

EQUILIVING[®] CRITICAL ILLNESS INSURANCE

ADVISOR GUIDE



equiliving

ABOUT EQUITABLE LIFE OF CANADA



Equitable Life® is proud to be one of Canada's largest mutual life insurance companies. We are owned by our participating policyholders, not shareholders. This allows us to focus on management strategies that foster prudent long-term growth, continuity and stability.

We are dedicated to meeting our commitments to our customers – to provide good value and meet their needs for insurance protection and wealth accumulation – now and in the future. That's why Canadians have turned to Equitable Life since 1920 to protect what matters most.

Equitable Life is a focused, stable and strong company. We have sufficient earnings and capital to meet our future growth targets, and we continue to grow steadily. Our growth in sales has been driven by our ability to implement our strategic plan, placing a priority on products, service and execution. Our financial success reflects our continued commitment to profitable growth and our ability to navigate a changing regulatory and economic environment.

Our mutual structure is a key element of our value proposition, along with our diversified product portfolio and superior service. As an organization we're progressive, competitive and firmly committed to serving the best interests of our policyholders, through longer-term strategies that foster ongoing stability, growth and profitability.

ABOUT THIS GUIDE

This guide provides a detailed overview of EquiLiving critical illness insurance, including product features and benefits, and additional riders and benefits. While Equitable Life has made every effort to ensure the accuracy of the information presented here, the policy contract governs in all cases. Please refer to the policy contract for complete contractual details. **FOR ADVISOR USE ONLY**

Questions? Equitable Life is committed to providing you with the service you need to support your business. If you have questions or require additional information, please contact your Equitable Regional Life Sales Managers.

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ABOUT CRITICAL ILLNESS INSURANCE

“People need insurance, not because they are going to die, but because they’re going to live.”

– Dr. Marius Barnard, originator of the critical illness insurance concept

Why include EquiLiving critical illness insurance in your product offering?

- You have a ready-made list of prospects... your existing clients!
- With the CI special offer, if your clients are 50 or under and qualify for a preferred risk class on term coverage, they will automatically be underwritten for CI coverage. No separate CI application...no pre-qualifying questionnaire... no additional medical evidence.
- Critical illness insurance can be used as a “door-opener” as it benefits the client, not just his or her heirs
- Critical illness insurance can protect your clients’ savings plans, keeping your clients—and your business—on track
- If you don’t offer your clients critical illness insurance... somebody else will!

Critical illness insurance can be a cornerstone of your business.

History of critical illness insurance

Over 50 years ago in South Africa, Dr. Marius Barnard and his brother, Dr. Christiaan Barnard, performed the first successful human heart transplant. Thereafter, Dr. Marius Barnard was dismayed to realize that while patients were surviving critical conditions including transplants, heart attacks, strokes, and cancer, they faced enormous financial hardships as a result of these illnesses. Dr. Barnard’s concern led him to develop the concept of critical illness insurance, a product he came to describe as insurance not because you are going to die, but because you are going to live.

In recent years, critical illness insurance has developed a strong foothold in the Canadian marketplace. Diminishing health care, an aging population, and modern medical advances have created a need for critical illness protection, and your clients recognize this need. With Equitable Life’s EquiLiving critical illness insurance, you can provide your clients with comprehensive critical illness insurance coverage.

Target markets

Equiliving critical illness insurance is ideally suited to the following markets:

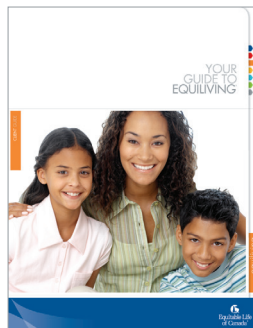
- **Single clients** who want the peace of mind knowing that should they suffer from a critical illness, they will not become a financial burden on their family or friends, and that their own financial situation will remain on track.
- **Single parents** may have purchased life insurance to provide financial assistance to the potential caregivers for their children should they die. But what if they suffer from a critical condition and survive? Equiliving gives them the financial protection to pay for the best care for their condition—and afford childcare.
- Regardless of what stage in the “lifecycle” a **family** is in, by ensuring both spouses have adequate Equiliving critical illness insurance protection, your clients will be able to feel secure in knowing that their lifestyle goals can remain intact, even if they experience a critical illness.
- Parents who want to ensure expenses are covered, so if their **child** gets sick, they can take a leave from work to be by their side during treatment and recovery.
- **Home owners** are often asked by their lending institution to insure their mortgage in the event of a critical illness. Equiliving gives them that protection in a plan tailored to their needs.
- For **business owners**, Equiliving can provide them with the funds to assist in the continuation of their business should they become critically ill. Upon recovery, they will have a business to go back to if they choose!

