

INSURANCE CONTRACT

**The Empire Life Insurance Company
259 King Street East
Kingston, Ontario K7L 3A8**

The Empire Life Insurance Company agrees to pay all benefits for the insurance coverages under this Policy in accordance with the terms and conditions of this contract of insurance.



Mr. Mark Sylvia, President and Chief Executive Officer

Policy Summary

This Policy Summary is dated

When you make a change to your insurance contract, we will send you a new Policy Summary. The Policy Summary with the most recent date replaces any earlier versions.

Policy Information

Policy Number:

Policy Owner:

Policy Date:

Total Premium:

Premium Payment Frequency:

This policy includes the following pages:

GLPP-1

Total Premium and Premium Payment Frequency shown are as of the Policy Summary date at the top of this page.

Insurance Coverage

Type of Coverage:

Life Insured:

Insurance Age, Sex and Rate Class:

Sum Insured:

Effective Date:

Expiry Date:

Guaranteed Life Protect has a lifetime maximum amount of insurance coverage for a life insured. The maximum coverage amount is based on your Insurance Age at the time the policy is issued. If a policy is issued and the maximum coverage amount is exceeded as a result, the policy is void.

Schedule of Premiums

Policy number

The premiums shown in this schedule of premiums are for the insurance coverage shown on the Policy Summary and include the policy administration fee.

Beginning	Annual Premium	Monthly Pre-authorized Debit Premium

SAMPLE

Table of Guaranteed Values

Policy Anniversary	Policy Year	Guaranteed Cash Value	Guaranteed Paid-up Value

Policy Number:
Rate Class:
Sum Insured:
Policy Date:
Life Insured:

SAMPLE

EMPIRE LIFE GUARANTEED LIFE PROTECT LIFE INSURANCE (NON-PARTICIPATING)

This document contains terms and conditions of your Guaranteed Life Protect life insurance provided by The Empire Life Insurance Company. It is important to carefully read this document, the Policy Summary, Schedule of Premiums and Table of Guaranteed Values. You should keep the documents that make up your insurance contract in a safe place.

CONTENTS

YOUR INSURANCE CONTRACT	1
WHEN YOUR INSURANCE CONTRACT BEGINS AND ENDS	2
THE PREMIUMS FOR YOUR LIFE INSURANCE	3
GUARANTEED CASH SURRENDER VALUE PROVISIONS	4
REDUCED PAID-UP OPTION	5
POLICY LOANS	5
POLICY LOAN DETAILS	5
THE DEATH BENEFIT	6
BENEFICIARIES	7
EXCLUSIONS AND LIMITATIONS OF YOUR LIFE INSURANCE	8
HOW TO MAKE A LIFE INSURANCE CLAIM	9
GENERAL TERMS ABOUT YOUR INSURANCE CONTRACT	9

Some of the words used in this document have special meanings. These words and their meanings **appear in boxes**.

YOUR INSURANCE CONTRACT

You have purchased the life insurance coverage described on the most recent Policy Summary. The terms and conditions of your life insurance coverage are set out in your insurance contract, which is made up of only the following documents:

- your application for Guaranteed Life Protect life insurance;
- any application you make to change or reinstate your insurance contract;
- your policy, which is made up of this document, any endorsements or amendments to this document, and the most recent Policy Pages;
- any other written document attached to your policy when it is delivered to you; and
- any written amendment to your insurance contract agreed to by you and us.

"Empire Life", "Insurer", "we", "us" and "our" refer to The Empire Life Insurance Company.

"you", "your", "me", "my" and "I" refer to the owner of the policy, who is also the individual whose life is insured under the policy.

"application" means your application for Guaranteed Life Protect life insurance and any application to change or reinstate your insurance contract that is approved by Empire Life. It does not include any information provided by or to us by telephone, "click to chat" or through other electronic means unless a written copy of such information is attached to your policy when it is delivered to you.

Your **"policy"** includes this document, any endorsements or amendments to this document, and the most recent Policy Pages.

"Policy Pages" include the Policy Summary, Schedule of Premiums and Table of Guaranteed Values.

