

SERFF Tracking Number: FRSS-125702863 State: Arkansas  
Filing Company: The Independent Order of Foresters State Tracking Number: 39354  
Company Tracking Number: 104978 US 06/08  
TOI: L08 Life - Other Sub-TOI: L08.000 Life - Other  
Product Name: Important Notice: Replacement of Life Insurance or Annuities  
Project Name/Number: /104978 US 06/08

## Filing at a Glance

Company: The Independent Order of Foresters

Product Name: Important Notice: Replacement of Life Insurance or Annuities SERFF Tr Num: FRSS-125702863 State: ArkansasLH

TOI: L08 Life - Other

SERFF Status: Closed

State Tr Num: 39354

Sub-TOI: L08.000 Life - Other

Co Tr Num: 104978 US 06/08

State Status: Approved-Closed

Filing Type: Form

Co Status:

Reviewer(s): Linda Bird

Author: Kerry Shields

Disposition Date: 06/20/2008

Date Submitted: 06/19/2008

Disposition Status: Approved

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name:

Status of Filing in Domicile: Not Filed

Project Number: 104978 US 06/08

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments: The Insurance Laws of Canada, which this Society is domiciled, does not require approval of this form.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 06/20/2008

State Status Changed: 06/20/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Re: Important Notice: Replacement of Life Insurance or Annuities

New Form #: 104978 US 06/08 Replaced Form #: 102757 US (12/02)

We are submitting the above form for approval as required by the laws of your state. Once approval is received this Notice will replace the previously approved form noted above, along with the booklet form # 103291 to which form

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102757 refers.

The form, "Important Notice: Replacement of Life Insurance or Annuities", will be used when replacement of existing life insurance policies or annuities is being contemplated by an applicant or recommended, based on needs, by a Foresters producer. Use of this form will ensure that the applicant has the information necessary to make an informed decision that is in his/her best interest. Your approval of this form will also allow us greater uniformity and efficiency around existing business systems, forms and operational procedures to be in compliance. The new Replacement Notice mirrors the language required in the NAIC Life Insurance and Annuity Model Regulation. We believe that the Replacement Notice meets the requirements of your state's replacement regulation and there does not appear to be any risk to the consumer to approve this form for use.

The form will be available electronically on a secure website and as a pre-printed orderable form. The electronic versions of these forms may be downloaded, printed off and filled in by hand, or may be filled out electronically. Once completed, it will always be printed and 'wet-signed' in ink, by the applicant. At that point it may be transported in its hardcopy form, or it may be transmitted electronically over secure systems, as needed.

Depending on the method of generation and printing, the formatting and fonts may be slightly altered but all content will remain identical to the approved forms. The font size will never be less than required by your state.

The Insurance Laws of Canada, where this Society is domiciled, do not require approval of this form.

No part of this filing contains any unusual or possible controversial items from normal company or industry standards.

You can contact me toll-free at 1-800-828-1540 extension 4066 or by email at [kshields@foresters.com](mailto:kshields@foresters.com).

## Company and Contact

### Filing Contact Information

Kerry Shields, Compliance Analyst  
789 Don Mills Road  
Toronto, ON M3C 1T9

[kshields@foresters.biz](mailto:kshields@foresters.biz)  
(416) 429-3000 [Phone]  
(416) 467-2525 [FAX]

### Filing Company Information

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The Independent Order of Foresters  
789 Don Mills Road

CoCode: 58068  
Group Code: -99

State of Domicile: Ontario  
Company Type: Fraternal Benefit  
Society

Toronto, ON M3C 1T9  
(416) 429-3000 ext. [Phone]

Group Name:  
FEIN Number: 98-0000680  
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State ID Number:

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## Filing Fees

Fee Required? Yes  
Fee Amount: \$20.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Independent Order of Foresters	\$20.00	06/19/2008	20993758

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	06/20/2008	06/20/2008

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## Disposition

Disposition Date: 06/20/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

*SERFF Tracking Number:* FRSS-125702863      *State:* Arkansas  
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<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Certification/Notice		Yes
<b>Supporting Document</b>	Application		No
<b>Form</b>	Important Notice: Replacement of Life Insurance or Annuities		Yes

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## Form Schedule

**Lead Form Number:** 104978 US 06/08

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	104978 US 06/08	Other	Important Notice: Replacement of Life Insurance or Annuities	Initial		54	Foresters Replacement Form - Appendix A.pdf



**APPENDIX A**

**IMPORTANT NOTICE:  
 REPLACEMENT OF LIFE INSURANCE OR ANNUITIES**

**(This document must be signed by the applicant and the producer, if there is one, and a copy left with the applicant.)**

You are contemplating the purchase of a life insurance policy or annuity contract. In some cases, this purchase may involve discontinuing or changing an existing policy or contract. If so, a replacement is occurring. Financed purchases are also considered replacements.

A replacement occurs when a new policy or contract is purchased and, in connection with the sale, you discontinue making premium payments on the existing policy or contract, or an existing policy or contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase.

A financed purchase occurs when the purchase of a new life insurance policy involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing policy, to pay all or part of any premium or payment due on the new policy. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interest. You will pay acquisition costs and there may be surrender costs deducted from your policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing policy and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on the back of this form.