Marketing materials

The following client brochures and guide are available to assist with your Equiliving sales:



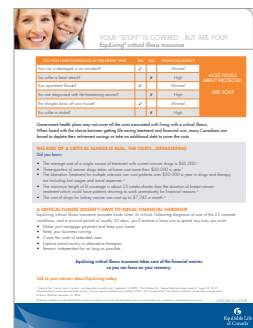
Understanding the Covered Conditions
1248



Equiliving Client Guide
1258



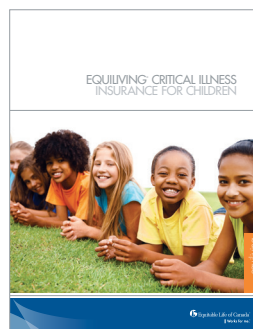
Critical Protection
1259



CI Sample Premiums (PDF format only)
1274



Protecting the important things in life
1286BIL



Critical illness insurance for children
1287

How to order

Log in to EquiNet at www.equitable.ca/advisorhome. Select Marketing Materials under Insurance, then select Order Now. Please request marketing material from your MGA. Your MGA should complete the order form, scan it and email it to supply@equitable.ca or FAX it to 519-883-7424.

FEATURES AT A GLANCE

Plan types/ issue ages	<ul style="list-style-type: none"> • 10 year renewable to age 75 (ages 30 days – 65) • Level to age 75 (ages 30 days – 64) • Level to age 100 (ages 30 days – 65) 	
Availability	<ul style="list-style-type: none"> • Single Life stand-alone plan • Available as a rider on term (adult plans only), Equimax® participating whole life and Equation Generation® IV universal life 	
Sum insured	<ul style="list-style-type: none"> • Minimum: \$ 25,000 • Maximum*: \$ 250,000 for issue ages 30 days to 17 years \$ 2,000,000 for issue ages 18+ <p style="text-align: right;">* with all carriers</p>	
Policy fees	\$50 per year / \$4.50 per month	
Rates bands	<p>\$ 25,000 – \$ 49,999 \$ 50,000 – \$ 99,999 \$100,000 – \$249,999 \$250,000+</p>	
Covered conditions	EquiLiving covers 25 adult conditions and five additional covered conditions for children ages 30 days to 17 years. See the covered conditions section of this guide for details.	
Built-in features	<ul style="list-style-type: none"> • Early detection benefit • Change privilege 	
Optional riders	<ul style="list-style-type: none"> • Return of premiums at expiry (10 year renewable to age 75) • Return of premiums on surrender/expiry (level to age 75 and level to age 100) • Return of premiums on death • Term insurance riders • Accidental death benefit • Disability waiver of premium for the life insured and/or payor/applicant of the policy • Applicant's death and disability waiver of premium (for children's policies only) 	
Smoking status	<p>Standard non-smoker The insured has not used any cigarettes, pipe or chewing tobacco, smoking cessation products, or tobacco substitutes within the past 12 months. Up to one cigar/cigarillo is permitted per month, subject to a negative cotinine level. Clients who use marijuana, whether inhaled or ingested, may qualify for non-smoker rates (Class 3).</p>	<p>Smoker The person to be insured has used tobacco or nicotine-based products within the 12 months preceding the application.</p>
EZcomplete® online application	<ul style="list-style-type: none"> • Use it for in person or non-face-to-face meetings. • EZcomplete easily guides you through only the required sections of the application. • It includes functionality that allows your clients to sign the application using their own electronic device. • Login to EquiNet® and click on the EZcomplete icon on the menu bar. 	

