada M3C 1T9, or to our U.S. Mailing Address at P.O. Box 179, Buffalo, NY 14201-0179.

Privacy - Personal information we obtain about you is confidential. As permitted by privacy laws, we may disclose information without further authorization to insurance companies to which you have applied for coverage or benefits, those providing services for us and those conducting bona fide actuarial, marketing or scientific studies or audits. We may also disclose information to your physician and MIB, Inc. ("MIB"). You can make a written request to review personal information about you in our file. However, we will not disclose information to you that was prepared for an anticipated claim, civil or criminal proceeding. You may request correction of information which you believe to be inaccurate or irrelevant. Upon written request, we will provide more information about these procedures.

Medical and Personal Information - The Underwriting process evaluates information about you to see if you qualify for the requested insurance. Answers in the Application are our principal source of information. We may contact other sources, such as a doctor, clinic, hospital, other insurers, or a lending institution. No adverse underwriting decision will be made based upon an individual's implied or confirmed sexual orientation or an individual's concern about or consultation for AIDS information.

MIB, Inc. -Information regarding your insurability will be treated as confidential. Foresters or its reinsurers may, however, make a brief report thereon to MIB, a not-for-profit membership organization of insurance companies, which operates an information exchange on behalf of its members. If you apply to another MIB member company for life or health insurance coverage, or a claim for benefits is submitted to such a company, MIB, upon request, will supply such company with the information about you in its file. Upon receipt of a request from you, MIB will arrange disclosure of any information in your file. Please contact MIB at 866-692-6901 (TTY 866-346-3642). If you question the accuracy of the information in MIB's file, you may contact MIB and seek a correction in accordance with the procedures set forth in the federal Fair Credit Reporting Act. The address of MIB's information office is 50 Braintree Hill Park, Suite 400, Braintree, Massachusetts 02184-8734. Foresters, or its reinsurers, may also release information from its file to other insurance companies to whom you may apply for life or health insurance, or to whom a claim for benefits may be submitted. Information for consumers about MIB may be obtained on its Website at www.mib.com.

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Acknowledgement of First Premium (This section must be given to the owner.)

It is acknowledged that an amount of \$ _____ was provided to be applied as the first premium payment for the certificate issued, if any, in response to the Application for Individual Life insurance on the life of _____.

Proposed insured's name.

This amount will be refunded, if collected by us, if no certificate is issued. The first premium amount may be adjusted based on the certificate type issued.

There is no conditional or temporary insurance coverage even though an amount was provided, or collected, as the first premium payment.

Insurance will only come into effect on the issue date of the certificate issued, if any, and subject to the terms of that certificate, provided a) that first premium payment is honored when presented to the financial institution from which it is to be collected, and b) that there has been no change in either an answer to an application question or the proposed insured's health or habits between the date the application was signed and the issue date of that insurance contract.

Producer's signature: **X** _____

Date (mmm/dd/yyyy) _____

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Producer Report *(Required)*

This form is for internal and producer use only and is not part of the Application.

Producer:

Name: _____ Number: _____

Proposed insured:

First Name: _____ Last Name: _____ Date of birth (mmm/dd/yyyy): _____

1. How long have you known the proposed insured? _____ Years
2. Are you related to the proposed insured? _____ Yes No
If 'Yes', what is the relationship? _____
3. a) At the time the Application was taken, did you see the proposed insured? _____ Yes No
b) Did you personally interview and complete the Application in the presence of the proposed insured? _____ Yes No
If 'No' to either a or b, explain in Remarks below.
4. Did you personally witness each signature in the Application? _____ Yes No
If 'No', identify and provide contact information of person who obtained and witnessed the signature(s).

5. Did you personally review each document used to verify identity and birth date? _____ Yes No
If 'No', identify and provide contact information of person who reviewed each document (if different than the person identified in question 4.)

6. A personal health interview (PHI) must be conducted as part of the application process. Provide the PHI Inspection Reference ID number. # _____
7. Upon completion of the PHI, did the interviewer confirm eligibility for the certificate type selected? _____ Yes No
If 'No', were changes to the Application made and initialed, and a new page 3 signed, in both sections 10 & 11, as required? _____ Yes No
8. Did you review and leave the Acknowledgement of First Premium with the owner? _____ Yes No
9. Proposed insured's primary language is English Spanish Other _____
10. Number of people under 25 years of age living in the proposed insured's household? _____
11. Was a copy of the Buyer's Guide provided to the owner at the time of sale? _____ Yes No
12. Are the commissions to be split with another producer? _____ Yes No
If 'Yes', state what the percentage should be for the producer who filled out this Application: _____ %
Name and producer number of producer who will receive the remaining percentage: _____

Note: If the proposed insured has had life insurance with Foresters that was in force within the last 13 months, this will be considered an internal replacement and will affect compensation.

