

**EQUITABLE BANK LENDING ARRANGEMENT
ACKNOWLEDGMENT AND AGREEMENT**

Applicant/Policy Owner Name: _____

Policy Number (if known): _____

The undersigned Applicant/Policy Owner (the "Owner") has informed The Equitable Life Insurance Company of Canada ("Equitable Life") that the Owner intends to enter into a lending arrangement (the "Lending Arrangement") with Equitable Bank (the "Lender").

Pursuant to the Lending Arrangement, the Owner intends to grant the Lender a security interest in, and collateral assignment of, one or more insurance policies issued by Equitable Life to the Owner (the "Policy").

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner acknowledges and agrees in favour of Equitable Life that:

1. Equitable Life is an insurance company. Equitable Life is entirely separate from and is not affiliated in any way with Equitable Bank.
2. The Owner is not required to enter into the Lending Arrangement in order to purchase or continue to own the Policy.
3. Equitable Life makes no recommendation as to whether the Owner should enter into the Lending Arrangement.
4. The Lender will determine whether to approve the Lending Arrangement. Equitable Life has no influence as to whether the Lending Arrangement is approved.
5. The Owner has consulted with the Owner's own tax, legal, insurance and financial advisors and has decided to proceed with the Lending Arrangement based on the advice received from those advisors. Equitable Life does not provide tax, legal, insurance or financial advice.
6. The Owner has received advice as to any tax implications that may now or in the future result from the Owner's dealings with the Lender, including any surrender of the Policy. The Owner understands that tax legislation is subject to change.
7. The loan agreement associated with the Lending Arrangement will contain conditions pursuant to which the Lender can, among other things:

- require repayment of the loan; and
 - surrender the Policy and obtain the cash surrender value of the Policy.
8. Equitable Life will pay the cash surrender value of the policy to the Lender at the Lender's request. Equitable Life will not make any inquiries as to the state of the loan obligations between the Owner and the Lender, or any other inquiries of the Owner or the Lender, before paying the cash surrender value of the Policy to the Lender. The Owner understands that income tax may be payable on the surrender of the Policy and that the Owner will be liable for this tax notwithstanding that the Lender may receive all of the proceeds on the surrender of the Policy.
 9. Equitable Life will provide information regarding the Policy to the Lender at the Lender's request. This may include information about the policy owner, beneficiary, insured person, face amount, cash surrender value, death benefit, policy loans, dividends, premium payment status, premium deposit account/shuttle account balance, whether the policy is in force and other information reasonably requested by the Lender.
 10. The terms of the Lending Arrangement may contain provisions relating to Equitable Life's credit rating and the loan may be impacted by a change in Equitable Life's credit rating. Equitable Life shall not be responsible for any impact to the Lending Arrangement or the Owner as a result of a change in Equitable Life's credit rating.
 11. The Owner has inquired with its insurance advisor about, and has received full disclosure from its insurance advisor regarding, the relationship between the Owner's insurance advisor and the Lender and any potential conflicts of interest that may exist.
 12. The Owner agrees that Equitable Life shall have no liability to the Owner in connection with:
 - the Lending Arrangement and any matters in any way relating to or arising from the Lending Arrangement;
 - any actions taken by Equitable Life upon the instructions of the Lender with respect to the Policy; and
 - any tax owing by the Owner of the Policy on surrender of the Policy or any tax required to be withheld by Equitable Life on the payment of any amount to the Lender.
 13. Nothing in this document affects the terms and conditions of the Policy and the policy contract shall govern in the event of any conflict with this document.
 14. This Acknowledgment and Agreement shall be governed by the law that governs the Policy.

This Acknowledgment and Agreement is

DATED this ____ day of _____, _____.

Applicant/Policy Owner Full Legal Name:

By: _____
Name:
Title:

By: _____
Name:
Title: