



Forester Passport Universal Life Insurance

Product and riders may not be available in all states.

► Producers Guide

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Forester Passport Universal Life Insurance

Overview

Forester Passport Universal Life Insurance is a permanent, cash value form of life insurance offered by Foresters intended for those individuals seeking protection for a lifetime.

Forester Passport allows the insured considerable flexibility in making coverage changes as life needs change. Depending upon individual circumstances, the insured may be able to:

- change the death benefit and planned premium, within underwriting guidelines,
- add extra premium to get an accelerated cash value build-up, within guidelines,
- obtain cash for personal or emergency needs through withdrawals or certificate loans,
- skip paying a premium or pay less premium than planned,
- add additional coverage for the primary insured or family members by way of riders (at additional cost), or
- provide some protection against significantly adverse future Cost of Insurance charges or interest rates (Secondary Guarantee Rider).

Forester Passport also offers important guarantees to help ensure that the certificate will stay in force, based upon premiums paid as described below.

This Producers Guide highlights important features of Forester Passport. However, there are limitations and conditions relating to the flexibility of the product. The certificate and riders issued to a member are considered the final authority on coverage provisions. Be sure to review the specimen certificate and riders provided.

Additionally, it is important to recognize the variations in the contract that arise due to state regulatory requirements. This guide provides information about the general version of the contract. Be sure to familiarize yourself with any variations that are applicable in your state.

Foresters, their agents, and employees do not give legal or tax advice. The tax information given in this Guide is merely a summary of our understanding of current laws and regulations. You should recommend that clients contact their own tax or legal advisors in response to any questions on tax related matters.

Death Benefit Options

Forester Passport offers two death benefit options:

Level Insured Amount	Insured Amount Plus Account Value
<ul style="list-style-type: none"> • The death benefit is the Insured Amount specified in the Certificate Specifications. 	<ul style="list-style-type: none"> • The death benefit is the Insured Amount specified in the certificate <i>plus</i> the Account Value at the time of the insured's death. • The COI charges will be higher than those under the Level Insured Amount option because the Net Amount at Risk remains level.
<ul style="list-style-type: none"> • Those who have level insurance needs or are looking to minimize their future COI costs generally favor this Death Benefit option. 	<ul style="list-style-type: none"> • Individuals who wish to establish an increasing death benefit often select this option. However, it should be noted that the death benefit increases only if the Account Value increases.

Advanced Ages – Forester Passport does not have a maturity date. The certificate may stay in effect until the death of the insured, even if that occurs after age 100. In most states the full death benefit, according to the selected option, continues. In some states, the death benefit is reduced to the amount of the Cash Value at the Certificate Anniversary nearest age 100.

Account Value

On the certificate Issue Date, the insured's Account Value is equal to the first premium paid minus the Monthly Deduction for the first certificate month. Each Monthly Deduction includes the Cost of Insurance for the certificate, the cost of any riders, a \$5.00 certificate administration fee, and the Insured Amount Deduction which is a per \$1000 expense load as detailed in the certificate.

From the Issue Date, until the insured attains age 100, the Account Value will equal:

	The Account Value on the last Monthly Anniversary,
plus	premium received since the last Monthly Anniversary,
plus	interest accrued since the last Monthly Anniversary,
plus	Loyalty Bonus accrued since the last Monthly Anniversary,
minus	(on a Monthly Anniversary) the Monthly Deduction for the next Certificate Month,
minus	the total of all withdrawals since the last Monthly Anniversary.

Advanced Ages – Should the Life Insured attain age 100, no further deductions for COI or administration will be made for coverage under the base certificate. Additionally, no premium payments will be permitted.

It is important, however, to consider the interaction of any remaining riders. For example, a Spouse Rider may still be in force, and would thus require a Monthly Deduction. Because no premiums are permitted after age 100, the cost of the rider should be considered in determining whether or not the certificate will remain in effect. Options to consider are to terminate the rider, convert it during the conversion period or to pay enough premiums before age 100 to ensure the certificate stays in effect until rider expiry.

Further, it is also important to consider the effect of any outstanding loans at age 100. Again, because no premiums are permitted, it is important to review the possible effects of additional loans being taken to pay the interest on the outstanding loan. The loans taken to pay interest could cause the certificate to lapse after age 100.

