

Preferred Term Underwriting Guide for Foresters Life Insurance Company

Our Debit/Credit Underwriting Approach

Most Canadian preferred term insurance providers underwrite on the basis of a set of underwriting criteria that the applicant must meet in order to qualify for better than standard, preferred term rates. This means that not meeting even one underwriting criteria could jeopardize your clients' chances of qualifying for a preferred rate. For example, by most companies' standards, if your client exceeds the weight criteria by as little as ten pounds, they will be excluded from a preferred class, even if other favorable factors make them a better than standard risk.

At Foresters Life Insurance Company, we evaluate the whole individual through a debit/credit underwriting approach, which means that we don't penalize your client if he or she fails to meet our exact requirements, provided they can present other compensating factors, whether health or lifestyle, that offset the unfavorable risk.

Preferred Underwriting

Following an initial classification based on gender and overall tobacco use, applicants who qualify as better than standard risks, based on health and lifestyle criteria, are offered preferred (lower) premiums.

Non-smoker applicants are classified into 6 different underwriting classes. Smoker applicants are classified into two main classes: any tobacco or nicotine product use, OR cigar or pipe use only. These two smoker classes can then be split into Preferred or Standard Rates.

Effective October 1st, 2010 occasional cigar smoker definition change for Term 10 and Term 20 products: Occasional cigars are now allowed in Standard non-smoker class D, subject to the following criteria being met: maximum smoked must be 1 cigar per month, urine specimen must be negative for nicotine; must be disclosed at time of application; cigarillos not allowed.

Our Automated Underwriting System (AUS) will classify your client based on various underwriting criteria including build, blood pressure, cholesterol, family history, driving record, medical history, etc. As some of the criteria are based on test results, care should be used when quoting premiums as determining which class the applicant qualifies for can only be made after all evidence has been submitted and assessed.

IMPORTANT NOTE: Each case is unique and must be evaluated on its own merit. In all cases, the decision of our Underwriters shall prevail.

Foresters Life Insurance Company's Term Classifications

Risk Category	Non-Smokers (occasional cigars allowed ¹)	Any tobacco or nicotine products (except occasional cigars ¹)	Cigar or Pipes ONLY (except occasional cigars ¹)
Preferred Risk	Class A	Class G	Class I
	Class B	Class H	Class J
	Class C		
Standard Risk	Class D		
Borderline Standard ² Risk	Class E Class F		

Substandard Cases

Before determining which class an applicant qualifies for, the underwriter will determine if the applicant is a standard or substandard risk. If the risk is standard, then the preferred criteria are reviewed to determine which class applies. The standard risk is Class F (Class J for cigar/pipe smokers, except occasional cigars (see new rules on page 1); Class H for all other nicotine product users) and all other classes are discounts to the standard risk.

When we determine that the applicant is a "higher than standard" mortality risk, the "mortality extra" will be applied to the Class F (Class J or H for smokers) premium rate applicable for the applicant's age and gender.

IMPORTANT NOTE: Each case is unique and must be evaluated on its own merit. In all cases, the decision of our Underwriters shall prevail.

¹ See Occasional Cigar Smoker definition for Term 10 and Term 20 products in "Preferred Underwriting" section on page 1.

² Borderline and sub-standard rates are not quoted in industry competitive illustrations, but are applied at time of issue.

Underwriting Criteria by Risk Class

Class A				Class B				Class C			
Nicotine No use in any form in 2 years				Nicotine No use in any form in 2 years				Nicotine No use in any form in 1 year			
Build				Build				Build			
5' 0"	135	5' 11"	188	5' 0"	148	5' 11"	206	5' 0"	155	5' 11"	215
5' 1"	139	6' 0"	193	5' 1"	153	6' 0"	211	5' 1"	160	6' 0"	221
5' 2"	144	6' 1"	199	5' 2"	158	6' 1"	218	5' 2"	165	6' 1"	228
5' 3"	150	6' 2"	204	5' 3"	164	6' 2"	224	5' 3"	171	6' 2"	234
5' 4"	154	6' 3"	211	5' 4"	169	6' 3"	231	5' 4"	176	6' 3"	241
5' 5"	158	6' 4"	216	5' 5"	173	6' 4"	237	5' 5"	181	6' 4"	247
5' 6"	163	6' 5"	221	5' 6"	179	6' 5"	242	5' 6"	187	6' 5"	253
5' 7"	168	6' 6"	228	5' 7"	184	6' 6"	249	5' 7"	192	6' 6"	260
5' 8"	173	6' 7"	234	5' 8"	189	6' 7"	256	5' 8"	198	6' 7"	268
5' 9"	178	6' 8"	239	5' 9"	195	6' 8"	262	5' 9"	204	6' 8"	273
5' 10"	182			5' 10"	200			5' 10"	208		
Blood Pressure Never had any medication 125/75 to age 59 130/80 age 60 and over				Blood Pressure Never had any medication 130/80 to age 59 135/85 age 60 and over				Blood Pressure Never had any medication 135/85 to age 59 140/85 age 60 and over			
Cholesterol Never had any medication Maximum: 210				Cholesterol Never had any medication Maximum: 240				Cholesterol Never had any medication Maximum: 255			
Cholesterol/HDL Ratio Males: 4.0 Females: 3.5				Cholesterol/HDL Ratio Males: 5.0 Females: 4.25				Cholesterol/HDL Ratio Males: 5.5 Females: 4.5			
Family History No cardiovascular or cancer disease in any immediate family member before the age of 60.				Family History No cardiovascular disease in any immediate family member before the age of 60.				Family History No cardiovascular disease or death in any immediate family member before the age of 60.			
Driving History No more than 2 moving violations in the past 5 years. No DUI in the past 10 years.				Driving History No more than 3 moving violations in the past 5 years. No DUI in the past 5 years.				Driving History No more than 3 moving violations in the past 5 years. No DUI in the past 5 years.			
Hazardous Sports or Avocations None				Hazardous Sports or Avocations None				Hazardous Sports or Avocations None			
Aviation No ratable activity				Aviation No ratable activity				Aviation No ratable activity			
Alcohol or Drug Abuse No ratable activity				Alcohol or Drug Abuse No ratable activity				Alcohol or Drug Abuse No ratable activity			
Foreign Travel or Residence No ratable activity				Foreign Travel or Residence No ratable activity				Foreign Travel or Residence No ratable activity			

