

GUIDE TO APPLICATION FOR TERM CONVERSION (FORM #1616)

When to Use Form #1616:

The Application For Term Conversion (Form #1616) is for use when applying for a contractual Term conversion from a Term Policy or Term Rider to an Equitable Life permanent policy.

When NOT to Use Form #1616: (below is a list of common changes received in error on the Application for Term Conversion)

Type of change	Use form
Conversions from a Child Protection Rider (CPR).	Complete Form #350, see Admin Guide for Instructions. Note, form 350 is only available in printed format.
Term Conversions with additions requiring underwriting. (Adding EDO, Carry Over of a Term Rider exceeding the Permanent Coverage etc.)	
Term to Term Exchanges	Depending on the issue date of the Original Policy use Form # 374G2 or # 374G3 . The Instructions are included on the Form.
Change Privilege for Critical Illness policies	How do I determine if my policy is G3 or G2? A G3 Policy is generally described as a policy contract with an issue date on or after January 1, 2017. Please check the Tax Indicator, on the Coverage Tab on our Equinet Policy Inquiry - Details section of the Individual Inquiry (Policy) section of Equinet to confirm the tax status (G2/G3) of your policy before proceeding.

Eligible Conversion Options:

Equimax® Participating Whole Life
Equation Generation® IV

Why is it important to submit the signed Illustration with the Form #1616?

Since policy information is not included on Form #1616, the signed Illustration provides the requested plan details selected by the Policy Owner. The Policy Owner's signature is required to initiate the Conversion.

Can the Illustration be signed on delivery?

No, the signed Illustration provides the Policy Owners direction for plan details and therefore must be signed and submitted with the Application for Term Conversion.

Important Things to Remember:

- All Policy Owners must sign both the Form #1616 and the Illustration
- Where a Irrevocable Beneficiary has been designated the Irrevocable Beneficiary must sign the form #1616 in addition to the Illustration.
- Coverage type must remain the same. Single to Single. Joint to Joint. (Sorry there are no exceptions)
- If there is an assignment or bankruptcy on the current Term Policy, release of assignment/bankruptcy or authorization from assignee is required.
- Any ratings from the current term coverage must be included in the Illustration
- A term policy must be inforce for at least one month before eligible for conversion.

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Helpful Hints: Completing the Application For Term Conversion (Form #1616)

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Policy Owner

If the proposed owner is not the same as the existing owner on the current Term Policy complete form #[671OC](#) & #[671BCF](#)

Beneficiary

Beneficiary(s) will remain the same as the current Term Policy.

If beneficiary(s) are to be different please complete Beneficiary Change Request form #[671BCF](#). In the section policy number(s) indicate: Application for conversion from policy #xxxxxxx dated dd/mm/yyyy.

BENEFICIARY CHANGE REQUEST FORM

List the policy number(s) for which you would like to change the beneficiary:		
Policy # Application for Conversion From Policy #xxxxxxx Dated dd/mm/yyyy	Policy #	Policy #

If there is an irrevocable beneficiary on the current Term Policy, authorization from that individual is required to proceed with the conversion.

Occupation & Duties

Include Job Title and Basic Duties for all Policy Owners.

Example:

Manager – Insurance Administration
Manager – Construction
Supervisor – Restaurant
Supervisor – Landscaping
Consultant – I.T.
Consultant – Compliance

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Current Term Coverage Amount (A)

Full Face Amount of current Term Policy or Rider.

Amount of Current Term Coverage to be Converted (B)

Amount of Term coverage to be converted to Permanent.

Amount of Current Term Coverage to be Carried Over (C)

- Plan minimums must be met.
- **If 50% or more is converted** – The remaining term coverage can be added as a Term Rider at current age and rates.
- **If less than 50% converted** – A Term Rider at current age and rates can be added to the permanent policy with a maximum face amount equal to the permanent coverage.

*Note, when carrying over term coverage at current age and rates any reductions to the permanent coverage within 12 months of the effective date of the covered policy, the term insurance rider coverage will also be reduced by the same amount as the permanent insurance reduction subject to plan minimums.