EQUILIVING PRODUCT OVERVIEW

Equiliving critical illness insurance provides your clients with a lump sum benefit following the survival period, which is usually 30 days after diagnosis of one of the covered conditions. Your clients can use this benefit payment any way they want, including:

- Paying for specialized or alternative treatments outside of Canada not covered by group or government-sponsored plans.
- Covering travel and accommodation expenses when out-of-town or out-of-country treatment is required.
- Paying for in-home care.
- Accessing the best medical treatment while protecting the family's ongoing financial security and standard of living.
- Covering expenses so that a parent can take a leave from work to be by a sick child's side during treatment and recovery.
- Paying off a mortgage or other personal debts.
- Paying for home or vehicle modifications to improve accessibility.
- Continue saving for retirement and children's education.
- Hiring someone to keep a business viable.

Availability

Equiliving provides single life coverage as either a stand-alone plan or as a rider on term, Equimax participating whole life and Equation Generation IV universal life.

Plan types

10 year renewable to age 75

Provides a level sum insured for the life of the policy. The guaranteed premiums renew (increase) every 10 years until the policy anniversary nearest your client's attained age 75, when the policy expires.

- Issue ages: 18 to 65 years
- Face amount: minimum \$25,000 maximum: \$2,000,000

Level to age 75

Provides a level sum insured for the life of the policy. The guaranteed premiums are level until the policy anniversary nearest your client's attained at 75, at which time the policy expires.

- Issue ages: 18 to 64 years
- Face amount: minimum \$25,000 maximum: \$2,000,000

Level to age 100

Provides your client with a level sum insured for the life of the policy. The guaranteed premiums are level and payable until the policy anniversary nearest your client's attained age 100, at which time no further premiums for the policy are required.

- Issue ages: 18 to 65 years
- Face amount: minimum \$25,000 maximum: \$2,000,000

EquiLiving for children

All of the above plan types are available for issue on children, ages 30 days to 17 years. It provides coverage for 5 childhood conditions in addition to the 25 adult covered conditions*. Coverage for the childhood illnesses expires at age 25 of the life insured.

- Issue ages: 30 days to 17 years
- Face amount: minimum \$25,000 maximum: \$250,000
- Covered conditions: cerebral palsy, congenital heart disease, cystic fibrosis, muscular dystrophy, type 1 diabetes mellitus

* For plans insuring children, coverage for Loss of Independent Existence does not apply until age 18 at which time it is added automatically.

Covered conditions		
Heart attack	Stroke	Cancer (life threatening)
Alzheimer's disease	Aortic surgery	Aplastic anaemia
Bacterial meningitis	Benign brain tumour	Blindness
Coma	Coronary artery bypass surgery	Deafness
Heart valve replacement	Kidney failure	Loss of independent existence*
Loss of limbs	Loss of speech	Major organ transplant
Motor neuron disease	Multiple sclerosis	Occupational HIV infection
Paralysis	Parkinson's disease	Severe burns
Major organ failure on waiting list for transplant		
* Loss of independent existence provides a benefit for cognitive impairment and/or a total and permanent inability to perform two or more of: bathing, dressing, toileting, continence, transferring or feeding. For plans insuring children, coverage for loss of independent existence does not apply until age 18 at which time it is added automatically.		
Additional covered conditions for children (until age 25)		
Cerebral palsy	Congenital heart disease	Cystic fibrosis
Muscular dystrophy	Type 1 diabetes mellitus	

Benefit payment

Following the diagnosis of a covered condition, and a survival period of usually 30 days, EquiLiving provides your client with a lump sum payment of the sum insured (benefit amount). The policy must be in force at the time. A licensed medical specialist in Canada, the United States, or other region as approved by Equitable Life must undertake the diagnosis of all of the covered conditions unless otherwise specified in the policy contract. The physician may not be the owner, the person insured, or a relative or other partner of the owner or the person insured. The following are for reference only; the policy contract governs in all cases.

Exclusion: No benefit payment will be made for any illness, disorder, or condition not specifically defined in the policy contract. It is important to note the EquiLiving benefit is payable only once and only for one critical condition. Once the EquiLiving benefit is payable the policy terminates, regardless of how many additional critical conditions your client may be diagnosed with.

For other exclusions, please review the contract definitions in Understanding the Covered Conditions, 1248.

