

Single Payment Paid-up Additions Rider

Product Availability

Foresters Advantage Plus II Participating Whole Life (non-medical¹ and medically underwritten)

Description

The Single Payment Paid-up Additions Rider (SPUAR) provides the Owner the opportunity to purchase paid-up additional insurance, also known as "Paid-up Additions" or "PUAs", on the life of the Insured. PUAs are permanent, participating life insurance, with guaranteed death benefit amount and cash values, which endow at age 121. PUAs are eligible to receive dividends.²

Issue Ages

Medical: 18–75

Non-Medical: 18–75

Payment Amounts

Minimum Payment: \$600

Maximum Payment (as follows):

Medical

The maximum payment is the amount approved for at the time of underwriting, subject to a maximum of \$200,000 and is inclusive of all Paid-up Additions Riders (PUAR) on the Insured.

Non-Medical

A payment made on non-medical applications is limited to 1035 exchanges only. No other source of payment is allowed.

The maximum payment is the amount approved for at the time of underwriting, subject to a maximum of \$200,000.

The maximum payment is also based upon the face amount a single payment will purchase, subject to the total inforce coverage on the Insured:

- For issue ages 18–55:

\$400,000 minus the face amount of the base certificate, plus the Term Rider (if applicable), plus any other non-medical coverage currently inforce with Foresters Financial™.

- For issue ages 56–75:

\$150,000 minus the face amount of the base certificate, plus the Term Rider (if applicable), plus any other non-medical coverage currently inforce with Foresters.

Expense Charge

A payment expense charge of 6.0% is deducted from the single payment made under the rider. The net payment is used to purchase the paid-up insurance.

Death Benefit

The amount of paid-up insurance purchased by each net payment will vary based upon the Insured's age, gender, and insurance class (i.e. non-tobacco or tobacco) at the time the payment is made.

Payment Modes and Billing

There is no payment mode or billing for the SPUAR; it is a one-time payment.

Effective Date

The rider effective date is the same as the issue date (or monthiversary of the issue date) of the base certificate.

Expiry date

The earlier of the date the single payment is accepted or, 60 days after the rider issue date. Foresters may accept a payment arriving later than 60 days after the rider issue date, if the delay is not the fault of the owner (e.g. 1035 exchange).

Dividends¹

PUAs are eligible to receive dividends. Dividends, if any, paid on the PUAs will be applied using the same dividend option in effect for the base certificate. Dividends are non-direct recognition.

Cash Value

PUAs have guaranteed cash value. On the date the PUAs are purchased, the cash value of the PUAs is the net single payment, i.e. the single payment less the 6.0% payment expense charge. On any date after they are purchased the cash value of PUAs is the amount of the PUA death benefit divided by the net single premium rate in effect on that date. The cash value grows each year.

The cash value of PUAs adds to the cash surrender value of the certificate.

Loans²

Loans can be taken out against the cash value of the PUAs provided that the certificate is in effect and has a positive cash surrender value. Interest is charged daily at the current Foresters U.S. variable loan rate.

Surrenders

PUAs may be surrendered for their cash value. Full and partial surrenders are allowed. Partial surrenders are subject to the following restrictions:

- A maximum of 4 partial surrenders per certificate year are allowed.
- A minimum of \$500 of cash value must be surrendered.
- Any cash value that has been borrowed against may not be surrendered.

The surrender of PUAs could result in the recalculation of the Modified Endowment Contract (MEC) limit if the death benefit amount purchased from the initial payment towards the PUAR, effective the issue date of the contract, is reduced.

Underwriting

Medical

The PUAR cannot be rated, however it may be added to a rated case based on the following:

- If the insured is rated Table F (+150%) the PUAR is issued standard.
- If insured is rated higher than Table F (+150%), the PUAR will be declined.
- If the insured is rated with a flat extra (occupational/vocational or temporary) less than or equal to \$5 per \$1,000 of face amount on an annualized basis, the PUAR will be issued standard.
- If the insured is rated with a flat extra (occupational/vocational or temporary) higher than \$5 per \$1,000 of face amount on an annualized basis, the PUAR will be declined.

See the Foresters Underwriting Guide for age and amount requirements.

Non-Medical

The PUAR is issued at a standard rating.

See the Foresters Underwriting Guide for age and amount requirements.

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

² Dividends are not guaranteed. Past dividends are not an indicator of future dividend performance.

³ Death benefit amount payable is net of the outstanding certificate loan amount(s) (including accrued interest). If the loan amount exceeds the cash value plus the present value of PUAs and dividends on deposit amount the certificate will terminate.

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