

**[IC INSURANCE CIRCULAR LETTER NO. 14-93 CL,
June 25, 1993]**

STANDARD LIFE INSURANCE POLICY PROVISIONS

For purposes of expediting the evaluation and approval of individual insurance plans; life-insurance companies shall use the attached standard life insurance policy provisions. Any of the attached standard life insurance policy provisions or portions thereof not applicable to single or term policies shall to that extent not be incorporated therein.

This Circular shall not apply to policies of group life or industrial life insurance.

This Circular takes effect immediately.

Adopted: 25 June 1993

(Sgd.) EDUARDO T. MALINIS
*Deputy Insurance Commissioner
Officer-In-Charge*

Insuring Clause

Subject to the terms and conditions of this Policy while in full force and effect, the Company will pay at its Head Office the Amount of Insurance to the designated Beneficiaries upon the death of the Insured, or the Pure Endowment Amount to the Owner upon the survival of the Insured at maturity date. Any indebtedness or lien under this Policy will be deducted from such payable amount.

The Amount of Insurance and the Pure Endowment Amount are each equal to the Policy Amount (for level benefit contracts). In addition, any then paid-up additional life insurance amount and any then remaining dividend accumulation are payable.

The Amounts of Insurance and the Pure Endowment Amounts are defined as follows (for varying benefit amounts):

GENERAL PROVISIONS

1. Grace Period — After the payment of the initial premium, any premium due must be paid not later than 31 days after its due date. Any unpaid premium is deductible from the benefits that may arise during the 31-day grace period.

2. Incontestability — Except for non-payment of premiums or any other grounds recognized by law and jurisprudence, the Company cannot contest this Policy after it has been in force during the lifetime of the Insured for two (2) years from date of issue of this Policy or of its last reinstatement.

3. Entire Contract — The Company issues this Policy in consideration of its application and the receipt of its initial premium. This Policy, its application, a copy of which is attached, and all attached riders and endorsement constitute the entire Contract.

Only the Chairman of the Board of Directors, the President, or officers duly authorized in writing by the Board of Directors have the authority to modify this contract. Any such modification must be in writing and duly signed by the authorized officer.

4. Effectivity Of Policy And Policy Date — This Policy becomes effective only upon the payment of its initial premium and its delivery to the Owner while the Insured is alive and in good health. The Policy Date, shown in the policy data page will be used to determine premium due dates, policy years and policy anniversaries.

5. Misstatement Of Age — The age at issue of the Insured is his age [last/nearest] birthday as of the Policy Date.

If the age of the Insured has been misstated, the amount of insurance will be adjusted to the amount which the premium would have purchased at the correct age, applicable risk class and applicable premium rates as of the policy date.

If at the correct age, the Insured is not eligible for any coverage under this Policy or its riders, the Company will refund the corresponding premiums actually received by the Company less any indebtedness under this Policy.

6. Suicide — In case of suicide by the Insured within the first two (2) years from the date of issue of this Policy or of its last reinstatement, if any, the then pertinent provisions of the Insurance Code, as amended, will apply.

Where the suicide is not compensable, the liability of the Company is limited to the refund to the Owner of the premiums actually received by the Company for the then current policy year without interest, plus the cash value as of the end of the then previous policy year, if any, less all indebtedness under this Policy.

7. Non-Participating/Participating — a. For Non-Participating Contracts - This Policy is non-participating and does not share in the divisible surplus of the Company.

b. For Participating Contracts — The Company will determine yearly as a dividend that part, if any, of the divisible surplus of the Company as may be distributed to this Policy.

8. Dividends (for participating contracts) — Dividends may be payable on this Policy as of each policy anniversary date. Upon written request, such dividends may be: (1) paid in cash to the Owner; or (2) applied to any premium due; or (3) left to accumulate with interest at a rate set by the Company; or (4) applied as paid-up additional participating [non-participating] life insurance.

If no option is elected, Option [Company's choice] automatically applies. Any option elected applies only to subsequent dividends.

9. Non-Forfeiture — If this Policy has an available Cash Value as set forth in the Table of Non-Forfeiture Values, the Owner may, by written requests, elect any of the options below.

If a premium due is not paid and no option is chosen by the end of the Grace Period, then the Automatic Option provision will apply.

Option 1. Net Surrender Value (for non-participating contract) — The Owner may surrender this Policy for its Net Surrender Value which is the Cash Value derived from the Table of Non-Forfeiture Values, less any indebtedness under this Policy.

Option 1. Net Surrender Value (for participating contract) — The Owner may surrender this Policy for its Net Surrender Value, which is the Cash Value derived from the Table of Non-Forfeiture Values, together with any cash value of paid-up insurance from dividends and remaining dividend accumulation, less any indebtedness under his policy.

Option 2. Paid-Up Insurance — This Policy may be continued without further premiums as participating [non-participating] Paid-Up Insurance with a reduced amount of insurance equal to the level amount corresponding to the Net Surrender Value at the then attained age of the Insured for the remaining duration of this Policy.

Option 3. Extended Term Insurance (for non-participating contract) — This Policy may be continued without further premiums as a non-participating Extended Term Insurance with a level amount of insurance equal to the amount of insurance for the then policy year less any indebtedness under this Policy. The duration of the term insurance is what corresponds at the then attained age of the Insured to the Net Surrender Value. If the Net Surrender Value is more than enough to continue the extended term insurance until the maturity date, the excess is used to provide the corresponding amount of Paid-Up Pure Endowment payable to the Owner of maturity date if the Insured is then alive.

Option 3. Extended Term Insurance (for participating contract) — This Policy may be continued without further premiums as a participating [non-participating] Extended Term Insurance with a level amount of insurance equal to the amount of insurance for the then policy year less any indebtedness under this Policy. The amount of insurance is equal to the amount of insurance of the life insurance plan for the then policy year together with any then paid-up insurance amount and remaining dividend accumulation. The duration of the term insurance is what corresponds at the then attained age of the Insured to the Net Surrender Value. If the Net Surrender Value is more than enough to continue the extended term insurance until the maturity date, the excess is used to provide the corresponding amount of Paid-Up Pure Endowment payable to the Owner at maturity date if the Insured is then alive.

10. Policy Loan — At any time after a Cash Value is available under this Policy and while this Policy is in force other than as Extended Term Insurance, the Owner