

Life and health insurance commission rates as a percentage of annual premium

Term ^{1,3}	First Year	Renewals				Service Fees		
		Yr 2	Yr 3	Yr 4	Yr 5	Yrs 6-10	Yrs 11-20	Yrs 21+
E-Z Term	40	4	4	4	4	0	0	0
Term 10	40	2	2	2	2	2	2	2
Term 20	50	3	3	3	3	3	2	2
Term 30	55	3	3	3	3	3	2	2
Child Term Rider ⁴	45	2	2	2	2	2	2	0
Exchange to Term 20 or Term 30	25	3	3	3	3	3	2	2

Whole Life^{2,3}

Advantage Plus - Pay to 100	55	10	2	2	2	2	2	2
Advantage Plus - 20 Pay	50	10	2	2	2	2	2	2
Advantage Plus - 10 Pay	35	5	2	2	2	2	2	2
Non-Par Whole Life - Pay To 100	55	10	2	2	2	2	2	2
Non-Par Whole Life - 20 Pay	50	10	2	2	2	2	2	0
Simplified Non-Par Whole Life	55	10	2	2	2	2	2	2
Child Non-Par Whole Life	50	10	2	2	2	2	2	0
Additional Purchase Option Rider	4	4	4	4	4	4	4	4

Critical Illness²

LifeCare T10	40	5	5	5	2	2	2	2
LifeCare T75	50	5	5	5	2	2	2	2
Health Security Plus	40	5	5	5	5	2	2	2

- For term insurance, commissions for the Accidental Death Benefit rider are payable at the same rate as the base coverage. Commissions for the Waiver of Premium rider are payable at the same rate as the base coverage and other riders included in the policy.
- For Advantage Plus and Critical Illness insurance, rider commissions are payable at the same rate as the base coverage.
- For Term and Whole Life insurance, term rider commissions are payable at the same rate as the corresponding term insurance plan.
- For Term, Non-Par Whole Life and Simplified Non-Par Whole Life, Child Term Rider commissions are payable at these rates.

Annuity commission rates as a percentage of new deposits

Annuity Plus - DIA	0.025	Annuity Plus - GI4	1.2
Annuity Plus - GI1	0.3	Annuity Plus - GI5	1.5
Annuity Plus - GI2	0.6	Annuity Plus - GI10	2.25
Annuity Plus - GI3	0.9		

Ambassador Discount

For policies that receive the Ambassador Discount, the First Year Commission will be reduced by half. Renewal commissions will be payable as shown above. The Ambassador Discount is available to employees of Foresters after 6 months of employment, full-time or part-time (working at least 60% of regular hours), and their immediate families. It is also available to full-time employees of qualifying Managing General Agents and their immediate families. Immediate family means spouse and children, up to age 18, living in same household with the employee. For more information about the Ambassador Discount, please contact Steve Rosen at 416-467-2528.

1. Definitions

- a) *Policy* is an insurance policy that is issued by Foresters Life Insurance Company or an insurance certificate that is issued by The Independent Order of Foresters.
- b) The *annual premium or first-year annualized commissionable premium* for a policy is the total annual premium charged for a policy year, including applicable rider premiums on page 1.
- c) The *first policy year* is a period of one year commencing on the date stated in the policy for computing policy years, and subsequent policy years are periods of one year each commencing on the respective anniversaries of that date.
- d) *First year commission* is the amount resulting from the application of the particular rate of first year commission to the full annual premium for the first policy year in accordance with your Broker Agreement.
- e) *Renewal commission* is the amount resulting from the application of the rates of commission to the full annual premium for each policy year subsequent to the first policy year in accordance with your Broker Agreement.
- f) *New Deposits* are the total new premiums paid into an annuity.

2. Conditions

- a) The Company may withdraw any policy plans and will determine the commissions, if any, payable on all classes of policies or benefits not listed in the Rate Schedule, on changed policies and on policies replacing policies terminated (whether issued before or after the termination) where the same insured or life insured is involved.
- b) If the Company returns a premium or a part thereof to the Insured, the Broker will waive all right to any commission thereon and will repay to the Company any commission received on that premium or part thereof. If the company waives a fee or surrender charge for a policy, a commensurate commission adjustment may be applicable.
- c) No commission is payable on any premium waived under the terms of any policy, nor on interim Term premiums.
- d) Where an extra premium is charged by reason of Occupation, Medical Impairment, Residence, Aviation, or any other special hazard, commission will be payable on the full extra premium at the same rates as for commission on the full annual premium.
- e) First year and renewals commissions and service fees are not payable on premiums that are pre-paid for future renewal year premium payments. Where applicable, renewal commissions will be paid on premiums as they are allocated to each policy year.
- f) First year commission is not paid for the Member Term Rider and the Secondary Guarantee Rider.

