

EquiLiving Critical Illness Insurance
Advisor Guide
including
Administration Rules and Guidelines

June 1, 2022

FOR ADVISOR USE ONLY

Table of Contents

About Equitable Life of Canada	4
WHO TO CONTACT	4
MARKETING MATERIALS	5
ABOUT CRITICAL ILLNESS INSURANCE	5
History of critical illness insurance	5
The benefit of critical illness insurance	5
EquiLiving Target markets	6
Equitable Life Path to Success [™]	6
EQUILIVING at a glance	7
COVERED CONDITIONS	9
BUILT-IN BENEFITS	9
RIDERS (on Standalone plans only)	10
Covered Condition Benefits	12
EquiLiving Benefit	12
Covered Critical Conditions	12
Early Detection Benefit	13
Early Detection Benefit Covered Conditions	14
Survival period	14
Diagnosis	15
Diagnosis outside of Canada	15
BUILT-IN BENEFITS	15
Extension of Expiry	15
Rider Exchange Provision	16
Change Privilege	16
Riders on CI standalone plans	17
Return of Premiums Riders	17
Waiver of Premium Rider	21
Total Disability Definition for Waiver of Premium	23
Exclusions, Limitations and Termination	25
New Issue & Underwriting	26

EZcomplete online application	26
Sales illustration	26
Risk Class/Smoking Status	27
Issue Age	27
Backdating to save age	27
Taxation.....	27
Underwriting	28
Change Privilege	29
Change Privilege and Return of Premium	30
Change Privilege and Waiver of Premium	31
Change Privilege and Term Life Rider	31
Conversion Option on a Life plan when there is a CI Rider (no change to CI coverage)	32
Conversion Option on a Life plan when there is a CI Rider where the Change privilege is being exercised at the same time.....	33
Change in Sum Insured.....	33
Calculation of ROP premiums to be returned for limited pay plans on or after the 20th year	36
Additions of Riders after issue	38
Request for a Smoking Status Change	38
Change of Owner/Payor and Waiver of Premium Rider	40
Adding Waiver of Premium to a juvenile policy	40
Adding a CI Rider to a Life plan that is already in effect	40
Premium Payment	41
Policy Lapse and Grace Period	41
Reinstatement	41
20 Pay and payment of Riders	41
Policy Change for Older EquiLiving Plans	42
Change Privilege	42
Face amount decrease and Return of Premium	43
Historical Appendix	44

About Equitable Life of Canada

Equitable Life® is proud to be one of Canada's largest mutual life insurance companies. As a mutual company, we are not driven by shareholder pressures for quarterly results. 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 excellent value and meet their needs for insurance protection and wealth accumulation – now and in the future. That is 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, prioritizing 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 are progressive, competitive, and passionately 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 is a reference for the currently available EquiLiving® critical illness insurance product, including product features, benefits, and additional riders. 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.

WHO TO CONTACT

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

For additional information, or clarification on a specific client's policy, please contact your Equitable Life Advisor Service Team.

- By Phone: 1.800.668.4095
- By email:
 - western-service@equitable.ca (Western Canada: BC, AB, SK, MB)
 - eastern-service@equitable.ca (Eastern Canada: ON, QC, NB, NS, PE, NF)

MARKETING MATERIALS

EquiLiving marketing materials and other resources are available on EquiNet at www.equitable.ca/advisorhome:

- Log in to EquiNet **Error! Hyperlink reference not valid.**
- Select Marketing Materials under Individual Insurance
- Complete our Life & Health supply order form
- 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 to 519-883-7424.

ABOUT CRITICAL ILLNESS INSURANCE

"I can repair a man physically, but only insurers can repair a patient's finances."
-Dr. Marius Barnard, originator of the critical illness insurance concept

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. After that, 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 because of these conditions. 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.

Critical illness insurance has developed a strong foothold in the Canadian marketplace in recent years. Earlier diagnosis and better treatment options mean more people than ever are surviving cancer, heart attack, stroke, and other critical illnesses. However, as Dr. Marius Barnard saw first-hand, survival comes at a cost, medical expenses, lost wages, or other associated expenses due to the critical illness.

The benefit of critical illness insurance

EquiLiving critical illness insurance provides clients with a lump sum benefit following satisfaction of all the requirements for a covered condition in their contract. Clients can use their covered condition benefit payment any way they want, including:

- Accessing alternate healthcare testing or treatment
- Accessing new medications
- Funding time off for a loved one to be by their side during their treatment and recovery
- Retrofitting their home or car to improve accessibility if needed for their condition
- Flying in family and friends for support for themselves and their loved ones
- Taking a family holiday post-recovery
- Using the benefit to protect their savings and investments
- Hiring homecare assistance

EquiLiving Target markets

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

- **Single clients** who want 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 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 help pay for the best care for their condition—and afford childcare. EquiLiving coverage on the children also means that the parent can take a leave from work to be by their sick child's side during their treatment and recovery.
- Regardless of what stage in the "lifecycle" a **family** is in, by ensuring both spouses have adequate EquiLiving critical illness insurance protection, clients will feel secure knowing that their financial goals can remain on track even if they experience a critical illness.
- Parents who want to help 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.
- **Homeowners** 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 help continue their business should they become critically ill. Upon recovery, they will have a business to return to if they choose!

Why include EquiLiving critical illness insurance in your product offering?

- Fewer people own critical illness insurance relative to other insurance products.
- Critical illness insurance can be used as a "door-opener" to other products a prospective client may need, like life insurance and investment products.
- You will protect your asset base by ensuring the clients' investments are not at risk of being withdrawn because of a critical illness.
- You are less likely to lose existing clients to other advisors by having the critical illness conversation with them first.
- It is a great referral product since, on an approved claim, you deliver the cheque right to the client, who will tell other people how having critical illness insurance benefited them.
- If you do not offer the client critical illness insurance, somebody else will!

Equitable Life Path to Success™

To learn more about Critical Illness Insurance, talk to your Regional Sales Manager about **PATH TO SUCCESS: Expert Advice on navigating the critical illness insurance sale.** This

program provides you with actionable ideas and scripts that you can implement immediately into your critical illness insurance meetings. This dynamic program will help introduce critical illness insurance to clients and provide you with tactics and strategies on how you can overcome the most common critical illness insurance sales hurdles faced in the industry.