Your **"insurance contract"** is comprised of the documents set out above and is the agreement between you and us about the life insurance coverage described on the most recent Policy Summary.

WHEN YOUR INSURANCE CONTRACT BEGINS AND ENDS

When does my insurance contract start?

Your insurance contract and your life insurance will take effect on the policy date shown in the Policy Summary only if:

- we receive your properly completed application and we approve it without modification or, if we approve it with modification, you accept the modified insurance contract when it is delivered; and
- the initial premium is received by us and honoured when presented for payment by the financial institution from which it is to be collected.

For details about what can happen if you did not properly complete the application for life insurance, see "Can Empire Life void my insurance contract".

"life insurance" means your Guaranteed Life Protect life insurance coverage described on the Policy Summary.

When does my insurance contract end?

Your insurance contract and your life insurance terminate on the earliest of:

- the date we receive a written notice, signed by you, cancelling your insurance contract or life insurance; or
- the due date for paying a premium if the premium has not been paid in full by the end of the grace period and after the cash value (if any) has been applied. For details, see "Grace Period"; or
- the date any policy loan plus interest exceeds the cash value. For details, see "What is the cash value of my insurance contract"; or
- the date of your death.

What happens if my insurance contract terminates?

If your insurance contract terminates, all rights and privileges set out in your insurance contract terminate except those rights that, by the terms of your policy, are intended to exist after your insurance contract terminates and then only to the extent and in accordance with the terms of your policy. If you die when your insurance contract is not in effect, we do not pay the death benefit.

What if I decide I don't want my insurance contract?

If you decide you don't want your insurance contract, you must notify us in a written document signed by you and sent to us.

If we receive this written notice within 10 days of the day you receive your policy, your insurance contract will be deemed to have never taken effect and we will refund your initial premium payment.

If we receive this written notice more than 10 days after the day you receive your policy, we will cancel your insurance contract on the date we receive the written notice. We will not refund any premiums, except those paid in advance for coverage after the cancellation date.

THE PREMIUMS FOR YOUR LIFE INSURANCE

How much do I have to pay for my life insurance?

The premiums for your life insurance are shown on the Schedule of Premiums and are guaranteed not to change while your life insurance is in effect.

The amount or price you pay for your life insurance is called the **"premium"**.

How long do I have to pay for my life insurance?

Premiums are payable until the policy anniversary nearest your 95th birthday. If on that policy anniversary all required premiums have been paid, your life insurance becomes fully paid-up, which means no more premiums will be due or payable. Your life insurance will remain in effect until your insurance contract terminates. For details, see "When does my insurance contract end".

"policy anniversary" means each anniversary of the policy date shown on the Policy Summary, until your insurance contract terminates.

When and how are my premiums payable?

Premiums are payable in advance. The initial premium must be paid when you apply for your life insurance. All other premiums are payable on a monthly or annual basis. Premiums may be paid using any available payment option as determined by us and must be received at our corporate head office.

If we accept a premium payment after your insurance contract terminates but your insurance contract is not reinstated, we will refund the payment and we will not be responsible for paying the death benefit if you die when your insurance contract is not in effect.

Other than as specifically mentioned in this policy, premiums are not refundable, in whole or in part.

What if a premium is not paid on time?

Grace Period

If a premium is not paid in full by its due date, the unpaid part of the premium must be paid on or before the last day of the grace period to keep your insurance contract in effect. Your insurance contract will stay in effect during the grace period. If you die during the grace period, we deduct the amount of any unpaid premium from the death benefit.

If the unpaid part of the premium remains unpaid on the last day of the grace period and your insurance contract has cash value available, an automatic premium loan as described in "GUARANTEED CASH SURRENDER VALUE PROVISIONS" will be applied.

If the premium remains unpaid after the end of the grace period and after the cash value (if any) has been applied, your insurance contract will terminate effective the due date of the unpaid premium. For details, see "What happens if my insurance contract terminates".

You are responsible for paying all premiums when due. We will attempt to notify you before the end of the grace period that your insurance contract will terminate if an unpaid premium is not paid in full by the end of the grace period. We assume no responsibility for notifying you and our failure to notify you will not prevent your insurance contract from terminating for non-payment of all or part of a premium as described above.