Survival period

For your client to receive a benefit, he or she must survive the specified number of days starting on the date of diagnosis of, or surgery for, the critical condition. The survival period is generally 30 days unless otherwise specified in the policy contract. The person insured must be alive at the end of the survival period and must not have experienced irreversible cessation of all functions of the brain during the survival period for a benefit payout to be made.



Extension of expiry (available on 10 year renewable to age 75 and level to age 75)

With EquiLiving 10 year renewable to age 75 or EquiLiving level to age 75, your client's plan expires on the policy anniversary nearest his or her attained age 75. However, if the policy expires while the person insured is satisfying an applicable survival period for a covered condition, the extension of expiry applies, and your client's EquiLiving policy will remain in force until the earlier of:

- The date of the person insured's death, or
- The date the person insured's EquiLiving benefit or early detection benefit becomes payable.

The extension of expiry provides coverage only for the particular covered critical condition or early detection benefit covered condition that initiated the extension of expiry.

Termination

EquiLiving coverage terminates upon the earlier of:

- lapse of the policy,
- the written request of the owner, effective on the date the notice is received by Equitable Life at its head office,
- the date the EquiLiving benefit becomes payable,
- the date of death of the person insured,
- the date of payment of the return of premiums on death (if included at the time the policy was issued)
- the expiry date of the policy, if applicable provided the policy has not terminated under any other termination provisions contained within the policy.

Exclusions and limitations

No EquiLiving benefit or early detection benefit will be paid if the person insured is diagnosed with a covered condition that arises directly or indirectly from:

- Suicide attempt or self-inflicted injury while sane or insane
- Misuse of medication or the use of illegal drugs or intoxicants
- Failure to seek or follow the medical advice of a licensed physician
- An act of declared or undeclared war, or conflict between the armed services of countries or international organizations
- Terrorism
- Committing or attempting to commit a criminal offence
- Operating a motor vehicle while the concentration of alcohol in 100 millilitres of blood exceeds 80 milligrams
- Taking a poisonous substance or inhaling toxic gases or fumes

TAX TREATMENT

Regarding critical illness insurance, Equitable Life interprets current tax laws as follows:

- If premiums are paid by an individual, the critical illness benefit payout received is not taxable, regardless of who owns the policy
- If premiums are paid by an employer and are deducted as a business expense, either the premium paid (which will be added to the person insured's income) or the benefit payout received will be considered to be taxable to the person insured

Note: As the taxation of critical illness insurance and the additional benefits available under this insurance coverage is still under review, this information should not be considered tax advice and should not be used as the basis for EquiLiving purchase decisions. Your clients should seek advice from their lawyers or tax advisors regarding the taxation of EquiLiving critical illness insurance.

BUILT-IN FEATURES

Early detection benefit	<p>This feature provides a lump sum benefit if the person insured is diagnosed with and survives the 30 day survival period applicable to four non-life threatening conditions, including coronary angioplasty, early prostate cancer, ductal breast cancer or superficial malignant melanoma.</p> <p>The early detection benefit will be the lesser of 15% of the then current EquiLiving benefit amount and \$50,000. This benefit can be paid twice during the lifetime of the policy, but only once for any condition. Payment of the early detection benefit will not cause the policy to terminate, reduce the EquiLiving benefit, the return of premiums on death, return of premiums on surrender/expiry, or the policy premiums. Note that unlike the survival period applicable to the covered critical conditions, during the early detection benefit survival period, premiums are still payable.</p> <p>For details, refer to Understanding the Covered Conditions, 1248.</p>
Change privilege	<p>Your client can change their 10 year renewable to age 75 plan to a level to age 75 or level to age 100 plan up to and including the anniversary nearest the insured's age 60.</p> <ul style="list-style-type: none">• The new policy will cover the same conditions as the original policy, provided one is available at the time of the request for change.• No evidence of insurability is required for the change.• Premiums will be based on the then current rates for the level to age 75 or level to age 100 plans.• If a return of premiums at expiry or return of premiums on death rider existed on the original policy, the rider must also be added to the new plan in order for the accumulated premiums to be carried forward to the new plan.

