

Preferred Term Upsell

Frequently Asked Questions

Q	What is the Preferred Term Upsell?
A	Term clients who apply for standard smoker or non-smoker rates with a minimum face amount of \$500,000 and are approved for preferred rates can choose to receive more insurance for the same premium as a standard policy, with no additional evidence.
Q	Approximately how many term applications are approved with a preferred risk class?
A	Close to 40% of stand-alone term applications are approved for preferred rates.
Q	Which applications are eligible for the Preferred Term Upsell?
A	<ul style="list-style-type: none"> • Any single life, multiple-life and joint stand-alone term application with a minimum face amount of \$500,000. • The applicant must have applied for standard smoker or non-smoker rates and have been approved as a preferred risk class (Preferred smoker, Preferred non-smoker, Preferred Plus non-smoker).
Q	Which applications are <u>not eligible</u> for the Preferred Term Upsell?
A	<p>Preferred Term Upsell is not available on:</p> <ul style="list-style-type: none"> • Stand-alone term applications with a face amount of: <ul style="list-style-type: none"> • Less than \$500,000 • \$2,000,000 or more • Joint life applications if: <ul style="list-style-type: none"> • Either of the lives insured are rated • Only one life is approved as a preferred risk class with only one class improvement. For example: <ul style="list-style-type: none"> ○ A change from Standard to Preferred is only a one class improvement and would not be eligible ○ A change from Standard to Preferred Plus is a two class improvement and would be eligible • Business coverage (creditor, buy-sell, key person) • Term Riders

Q

How does the Preferred Term Upsell work?

A

- Term clients who apply for standard smoker or non-smoker rates with a minimum face amount of \$500,000 and are approved for preferred rates can choose to receive more insurance for the same premium as a standard policy, with no additional evidence.
- Section 7 of the application form (350) has been updated to include this option.
- If your clients would like to increase the face amount if approved for preferred rates, simply tick the box under Section 7, RIDERS AND ADDITIONAL BENEFITS.

SECTION 7 - TERM PLAN INFORMATION - ATTACH A PLAN ILLUSTRATION

If applying for a Term plan complete the following for Life 1 and Life 2 (where applicable):

RIDERS AND ADDITIONAL BENEFITS	RIDERS AND ADDITIONAL BENEFITS
<input type="checkbox"/> EquiLiving® Critical Illness** \$ _____	<input type="checkbox"/> EquiLiving® Critical Illness** \$ _____
<input type="checkbox"/> 10 Year Renewable	<input type="checkbox"/> 10 Year Renewable
<input type="checkbox"/> Level to 75	<input type="checkbox"/> Level to 75
<input type="checkbox"/> Level to 100	<input type="checkbox"/> Level to 100
<input type="checkbox"/> Disability Waiver of Premium	<input type="checkbox"/> Disability Waiver of Premium
<input type="checkbox"/> Applicant/Payor Waiver of Premium***	
<input type="checkbox"/> Additional Accidental Death Benefit \$ _____	
<input type="checkbox"/> Children's Protection Rider \$ _____	
<input type="checkbox"/> Guaranteed Insurability \$ _____	
<input checked="" type="checkbox"/> If approved at Preferred Term Class, increase the face amount to maintain the agreed upon premium.	

* Life 2 information must also be completed on this application.
 **To apply for the EquiLiving Critical Illness Rider, please review Pre-Qualifying Questions in form 347.
 ***Must complete Application for Applicant/Payor

- During the underwriting process, if the application is approved for preferred rates, we will automatically increase the face amount in increments of \$5,000 to a new amount with a premium equal or slightly less than the premium commitment for the original standard policy:
 - Up to a maximum face amount of \$2,000,000
 - Based on the same evidence requirements applicable to the original application as outlined in the Evidence of Insurability Schedule [\(1343\)](#)
- Before we increase the coverage, the application will be reviewed to ensure there is financial justification for the increased face amount based on household income.
- If the client is eligible for the preferred term upsell, you will receive an email informing you of the new face amount and any premium adjustment.