The **"grace period"** is the 31 day period immediately following the due date for a premium.

Reinstatement

If your contract is terminated due to non-payment of all or part of a premium, you can apply to reinstate your insurance contract at any time within 2 years of the termination date. To reinstate your insurance contract you will have to pay us all premiums due from the termination date to the date of reinstatement and any policy loans plus interest, and submit a properly completed reinstatement form confirming certain information provided on your application has not changed. If your insurance contract is reinstated, we will notify you in writing. If reinstatement is approved by us, the effective date will be the date we receive all premiums due and any policy loans plus interest.

GUARANTEED CASH SURRENDER VALUE PROVISIONS

What is the cash value of my insurance contract?

The cash value of your insurance contract is the cash amount that accumulates in your insurance contract starting at the fifth policy anniversary. Cash values of your insurance contract are shown in the Table of Guaranteed Values, which forms part of your insurance contract. These cash values are for the end of the policy years indicated. You can contact us to find out what the cash values are for other policy years or portions of policy years. **The cash values are guaranteed as long as your insurance contract remains in effect and you have not exercised the reduced paid-up option.** For more information, see "REDUCED PAID-UP OPTION".

"cash value" means the cash surrender value of your insurance contract starting at the fifth policy anniversary.

Can the cash value be used to pay my premiums?

If a premium is not paid in full at the end of the grace period, we will **automatically** apply the cash value (if any) toward payment of the amount in default and we may change the frequency of premium payments from monthly to annual.

If the cash value is less than the unpaid premiums, your insurance contract will remain in effect for as long as the cash value will allow, as determined by us.

The amount of the cash value used to pay the unpaid premium becomes a policy loan. For more information, see "POLICY LOAN DETAILS".

"policy loan" is an amount of money you owe to Empire Life because the cash value of your insurance contract has been used without surrendering all or part of your insurance contract.

Can I access the cash value?

Subject to our administrative rules and applicable law, if you cancel your insurance contract, we will pay you the cash value (if any) as of the termination date in a single payment. The cash value payment will be reduced by the amount of any outstanding policy loan plus interest. For more information, see "POLICY LOAN DETAILS".

To cancel your insurance contract and request payment of the cash value, you must notify us in a written document signed by you and sent to us. We have up to 90 days to pay you the cash value (if any) after receiving your written request.

REDUCED PAID-UP OPTION

What is the reduced paid-up option of my insurance contract?

The reduced paid-up option refers to a feature of your insurance contract that allows you to reduce the sum insured to an amount equal to the paid-up value of your insurance contract and not pay any more premiums.

"sum insured" means the amount of life insurance coverage shown on the most recent Policy Summary.

What is the paid-up value of my insurance contract?

Your insurance contract will start accumulating a paid-up value at the eighth policy anniversary. Paid-up values of your insurance contract are shown in the Table of Guaranteed Values, which forms part of your insurance contract. These paid-up values are for the end of the policy years indicated. You can contact us to find out what the paid-up values are for other policy years or portions of policy years. **The paid-up value of your insurance contract is guaranteed as long as your insurance contract remains in effect.**

If your insurance contract has a paid-up value, you can exercise your reduced paid-up option at any time by notifying us in a written document signed by you and sent to us. We will change the sum insured to the paid-up value of your insurance contract, less any outstanding policy loan plus interest. **Once the sum insured is reduced to the paid-up value, no further premiums will be due or payable and the cash value of your insurance contract will no longer be available.** Your reduced paid-up life insurance will remain in effect until your insurance contract terminates. For details, see "When does my insurance contract end".

POLICY LOANS

Can I borrow money from my insurance contract?

You can access some of the cash value of your insurance contract as a policy loan while your insurance contract is in effect and you have not exercised the reduced paid-up option. You can borrow up to the loan value, subject to a minimum amount. For more information, see "POLICY LOAN DETAILS".

The **"loan value"** is the maximum amount of the cash value that we determine is available as a policy loan.

How do I borrow money from my insurance contract?

To request the amount you want to borrow, you must notify us in writing. We have up to 90 days to pay you after receiving your written request.