EQUILIVING at a glance

<p>Availability</p>	<p>Single Life Standalone</p> <p>Single Life Rider on a Life Plan An EquiLiving rider (adult or juvenile) can be added to a Term Life insurance, Equimax participating whole life or Equation Generation IV universal life policy. All the standalone EquiLiving plan features apply to the rider except for the optional riders that are only available on a Standalone EquiLiving plan.</p> <p>Please note the following:</p> <ul style="list-style-type: none"> ▪ The issue age for children on a base life plan is different from that of the critical illness rider. ▪ An insured is considered an adult at age 16 on a universal life plan. However, they are not considered an adult until age 18 on the critical illness insurance rider. ▪ 20 Pay EquiLiving plans are not available on Term Life plans. ▪ Juvenile EquiLiving plans are not available on Term Life plans.
<p>Plan Type</p>	<p>Clients choose the plan based on how long they want to be protected and what premium payment works best for them.</p> <p>Critical illness protection to Age 75, at which time the policy expires:</p> <p><u>10-year renewable to Age 75</u> Premiums increase every 10 years by a guaranteed amount to the policy anniversary nearest the insured's 75th birthday</p> <p><u>Level to Age 75</u> Premiums are guaranteed level to the policy anniversary nearest the insured's 75th birthday</p> <p><u>20 Pay coverage to Age 75</u> Premiums are guaranteed level for 20 years, after which payments cease.</p>

	<p>Critical illness protection for Life:</p> <p><u>Level to Age 100</u> Premiums are guaranteed level to the policy anniversary nearest the insured's 100th birthday</p> <p><u>20 Pay coverage for life</u> Premiums are guaranteed level for 20 years, after which payments cease</p>
Issue Ages	<p><u>Ages 30 days-54 years</u></p> <ul style="list-style-type: none"> • 20 Pay coverage to Age 75 (20 Pay T75) <p><u>Ages 30 days-64 years</u></p> <ul style="list-style-type: none"> • Level to Age 75 (T75) <p><u>Ages 30 days-65 years</u></p> <ul style="list-style-type: none"> • 10-year Renewable to Age 75 (T10) • Level to Age 100 coverage for life (T100) • 20 Pay coverage for life (20 Pay T100) <p>Juvenile Plan Issue Ages: 30 days-17 years Adult Plan Issue Ages: 18+</p>
Sum Insured	<p><u>Juvenile plans</u></p> <ul style="list-style-type: none"> • \$10,000-\$500,000 <p><u>Adult plans</u></p> <ul style="list-style-type: none"> • \$10,000-\$2,000,000 <p>Minimum premium requirement is \$100 annually or \$10 monthly. Maximum issue amounts include critical illness insurance coverage with all carriers combined.</p>
Policy fees	<p>\$50.00 annually \$4.50 monthly</p>
Underwriting class	<p>Juveniles</p> <ul style="list-style-type: none"> • Issued with juvenile smoker rates (there is no premium difference between a smoker/non-smoker juvenile until the policy anniversary nearest the insured child's 16th birthday) • Change to non-smoker rates available without underwriting starting at the insured child's policy anniversary after their 16th birthday and ending at the policy anniversary after their 18th birthday.

	Adult <ul style="list-style-type: none"> • Smoker • Non-smoker
Rate Banding	Band 1: \$10,000-\$49,999 Band 2: \$50,000-\$99,999 Band 3: \$100,000-\$249,999 Band 4: \$250,000+
COVERED CONDITIONS	
Covered critical conditions	26 covered conditions on all Adult and Juvenile EquiLiving plans
Early Detection Benefit covered conditions	8 covered conditions on all Adult and Juvenile EquiLiving plans
Childhood covered critical conditions	5 covered critical conditions on Juvenile EquiLiving plans only Childhood covered critical conditions provide coverage to the insured child until the policy anniversary nearest the insured child's 25 th birthday.
BUILT-IN BENEFITS	
Extension of Expiry	On: <ul style="list-style-type: none"> • 10-year Renewable to Age 75 • Level to Age 75 • 20 Pay coverage to Age 75
Smoker Classification Change	All plans
Rider Exchange Provision	On EquiLiving CI Riders only
Change Privilege	Clients can change their EquiLiving plan as follows subject to age limitations: 10-year Renewable to: <ul style="list-style-type: none"> • Level to Age 75 • Level to Age 100 (coverage for life) • 20 Pay coverage to Age 75 • 20 Pay coverage for life

	<p>Level to Age 75 to:</p> <ul style="list-style-type: none"> • 20 Pay coverage to Age 75 • 20 Pay coverage for life <p>Level to Age 100 to:</p> <ul style="list-style-type: none"> • 20 Pay coverage for life
RIDERS (on Standalone plans only)	
<p>Return of Premium</p>	<p><u>Return of Premium on Death (ROPD)</u></p> <ul style="list-style-type: none"> • All plans • Can be added after issue with underwriting <p><u>Return of Premium at Expiry (ROPE)</u></p> <ul style="list-style-type: none"> • Issue ages: 30 days-55 years • 10 Year Renewable to Age 75 • Can be added after issue without underwriting <p><u>Return of at Surrender/Expiry (ROPS/E)</u></p> <ul style="list-style-type: none"> • Issue ages: 30 days-55 years • Level to Age 75 • 20 Pay coverage to Age 75 • Can be added after policy issue without underwriting <p><u>Return of Premium at Surrender (ROPS)</u></p> <ul style="list-style-type: none"> • Issue ages: 30 days-65 years • Level to Age 100 (coverage for life) • 20 Pay coverage for life • Can be added after issue without underwriting
<p>Waiver of Premium Rider</p>	<p><u>Waiver of Premium (Insured Disability)</u></p> <ul style="list-style-type: none"> • Adult plans only • Issue ages: 18-55 years • Expiry: Policy anniversary nearest the insured's 60th birthday • It can be added to a Juvenile policy when the insured child turns 21 years of age, with underwriting <p><u>Waiver of Premium (Owner/Payor's Disability)</u></p> <ul style="list-style-type: none"> • Adult plans only • Issue ages: 18-55 years • Expiry: Policy anniversary nearest the 60th birthday of the person insured under the Rider <p><u>Waiver of Premium (Owner/Payor's Death and Disability)</u></p> <ul style="list-style-type: none"> • Juvenile plans only