After the Life Insured reaches age 100, the Account Value will equal:

	The Account Value on the last Monthly Anniversary,
plus	interest accrued since the last Monthly Anniversary,
plus	Loyalty Bonus accrued since the last Monthly Anniversary,
minus	the Monthly Deduction for any Riders then in effect,
minus	the total of all withdrawals since the last Monthly Anniversary.

Cost Of Insurance (COI)

The yearly renewable term Cost of Insurance (COI) rates stated in the certificate are the maximums Foresters will ever charge. The Cost of Insurance rates that we are currently charging are lower than those maximums. The COI rates for the first 15 Certificate Years (called the select period) are based on the insured's age nearest birthday at the certificate issue and the number of years since issue. Thereafter (called the ultimate period), the COI rates are based on the then current age nearest birthday of the insured, as of last Certificate Anniversary. In addition to age, the rates also vary by gender, band, insurance class and rating class. The COI rates are lower for higher Insured Amounts.

Band	Insured Amount
A	\$25,000 to \$99,999
B	\$100,000 to \$249,999
C	\$250,000 and up

Increases and Decreases – If the Insured Amount is changed after certificate issue, the COI rate may fall into a higher or lower band. It is important to keep in mind that changes in Insured Amount will have an impact on the insured’s total cost.

Example
Male 35 Non-Tobacco User
 COI calculation for Certificate Year 1
 Assuming: Insured Amount plus Account Value Option
 Qualifies medically for Preferred Plus
 Insurance Class

Insured Amount	\$110,000	\$90,000
COI Factor	.0229	.0767*
Monthly COI Charge	\$2.50	\$6.83

* Higher due to lower Band and loss of Preferred Plus Insurance Class

It is also important to understand that the COI rate for the increased amount of coverage will be different from the COI rate on the original amount during the first 15 years. Also, if the increase is completed other than on a Certificate Anniversary, the situation may arise where the COI rate is at a different attained age – since the COI rate for the increase is based on the Life Insured’s age nearest birthday at the time of the increase.

Other Monthly Deductions

There are two Monthly Deductions that are taken to pay the costs of administration of the certificate. The first is an Administration Deduction, which is \$5.00 per month and is charged until the Certificate Anniversary nearest the Life Insured’s age 100.

The second is the Insured Amount Deduction, which is an amount per \$1,000 of Insured Amount. This deduction applies each month for the first 10 Certificate Years.

Both of these deductions are fully guaranteed.

Issue Ages, Insurance Classes, Rating Classes And Minimum Insured Amounts

Age Nearest Birthday	Insurance Class	Minimum Insured Amounts
0-80	Standard Tobacco	\$25,000
16-80	Standard Non-Tobacco	\$25,000
16-80	Preferred Non-Tobacco	\$100,000
16-80	Preferred Plus Non-Tobacco	\$100,000

The Rating Classes offered with Forester Passport are +50% to +400%. The Rating Class and the Insurance Class will be determined by Underwriting.

Requests for increases or decreases in Insured Amounts after certificate issue are subject to the following minimums:

- Increase in Insured Amount: \$25,000
- Decrease in Insured Amount: \$10,000

However, no decrease would be permitted that would cause the Insured Amount to drop below \$25,000.

Minimum Modal Premium

Monthly PAC	\$25.00*
Quarterly	\$50.00
Semi Annually	\$75.00
Annually	\$150.00

* Monthly mode is only available on a pre-authorized checking basis.

Lump sum deposits of up to \$250,000 are allowed, subject to the limitations outlined in the Maximum Premium and Side Account section. Amounts over \$250,000 are subject to approval prior to submission of the premium.

Planned Premium

The planned premium is the amount that the member indicates that they expect to pay. This may be a monthly, quarterly, semi-annual or annual amount. This amount has no contractual definition; it is simply the amount for which we would send billing notices or set up the pre-authorized checking. Generally, this amount will be determined by using an illustration.

Minimum Premium

The Minimum Premium is a monthly amount of premium required to put coverage in-force and the amount required cumulatively over the first five Certificate Years to maintain the No-Lapse Guarantee. The Minimum Premium is determined at the time the certificate is issued and is based on age, gender, insurance class, rating class and riders. The Minimum Premium also varies by rate band.