POLICY LOAN DETAILS

Is interest charged on a policy loan?

We charge interest on a policy loan. Interest starts to accrue from the date the amount is paid or applied until your insurance contract terminates or you repay the amount, whichever is earlier. We set the interest rate from time to time. Interest on a policy loan is compounded annually.

You can repay the policy loan plus interest at any time. Repayment can be in full or partial payment(s).

Does a policy loan affect the cash value or death benefit?

A policy loan is secured by your insurance contract. If you cancel your insurance contract or it terminates for non-payment of premiums, any outstanding policy loan plus interest will be deducted from the cash value of your insurance contract. When you die, any outstanding policy loan plus interest will be deducted from the death benefit. **Our right to recover amounts owing on policy loans takes priority over the claim of any other person, including a beneficiary or assignee.**

"secured" means we have the right to recover the outstanding policy loan amount from the cash value or death benefit of your insurance contract in priority to other claimants.

THE DEATH BENEFIT

What happens when I die?

If you die:

- from any cause on or after the second policy anniversary or the second anniversary of any reinstatement of your insurance contract, we will pay an amount equal to the sum insured as shown on the most recent Policy Summary;
- from an accident within 2 years of the effective date of your insurance contract or within 2 years of the effective date of any reinstatement of your insurance contract, we will pay an amount equal to the sum insured as shown on the most recent Policy Summary, **unless an exclusion described in "EXCLUSIONS AND LIMITATIONS OF YOUR LIFE INSURANCE" applies**; or
- from causes **other than** an accident within 2 years of the effective date of your insurance contract or within 2 years of the effective date of any reinstatement of your insurance contract, we will refund the amount of premiums paid for your life insurance during such 2 year period, without interest, **subject to the suicide exclusion described in "EXCLUSIONS AND LIMITATIONS OF YOUR LIFE INSURANCE"**, but in either case, we will not pay the sum insured.

Payment of the death benefit as a result of dying from an accident within 2 years of the effective date of your insurance contract or within 2 years of the effective date of any reinstatement of your insurance contract is subject to a special condition described in "HOW TO MAKE A LIFE INSURANCE CLAIM".

The death benefit will be reduced by the amount of any unpaid premium due prior to your death and any outstanding policy loan plus interest. For details, see "Does a policy loan affect the cash value or death benefit".

The death benefit is only payable if your insurance contract is in effect when you die. For details, see "What happens if my insurance contract terminates".

Is the sum insured guaranteed?

The sum insured for your life insurance is guaranteed not to change while your insurance contract is in effect, unless you request a reduction in the sum insured, exercise the reduced paid-up option or you misstate your date of birth or sex in your application. For details, see

References to **dying from an accident** mean your death is caused by injuries you sustain as a result of an unforeseeable event that arises exclusively from external, sudden, violent and involuntary causes, and such injuries occur independently of any other cause and **"accident"** means the event that lead to your death. Death must occur within 365 days of the accident. The accident must occur while your insurance contract is in effect.

"death benefit" means the amount we pay if you die while your insurance contract is in effect according to the terms of your insurance contract.

“What is the paid-up value of my insurance contract” and “What if there is a misstatement of my date of birth or sex in my application”.

How is the death benefit paid?

The death benefit will be paid by cheque, unless we agree in writing that it can be paid on another basis. You can contact us to learn about the available options.

BENEFICIARIES

Who receives the death benefit?

We pay the death benefit to the person or persons you name in writing to receive the death benefit, provided we receive your written beneficiary designation prior to payment of the death benefit. If you do not name a beneficiary, or all of your named beneficiaries die before you, or we do not receive your beneficiary designation prior to payment, we pay the death benefit to your estate.

Each person you name to receive the death benefit is called a **“beneficiary”**.

Can I change the beneficiary?

A beneficiary designation can be revocable or irrevocable. You may change a revocable beneficiary designation, if permitted by law.

If the beneficiary designation is irrevocable, it cannot be changed or revoked and certain rights under your insurance contract cannot be exercised by you unless the irrevocable beneficiary agrees in writing.

We require a written document signed by you to change a beneficiary designation.

