“Joining Foresters feels like an opportunity to invest in your community.”

Gertrude K., Foresters member and Branch Councillor

Get inspired
Detroit members make a difference, one spoonful at a time

Meet an amazing scholarship winner
Ashtyn Shaw, princess with a purpose

Financial highlights
The financial strength that helps us give back
Achieving our purpose together

At Foresters Financial, we believe in enriching lives and building strong communities – that’s our purpose. It is you, our members, who help us fulfill that purpose. Our quality life insurance, investment products and other financial solutions are just a starting point. In fact, our impact on communities last year show that being a part of Foresters goes beyond helping you reach your financial goals and protecting your family. Together we put our shared values to work to help give back in our communities. See what we were able to achieve together last year – and thank you!

Enriching lives

- Over $2.5 million1 awarded in Competitive Scholarships
- Over $1 million provided in Emergency Assistance to members across North America and the United Kingdom

Building strong communities

- $5.4 million awarded for member Community Grants initiatives. 128,080 members and their guests attended 1,785 fun family and volunteer activities
- 10 playgrounds built by Foresters volunteers and KaBOOM! providing 18,360 children and families with a safe place to play and connect
- 2,800 emergency preparedness kits were assembled with the American and British Red Cross Societies to help members prepare their communities in the face of a disaster

Making a difference

- 1,200 independent agents/advisors helped out at 15 events to support 2,800 children and their families across North America
- 738 Foresters agents/advisors and their guests lent a hand in local community revitalization projects

Investing in leadership

- 62 new Branch Councillors joined member leadership
- Over 13,000 hours of training provided for member leaders

Our financial strength

- 1,212,172 members strong
- 3.1 million certificates and contracts in force
- A.M. Best Financial Strength rating of “A” (Excellent) for the 16th consecutive year†
- $44 billion funds under management/administration, an increase of 30.6% over 2015
- 12% increase in life insurance and annuity premiums from 2015
- 31% increase in Asset Management Fee revenue from 2015
- $712 million in insurance claims and benefits paid
Looking back, looking forward

Last year was an exciting one for Foresters Financial, our first working under our new name, with a renewed focus on our purpose to enrich lives and build strong communities. We demonstrated that commitment through $27.5 million invested into our members and their communities. With more than 128,000 of you and your families participating in community and member activities and $5.4 million approved for granting activities, the enthusiasm of Foresters members inspires me. In 2017, the continued execution of our Winning on Purpose Strategy will drive the sustained and profitable growth of our business while increasing the positive impact of our purpose.

A Q&A with the CEO

Our CEO, Anthony Garcia, shares some of the year’s highlights and looks forward to the future.

What has Foresters been doing over the last year to continue implementation of its long-term strategy to 2025? We have all been motivated by our commitment to do more for our members, their families and communities. To deliver on that, we have focused on increasing our ability to meet and exceed our members’ expectations, improve our operational excellence and reach new members who are drawn to our unique purpose. We have also carried on our work to develop an organizational culture that will help unlock our full potential.

What are your priorities in 2017? We have a number of key priorities for the year. From a member perspective, I think there are three points that will really resonate. First, we are focusing on creating new products that meet the evolving needs of our members, through all of life’s stages. Second, we’re working towards modernizing our technology and systems, with an end goal of creating superior member service. Finally, we are focusing on distribution – to help us expand our offering to the future. We demonstrated that commitment through $27.5 million invested into our members and $5.4 million approved for granting activities and $4 million approved for marketing activities, the enthusiasm of Foresters members inspires me. In 2017, the continued execution of our Winning on Purpose Strategy will drive the sustained and profitable growth of our business while increasing the positive impact of our purpose.

What excites you about what is in store for Foresters this year? Our people and our members continue to impress me with the many ways they bring the Foresters difference to life. I am excited to see the organization be our members’ supporter, encouraging and empowering even more of them to get engaged in their communities by applying and volunteering for community-building projects through our Community Grants. I also look forward to seeing our many Foresters families connect with each other, live our purpose and share their excitement about what makes us unique with other people they know.

How does Foresters purpose impact your own life? I live our purpose every day – it’s what energizes me. From serving on charitable boards, to working alongside more than 100 Foresters volunteers at a Foresters and KaBOOM! playground build, to sleeping on the street to help raise awareness and funds in support of homeless youth. These are just a few ways I’ve experienced Foresters purpose first hand. Each experience has taught me a lot and makes me reflect about how I can continue to make a difference in the world. It’s an amazing privilege to lead an organization where doing good is part of our DNA.

