

Required New York Product Training for Regulation 187



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What has been update within this training module?



- Updated in version 08/20:
 - Update to the ABR footnote
- Updated in version 03/20
 - Advantage Plus II medically underwritten death benefit for ages 16-70 reduced from \$100,000 to \$50,000 for standard non-tobacco & tobacco

Regulation 187

What does the rule mean for producers

What does the rule mean for producers?

- Sets a requirement for producers to collect suitability information that will form the basis of a recommendation to clients regarding the purchase of an insurance contract or post-issue commissionable transactions
- Clarifies the duties and obligation of producers when making recommendations to help ensure that a transaction is in the best interest of the client
- Requires producers to have “adequate knowledge” of the products they are contracted to sell or service before making recommendations to clients
- Sets out the insurers’ duties for supervision and auditing

What does the rule mean for producers?

- What type of information needs to be obtained to assess suitability of a sale or post-issue transaction? Required information to be gathered differs for term versus permanent coverage and includes some, or all, of the following as reasonably appropriate to determine suitability:
 - Client's age
 - Income sources and proposed financial resources for funding life insurance
 - Financial objectives of the client, their reasons for purchasing life insurance and their time horizon for the insurance coverage
 - Current financial assets available (both non-insurance and insurance)
 - Client's liquidity needs and their liquid net worth
 - Client's risk tolerance and willingness to accept non-guaranteed elements
 - Client's tax status
 - Any other information that is provided by the customer that is relevant to determining suitability of the sale or post-issue transaction

What does the rule mean for producers?

- To ensure that you and Foresters Financial™ comply with Regulation 187, you must take the following steps:
 - Before taking an application make sure your training is completed:
 - The completion of this training module along with the appropriate review of all materials referenced in this training module
 - At the time of the life insurance application:
 - The Foresters NY-specific suitability form, included in the Application Package, needs to be completed with each application submitted to Foresters
 - Two forms available:
 - Your Term, SMART UL, and Advantage Plus II uses the same suitability form as the same application is used on all three products
 - PlanRight has its own suitability form as there is a separate application for this product

Product Description

Comparing Foresters product offerings

Comparing Foresters product offerings

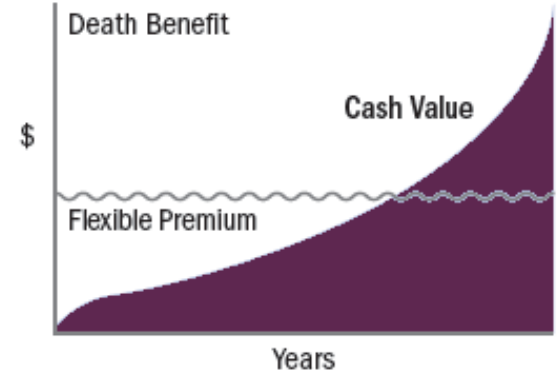
- Your Term (Renewable Term):
 - Offers a death benefit amount that remains level
 - Offers a level premium payment that's guaranteed for the initial term period. After the initial term period, coverage becomes annually renewable with increased premiums
 - Pure death benefit protection only, no ability for cash value accumulation
 - Available for non-medical¹ and medically underwritten plans
 - This product would be ideal for a prospect who has a temporary life insurance need that they want to protect



1. Insurability depends on the answers to medical and other application questions and underwriting searches and review.

Comparing Foresters product offerings

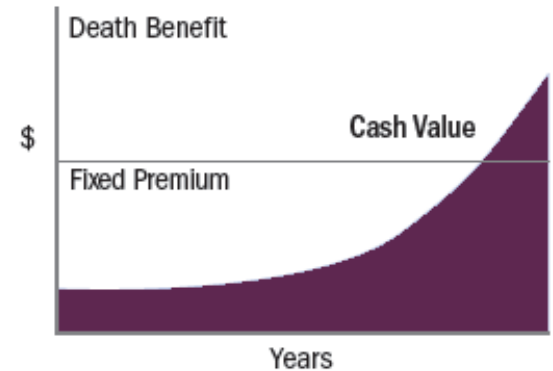
- SMART UL (Flexible Premium Adjustable Life Insurance):
 - Offers a level or increasing death benefit amount with a flexible premium payment
 - Opportunity for tax-deferred cash value accumulation based on a declared interest rate and tax-advantaged distributions
 - Available for non-medical and medically underwritten plans
 - This product would be ideal for a prospect who has a long-term insurance need, desires premium payment flexibility and wants the ability for cash value accumulation



This hypothetical chart assumes premium payments are sufficient to provide the opportunity for cash value accumulation.

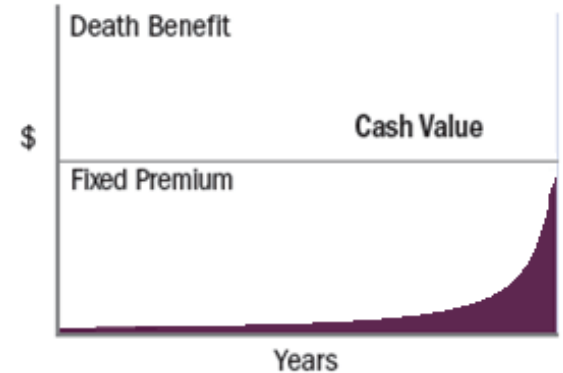
Comparing Foresters product offerings

- Advantage Plus II (Foresters Whole Life Insurance):
 - Offers a death benefit amount and a level premium payment that's guaranteed
 - Ability for potential dividends²
 - Opportunity for tax-deferred cash value accumulation that's guaranteed and tax-advantaged distributions
 - Available for non-medical and medically underwritten plans
 - This product would be ideal for a prospect who has a long-term insurance need, desires a guaranteed level premium payment and wants a minimum cash value growth that's guaranteed, who don't mind paying a higher premium for these guarantees



Comparing Foresters product offerings

- PlanRight (Whole Life Insurance):
 - Offers a death benefit amount and a level premium payment that's guaranteed
 - Opportunity for a small amount of tax-deferred cash value accumulation that's guaranteed and tax-advantage distributions
 - Available for simplified issue only
 - This product would be ideal for a prospect who has a long-term insurance need, has a need for a small amount of death benefit protection or has some health concerns that would not qualify under non-medical plans. Additionally, they're looking for a guaranteed death benefit and level premium payment



Simplified Issue Features

Reviewing the specifics to help assess which product is suitable for your client

Suitability of simplified issue plans

- Clients who are not interested towards submitting to a medical exam, need insurance coverage issued quickly, and/or are looking for lower face amounts, may be an ideal client for simplified issue plans. These plans typically have higher premiums because they are not medically underwritten. Higher premiums reflect the increased risk taken on by the insurer. Your client may be limited to a maximum death benefit amount that is lower than non-medical and medically underwritten plans. Make sure the client determines the amount of coverage they can secure under this type of plan is enough to meet their family's needs based on their financial objectives and resources
- The simplified issue section of this presentation only applies to PlanRight. It does not apply to Your Term, SMART UL, or Advantage Plus II

Simplified issue product details

- Foresters assesses insurability based on answers to the medical and other application questions, and underwriting searches and review. There is also a personal health interview (PHI)

Yes	<ul style="list-style-type: none">MIBPrescription historyPersonal Health Interview (PHI)Build chart
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No	<ul style="list-style-type: none">Medical or paramedical examBlood or urinalysisAPS
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- Underwriting risk classes:
 - Only available for Non-Tobacco (no use of nicotine in past 12 months) or Tobacco
 - Once the certificate is issued, no changes are allowed to the underwriting class

Simplified issue age & death benefit limits:

- PlanRight: Age is calculated based on an age last birthday
 - PlanRight Preferred (level death benefit):
 - Ages 50-80: Death benefit between \$5,000-\$35,000
 - Ages 81-85: Death benefit between \$5,000-\$15,000
 - PlanRight Standard (level death benefit):
 - Ages 50-80: Death benefit between \$5,000-\$20,000
 - Ages 81-85: Death benefit between \$5,000-\$10,000
 - PlanRight Basic (limited graded death benefit):
 - Ages 50-75: Death benefit between \$5,000-\$15,000
 - Ages 76-85: Not Available
- Clients who are seeking coverage amounts that meet the minimum death benefit limits on other Foresters products should be taking those products into consideration for suitability

Simplified issue 3 plan types available:

- PlanRight:
 - PlanRight Preferred (level death benefit): The death benefit³ is based on 100% of the face amount starting day 1
 - PlanRight Standard (level death benefit): The death benefit is based on 100% of the face amount starting day 1
 - PlanRight Basic (limited graded death benefit):
 - Based on return of premium (ROP) + 10% interest⁴ in years 1 and 2
 - If accidental death occurs in year 1 or 2, the death benefit is based on 100% of the face amount
 - The death benefit is based on 100% of the face amount starting in year 3

3. Unearned premium will be added and debt subtracted from the applicable amount in calculating the death benefit. Debt includes each outstanding certificate loan amount and unpaid premium owed.