We are not responsible for the validity or effect of any beneficiary designation.

What happens if my beneficiary and I die at the same time?

If we are unable to determine the first to die between you and your beneficiary, we will deem the beneficiary to have died first.

Can I name alternate beneficiaries?

You can name primary and contingent beneficiaries. The death benefit will be paid to the primary beneficiaries, if they all outlive you, in the proportion you have stated in your written beneficiary designation or in equal parts if you don't indicate the proportions.

If a primary beneficiary dies before you, his or her share will be divided equally among the other remaining primary beneficiaries who survive you, subject to your written beneficiary designation and applicable law.

Subject to your written beneficiary designation and applicable law, the following rules apply if all of the primary beneficiaries die before you and you have designated one or more contingent beneficiaries:

- the death benefit will be paid to the contingent beneficiaries who survive you in equal parts;
- if a contingent beneficiary dies before you, his or her share will be divided equally among the other remaining contingent beneficiaries who survive you;
- if all of the contingent beneficiaries die before you, the death benefit will be paid to your estate.

EXCLUSIONS AND LIMITATIONS OF YOUR LIFE INSURANCE

Does my life insurance have any exclusions or limitations?

Suicide Exclusion

If, within 2 years of the effective date of your insurance contract or within 2 years of the effective date of any reinstatement of your insurance contract, you commit suicide, while of sound mind or not, or you attempt to commit suicide, while of sound mind or not, and you die as a result before or after the end of the two-year period, we will pay the cash value (if any) as at the date of death in accordance with the terms and conditions set out in this policy, but we will not pay the sum insured or refund any premiums.

Dying from an accident Exclusion

If, within 2 years of the effective date of your insurance contract or within 2 years of the effective date of any reinstatement of your insurance contract, your death was caused, directly or indirectly, by one or more of the following, you will be deemed NOT to have died from an accident and we will refund the amount of premiums paid for your life insurance during such 2 year period, without interest, but we will not pay the sum insured:

- any underlying physical or mental disability, illness or disease that occurred independently of the accident;
- any medical or surgical treatment performed as a result of an illness, disease or injury that occurred independently of the accident;
- any undetermined cause or injury of which there is no visible contusion or wound on the exterior of the body. This exclusion does not apply to death by drowning, involuntary gas inhalation or internal injuries revealed by autopsy;
- drugs, poison or poisonous substances, gas or fumes, voluntarily taken, administered or inhaled (unless taken, administered or inhaled as prescribed by a physician, or, in the case of non-prescribed medication, as directed by the manufacturer);
- your voluntary use of a medication or legal substance in toxic quantities;
- your operation of any motorized vehicle or bodily injuries sustained while your blood contained in excess of 80 milligrams of alcohol per 100 milliliters;
- injuries suffered as a result of:
 - your attempt to commit or your commission of a crime, whether you are charged or not under the laws where the offence took place;
 - riot, insurrection, war or hostilities of any kind, including any associated act, whether war is declared or not and whether or not you were participating;
 - travel or flight in, including descent from, any kind of aircraft when you are not a fare-paying passenger;

- your participation in any of the following activities: mountaineering, rock climbing, caving, parachuting, sky diving, hang gliding, bungee jumping, racing (for example, but not limited to, automobile, motorcycle, snowmobile, speedboat or horse) or any other hazardous activity; or
- your participation in any type of professional sports, athletic activity or international athletic competition.

HOW TO MAKE A LIFE INSURANCE CLAIM

What is required to make a life insurance claim?

After you die, anyone making a claim for all or part of the death benefit must use the claim form we provide. A copy of our claim form can be obtained by contacting us.

We do not pay the death benefit unless the claimant provides us with proof of:

- your date of birth, if requested by us; and
- the claimant's right to receive the death benefit; and
- the occurrence, cause and circumstances of your death; and
- any other information we reasonably require to establish the validity of the claim; and
- a valid discharge of all liability under your policy.

Additionally, we will only pay the death benefit if you die from an accident if we receive the above information within 90 days of the accident. We reserve the right to have an autopsy performed to assist us in determining the cause of your death.