Executive Leadership Team

- Anthony Garcia, President and Chief Executive Officer
- Andrew Adie, Enterprise Chief Risk Officer
- Ruairi Allison, President, United Kingdom Savings, Investment and Protection
- Bill Lipkus, President, North American Asset Management
- Cheryl Neal, Chief Marketing and Innovation Officer
- Suanne Nielson, Chief Talent Officer and Corporate Secretary
- Knut Olson, President, North American Life Insurance and Annuity
- Paul Reburn, Chief Financial Officer
- Clark Wagner, Chief Investment Officer
- René Zahn, Chief Legal Officer and Chief Compliance Officer

Board of Directors

- Richard M. (Dick) Freeborough, Canada, Chair of the Board
- Brian A. Isabelle, Canada International Fraternal President
- Sarita A. Basenak, Canada
- James M. (Jim) Boviden, United States
- Anthony M. (Tony) Garcia, Canada President and Chief Executive Officer
- Robert E. (Bob) Lamontagne, Canada
- Frank N.C. Lochan, Canada
- Martha E. Marson, United States
- Laraine J. Morris, United States
- David E. (Dave) Morrison, Canada
- David R. (Dave) Saunders, United Kingdom
- John B. Scott, United States
- Michael P. Stramaglia, Canada
- Christopher J. (Chris) Shanahan, United States, International Fraternal Vice President
- Wendy A. Watson, United States

Message from the Chair

Last year was about implementing Foresters Financial long-term strategy to 2025, while attending to business as usual. Thanks to the great work of our CEO Tony Garcia and the Executive Leadership Team, we have made solid progress while also encountering some roadblocks along the way. We learn from dealing with adversity and are served well by our core values of accountability, integrity and responsiveness.

A sound corporate culture will allow Foresters Financial to take the risks that are necessary to implement our long-term strategy and engage in innovation. Part of a sound culture is the understanding of risk management. We have made great strides in strengthening our risk management procedures and overall culture.

This is my last report to the members as I reach the end of my term on June 25th. I want to thank you for allowing me to be part of Foresters governance for the last 12 years. My life has been incredibly enriched by the experience including not only the board management and business oversight, but also the many and varied contacts I have had with members. The discussions with members has been one of the most rewarding aspects of my journey.

I want to thank the men and women who serve with me on the Board. They are a caring group of individuals who give insight and are dedicated to Foresters Financial. I know they join me in extending thanks and gratitude to our member leaders, member volunteers, employees and business partners for sharing your passion and efforts in support of our purpose. I particularly want to thank Brian Isabelle, our International Fraternal President for the collaboration alongside Tony and I. This is so essential to the oversight of our organization.

Congratulations to the Board members who like me will be leaving the Board. I believe the Board members proposed by the nominating committee will bring new strength and vitality to the Board. I wish the continuing members and those who will join them the best of good fortune in the future.

Thank you.

Dick Freeborough, Chair of the Board
Making a difference, one spoonful at a time

A Foresters Community Grant supports a Detroit soup kitchen

It's no secret that the city of Detroit has had more than its fair share of hard times. In a city with high poverty rates, the St. Christine Soup Kitchen has been there for some of its hardest-hit residents, providing a gathering place for support, friendship and nourishing meals served with a caring smile.

Foresters members are among the many volunteers who have helped cook and dish out hot nutritious lunches to about 200 patrons twice a week. One chilly day in February 2016, about 20 Foresters members came out to prepare and serve a meal at St. Christine's, just one of many volunteering events across the country last year where members put Foresters purpose into action.

“The biggest thing you can do is feed someone,” says Lakeisha Simpson, a Foresters member and volunteer at the St. Christine’s event. “When someone has taken their time to prepare a hot meal…I think that they feel, at least, loved.”

Besides preparing the lunch, Foresters volunteers organized the soup kitchen’s pantry shelves, handed out bags of groceries and packed and distributed hygiene kits to St. Christine’s patrons.

“Foresters Community Grants, similar to the one used to support St. Christine’s Soup Kitchen, give members the chance to spend quality time with their families while also making a positive difference in their communities. Members can apply for a Community Volunteer Grant by visiting MyForesters.com.”