	<ul style="list-style-type: none"> • Owner/Payor issue ages: 18-55 years • Expiry: Policy anniversary nearest the Owner/Payor's 60th birthday or the 21st birthday of the insured child, whichever comes first • When an insured child turns 21, they can request Waiver of Premium (Insured's Disability) be added to the policy without underwriting subject to the completion of the Disability Waiver of Premium Declaration
Term Life Riders	<p>With EquiLiving, clients can add a Term Life rider to their EquiLiving plan and enjoy most of the same benefits of a stand-alone term policy without an additional policy fee. 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 the insured's death.</p> <p>Available on: Single life EquiLiving Adult plans only.</p> <p>Subject to the age restrictions for the EquiLiving policy, the issue ages for the following Term Life riders are:</p> <ul style="list-style-type: none"> • T10: 18 -75 years • T20: 18-65 years <p>Expiry: Term Riders premiums are renewable at the end of each renewal period and are guaranteed at issue. The Term Life Rider will automatically renew at each renewal period. The only exception is the last renewal, which may not be a full period depending on the EquiLiving plan type since Term Riders expire at the policy anniversary nearest the insured's 85th birthday.</p> <p>Benefit amount:</p> <ul style="list-style-type: none"> • \$50,000 - \$10,000,000 <p>Preferred Term: Preferred Term Underwriting is available for insurance coverage amounts greater than or equal to:</p> <ul style="list-style-type: none"> • \$1,000,000 for ages 18-50, and • \$500,000 for ages 51-60. <p>Preferred Term Underwriting is not available for ages 61+</p> <p>Built-in Provisions:</p> <ul style="list-style-type: none"> • Automatic coverage continuation provision • Term Exchange Option • Separate Term Life Insurance Policy option • Conversion Option

For more details about the Term Life Rider, please refer to the Term Life Advisor/Admin Guide

Covered Condition Benefits

EquiLiving Benefit

If the EquiLiving policy is in effect and the insured is diagnosed with a covered critical condition and satisfies all requirements for that condition, the client will receive a lump sum payment of the sum insured (EquiLiving benefit amount).

The EquiLiving benefit is payable only once and only for one covered critical condition. Once the EquiLiving benefit is payable, the policy terminates regardless of how many covered conditions the client may be diagnosed with.

If a client's policy has a Return of Premiums at Expiry, Return of Premiums at Surrender/Expiry, or a Return of Premiums at Surrender Rider, the EquiLiving Benefit payable will be the greater of the Sum Insured or the eligible Premiums to be Returned as defined in the applicable Rider.

Covered Critical Conditions

ADULT POLICIES 26 Covered Critical Conditions	JUVENILE POLICIES 26 Covered Critical Conditions + 5 Childhood Covered Conditions
<ul style="list-style-type: none"> • Acquired Brain Injury • Aortic Surgery • Aplastic Anemia • Bacterial Meningitis • Benign Brain Tumour • Blindness • Cancer • Coma • Coronary Artery Bypass Surgery • Deafness • Dementia, including Alzheimer's Disease • Heart Attack (Acute Myocardial Infarction) • Heart Valve Replacement or Repair • Kidney Failure • Loss of Independent Existence • Loss of Limbs • Loss of Speech • Major Organ Failure on Waiting List • Major Organ Transplant • Motor Neuron Disease • Multiple Sclerosis • Occupational HIV Infection • Paralysis • Parkinson's Disease and Specified Atypical Parkinsonian Disorders • Severe Burns 	<p>All Adult Covered Critical Conditions, plus:</p> <ul style="list-style-type: none"> • Cerebral palsy • Congenital Heart Disease • Cystic Fibrosis • Muscular Dystrophy • Type 1 Diabetes Mellitus <p>Coverage for the Childhood Covered Conditions automatically ends on the policy anniversary nearest the insured child's 25th birthday.</p>

- | |
|-------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• Stroke (Cerebrovascular Accident) |
|-------------------------------------------------------------------------------------|

Early Detection Benefit

If the insured is diagnosed with an Early Detection Benefit covered condition as defined in their policy and survives the applicable survival period, the client will receive a lump sum payment of 15% of the sum insured (EquiLiving Benefit amount) to a maximum of \$50,000.

Unlike an EquiLiving benefit, payment of the Early Detection Benefit:

- can be paid multiple times while the policy is in effect since an early detection benefit can be paid once for each of the early detection covered conditions
- does not terminate the client's policy
- does not reduce the EquiLiving benefit, any premiums to be returned under a Return of Premium Rider, or the policy premiums

Early Detection Benefit Covered Conditions

8 Early Detection Benefit Covered Conditions
<ul style="list-style-type: none"> • Coronary Angioplasty • Ductal Breast Cancer • Early Prostate Cancer • Gastrointestinal Stromal Tumours (AJCC Stage 1) • Grade 1 Neuroendocrine Tumours (Carcinoid) • Papillary or Follicular Thyroid Cancer Stage T1 • Rai Stage 0 Chronic Lymphocytic Leukemia (CLL) • Superficial Malignant Melanoma

Survival period

Critical illness insurance is designed to help the client through the recovery of a covered condition. To ensure this, some covered conditions with a high mortality rate require the insured to satisfy a survival period. Typically, a survival period will be required for cardiovascular conditions.

For these conditions, a covered condition benefit is only payable once a 30-day survival period has been satisfied. Therefore, to satisfy the survival period, the insured must be alive at the end of any applicable survival period required and must not have experienced irreversible cessation of all brain functions during that time.

For Covered Conditions that have a survival period, the person insured must be alive at the time of diagnosis.

Conditions that require a 30-day Survival Period		
<u>Covered Critical Conditions</u>	<u>Childhood Covered Conditions</u>	<u>Early Detection Benefit Covered Conditions</u>
<ul style="list-style-type: none"> • Aortic Surgery • Coronary Artery Bypass Surgery • Heart Attack (Acute Myocardial Infarction) • Heart Valve Replacement or Repair • Stroke (Cerebrovascular Accident) 	<ul style="list-style-type: none"> • Congenital Heart Disease 	<ul style="list-style-type: none"> • Coronary Angioplasty

Diagnosis

A licensed medical specialist in Canada, the United States, or another region, as approved by Equitable Life, must diagnose any of the covered conditions unless otherwise specified in the contract. The specialist may not be:

- the owner,
- the person insured,
- or a relative by blood or marriage of the owner or the insured, or
- a business associate of the owner or the insured.

Diagnosis 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 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 surgical procedure, would have been advised if treatment had taken place in Canada,
- If we make such a request, the insured person must undergo an independent medical examination by a licensed Canadian physician appointed by Equitable Life. In the case of elective surgery, such an examination must be completed before the surgery takes place.

BUILT-IN BENEFITS

Extension of Expiry

If a client's policy expires while satisfying the Survival Period for a covered condition, the Extension of Expiry applies, and the client's policy will remain in effect until the earlier of:

- The date of the insured person's death, or
- The date when the EquiLiving Benefit or Early Detection Benefit becomes payable.

