



EquiLiving Critical Illness

Administration Rules and Guidelines Document
April 2020

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EquiLiving is a critical illness insurance product that provides coverage in the event that the insured is diagnosed with one of the covered conditions insured under the policy.

Base plans

Plan options

- 10 year renewable to age 75: Provides guaranteed premiums that renew every 10 years until age 75 at which time the policy expires.
- Level to age 75: Provides guaranteed level premiums payable until age 75 of the insured at which time the policy expires.
- Level to age 100: Provides guaranteed level premiums payable until age 100 of the insured. The policy will remain in force until a CI claim becomes payable or the insured person dies, whichever occurs first.

Issue ages

- **10 year renewable to age 75:**
 - Children: 30 days – 17 years
 - Adult: 18 – 65
- **Level to age 75:**
 - Children: 30 days – 17 years
 - Adult: 18 – 64
- **Level to age 100:**
 - Children: 30 days – 17 years
 - Adult: 18 – 65

Coverage types

- Single life (children and adult)

Minimum and maximum benefit amounts

- Children: \$25,000 - \$250,000
- Adult: \$25,000 - \$2,000,000

Policy fees

- \$50.00 annually or
- \$4.50 monthly

Premium banding

- Band 1: \$25,000-\$49,999
- Band 2: \$50,000-\$99,999
- Band 3: \$100,000-\$249,999
- Band 4: \$250,000+

Risk class

- Smoker

Non-smoker - **Note:** The person to be insured has not used any cigarettes, pipe or chewing tobacco, smoking cessation products, or tobacco substitutes within the 12 months preceding the application. Up to one cigar/cigarillo per month is acceptable with a negative cotinine test. Clients who use marijuana, whether inhaled or ingested, may qualify for non-smoker rates (Class 3). The amount they use, whether it's combined with tobacco and other factors will be considered.

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Age nearest

- EquiLiving plans use an age nearest pricing approach.
- Age nearest refers to issue age of the client and is determined by the date of birth of the client and the issue date of the policy
 - If the issue date of the policy is closest to the client's last birthday, the age of the client will be recorded as the age at their last birthday
 - If the issue date of the policy is closest to the client's next birthday, the age of the client will be recorded as the age at their next birthday.

EquiLiving benefit

- If the insured person is diagnosed with one of the covered critical conditions, while the policy is in force, and survives the applicable survival period, the EquiLiving Benefit will become payable.
- Any illness, disorder, or surgery not defined as a covered condition will not be eligible for the benefit payment amount.
- The EquiLiving benefit is payable only once, and only for one covered condition.

Survival period

- The survival period begins on the date of diagnosis of, or surgery for, a covered critical condition and ends thirty days following that date, unless otherwise specified in the definition of the covered condition.
- The person insured must be alive at the end of the survival period and must not have experienced irreversible cessation of all brain functions during the survival period.

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
- Major organ failure on waiting list for transplant
- Motor neuron disease
- Multiple sclerosis
- Occupational HIV infection
- Paralysis
- Parkinson's disease
- Severe burns

Note:

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.

Childhood covered conditions

In addition to the 25 adult covered conditions, children insured under the policy are covered for the following 5 childhood covered conditions up to age 25, at which time coverage for these illnesses ends.

- Cerebral palsy
- Congenital heart disease
- Cystic fibrosis
- Muscular dystrophy
- Type 1 diabetes mellitus

Automatically Included Benefits

Early detection benefit

- If the insured person is diagnosed with one of the early detection benefit covered conditions, while the policy is in force, and survives the applicable survival period, the early detection benefit will become payable.
- The early detection benefit amount is payable for one person insured, and is equal to the lesser of:
 - 15% of the then current sum insured, or
 - \$50,000
- The early detection benefit can be paid twice during the lifetime of the policy, but only once for any one of the early detection benefit covered conditions.

- Any payment of the early detection benefit will not reduce the sum insured, the policy premiums, the return of premium on death or the return of premiums on surrender/expiry.

Early detection benefit covered conditions:

- Early prostate cancer
- Ductal breast cancer
- Superficial malignant melanoma
- Coronary angioplasty

Optional Riders and Benefits

The following riders are available on the standalone version of the EquiLiving critical illness plan only. They are not available when EquiLiving is added as a rider to a term, Equimax participating whole life or Equation Generation IV Universal Life policy.

