

GIVE THE GIFT OF INSURABILITY

With Equitable Life's Flexible Guaranteed Insurability

We all want the best for our children and grandchildren, today and in the future. We do our best to protect them, but life happens. Protect their future insurability with Flexible Guaranteed Insurability Option.

Illness and lifestyle choices can affect their ability to qualify for life insurance as adults, when they start having children of their own and want to ensure their family's financial security.

A recent survey revealed that when it comes to the well-being of Canadian children, when compared to the 29 OECD nations, Canada ranked¹:

- 21st in child well-being, including mental health,
- 22nd for preventable childhood injuries and deaths,
- 27th in childhood obesity.

¹ Reaching for the Top: A Report by the Advisor on Health Children & Youth, Health Canada, 2007

GIVE THEM A HEAD START WITH EQUIMAX PARTICIPATING WHOLE LIFE INSURANCE

Insuring them is easy and affordable when they are young and healthy. With the 20-pay option, they will benefit from a paid-up base plan that provides insurance protection at a time when their needs are high but their discretionary income may not be. Plus, selecting Paid-Up Additions as the dividend option, the plan builds a valuable nest egg they can access through a cash withdrawal, policy loan or collateral loan to fund education, travel, etc.

PROTECT THEIR FUTURE INSURABILITY WITH FLEXIBLE GUARANTEED INSURABILITY OPTION

This rider guarantees their right to purchase, without evidence of insurability, up to \$500,000 of additional insurance at specified dates down the road. Those dates can correspond with major life events that increase their need for insurance protection: getting married...buying a home...starting a family...even opening a business.

HOW DOES IT WORK?

- Add Flexible Guaranteed Insurability Option to an Equimax insurance policy for a child age 0 - 15 inclusive, standard rating only.
- Select up to 5 option dates and amounts:
 - The first option date must be at age 18, with the remaining option dates taken between age 25 and 45 inclusive and at least 2 years apart.
 - Amounts can differ for each option and must be between \$25,000 and \$250,000. The total of all FGIO options cannot exceed \$500,000.
 - Each option is treated separately and has its own premium charge. The premium terminates on the date the option is exercised.
- With option dates spread over a greater number of years and option amounts up to \$250,000, Flexible Guaranteed Insurability Option rider is more flexible than traditional Guaranteed Insurability Option (GIO) riders.

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equimax



CASE STUDY

Equimax 20-Pay Whole Life with a Flexible Guaranteed Insurability Option Rider

THE SITUATION:	THE NEED:
<ul style="list-style-type: none"> • Carol, proud grandmother of Natalie (2) and Jack (1) • \$100 a month to spend on insurance protection for each grandchild 	<ul style="list-style-type: none"> • Providing for her grandchildren's future financial security. • Guaranteeing their right to purchase additional insurance in the future, regardless of health or lifestyle choices that may affect their insurability

THE SOLUTION:

Two Equimax 20-Pay whole life insurance plans with Paid-Up Additions as the dividend option and three Flexible Guaranteed Insurability Options: \$125,000 at age 18; \$125,000 at age 25 and \$250,000 at age 30.

	Guaranteed Cash Values		Total Cash Values		Total Death Benefit	
	Natalie	Jack	Natalie	Jack	Natalie	Jack
At issue	\$0	\$0	\$0	\$0	\$85,7191	\$75,634 ¹
Age 20	\$10,715	\$9,984	\$18,253	\$17,713	\$174,904	\$150,604
Age 30	\$16,544	\$14,597	\$40,129	\$46,817	\$279,159	\$298,819
Age 65	\$49,203	\$43,414	\$392,207	\$487,305	\$899,674	\$1,008,043

¹ The initial face amounts were determined by setting up the illustration with the desired plan and rider information, then using the "Solve for Face Amount" option as the Face Amount to determine how much coverage \$100 per month will purchase. The above values are for illustration purposes only. Actual values may vary.

With the Flexible Guaranteed Insurability Option, they can protect their family's financial security by buying additional insurance to replace an income, cover personal or business debts, pay off a mortgage or funding their children's education.

THE FUTURE:

At policy year 20:

- Base plans are now paid up. The only premiums owing are for the remaining Flexible Guaranteed Insurability Options and any additional insurance policies they purchase.
- Ownership can be transferred to Natalie and Jack, creating a foundation for their financial plans.

At age 18, 25 and 30:

- Upon reaching these milestones, they have the opportunity to purchase up to \$500,000 of additional insurance without evidence of insurability.

At age 65:

- By using the cash value of their base plan as collateral for a loan through Equitable Life's Collateral Loan Program, Natalie could supplement her retirement income by over \$350,000. Jack, by almost \$440,000.

Flexible Guaranteed Insurability Option...the gift that keeps on giving!

Questions on Flexible Guaranteed Insurability Option rider? Contact your Regional Equitable Life Marketing Manager.