The Extension of Expiry only applies to the covered condition that initiated the Extension of Expiry.

Extension of Expiry is a built-in benefit for the following plans:

- 10-year Renewable to Age 75
- Level to Age 75
- 20 Pay coverage to Age 75

Rider Exchange Provision

This provision is a built-in benefit on all Critical Illness insurance riders on a life plan. If the Critical Illness insurance Rider is in effect at the time the Death Benefit under the Policy becomes payable causing the Policy to terminate, the Owner of the Policy or if applicable, the Contingent Owner, may request in writing, within 60 days of the death of the Insured Person, the option to exchange their EquiLiving critical illness rider for any surviving Person Insured under this Rider for a separate EquiLiving Critical Illness Insurance policy, without evidence of insurability.

The separate EquiLiving Critical Illness Insurance policy will be issued with:

- an effective date the same as this Rider,
- the same benefits, class of risk and smoking status as this Rider,
- the same premium rates in effect for this Rider on the date of the exchange,
- the Person Insured's age used when this Rider was issued,
- an additional policy fee charged by Equitable Life (the applicable policy fee will be determined according to our administrative rules and guidelines at the time of exchange); and premium adjustments that may be required under our administrative rules if there is a difference between the modal factor for this Rider and the modal factor applicable to the new policy.

Change Privilege

Clients can change their EquiLiving plan as follows subject to the age limitations for that plan:

10-year Renewable to:

- Level to Age 75
- Level to Age 100 (coverage for life)
- 20 Pay coverage to Age 75
- 20 Pay coverage for life

Level to Age 75 to:

- 20 Pay coverage to Age 75
- 20 Pay coverage for life

Level to Age 100 to:

- 20 Pay coverage for life

Age limitations

To change to 20 Pay coverage to Age 75 the change privilege must be exercised anytime up to and including the policy anniversary nearest the insured's 54th birthday.

To change to all other plan types, the change privilege must be exercised anytime up to and including the policy anniversary nearest the insured's 60th birthday.

Evidence of insurability will not be required if there is no increase in sum insured or addition of any riders to the new plan (with some exceptions).

Riders on CI standalone plans

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

For issue ages, please refer to the Product Summary in this document.

Return of Premiums Riders

Under a Return of Premium Rider, depending on which Rider is selected, we will return any eligible premiums paid to us if the policy is surrendered, expires or upon death.

<p>Return of Premiums on Death (ROPD)</p>	<p>Available on:</p> <ul style="list-style-type: none"> • All standalone EquiLiving plans <p>If the insured dies while the policy and this rider are in effect and no EquiLiving benefit is paid or is payable, we will return to the beneficiaries the Premiums to be Returned for the EquiLiving policy.</p> <p>A reduction in the critical illness coverage amount will not impact the Premiums to be Returned under this rider.</p> <p>Can be added after issue with underwriting</p>
<p>Return of Premiums at Expiry (ROPE)</p>	<p>Available only on:</p> <ul style="list-style-type: none"> ○ 10-year Renewable to Age 75 <p>If at the policy anniversary nearest the insured's 75th birthday, which is the expiry date of their EquiLiving T10 coverage, no EquiLiving benefit is paid or is payable, we will return to the owner of the policy the Premiums to be Returned for the EquiLiving policy.</p> <ul style="list-style-type: none"> ○ Premiums to be Returned are not payable for any surrender of coverage for a 10-year Renewable to Age 75 policy before expiry. ○ Any reduction in the critical illness coverage amount will be treated as a lapse for that coverage, and the EquiLiving Sum Insured must not be less than the then-current policy minimums. Any future Premiums to

	<p>be Returned will be calculated assuming the reduced EquiLiving Benefit has been in force from the effective date of the policy to which the Return of Premium at Expiry Rider is attached.</p> <p>Can be added after issue without underwriting</p>
<p>Return of Premiums at Surrender/Expiry (ROPS/E)</p>	<p>Available on:</p> <ul style="list-style-type: none"> ○ Level to Age 75 ○ 20 Pay coverage to Age 75 <p>Expires: Policy anniversary nearest the person insured's 75th birthday</p> <p>If no EquiLiving benefit is paid or is payable, this rider provides the client with the opportunity to have the Premiums to be Returned paid to them:</p> <ul style="list-style-type: none"> ○ Upon expiry of their plan-100% of the Premiums to be Returned ○ Upon surrender- either all or a portion of the policy at any time on or after the 15th policy anniversary <p>Partial surrender of the policy can be made provided the reduced EquiLiving Sum Insured is not less than the then-current policy minimums.</p> <p>Any reduction in the critical illness coverage amount before the 15th policy anniversary will be treated as a lapse for that coverage. Any future Premiums to be Returned will be calculated assuming the reduced EquiLiving Benefit has been in force from the effective date of the policy to which the Return of Premiums at Surrender/Expiry is attached.</p>
<p>Return of Premium at Surrender (ROPS)</p>	<p>Available on:</p> <ul style="list-style-type: none"> ○ Level to Age 100 (coverage for life) ○ 20 Pay coverage for life <p>If no EquiLiving benefit is paid or is payable, this rider provides the client with the opportunity to have the Premiums to be Returned paid to them upon full or partial surrender of their policy at any time on or after the 15th policy anniversary.</p>

A partial surrender of the policy can be made provided the reduced EquiLiving Sum Insured is not less than the then our current policy minimums.

Any reduction in the critical illness coverage amount prior to the 15th policy anniversary will be treated as a lapse for that coverage. Any future Premiums to be Returned will be calculated assuming the reduced EquiLiving Benefit has been in force from the effective date of the policy to which the Return of Premiums at surrender/expiry is attached.

Premiums to be Returned

The amount of premiums to be returned is the sum of the premiums paid to Equitable Life, including any substandard extras, for:

- the Critical Illness Insurance coverage and any administration fees for the Policy; and
- any applicable Return of Premium Rider,

less any premiums returned by us under the Policy or any Return of Premiums Rider.

For greater certainty, Premiums to be Returned does not include:

- premiums waived by Equitable Life, whether under a Waiver of Premium Rider or otherwise.
- premiums for any Riders attached to the Policy other than this Rider and the Return of Premiums on Death Rider (if applicable).
- unpaid premiums; and
- interest on any amounts.

Premiums to be returned on surrender for ROPE/S and ROPS

For surrenders, the owner must notify us in writing within 30 days before the date the surrender is to take effect. If a partial surrender, the reduced sum insured must meet the then-current policy minimums.