Return of premium on death (ROPD)

- **Issue ages:** 30 days to 65 years
- **Availability:** all standalone EquiLiving plans
- 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, we will return to their beneficiaries an amount equal to the applicable premiums paid.
- The return of premium on death payout amount cannot exceed the then current sum insured.
- Premiums to be returned:
 - Sum of the policy premiums, including those for insurance ratings
 - Premiums for the return of premiums on death rider (ROPD), including any ratings applicable to the ROPD
 - Premiums for the return of premiums on expiry (ROPE) rider, including any ratings applicable to the ROPE
 - Premiums for the return of premiums on surrender/expiry (ROPS/E) rider, including any ratings applicable to the ROPS/E
 - Administration fees
- 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.
- This rider is only available at the time the policy is issued.

Return of premium on expiry (ROPE)

- **Issue ages:** 30 days to 55 years
- **Availability:** 10 year renewable to age 75 standalone plan only.
- The life insured has the opportunity to have their premiums returned on the expiry date of the policy, provided no EquiLiving benefit has been paid or is

payable.

- The return of premium on expiry payout amount cannot exceed the then current sum insured.
- Premiums to be returned:
 - Sum of the policy premiums, including those for insurance ratings
 - Premiums for the return of premiums on death rider (ROPD), including any ratings applicable to the ROPD.
 - Premiums for the return of premiums on expiry (ROPE) rider, including any ratings applicable to the ROPE.
 - Administration fees
- 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.
- This rider is only available at the time the policy is issued.

Return of premium on surrender/expiry (ROPS/E)

- **Issue ages:** 30 days to 55 years (level to age 75)
30 days to 65 years (level to age 100)
- **Availability:** Level to age 75 standalone plan
Level to age 100 standalone plan
- The life insured has the opportunity to have their premiums returned if they surrender all or a portion of the EquiLiving policy on or after the 15th policy anniversary, provided no EquiLiving benefit has been paid or is payable.
- 100% of the premiums to be returned are payable on expiry.
- The return of premium on surrender/expiry payout amount cannot exceed the then current sum insured.
- Premiums to be returned:
 - Sum of the policy premiums, including those for insurance ratings
 - Premiums for the return of premiums on death rider (ROPD), including any ratings applicable to the ROPD.
 - Premiums for the return of premiums on surrender/expiry (ROPS/E) rider, including any ratings applicable to the ROPS/E.
 - Administration fees
- 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.
- This rider is only available at the time the policy is issued
- **Return of premiums on partial surrender**
 - Prior to the 15th policy anniversary
 - If a reduction in the EquiLiving sum insured is made prior to the 15th policy anniversary, the reduction is treated as a lapse of that portion of the coverage.
 - No premiums will be returned at the time of the reduction.
 - The ROPS/E is recalculated as though the reduced sum insured had been in force since the effective date of the policy.
 - On or after the 15th policy anniversary

- A portion of the policy can be surrendered and a partial return of premiums on surrender/expiry will be received.
- The reduced sum insured must meet the then current policy minimums.
- The partial return of premiums on surrender/expiry to be returned equal:
 - Premiums to be returned upon full surrender
 - Less the premiums that would have been paid for the reduced sum insured
 - Multiplied by the percentage eligible to be returned
- When the partial surrender benefit is paid, the policy continues inforce with the reduced sum insured as the benefit amount.
- The return of premiums on surrender/expiry rider premium will be reduced to the amount required for the corresponding policy premium.
- To elect a partial surrender, the client must notify us in writing within 30 days prior to the date they want the partial surrender to take effect.
- **Return of premiums on full surrender**
 - Prior to the 15th policy anniversary
 - No premiums are returned to the life insured if the policy is surrendered before the 15th anniversary.
 - On or after the 15th policy anniversary
 - Upon surrender on the 15th policy anniversary, 75% of the premiums to be returned are payable.
 - On each subsequent policy anniversary, the percentage increases by 5%, reaching 100% on and after the 20th policy anniversary.
 - The maximum amount of premiums to be returned is limited to the EquiLiving sum insured inforce at the surrender/expiry date.
 - To elect a full surrender, the client must notify us in writing within 30 days prior to the date they want the surrender to take effect.

Disability waiver of premium

- **Issue ages:** 18 years to 55 years
- **Expiry:** Policy anniversary nearest attained age 60 of the person insured.
- **Availability:** All standalone EquiLiving plans
- **Total disability:** Under this disability waiver of premium rider, 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 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 by education, training, or experience.
- Can be purchased on the life insured and/or payor/applicant of the policy.
- Provides payment of all premiums applicable to the plan while the person for whom the rider was purchased is totally disabled by sickness or accident.