3. Annualization

The Company may, at its option, pay first year annualized commissions on the following basis:

- a) When a policy is put in effect on the records of the Company and the first premium has been paid, the Company will calculate the first year commission according to Section 1a) assuming the full annual premium for the first policy year has been paid, and pay such commission to the Broker provided that total annualized commissions on all policies on the same life do not exceed \$5,000.

- b) In the event that any policy goes out of effect, according to the records of the Company, before the full 24-months premium for the policy has been paid, the Broker will refund immediately to the Company the first year commission according to the chargeback schedule in Section 5 arising from such part of the first full 24-months premium as has not been paid. Immediate non-repayment of an outstanding commission amount is a debt to the Company and is subject to the debt recovery procedures as stated in the Compensation Manual.
- c) In the event of the termination of your Broker Agreement, any excess of the annualized first year commissions paid under this Section over the total amount of the first year commissions which would have been paid as earned under Section 1a) will immediately become payable by the Broker to the Company. Immediate non-repayment of any outstanding commission amount is a debt to the Company and is subject to the debt recovery procedures as outlined in the Compensation Manual.
- d) The Company may decline to annualize commissions for a particular policy or policies, and may at any time discontinue in whole or part the practice of annualizing commissions.

4. Renewal and Service Fees

- a) The Company will, subject to the conditions set out below, pay to the writing Broker for each in-force contractual life insurance type of policy sold by the writing Broker renewal and service fees as shown in the Commission Schedule.
- b) The payment of Service Fees is contingent upon the Broker meeting the service requirements of the Company as established from time to time.
- c) Renewal commissions and Service fees are vested, subject to the conditions as outlined in your Broker Agreement.

5. Chargeback Schedule

Months Premium Paid	Chargeback Percentage of first year commission	Months Premium Paid	Chargeback Percentage of first year commission
1	100	13	55
2	100	14	50
3	100	15	45
4	100	16	40
5	95	17	35
6	90	18	30
7	85	19	25
8	80	20	20
9	75	21	15
10	70	22	10
11	65	23	5
12	60	24	0

Term insurance conversion privilege: If the conversion privilege is exercised in the first 24 months, the compensation for the term policy is charged back as above and full commission is paid for the new policy.

For Advisor Use only

Foreword

The duty of the Broker, as defined under the Agreement, is to comply with the insurance laws of every jurisdiction in which he is licensed as a life or accident and sickness Broker. It is not sufficient, however, for a Broker to observe merely the letter of the law; the Broker has important responsibilities to the policyholders and prospective purchasers whom he serves and to the insurer whose insurance he sells. CLHIA Council has suggested to member companies that copies of the Code be furnished to all existing and future Brokers. Copies with considerable explanatory commentary and helpful definitions are available in booklet form from Advocis. By entering into contract with The Independent Order of Foresters Financial ("Foresters") and Foresters Life Insurance Company ("Foresters Life") (each individually and collectively a "Company"), you agree to adhere at minimum to the following code of conduct.

Definitions

"Life Insurance" shall mean all individual life insurance policies, policy riders and annuity contracts issued by the Company, including all Policies, whether or not such Policies contain provisions for cash surrender or paid up values, and any contract under which the reserve, or part thereof, varies in amount depending on the market value of a specified group of assets.

1. Priority of Policyowner Interests

A Broker shall place the interests of policyowners and prospective purchasers before themselves. It is self-evident that any practitioner should place clients' interests first. This requires the highest level of integrity and performance on the part of the Broker. In practical terms, this stipulates that a Broker must recommend with integrity, competency and diligence the amount and type of life insurance that is best for the purchaser's circumstances. The commission to be obtained from making the sale should have absolutely no bearing upon the Broker's advice to the policyowner or prospective purchaser and full disclosure should be made as applicable under appropriate regulation.

2. Confidential Information

A Broker shall respect the confidence/privacy of the policyowners and prospective purchasers regarding their personal and business affairs. Consequently, if it appears to be in the interests of the policyowner or prospective purchaser for a Broker to discuss a policyowner's or prospective purchaser's affairs with any other person, a Broker must first secure the policyowner's or prospective purchaser's written permission to do so.