4. Interest is compounded annually and is accrued on a daily basis from the certificate issue date to the date of death.

Simplified issue underwriting qualification:

- PlanRight:
 - Qualification based on answers to the medical questions in section 2:
 - A “Yes” answer to questions 1-6 means the proposed insured is not eligible for PlanRight coverage
 - A “Yes” answer to questions 7-12 means the proposed insured may be eligible for PlanRight Basic with a graded death benefit
 - A “Yes” answer to questions 13-15 means the proposed insured may be eligible for PlanRight Standard with a level death benefit
 - If all medical questions 1-15 are answered “No”, the proposed insured may be eligible for PlanRight Preferred with a level death benefit
 - If the client qualifies for coverage, based on the medical questions, sign & date the application and proceed to call Apptical. Please make sure to complete the appropriate state application, required state-specific forms and third party payor form if the owner is different than the insured

Simplified issue is not available for the following clients:



- PlanRight:
 - No Social Security Number (SSN) is available
 - Not mentally competent to answer the application questions alone or lacks legal capacity (i.e. cannot legally conduct their own affairs)
 - Unable to complete the PHI by telephone (hearing impaired clients can use TTY or VRS)
 - A “Yes” answer to questions 1-6 within section 2 of the application
 - Previously declined for another Foresters product
 - Outside of the height/weight underwriting guidelines
 - Taking prescribed prescription drugs listed as “not eligible” in the PlanRight Medical Reference Guide
 - Does not have an approved form of identification for the application (approved forms: Driver’s license, Passport or government-issued photo ID card)

Simplified issue requires a Personal Health Interview:



- PlanRight:
 - Call Apptical to conduct the PHI with the client, which is available in English and Spanish:
 - The producer must be physically present with the client to complete the application and conduct the Apptical interview
 - On-the-spot medical eligibility notification will be provided based on factors including the application answers to medical questions, the client's build, the PHI phone interview, MIB, and prescription history check
 - Apptical can be reached at 866-844-9276
 - Hours: M-F 8:30am-2:00am ET/S-S 10am-10pm ET
 - A completed PHI is valid for 45 days after completion

Simplified issue important information:



- Important dates in the application process to highlight:
 - Application date: The application must be dated using the same date on which:
 - The application was completed and signed by the proposed insured; and
 - The PHI was completed
 - Stale-dated application: Regardless of the decision, all applications must be received in the home office within 10 days of the application signed date
 - A signed application is required to have appropriate signed authorization for MIB and IntelliScript searches
 - A producer's ability to sell PlanRight in the future will be affected if all completed applications are not received

Simplified issue important information:

- Important dates in the application process to highlight:
 - Certificate effective date: The certificate is effective on the issue date when the first premium is collected and honored:
 - A future effective date is allowed on certificates within 45 days from the application date
 - Backdating to save age is allowed as follows:
 - Allowed up to 6 months, which requires the collection of additional premium plus 1 month
 - Note: Backdating is not allowed when trying to qualify for coverage due to age limit restrictions for the contract. Additionally, applications cannot be backdated to a date prior to December 8th 2019

Simplified issue important information:

- Multiple certificates are allowed on an insured, with the following caveats:
 - Details must be provided to sufficiently explain the need for the additional certificates
 - The total face amount cannot exceed:
 - The maximum death benefit from your client's initial certificate's approval level; or
 - The maximum cap for the newly-issued underwriting band
 - Application will be canceled if proposed insured had:
 - 2 Foresters certificates within previous 12 months
 - 3 or more Foresters certificates since 2009, which have lapsed, been not taken, surrendered or cancelled
 - Writing producer not licensed to solicit business in the state of solicitation
 - Incorrect version of state application used
 - The PHI was not completed or is more than 45 days old

Non-Medical Features

Comparing the specifics to help assess which product is suitable for your client

Suitability of non-medical plans

- Clients who are not interested in medical exams, need insurance coverage issued quickly and are willing to pay more for this convenience may be an ideal client for non-medical plans. These plans typically have a higher premium required due to the increased risk an insurance carrier takes on by not doing additional medical underwriting. Your client may be limited to a maximum death benefit amount that is lower than medically underwriting plans and may have a higher risk of decline due to limited underwriting (i.e. only up to table 4). Make sure the client determines the amount of coverage they can secure under this type of plan is enough to meet their family's needs based on their financial objectives and resources
- Foresters application for its non-medical products does have more questions required to be answered versus Foresters PlanRight application
- The non-medical section of this presentation applies to Your Term, SMART UL, and Advantage Plus II. It does not apply to PlanRight

Non-medical specifics:

- Foresters relies on applicants answers to the application questions to offer up to \$400,000 in death benefit protection on Your Term, SMART UL and Advantage Plus II

Yes

- MIB
- Prescription history
- Build chart

No

- Medical or paramedical exam
- Blood or urinalysis
- Saliva swab test
- APS
- Routine personal health interviews
- No life events or mortgage requirements

Non-medical underwriting classes, age and death benefit limits:

- Underwriting classes:
 - Non-Tobacco: No use of products with nicotine within the past 12 months
 - Tobacco: Use of any product with nicotine within past 12 months
- Issue age (based on an age nearest birthday) and death benefit limits:

Product	Ages	Minimum D.B.	Maximum D.B.
Your Term	18-55	\$50,000	\$400,000
	56-80	\$50,000	\$150,000
SMART UL	18-55	\$25,000	\$400,000
	56-75	\$25,000	\$150,000
Advantage Plus II	16-55	\$25,000	\$400,000
	56-75	\$25,000	\$150,000

Non-medical issue age limits by term plan:

- Your Term:

Non-Tobacco		Tobacco	
10-year	18-80	10-year	18-80
15-year	18-70	15-year	18-70
20-year	18-65	20-year	18-60
25-year	18-60	25-year	18-55
30-year	18-55	30-year	18-45

Medical Features

Comparing the specifics to help assess which product is suitable for your client

Suitability of medically underwritten plans



- Clients who are interested in completing a paramedical exam to qualify for lower premium requirements or who are in need for higher limits of coverage than what's available with simplified issue and non-medical plans. Fully-underwritten plans typically take longer to process and issue compared to simplified issue and non-medical plans. Clients may run the risk of being declined or rated due to the results of the additional underwriting requirements
- The medical section of this presentation applies to Your Term, SMART UL, and Advantage Plus II. It does not apply to PlanRight