- If the total disability occurs prior to the person insured's 60th birthday, and lasts for six consecutive months, we will refund any premiums paid during the six-month waiting period, and waive any premiums that come due during the continuation of the disability.
- If a claim for the disability waiver of premium is made prior to the expiry date applicable to the rider and continues to be totally disabled upon expiry of the rider, the premiums will continue to be waived as long as the insured remains totally disabled or until the EquiLiving policy expires.
- To calculate the premium amount for the disability waiver, the total annual premium for each active coverage, not including the disability waiver itself, are summed. The total annual premiums for the policy are then multiplied by the applicable percentage for the age, gender and smoking status of the insured at issue.

Applicant's death & disability waiver of premium

- **Issue ages:**
 - Child insured: 30 days to 17 years
 - Applicant: 18 – 55 years
- **Expiry:** Policy anniversary nearest attained age 60 of the applicant or age 21 of the child insured, whichever comes first.
- **Availability:** All standalone EquiLiving plans
- **Total disability:** Under this waiver of premium rider, 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 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 by education, training, or experience.
- Provides payment of all premiums applicable to the plan while the person for whom the rider was purchased is totally disabled by sickness or accident or if the person insured dies.
- If the total disability occurs prior to the person insured's 60th birthday, and lasts for six consecutive months, we will refund any premiums paid during the six-month waiting period, and waive any premiums that come due during the continuation of the disability.
- Can be purchased on the applicant of the policy, where the insured person is a child (ages 30 days to 17 years). At age 21 of the child insured, they can choose to request disability waiver to be added on their own life.
- If the applicant's death & disability coverage expires prior to age 21 of the child insured, there will be no disability waiver coverage until age 21 of the child insured if they choose to add it at that time.
- If a claim for the waiver of premium due to disability is made prior to the expiry date applicable to the rider and the insured person continues to be totally disabled prior to the expiry of the rider, the premiums will **not** continue to be waived past the rider expiry date.

- If a claim for the waiver of premium due to death is made prior to the expiry date applicable to the rider, the premiums **will** continue to be waived past the expiry date of the rider up to age 21 of the child insured at which time the waiver coverage will end.
- There will be one waiver coverage per policy if the insured elects to add it. The Ingenium system will update the premium for the waiver coverage when any coverage becomes active or is changed.
- To calculate the premium amount for the applicant's death & disability waiver, the total annual premium for each active coverage, not including the waiver itself, are summed. The total annual premiums for the policy are then multiplied by the applicable percentage for the age, gender and smoking status of the insured at issue.

Accidental death benefit

- **Issue ages:** 18 years to 60 years
- **Expiry:** Policy anniversary nearest attained age 65
- **Availability:** All standalone EquiLiving plans
- **Minimum benefit amount:** \$10,000
- **Maximum benefit amount:** Lesser of the base critical illness benefit amount or \$500,000.
- Provides a payment to the beneficiary if the insured person dies by accidental means

Term insurance

- 10 and 20-year renewable and convertible term insurance riders are available.
- Premiums are renewable at the end of each renewal period and are guaranteed at issue.
- The term attachment will automatically renew at each renewal period for the same renewal period. The only exception to this is the last renewal period, which may not be a full period due to the fact that the rider expires at age 85.

Issue ages

- 10 YRCT: 18 – 75
- 20 YRCT: 18 – 65

Availability

- Single life basis only
- At issue or added to an existing plan after issue
- Preferred underwriting available

Benefit amounts

- \$50,000 - \$10,000,000. Minimum for a preferred risk class is \$1,000,001

Preferred risk classes

- 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 3). The amount they use, whether it's combined with tobacco and other factors will be considered.

- 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 to a 20 year term rider any time after the first coverage anniversary up to the earliest of the 5th policy anniversary or the insured's 65th birthday.
- If they 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:

- At any time prior to the anniversary nearest the life insured's 71st birthday, and while the term insurance rider is still in force, the rider may be converted without evidence of insurability, to any permanent life insurance product issued by us at that time.
- If the class of risk of the life insured by the term rider is "preferred" and the conversion is done within the first 10 years of coverage, the insured will maintain the 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 less than \$1,000,001, the risk class will be adjusted on the original term coverage.

Automatic policy exchange provision

- If the EquiLiving policy terminates due to payment of the critical illness benefit, and that policy included a life term rider, we will automatically exchange the rider for a separate term life insurance policy on the life insured under the rider without the requirement of evidence of insurability. This provides uninterrupted coverage for the life insured.
- The separate term life insurance policy will have the same Death Benefit, Class of Risk, and status as the rider provided it meets our administrative and underwriting rules in effect at that time.
- The premiums for the new policy will be the same as the rider premiums, with the addition of a policy fee.
- Upon the automatic exchange of a term rider, any additional riders will not be included. If premiums were being waived under the disability waiver of premium, the premiums will become due for the separate term life insurance policy.
- The owner may terminate the separate term Insurance policy by notifying us in writing.