OPTIONAL RIDERS AND BENEFITS

The following riders are available on the stand-alone version of the EquiLiving critical illness insurance plan only. They are not available when EquiLiving is added as a rider to a life insurance policy.

Return of premiums on death (available on all EquiLiving plans)

- Issue ages: 30 days – 64 years (level to age 75)
30 days – 65 years (10 year renewable to age 75 & level to age 100)

If the life insured dies at any time while their EquiLiving policy is in force and no EquiLiving benefit has been paid or is payable, Equitable Life will return to their beneficiaries an amount equal to the applicable premiums paid, up to a maximum of the EquiLiving critical illness coverage sum insured. This rider is available on all plan types.

Premiums to be returned: The amount of premiums returned on death includes:

- the sum of policy premiums including those for insurance ratings,
- administration fees,
- premiums for return of premiums on surrender/expiry and return of premiums on death riders, (if applicable), including any insurance ratings applicable to these riders.

Premiums returned will be limited to the maximum sum insured under the EquiLiving policy.

Note: Premiums paid for any other riders, interest on premiums or premiums waived by Equitable Life under a disability waiver of premium or applicant's death and disability waiver, will not be returned.

Return of premiums at expiry (available on 10 year renewable to age 75 only)

- Issue ages: 30 days – 55 years
- Expiry: Policy anniversary nearest the person insured's age 75

Provided no EquiLiving benefit has been paid or is payable, this rider provides the life insured with the opportunity to have their premiums returned on the policy expiry date which is the policy anniversary nearest their attained age 75. The rider is only available at the time the policy is issued.

Premiums to be returned: The amount of premiums to be returned on expiry includes:

- the sum of premiums paid for the policy including those for insurance ratings,
- administration fees,
- premiums for return of premiums on surrender/expiry and return of premiums on death riders, (if applicable), including any insurance ratings applicable to these riders.

Premiums returned will be limited to the maximum sum insured under the EquiLiving policy.

Note: Premiums paid for any other riders, interest on premiums or premiums waived by Equitable Life under a disability waiver of premium or applicant's death and disability waiver, will not be returned.

Return of premiums on surrender/expiry (available on level to age 75 and level to age 100 only)

- Issue ages: 30 days – 55 years (level to age 75)
30 days – 65 years (level to age 100)
- Expiry: Policy anniversary nearest the person insured's age 75 (level to age 75)

Provided no EquiLiving benefit has been paid or is payable, this rider provides the life insured with the opportunity to have their premiums returned:

- Upon expiry - 100% of the premiums to be returned are payable.
- Upon surrender - The following chart outlines how return of premiums will be handled on full or partial surrender.

Premiums to be returned: The amount of premiums to be returned on surrender or expiry includes:

- the sum of premiums paid for the policy including those for insurance ratings,
- administration fees,
- premiums for return of premiums on surrender/expiry and return of premiums on death riders, (if applicable), including any insurance ratings applicable to these riders.

Premiums returned will be limited to the maximum sum insured under the EquiLiving policy.

Note: Premiums paid for any other riders, interest on premiums or premiums waived by Equitable Life under a disability waiver of premium or applicant's death and disability waiver, will not be returned.

How to take a full or partial surrender

To elect to take either a full or partial surrender of the policy, your client must notify Equitable Life, in writing, within 30 days before the date he or she wants to make the surrender.

Return of premiums on partial surrender	Return of premiums on full surrender
<p>A partial surrender or reduction in the EquiLiving sum insured before the 15th policy anniversary is treated as a lapse of that portion of the coverage. No premiums will be returned at the time of the reduction.</p> <p>The premiums to be returned on full surrender or expiry of the policy are then recalculated as though the reduced sum insured had been in force from the effective date of the policy.</p> <p>On or after the 15th policy anniversary, clients may elect to surrender a portion of the policy and receive a partial return of premiums on surrender/expiry benefit, provided the reduced EquiLiving sum insured remaining in force meets the then current policy minimums.</p> <p>The partial return of premiums on surrender/expiry benefit will be equal to the premiums to be returned upon full surrender of the policy, less the premiums that would have been paid for the reduced sum insured, multiplied by the percentage eligible to be returned. The maximum amount of the premiums to be returned on a partial surrender is limited to the EquiLiving sum insured being surrendered at that time.</p> <p>When the partial surrender benefit is paid, your client's policy continues in force with the reduced sum insured. The return of premiums on surrender/expiry rider premium will be reduced to the amount required for the corresponding policy premium.</p>	<p>No premiums are returned if the surrender is made prior to the 15th policy anniversary.</p> <p>Upon surrender on or after the 15th policy anniversary, 75% of the premiums to be returned are payable. This percentage increases by 5% each year, reaching 100% on and after the 20th policy anniversary.</p> <p>The maximum amount of the premiums to be returned is limited to the EquiLiving sum insured in force at the expiry date.</p>