Consider the impact a risk class has on pricing when recommending a product

- Your Term, SMART UL and Advantage Plus II available classes:
 - Non-Tobacco options:
 - Preferred Plus Non-Tobacco: No nicotine use within past 5 years
 - Preferred Non-Tobacco: No nicotine use within past 3 years
 - Non-Tobacco Plus: No nicotine use within past 12 months
 - Non-Tobacco: No nicotine use within past 12 months
 - Tobacco options (nicotine use within past 12 months):
 - Tobacco Plus
 - Tobacco
 - Substandard medical ratings available:
 - Table rating available up to table P
 - Permanent flat extra or temporary flat extra up to \$9.99
 - SMART UL & Advantage Plus II: Please note Preferred Plus, Preferred, Non-Tobacco Plus, and Tobacco Plus are only available with a minimum face amount of \$100,000

Medical age & death benefit limits:

- Age is calculated based on an age nearest birthday for all three products:

Product	Band 1			Band 2	
	Ages	Minimum D.B.	Maximum D.B.	Minimum D.B.	Maximum D.B.
Your Term	18-80	\$100,000	\$999,999	\$1,000,000	No maximum (subject to underwriting approval)
SMART UL	18-70	\$100,000	\$499,999	\$500,000	No maximum (subject to underwriting approval)
	71-75	\$50,000			
	76-85	\$25,000			
Advantage Plus II	16-75	\$50,000	\$499,999	\$500,000	No maximum (subject to underwriting approval)
	76-85	\$25,000			

- Note: Illustration maximum of \$10m; anything over this amount is subject to home office approval

Medical issue age limits by term plan:

- Your Term:

Non-Tobacco		Tobacco	
10-year	18-80	10-year	18-80
15-year	18-70	15-year	18-70
20-year	18-65	20-year	18-60
25-year	18-60	25-year	18-55
30-year	18-55	30-year	18-50

Base Product Features

Comparing the specifics to help assess which product is suitable for your client

Death benefit amount:

- Your Term:
 - Provides for a level death benefit amount, guaranteed for the entire term, that will be reduced by any amounts accelerated under the Accelerated Death Benefit Rider (ABR)⁵
- Smart UL:
 - Two death benefit options available:
 - Level: Equal, at any given time, to the face amount in effect at that time
 - Increasing: Equal, at any given time, to the face amount plus the account value at that time
 - Provides for a death benefit amount (plus account value for increasing D.B.) reduced by any debt (exclusive of all other riders) and by any amounts accelerated under the ABR

The Accelerated Death Benefit Rider provides an option to accelerate a portion of the eligible death benefit and receive a payment. The payment, due to diagnosis of an eligible illness, may be less than the acceleration amount which may be subject to a fee, an actuarial discount amount and other applicable deductions. Payment will decrease certificate values and benefits and may affect eligibility for public assistance programs. Receipt of an accelerated death benefit payment under the rider is intended to qualify for favorable tax treatment under section 101(g) of the Internal Revenue Code (IRC). Specific situations may result in a taxable event. For New York certificates: **This is a life insurance certificate that accelerates the death benefit on account of chronic illness and is not a health insurance certificate providing long term care insurance subject to the minimum requirements of New York Law, does not qualify for the New York State Long Term Care Partnership Program and is not a Medicare supplement certificate** (The Accelerated Death Benefit Rider (For Terminal Illness) does not include acceleration for a chronic illness).

Death benefit amount:

- Advantage Plus II:
 - Base face amount in effect plus (if any), Term Rider coverage, accumulated paid-up additions and/or dividends on deposit, minus debt (exclusive of all other riders) and any amounts accelerated under the ABR. The death benefit ends at age 121

- PlanRight:
 - PlanRight Preferred and Standard plans provide a level death benefit amount that will be reduced by any amounts accelerated under the ABR (For Terminal Illness) and debt. For PlanRight Basic, the death benefit will be return of premium (ROP) + 10% interest in years 1 and 2 and starting in year 3 a level death benefit amount that will be reduced by any amounts accelerated under the ABR (For Terminal Illness) and debt. The death benefit for all 3 plans ends at age 121

Cash value accumulation:

- Your Term:
 - This product does not offer any cash value

- SMART UL:
 - Account value grows on a guaranteed basis using a guaranteed interest rate of 2.0%, and on a non-guaranteed basis using a non-guaranteed interest rate (currently 4.3% as of July 13th, 2019). Non-guaranteed interest rate is subject to change
 - Starting after the first certificate month and up until the insured is 100 years, the account value equals the account value on the last monthly anniversary plus, the net premium received after the last monthly anniversary, the interest accrued after the last monthly anniversary. Then you need to minus the monthly deduction for the next certificate month and the total of all withdrawals made after the last monthly anniversary
 - Please note that the cash surrender value may be less than the account value

Cash value accumulation:

- Advantage Plus II:
 - Cash values are guaranteed on the base coverage. The guaranteed amount varies based on many factors including plan type, gender and tobacco status
 - For paid-up additions, the cash value will be the present value of the paid-up additional insurance

- PlanRight:
 - Cash values are guaranteed. The guaranteed amount varies based on many factors including the plan type, gender and tobacco status

Premium payments:

- Your Term:
 - Premiums are guaranteed and will remain level for the initial term duration. After the initial term duration, it becomes annually renewable with premiums increasing annually
- SMART UL:
 - Premiums are flexible, non-guaranteed, and can be paid to age 100
 - A Minimum Premium is available to provide a ten-year no lapse guaranteed period, even if the cash value is insufficient to cover monthly deductions:
 - To be in effect, on each monthly anniversary during that period, the sum of the premiums paid, must be:
 - At least equal to the sum of the Minimum Premium on the issue date, plus
 - The Minimum Premium on each monthly anniversary from the issue date, including the current monthly anniversary, plus
 - The total of all withdrawals

Premium payments:

- SMART UL: (Minimum Premium continuation)
 - The Minimum Premium varies by the insured's issue age, sex, insurance class, and any ratings (if applicable), and on face amount and rider(s) in effect
 - Amounts paid under the Total Disability Waiver of Monthly Deduction Rider will be included in the determination requirements for meeting the Minimum Premium No-Lapse Guarantee
 - After year ten, payment of an amount more than the Minimum Premium may be required to keep the certificate from lapsing

Premium payments:

- Advantage Plus II:
 - Premiums are guaranteed. This product offers two plan options; 20-pay and Paid to Age 100. The payment option cannot be changed after-issue
 - 20-Pay is not available for issue ages 76-85 and due to the limited pay period, rates per thousand are higher on this option for both the base coverage and certain riders

- PlanRight:
 - Premiums are guaranteed, payable to age 121. This product offers three payment options:
 - Draft immediately, where the premium drafts begin on the certificate issue date
 - Specific date between the 1st and 28th
 - Specific day of the month (“Nth” day process) between Monday and Friday. For example, on the Social Security pay dates of the 2nd, 3rd, or 4th Wednesday of the month

Premium payment limits and modal factors:

- Minimum premium allowed:

Product	Annual	Semi-Annual	Quarterly	Monthly
Your Term	\$120.00	\$60.00	\$30.00	\$10.00
SMART UL	\$300.00	\$150.00	\$75.00	\$25.00
Advantage Plus II	\$300.00	\$150.00	\$75.00	\$25.00
PlanRight	\$100.00	\$50.00	\$30.00	\$10.00

- Modal premium factors:

Product	Annual	Semi-Annual	Quarterly	Monthly
Your Term	1.00	0.51	0.26	0.0875
SMART UL	Not applicable	Not applicable	Not applicable	Not applicable
Advantage Plus II	1.00	0.51	0.26	0.0875
PlanRight	1.00	0.51	0.26	0.0875

1035 exchanges and dump-in payment eligibility:



- Your Term:
 - This product does not allow for 1035 exchange or dump-in payments

- SMART UL:
 - This product does allow for 1035 exchange or dump-in payments. Dump-in payments are allowed at any time, subject to the 7-pay and modified endowment contract (MEC) limits. The definition of life insurance and MEC are important terms to know for this product (Refer to 504621 US Focus on GLP, GSP, CVAT and MEC for additional information)
 - Definition of Life Insurance:
 - Guideline premium test (GPT): Limits premiums paid relative to death benefit
 - Cash value accumulation test (CVAT): Limits cash values relative to death benefit
 - Modified Endowment Contract (MEC): Limits premiums paid relative to the death benefit in the initial 7 years of a contract or 7 years after certain material changes