Our members build stronger communities
Across three countries, Foresters members showed the same passion for giving back, spending quality time together and having fun by leading volunteer activities in their local communities. Last year, Foresters Community Grants gave $5.4 million to help enrich lives and build strong communities. Here is a sample of what we accomplished together:

**United States**
- **Blanchard, Oklahoma**
  - 100 holiday baskets were filled by Foresters members for Senior Citizens of Dibble, Oklahoma
- **Ogden, Utah**
  - 100 hygiene kits were put together for vulnerable residents at St. Anne’s Homeless Shelter

**Canada**
- **Toronto, Ontario**
  - 80 families living at a local Ronald McDonald House® were served dinner and smiles by friendly Foresters members
- **Calgary, Alberta**
  - 60 essential care packages were created by Foresters members for young cancer patients at Dr. Georges-L.-Dumont University Hospital Centre

**United Kingdom**
- **St Austell, Cornwall**
  - 80 Foresters volunteers planted a tranquil sensory garden for children with multi-sensory impairment at Little Harbour Children’s Hospice
- **Swindon, Wiltshire**
  - 55 care packages were assembled for victims of domestic abuse at Swindon Women’s Aid
- **Plymouth, Devon**
  - £1,000 worth of food was packed by Foresters members and donated to Anode Charity

Get involved! Organize a volunteer activity in your community:

2. Choose a local cause you’re passionate about.
3. Visit MyForesters.com to access helpful resources to assist your planning.

Watch this story online:
1. Visit foresters.com
2. Click on “Foresters difference”
3. Select “Videos”
Princess with a purpose

A Foresters Competitive Scholarship winner uses her own struggle to help others

Once upon a time there was a 15-year-old girl named Ashtyn Shaw who got very sick. In the fall of 2012, her doctors told her she had Hodgkin’s Lymphoma, a cancer of the lymphatic system. The girl from Wichita Falls, Texas had to spend a lot of time in the hospital getting treatments. She lost her hair. She didn’t feel good. She thought she looked ugly. But Ashtyn got better. Her own illness and treatment inspired her to start the Amazingly Small Heroes (A.S.H.) Project. Ashtyn, her friends and family are part of the core crew of volunteers. Dressed as princesses and superheroes and bearing presents, they spend time visiting with children who are battling serious illnesses, helping to bring smiles to their faces.

“I wanted to make the kids in the hospital feel like they’re just as good as anybody else, that they look just as good, they’re just as amazing,” said Ashlyn, who is CEO of the A.S.H. Project and continues to be among people who are still supporting their local community. It brings people together.

Foresters thought that Ashlyn’s dedication to giving back was pretty amazing. That’s why she was awarded a Foresters Competitive Scholarship, one of many benefits available to Foresters members and their families. After quickly getting back on track with school, Ashlyn, whose grandfather is a Foresters member, was accepted to the University of Oklahoma. She is majoring in human relations with a minor in non-profit organizations.

“Foresters is like family,” she says. “It’s incredible to have oversight of resources in the community,” she says. “It’s a privilege.”

She participates in monthly conference calls with nine other Branch Council members and sits on a committee that helps set up community events. Attending her first Councillor Orientation Meeting last November, “opened my eyes,” to the dedication of many longtime Foresters member leaders. She saw that the Foresters purpose was “real,” not mere window-dressing.

“I’m looking at people who have been doing this for 20 and 25 years,” she says. “I feel like I have a responsibility to carry this forward.”

Foresters Financial believes in doing more – for you, your family and your community

The Foresters Competitive Scholarship program is just one of many benefits our members can enjoy:

- Community volunteer grants
- Local volunteer activities
- Complimentary or discounted legal advice through Legal Link
- Personal financial counseling and educational tools through Everyday Money

Don’t miss out! Access these and many more member benefits by visiting MyForesters.com.

For most of us, we expect to purchase an insurance policy, throw it in a drawer and never think about it again.

Not Gertrude Kaburia. After hearing about the opportunities offered by Foresters for involvement in the community and member governance, the Mississauga, Ontario accountant decided she had to be part of it. Her purchase of a product felt “like an opportunity to invest in my community,” says Gertrude. “I wanted to just jump in – not be on the sidelines.”

And she did. Last September, Gertrude ran for and was elected to a Branch Councillor position within the Greater Toronto Area Branch. Branch Councillors provide strong local leadership by helping to guide and support the impact Foresters makes in members’ communities.

“In a world where there is so much unkindness, it’s grounding to be among people who are still supporting their local community. It brings people together.”