Disability waiver of premium (available on all EquiLiving plans)

- Issue ages: 18 years – 55 years
- Expiry: Policy anniversary nearest the person insured's attained age 60

This rider can be purchased on the life insured and/or payor/applicant of the policy. It provides for the payment of all premiums applicable to the plan while the person(s) for whom the rider was purchased is totally disabled by sickness or accident. If the total disability occurs prior to their 60th birthday and lasts for six consecutive months, Equitable Life will refund any premiums paid during this six-month period and waive any premiums that come due during the continuation of the total disability.

Applicant's death and disability waiver (available on children's plans only)

- Issue ages: 30 days – 17 years for the insured child
18 years – 55 years for the payor/applicant
- Expiry: Age 60 of the applicant or age 21 of the insured child, whichever comes first.

If the person insured under the EquiLiving policy is between the ages of 30 days and 17 years, the payor/applicant of the policy may apply for this rider. This rider is available on all plan types. It provides for the payment of all premiums applicable to the plan while the payor/applicant is totally disabled by sickness or accident for at least six consecutive months, or dies.

- In the event of disability, Equitable Life will refund any premiums paid during this six-month period and waive any premiums that come due during the continuation of the total disability until age 60 of the payor/applicant or age 21 of the insured child, whichever comes first.
- In the event of death, premiums will continue to be waived until age 21 of the insured child.

At age 21, the insured child has the option to add disability waiver on their own life.

Accidental death benefit (available on all EquiLiving plans)

- Issue ages: 18 years – 60 years
- Expiry: Policy anniversary nearest the person insured's attained age 65

This rider provides a payment to the beneficiary in the event the life insured dies by accidental means. Your client selects the amount of the accidental death benefit, from:

- a minimum of \$10,000;
- to a maximum of the amount of EquiLiving critical illness coverage, or \$500,000, whichever is less.

Definition of total disability

Under this disability waiver of premium rider, for the first two years, total disability is defined as a state of incapacity caused by disease or bodily injury that results in the person insured's inability to perform all duties of his or her regular occupation.

If the person insured has no occupation, total disability means the inability to engage in any occupation for which the person insured is qualified or may reasonably become qualified by education, training, or experience.

After two years, total disability is defined as the person insured's inability to engage in any occupation for which he or she is qualified or may reasonably become qualified, by education, training and experience.

Total disability will not be considered to exist while the person insured is engaged in any form of gainful employment.



10/20 year term life insurance (available on all EquiLiving plans)

- Issue ages: 10 YRCT: 18 years – 75 years
20 YRCT: 18 years – 65 years
- Renewable: To age 85 of the insured
- Minimum issue amount: \$50,000; minimum to be eligible for preferred risk classes: \$1,000,001
- Maximum issue amount: \$10,000,000

With EquiLiving, your clients can add either a 10 YRCT or a 20 YRCT rider to their critical illness insurance plans. The addition of a term life rider makes EquiLiving a truly comprehensive insurance package—critical illness coverage to provide financial protection in the event of a covered critical condition, and term life insurance to pay a benefit to the beneficiaries upon your client’s death. Term insurance has many applications to satisfy temporary insurance needs including covering a mortgage or other short-term debts.

While the term life insurance rider is in force, upon the death of the life insured under the policy, Equitable Life will pay the death benefit to the beneficiary.