Before the 15th policy anniversary:

If before the 15th policy anniversary, a surrender of the coverage is made, whether partially or in full, no Premiums to be Returned are payable to the owner.

If a partial surrender, the policy will continue in effect with the reduced sum insured as the benefit amount and the premiums forfeited to be returned will be:

- The total amount of Premiums to be Returned on the rider at that point in time
- Less the premiums that would have been paid if the reduced sum insured had been in effect since the effective date of the policy

Return of Premiums on Surrender Benefit:

Equitable Life will pay an amount equal to the sum of the Premiums to be Returned multiplied by a percentage as described below:

On the 15th Policy Anniversary, the Owner, by surrendering the Policy, is entitled to receive 75% of the Premiums to be Returned. On each policy anniversary thereafter, the percentage of the Premiums to be Returned will increase by 5%, reaching 100% on the 20th policy anniversary and remaining at 100% thereafter.

Please refer to the Percentage of Premiums chart below.

Return of Premiums on Partial Surrender:

At the 15th policy anniversary and thereafter, the Owner may elect to surrender a portion of the Policy and receive a partial Return of Premiums on Surrender Benefit,

The partial Return of Premiums on Surrender Benefit will be equal to:

- the Premiums to be Returned upon full surrender of the Policy, less
- the Premiums to be Returned that would have been paid for the reduced Sum Insured, if the reduced Sum Insured had been the total Sum Insured as at the effective date of the policy, and then multiplied by
- the percentage as described in the Percentage of Premiums chart below.

For certainty, the subtraction in the first two bullets above is to be carried out before the multiplication in the third bullet.

When Premiums to be Returned are paid due to a partial surrender, the Policy will continue with the reduced Sum Insured. Any premiums payable will be based on the reduced Sum Insured. Any future Premiums to be Returned will be calculated assuming the reduced EquiLiving Benefit had been in force from the Effective Date of the Policy to which this Rider is attached.

Percentage of Premiums to be returned

Policy Anniversary	Percentage of eligible premiums to be returned
Up to policy anniversary 15 th	0%
15 th policy anniversary up to policy anniversary 16 th	75%
16 th policy anniversary up to policy anniversary 17 th	80%
17 th policy anniversary up to policy anniversary 18 th	85%
18 th policy anniversary up to policy anniversary 19 th	90%
19 th policy anniversary up to policy anniversary 20 th	95%

20 th policy anniversary and on	100%
--------------------------------------------	------

Waiver of Premium Rider

Waiver of Premium rider waives the premiums if the insured person covered under the rider is unable to pay premiums due to total disability due to accident or sickness, or in the case of Waiver of Premium (Owner/Payor's Death and Disability), in the case of death also.

Premiums for Waiver of Premium Rider:

To calculate the premium amount for the Waiver of Premium Rider, the total annual premium for each active coverage, not including the Waiver of Premium Rider itself, is summed. The total annual premiums covered by the waiver are then multiplied by a pricing rate factor for the age, gender, and smoking status of the insured at issue.

- The rate factor used to calculate the Waiver of Premium at the time of issue is guaranteed
- While the rate factor does not change, the increase in premium at the time of renewal means that the premium charged for the Waiver of Premium rider will increase.
- Any changes to the policy after issue resulting in a premium change means that the premium charged for the Waiver of Premium rider will also change.

In situations where we are not notified within 6 months of a total disability, we will only retroactively waive premiums to a maximum of up to one year from the date the life insured notifies us of the disability.

Waiver of Premium Rider	Description
Waiver of Premium (Insured's Total Disability)	<p>Available on Adult plans only</p> <p>Expires: On the policy anniversary nearest the person insured under the policy's 60th birthday</p> <p>This rider can be purchased on the person insured of the policy. It provides for the payment of all premiums applicable to the plan while the person insured for the policy is totally disabled by sickness or accident.</p> <p>If the total disability occurs before their 60th birthday and lasts for six consecutive months, Equitable Life will refund any premiums paid during these six months and waive any premiums due during the continuation of the total disability.</p> <p>If a claim for Total Disability is made before the expiry date of the Waiver of Premium Rider and the person who is insured under the Rider continues to be Totally Disabled at the expiry</p>

	<p>of the Rider, the premiums will continue to be waived until the earlier of:</p> <ul style="list-style-type: none"> • The person insured under the Waiver of Premium is no longer Totally Disabled, and • The expiry of the EquiLiving policy
<p>Waiver of Premium (Owner/Payor's Total Disability)</p>	<p>Available on Adult plans only</p> <p>Expires: On the policy anniversary nearest the person insured under this rider's 60th birthday</p> <p>This rider can be purchased on the owner or payor of the policy (not if different). It provides for the payment of all premiums applicable to the plan while the person for whom the rider was purchased is totally disabled by sickness or accident.</p> <p>If the total disability occurs before their 60th birthday and lasts for six consecutive months, Equitable Life will refund any premiums paid during these six months and waive any premiums due during the continuation of the total disability.</p> <p>If a claim for Total Disability is made before the expiry date of the Waiver of Premium Rider and the person who is insured under the Rider continues to be Totally Disabled at the expiry of the Rider, the premiums will continue to be waived until the earlier of:</p> <ul style="list-style-type: none"> • The person insured under the Waiver of Premium is no longer Totally Disabled, and • The expiry of the EquiLiving policy <p>An Owner/Payor insured under this Rider cannot transfer this Rider to provide coverage to another Owner/Payor.</p> <p>If the ownership of the Policy is transferred to another person, this Rider does not transfer to that person.</p> <p>If premiums are being waived under this Rider due to Total Disability and the Owner/Payor dies, premiums will resume on the policy.</p>

<p>Waiver of Premium (Owner/Payor's Death and Total Disability)</p>	<p>Available only on Juvenile plans</p> <p>Expires: On the policy anniversary, nearest the owner/payor's 60th birthday or the insured child's 21st birthday, whichever comes first.</p> <p>This rider covers payment of all premiums while the Owner/Payor of the EquiLiving policy is totally disabled by sickness or accident or upon their death.</p> <p>If the Rider expires before the insured child's age 21, there is no longer any Waiver of Premium coverage on the policy.</p> <p>When an insured child turns 21, they can request to have Waiver of Premium (Insured's Disability) added to their policy. Underwriting is required.</p> <p><u>For Total Disability:</u> The premiums will not be waived past the expiry of the Rider even if the claim was made before the expiry date and the person who is insured under the Rider continues to be Totally Disabled at the expiry of the Rider.</p> <p><u>On Death:</u> The premiums will be waived (even past the expiry for the Rider) up to the insured child's age 21. At that time, the waiver of premium coverage will terminate.</p>
----------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Total Disability Definition for Waiver of Premium

Total Disability for Waiver of Premium: a state of incapacity caused by disease or bodily injury that results in the person who is insured under the Waiver of Premium Rider, unable 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.