Your voice matters!

Foresters is member-based and democratic. That means members like you can stand for election or vote for those that do. It’s easy to get involved!

Important dates

Until June 7
Nominations are open for Branch Councillor positions at MyForesters.com.

August
Watch for your Branch elections package in the mail.

August to September 18
Vote online or by mail.
Agents score a ‘win-win-win’ on Foresters purpose

Work values are personal values for this husband and wife team

Stuart and Kristin Johnson are not only Foresters Financial members — they also are Vice Presidents of Sales and Branch Manager of Foresters Financial Services Los Angeles office, serving 3,500 households. Having two young children makes their lives even busier. But being part of an organization that shares their family and community values makes the work-life balancing act easier.

“It’s really important to make sure that our kids grow up with those types of values,” says Kristin. “It’s not just about what you get; it’s what you give.”

They never miss a Foresters KaBOOM! playground build in the Los Angeles area, typically bringing a large contingent of fellow members with them. Since becoming members in 2012, they have participated in more than a dozen Foresters volunteering activities, including several that they organized themselves. Championing family and community well-being is what it’s all about for the Johnsons.

“There’s a lot of companies out there that have a ‘what they do,’ which is providing a product or a service,” says Stuart.

“What makes us unique is the fact that we have a ‘why we do it,’ that’s a lot more in-depth than just trying to make a profit and return that profit to shareholders.”

For their first Foresters Community Grants activity, the Johnsons organized an activity to assemble 250 care packages with games, snacks and school supplies to brighten the holiday season for disadvantaged teens.

They’ve also organized activities to feed needy people at Thanksgiving, assembled duffel bags for children transitioning into foster care and put together picture frame kits for children receiving cancer treatment.

Stuart calls living Foresters purpose a “win-win-win,” for everyone — members, agents and the local area.

“The nice thing is we don’t have to seek these types of activities out,” says Kristin. “We have an opportunity to create them in places where we live and we work. And we see the impact on our community.”

How they give back

Stuart and Kristin are among thousands of Foresters agents who lend a valuable hand each year with Foresters community volunteer activities. Whether it’s a playground build, putting together care packages for people in need or serving a warm meal, our agents share our commitment to making Foresters products just the starting point for enriching the lives of families and communities.

Give yourself a coverage check-up!

Life is full of changes. And as you reach new life stages like getting married, buying a home or starting a family, it’s a good idea to think about what it means for your insurance. At Foresters Financial, we offer flexible solutions to meet your protection needs every step of the way. A coverage check-up can help you identify what those needs are — and make changes to your insurance if required.

Here are a few questions to help guide you through your check-up:

Are you looking for a savings or borrowing tool? Foresters offers different forms of insurance that carry cash value. For example, our SMART Universal Life Insurance has the potential to accumulate savings with interest, usually on a tax-deferred basis.

Do you have enough coverage? As you’re reviewing your coverage, you may realize that your needs have changed, knowing what you need becomes a whole lot easier!
### Key results

#### Total Premiums

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total gross life insurance premiums</td>
<td>$1.1 billion</td>
<td>$1.0 billion</td>
<td>$0.9 billion</td>
<td>$1.0 billion</td>
<td>$1.1 billion</td>
</tr>
</tbody>
</table>

#### Total Comprehensive Income (Loss)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total comprehensive loss of $172 million</td>
<td>$172.0 million</td>
<td>$172.0 million</td>
<td>$172.0 million</td>
<td>$172.0 million</td>
<td>$172.0 million</td>
</tr>
</tbody>
</table>

#### Surplus

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total surplus</td>
<td>$1.1 billion</td>
<td>$1.0 billion</td>
<td>$0.9 billion</td>
<td>$1.0 billion</td>
<td>$1.1 billion</td>
</tr>
</tbody>
</table>

### What the numbers mean

**Total premiums**

This is the total gross life insurance and annuity premiums earned by Foresters Financial. These are the amounts collected from policyholders for insurance coverage. The figures reflect the company’s sales volume and growth over the years.

**Total comprehensive income (Loss)**

This is the net income after accounting for the following:

- Net investment income
- Net realized gains or losses
- Net foreign currency translation effects
- Other income and expenses

**Surplus**

This represents the company’s financial strength and stability. It is the difference between its assets and liabilities at any given time. A higher surplus indicates a stronger financial position.