Carryover of a portion of the original term insurance at current premium rates as part of a term conversion is available only once. Once the term coverage has been carried over to a new plan at current age and rates without underwriting the term coverage cannot be carried over again.

- Carryover is available on Term 10 or Term 20 coverage only. The eligible term coverage may be carried over to Term 10 or a Term 20 rider. The carryover option is not available for Term 30/65 coverage.
- Any remaining coverage can be left on the original policy or cancelled. (Subject to plan minimums)
- All coverages must also meet plan minimums to qualify for the continuation of any existing preferred rates.

Amount of Term Coverage to be Cancelled (D)

Indicate only the amount of insurance to be cancelled.

Do not include the amounts being converted or carried over as a Term Rider.

Amount of Current Term Coverage to Remain on Original Term Policy or Rider (E)

Indicate any Term coverage to remain on original Term Policy. Note must meet plan minimums.

Note: The Current Term Coverage (A) must equal the sum of (B), (C), (D) & (E)

Examples

\$1,000,000 (A) Term Policy or Rider	\$1,000,000 (A) Term Policy or Rider
\$250,000 (B) Permanent	\$500,000 (B) Permanent
\$250,000 (C) Carry Over Term Rider	\$500,000 (C) Carry Over Term Rider
\$250,000 (D) To Be Cancelled	\$0 (D) To Be Cancelled
\$250,000 (E) Term Coverage to Remain on Original Policy	\$0 (E) Term Coverage to Remain on Original Policy
\$1,000,000 (A) Term Policy or Rider	\$1,000,000 (A) Term Policy or Rider
\$250,000 (B) Permanent	\$250,000 (B) Permanent
\$250,000 (C) Carry Over Term Rider	\$250,000 (C) Carry Over Term Rider
\$0 (D) To Be Cancelled	\$500,000 (D) To Be Cancelled
\$500,000 (E) Term Coverage to Remain on Original Policy	\$0 (E) Term Coverage to Remain on Original Policy

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Coverage Details for Converted Policy

Unless advised otherwise, term conversions are processed effective the last monthiversary of the Term Policy.
Term Conversions can be back dated to save age only, up to 3 months for Universal Life plans and 6 months for Equimax.

Illustration Signed by all Policy Owners must be Attached

The signed Illustration must be submitted with the application to provide required information to complete the conversion process.
The Illustration must be signed by all Policy Owners.

Completing the Illustration

Since policy details are not included on the application, the Illustration must accurately reflect the new permanent policy.

The Illustration must be run at current age and rates and submitted signed by all Policy Owners and the advisor.

Rating, Province, Gender, Smoking Status must all be the same as on the original Term Policy.

The Intended Premium Mode must also match the Illustration.

For UL policies the signed Illustration must include the desired fund or investment allocation. If no allocation indicated on the illustration funds will be allocated to DIA.

Premium Payments

Conversions are a continuation of the original Term Policy and therefore cannot be issued on a COD basis. Authorization to draw monthly premiums or annual payments must be submitted by cheque or online payment in order to proceed.

Universal Life (Equation Generation® IV) Life Withdrawal date must be the same as issue date.

Whole Life (Equimax®) withdrawal Date will be issue date of the new policy unless indicated otherwise.

Note: if a future withdrawal date is requested the application will be held until the withdrawal date.

Third Party

If the payor is not the Policy Owner or insured please complete [Form #31](#) - Third Party Information.

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Policy Owner Verification

Ensure all sections are completed, including the date the advisor verified the ID.
Please note identification issued by a province must indicate the province of issue (not the country), for example Provincial Driver's Licence.

Applicant/Owner Declaration

Note: if a SIN/TIN has been assigned to the Policy Owner it must be provided.

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Joint Policy Owner Verification

Same as above

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Political Positions

To be completed if the deposit is greater than or equal to \$100,000.

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Signatures

All Policy Owners must sign the application in addition to the Illustration.

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Advisor Information

If related to the Policy Owner please provide details regarding the relationship.