1035 exchanges and dump-in payment eligibility:

- Advantage Plus II:
 - This product does allow for 1035 exchange but can only be applied towards a single payment under the Paid-up Additions Rider if added at issue. Dump-in payments may be available but only if applied towards the Paid-up Additions Rider (dump-in payments are not allowed on non-medical certificates)
- PlanRight:
 - This product does not allow for 1035 exchange or dump-in payments

Dividend options available:

- Your Term, SMART UL and PlanRight: Dividends are not expected to be paid on these products
- Advantage Plus II:
 - Dividends are not guaranteed and vary by many factors such as gender, band, tobacco, preferred/standard, and plan option. Past dividends are not an indicator of future dividend performance
 - The following are the available options:
 - Paid-up Additions (default selection): This is additional paid-up insurance coverage that is purchased at the insured's then current age using the certificate dividends as a single premium payment. Paid-up additions themselves earn dividends, and the value continues to compound over time or until it ends
 - On deposit with interest, minimum interest rate of 0.5%
 - To reduce required premium outlay
 - Paid in cash

Certificate Fees:

- This fee is already included in the premium calculation
- The certificate fee is fully commissionable on the following products:
 - Your Term Non-Medical certificates only
 - Advantage Plus II
 - PlanRight

Product	Annual	Semi-Annual	Quarterly	Monthly
Your Term	\$70.00	\$35.70	\$18.20	\$6.13
SMART UL	Not applicable	Not applicable	Not applicable	Not applicable
Advantage Plus II	\$72.00	\$36.72	\$18.72	\$6.30
PlanRight	\$36.00	\$18.36	\$9.36	\$3.15

- Note: Your commissions cannot be a factor considered in acting in your client's best interest and making a recommendation

Certificate expenses:

- These expenses only apply to SMART UL as follows:
 - Surrender Charge:
 - Decreasing for 15 years
 - Death benefit increases will receive a new charge for 15 years on the increased portion
 - Premium expense charge:
 - 6% of each premium paid during the first 20 years
 - 0% years 21+
 - Monthly Administration charge of \$12 per month
- Face amount deduction:
 - Charge in first 10 years based on the face amount
 - Face amount increases will receive a charge for 10 years on the increased portion
- Cost of insurance (CSO):
 - Charge for the cost of insurance based on the amount at risk
- Monthly rider deduction(s)

The ability to take certificate loans:

- Your Term: Not applicable on this product
- SMART UL:
 - Available if there is positive cash value within the certificate
 - Maximum Loan amount equals the account value **minus** applicable surrender charges, 3 months deductions and existing loans
 - The certificate is used as security for the loan
 - If death occurs with an outstanding loan, the death benefit payable will be reduced by the loan amount, including any accrued interest
- The loan interest rate is 4% in years 1-7. Please note that preferred loans of 2% are available after the 7th certificate anniversary. The interest on the loan amount is charged daily
- This product does provide a loan collateral credited of 2%
- Certificate terminates if the loan amount and accrued loan interest exceeds the account value. If terminated, the loan will be treated as a distribution from the certificate and may be subject to tax consequences⁶

6. Foresters, their employees and life insurance representatives, do not provide, on Foresters behalf, legal or tax advice. The information given here is merely a summary of our understanding of current laws and regulations. Advise your clients and prospective purchasers to consult their tax or legal advisor.

The ability to take certificate loans:

- Advantage Plus II:
 - This product offers non-direct recognition loans; meaning the full cash value is used to calculate dividends, regardless of the outstanding loan amount
 - Available if there is positive cash value within the certificate
 - The certificate is used as security for the loan
 - The interest rate is Foresters U.S. variable loan rate (set annually), currently 5%. Loan interest accrues daily and is compounded annually
- At any time, the outstanding loan is the balance of any unpaid amount(s) borrowed plus accrued interest. All or part of the loan may be repaid at any time while the certificate is in effect
- If the loan amount exceeds the cash value plus the present value of any PUAs and dividends on deposit amount, the certificate will terminate. If terminated, the loan will be treated as a distribution from the certificate and may be subject to tax consequences
- At death, the death benefit amount payable will be net of any outstanding loans (including accrued interest)

The ability to take certificate loans:

- PlanRight:
 - Available if there is positive cash value within the certificate
 - The certificate is used as security for the loan
 - The interest rate is Foresters variable loan rate (set annually); currently 5%. Loan interest accrues daily and is compounded annually
 - At any time, the outstanding loan is the balance of any unpaid amount(s) borrowed plus accrued interest. All or part of the loan may be repaid at any time while the certificate is in effect
 - The certificate will terminate if the loan amount plus accrued interest exceeds the cash value. If terminated, the loan will be treated as a distribution from the certificate and may be subject to tax consequences
 - At death, the death benefit amount payable will be reduced by any outstanding loans (including accrued interest)

The ability to take withdrawals:

- Your Term and PlanRight: Not applicable on these products
- SMART UL:
 - Withdrawals are available after the 1st certificate anniversary
 - Minimum withdrawal amount: \$500.00
 - Maximum withdrawal amount equals the account value **minus** applicable surrender charges, 3 months deductions, existing loan and a change fee
 - What you need to know about withdrawals:
 - Decreases the account value
 - May be subject to a surrender charge
 - Decreases face amount on level death benefit (remaining face amount must meet minimum face amount limit requirements)
 - Withdrawals may be taxable when the cost basis is exceeded
 - Coverage may lapse if there is insufficient cash value to cover monthly deductions

The ability to take withdrawals:

- Advantage Plus II:
 - In addition to certificate loans, clients can access cash value by surrendering paid-up additions for the equivalent cash value
 - What you need to know about surrendering paid-up additions:
 - Decreases the total death benefit amount as the paid-up additions are removed from the certificate upon surrender
 - The death benefit reduction recalculates the cash value of the PUA/PUAR based on the remaining death benefit amount

Non-forfeiture options:

- Your Term and SMART UL: Not applicable on these products
- Advantage Plus II and PlanRight:
 - 2 non-forfeiture options available, which can be elected within 60 days of the required premium due date
 - Cash surrender: The certificate is terminated for the available cash surrender value
 - Reduced paid-up: The cash surrender value is used as a new single premium payment to purchase the maximum amount of face amount for that premium with no future premiums required
 - This is the default selection if the Automatic Premium Loan provision wasn't selected on the application
 - Minimum face amount of \$1,000. For amounts lower than \$1,000, Foresters may surrender the certificate and pay out the cash surrender value

Automatic Premium Loan (APL) provision:

- Your Term and SMART UL: Not applicable on these products
- Advantage Plus II and PlanRight:
 - This provision allows Foresters to pay the required premium amount through a loan against the cash surrender value of the certificate
 - This feature must be selected when the life application is being completed
 - If an APL occurs on the certificate, the premium payment frequency will automatically change to, if not already, monthly

Surrender options:

- Your Term: Not applicable on this product
- SMART UL:
 - The certificate may be surrendered for its cash value at any time. The outstanding surrender charge will be deducted from the account value when the certificate is surrendered
- Advantage Plus II:
 - The certificate may be surrendered at any time for:
 - Full surrender: Guaranteed cash value plus any paid-up additions and/or accumulated dividends less any outstanding debt
 - Partial surrender: Allowed only from the paid-up additions within the certificate with a minimum partial surrender of \$500
- PlanRight:
 - The certificate may be fully surrendered for its cash surrender value at anytime. No partial surrenders are available on this product

Duration of the grace period:

- Your Term, Advantage Plus II and PlanRight:
 - 31 days from the defaulted premium payment due date
- SMART UL:
 - 61 days from the due date of the defaulted monthly deduction