Preferred risk classes

Preferred term riders enjoy the same benefits of a stand-alone preferred term policy without the additional policy fee. In order to be considered for preferred rates, the face amount of the rider must be greater than \$1,000,000. Five risk classes are available on the term riders:

Class 1: Preferred plus non-smoker	The life insured is a very healthy non-smoker (no smoking or cessation aids within the past 24 months) with an excellent family medical history.
Class 2: Preferred non-smoker	The life insured is in good health, a non-smoker (no smoking or cessation aids within the past 12 months) with a good family medical history.
Class 3: Non-smoker	The life insured is a healthy non-smoker (no smoking or cessation aids within the last 12 months.) Up to one cigar or cigarillo/month is permitted, subject to a negative cotinine test. Clients who use marijuana, whether inhaled or ingested, may qualify for non-smoker rates.
Class 4: Preferred smoker	The life insured is in good health and smokes cigarettes or uses nicotine-based products. Evaluated with similar health criteria as Class 2 preferred non-smoker.
Class 5: Smoker	The life insured is healthy and smokes cigarettes or uses nicotine-based products.

Exchange option

A 10 year term rider can be exchanged for a 20 year term rider any time after the first coverage anniversary up to the earliest of the fifth policy anniversary or the insured person’s 65th birthday. If the person qualified for preferred rates on the 10 year term they will carry that preferred class over to the new 20 year term upon exchange provided it meets our administrative and underwriting rules in effect at that time.

Conversion

Until age 71 of the insured, term riders can convert to any permanent insurance plan available for sale at the time. If the permanent insurance plan has preferred risk classes, and the conversion is done within the first 10 years of coverage, the insured will maintain its preferred risk class on the converted plan provided it meets our administrative and underwriting rules in effect at that time. Partial conversions are permitted. However, if the original term plan qualified for preferred rates and the amount remaining is equal or less than \$1,000,000, the risk class will be adjusted on the original term coverage.

Automatic policy exchange provision

If the EquiLiving plan expires, or your client makes a claim for a covered condition under his or her plan and the EquiLiving benefit is paid out, the base policy will terminate. However, if your client has a term life insurance rider attached to the EquiLiving plan, the term life insurance rider will remain in force.

Note: Any riders your client elects to attach to the EquiLiving policy are not attached to the term life insurance rider and will terminate when the EquiLiving benefit is paid out. However, if premiums for your client's EquiLiving policy are being waived under a disability waiver of premium rider, the term life insurance rider premiums will continue to be waived under the disability waiver of premium rider for as long as your client is totally disabled.

OTHER IMPORTANT DEFINITIONS

Covered critical conditions or early detection benefit covered conditions outside of Canada

If the occurrence or diagnosis of one of the covered critical conditions or early detection benefit covered conditions occurs outside of Canada, the applicable benefit will be payable only if all of the following conditions are satisfied:

- The complete medical records are made available and provided to Equitable Life
- The medical records provide evidence, satisfactory to Equitable Life that:
 - The same diagnosis would have been made if the illness or accident had occurred in Canada
 - Immediate treatment would have been indicated under Canadian standards, and
 - The same treatment, involving the particular surgical procedure, would have been advised if treatment had taken place in Canada.

The person insured must undergo an independent medical exam by a licensed Canadian physician appointed by Equitable Life, if we make such a request. In case of elective surgery, such an examination must occur before surgery takes place.

Diagnosis

Diagnosis of any covered condition or early detection benefit covered condition (including the advice to undergo surgery for any condition requiring surgery) must be made by a licensed medical specialist unless otherwise specified under the Definitions of Covered Critical Conditions in the policy.

The critical condition or early detection benefit covered condition must meet all of the requirements as specified in the definition for that condition. The date of diagnosis will be the date the licensed specialist makes the diagnosis of the condition. The diagnosis must be supported by objective medical evidence.



Licensed medical specialist

Licensed specialist refers to a physician, surgeon or other medical practitioner who is duly licensed and practicing medicine in Canada, the United States or any other region as approved by Equitable Life and has been trained and certified in the specific area of medicine relevant to the covered critical illness for which a benefit is being claimed. If such a specialist is not available, the condition may be diagnosed by another qualified medical practitioner as approved by Equitable Life.

Note: The licensed medical specialist must not be related by blood or marriage or other partner to the owner or person insured. The physician or surgeon may not be the owner or the person insured.

