

Term Insurance For mortgage coverage

Sales Track: TERM INSURANCE For mortgage coverage

Product	Start with Term 10 and exchange it for Term 20 in the 5 th policy year providing clients with 25 years of term coverage. (Consider T30 / 65 if affordability allows).
The need	Pay off the mortgage upon death for the lowest initial cost.
The solution	<p>When people purchase a home, they have a lot of expenses in addition to the mortgage payment. These include legal fees and costs associated with moving and purchases for the new home. Cash flow in the short term can be tight, so finding the lowest cost mortgage insurance solution is important.</p> <p>10 year Term gives your clients the lowest initial cost and the flexibility to extend their coverage when their financial situation and needs change. They can meet both temporary or permanent future needs by either:</p> <ol style="list-style-type: none"> 1. Converting the term policy to Universal Life or Whole Life, or 2. Switching from T10 to T20. <p>Using Equitable Life[®]'s exchange option, at the 5th policy anniversary or up to age 65, whichever comes first, clients can exchange their 10 year Term for a 20 year Term. The T20 becomes effective the date of the exchange, providing clients with another 20 years of coverage, with no additional medical evidence required. Clients who qualified for a preferred risk class on the original T10 automatically qualify for the same preferred risk class on the new T20 policy as long as the coverage amount meets the minimum issue amount required.</p>
Client profile	<ul style="list-style-type: none"> • Age 25 to 45 with a mortgage and dependents. • Have recently purchased a home and want to protect their mortgage but are finding cash flow tight. • In the process of buying a home but have not yet committed to purchasing mortgage insurance through the bank. • Have a mortgage that is coming up for renewal.
Advisor profile	<ul style="list-style-type: none"> • Focused on the family market. • Wants to grow the business by targeting new home owners. • Has an affiliation with a real estate agent or mortgage broker.
Client attention grabbers	<ol style="list-style-type: none"> 1. Would you buy insurance that requires you to pay premiums but not necessarily be able to collect the benefit when you die? That's what you're doing when you buy mortgage insurance through the bank. 2. Did you know that typical mortgage insurance is only underwritten at the time of death? Personally-owned insurance is underwritten at the time of application so your clients have the comfort of knowing it will be there if it's needed.

Term Insurance For mortgage coverage

Positioning the concept	<p>Not all mortgage protection is created equal.</p> <p>Before your clients buy mortgage insurance through their bank, they should compare the differences:</p> <p>Portability</p> <ul style="list-style-type: none"> • Equitable Life – Your client’s mortgage protection remains in effect even if they switch lenders • Lending institution – If you client switches mortgage providers, they usually need to reapply for mortgage insurance <p>Control</p> <ul style="list-style-type: none"> • Equitable Life – Your client owns the policy and can choose the beneficiary they want to receive the benefit • Lending institution – Typically the lender owns the policy and assigns itself as the beneficiary <p>Level coverage</p> <ul style="list-style-type: none"> • Equitable Life – The coverage amount remains intact even as the mortgage balance decreases • Lending institution – Typically, the insurance amount declines as the mortgage balance decreases, however the premiums stay the same. <p>Comfort</p> <ul style="list-style-type: none"> • Equitable Life – The insurance is underwritten at the time of application • Lending institution – Typical mortgage insurance is only underwritten at the time of death <p>Guaranteed death benefit and premiums</p> <ul style="list-style-type: none"> • Equitable Life – Rates are guaranteed for the life of the policy • Lending institution – Rates are not guaranteed <p>Owning personally-owned insurance allows your clients to answer yes to all of these questions.</p> <p>Show your clients the differences between personally owned life insurance and mortgage insurance offered through a bank so they can make the best decision for themselves and their family.</p>
--------------------------------	--

Key features and benefits	Feature	Benefit
(Term Insurance)	High coverage at a low cost.	Affordability at a time when expenses are high and cash flow may be limited.
	Convertibility	Able to purchase permanent insurance in the future with no additional evidence of insurability.