Certificate Issuing Instructions

Should the certificate's issue date be adjusted to save the insurance age? (if yes, additional premium may be required) _____ Yes No

The certificate should be: Mailed directly to owner. Sent to Producer for delivery.

Remarks



Life Insurance Buyer's Guide

This guide must be used in the following state:

KY

INTRODUCTION

The Kentucky Department of Insurance is pleased to offer this “Life Insurance Buyer’s Guide” as an aid to assist you in determining your insurance needs and the products that will fill those needs. This guide contains only a brief description of various life insurance products. For specific information about a particular type of life insurance product, you should consult an agent. This guide is not meant to offer legal, financial or tax advice. You may want to consult independent advisors for those specific questions. This guide does not endorse any company, agent or policy type.

WHAT IS LIFE INSURANCE?

Insurance, by its nature, is a way of pooling risks. Everyone in the pool pays insurance premiums while hoping he will not need to collect. The company bears the risk, hoping that the amount of the premiums paid will cover any losses incurred.

In the case of life insurance, your life is the risk. The insurance company offers a policy to an individual after carefully weighing the likelihood he will die while the contract is in force.

Lifespan is an important question to the company that insures you. For example, most life insurance companies assume that everyone will die by the age of 100. Because some people are living longer today, there are companies that go to age 121. In addition, to maintain financial solvency, a company must consider how much premium it must collect before it pays out a death benefit. With that in mind, if you buy a life insurance policy when you are 25 years old, you will pay a lower premium for the same policy than a 65-year-old because you will pay the premium for a longer period of time. The 65-year-old will pay more because there are fewer years for the company to collect premium before the person reaches 100.

An insurance company agrees to pay your beneficiary a specific amount of money when you die. That amount is determined when you apply for life insurance and is specified in the policy you buy. Anyone can be named beneficiary including relatives, friends, organizations, charities, business partners, etc. Generally, you will name a primary and secondary beneficiary. The secondary beneficiary will receive the death benefit only if the primary beneficiary is no longer living at the time of your death.

You pay for the policy by making premium payments. There are numerous payment plans available including monthly, quarterly, semi-annually or annually. You also may pay the entire premium in one lump sum, also known as single premium. The amount of premium you pay depends on a number of factors such as age, gender, health, whether you are a smoker or a non-smoker, how much insurance you are purchasing, type of policy you are purchasing, and your lifestyle, such as if you participate in risky activities like race car driving or hang gliding.

WHY YOU MAY NEED LIFE INSURANCE

Paying for funeral and burial expenses can be a heavy financial burden. If the person who dies is the primary wage earner for the household, it may be difficult for those left behind to pay the mortgage, utilities, car loans, food and any other expenses. It could be very difficult to maintain the family's same standard of living without that income. Life insurance can make sure your family is not burdened with the debt left behind and can ease the financial hardship associated with the death.

Purchasing life insurance should be considered when you are starting a family, getting married, planning for your children's education, or planning for retirement. These are just a few examples.

Families with young children may have a need for life insurance. If there is a loss of income in the family, the family's future plans may be compromised. A child who will be ready to go to college in a few years may not be able to go. There could be additional expenses, such as childcare, if the surviving spouse has to take on additional work to support the family. Without sufficient income available to the family, other things will have to be considered as well. If you died, would your family be able to afford the house in the community you live in now? Would your children be able to go to the same schools? A life insurance policy can do more than just replace lost income. It also can provide money for unexpected expenses that may arise in the future.

In order to get the best life insurance policy for your family, you need to know what is available to you. It is very important to do some research before you buy a life insurance policy. This does not have to be a long, drawn-out process. However, it is wise to research companies and products to find one that fits your personal situation.

Call local insurance agents and set up appointments to speak with them about the products they offer. They will often fill out a "worksheet" with you to determine how much and what types of insurance best suit your needs. Do your own research on the Internet. If you do not have a computer, go to your local library. Also, friends and family can be very helpful. Odds are, someone you work with, are associated with, or a family member has purchased life insurance.

BUYING LIFE INSURANCE

When you buy life insurance, you want coverage that fits your needs. It makes good sense to ask a life insurance agent or company to help you. An agent can help you review your insurance needs and provide information about the available policies. If one kind of policy doesn't seem to fit your needs, ask about others. This buyer's guide provides only basic information. You can get more facts from a life insurance agent or company or from your public library. Do not purchase any life insurance product if you do not understand exactly what you are purchasing. Be aware that once you have purchased a life insurance policy, you have at least a 10-day period ("free look" period) to review the policy. If you find, for any reason, that you do not

want the policy, it can be returned to the company for a full refund of premium during this free look period.