	Minimum Premium for the Insured Amount,
plus	Minimum Premium for riders,
plus	Monthly Administration Deduction,
equals	Minimum Premium for the certificate.

Example

Male, 35, Non-Tobacco Standard,
Insured Amount = \$150,000

Spouse Rider: Female, 35, Non-Tobacco Standard,
Spouse Insured Amount = \$150,000

	Minimum Premium for the Insured Amount,	0.4660 x 150	\$69.90
plus	Spouse Rider Minimum Premium,	0.4191 x 150	\$62.87
plus	Monthly Administration Deduction,		\$5.00
equals	Minimum Premium		\$137.77

Increases and Decreases – A new Minimum Premium will be determined if there is:

- an increase or decrease in the Insured Amount under the base certificate
- a rider is added or removed, or
- an increase or decrease in any rider Insured Amount.

Change Specifications will be sent to the member showing the new Minimum Premium.

Example

Original certificate as shown on previous page
Increase in Insured Amount to total \$200,000 each
in Certificate Year 2

(Age 37 for both Life Insured and spouse)

	Original Minimum Premium (see previous example)		\$137.77
plus	Minimum Premium for increase amount on base certificate	.4909 x 50	\$24.55
plus	Minimum Premium for increase amount on rider	.4399 x 50	\$22.00
equals	New Total Minimum Premium		\$184.32

No-Lapse Guarantee

Foresters guarantees that the certificate will not lapse during the first five Certificate Years if, on each Monthly Anniversary during that period:

- the total of the premiums paid to that date, less
- withdrawals and outstanding loan amounts,

equals or exceeds:

- the total of the Minimum Premiums payable on each Monthly Anniversary from the Issue Date up to and including the current Monthly Anniversary.

The total premium paid includes any amounts waived by the Disability Waiver Rider.

Example

Original certificate as shown on page 6
Monthly Minimum Premium = \$137.77

Member pays \$4,000 at issue and \$100.00 per month thereafter and takes a loan of \$2,000 in month 47.

Selected results of the No-Lapse Guarantee test:

Month	Total Minimum Premiums payable to the Monthly Anniversary	Total of premiums paid, less withdrawals and outstanding loan amounts	Pass/Fail No-Lapse Guarantee Test
1	\$137.77	\$4,000.00	Pass
2	\$275.54	\$4,100.00	Pass
3	\$413.31	\$4,200.00	Pass
...			
12	\$1,653.24	\$5,100.00	Pass
24	\$3,306.48	\$6,300.00	Pass
36	\$4,959.72	\$7,500.00	Pass
...			
47	\$6,475.19	\$6,600.00	Pass
48	\$6,612.96	\$6,700.00	Pass
...			
50	\$7,026.27	\$7,000.00	Fail

Increases and Decreases – The No-Lapse Guarantee restarts for the five-year period following an increase in the Insured Amount. The new test will be based on the original Minimum Premium for the period from the original Issue Date until the increase, then on the new higher Minimum Premium for the period since the change.

If there is a subsequent change that results in an increase in the Minimum Premium, that new Minimum Premium will be used for the remainder of the 5-year period to determine whether or not the No-Lapse Guarantee condition has been fulfilled.

If there is a decrease in the Insured Amount, the deletion of a rider or a reduction in the Rider Insured Amount of any rider, the Minimum Premium will be decreased for the remainder of any five-year No-Lapse Guarantee period then in effect.

Secondary Guarantee Rider

Forester Passport offers a Secondary Guarantee Rider until age 100. It is important to note that the applicant must select this rider by checking the appropriate box on the application.

The Secondary Guarantee Rider ensures that the base certificate coverage will never lapse during the lifetime of the insured and before age 100, if, on each Monthly Anniversary:

- the total of the premiums paid to that date, less
- withdrawals and outstanding loan amounts,

equals or exceeds:

- the total of the Secondary Guarantee Premiums payable on each Monthly Anniversary from the Issue Date up to and including the current Monthly Anniversary.

The total premium paid includes any premiums waived by the Disability Waiver Rider.

If a certificate includes the Secondary Guarantee, but at some time the member fails to meet the premium test outlined, there is a two-year period during which the premiums may be paid to “catch-up” to the amount required. If the premium amount still fails the test after the two-year period, the Secondary Guarantee is no longer applicable and cannot be recaptured.