Certificate lapse:

- Your Term:
 - The certificate will lapse at the end of the 31st day of the grace period if the unpaid total premium has not been received by that day
- SMART UL:
 - The certificate will lapse at the end of the 61st day of the grace period in which the cash value is less than the monthly deductions or the Minimum Premium payment (as required under the 10-year No-Lapse Guarantee) are not met
- Advantage Plus II and PlanRight:
 - Subject to non-forfeiture and automatic premium loan provisions, the certificate will lapse without cash surrender value at the end of the 31st day of the grace period, if the unpaid total premium has not been received by that day

Certificate reinstatement:

- Your Term:
 - Within 3 years of the date of lapse subject to evidence of insurability, payment of all unpaid premiums, interest on unpaid premiums (not to exceed 6%)
 - SMART UL:
 - Within 3 years of the date of lapse subject to evidence of insurability, premium payments that would have been required to keep the certificate in effect during the grace period plus enough premiums to keep the certificate from going into the grace period for 3 months after reinstatement
- Advantage Plus II:
 - Within 3 years of the date of lapse subject to evidence of insurability, payment of all unpaid premiums, interest on unpaid premiums (not to exceed 6%), any existing debt and accrued debt interest (interest on loans will not exceed Foresters variable loan rate in effect at the time of reinstatement)

Certificate reinstatement:

- PlanRight:
 - Within 3 years of the date of lapse, subject to evidence of insurability
 - Two reinstatement options are available:
 - Maintaining the original issue date, which requires payment of all unpaid premiums, interest on unpaid premiums (not to exceed 6%), any existing debt and accrued interest (interest on loans will not exceed Foresters variable loan rate in effect at the time of reinstatement)
 - Re-date of the insurance contract, which requires payment of one modal premium. This option is available within a year of lapse, if lapse occurred during the first year. The insurance contract is reinstated with a new issue date, which may affect issue age and premium requirements. This option is not available if the insured is past the maximum allowed issue age of the product
- Note: For all four products, reinstatement is not available if the certificate was is cancelled, surrendered or terminated

Allowed certificate changes to enforce business:



- Your Term:
 - Allowed changes:
 - Change to the payment mode
 - Insurance class changes from Tobacco to Non-Tobacco subject to underwriting approval
 - Face amount decreases (subject to plan face amount minimum) if then permitted by Foresters
 - Riders may be removed or decreased
 - Disallowed changes:
 - Face amount and rider increases
 - Insurance class changes other than what was mentioned above
 - Riders may not be added

Allowed certificate changes to enforce business:



- SMART UL:
 - Allowed changes:
 - Change to the payment mode
 - Insurance class changes from Tobacco to Non-Tobacco subject to underwriting approval
 - The death benefit option may be changed at any time after the first certificate anniversary (subject to plan face amount minimums and maximums)
 - Face amount increases or decreases (subject to plan face amount minimums and maximums)
 - Riders may be removed or decreased
 - Disallowed changes:
 - Insurance class changes other than what was mentioned above
 - Riders may not be added

Allowed certificate changes to enforce business:



- Advantage Plus II:
 - Allowed changes:
 - Change to the payment mode
 - Insurance class changes from Tobacco to Non-Tobacco subject to underwriting approval
 - Base face amount decreases (subject to plan face amount minimum)
 - Riders may be removed or decreased
 - Disallowed changes:
 - Base face amount increases
 - Insurance class changes other than what was mentioned above
 - Riders may not be added

Allowed certificate changes to enforce business:



- PlanRight:
 - Allowed changes:
 - Change to the payment mode
 - Base face amount decreases (subject to plan face amount minimum)
 - Riders may be removed or decreased
 - Disallowed changes:
 - Base face amount increases
 - Plan type changes between Preferred, Basic and Standard
 - Insurance class change from Tobacco to Non-Tobacco
 - Riders may not be added

Certificate change fee:

- Your Term, Advantage Plus II and PlanRight: Not applicable to these products
- SMART UL:
 - A change fee of \$25 per transaction is required for the following changes:
 - Withdrawals
 - Inforce illustrations in excess of 1 per year
 - Face amount decrease
 - Rider cancellations or decreases
 - Change in tobacco status

Illustration requirements with an application submission:



- Your Term and PlanRight: Not applicable to these products
- SMART UL and Advantage Plus II:
 - A client signature is required on one of the following two options to be able to issue a certificate once a case is approved:
 - Illustration certification form
 - Signed illustration matching the product as applied for

Charity Benefit provision:

- PlanRight: Not applicable to this product
 - Your Term, SMART UL and Advantage Plus II:
 - Contractual provision is automatically included, for no additional premium
 - When a claim is paid to the beneficiaries, Foresters will pay 1% of the face value to an eligible designated registered charitable organization:
 - Maximum payment under provision: \$100,000
 - Not reduced by any ABR claims
- Beneficiaries:
 - Must be classified with the IRS as a charity under section 501(c)(3) of the Internal Revenue Code and eligible to receive charitable contributions as defined in section 170(c) of the Code
 - Must be named prior to the death of the insured
 - Multiple beneficiaries may be named and they can be changed at any time prior to the death of the insured

Rider Features

Comparing the specifics to help assess which product is suitable for your client

Available Riders:

- The following rider is automatically included at no additional premium or monthly deduction:

Rider Name	Your Term	SMART UL	Advantage Plus II	PlanRight
Following riders automatically included for no additional premium or monthly deduction:				
Accelerated Death Benefit Rider	Yes	Yes	Yes	Yes (Terminal Illness only for Preferred & Standard)

Accelerated Death Benefit Rider

- Included on the following Foresters products automatically at no additional premium or monthly deduction:
 - Your Term
 - SMART UL
 - Advantage Plus II
 - PlanRight

Accelerated Death Benefit Rider

- Rider description:
 - Your Term, SMART UL and Advantage Plus II:
 - Provides the certificate owner the option to accelerate a portion of the death benefit and possibly receive a payment due to diagnosis of Chronic, Critical or Terminal Illnesses
 - Note: Depending on the rider version issued, one or more of the above illnesses may be included
 - The certificate owner can use the payment for any purpose such as to partially cover costs associated with the treatment of their chronic, critical, or terminal illness. The rider is not long-term care insurance and is not intended to be long-term care insurance
 - ABR is available on NB sales only, this rider will not be available on term conversions

Accelerated Death Benefit Rider



- Rider description:
 - PlanRight (For Terminal Illness):
 - Only available on PlanRight Preferred and Standard plans
 - Provides the certificate owner the option to accelerate a portion of the death benefit and possibly receive a payment due to diagnosis of a Terminal Illness
 - The certificate owner can use the payment for any purpose such as to partially cover costs associated with the treatment of their terminal illness. The rider is not long-term care insurance and is not intended to be long-term care insurance
 - ABR for Critical and Chronic Illness are not available on PlanRight

Accelerated Death Benefit Rider

- Qualifying event for Chronic Illness⁷:
 - Your Term, SMART UL and Advantage Plus II:
 - Either situation below may be eligible under Chronic:
 - Has been certified by a licensed health care practitioner as being unable to perform, without substantial assistance from another person, at least two of the activities of daily living for a period of at least 90 days, due to a loss of functional capacity; or
 - Requires substantial supervision by another person to protect the insured from threats to health and safety due to the insured's severe cognitive impairment. The chronic illness must be diagnosed as requiring continuous care for the remainder of the insured's life, in an eligible facility or at home, according to a plan of care for the insured at the time of certification
 - PlanRight: Not applicable on this product

Accelerated Death Benefit Rider

- Qualifying event for Critical Illness⁸:
 - Your Term, SMART UL and Advantage Plus II:
 - The following illnesses may be eligible under Critical Illness (refer to the rider for definitions) if the insured has been certified by a physician as:
 - Life threatening (Invasive) cancer
 - Myocardial Infarction (heart attack)
 - Stroke
 - End stage renal failure (kidney failure)
 - Major organ failure
 - PlanRight: Not applicable on this product