HOW MUCH LIFE INSURANCE DO YOU NEED?

Here are some questions to ask yourself:

- How much of the family income do I provide? If I were to die prematurely, how would my survivors get by? Does anyone else depend on me financially (parent, grandparent, brother or sister)?
- Do I have children for whom I'd like to set aside money to finish their educations in the event of my death?
- How will my family pay final expenses and repay debts after my death?
- Do I have family members or organizations to which I would like to leave money?
- Will there be estate taxes to pay after my death?
- How will inflation affect future needs?
- What is the right kind of life insurance for you?

Typically, life insurance fits into one of two classes - permanent insurance and term insurance. There are, however, many variations within each of these classes. The following are examples of each. This is by no means an exhaustive list, but will give you a good idea about each class.

WHAT IS TERM LIFE INSURANCE?

Term life insurance provides life insurance for a limited period of time. As the name suggests, it is for a specific term, a number of years, or until the insured reaches a specified age. If the insured dies within that period, the beneficiary receives the death benefit. However, if the insured survives the specified term of the policy, the policy simply ends. Term life insurance typically has no cash value; this is the savings element that is present in some policies. Most term life policies have a level death benefit for the duration of the policy. Although the death benefit remains the same, the premiums normally increase each year. The reason for this is that the age of the person insured also is increasing; age is one of the factors that determine premium.

A couple of important features to consider when researching term insurance policies are renewability and convertibility. Almost all term policies contain the option of renewability. At the end of the term, the policy can be renewed for a limited number of additional years without a medical exam. The premium normally will increase with each renewal, which is expected, because of the insured's increasing age. Renewability may be a very important factor to an insured who has recently had a decline in health status.

If that person had to apply for new insurance after the term expired, he may find himself uninsurable and be without coverage he may need. Fortunately, he can turn to the renewability

feature and will have extended coverage without a medical exam. Be aware, as the insured reaches advanced ages, the premiums can become very expensive.

Convertibility is another option on a term policy. It is the option to convert a term policy into a permanent policy without new evidence of insurability, which means no new medical exam. Convertibility is allowed on an “attained age” basis or an “original age” basis. Attained age allows you to purchase a new permanent policy at the premium rate for your current age. Original age allows you to go back to the premium rate you were charged at the age you first purchased the term policy. As you can imagine, the company will charge an additional fee for original age rates. Attained age is the most frequently used convertibility option.

Types of Term Life Insurance

1. **Yearly renewable term** – This type of term policy functions as the name suggests. It is issued for a year and the owner can renew annually for future one-year periods. With this type of policy, the insured is normally not required to take a medical exam for renewal. The insured must be allowed to renew, and the increase in premium is based on age and life expectancy.
2. **Renewable terms for other durations** – There can be term policies written for different durations, depending on what the company offers, such as 5-year term, 10-year term, etc. In each of these, the premium would remain the same for the duration of the term. The policy may be renewed at the end of the term, but the premium will change due to the age of the insured at time of renewal.
3. **Term to 65** – Also acts as the name suggests. It provides coverage to a specified age. The premium stays level throughout the term; however, insurance expires when the term is over.
4. **Decreasing term** – The face amount, or benefit, decreases over the term of the policy, but the premium remains the same. This type of policy is most commonly used for loan or mortgage protection and can cover a variety of durations, usually 10-30 years. They are typically structured to provide enough benefit to pay off the loan if an insured dies.
5. **Level term** – Both the death benefit and the premium remain the same for the entire length of the contract.
6. **Increasing term** – Normally issued as a rider to another policy. The face amount, or benefit, increases over the term of the policy

WHAT IS PERMANENT LIFE INSURANCE?

Unlike term life insurance, permanent life insurance remains in force for the full life of the insured as long as premium payments are made in accordance with the policy provisions. Typically, permanent life insurance has a cash value or account value.

Types of Permanent Life Insurance

1. **WHOLE LIFE INSURANCE** – This permanent type of life insurance is different from term insurance in that it provides coverage over the insured's lifetime, not just a portion of the insured's life. Whole life provides coverage to age 100. Since the companies charge premiums based on the assumption that most people will die by age 100, the company pays the policy face amount to those who attain age 100.

In general, premiums can be paid until age 100, or for a portion of the insured's life. Single premium whole life policies are paid with one lump sum payment. Premiums stay level throughout the policy. Since premiums are based on age, the younger a person is when the policy is purchased, the lower the premium will be throughout the life of the policy. In addition to level premiums, the death benefit also remains the same.