Class D				Class E				Class F
Nicotine¹ No use in any form in 1 year				Nicotine¹ No use in any form in 1 year				<p>Any applicant who does not qualify for Class E but does not require a mortality extra rating would be offered this class.</p> <p>Any mortality extra on substandard cases will be applied to the premium rate for this class.</p>
Build				Build				
5' 0"	155	5' 11"	215	5' 0"	161	5' 11"	223	
5' 1"	160	6' 0"	221	5' 1"	166	6' 0"	230	
5' 2"	165	6' 1"	228	5' 2"	172	6' 1"	237	
5' 3"	171	6' 2"	234	5' 3"	178	6' 2"	243	
5' 4"	176	6' 3"	241	5' 4"	183	6' 3"	251	
5' 5"	181	6' 4"	247	5' 5"	188	6' 4"	257	
5' 6"	187	6' 5"	253	5' 6"	195	6' 5"	263	
5' 7"	192	6' 6"	260	5' 7"	200	6' 6"	271	
5' 8"	198	6' 7"	268	5' 8"	206	6' 7"	278	
5' 9"	204	6' 8"	273	5' 9"	212	6' 8"	285	
5' 10"	208			5' 10"	217			
Blood Pressure Treated and controlled 145/85 all ages				Blood Pressure Treated and controlled 145/90 all ages				
Cholesterol Treated and controlled Maximum: 270				Cholesterol Treated and controlled Maximum: 280				
Cholesterol/HDL Ratio Males: 6.0 Females: 5.0				Cholesterol/HDL Ratio Males: 6.5 Females: 6.0				
Family History No more than one cardiovascular death in any immediate family member before the age of 60.				Family History No more than one cardiovascular death in any immediate family member before the age of 60.				
Driving History No more than 3 moving violations in the past 3 years. No DUI in the past 3 years.				Driving History No more than 3 moving violations in the past 3 years. No DUI in the past 3 years.				
Hazardous Sports or Avocations No regular participation				Hazardous Sports or Avocations No ratable activity				
Aviation No ratable activity				Aviation No ratable activity				
Alcohol or Drug Abuse No ratable activity				Alcohol or Drug Abuse No ratable activity				
Foreign Travel or Residence No ratable activity				Foreign Travel or Residence No ratable activity				

¹ See Occasional Cigar Smoker definition for Term 10 and Term 20 products in "Preferred Underwriting" section on page 1.

Class G	Class I	Class H
Nicotine¹ Any nicotine product except pipes or cigars.	Nicotine¹ Any smokers of pipes or cigars.	Any applicant who does not qualify for Class G but does not require a mortality extra rating will be offered this class.
Build 5' 0" 155 5' 11" 215 5' 1" 160 6' 0" 221 5' 2" 165 6' 1" 228 5' 3" 171 6' 2" 234 5' 4" 176 6' 3" 241 5' 5" 181 6' 4" 247 5' 6" 187 6' 5" 253 5' 7" 192 6' 6" 260 5' 8" 198 6' 7" 268 5' 9" 204 6' 8" 273 5' 10" 208	Build 5' 0" 155 5' 11" 215 5' 1" 160 6' 0" 221 5' 2" 165 6' 1" 228 5' 3" 171 6' 2" 234 5' 4" 176 6' 3" 241 5' 5" 181 6' 4" 247 5' 6" 187 6' 5" 253 5' 7" 192 6' 6" 260 5' 8" 198 6' 7" 268 5' 9" 204 6' 8" 273 5' 10" 208	Any mortality extra on substandard cases will be applied to the premium rate for this class.
Blood Pressure Never had any medication 135/85 to age 59 140/85 age 60 and over	Blood Pressure Never had any medication 135/85 to age 59 140/85 age 60 and over	Class J Any applicant who does not qualify for Class I but does not require a mortality extra rating would be offered this class. Any mortality extra on substandard cases will be applied to the premium rate for this class.
Cholesterol Never had any medication Maximum: 255	Cholesterol Never had any medication Maximum: 255	
Cholesterol/HDL Ratio Males: 5.5 Females: 4.5	Cholesterol/HDL Ratio Males: 5.5 Females: 4.5	
Family History No cardiovascular disease in any immediate family member before the age of 60.	Family History No cardiovascular disease in any immediate family member before the age of 60.	
Driving History No more than 3 moving violations in the past 5 years. No DUI in the past 5 years.	Driving History No more than 3 moving violations in the past 5 years. No DUI in the past 5 years.	
Hazardous Sports or Avocations None	Hazardous Sports or Avocations None	
Aviation No ratable activity	Aviation No ratable activity	
Alcohol or Drug Abuse No ratable activity	Alcohol or Drug Abuse No ratable activity	
Foreign Travel or Residence No ratable activity	Foreign Travel or Residence No ratable activity	

¹ See Occasional Cigar Smoker definition for Term 10 and Term 20 products in "Preferred Underwriting" section on page 1.