The Secondary Guarantee Rider has no Rider Monthly Deduction, so it adds no additional cost for the Insured Amount coverage. In effect, the purpose of the Secondary Guarantee Rider is to allow the member to pay premiums to assure the Insured Amount stays in effect until age 100 – regardless as to any potentially unfavorable changes in Cost of Insurance rates or interest rates in future Certificate Years. Otherwise, increases in the planned premium may be necessary in future years to prevent coverage from lapsing before age 100.

The Secondary Guarantee Premium is a monthly amount that will be stated, if the Rider is attached, in the Certificate Specifications at issue and in each Annual Statement. It is determined by a formula that considers age at issue, gender, insurance class, band and any substandard ratings. The Secondary Guarantee Premium will also be shown, for any case where it is requested, in the illustration.

Note: the Secondary Guarantee Rider applies to the base coverage only. Should the Secondary Guarantee be activated, any riders will terminate, except the Secondary Guarantee Rider and the Disability Waiver Rider, if a waiver claim is in effect at the time.

The interaction of the Secondary Guarantee Rider and the Disability Waiver Rider is quite complex. If the situation arises where a member with both riders makes a claim under the Disability Waiver Rider, the insured will need to understand the requirements that are necessary to protect the Secondary Guarantee Rider. Because the waived amount may be insufficient to cover the full Secondary Guarantee Premium, it may be necessary to continue to pay some level of premium to fulfill the requirement for the Secondary Guarantee Rider.

If the member selects the Secondary Guarantee Rider, but the certificate is issued other than as applied for, and the change has resulted in a Secondary Guarantee Premium in excess of the planned premium, the agent will need to consult with the member to increase the planned premium. Otherwise, the agent must explain to the member that the Secondary Guarantee Rider will not be effective.

Note: The Secondary Guarantee Rider is not available in all states. Be sure to check availability in your state.

Increases and Decreases – The Secondary Guarantee Premium will increase each time there is an increase in the Insured Amount, the addition of a rider or an increase in the Rider Insured Amount of any rider. This new increased Secondary Guarantee Premium will be used in the premium test for any period after the change. Similarly, the Secondary Guarantee Premium will decrease for a reduction in Insured Amount, dropping a rider or a reduction in the Rider Insured Amount of any rider.

Maximum Premium And Side Account

There is a maximum amount of premium that can be paid to maintain the certificate's status as a life insurance contract, referred to as the Guideline Premium. Foresters will accept no premium over that amount.

If Foresters receives excess premium, we will hold it in suspense pending instructions from the member. The member's options include:

- an increase in the Insured Amount that would enable the acceptance of the premium, subject to underwriting approval, or
- the deposit of the premium into a separate product, such as an annuity.

If no instructions are received, the amount will be refunded to the member. This ensures that interest credited to the Account Value will be tax-deferred and that the death benefits can be paid income tax-free to a named beneficiary.

There is a second maximum amount of premium that can be paid to maintain the certificate's favorable tax treatment for loans and withdrawals called the Seven-Pay Premium. If premiums paid less partial withdrawals exceed that amount, the certificate will become a "modified endowment contract" (MEC), where distributions, which are loans, surrenders and withdrawals, are taxed as if the contract were a deferred annuity. Additionally, any loan or withdrawal will be subject to a penalty if it occurs before the insured's age 59½. Members should be encouraged to contact their tax advisors prior to taking a withdrawal.

If premium is received in excess of this Seven-Pay Premium, Foresters will add it to the Account Value, but will immediately notify the member that the premium is in excess of this amount. Unless we hear otherwise, or if directed to do so, we will leave the amount in the contract, allowing it to become a MEC. Alternatively, the member may direct us to treat it as premium "paid in advance" to be placed in a side account. The balance in a side account will be credited with 4% interest. Amounts in a side fund are not tax-deferred. Interest earned must be reported annually as income.

If a contract becomes a MEC, interest credited to the Account Value remains tax-deferred. Also, tax treatment of the death benefit remains the same for the beneficiary.

Interest Crediting And Minimum Interest Rate

Interest is accrued on a daily basis and credited to the Account Value monthly. The rate is determined on a portfolio basis. This means that the same rate of interest is credited to the entire un-loaned Account Value.

The certificate guarantees a minimum interest rate of 4% through the first ten Certificate Years, then 3.5% thereafter. Foresters regularly reviews credited interest rates and will declare a higher current rate of interest at its discretion.