- If Total Disability occurs prior to the 60th birthday of the person who is insured under the Waiver of Premium Rider and lasts for 6 consecutive months, any premiums paid during the 6-month waiting period will be refunded, and any premiums that come due during the continuation of the disability will be waived.

Beneficiaries of Benefits

The policy owner can name beneficiaries for the following benefits on an EquiLiving policy:

- Covered Condition Benefit (s)
- Return of Premiums on Death Benefit

The Beneficiaries for the following benefits are:

Benefit type:	Who is the beneficiary of the benefit?
Covered Condition	The person insured under the policy (unless otherwise specified by the policy owner). If allowed under laws that apply, the policy owner may choose to make a change of Beneficiary in writing to Equitable Life's head office.
Return of Premiums on Death	The person(s) designated by the Owner to receive the Premiums to be Returned under this rider. If allowed under laws that apply, the policy owner may choose to make a change of beneficiary in writing to Equitable Life's head office. If no Beneficiary is designated or surviving at the time of the Person Insured's death, the Premiums to be Returned will be payable to the policy owner, if living, or to the policy owner's estate.
Return of Premiums at Surrender/Expiry	The policy owner is entitled to the Premiums to be Returned.
Return of Premiums at Surrender	The policy owner is entitled to the Premiums to be Returned.
Return of Premiums at Expiry	The policy owner is entitled to the Premiums to be Returned.
Term Life Rider (Death Benefit)	The person(s) designated by the Policy Owner to receive the benefits under this rider. If allowed under laws that apply, the policy owner may request to make a change of Beneficiary in writing to Equitable Life's head office.

Minors as Beneficiaries

Typically, for Juvenile plans where the person insured is a minor, the parents are named as the beneficiary (if they are not the owners of the policy) since it will be the parents who will be making the medical decisions for the child and are the ones who will need the financial help to take care of their child. However, a minor can be named as a beneficiary.

In provinces other than Quebec, it is good practice to name a trustee for the minor beneficiary. A minor should not be named as an irrevocable beneficiary, as a minor is incapable of giving consent and therefore no changes can be made to the policy until the minor reaches the age of majority.

In Quebec only: If a minor is named as a beneficiary, a Trustee cannot be named for the minor. The minor is appointed, and nothing further is required.

Contingent Beneficiaries

Where applicable, the owner of the policy can name contingent beneficiaries.

Exclusions, Limitations and Termination

Some of the Covered Conditions in the policy have specific exclusions, limitations, or requirements to report. Refer to the contract for specific requirements. The following provides an overview of some of the key exclusions and limitations you should be aware of.

90-day cancer exclusion and the requirement to report

All Cancers have a 90-Day Exclusion and Requirement to report provision in their definitions. This means that no benefit will be paid for any cancers if, within the first 90 days following the Effective Date of the policy, or 90 days from the date of the last Reinstatement, the insured has any of the following:

- a) A Diagnosis of any form of cancer (covered or not covered under the policy), or
- b) One or more signs, symptoms, tests, investigations and/or medical consultations that lead directly or indirectly to a Diagnosis of cancer (covered or not covered under the policy), regardless of the date of Diagnosis

Benign Brain Tumour 90-day exclusion and requirement to report

Benign Brain Tumour has a 90-Day Exclusion and Requirement to report provision in its definition. This means that no benefit will be paid if within 90 days following the Effective Date of the policy, or 90 days from the date of the last Reinstatement, the Person Insured has any of the following:

- a) A Diagnosis of any form of benign brain tumour (covered or not covered under the policy), or
- b) Any signs, symptoms, tests, investigations and/or medical consultations that lead directly or indirectly to a Diagnosis of benign brain tumour (covered or not covered under the policy), regardless of the date of Diagnosis

One Year Exclusion and the requirement to report

A similar exclusion as the 90-Day Exclusion and Requirement to report applies to:

- Multiple Sclerosis, and
- Parkinson's Disease and Specified Atypical Parkinson's Disorders

For these Covered Critical Conditions, instead of the exclusion period being "90-days," the exclusion period is for "one year."

Requirement to Report

Not only is there an exclusion period for the Covered Conditions mentioned above, but there is also a Requirement to Report. This requirement means that:

- Any medical information about the Diagnosis of the Covered Condition, and any signs, symptoms or investigations leading to a Diagnosis of the Covered Condition must be

reported to us within 180 days of the date of Diagnosis. If this information is not provided, any claim for that condition or any condition as result of the treatment for that condition may be denied.

General Exclusions

No Covered Condition benefit will be paid if the insured is diagnosed with a covered condition that arises directly or indirectly from:

- Intentionally self-inflicted injuries, regardless of the insured's state of mind
- The insured's intentional use or intake of any:
 - Prescribed drug or narcotic other than as instructed by their physician,
 - Legally available drug or narcotic not legally available in Canada or the United States,
 - Any poisonous substance or intoxicant, including inhalation of toxic gases or fumes,
- war, or any act or incident of war, whether declared or not or any conflict between the armed services of countries or international organizations
- 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

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 full payment of the premiums to be returned under any return of premium rider
- the expiry date of the policy,

New Issue & Underwriting

EZcomplete online application

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 clients to sign the application using their electronic device.
- Login to EquiNet[®] and click on the EZcomplete icon on the menu bar.

Sales illustration

Currently, there is no requirement that a sales illustration be submitted with any 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 EquiLiving critical illness insurance application, you may do so. The policy contract governs in all cases.

Risk Class/Smoking Status

Non-Smoker

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 1 cigar/cigarillo is permitted per month, subject to a negative cotinine level.

Smoker

The person to be insured has used tobacco or nicotine-based products, including cessation products and tobacco substitutes, within the past 12 months.

For insureds 16-17 (Juvenile plan) years old at time of issue:

- In any province other than Quebec, the insured child on or after their attained age 16 will be able to declare at the time of issue whether they are a smoker or a non-smoker.

If the insured child resides in Quebec, they must either be attained age 18 themselves or if they are between the ages of attained age 16 and age 17, they must have an adult sign the application and illustration to declare themselves as a non-smoker.