**MCCSR ratio**

This is a capital adequacy measure for life insurance companies in Canada. It indicates the company’s ability to withstand economic and business volatility.

### Certificates and Contracts In force

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of certificates and contracts</td>
<td>3.1 million</td>
<td>2.9 million</td>
<td>2.8 million</td>
<td>2.7 million</td>
<td>2.6 million</td>
</tr>
</tbody>
</table>

At December 31, 2016, Foresters Financial had over 3 million certificates and contracts in force. Since 2012, the number of certificates and contracts has grown by over one million due to the acquisition of The Children’s Mutual in the U.K. and strong sales of our products.

### What the numbers mean

**Annualized weighted sales**

This is a common measure used in the life insurance industry to measure new sales of products during the year. It takes into account sales of policies with ongoing premium payments, receive a higher weighting than sales of products with a single premium payment.

**Surplus**

Surplus is the value of the assets minus our financial obligations to members and others. A strong surplus position first and foremost gives Foresters Financial the ability to withstand economic and business volatility, and it allows us to invest in the growth of our business through increased sales and acquisition activities. Also, a portion of earnings on surplus is used to fund member benefits and community investments in support of Foresters’ Purpose.

**MCCSR ratio**

The Minimum Continuing Capital and Surplus Requirements ("MCCSR") ratio is a capital adequacy measure for life insurance companies established by the Office of the Superintendent of Financial Institutions Canada ("OSFI"). It is a measure used to monitor that insurers maintain adequate capital to meet their financial obligations.
Summary Consolidated Statements of Financial Position

As of December 31, 2016 with comparative figures for 2015

(In millions of Canadian dollars)

<table>
<thead>
<tr>
<th>Description</th>
<th>Dec 31, 2016</th>
<th>Dec 31, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Invested Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash, cash equivalents and short-term securities</td>
<td>$ 360</td>
<td>$ 394</td>
</tr>
<tr>
<td>Bonds</td>
<td>7,114</td>
<td>7,176</td>
</tr>
<tr>
<td>Equities</td>
<td>789</td>
<td>856</td>
</tr>
<tr>
<td>Other invested assets</td>
<td>158</td>
<td>145</td>
</tr>
<tr>
<td>Loans to certificate holders</td>
<td>368</td>
<td>371</td>
</tr>
<tr>
<td><strong>Total Invested Assets</strong></td>
<td>8,789</td>
<td>9,842</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance assets</td>
<td>316</td>
<td>302</td>
</tr>
<tr>
<td>Accrued investment income</td>
<td>70</td>
<td>78</td>
</tr>
<tr>
<td>Deferred acquisition costs on investment contracts</td>
<td>62</td>
<td>57</td>
</tr>
<tr>
<td>Prepaid commissions</td>
<td>68</td>
<td>72</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Other assets</td>
<td>92</td>
<td>71</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>63</td>
<td>62</td>
</tr>
<tr>
<td>Employee benefit assets</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Goodwill and intangible assets</td>
<td>268</td>
<td>286</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>3,674</td>
<td>3,746</td>
</tr>
<tr>
<td><strong>Net investments for accounts of segregated fund unit holders</strong></td>
<td>$ 13,444</td>
<td>$ 13,660</td>
</tr>
<tr>
<td><strong>Net unrealized gains (losses) on available-for-sale assets</strong></td>
<td>$ 4</td>
<td>(10)</td>
</tr>
<tr>
<td><strong>Reclassification of net realized (losses) on available-for-sale assets</strong></td>
<td>(7)</td>
<td>(1)</td>
</tr>
<tr>
<td><strong>Net unrealized foreign currency translation gains (losses)</strong></td>
<td>(85)</td>
<td>273</td>
</tr>
<tr>
<td><strong>Total unrealized gains (losses) on available-for-sale assets</strong></td>
<td>(88)</td>
<td>265</td>
</tr>
<tr>
<td><strong>Total Comprehensive Income</strong></td>
<td>($172)</td>
<td>($38)</td>
</tr>
</tbody>
</table>

Notes to the Summary Financial Statements

1. Basis of Presentation of the Summary Statement of Financial Position
   The summary consolidated statement of financial position and summary consolidated statement of comprehensive income have been summarized from The Independent Order of Foresters ("Foresters Financial") consolidated financial statements, which are prepared in accordance with International Financial Reporting Standards to portray in summarized form Foresters Financial’s financial position and results of operations. The criteria applied by management in the preparation of these summary financial statements are as follows:
   i. the information in the summary financial statements is in agreement with the related information in the audited financial statements; and
   ii. summary statements of changes in equity, cash flows, significant accounting policies and other explanatory information have not been presented, as the relevant information can be obtained from the audited financial statements.