Loyalty Bonus

Beginning in the eleventh Certificate Year, a guaranteed bonus interest rate of 0.5% will be added to the declared current interest rate and the higher rate will be used in crediting interest to the un-loaned Account Value.

Surrender Charges

A member may surrender the certificate for its Cash Value at any time. The Cash Value is the Account Value less the Surrender Charge and less any outstanding loan amounts.

Surrender Charges vary by gender, issue age, tobacco usage and duration, and are applicable for the first 19 Certificate Years. The amount of the charge declines as certificate duration increases. The Certificate Specifications will show the factors used to determine the Surrender Charge.

Increases and Decreases – Increases in Insured Amount will initiate a new Surrender Charge period for the increased amount, i.e. each increase piece of the Insurance Amount has its own set of surrender charges.

A portion of the Surrender Charge will also be applied to any decrease in the Insured Amount. Note that this also applies in the instance where a withdrawal results in a decrease in the Insured Amount.

Example

Original certificate as shown on page 6.

Decrease in Insured Amount by
\$25,000 to \$125,000 in year 5

Original Account Value		\$4,200.00
Surrender charge	\$19.62 x 25	\$490.50
New Account Value	\$4,200 – 490.50	\$3,709.50

Loans

After the first Certificate Year, members may obtain loans from Foresters using the certificate as collateral.

Maximum Loan Amount	
	Account Value,
minus	applicable Surrender Charges,
minus	three times the most recent Monthly Deduction prior to loan,
minus	a Change Fee of \$25.00

The amount of loan available at any time will equal the maximum loan amount less the loan amount on that date. The amount of the loan will be increased annually by unpaid accrued interest charged on the loan amount. The interest rate that will be charged on the loan amount will be 6% per year.

On the effective date of the loan, and on each Certificate Anniversary thereafter, a portion of the Account Value equal to the then current loan amount is allocated to a Loan Collateral Account. This Loan Collateral account will be credited with interest at a rate of 4% rather than the current declared rate.

Preferred Loans

After the 10th Certificate Anniversary, a portion of any loan up to 10% of the Maximum Loan Amount will be charged a preferred interest rate of 4% rather than 6%. This will apply to outstanding loans at that time and to new loans taken after the 10th Certificate Anniversary.

Withdrawals

Withdrawals from the Account Value may be requested at any time after the first Certificate Anniversary. This will result in a decrease in the remaining Account Value.

Maximum Withdrawal Amount	
	Account Value,
minus	applicable Surrender Charges,
minus	the amount of any outstanding loan,
minus	three times the most recent Monthly Deduction prior to withdrawal,

The minimum amount of each withdrawal is \$500. Any amounts being held in a side account will be returned first without charge. Each withdrawal from the certificate will be subject to a Change Fee. If the death benefit option is Level Insured Amount, the Insured Amount will be decreased by the amount of the withdrawal, plus a proportional amount of the applicable Surrender Charge. The fee and Surrender Charge, if any, will be deducted from the withdrawal amount requested.

Example

Original certificate as shown on page 6, Level Insured Amount, no existing loan Withdrawal of \$500.00 requested in year 5

Determine maximum available withdrawal amount:

	Account Value		\$4,200.00
minus	applicable Surrender Charges	19.62 x 150	\$2,943.00
minus	3 x last Monthly Deduction	3 x 77.74	\$233.22
equals	Minimum Premium for the certificate.		\$1,023.78

\$500.00 is available for withdrawal.

New Insured Amount:
\$150,000 - \$500.00 = \$149,500

Withdrawal check amount will be net of:

- proportional Surrender Charge, and
- Change Fee. So:
- \$500.00 - (19.62 x 500 / 1000) - 25.00 = \$465.19

Death Benefit Option Changes

After the first Certificate Anniversary the member may elect to change the death benefit option for the certificate.

If the change is from the Level Insured Amount option to the Insured Amount Plus Account Value option, the following happens:

- the Insured Amount is reduced to the then current Net Amount at Risk,
- the Net Amount at Risk will be level from that date forward. Foresters may require evidence of insurability to effect this change as the future Net Amount at Risk under the new option will be greater than under the original option,
- the applicable Surrender Charge and Change Fee are taken from the Account Value.