Accelerated Death Benefit Rider



- Qualifying event for Terminal Illness⁹:
 - Your Term, SMART UL, Advantage Plus II, and PlanRight: Diagnosed with a non-correctable illness or physical condition which is reasonably expected to result in death within 12 months of diagnosis

- Minimum face amount requirements:
 - Your Term: \$50,000
 - SMART UL: \$25,000
 - Advantage Plus II: \$25,000
 - PlanRight: \$5,000

9. Note: All conditions require medical verification

Accelerated Death Benefit Rider

- Rider eligibility:
 - Critical and Chronic Illnesses:
 - Your Term, SMART UL, and Advantage Plus II: Available for insured with issue ages of age 75 or younger and the minimum risk class must be standard or better (no substandard ratings are available)
 - PlanRight: Not applicable to this product
 - Terminal Illness: Available for all ages and for standard and substandard risk classes
- Acceleration of benefits:
 - Minimum face amount that can be requested for acceleration is:
 - Your Term, SMART UL, and Advantage Plus II: \$4,500
 - PlanRight: \$2,000

Accelerated Death Benefit Rider

- Maximum accelerated amount requested can be:
 - Chronic Illness:
 - Your Term, SMART UL, and Advantage Plus II: In any 12-month period, you can request acceleration of up to 24% of the death benefit, with a maximum amount paid over their illness being the lesser of: 95% of eligible death benefit or \$500,000
 - PlanRight: Not applicable to this product
 - Critical Illness:
 - Your Term, SMART UL, and Advantage Plus II: The insured can request acceleration of up to the lesser of: 95% of eligible death benefit or \$500,000
 - PlanRight: Not applicable to this product

Accelerated Death Benefit Rider



- Terminal Illness:
 - Your Term, SMART UL, and Advantage Plus II: The insured can request acceleration of up to the lesser of: 95% of eligible death benefit or \$500,000. Note: There is only one payment allowed and the rider will terminate after payment
 - PlanRight: The insured can request acceleration up to the lesser of: 95% of eligible death benefit or \$35,000. Note: There is only one payment allowed and the rider will terminate after payment
- Residual face amount requirements:
 - The benefit amount is subject to maintaining a residual face amount:
 - Your Term, SMART UL, and Advantage Plus II: \$10,000
 - PlanRight: \$2,000

Accelerated Death Benefit Rider

- ABR payment:
 - Critical and Chronic Illness:
 - Your Term, SMART UL, and Advantage Plus II: The payment will be reduced by an actuarial discount (based on a series of factors including age, gender, rating class, interest rates, mortality tables, present value tables, etc.), any outstanding loans on the certificate and an administration fee (currently \$300). This means the payment will be less than the acceleration amount and, depending on the circumstances of the claim, could be substantially less than the acceleration amount
 - PlanRight: Not applicable on this product
 - Terminal Illness:
 - Your Term, SMART UL, Advantage Plus II and PlanRight: The payment made under this rider will reduce the face amount and other values within the certificate proportionally. There is no actuarial discount or administration fees for terminal illness claims

Accelerated Death Benefit Rider

- ABR payment:
 - Payment made under the rider will reduce the face amount and other values within the certificate. It's important to note that the amount of the reduction within the certificate will likely be greater than the actual payment amount received
 - In some cases, the accelerated death benefit payment can affect eligibility for public assistance programs and trigger unfavorable tax consequences; owner should check with a tax advisor before making a claim

Available Riders:

- The following riders require additional premium or monthly deductions. In the state of NY, these riders cannot be added after issue:

Rider Name	Your Term	SMART UL	Advantage Plus II	PlanRight
Following riders require additional premium or monthly deduction:				
Accidental Death Rider	Yes	Yes	Yes	Yes (Preferred plan only)
Children's Term Rider	Yes	Yes	Yes	N/A
Total Disability Waiver of Premium Rider	Yes	N/A	Yes	N/A
Total Disability Waiver of Monthly Deduction Rider	N/A	Yes	N/A	N/A
Guaranteed Insurability Rider	N/A	N/A	Yes	N/A
Paid-up Additions Rider	N/A	N/A	Yes	N/A
10 & 20- Year Term Riders	N/A	N/A	Yes	N/A

Accidental Death Rider

- Optional on the following Foresters products:
 - Your Term
 - SMART UL
 - Advantage Plus II
 - PlanRight

- Rider description:
 - Provides additional coverage on the insured for an accidental death due to, and occurring within 180 days of, an accidental bodily injury directly and independently from other causes while this rider is in effect

Accidental Death Rider

- Issue age:

- Your Term:

Plan	Non-Tobacco	Tobacco
10/15/20-year	18-60	18-60
25-year	18-60	18-55
30-year	18-55	18-50 (45 for Non-Medical)

- SMART UL:

- Ages 18-60

- Advantage Plus II:

- Ages 16-60

- PlanRight: Only available on PlanRight Preferred

- Ages 50-80

Accidental Death Rider

- Issue amounts:
 - Your Term:
 - Minimum amount of \$10,000
 - Maximum amount of 100% of the base certificate face amount subject to a maximum of \$300,000 of accidental death coverage across all Foresters certificates
 - SMART UL and Advantage Plus II:
 - Minimum amount of \$25,000
 - Maximum amount of 100% of the base certificate face amount subject to a maximum of \$300,000 of accidental death coverage across all Foresters certificates
 - PlanRight: Only available on PlanRight Preferred
 - Minimum amount of \$5,000
 - Maximum amount of 100% of the base certificate face amount subject to a maximum of \$300,000 of accidental death coverage across all Foresters certificates

Accidental Death Rider

- Rider expiry:
 - Your Term:
 - The rider expiry date will be on whichever event occurs first: the end of the initial term period or the certificate anniversary on which the insured is age 70
 - SMART UL and Advantage Plus II:
 - The rider expiry date will be the certificate anniversary on which the insured is age 70
 - PlanRight: Only available on PlanRight Preferred
 - The rider expiry date will be the certificate anniversary on which the insured is age 121

Children's Term Rider

- Optional on the following Foresters products:
 - Your Term
 - SMART UL
 - Advantage Plus II

- Rider description:
 - Provides level term life insurance for each child listed on the application, who is 15 days or older on application date, has not reached their 18th birthday at issue of the rider and has not been excluded by Foresters
 - A child is no longer covered at the earliest of: The child's 25th birthday, the conversion date of the child's coverage or the rider expiry date
 - Coverage will be extended to each person who becomes a child of the insured while this rider is in effect. That child must be at least 15 days old and has not reached their 18th birthday

Children's Term Rider

- Underwriting eligibility:
 - Complete the Children's Term Rider Questions section within the application
 - Evidence of insurability resides with the answers provided within the Child Term Rider Question section of the application
 - NY rules limit insurance coverage on a child under age 14½. The CTR application page includes question(s) concerning other coverage in force on each child. If the total amount of coverage on any child listed on the CTR application (including the amount being applied for) exceeds the limit, that child will be excluded from coverage or the rider will be declined. The limits are as follows:
 - Child < age 4.5: maximum amount = greater of \$50,000 or 25% of the total coverage in existence on the proposed adult insured on the base certificate
 - Child age 4.5 < 14.5: maximum amount = greater of \$50,000 or 50% of the total coverage in existence on the proposed adult insured on the base certificate

Children's Term Rider

- Eligible children:
 - The biological child of the insured
 - Legally adopted by the insured
 - A step-child of the insured as a result of and during the insured's legal, as defined by the laws of the state governing, marriage or civil union to the parent of that child, or
 - Under the legal guardianship of the insured

Children's Term Rider

- Issue age (age nearest birthday):

- Your Term (based on the insured's life):

Plan	Non-Tobacco	Tobacco
10/15/20/25-year	18-55	18-55
30-year	18-55	18-50 (45 for Non-Medical)