It was mentioned earlier that premiums for whole life policies could be paid for a shorter period of time instead of being paid to age 100. This is referred to as limited payment whole life. This allows the premiums to be paid for a shorter time while the death benefit stays in force until age 100. Once the premiums are paid for the chosen period of time, the policy is paid up.

Other forms of limited pay policies are those in which the premiums are paid for a certain number of years or to a certain age. Companies will offer different options such as "Life to 65" or "20 Pay Life." The premiums would be calculated so that the insured would pay until he reaches the specified age or the specified number of years. Then the premiums would no longer be paid. If you choose to purchase one of these limited pay policies, your premiums will be higher than if you paid premiums until age 100. This is because the coverage is until age 100 but the premiums are being paid for fewer years.

A very important aspect of whole life policies is that they have a cash value. This means the policy also has a savings aspect for the insured. A portion of each premium payment goes into the cash value. The policy owner can access this money in a number of ways. Whole life policies have to contain a schedule that shows the owner the minimum value he can receive if he decides to surrender the policy. However, surrender is not the only way to access the funds. Loans can be taken out up to the cash value; however, interest is charged for this loan, which can be repaid at any time. If the policy is surrendered, the loan is deducted from the cash value. If the insured dies, the loan is deducted from the face amount.

Cash value can also come in the form of dividends from the company. A policy can be “participating” or “non-participating.” If the policy does pay a dividend, it is a participating policy. If no dividend is paid, the policy is considered non-participating.

Dividends may be taken as cash, used to purchase paid up insurance or can be applied to reduce a premium.

The following types of policies (variable life, universal life and variable universal life) are a bit more complicated and can be somewhat confusing. It is very important that you seek out an agent who has experience with these types of policies before you commit to a purchase.

2. **VARIABLE LIFE INSURANCE (VARIABLE WHOLE LIFE)** – This is another type of permanent life insurance. However, the death benefits and cash account values are determined upon investment options. These investment options are usually in the form of mutual funds. Each company has different investment options and the policy owner is allowed to choose which types of funds to use. Most offer at least a stock fund, a bond fund, and a money market fund. Variable life insurance offers fixed premiums and a minimum death benefit. If the return on the investment options is high, then the account value of the policy will grow. Be aware that the account value can vary from year-to-year and even day-to-day based on the performance of the investments options. The performance of the investment options is not guaranteed. Remember, you as the policy owner are the person responsible for choosing the investment options - not the insurance company.
3. **FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE (UNIVERSAL LIFE)** – Universal life is a flexible premium life insurance policy that has an adjustable death benefit. This life insurance policy has an initial premium and flexible premiums afterwards. The policyholder can select the future amount and the frequency of his premium payments, within limits, and can also stop and start premium payments. It is very important to be aware of the account value in these types of policies to be sure there are always enough funds to keep the policy in force.

As premium payments are made, they accumulate within the policy at a fixed rate of interest and create an account value. This interest rate is determined by the company, changes periodically (usually each year) and cannot go below the guaranteed minimum interest rate stated in the policy. Each month, policy expenses are deducted from the account value. The difference between the premiums paid in plus the interest credited to these funds, less the policy expenses, equals the account value.

When a policy owner purchases a universal life policy he is given a choice of at least two death benefit options. These are usually referred to in the industry as Option A and Option B or Option 1 and Option 2. Remember, because this is a universal life policy, the policy owner is not locked into either option and the death benefit option can be changed at any time in accordance with the policy provisions. The death benefit can be either a specified amount or a specified amount including the cash value. It is very

important that you understand each option before committing and make sure you have a knowledgeable agent to explain each option to you.

As long as the account values are sufficient, you may take out a loan for a certain percentage of your account value. You may also withdraw money permanently, or you may choose to surrender the policy for its surrender value. Be aware that if you surrender your policy in the early years, most companies impose a surrender charge. This charge is a percentage of the account value that the company will deduct from the amount you will receive. These charges vary by company. There is a schedule listed in the policy showing the surrender charge percentages. Normally they decrease over a number of years until they reach zero. Usually, if you surrender the policy in the first few years the account value could be completely eliminated.