Example

Original certificate as shown on page 6, Level Insured Amount Change to Insured Amount plus Account Value in year 5

Account Value	= \$4,200.00
New Insured Amount	\$150,000 - \$4,200 = \$145,800
New Account Value	\$4,200 - (19.62 x 4200/ 1000) - \$25.00 = \$4092.60

If the change is from the Insured Amount Plus Account Value option to the Level Insured Amount option, the following will happen:

- the Insured Amount is increased to be equal to the sum of the original Insured Amount plus the then current Account Value,
- the Change Fee will be taken from the Account Value.
- The surrender charge, if applicable, will be increased proportionately.

Example

Original certificate as shown on page 6,
but Insured Amount plus Account Value option
Changed to Level Insured Amount in year 5

Account Value	= \$4,200.00
New Insured Amount	\$150,000 + \$4,200 = \$154,200
New Account Value	\$4,200 - \$25 = \$4,175.00
New Surrender Charge	\$19.62 × \$154,200/\$1000 = \$3025.40

Changes In Tobacco Use

If the certificate was issued in the "Tobacco User" insurance class, the member may apply to change to "Non-Tobacco User" after the first Certificate Year if he or she has stopped using tobacco. Underwriting will be required to effect the change. Note that the change may not be to either of the Preferred insurance classes. A Change Fee will be taken from the Account Value when the change is completed.

Change Fee

A \$25 per transaction Change Fee is currently charged for the following transactions (note that Foresters reserves the right to increase or decrease this fee in the future):

- Withdrawals
- Loans
- In-force illustrations in excess of one per Certificate Year
- Death Benefit option changes
- Insured Amount decreases and dropping riders

Lapse

The certificate and any riders will lapse if the Cash Value is less than the Monthly Deduction unless the No-Lapse Guarantee or the Secondary Guarantee Rider prevents the lapse.

When the certificate fails the test described in the paragraph above, notification will be sent to the member and the field office to inform them that a lapse is imminent. Coverage under the certificate will terminate 60 days after the Monthly Anniversary on which the test failed.

Reinstatement

Foresters may approve the reinstatement of a lapsed certificate within three years of its lapse subject to:

- evidence of insurability as may be requested by Foresters;
- payment of all past due Monthly Deductions without interest, plus the next three Monthly Deductions.

Any loan that was in effect on the date of lapse will also be reinstated.

Juvenile Issue Ages

Ages 0 to 15 are considered "Juvenile" issue ages. The insurance class applicable to juvenile ages is a blended class, not differentiated by tobacco use. When the juvenile reaches age 16, Foresters will send a notification to the member that the juvenile may apply to change the insurance class to Non-Tobacco at that time. If we do not receive such an application, the COI rates will default to Tobacco Use rates. The juvenile may subsequently apply for the change.

Usually, the parents (or grandparents) of the juvenile will be the original owners of the certificate, and will have membership status in Foresters. When the juvenile attains the age of 16, ownership of the certificate will be automatically transferred to the insured, who will also then become a full member of Foresters.

Participation And Maintenance Of Reserves

All Foresters contracts are issued as participating contracts. Forester Passport is a participating certificate, but there is no expectation that dividends will ever be paid on the certificate.

The Maintenance of Reserves provision in the certificate discloses that, as a fraternal benefit society, we are obligated by regulation and by our constitution to maintain a satisfactory level of reserves to provide for all our future liabilities. At any time when the reserves are deemed to be inadequate, the Board may authorize an assessment against all members. The shortfall in reserves will be shared on an equitable basis among all members. The member may pay the assessment in cash; alternatively it will be set up as a loan against the ultimate benefits of the certificate (either death benefit or Cash Value).

Currently Foresters' reserves are adequate according to both U.S. and Canadian regulatory authorities. Further, Foresters surplus position is very strong with solvency ratios well above the industry's average ratios in both the U.S. and Canada.

State Variations

Some of the provisions outlined here are not permitted in some states and some states have additional provisions and conditions. Please check the specific provisions for the contracts and riders available in the state in which your member lives.

Target Premium

Target Premium is that amount to be used for determining compensation for the agent. Forester Passport Target Premium factors for the Insured Amount vary by gender, issue age, band and rating class. Target Premium factors are identical for all Non-Tobacco classes but differ for Tobacco users. The Insured Amount Target Premium factors are also used for the Spouse Rider. The Target Premium has no other meaning and will not be included in any communication with the member.