Issue Age

- EquiLiving plans use a 6-month age nearest pricing approach.
- Age nearest is the way we determine the issue age of the client and is based on the date of birth of the client and the date the policy is issued
 - If the issue date of the policy is closest to the client's last birthday, the issue age of the client will be the age at their last birthday
 - If the issue date of the policy is closest to the client's next birthday, the issue age of the client will be recorded as the age at their next birthday.

Backdating to save age

We allow backdating of up to 3 months to save age on Critical Illness standalone policies. We will back-date the policy only to the date that is needed to save age. For example, if the policy only needs to be back-dated one month to save age, that is the farthest back we will permit for back-dating.

Taxation

Equitable Life interprets current tax laws as follows:

- If premiums are paid 100% by an individual, the benefit payout received is not taxable, regardless of who owns the policy
- If the 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 taxable to the insured person.

Note: The above is not tax advice. 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 used as the basis for EquiLiving purchase decisions. The policy owner and person insured should seek advice from their tax advisors regarding the taxation of EquiLiving critical illness insurance.

Underwriting

The underwriting of critical illness insurance 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 as opposed to the probability of death of the person insured.

- 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 develop 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 life rider on their EquiLiving policy, some of the critical illness requirements may override the life requirements. The higher combination of requirements should be used.

Substandard Assessment

- A substandard rating can either be in the form of a multiple rating (e.g., 200%) or an exclusion for specific conditions or avocations
- A substandard assessment will affect the premium for the policy
 - The illustration software will calculate the premium and include the additional amount that will be due if the underwriting assessment results in a substandard

ratingPolicy Changes

Effective February 12, 2022

We discontinued the administrative process of allowing old CI plans to be able to get a current EquiLiving plan design without full underwriting. Old plans will now change to the version of the CI plan that was available at the time their original CI plan was put in effect. For policies that were put in effect prior to **February 12, 2022**, you will need to contact the Individual Quotes Department for an illustration.

Change Privilege

The Change Privilege, if part of the policy provisions for coverage chosen, gives clients the flexibility to change their EquiLiving coverage to another EquiLiving plan type:

- No evidence of insurability is required for the Change Privilege if there is no increase in the sum insured.
- Underwriting will be required to add additional benefits/riders except for Return of Premium on Surrender and/or Expiry, Waiver of Premium (if not already covered) and Term life Riders
- clients must submit a Form 374 – Application for Change to Equitable Life's head office in Waterloo, Ontario prior to the policy anniversary nearest their 60th birthday.
- A Change Privilege cannot be exercised while premiums are being waived on the policy under a Waiver of Premium Rider (the person insured under the Waiver of Premium rider is totally disabled)
- clients can choose to do either a full change of their EquiLiving Plan or a partial change of their EquiLiving Plan
- Partial changes must meet plan minimums for both policies, and a policy fee will be payable for both policies (the reduced sum insured original policy and newly changed policy).

The new policy/coverage:

- Will be the applicable critical illness plan that was available when a client's plan was put into effect
- The premium rates for the changed critical illness plan will be the rates in effect for that plan on the date of the change and will be based on the insured's age on their birthday nearest to the effective date of the changed critical illness plan, and for the same risk and smoking status of the plan they are changing from
- The changed critical illness plan will have an effective date based on the last policy monthiversary of when all the policy requirements are received
- If the change is to a 20-Pay plan, the 20-year payment period will start at the effective date of the new coverage

The charts below outline what happens during a Change Privilege and what the clients' options are with regards to:

- Return of Premiums and accumulated Premiums to be Returned
- The Waiver of Premium rider

NOTE: This is based on the current EquiLiving plan and may be different for older version plans

Change Privilege and Return of Premium

On full changes: When a client exercises a Change Privilege, if applicable, we will carry over accumulated Premiums to be Returned only. We do not carry over accumulated Return of Premium rider years. In other words, the Return of Premium effective date on the newly changed policy will be the effective date of the change.

On partial changes: If the client wishes to only exercise a partial Change Privilege, accumulated Premiums to be Returned on the base plan will be handled as a face amount decrease. The new policy to accommodate the partial change can have the same Return of Premium riders as the original plan, and the Premiums to be Returned for that rider will be a portion of the amount based on Premiums to be Returned as per your contract wording.

NOTE: It is very important to understand that in some circumstances when a client makes a change, we will not be able to carry over their accumulated Premiums to be Returned for an applicable return of premium rider.

We can only carry over accumulated Premiums to be Returned if:

- The new policy has the applicable return of premium rider, and
- If the rider is available for issue based on the attained age of the client on the new policy

Riders	
<p>Return of Premium at Expiry Return of Premium at Surrender/Expiry</p>	<p>Can be carried over at the effective date of the change Any accumulated Premiums to be Returned for this rider will be carried over provided the new plan has added either:</p> <ul style="list-style-type: none"> • Return of Premium on Surrender/Expiry • Return of Premium on Surrender <p>If the riders mentioned above did not exist on the original plan, the above Return of Premium Riders may be added to the new plan at the time of change without underwriting.</p>
<p>Return of Premium on Death</p>	<p>Can be carried over at the effective date of the change.</p> <p>Any accumulated Premiums to be Returned for this rider will be carried over provided the new plan has a Return of Premium on Death Rider.</p> <p>If a Return of Premiums on Death did not exist on the original plan, it may be added to the new plan at the time of change with underwriting.</p>

Change Privilege and Waiver of Premium

When a Change Privilege is exercised by a client, and they want to include or carry over a Waiver Premium Rider that has not expired, the premium payable on the new Waiver of Premium is adjusted based on the premiums for the new policy. In other words, the premiums payable for the Waiver of Premium rider on the newly changed policy will not be the same as the original EquiLiving policy.

From	To	Underwriting
EquiLiving Rider on a base life plan that includes Waiver of Premium Rider.	A different EquiLiving rider plan type on the same base life plan.	If the Waiver of Premium Rider is on the base life plan, it automatically covers premiums for CI Rider regardless of whether the Change Privilege is exercised or not on that Rider.
EquiLiving Rider on a base life plan without a Waiver of Premium Rider.	Standalone EquiLiving plan with a Waiver of Premium Rider.	Underwriting will be required to add the Waiver of Premium Rider to the new plan type.
EquiLiving Rider on a base life plan with Waiver of Premium Rider.	EquiLiving standalone with Waiver of Premium Rider.	Underwriting will not be required to add Waiver of Premium Rider to the new plan type.
Standalone EquiLiving plan with a Waiver of Premium Rider	Standalone EquiLiving plan with a Waiver of Premium Rider.	Underwriting is not required for the Waiver of Premium Rider on the new plan type.
Standalone EquiLiving plan without a Waiver of Premium Rider.	Standalone EquiLiving plan with a Waiver of Premium Rider.	Underwriting will be required to add Wavier of Premium rider to the new plan type.

