



News Release

Foresters completes acquisition of Unity Life *Unity Life will represent Foresters in Canada*

Toronto, ON, April 3, 2008 – Foresters™ and Unity Life of Canada today announced completion of the agreement under which Unity Life becomes a wholly owned subsidiary of Foresters and will represent Foresters in the Canadian market as *Unity Life of Canada, a Foresters Company*.

Today's announcement follows the April 2nd completion of the sponsored demutualization of Unity Life, which recently received approval from eligible Unity Life policyholders and Canadian regulatory authorities, and a share transaction between the two parties. The \$50 million in proceeds from the share transaction will be paid to eligible policyholders in exchange for their voting control and their share of the value of Unity Life.

In making the announcement, George Mohacsi, Foresters President and CEO, said: "This is a very important development for Foresters. Our partnership with Unity Life, with its national coverage and outstanding marketing and distribution capabilities, will significantly strengthen our Canadian business and allow us to achieve our strategic goals for Canada of improving our financial results, growing our membership and strengthening our members' communities."

Tony Poole, President and CEO of Unity Life, said: "The conclusion of this transaction with Foresters represents a major milestone in the development of Unity Life which will contribute significantly to our future growth and success. Our partnership with Foresters represents a meshing of the complementary strengths of the two organizations and will provide the strong financial backing and access to capital we need to realize our Canadian growth strategy. We look forward to representing such a fine organization in the Canadian marketplace."

Commencing in mid-April, Unity Life will make cash payments to up to 15,000 eligible Unity Life policyholders. The average payment to eligible policyholders will be \$3,300, with the exact amount based on factors such as the size, policy cash value and duration of

their policies. The insurance coverage, policy values, premiums and the right to receive experience dividends of Unity Life policyholders will be unaffected by the sponsored demutualization.

Foresters future Canadian sales and marketing operations will be conducted exclusively through Unity Life. Unity Life customers will have access to the product lines of both Foresters and Unity Life. New customers who purchase eligible individual life insurance products from Unity Life will become full voting members of Foresters and enjoy all Foresters member entitlements and benefits. Additionally, Foresters will take on some Unity Life corporate activities that are presently outsourced.

Foresters Canadian financial representatives have been offered distribution contracts with Unity Life. Many of these representatives have become independent agents with Unity Life and will continue to serve Foresters members in their communities as before. For Foresters members whose current financial representative has not transitioned to Unity Life, a new representative will be appointed to service their business.

For further information on these arrangements, Foresters members are asked to contact their Foresters representative directly or call the Foresters Service Center at 1-800-828-1540 between 8:00 a.m. and 8:00 p.m. EST.

About Unity Life

Unity Life of Canada is a Canadian incorporated life insurance company, which provides financial security to Canadians through innovative life insurance products and services. The company originated in 1898 as the Insurance Department of the Subsidiary High Court of the Ancient Order of Foresters. It was incorporated as a mutual company in 1934, subsequently changing its name to Toronto Mutual Life Insurance Company. In 2002, Toronto Mutual Life amalgamated with its subsidiary, The Western Life Assurance Company, as Unity Life of Canada. On April 2, 2008, Unity Life was converted from a mutual life insurance company to a stock life insurance company owned by Foresters. Based in Mississauga Ontario, Unity Life currently has more than 192,000 active policies and certificates, \$13.8 billion of insurance in force, and \$562 million in assets (all figures in Canadian dollars as at December 31, 2007). Unity Life has been assigned an "A-" (Excellent) rating by A.M. Best*. Unity Life's Web address is www.unitylife.ca.

About Foresters

Founded in 1874 as a fraternal benefit society, Foresters™ helps individuals and families achieve financial security with its innovative portfolio of life insurance products and annuities. Foresters has assets of more than \$5.4 billion with liabilities of \$4.0 billion resulting in a surplus of \$1.4 billion (all figures in Canadian dollars as of December 31, 2007) and maintains an "A" (Excellent) rating by A.M. Best*. Foresters shares its financial

strength with its members, who are customers, through complimentary life, health and education benefits that help its more than 735,000 eligible members and their families in Canada, the United States and the United Kingdom. Foresters provides opportunities that inspire its members to make a difference in their communities. Foresters Equity Services, Inc.** and Foresters Securities (Canada) Inc. are wholly owned subsidiaries of Foresters that offers investment products in the United States and Canada respectively. For more information, please visit www.foresters.com.

Foresters™ is a trademark of The Independent Order of Foresters, a fraternal benefit society, 789 Don Mills Road, Toronto, Canada M3C 1T9.

*An "A" (Excellent) rating is assigned to companies that have a strong ability to meet their ongoing obligations to policyholders and have, on balance, excellent balance sheet strength, operating performance and business profile when compared to the standards established by A.M. Best Company. In assigning Foresters rating, A.M. Best stated that Foresters rating outlook is "stable", which means it is unlikely to change in the near future, assuming Foresters financial strength is maintained and operations grow. A.M. Best assigns ratings from A++ to F, A++ being superior ratings and A and A- being excellent ratings.

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