Amount		Age							
From	To	0-17	18-40	41-45	46-50	51-55	56-60	61-65	66+ (see Note #6)
\$ -	\$ 99,999	NM	NM	NM	NM	NM	PM	PM	PM
\$ 100,000	\$ 249,999	NM	NM	NM	NM U	PM U	PM U	PM U	PM U ECG
\$ 250,000	\$ 499,999	NM	NM	NM	PM U	PM U	PM U	PM BP ECG	PM BP ECG
\$ 500,000	\$ 999,999	NM APS	PM BP	PM BP	PM BP	PM BP	PM BP ECG	PM BP ECG	PM BP ECG
\$ 1,000,000	\$ 2,499,999	NM APS	PM BP	PM BP	PM BP	PM BP	PM BP ECG	PM BP ECG	PM BP ECG
\$ 2,500,000	\$ 3,000,000	NM APS	PM BP	PM BP	PM BP	PM BP	PM BP ECG	PM BP ECG	PM BP ECG
\$ 3,000,001	\$ 5,000,000	NM APS	PM BP	PM BP	PM BP MVR	PM BP MVR	PM BP ECG MVR	PM BP TMT MVR	PM BP TMT MVR
\$ 5,000,001	\$ 9,999,999	NM APS	PM BP MVR	PM BP ECG MVR	PM BP ECG MVR	PM BP TMT MVR	PM BP TMT MVR	PM BP TMT MVR	PM BP TMT MVR
\$ 10,000,000	and up	NM APS	M BP IR MVR	M BP TMT IR MVR	M BP TMT IR MVR	M BP TMT IR MVR	M BP TMT IR MVR	M BP TMT IR MVR	M BP TMT IR MVR

Q	How does the increase in face amount work on multiple-life applications?										
A	Each individual applicant in a multiple-life policy will be assessed separately to determine if they qualify for the Preferred Term Upsell. An increase in face amount will only be done for those applicants who qualify.										
Q	How does the Preferred Term Upsell work with the Critical Illness Insurance Special Offer?										
A	<p>Equitable Life is rewarding your clients for their healthy lifestyle. Term clients approved for preferred rates can now take advantage of two opportunities to tailor their insurance to meet their unique needs.</p> <ul style="list-style-type: none"> • Preferred Term Upsell¹ Clients can receive a larger amount of term insurance for the same premium commitment as a standard policy. • Critical Illness Insurance Special Offer² Clients can purchase a Critical Illness Insurance policy with no additional paperwork or evidence required. <p>The choice is theirs! Increase their life insurance protection...add CI coverage... select a Term/CI combo to protect their total life and health needs ...or maintain the original amount of term insurance applied for at the reduced, preferred premium.</p> <p>¹ Clients must indicate on the application. ² Clients have 45 business days to accept the CI Special Offer. Some restrictions apply. See CI special offer tool kit for details.</p>										
Q	Who can you contact for more information?										
A	<p>Contact your Equitable Life Advisor Service Team.</p> <ul style="list-style-type: none"> • By Phone: 1.800.668.4095 • By email: western-service@equitable.ca (BC, AB, SK, MB) eastern-service@equitable.ca (ON, QC, NB, NS, PE, NF) <table border="1" style="width: 100%; height: 100%; border-collapse: collapse;"> <tr><td style="width: 50%; height: 20px;"></td><td style="width: 50%; height: 20px;"></td></tr> <tr><td style="width: 50%; height: 20px;"></td><td style="width: 50%; height: 20px;"></td></tr> <tr><td style="width: 50%; height: 20px;"></td><td style="width: 50%; height: 20px;"></td></tr> <tr><td style="width: 50%; height: 20px;"></td><td style="width: 50%; height: 20px;"></td></tr> <tr><td style="width: 50%; height: 20px;"></td><td style="width: 50%; height: 20px;"></td></tr> </table>										