GENERAL TERMS ABOUT YOUR INSURANCE CONTRACT

Can I add additional insurance coverages to my insurance contract?

No, you cannot add additional insurance riders or benefits to your insurance contract.

Can I assign my insurance contract to someone else?

You may assign some of your rights and interests under your insurance contract to secure the repayment of a loan if you provide us with documentation of the assignment and we consent to the assignment in writing. We will not unreasonably withhold our consent to this type of assignment.

We are not bound by any assignment described above until we have received satisfactory documentation setting out the details of the assignment and we consent to the assignment in writing.

Despite our consent to an assignment, we are not responsible for the validity of the assignment or any document relevant to the assignment of your rights and interests under your insurance contract.

Except for assignments as security described above, you may not assign your rights and interests under your insurance contract. **This means you cannot transfer the ownership of your insurance contract to another person.**

What is non-participating?

Your insurance contract is non-participating. This means it does not give you rights to share in any of our profits.

What law governs my insurance contract?

Your insurance contract is governed by the laws of the province or territory where you sign your application, as indicated on the application. The laws of Canada applicable in that province or territory also apply.

How can my insurance contract be amended?

Your insurance contract can be amended if you and we mutually agree to the change, subject to applicable law. We can change or waive a contract term if it does not lessen your rights or increase your obligations under your insurance contract. To be effective, any change or waiver of a term of the insurance contract must be in writing and signed by one of our officers who is authorized to change the insurance contract.

Is there a time limit for bringing a legal action for payment under my insurance contract?

Every action or proceeding against an insurer for the recovery of insurance money payable under the insurance 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).

What if there is a misstatement of my date of birth or sex in my application?

Your insurance age and sex shown on the Policy Summary is based on the date of birth and sex provided by you in your application.

“insurance age” means your age at your birthday nearest the policy date shown on the Policy Summary.

If you misstated your date of birth or sex in your application:

- we will adjust the sum insured to the amount we would have approved had we known the true facts up to the maximum coverage amount you are permitted and if, despite adjusting the sum insured, you have still over paid, we will refund the amount of premiums that have been over paid; or
- we will void your insurance contract and refund the amount of premiums that has been paid if given the true facts, we would not have issued the insurance contract.

“void your insurance contract” means to determine that your insurance contract never took effect.

We will not be required to pay any other amounts.

Can Empire Life void my insurance contract?

Maximum Coverage Amount Exceeded

There is a maximum amount of Guaranteed Life Protect life insurance coverage you can have on your life for all inforce insurance contracts, which is based on your insurance age at the time the insurance contracts are issued.

Your insurance contract is conditional upon the maximum amount of Guaranteed Life Protect life insurance coverage allowed on your life for all inforce insurance contracts not being exceeded when your insurance contract takes effect. If we determine this condition was not met, we are entitled to void your insurance contract.

We will provide you with written notice if we void your insurance contract because this condition was not met and we will refund the premiums you paid for your insurance contract.

Non-Disclosure or Misrepresentation

If you misrepresent or fail to tell us about a fact in your application, or in an application to change or reinstate your insurance contract, and the fact is material to your life insurance or to your requested change or to the reinstatement of your insurance contract, we are entitled to void your insurance contract. We will provide you with written notice if we void your insurance contract.

Unless your non-disclosure or misrepresentation of a material fact constitutes fraud, we cannot void your insurance contract for non-disclosure or misrepresentation of a material fact after 2 years from the later of:

- the policy date shown on the Policy Summary; and
- the effective date of the last reinstatement of your insurance contract. For details, see "Reinstatement".

Any false declaration or failure to tell us about your use of tobacco or tobacco products is deemed to be fraud for which we will void your insurance contract.

If we void your insurance contract for non-disclosure or misrepresentation within 2 years of the effective date of your insurance contract or within 2 years of the effective date of any reinstatement of your insurance contract, we will refund the premiums you paid during such 2 year period.

Misstatement of Date of Birth or Sex

Misstatement of date of birth or sex will be dealt with as described in "What if there is a misstatement of my date of birth or sex in my application".

What is the currency for payments?

Payments made to us or by us will be in Canadian currency.