The Target Premium factors for the Secondary Guarantee Rider and the Member Term rider are zero for all issue ages.

Target premium factors for the Child Term Rider, Disability Waiver Rider, Accidental Death Rider and the Guaranteed Purchase Option Rider are the same as their Minimum Premium. All target premium factors except the Child Rider factor vary by issue age.

Target premium factors for rated cases are higher than the associated factors for cases that receive a standard rating class.

Example

Target Premium Calculation

	Insured Amount	Calculation	Annualized Target Premium
Base Amount	\$50,000	$50 \times .6779 \times 12$	\$406.74
Member Term Rider	\$50,000	None	0
Spouse Rider	\$50,000	$50 \times .563 \times 12$	\$337.80
Child Term Rider	\$10,000	$10 \times .50 \times 12$	\$60.00
Accidental Death Rider	\$50,000	$50 \times .07 \times 12$	\$42.00
Guarantee Purchase Option Rider	\$30,000	$30 \times .07 \times 12$	\$25.20
Total			\$871.74

Available Riders

Forester Passport has the flexibility to cater to a wide range of needs by offering additional benefits that can be added, at an additional cost.

Riders	Available On	Rider Expiry Date	Issue Ages	Insured Amount	
				Minimum	Maximum
Secondary Guarantee Rider	Life Insured	Life Insured's age 100	0-80	Equal to the Base Coverage	None
Accidental Death Rider	Life Insured	Life Insured 's Age 70	16-60	Minimum Insured Amount	Certificate Insured Amount to a maximum of \$300,000 all companies.
Child Term Rider	Children of Life Insured	Life Insured's age 65, <i>Note: A member must request a termination of this rider if it is to occur prior to age 65.</i>	Child's age > 15 days and less than 18 at time of application, or born or adopted after issue, between the same ages.	\$10,000	\$10,000
Guaranteed Purchase Option Rider	Life Insured	Life Insured's age 40	0-37	Lesser of Insured Amount or \$30,000 per option	
Member Term Rider	Life Insured	Life Insured's age 85	16-75 Convertible to age 75	\$25,000	4 x base certificate coverage
Spouse Rider	Spouse of Life Insured	Spouse's age 100	18-75 Convertible to the spouse's age 80 or within 90 days of the Life Insured's death, if earlier.	\$25,000	4 x base certificate coverage
Disability Waiver Rider	Life Insured	Life Insured's age 60, unless on claim	16 – 55	Minimum Premium	1.5 x Minimum Premium

Member Term Rider

The Member Term Rider provides term life insurance coverage until the Life Insured's age 85. The cost of the rider is included in the Rider Monthly Deductions, and the rates currently charged are the same as the yearly renewable term rates charged for the basic coverage. There is no Insured Amount Deduction charged for coverage under the Member Term Rider, nor is there any additional Monthly Administration Deduction.

Coverage provided under the Member Term Rider may be converted in whole or in part to an increase in coverage under the base certificate. This will be treated like the combination of an increase in the Insured Amount without underwriting and a decrease in the Rider Insured Amount. Conversion is available until the Life Insured is age 75.

This rider is appropriate for use in two circumstances:

- when there is a need for additional temporary coverage (for example to cover a family's mortgage debt or while children are in school), or
- when the member has the need for permanent coverage but cannot currently afford the required premium; this rider provides the coverage currently at a lower cost and can be converted in the future when financing of the coverage permits.

Spouse Rider

The Spouse Rider provides coverage to age 100 for the spouse of the Life Insured. The cost of the rider is included in the Rider Monthly Deductions, and the rates currently charged are the same as the yearly renewable term rates charged as if this were the Life Insured under the basic coverage. There is an Insured Amount Deduction charged for coverage under the Spouse Rider. The factors are the same as if this were the Life Insured under the certificate. This means that the cost is the same as it would be if this were a separate certificate, except that there is no additional Monthly Administration Deduction.

Coverage provided under the Spouse Rider may be converted in whole or in part to the spouse's own individual certificate until the spouse is age 80. To ensure that coverage for the spouse may be continued in the event of the death of the Life Insured, conversion is also available for 90 days following the death of the Life Insured.



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