For additional details regarding term insurance riders, please see the 'Preferred Term Insurance Riders – Admin Rules and Guidelines Document'.

Administration

Extension of expiry

- Applicable to the 10 year renewable to age 75 and level to age 75 plans only
- If the policy expires while the person insured is satisfying an applicable survival period for a covered condition, the extension of expiry applies, and the policy will remain in force until the earlier of:
 - The date of the insured person's death
 - The date the insured person's EquiLiving benefit or early detection benefit becomes payable.
- The extension of expiry provides coverage for only the particular covered condition or early detection benefit covered condition that initiated the extension of expiry

Taxation

- Presently there are no tax laws specifically applicable to critical illness insurance, however Equitable Life currently interprets current tax laws as follows:

- If premiums are paid by an individual, the 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 insured person's income) or the benefit payout received will be considered to be taxable to the insured person.
- **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. The person insured should seek advice from their lawyers or tax advisors regarding the taxation of EquiLiving critical illness.

Termination

- Each EquiLiving policy 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 insured person
 - The expiry date of the policy
 - The date of payment of the return of premium on death (if applicable)

Exclusions

- No EquiLiving Benefit will be payable for a covered condition which directly or indirectly arises from:
 - Misuse of medication or the use of illegal drugs or intoxicants
 - The failure to seek or follow the medical advice of a physician who is licensed and practicing medicine
 - War, or any act or incident of war, whether declared or not, or any 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 is one-hundred (100) milliliters of blood exceeds eighty (80) milligrams
 - Taking a poisonous substance or inhaling toxic gases or fumes
 - Suicide attempt or self-inflicting injury while sane or insane
- If the occurrence or diagnosis of one of the covered conditions or early detection benefit covered conditions occurs outside of Canada, the EquiLiving benefit or early detection 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 insured person must undergo an independent medical examination by a licensed Canadian physician appointed by Equitable Life, if we make such a request. In the case of elective surgery, such an examination must be completed before surgery takes place.

Beneficiaries

- The critical illness benefit is generally paid out to the critical illness benefit payee, however the payee could be a different person than the owner of the policy
- If a return of premium on death rider exists, the beneficiary can be a different person than the base critical illness benefit payee.

Underwriting

- The underwriting of critical illness differs from that of life insurance as consideration is taken on the probability of the person insured being diagnosed with, and surviving a covered critical condition.
- The chances of suffering a critical illness before the age of 65 are much higher than the chances of dying.
- As a result, critical illness underwriting focuses on identifying applicants whose family history, medical history, occupation or avocation predisposes them to developing one of the covered conditions.
- If the person insured is applying for an EquiLiving critical illness rider on their life policy; or applying for a term rider on their EquiLiving policy, some of the critical illness requirements may override the life requirements. The higher combination of requirements should be used.

Policy lapse

- EquiLiving policies provide a 31-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.

Plan changes

Increases

- If a client submits a request to increase the insurance coverage on an EquiLiving policy, the acceptance of the request will be subject to full underwriting.
- A new policy would be issued for the requested increase amount at attained age and the then current rates and the policy fee would be waived.
- If the request is received in the first policy year, Form 347 – Application for Policy Change or Amendment is required.
- If the request is received after the first policy year, Form 350 – Application for Life And/Or Critical Illness Insurance is required.

Decreases

Decreases for plans with no ROPS/E benefit or an ROPS/E benefit prior to policy year 15

- To decrease the benefit amount, Form 347 – Application for Policy Change or Amendment is required. The new requested benefit amount must remain within plan minimums
- A decrease is considered a partial surrender and as such a lapse of that portion of the coverage.
- The new ROPS/E benefit is calculated as though the reduced sum insured had been in force from the effective date of the policy.

Decreases for plans with an ROPS/E benefit on or after policy year 15

- To decrease the benefit amount, Form 347 – Application for Policy Change or Amendment is required. The new requested benefit amount must remain within plan minimums
- A decrease is considered a partial surrender and as such a lapse of that portion of the coverage
- Any premiums to be returned must be calculated as follows:
 - Determine the new monthly/annual premium of each eligible coverage under the ROPS/E benefit.
 - Divide the new monthly/annual total premium by the old monthly/annual total premium of each eligible coverage under the ROPS/E benefit.
 - This will give you a ratio to determine the amount of the new ROPS/E benefit amount.
 - Multiply the ratio by the amount of previously accumulated premiums for the ROPS/E benefit. This is the new total of accumulated premiums.
 - Subtract the new total of accumulated premiums from the amount of premiums previously accumulated. This is the amount of the refund available to the client at the time of the decrease.