- SMART UL:

- Ages 18-55 (based on the insured's life)

- Advantage Plus II:

- Ages 16-55 (based on the insured's life)

Children's Term Rider

- Benefit Amount:
 - Your Term, SMART UL, and Advantage Plus II:
 - Benefit Amount (increments of \$1,000 allowed):
 - Minimum amount of \$10,000
 - Maximum amount of \$25,000
- Rider expiry date:
 - Your Term: The rider expiry date will be the earlier of the end of the initial term period or the certificate anniversary on which the insured is age 65
 - SMART UL and Advantage Plus II: The rider expiry date will be the certificate anniversary on which the insured is age 65

Total Disability Waiver of Premium Rider

- Optional on the following Foresters products:
 - Your Term
 - Advantage Plus II
- Rider description:
 - The rider waives the total premium due on the certificate in the event of the insured being totally disabled while the rider is in effect, following a continuous 6-month period of total disability. It insures against total disability from one's own occupation for 24 months and total disability from any occupation thereafter. The required premium for the rider will remain level for the life of the rider and can be added to insureds who have substandard ratings on fully underwritten cases
- Rider expiry date:
 - The rider expiry date is the certificate anniversary on which the insured is age 65

Total Disability Waiver of Premium Rider

- Eligibility:
 - Issue ages:

- Your Term:

Plan	Non-Tobacco	Tobacco
10/15/20/25-year	18-55	18-55
30-year	18-55	18-50 (45 for Non-Medical)

- Advantage Plus II:
 - Ages 16-55

Total Disability Waiver of Premium Rider

- Waiving Monthly Premium:
 - If the total disability begins prior to the certificate anniversary on which the insured is age 60, the premium will continue to be waived until the earlier of:
 - Date when insured is no longer totally disabled
 - Date certificate is no longer in effect
 - If the total disability begins on or after the certificate anniversary on which the insured is age 60, premium will continue to be waived until the earlier of:
 - Date when insured is no longer totally disabled
 - Certificate anniversary on which the insured is age 65
 - Date certificate is no longer in effect

Total Disability Waiver of Monthly Deduction Rider



- Optional on the following Foresters product:
 - SMART UL
- Rider description:
 - The rider pays the monthly deduction, in effect at that time, should the insured become totally disabled. It insures against total disability from one's own occupation for 24 months and total disability from any occupation thereafter
- Eligibility
 - Issue age is 18-55. To qualify for this benefit, the insured must be totally disabled (as defined in the rider) for a continuous period of at least 6 months
- Rider expiry date: The rider expires on the certificate anniversary on which the insured is age 65

Total Disability Waiver of Monthly Deduction Rider



- Waiving Monthly Deductions:
 - If the total disability begins prior to the certificate anniversary on which the insured is age 60 and the insured is continuously totally disabled after the rider expiry, the benefit continues until earlier of:
 - a) The date the insured is no longer totally disabled
 - b) The certificate anniversary on which the insured is age 100
 - c) The day that the certificate is no longer in effect
 - If the total disability begins on or after the certificate anniversary on which the insured is age 60 and the insured is continuously disabled after the rider expiry, the benefit continues until the earlier of:
 - a) The date when the insured is no longer totally disabled
 - b) Insured is age 65
 - c) The day the certificate is no longer in effect

Guaranteed Insurability Rider

- Optional on the following Foresters product:
 - Advantage Plus II

- Rider description:
 - Provides the owner the ability to purchase additional insurance coverage without evidence of insurability during specific times:
 - Additional insurance coverage is available on the certificate anniversary on which the insured is age 25, 28, 31, 34, 37 and 40
 - An option date may be moved forward to 90 days after one of the following key life events: marriage, birth or adoption of a child
 - Note: The next option age is skipped when additional insurance is triggered for one of the above life events

Guaranteed Insurability Rider

- Underwriting eligibility:
 - Available for ages 0-37 and only available at the time of issue. Premium payments required for the new certificate for each increase exercised, will be based on the insured's current age using the available rates in use at the time of the option exercise date

- Exercising Benefit Increase:
 - Each exercised option will require a new certificate to be issued for the additional coverage amount elected. The insured may increase the coverage amount by the lesser of the total coverage amount, or \$50,000

- Rider expiry:
 - This rider expires on the certificate anniversary on which the insured is age 40

Paid-up Additions Rider

- Optional on the following Foresters product:
 - Advantage Plus II
- Rider description:
 - Provides the owner of the certificate the opportunity to purchase paid-up additional insurance on the life of the insured
 - There are no premiums associated with the rider, however, a 6% payment expense charge is deducted from each payment accepted
 - This coverage is permanent participating whole life insurance that offers cash value accumulation and endows at age 121

Paid-up Additions Rider

- Issue ages (age nearest birthday):
 - 20 Pay: Issue ages 18-75
 - Paid-up at 100: Issue ages 18-75

- Premium payments made to this rider are allowed up to:
 - The lesser of 25 years or to age 80 for ages 18-73
 - The lesser of 7 years or to age 82 for ages 74-75

Paid-up Additions Rider

- Non-medical coverage amounts (only available as a single premium payment coming from a 1035 exchange):
 - Minimum premium payment amount allowed is \$600
 - Maximum premium payment and coverage amount allowed:
 - Subjected to a maximum of the lesser of \$200,000 and is inclusive of all Paid-Up Additions Riders (PUAR) on the insured
 - Maximum premium payment allowed is also based on the face amount a single payment will purchase, subject to the total inforce coverage on the insured:
 - Issue ages 18-55: \$400,000 minus the face value of the base certificate plus the term rider, plus any other non-medical coverage currently inforce with Foresters
 - Issue ages 56-75: \$150,000 minus the face value of the base certificate plus the term rider, plus any other non-medical coverage currently inforce with Foresters

Paid-up Additions Rider

- Medically underwritten coverage amounts (available on both plan options):
 - Minimum premium payment amount allowed is:
 - Single premium payment: \$600
 - Flexible premium payment: \$50 per payment
 - Maximum premium payment and coverage amount allowed:
 - The maximum payment is the amount approved for at the time of underwriting, subject to a maximum of \$200,000. The maximum lifetime premium payment is \$2,000,000, inclusive of all premium payments made under any Foresters Paid-up Additions Riders (PUAR) on the insured

Paid-up Additions Rider

- Medically underwritten coverage amounts (available on both plan options):
 - If payments haven't been maximized, then the reset rules are as follows:
 - 5th anniversary: The maximum annual premium payment amount will be reduced to equal the average annual payment (including catch-up payments) made in the first five years
 - 10th anniversary: The maximum annual payment amount will be reduced to equal the average annual payment (including catch-up payments) made in years six through ten
 - 11th anniversary and thereafter: The maximum annual payment amount will be reduced to equal the total payment made in the previous year

Paid-up Additions Rider

- Rider expiry
 - Single Payment Rider: The rider expires on the date the payment is accepted or 60 days after the issue date of the rider (whichever occurs first). However, Foresters may accept payments arriving later than 60 days after the rider issue date if delay is not the fault of the Owner
 - Flexible Payment Rider: This rider expires as follows:
 - For ages 18-73, the earlier of 25 years after the rider issue date or the certificate anniversary on which the insured is age 80
 - For ages 74-75, the lesser of 7 years or age 82
 - For all issue ages, the rider will expire if the base premium is either not paid or is paid by automatic premium loan (APL), or if the certificate becomes reduced paid-up insurance

10-Year Term Rider

- Optional on the following Foresters product:
 - Advantage Plus II
- Rider description:
 - Provides level term life insurance with a level premium for 10 years
 - Following the end of the initial term period, the term coverage becomes annually renewable until whichever occurs first: 10 years or the certificate anniversary on which the insured is age 65
 - Provides the owner the ability to convert the term coverage to permanent coverage without evidence of insurability until whichever occurs first: The end of the initial term period, less 5 years or the certificate anniversary on which the insured is age 65