4. **VARIABLE UNIVERSAL LIFE** – Not to over simplify, but there is one distinct difference between universal life (previously discussed) and variable universal life. The account value in a universal life policy grows at a fixed rate of return. The account value in a variable universal life policy increases (or decreases) at a variable rate. The rate of growth, or decrease of the account value is determined by the performance of your investment options. As discussed previously in the variable life insurance section, each company has different investment options from which to choose.
5. **SURVIVORSHIP LIFE** – This is another way to structure a life insurance policy. Policies structured this way also are referred to as second-to-die or last-to-die policies. Survivorship life insures two or more individuals and pays a death benefit upon the second death or the last death as there may be more than two lives insured. One of the reasons for purchasing survivorship life insurance would be to pay possible estate taxes.

ILLUSTRATIONS

You may be thinking of buying a policy where cash values, death benefits, dividends or premiums may vary based on events or situations the company does not guarantee (such as interest rates). If so, you may get an illustration from the agent or company that will project how the policy may perform. The illustration will show how the values that are not guaranteed will change as interest rates and other factors change. The illustration also will show you the values the company guarantees. Remember that nobody knows what will happen in the future. You should be ready to adjust your financial plans if the policy's value doesn't increase as quickly as shown in the illustration. You may be asked to sign a statement that says you understand that some of the values in the illustration are not guaranteed. If you already own a policy, ask for an "in-force" illustration periodically to see how your policy has actually performed. This is especially important if you own a universal life, variable universal life or variable life policy.

IMPORTANT THINGS TO CONSIDER

1. Review your own insurance needs and circumstances. Choose the kind of policy that has benefits that most closely fit your needs. Ask an agent or company to help you.
2. Be sure that you can handle the premium payments. Ask about any possible increases in premium amounts and what may cause an increase.
3. Don't sign an insurance application until you review it carefully to be sure all the answers are complete and accurate.
4. Don't drop one policy and buy another without a thorough study of the new policy and the one you have now. Replacing your insurance may be costly.
5. Read your policy carefully. Ask your agent or company about anything that is not clear to you.
6. Periodically review your insurance program with your agent or company to keep up with changes in your income and your needs.
7. Do not buy a policy until you have a good understanding of how it works.

ARE YOU CONSIDERING DROPPING OR REPLACING AN EXISTING LIFE INSURANCE POLICY?

If you are thinking about dropping or replacing a life insurance policy, here are some things you should consider:

- If you decide to replace your policy, do not cancel your old policy until you have received the new one. You will have a minimum of 10 days to review your new policy to decide if it is what you want.
- It may be costly to replace a policy. There may be substantial surrender charges that you will incur. Remember that if you have held your existing policy long enough and no longer have to pay surrender charges, purchasing a new policy will start a new period of surrender charges.
- Consider consulting a tax advisor to see if dropping your policy could affect your income taxes.
- If you are older, or your health has changed, premiums for the new life insurance policy will most likely be higher. You will not be able to buy a new policy if you are no longer insurable.

You may have valuable rights and benefits in the policy you now have that are not in the new one.

If the life insurance policy you have now no longer meets your needs, you may not have to replace it. You might be able to adjust your existing policy or purchase additional insurance to get the coverage or benefits you now want or need.

Be aware that the new policy you are considering may pay only a reduced benefit in the early years for some causes of death already covered in the policy you have now.

In all cases, if you are thinking of buying a new policy to replace your existing one, check with the agent or company that issued your existing policy. Before replacing, ask your agent or company for an updated illustration (in-force illustration). Check to see how the policy has performed and what you should expect in the future based on the guarantees.

HOW CAN YOU FIND MISSING POLICIES OR CONTRACTS?

If the deceased's estate went through probate, there is a chance that the policy might have been listed as an asset.

Begin by contacting insurance companies. Try to narrow your search as much as possible. For example, start with those companies most prominent where the deceased lived or worked. Contact the benefits coordinator at the deceased's place of employment. Remember, unless you are the beneficiary, the company is not required to offer any information. Try to provide as much information as possible, including the deceased's name and any aliases, Social Security number, date of birth, etc.

Ask the estate's executor to request copies of all bank statements and other records. If a check has been written or an automatic payment has been made to an insurance company, this might provide a lead.

Contact the deceased's insurance agent for homeowners, renters, or auto insurance. Although he may not have sold your friend or relative a life insurance policy, many agents keep records of their client's insurance purchases.

If you or someone in your family has a whole life insurance policy which became paid up after August 2008 but you have no records of the policy, contact the Kentucky Department of Insurance. We will need to know the name of the policyholder and a Social Security number or date of birth to check our records. You must be the policy owner, beneficiary or a person with legal authority to obtain this information.

FINAL POINTS TO CONSIDER

Remember to read your life insurance policy carefully when you receive it. Ask your agent or insurance company to explain anything you don't understand. If you have a specific complaint or can't get the answers you need from the agent or company, contact the Kentucky Department of Insurance.