- The refund will be sent to the client via cheque.
- Example:

| Eligible coverage | New annual premium | Old annual premium |
|---------------------------------------|--------------------|---|
| Base plan | \$350.00 | \$ 615.00 |
| Return of premium on death | \$ 15.00 | \$ 25.00 |
| Return of premium on surrender/expiry | \$275.00 | \$ 565.00 |
| Total | \$640.00 | \$1,205.00 |
| Total accumulated premiums | n/a | \$6,025.00 (policy in force for 5 years) |

- $640.00/1205.00 = 0.531120$
- $0.531120 \times 6025.00 = 3199.99$
- $6025.00 - 3199.99 = 2825.01$
- The client would receive a cheque for \$2825.01 at the time of the decrease.

Decreases for plans with an ROPD benefit

- To decrease the benefit amount, Form 347 – Application for Policy Change or Amendment is required.
- There is no adjustment required to the accumulated premiums for the ROPD benefit when a partial surrender is completed.

Additions

The following optional riders/benefits can be added after issue:

- Term insurance riders
- Disability waiver of premium
- Applicant's death and disability waiver of premium

Form 374-Application for Policy Change or Amendment is required

Change privilege

- A 10 year renewable to age 75 plan may be changed to a level to age 75 or level to age 100 plan up to and including the anniversary nearest the insured's age 60.
- 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 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 included on the new plan.

- If a return of premiums 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 the change only provided satisfactory medical evidence is provided.
- If the 10 year renewable to age 75 plan included a return of premium on death 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 death rider is included on the new plan.
- If a return of premiums on death rider did not exist on the original plan, a return on premiums on death rider can be added to the new plan at the time of the change only, provided satisfactory medical evidence is provided.

Reinstatements

- 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 outstanding premiums, including any interest, from the date of the lapse of the policy.

Smoker status changes

Adult

Issue ages 18+

- If a client was originally determined to be a smoker, they can request, by submitting the appropriate evidence, to have the status changed to non-smoker.
- The client must not have 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). The amount they use, whether it's combined with tobacco and other factors will be considered.
- To request the change, Form 374 – Application for Policy Change or Amendment is required. In Section 2, indicate the amount and frequency of use for both inhaled and ingested. A urine sample is required. As with all policy changes, approval is subject to a full review of the current health and lifestyle profile and any other requirements as determined by Equitable Life.
- The rate used to determine the premium, would be based on the rate applicable to the original issue age.
- The premium would decrease effective the date of the change.

Children

Issue ages 0 - 15

- The children's rates are set up as non-smoker at the time of issue, however will be loaded using a smoker plan code on the system.
- A smoking declaration will be sent to the policyholder on the anniversary following the insured's 16th, 17th and 18th birthdays.
- The insured will have up to 60 days after the anniversary following age 18 to return the smoking declaration without providing additional evidence of insurability.
- If the smoking declaration is not returned, on the anniversary nearest age 18 of the insured, the premiums will automatically increase to be a smoker rate.
- If the smoking declaration is returned, the risk class will be changed to non-smoker, and premiums will not change from what was indicated in the original policy.

Issue ages 16 – 17

- In any province other than Quebec, the child insured will be able to declare at the time of issue whether they are a smoker or a non-smoker.
- The smoking status indicated on the illustration or the application should be loaded into the system.
- If the insured resides in Quebec, they must either be 18 years of age themselves or if they are between the ages of 16 and 17, they must have an adult sign the application and illustration in order to declare themselves as a non-smoker.

Critical illness rider

Availability

- A critical illness rider can be added to a term, Equimax participating whole life or Equation Generation IV universal life policy.
- The rider can be added at the time of issue or after issue if satisfactory evidence of insurability is provided.
- The rider is available to adults and children insured under the policy
- All of the plan features of the standalone critical illness plan apply to the rider with the exception of the optional rider and benefits.
- No ROPE, ROPS/E, ROPD, waiver of premium, applicant's waiver of premium, accidental death or term insurance riders will be available to add to the CI rider portion of the policy.
- **Note:** The optional benefits and riders may be available on the base life plan, with the exception of any of the ROP riders.

Smoking status

- The issue ages for children on a base life plan are different than that of the critical illness rider.
- An insured is considered an adult at age 18 on a term and whole life plan, and age 16 on a universal life plan, however, is not considered an adult until age 18 on the critical illness rider.

- The declaration of non-smoking status for life plans, with or without a critical illness rider, will work identical to that of the critical illness standalone plan. See the 'Smoker status changes' section for more details.