1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract?  YES  NO
2. Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract?  YES  NO

If you answered "yes" to either of the above questions, list each existing policy or contract you are contemplating replacing (include the name of the insurer, the insured or annuitant, and the policy or contract number if available) and whether each policy or contract will be replaced or used as a source of financing:

INSURER NAME	CONTRACT OR POLICY #	INSURED OR ANNUITANT	REPLACED (R) OR FINANCING (F)
1.			
2.			
3.			

Make sure you know the facts. Contact your existing company or its agent for information about the old policy or contract. (If you request one, an in-force illustration, policy summary or available disclosure documents must be sent to you by the existing insurer.) Ask for and retain all sales material used by the agent in the sales presentation. Be sure that you are making an informed decision.

3. The existing policy or contract is being replaced because \_\_\_\_\_

I certify that the responses herein are, to the best of my knowledge, accurate:

\_\_\_\_\_  
 Applicant's Signature and Printed Name

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Producer's Signature and Printed Name

\_\_\_\_\_  
 Date

**I do not want this notice read aloud to me.** \_\_\_\_\_ (Applicants must initial only if they do not want the notice read aloud.)

## IMPORTANT NOTICE:

To be read aloud to the applicant unless he or she has initialed the preceding page indicating he or she does not want this notice read aloud.

A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing policy or contract and the proposed policy or contract. One way to do this is to ask the company or agent that sold you your existing policy or contract to provide you with information concerning your existing policy or contract. This may include an illustration of how your existing policy or contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or contracts. You should discuss the following with your agent to determine whether replacement or financing your purchase makes sense:

### PREMIUMS:

Are they affordable?

Could they change?

You're older -- are premiums higher for the proposed new policy?

How long will you have to pay premiums on the new policy? On the old policy?

### POLICY VALUES:

New policies usually take longer to build cash values and to pay dividends.

Acquisition costs for the old policy may have been paid, you will incur costs for the new one.

What surrender charges do the policies have?

What expense and sales charges will you pay on the new policy?

Does the new policy provide more insurance coverage?

### INSURABILITY:

If your health has changed since you bought your old policy, the new one could cost you more, or you could be turned down.

You may need a medical exam for a new policy.

Claims on most new policies for up to the first two years can be denied based on inaccurate statements.

Suicide limitations may begin anew on the new coverage.

### IF YOU ARE KEEPING THE OLD POLICY AS WELL AS THE NEW POLICY:

How are premiums for both policies being paid?

How will the premiums on your existing policy be affected?

Will a loan be deducted from death benefits?

What values from the old policy are being used to pay premiums?

### IF YOU ARE SURRENDERING AN ANNUITY OR INTEREST SENSITIVE LIFE PRODUCT:

Will you pay surrender charges on your old contract?

What are the interest rate guarantees for the new contract?

Have you compared the contract charges or other policy expenses?

### OTHER ISSUES TO CONSIDER FOR ALL TRANSACTIONS:

What are the tax consequences of buying the new policy?

Is this a tax-free exchange? (See your tax advisor.)

Is there a benefit from favorable "grandfathered" treatment of the old policy under the federal tax code?

Will the existing insurer be willing to modify the old policy?

How does the quality and financial stability of the new company compare with your existing company?

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## Rate Information

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## Supporting Document Schedules

### Review Status:

**Satisfied -Name:** Certification/Notice

06/19/2008

**Comments:**

**Attachment:**

Readable Score Certification.pdf

## The Independent Order of Foresters

NAME OF COMPANY: The Independent Order of Foresters  
Forester House, 789 Don Mills Road, Toronto, Ontario M3C 1T9  
(416) 429-3000

### A. Option Selected

1. Policy and its related forms are scored for the Flesch reading ease test as one unit and the combined score is below.
2. Policy and its related forms are scored separately for the Flesch reading ease test. Scores for the policy and each form are indicated below.

Form and Form Numbers to which Certification is Applicable:

<u>Form</u>	<u>Form Number</u>	<u>Flesch Score</u>
<b>Important Notice: Replacement of Life Insurance or Annuities</b>	<b>104978 US 06/08</b>	<b>54.1</b>

### B. Test Option Selected

1. Test was applied to entire policy form(s).
2. Test was applied on sample basis. Form(s) contain(s) more than 10,000 words. Copy of form(s) enclosed indicating word samples tested.

### C. Standards for Certification

**A checked block indicates the standard has been achieved.**

1. The policy text achieves a minimum score of 40 on the Flesch reading ease test in accordance with the option chosen in Section A above.
2. It is printed in not less than 10-point type, one point leaded. (This does not apply to specification pages, schedules and tables).
3. The layout and spacing of the policy separate the paragraphs from each other and from the border of the paper.
4. The section titles are captured in bold-faced type or otherwise stand out significantly from the text.
5. Unnecessarily long, complicated or obscure words, sentences, paragraphs or constructions are not used in the policy.
6. The style, arrangement and overall appearance of the policy give no undue prominence to any portion of the policy or to any endorsements or riders.
7. A table of contents or an index of the principal sections is included in the policy. (This applies only if the policy has more than 3,000 words or consists of more than 3 pages).

This certification must be signed by an officer of the insurer.

June 19, 2008

\_\_\_\_\_  
Steve Lintner  
Director, Business Analysis, Product Solutions Group

\_\_\_\_\_  
Date