INSURER RATING ORGANIZATIONS

Other sources of information related to the financial strengths of companies are insurance rating organizations. Some of these are A.M. Best, Fitch Ratings, Moody's Investors Service, Standard and Poor's, and Weiss Ratings Inc. You can use these sources to help you research and determine which companies you would like to contact about your insurance needs. The Kentucky Department of Insurance can provide you with ratings from A.M. Best or you can contact the companies directly to get information about their ratings.

A.M. Best
www.ambest.com
Telephone: 908-439-2200

Standard and Poor's
www.standardandpoors.com
Telephone: 212-438-2000

Fitch Ratings
www.fitchratings.com
Telephone: 800-893-4824

Weiss Ratings LLC
www.weissratings.com
Telephone: 877-934-7778

Moody's Investors Service
www.moodys.com
Telephone: 212-553-0377

OTHER IMPORTANT TERMS

Accelerated Death Benefits – a provision in an insurance policy or contract where a policy owner can receive a portion of the death benefit prior to the insured's death if the insured's life expectancy is reduced by a qualifying event. When the insured dies the remainder of the death benefit is paid to the beneficiary.

Accidental Death and Dismemberment - a form of accident insurance that pays a stated benefit to a beneficiary in the event of bodily injury or death due to accidental means. This type of coverage can be purchased as a rider or as a separate policy.

Amendment, Endorsement or Rider – forms that are used to effect policy changes requested by an owner to an individual life insurance policy.

Assignment – a provision that allows the transfer of rights under an insurance policy to another person or business. For example, to secure a debt, it is not uncommon for the policy owner to transfer to the creditor his rights to borrow on the cash value of the life policy.

Conditional Receipt – evidence of a temporary contract obligating a life insurance company to provide coverage as long as a premium accompanies an acceptable application. This gives the company time to process the application and to issue or refuse a policy, as the case may be. If

the applicant were to die before a policy is issued, the company will pay the death benefit if the policy would have been issued.

Conversion Privilege – the right of a certificate holder to convert group life coverage to an individual life insurance policy without requiring a physical examination or evidence of insurability. Some individual term life insurance policies can be converted to individual whole life policies at the insured's attained age, with no physical examination required.

Critical Illness – insurance which can be purchased as a separate policy or as a rider which pays a lump sum if the insured is diagnosed with a critical illness such as, but not limited to stroke, heart attack, or cancer.

Death Benefit Options – Death benefits are normally paid in a lump sum to the beneficiary for an amount designated in the policy. Some policies, such as universal life policies, have different death benefit options referred to as Option A or Option B. One option pays the death benefit specified in the policy and the other will include the account value with the death benefit for an additional cost.

Grace Period – period after the date the premium is due during which the premium can be paid with no interest charged, the policy remaining in force. If the insured dies during this period, the beneficiary would receive the full face amount of the policy minus the premium owed.

Incontestable Clause – section in a life insurance policy stating that after the policy is in force two years, the company cannot void it because of misrepresentations or concealment by the insured in obtaining the policy.

Life Settlements - a contract entered into between a life settlement provider and an insurance policy owner where the insurance policy is sold to the life settlement provider for an amount paid to the insurance policy owner.

Long-Term Care Benefit Riders – a benefit added to a life insurance policy for an extra premium which pays for long-term care expenses.

Nonforfeiture Provisions - values in some life insurance policies that give four options which are as follows:

- Cash Value – a value in a life insurance policy from which a policy owner may borrow.
- Cash Surrender Value – money that has accumulated in a life insurance policy that is payable to the policy owner in a lump sum upon termination of the policy.
- Extended Term Insurance – an option that uses the cash value of a life policy as a single premium to purchase term life insurance in the amount of the original policy. The length of the term policy depends on (1) the size of the cash value and (2) the attained age of the insured.

- **Reduced Paid-Up Insurance** –an option providing for continuation of the original insurance plan but for a reduced face amount as determined by the cash value in the policy and will no longer require premium payments.

Preneed – life insurance which is purchased to pay the costs of funeral services. It is normally purchased along with a contract for the specific funeral services in order to guarantee some of the future costs of the funeral.

Rider – an additional policy provision added to a policy, usually at issue and usually for additional premium, to enhance or modify the benefits. These riders include but are not limited to waiver of premium, AD&D, spouse insurance, children's insurance, guaranteed insurability etc.

Stranger Originated Life Insurance (STOLI) – an illegal practice where a person contracts to buy a life insurance policy with the intention of selling the policy after the completion of the two year-incontestability period.

Tax-Free Exchange (1035 Exchange) –Section 1035 of the Internal Revenue Code allows for the exchange of one life insurance policy for another life insurance policy and generally will not result in a recognized gain for the purposes of federal income tax purposes to the policy owner. The owner and the insured must be the same on both policies. Life policies can be exchanged for life policies, life policies can be exchanged for annuities, and annuities can be exchanged for annuities. Annuities cannot be exchanged for life policies.

Ten Day Free Look (basic definition) – a policy provision notifying purchasers of new insurance that they have ten days after delivery to inspect the policy or contract and if not satisfied, return it to the agent or company for a full refund of all premiums paid.

Viatical Settlements - the same as a life settlement except that the insurance policy owner has a life expectancy of 24 months or less.

Waiver of Premium – a provision that waives future premiums when the insured has become disabled for at least six months and the policy remains in force.

Waiver of Monthly Deduction Benefit – a benefit found in an individual universal or variable life insurance policy which waives the future cost of insurance payments. This benefit does not waive the entire premium. Therefore the cash values do not continue to grow as they would if the premiums were still being paid in full.



Foresters

Financial

The Independent Order of Foresters
789 Don Mills Road
Toronto, Canada M3C 1T9

U.S. Mailing Address:
PO Box 179
Buffalo, NY 14201-0179

www.foresters.com
T. 800 828 1540

The Independent Order of Foresters (“Foresters”)

A Fraternal Benefit Society.

789 Don Mills Road, Toronto, ON, Canada M3C 1T9

F. 877 329 4631

U.S. Mailing Address: P.O. Box 179 Buffalo, NY 14201-0179

T. 800 828 1540

foresters.com



**Life Insurance and Annuity Replacement Certification of
Sales Material Used in Connection with Application**

(Insert Serial Number)

In connection with a replacement transaction, certain State life insurance and annuity replacement regulations require that all sales materials be left with the applicant.

List by form number, all product sales materials (*print or electronic*)¹ presented to the applicant in connection with the above-referenced application:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

I certify that:

- a) Only The Independent Order of Foresters (Foresters™), approved sales materials referenced above were presented in connection with the above referenced application.
- b) A copy of all print sales materials presented in connection with the above referenced application were left with the applicant at the time the application was completed.
- c) A copy of any electronically presented materials presented in connection with the above referenced application have been or will be provided to the certificate holder in printed form no later than at the time of the certificate delivery.
- d) A financial need analysis was/was not (circle one) completed based on the information provided by the applicant as reflected on the copy enclosed with the application.

Independent Producer Signature

Date (mmm/dd/yyyy)

¹ Sales Material includes, but is not limited to, a sales illustration and any other written, printed (for example, brochures) or electronically presented information created, completed or provided by Foresters or Independent Producer that is used in the presentation to the applicant which describes the benefits, features and costs of the specific product applied for.

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789 Don Mills Road, Toronto, ON, Canada M3C 1T9

F. 877 329 4631

U.S. Mailing Address: P.O. Box 179 Buffalo, NY 14201-0179

T. 800 828 1540 foresters.com



APPENDIX A

IMPORTANT NOTICE: REPLACEMENT OF LIFE INSURANCE OR ANNUITIES

(This document must be signed by the applicant and the producer, if there is one, and a copy left with the applicant.)

You are contemplating the purchase of a life insurance policy or annuity contract. In some cases, this purchase may involve discontinuing or changing an existing policy or contract. If so, a replacement is occurring. Financed purchases are also considered replacements.

A replacement occurs when a new policy or contract is purchased and, in connection with the sale, you discontinue making premium payments on the existing policy or contract, or an existing policy or contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase.

A financed purchase occurs when the purchase of a new life insurance policy involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing policy, to pay all or part of any premium or payment due on the new policy. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interest. You will pay acquisition costs and there may be surrender costs deducted from your policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing policy and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on the back of this form.

1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract? ___ YES ___ NO
2. Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract? ___ YES ___ NO

If you answered "yes" to either of the above questions, list each existing policy or contract you are contemplating replacing (include the name of the insurer, the insured or annuitant, and the policy or contract number if available) and whether each policy or contract will be replaced or used as a source of financing:

INSURER NAME	CONTRACT OR POLICY #	INSURED OR ANNUITANT	REPLACED (R) OR FINANCING (F)
1.			
2.			
3.			

Make sure you know the facts. Contact your existing company or its agent for information about the old policy or contract. (If you request one, an in-force illustration, policy summary or available disclosure documents must be sent to you by the existing insurer.) Ask for and retain all sales material used by the agent in the sales presentation. Be sure that you are making an informed decision.

