

Dividend Notice

New Dividend Scale effective July 1, 2013

Participating whole life policyholders are entitled to share in Equitable Life's distributable earnings of the Participating Account through a credit of annual dividends to their policy. Equitable Life's Participating Account yield has remained strong despite challenging economic times and a low interest rate environment. The prolonged low interest rate environment continues to put pressure on those yields, which needs to be reflected in the dividend scale and could require reductions to the dividend scale in the future for all classes of participating policies within the participating block.

Determining the dividends takes into consideration various components. These include the investment performance of the Participating Account as well as death claims, policy lapses, taxes, and other expenses. An objective of each year's dividend is to maintain reasonable equity between classes and generations of policyholders. This means that different classes of policies may have different adjustments to the dividends they receive. Dividends are not guaranteed and future dividends can be higher or lower than previously projected.

WHAT CHANGE IS EQUITABLE LIFE MAKING TO THE DIVIDEND SCALE?

Equitable Life's Board of Directors has approved a change to the dividend scale effective July 1, 2013. Most Equimax® Participating Whole Life policies purchased from November 2004 to February 2012 will be affected. The change consists of a reduction to the dividend interest rate. Other components will remain unchanged. If you purchased an Equimax® Participating Whole Life policy before November 2004 or after February 2012, you are not affected by this dividend scale change.

Your base insurance coverage, guaranteed values, and previously credited dividends are not affected by this change and will continue to provide you with excellent value. The guaranteed values within your policy will continue to grow as detailed in the "Table of Guaranteed Values" pages in your policy contract.

ARE YOU AFFECTED BY THIS CHANGE?

- If your Equimax Participating Whole Life policy was purchased from January 2005 to February 2012, you are affected by this change.
- If your Equimax Participating Whole Life policy was purchased in November or December 2004, you may be affected. You can confirm if your policy is affected by contacting your Advisor or our Individual Contact Centre at 1-800-668-4095.
- If you purchased a Participating Whole Life policy before November 2004, or purchased an Equimax Estate Builder™ or Equimax Wealth Accumulator™ policy, you are not affected by this dividend scale change.



IF YOU ARE AFFECTED BY THIS CHANGE, WHAT DOES THIS MEAN TO YOU?

As a result of this change, future projected policy dividends will be lower than those projected using the 2012 dividend scale.

If you selected a dividend option that offers the ability to use dividends earned to pay premiums or Premium Offset, you may need to take action.

- The change in the dividend scale may require you to pay premiums for longer than previously projected.
- If you are already on Premium Offset, in some cases you may need to resume paying premiums for a period of time. Once the new dividend scale is in effect and if the new scale has affected your offset status, we will provide you with a new offset projection following your policy anniversary.

If you would like an updated illustration to show how your cash value and death benefit growth have been impacted by the new dividend scale, please call your Advisor or our Individual Contact Centre at 1-800-668-4095.

ABOUT EQUITABLE LIFE

Since 1920, people have been depending on **Equitable Life of Canada** for financial protection. As one of the largest mutual life insurance companies in Canada, Equitable Life is dedicated solely to its policyholders. Everything we do is focused on providing them with personalized service, security and wellbeing. Through independent Advisors across Canada, we offer a wide selection of competitive Individual Life and Health, Savings and Retirement and Group Benefits products to meet a range of financial planning and health needs.

For more information about Equitable Life's Dividend Policy visit our website at www.equitable.ca under Our Products>Whole Life.

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