10-Year Term Rider

- Rider eligibility:
 - Available for:
 - 20 Pay: Issue ages 45-75
 - Paid-up at 100: Issue ages 18-75
 - Rider expires on the latter of, 20-years after the issue date or, the certificate anniversary on which the insured is age 65
 - Allowed changes on inforce rider:
 - Coverage amount can be decreased
 - Change from a tobacco rating to non-tobacco rating
 - Termination of the rider at any point

10-Year Term Rider

- Non-Medical Option:
 - Coverage amounts:
 - Minimum coverage amount is \$10,000
 - Maximum coverage is:
 - For issue ages 18-55: \$400,000 minus the face value of the certificate plus any paid-up additions purchased under the single payment PUA Rider, plus any other Foresters non-medical coverage that is currently inforce
 - For issue ages 56-75: \$150,000 minus face value of the certificate plus any paid-up additions purchased under the single payment PUA Rider, plus any other Foresters non-medical coverage that is currently inforce
 - Banding: No banding is available with non-medical plans
 - Underwriting classes: Non-Tobacco and Tobacco

10-Year Term Rider

- Medical Option:
 - Coverage amounts:
 - Minimum coverage amount is \$10,000
 - Maximum coverage amount will be 12 times the base certificate amount (Example: \$100,000 base amount * 12 = \$1,200,000 term limit)
 - Banding:
 - Band 1: \$10,000-\$499,999
 - Band 2: \$500,000
 - Underwriting classes:
 - Non-Tobacco: Preferred Plus, Preferred, Non-Tobacco Plus, and Non-Tobacco
 - Tobacco: Tobacco Plus and Tobacco
 - Substandard medical ratings are available (table rating available up to table P and permanent flat extra or temporary flat extra up to \$9.99)

20-Year Term Rider

- Optional on the following Foresters product:
 - Advantage Plus II
- Rider description:
 - Provides level term life insurance with a level premium for 20 years
 - Following the end of the initial term period, the term coverage becomes annually renewable until whichever occurs first: 10 years or the certificate anniversary on which the insured is age 75
 - Provides the owner the ability to convert the term coverage to permanent coverage without evidence of insurability until whichever occurs first: The end of the initial term period, less 5 years or the certificate anniversary on which the insured is age 65

20-Year Term Rider

- Rider eligibility:
 - Available for:
 - 20 Pay: Rider is not available on this plan
 - Paid-up at 100: Issue ages 18-65 (18-60 for Tobacco Plus and Tobacco)
 - Rider expires the latter of 30-years after the issue date or the certificate anniversary on which the insured is age 75
 - Allowed changes on inforce rider:
 - Coverage amount can be decreased
 - Change from a tobacco rating to non-tobacco rating
 - Termination of the rider at any point

20-Year Term Rider

- Non-Medical Option:
 - Coverage amounts:
 - Minimum coverage amount is \$10,000
 - Maximum coverage is:
 - For issue ages 18-55: \$400,000 minus the face value of the certificate plus any paid-up additions purchased under the single payment PUA Rider, plus any other Foresters non-medical coverage that is currently inforce
 - For issue ages 56-75: \$150,000 minus face value of the certificate plus any paid-up additions purchased under the single payment PUA Rider, plus any other Foresters non-medical coverage that is currently inforce
 - Banding: No banding is available with non-medical plans
 - Underwriting classes: Non-Tobacco and Tobacco

20-Year Term Rider

- Medical Option:
 - Coverage amounts:
 - Minimum coverage amount is \$10,000
 - Maximum coverage amount will be 12 times the base certificate amount (Example: \$100,000 base amount * 12 = \$1,200,000 term limit)
 - Banding:
 - Band 1: \$10,000-\$499,999
 - Band 2: \$500,000
 - Underwriting classes:
 - Non-Tobacco: Preferred Plus, Preferred, Non-Tobacco Plus, and Non-Tobacco
 - Tobacco: Tobacco Plus and Tobacco
 - Substandard medical ratings are available (table rating available up to table P and permanent flat extra or temporary flat extra up to \$9.99)

Additional requirements

What producers need to know

Additional Requirements:



- Your Term:
 - One copy of the following form must be left with the owner and one submitted to Foresters: 105348 NY 05/11: Preliminary Statement of Policy Cost and Benefit Information
 - The following is required to be delivered for all medical cases in New York: DCI/Life AMENDMENT (OF65)
 - If the certificate cover page shows the certificate state governing *is not* NY, it cannot be delivered in NY. If the certificate cover page shows the certificate state governing *is* NY, it must be delivered in NY

Additional Requirements:

- SMART UL and Advantage Plus II:
 - Certificate issued as a result of a term conversion, a special endorsement (ENDR-COV-NYOR01-98) will be attached to the new certificate ENDR-COV-NYOR01-98
 - The following is required to be delivered for all medical cases in New York: DCI/Life AMENDMENT (OF65)
 - If the certificate cover page shows the certificate state governing *is not* NY, it cannot be delivered in NY. If the certificate cover page shows the certificate state governing *is* NY, it must be delivered in NY

Additional Requirements:

- PlanRight:
 - One copy of the following form must be left with the client and one submitted to Foresters: 105347 NY 12/19: Preliminary Statement of Policy Cost and Benefit Information
 - Conditional receipt is only valid if a check is submitted with the application
 - Certificate issued as a result of a term conversion, a special endorsement (ENDR-COV-NYOR01-98) will be attached to the new certificate ENDR-COV-NYOR01-98
 - If the certificate cover page shows the certificate state governing *is not* NY, it cannot be delivered in NY. If the certificate cover page shows the certificate state governing *is* NY, it must be delivered in NY

Additional Requirements:

- Two forms to consider in the transaction process:
 - Suitability form:
 - The form is required for:
 - All new business submissions to Foresters
 - Post-issue changes to the certificate that meets each of the following:
 - a) recommended by a producer
 - b) not permitted by the certificate but allowed pursuant to our administrative rules, which at this time is only reinstatement with re-date, and
 - c) is a commissionable event to the producer

Additional Requirements:

- Post-Issue Sales Transaction Certificate of Compliance form:
 - Is required for post-issue changes to the certificate that meets each of the following:
 - a) recommended by a producer
 - b) that is permitted by the certificate, and
 - c) is a commissionable event
 - Examples include: Conversions and reinstatements if commission will be paid or a reversal of a commission clawback in relation to these transactions
 - See instructions accompanying the Certificate of Compliance
 - Note: For the Post-Issue Sales Transaction Certificate of Compliance form, if no recommendation was made, a producer must still complete Part A of the Post-Issue Sales Transaction Certificate of Compliance form identifying why no recommendation was made, sign and submit to Foresters

Additional Requirements:

- Neither the Suitability form or Post-Issue Sales Transaction Certificate of Compliance form is required for:
 - Post-issue changes permitted by the certificate for which there is no commissionable event
 - Examples include:
 - Loans, surrenders or withdrawals
 - Decrease in coverage
 - Removing a rider
 - Bank account changes
 - Corrections to date of birth
 - Name/address changes
 - Change in modal premium
 - Premiums in advance
 - Additional premium payments, unless it is in relation to an underlying transaction

Disclaimer

Foresters products and riders are subject to eligibility requirements, underwriting approval, limitations, contract terms and conditions and state variations. Refer to the applicable Foresters contract for your state for these terms and conditions. These products are underwritten by The Independent Order of Foresters.

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The information contained in this presentation is for informational purposes only. There are other tools available to support your learning needs. You must ensure that you correctly represent, to a customer or prospect, the product features based on the actual wording of the applicable certificate and riders.

Thank you

Any questions?

- Our Foresters Financial Sales Support team is only a call away, 866-466-7166, option 1
- If you're looking for a deeper dive on a particular module please let us know at USLearning@foresters.com

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