2.A) A Broker shall immediately notify Foresters Financial in circumstances where a client or potential client's personal information (as defined in the attached Foresters Financial Privacy Statement) has been lost, stolen, accessed, disclosed, copied, used, or modified without the knowledge and consent of the client or potential client.

3. Misrepresentation

A Broker shall not make any false or misleading statement or representation in the course of selling or servicing life insurance. You are obligated to disclose, accurately and completely, all information required by a policyowner or prospective purchaser in order to determine the best course of action. A Broker must act in a client's best interest. A Broker is also obliged to disclose, accurately and completely, all information required by an insurer to enable a decision to be made regarding the issuance of a contract of life insurance. It is just as wrong for a Broker to omit essential information or to fail to correct a mistaken impression known to exist, as it is to give inaccurate or misleading information.

4. Defamation

A Broker shall not act in any way to defame any entity or individual, life insurance companies, their products or representatives. No statement may be made, published, or circulated in any oral, written or printed statement which is knowingly or recklessly false regarding any insurer, its products or its representatives and which might reasonably injure the reputation or livelihood of any person engaged in the life insurance business.

5. Rebating and/or Sharing of Compensation

(a) Rebating

A Broker shall not directly or indirectly rebate or attempt to rebate all or any part of a premium for insurance. Rebating shall include any agreement as to the premium to be paid for a policy other than as set forth in the policy; any payment, allowance, or gift as an inducement to insure; any paid employment, contract for services, or inducement of any kind intended to be in the nature of a rebate of premium for individual insurance products and any negotiations of a sale of individual life insurance, in respect of which a reduced special premium has been established on the understanding that the agent/agency will forego all or a part of the regular commission normally payable. It is fairly common practice for a Broker to entertain policyowners or prospective purchasers and give them nominal or token gifts. This is considered to be a normal business practice and not in the nature of a rebate. In no circumstances shall a Broker make a gift of anything of value as an inducement to insure. Excessive benefits or gifts conferred upon policyowners or prospective purchasers may, depending on the circumstances, expose a Broker to a charge of rebating.

(b) Sharing of Compensation

A Broker shall not share compensation earned from the sale of life insurance with any person(s) who do not hold a life insurance agent's licence or equivalent certificate. In no circumstances shall a Broker make a gift of value or monetary payment to an unlicensed person as a share of the compensation earned in the sale of life insurance. Gifts or payments which tend to vary according to the amount of compensation earned, from a referral, may expose a Broker to a charge of sharing compensation with a person who does not hold a life insurance agent's licence or equivalent certificate. If the person receiving the gift and/or monetary payment were found to have been in a position to influence the purchase of the life insurance contract, a charge of rebating may also be applicable.

(c) Charging of Fees

A Broker shall not waive all or any portion of the fees for services as an inducement to purchase life insurance. There is a general agreement that a Broker may charge a fee for services pursuant to a prior agreement entered into between the Broker and the policyowner or other person regarding any such proposed fee, provided that such procedure does not contravene any law or does not involve the unauthorized practice of another profession. It is essential that the prior agreement entered into between the agent/agency and the policyowner should not state or imply that any portion of the fees will be waived if any life insurance products required are purchased. This will be considered a direct inducement to insure and a charge of rebating will apply. In this connection it must also be emphasized that in performing any services for a fee, a Broker must exercise great care not to encroach upon the practice of other professions.

6. Replacement

A Broker shall not induce a policyowner to replace an existing contract of life insurance with a new contract of life insurance, unless it appears that, due to a change in circumstances to the benefit of the policyowner, an existing contract of life insurance should be amended or changed to another contract of life insurance. In that case a Broker shall endeavour to have the existing contract amended or changed by the Insurer which issued the existing contract of life insurance in order that any values, credits or privileges in the existing contract may be transferred to the amended or changed contract of life insurance.

(a) Where replacement of a contract of life insurance is indicated, a Broker shall, prior to taking a new application:

- i. enquire about the policyholder's insurance needs, in particular, about the number of dependants, personal and family obligations, financial means, and life insurance policies, their characteristics and the insurers which issued them.