The summary statement of financial position and summary consolidated statement of comprehensive income are only a summary of the information in Foresters Financial’s consolidated financial statements for the year ended December 31, 2016. They do not contain sufficient information to allow as full an understanding of the results and state of affairs of Foresters Financial as would be provided by the full consolidated financial statements for the year ended December 31, 2016. The full consolidated financial statements are available at foresters.com under financial strength.

2. Basis of measurement
   Foresters Financial’s consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:
   - Financial assets at fair value through profit or loss, available-for-sale financial assets and derivative financial instruments are measured at fair value;
   - Employee benefit assets and liabilities represent the funded status of these plans which is calculated as the difference between plan assets at fair value and the present value of defined benefit obligations;
   - Insurance contract liabilities are calculated using the Canadian Asset Liability Method ("CALM") which is based on accepted actuarial practices according to standards established by the Canadian Institute of Actuaries and the requirements of the Office of the Superintendent of Financial Institutions Canada. This method involves the projection of future events in order to determine the amount of assets that must be set aside currently to provide for all future obligations, including the provision of future benefits, and involves a significant amount of judgment; and
   - Land, buildings and investment properties are measured at fair value.

3. Foreign Currency
   The functional currencies of the foreign subsidiaries and branch operations have been translated into Canadian dollars. All assets and liabilities are translated at the average exchange rate at the balance sheet date, and the income and expenses are translated using the average exchange rate for the year. The accumulated gains or losses arising from translation and foreign currency transactions are not recognized in other comprehensive income, but are a separate component of accumulated other comprehensive income ("AOCI").

The full consolidated financial statements are available at foresters.com under financial strength.


To the Board of Directors of The Independent Order of Foresters

The accompanying summary consolidated financial statements of The Independent Order of Foresters, which comprise the summary consolidated statement of financial position as at December 31, 2016 (the summary consolidated statement of comprehensive income for the year then ended, and related notes, are derived from the audited consolidated financial statements, prepared in accordance with International Financial Reporting Standards of The Independent Order of Foresters as at and for the year ended December 31, 2016. We expressed an unmodified audit opinion on those consolidated financial statements in our auditors’ report dated February 14, 2017.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards applied in the preparation of the audited consolidated financial statements of The Independent Order of Foresters. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of The Independent Order of Foresters.

Management’s Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with the basis described in the notes to the summary consolidated financial statements.

Auditors’ Responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, “Engagements to Report on Summary Financial Statements.”

Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of The Independent Order of Foresters for the year then ended are a fair summary of those consolidated financial statements, in accordance with the basis described in the notes to the summary consolidated financial statements.

February 14, 2017

Chartered Professional Accountants, Licensed Public Accountants
Toronto, Canada

Ralph Ovsec, F.A.C. , F.C.I.A., M.A.A.A
Fellow, Canadian Institute of Actuaries
Toronto, Canada

Appointed Actuary’s report

To the Board of Directors of The Independent Order of Foresters

I have valued the policy liabilities and reinsurance recoverables of The Independent Order of Foresters for its consolidated statement of comprehensive income as at December 31, 2016 and their changes in the consolidated statement of comprehensive income for the year then ended in accordance with accepted actuarial practice in Canada including selection of appropriate assumptions and methods.

In my opinion, the amount of policy liabilities net of reinsurance recoveries makes appropriate provision for all policy obligations and the consolidated financial statements fairly present the results of the valuation.

These summarized consolidated financial statements do not contain all the disclosures required by accepted actuarial practice. Readers are cautioned that these statements may not be appropriate for their purposes.

February 14, 2017

Ralph Ovsec, F.A.C. , F.C.I.A., M.A.A.A
Fellow, Canadian Institute of Actuaries
Toronto, Canada

1 Source: Office of the Superintendent of Financial Institutions Canada (OSFI), Financial Data for Life Insurance Companies, Total Canadian Life Companies, MCCSR – Total capital required/available.
Learn more about our quality financial solutions at foresters.com

- Protecting your family with life insurance
- Planning for life’s events
- Protecting your mortgage
- Saving for education
- Planning for your retirement
- Leaving a legacy
- Preparing for final expenses

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