Term Insurance For mortgage coverage

FOR ADVISOR USE ONLY

Key features and benefits continued	Feature	Benefit
	Exchange Option from T10 to T20	<p>Flexibility to upgrade from short-term to longer-term coverage. And since no additional evidence of insurability is required to make the exchange, clients continue to receive their original risk classification regardless of their health at the time of exchange.</p> <p>Plus, you receive compensation on the exchange to T20.</p> <p style="text-align: center;">A true “WIN / WIN / WIN” Advisor / Client / Equitable</p> <p>See Frequently Asked Questions on the Exchange Option.</p>
	Bundling Term and Critical Illness insurance in a single policy	Save the policy fee and provide mortgage protection in the event of death or a critical illness.
	Critical Illness Insurance Special Offer	<p>If your clients are 50 or under, and qualify for a preferred risk class on a Term coverage, they will automatically be underwritten for EquiLiving CI. If they qualify, they will have the opportunity to purchase Critical Illness insurance in an amount equal to 25% of the face amount of their life insurance coverage, to a maximum of \$250,000. If clients are diagnosed with one of the covered conditions, they can use the CI benefit to help cover their mortgage payments while they focus on their recovery.</p> <p>See CI Special Offer Sales Tools.</p>
	T-20 cost can be similar to the cost of T-10 rated	If your clients apply for a 20 year Term but are rated, they may find the rated premium too high. Suggest they buy a rated 10 year Term which would cost them about the same as the original premium commitment they made for a standard T-20 policy.
	Non-medical underwriting required for face amounts under \$500,000	<p>Coverage can be put in place quickly with minimal inconvenience for you or your clients. Clients are only required to complete the medical questions on the application.</p> <p>See Evidence of Insurability Schedule.</p>

term

Term Insurance For mortgage coverage

Frequently asked questions	Questions	Answers
	Everybody offers term for mortgage protection. What do you offer that is different?	Equitable Life has created a comprehensive, easy to follow "campaign in a box" . It includes everything you need to make more term sales including pre-approach letters, marketing material, ad mats, and more.
	What options do clients have for conversion?	Clients can convert their term insurance to: <ul style="list-style-type: none"> • Participating whole life – Equimax. (See "Why Equitable?") • Universal life with all of the similar features offered by our competitors.
	Does Equitable Life offer Tele-Underwriting?	While Equitable Life doesn't currently offer this capability, coverage amounts of \$500,000 or less only require a short form Term Application , making the process simpler and faster.

Term Insurance For mortgage coverage

Frequently asked questions	Questions	Answers
continued	Why Equitable Life?	<p>In an industry where larger is often assumed to be better, Equitable Life may not be the obvious choice. However as a successful mid-size company, we take the time to truly understand and respond to the needs of our customers and advisors.</p> <p>For clients who want temporary insurance, we offer some of the best term rates in the market.¹</p> <p>And for those who intend to convert to permanent insurance in the future, as a mutual life insurance company, we give clients the option to convert to a participating product that is eligible for dividends². Our participating whole life policyholders are owners of the company. As other insurance companies consolidate, restructure and change focus to meet shareholder demands, our commitment to mutuality allows us to remain strong and stable and to focus on growing the Company and meeting the long-term interests of policyholders.</p> <p>See 5 reasons for doing business with Equitable Life</p> <p>¹ When compared against these major competitors: Great-West / London / Canada Life, IA, Manulife, BMO, Sun Life, Empire Life, Desjardins, ivari, La Capitale, Co-operators Life, RBC, Foresters and SSQ.</p> <p>² Dividends are not guaranteed. They are subject to change, and will vary based on the actual investment returns in the Participating Account as well as mortality, expenses, lapse, claims experience, taxes and other experience of the participating block of policies.</p>

Term Insurance For mortgage coverage

Point of sale tools	Tools	Where to find it
Equitable Life's advisor website - EquiNet® provides the tools and information you need.	New business illustration	Desktop software. Download from EquiNet.
	1255 – Unique Mortgage Protection with Term brochure	EquiNet / Insurance / Marketing Materials (Found under the Term tab) Download now (Also available in a printer-friendly pdf format.)
	Campaign in a box – mortgage protection (For advisor use only. Includes pre-approach letters, marketing material, ad mats and a link to CBC Marketplace Video – In Denial.)	EquiNet / Insurance / Product information – Term Insurance (Found under Helping you sell) Download now (Available in printer-friendly pdf only.)
	CBC Marketplace Video – In Denial (This is a powerful video that reveals some of the risks of mortgage insurance purchased through a bank.)	Go to www.youtube.com and search "CBC Marketplace in denial" (Video available in English only.)

Review your clients' insurance needs to determine which product best meets their needs and whether the concept outlined in this sales track is appropriate for their situation. The information in this sales track is not a substitute for tax or legal advice. Your clients should consult their tax or legal professional for independent advice with respect to their personal circumstances. While Equitable Life has made every effort to ensure the accuracy of the information presented here, the policy contract governs in all cases.

® denotes a trademark of The Equitable Life Insurance Company of Canada.

October 17, 2017