- ii. present and review with the applicant a fully completed Life Insurance Disclosure Form, including the agent's statement and the applicant's statement.
 - iii. secure the applicant's signature, along with the signature of the life insured, if other than the applicant, acknowledging the receipt of the Life Insurance Disclosure Form
- (b) In every instance where life insurance is being applied for, a Broker shall:
- i. obtain as part of each application for a contract of life insurance, a statement signed by stating whether or not replacement of a contract of life insurance is intended; and
 - ii. prepare and forward to the insurer with each application for a contract of life insurance a statement stating whether or not a replacement contract is intended.
- (c) A Broker shall, upon taking an application where replacement of life insurance is indicated:
- i. be personally responsible for the forwarding within three working days of the date of application, to every insurer whose contract of life insurance is indicated to be replaced, a fully completed copy of the Life Insurance Disclosure Form as presented to and signed by the applicant,
 - ii. forward to the insurer, which has been requested to issue any new contract(s) of life insurance, a fully completed copy of the Life Insurance Disclosure Form as presented to and signed by the applicant, and
 - iii. unless contrary written instructions have been received from the applicant, deliver the new contract(s) of life insurance as soon as practical.

7. Rated Policies

A Broker shall request an insurer to reduce or eliminate the extra premium for a medical or occupational rating under existing life insurance when it appears that another insurer would now issue new life insurance on the same plan without any extra premium or with a reduced extra premium.

A Broker shall make every reasonable effort to have an insurer reduce or eliminate the extra premium for a medical or occupational rating under existing life insurance when it appears that another insurer would now issue new life insurance on the same plan without any extra premium or with a substantially reduced extra premium. If the insurer which issued the existing life insurance will not reduce or eliminate the extra premium, the agent/agency may proceed in accordance with Code 6.

8. Holding Out To The Public

(a) A Broker shall carry on business in good faith as a life insurance agent in conformity with the provisions of the law of each jurisdiction in which the Broker holds a life insurance agent's licence.

(b) A Broker shall with respect to the business as a life insurance agent and related financial services include on all letterheads, business cards, written proposals and advertising at least one of the following:

- i. name of sponsoring insurer
- ii. life insurance
- iii. life insurance agent
- iv. agent/agency
- v. Chartered Agent/agency Assureur-Vie agree/Chartered Financial Consultant or Conseiller Financier agree (if member in good standing of the Canadian Institute of Chartered Agent/agencies and Chartered Financial Consultants).

A Broker shall not advertise an ability to offer counsel in the fields of law, accounting, taxation or investment. Notwithstanding the foregoing, a Broker who is fully qualified as a lawyer, accountant or investment counselor, may identify such qualification. A Broker shall not carry on business as a life agent under a business name or description which includes the words "and Associate(s)" unless there is at least one other licensed Broker directly associated with the principal broker.

9. Improper Advertising

A Broker shall not in any manner whatsoever solicit publicly, pay for, or approve advertising which indicates sales attainments or membership in a club or other organization in which the production of a stipulated volume of business is a necessary qualification for membership. This provision in the Code of Conduct rules out advertising or publicity which includes reference to either a specific volume of personal production or achievement (i.e. "Leading agent, top agent," etc.). It is, however, acceptable for MDRT status (in accordance with MDRT regulations) to be indicated on a Broker's letterhead, business cards and in any announcement which otherwise meets generally accepted industry advertising guidelines. As a general principle, any publicity or advertising should be based primarily on a Broker's experience and capacity to serve the public. This prohibition does not apply to publicity at life insurance meetings, in insurance company publications, insurance trade journals or to business stationery (letterhead and business cards). It is a Broker's responsibility to ensure that this Code is complied with and he or she shall specifically advise any writer, journalist, and/or master of ceremonies of this prohibition.

10. Books, Accounts and Registers

Every person authorized to practice the profession of an insurance agent and who, in the course of business, receives amounts on behalf of another person must keep a trust account for such amounts and for all disbursements chargeable thereto and keep a separate accounting thereof in a book reserved for such a purpose.

11. Intimidation

A Broker shall not intimidate or attempt to intimidate any person or association for the purpose of compelling such person or association to abstain from doing anything that the person or association has a lawful right to do. A Broker shall not threaten to launch any civil, criminal or other action or launch any frivolous action against any complainant, witness, complaint committee member, or association where such threat or frivolous action is intended to prevent a complaint under the Code or By-laws from being brought against the Broker, to impede a complaint or to induce any person to withdraw or dismiss a complaint.