Surgery

Surgery refers to the undergoing of surgery on the written advice of a licensed medical specialist and practicing medicine in Canada, the United States, or other region as approved by Equitable Life, and whose practice is restricted to the particular branch of medicine relating to the applicable surgery. Surgery must be performed by a licensed medical specialist.

SUBMITTING THE APPLICATION

You can submit the application using:

- EZcomplete online application - Use it for in person or non-face-to-face meetings.
- A paper application.

SET UP AND ADMINISTRATION

The most common administration rules are explained below. For more details on these and other set-up and administration rules, please refer to the EquiLiving Critical Illness Insurance Administration Rules and Guidelines Document. It can be found on EquiNet on the EquiLiving product page.

Procedures at policy issue

Currently, there is no requirement that a sales illustration be submitted with each application for EquiLiving critical illness insurance. However, we have included a signature page with the illustration in anticipation of this requirement. If you wish to submit an illustration with an application for EquiLiving critical illness insurance, you may do so. The policy contract governs in all cases.

Policy lapse

EquiLiving provides a thirty-one day grace period for payment of renewal premiums. During this period, the EquiLiving policy remains in force. At the end of the 31 days following an unpaid premium, the policy will lapse and all liability of Equitable Life will cease. If the person insured is diagnosed with a covered condition during the grace period and survives the applicable survival period, the EquiLiving benefit, once approved, becomes payable, less the premiums past due. If the person insured dies during the grace period, the return of premiums on death benefit (if added at the time the policy was issued) becomes payable, less the premiums past due.

Reinstatement

An EquiLiving policy may be reinstated within two years following lapse of the policy. The requirements of reinstatement are:

- submission of evidence of insurability (according to the then current underwriting guidelines) that is satisfactory to Equitable Life
- payment of all premiums, with interest, from the date of lapse of the policy

The effective date of the reinstatement is the date all of these requirements for reinstatement are met.

Change privilege

If your client owns a 10 year renewable to age 75 plan, the change privilege gives them the flexibility to change their policy to a level to age 75 policy or a level to age 100 policy covering the same conditions as their original policy, provided one is currently available. No evidence of insurability is required for the change privilege as long as there is no increase in the sum insured. The same class of risk and smoking status will apply to the new plan.

The change privilege may be elected at any policy anniversary up to and including the policy anniversary nearest the insured's attained age 60. Your client simply makes a written request to Equitable Life's head office in Waterloo, Ontario at least 30 days prior to the policy anniversary nearest his or her 60th birthday.

Premiums will be based on the then current rates for the level to age 75 or the level to age 100 plan at your client's attained age at the date of the change.

- If the 10 year renewable to age 75 plan included a return of premiums at expiry rider, at the effective date of the change, any accumulated premiums from the converted plan will be carried forward to the new plan provided a return of premiums on surrender/expiry rider is available on the new plan and your client has elected to include it.
- If a return of premiums at expiry rider did not exist on the original plan, a return of premiums on surrender/expiry rider can be added to the new plan at the time of change only, provided satisfactory medical evidence is provided.
- If a return of premiums on death rider did not exist on the original plan, a return of premiums on death rider can be added to the new plan at the time of change only, provided satisfactory medical evidence is provided.

Non-smoker definition (applies to adult plans only)

The person to be insured has not used any cigarettes, pipe or chewing tobacco, smoking cessation products, or tobacco substitutes within the past 12 months. Up to one cigar/cigarillo is permitted per month, subject to a negative cotinine level. Clients who use marijuana, whether inhaled or ingested, may qualify for non-smoker rates (Class 3).

Questions?

Equitable Life is committed to providing you with the service you need to support your business. If you have questions or require additional information, please contact your Equitable Regional Life Sales Manager.

Works for me.®

Canadians have turned to Equitable Life since 1920 to protect what matters most. We work with you to offer solutions that provide good value, and help you navigate those solutions to meet the needs of your clients.

Equitable Life is not your typical financial services company. We have the knowledge, experience and ability to find solutions that work for you. We're friendly, caring and interested in helping. And we're owned by our participating policyholders, not shareholders, allowing us to focus on your needs and providing you with personalized service, financial protection and peace of mind.

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