3. The existing policy or contract is being replaced because _____

I certify that the responses herein are, to the best of my knowledge, accurate:

Applicant's Signature and Printed Name

Date

Producer's Signature and Printed Name

Date

I do not want this notice read aloud to me. _____ (Applicants must initial only if they do not want the notice read aloud.)

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A financed purchase occurs when the purchase of a new life insurance policy involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing policy, to pay all or part of any premium or payment due on the new policy. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interest. You will pay acquisition costs and there may be surrender costs deducted from your policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing policy and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on the back of this form.

1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract? ___ YES ___ NO
2. Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract? ___ YES ___ NO

If you answered "yes" to either of the above questions, list each existing policy or contract you are contemplating replacing (include the name of the insurer, the insured or annuitant, and the policy or contract number if available) and whether each policy or contract will be replaced or used as a source of financing:

INSURER NAME	CONTRACT OR POLICY #	INSURED OR ANNUITANT	REPLACED (R) OR FINANCING (F)
1.			
2.			
3.			

Make sure you know the facts. Contact your existing company or its agent for information about the old policy or contract. (If you request one, an in-force illustration, policy summary or available disclosure documents must be sent to you by the existing insurer.) Ask for and retain all sales material used by the agent in the sales presentation. Be sure that you are making an informed decision.

3. The existing policy or contract is being replaced because _____

I certify that the responses herein are, to the best of my knowledge, accurate:

Applicant's Signature and Printed Name

Date

Producer's Signature and Printed Name

Date

I do not want this notice read aloud to me. _____ (Applicants must initial only if they do not want the notice read aloud.)

IMPORTANT NOTICE:

To be read aloud to the applicant unless he or she has initialed the preceding page indicating he or she does not want this notice read aloud.

A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing policy or contract and the proposed policy or contract. One way to do this is to ask the company or agent that sold you your existing policy or contract to provide you with information concerning your existing policy or contract. This may include an illustration of how your existing policy or contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or contracts. You should discuss the following with your agent to determine whether replacement or financing your purchase makes sense:

PREMIUMS:

Are they affordable?

Could they change?

You're older -- are premiums higher for the proposed new policy?

How long will you have to pay premiums on the new policy? On the old policy?

POLICY VALUES:

New policies usually take longer to build cash values and to pay dividends.

Acquisition costs for the old policy may have been paid, you will incur costs for the new one.

What surrender charges do the policies have?

What expense and sales charges will you pay on the new policy?

Does the new policy provide more insurance coverage?

INSURABILITY:

If your health has changed since you bought your old policy, the new one could cost you more, or you could be turned down.

You may need a medical exam for a new policy.

Claims on most new policies for up to the first two years can be denied based on inaccurate statements.

Suicide limitations may begin anew on the new coverage.

IF YOU ARE KEEPING THE OLD POLICY AS WELL AS THE NEW POLICY:

How are premiums for both policies being paid?

How will the premiums on your existing policy be affected?

Will a loan be deducted from death benefits?

What values from the old policy are being used to pay premiums?

IF YOU ARE SURRENDERING AN ANNUITY OR INTEREST SENSITIVE LIFE PRODUCT:

Will you pay surrender charges on your old contract?

What are the interest rate guarantees for the new contract?

Have you compared the contract charges or other policy expenses?

OTHER ISSUES TO CONSIDER FOR ALL TRANSACTIONS:

What are the tax consequences of buying the new policy?

Is this a tax-free exchange? (See your tax advisor.)

Is there a benefit from favorable "grandfathered" treatment of the old policy under the federal tax code?

Will the existing insurer be willing to modify the old policy?

How does the quality and financial stability of the new company compare with your existing company?

IMPORTANT NOTICE:

To be read aloud to the applicant unless he or she has initialed the preceding page indicating he or she does not want this notice read aloud.

A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing policy or contract and the proposed policy or contract. One way to do this is to ask the company or agent that sold you your existing policy or contract to provide you with information concerning your existing policy or contract. This may include an illustration of how your existing policy or contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or contracts. You should discuss the following with your agent to determine whether replacement or financing your purchase makes sense:

PREMIUMS:

Are they affordable?

Could they change?

You're older -- are premiums higher for the proposed new policy?

How long will you have to pay premiums on the new policy? On the old policy?

POLICY VALUES:

New policies usually take longer to build cash values and to pay dividends.

Acquisition costs for the old policy may have been paid, you will incur costs for the new one.

What surrender charges do the policies have?

What expense and sales charges will you pay on the new policy?

Does the new policy provide more insurance coverage?

INSURABILITY:

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OTHER ISSUES TO CONSIDER FOR ALL TRANSACTIONS:

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