Foresters Life Insurance Company

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The Independent Order of Foresters

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Foresters Financial Privacy Statement

As an international financial service provider, Foresters Financial (“Foresters”) is committed to respecting your privacy rights and protecting the Personal Information you provide to us. Collecting and using this information to provide our products and services to you is essential to our success and to conduct our business. Our privacy commitment is more than complying with the laws of each jurisdiction where we operate. It is about doing the right thing for our members and customers whose lives we touch everyday by using their personal information however we collect or receive it. We collect only the personal information necessary for these purposes and we are committed to protecting and safeguarding that information. We also ensure that our employees, representatives, suppliers and service providers adhere to our principles and standards when dealing with Foresters business, members and customers.

Definitions

Foresters – The Independent Order of Foresters, its subsidiaries, licensed representatives and employees.

Personal Information – Any information about an identifiable individual, such as name, age, address, gender, government identification numbers, financial information, health information and medical records. It does not include publicly available information.

Principles

We adhere to the following ten principles when handling Personal Information:

- 1. Accountability:** We are responsible for Personal Information under our control. We have established a framework for privacy management across all our business operations and have designated individuals who are responsible for monitoring compliance with our principles, policies, standards and procedures.
- 2. Identifying Purposes:** We are transparent about our privacy practices and identify the purposes for which we collect, use, retain and disclose personal information.
- 3. Consent:** Your knowledge and consent are required for the collection, use or disclosure of Personal Information, except as otherwise permitted or required by law. You may provide your consent in writing, verbally, electronically or through our or your authorized representative. Your consent may also be implied. This may occur, for example, where the law permits it, if you do not “opt out” of distribution of your Personal Information when we ask you.
- 4. Limiting Collection:** We limit the collection of Personal Information to that which is necessary for the purposes we identify and we collect it fairly and lawfully.
- 5. Use, Disclosure and Retention:** We do not use, disclose or retain Personal Information for purposes other than those for which we collected it, except with your permission, or as permitted or required by law. We restrict the disclosure of Personal Information to those who have a need for, and the legal right to, the information. This may include our employees, licensed representatives or service providers who need the information to perform their duties, some of our business areas and subsidiaries who may, from time to time, offer or promote other financial products, benefits or services,

or those of select third parties, that we believe may be of interest to our customers. We may also have joint marketing or distribution agreements with other financial institutions that may offer or promote products that we believe may be of interest to our customers. In some instances, our subsidiaries, employees, service providers, representatives, reinsurers, and any of their service providers may be located in other jurisdictions. Personal Information may then be subject to the laws of those other jurisdictions. We will not keep Personal Information longer than is necessary and will destroy or delete it in a manner that is appropriate for the sensitivity of the information, the media in which it is stored or retained, and as required by law.

6. **Accuracy:** We make reasonable efforts to keep Personal Information accurate, complete, and up-to-date as is necessary for the purposes for which we use it.
7. **Safeguarding information:** We classify Personal Information and take reasonable measures to protect it by administrative, physical and technical security safeguards that are appropriate to the sensitivity of the information. We make every reasonable effort to prevent any loss, misuse, disclosure or modification of Personal Information, as well as any unauthorized access to Personal Information.
8. **Openness:** We make information about our privacy policies and practices readily available to you subject to any exceptions permitted by law.
9. **Individual Access:** Upon written request, we inform you of the existence, use and disclosure of your Personal Information and give you access to it, subject to those exceptions permitted by law. You may verify the accuracy and completeness of your information and have it amended as appropriate.
10. **Inquiries and concerns:** Our Chief Privacy Officer is located at our corporate head office in Toronto, Canada. We also have individuals responsible for privacy in each jurisdiction in which we operate. If you have any questions, concerns or complaints about the handling of your Personal Information at Foresters, please contact a local privacy officer.

Chief Privacy Officer
789 Don Mills Road
Toronto, ON M3C 1T9
416 267 2530
privacy@foresters.com

[Canadian privacy policy](#)

Online Privacy

Some of our websites may use online data collection tools or cookies to improve functionality, enhance security, evaluate the effectiveness of our websites and advertising campaigns, or provide visitors with a customized online experience.

Local privacy policies

Foresters is an international financial services provider operating in Canada, United States and the United Kingdom. We may supplement this privacy statement with more specific privacy policies that are in line with this statement and principles and, where appropriate, reflect the legal and operational requirements of our business operations or the countries in which we operate. We will provide you with these policies if they apply to your Personal Information. These specific policies will govern in the event of a conflict with this privacy statement.