



Unity Life of Canada
Unité-Vie du Canada



Canadian Professional
Sales Association
L'association canadienne
des professionnels
de la vente

NEWS RELEASE

Unity Life of Canada Proposes to Acquire Individual Life & Accidental Death Insurance Policies of the Canadian Professional Sales Association (CPSA)

Transaction will involve the transfer of assets and the reinsurance, on an assumption basis, of all liabilities relating to the individual life and accidental death insurance policies currently in-force with CPSA, a fraternal benefit society. CPSA will incorporate as a not-for-profit corporation under the Canada Corporations Act once the transaction is completed.

Toronto, ON - September 13, 2007 - Unity Life of Canada and the Canadian Professional Sales Association (CPSA) today announced that they have entered into an agreement under which Unity Life will acquire the individual life and accidental death policies of CPSA. Following this transaction CPSA will cease to operate as a fraternal benefit society governed by the *Insurance Companies Act* (Canada) and will continue as a not-for-profit corporation governed by the Canada Corporations Act.

Under the agreement, which is subject to approval by regulatory authorities and members of CPSA, Unity Life will assume all insurance liabilities and related assets of CPSA.

If the transaction is approved, CPSA will cease providing direct insurance benefits to its members. Certain insurance benefits will continue to be provided to CPSA members by Unity Life, with no requirement for future premium payments.

In announcing the agreement, Unity Life President and CEO Anthony Poole said: "This transaction continues our strategy to grow Unity Life in to one of Canada's leading niche insurers. The transaction will strengthen Unity Life's size and fits well with our portfolio of specialty products. It continues our strategy of targeting blocks of business that complement our market and expertise. This acquisition comes on the heels of our recently announced plans to undergo a sponsored demutualization in partnership with Foresters. Both transactions underscore our commitment of growing our Canadian organization, improving our financial results and maintaining a leadership position in our core markets."

"CPSA's Board of Directors is excited about the proposed transaction and believes that it offers CPSA the opportunity to continue to offer its members the benefits they value most. It will also provide CPSA with future growth opportunities as it will allow CPSA to further develop its corporate membership program," said Harvey Copeman, President & CEO of CPSA. "Unity Life's size,

exceptional service infrastructure and complementary culture will provide our members with a secure home for their insurance protection.”

The value of the transaction was not disclosed. It is expected the transaction will close by the end of the year. Upon completion, CPSA will continue to provide its members with a range of benefits and services in keeping with its mandate as a professional training and development organization. The insurance policies assumed by Unity Life will form part of a growing insurance operation that is committed to providing leading service and insurance products for Canadians.

CPSA to Call Special General Meeting of Members

CPSA will be holding a special general meeting of its members so they may consider and vote on the proposed transaction. CPSA will send members a notice of the meeting shortly, advising further details concerning the transaction and its affect on members.

About Unity Life

Unity Life of Canada is a Canadian incorporated mutual life insurance company owned by its participating policyholders. The company 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. Based in Mississauga Ontario, Unity Life currently has more than 175,000 policyholders, \$13 billion of insurance in force, and over \$500 million in assets. Unity Life’s Web address is www.unitylife.ca.

About Canadian Professional Sales Association

CPSA is a fraternal benefit society, which is a national organization with approximately 27,000 sales and marketing professionals as members. Founded in 1874 it was previously known as the Commercial Travelers Association. CPSA provides its members with a range of professional development programs and benefits, which allow members to receive significant savings on travel, business costs and more.

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Unity Life

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