Change Privilege and Term Life Rider

EXAMPLE: Client A has a T10 EquiLiving policy with a T10 Life Rider. They want to change their EquiLiving coverage from a T10 to a T100 EquiLiving plan and want to keep their T10 life coverage.

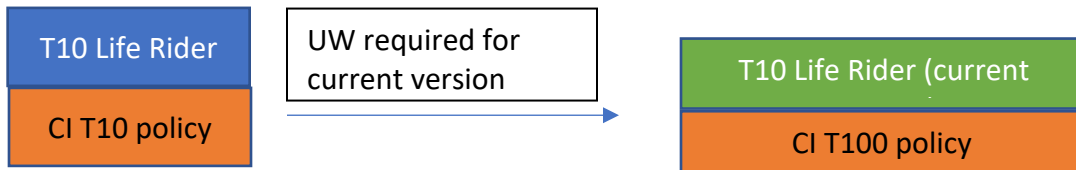
OPTION 1: Have two policies (no underwriting required):

1. POLICY 1: Term Rider remains at original age and rates with the policy fee remaining, and
2. POLICY 2: Issue the changed EquiLiving coverage as a new policy with attained age rates and current effective date. A policy fee will be required on the new policy. NOTE: The EquiLiving coverage will be the same version as the original T10 EquiLiving.



OPTION 2: Have one policy (underwriting will be required for the Term Rider):

- POLICY 1:** Issue the changed EquiLiving coverage with a new Term Rider with attained age rates and current effective date. Underwriting will not be required if Term Life is being changed from Term 10 to Term 20 at the same time. NOTE: The EquiLiving coverage will be the same version as the original T10 EquiLiving.

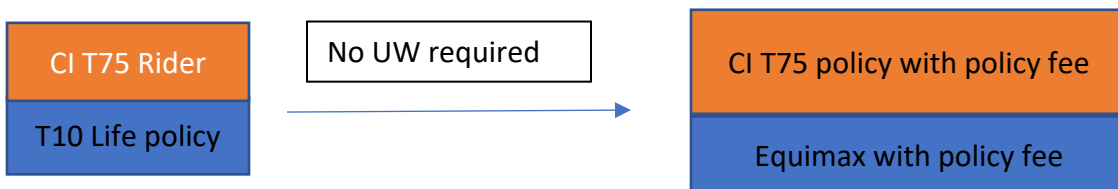


Conversion Option on a Life plan when there is a CI Rider (no change to CI coverage)

EXAMPLE: Client A has a Term 10 Life policy with a T75 EquiLiving Rider. They convert their T10 Life to Equimax and want to keep their T75 critical illness coverage.

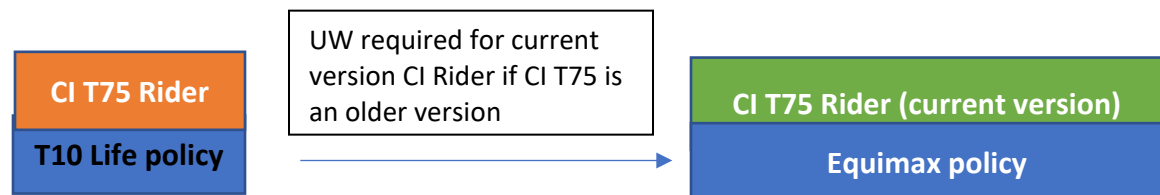
OPTION 1: Have two policies, one for CI and one for Life (no underwriting required):

- The EquiLiving coverage remains at original age and rates with the policy fee remaining, and
- Issue a new permanent life policy with a policy fee.



OPTION 2: Have one policy with both CI and Life coverage (underwriting may be required for the critical illness coverage):

- Issue the converted life coverage with a current version EquiLiving Rider with attained age rates, current effective date, and policy fee.

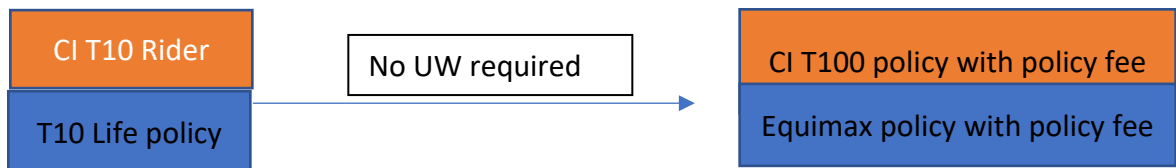


Conversion Option on a Life plan when there is a CI Rider where the Change privilege is being exercised at the same time

EXAMPLE: Client A has a Term 10 Life policy with a T10 EquiLiving Rider. They convert their T10 Life to Equimax and want to change their T10 critical illness coverage to T100 critical illness coverage at the same time.

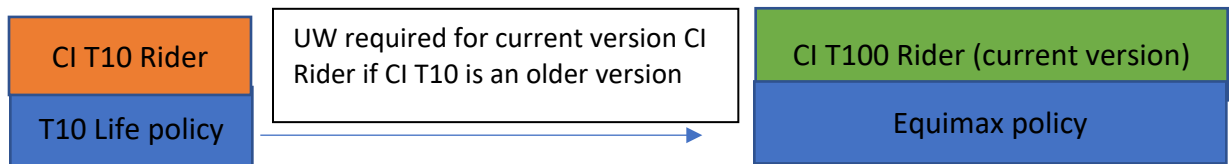
OPTION 1: Have two policies, one for CI and one for Life (no underwriting required)

1. The changed EquiLiving coverage remains on the original policy, with the policy fee remaining. NOTE: The EquiLiving coverage will be the same version as the original T10 EquiLiving.
2. Issue a new permanent life policy with a policy fee.



OPTION 2: Have one policy with both CI and Life coverage (underwriting may be required for the critical illness coverage):

1. Issue the converted life coverage with a current version EquiLiving Rider with attained age rates, current effective date, and policy fee.



Change in Sum Insured

Face amount increase

If a client wants to increase the insurance coverage on an EquiLiving policy, they have the following 2 options:

Option 1: apply for a new policy for the increased amount through new business and keep their existing EquiLiving coverage unchanged (a policy fee applies to both). The new policy would be issued at attained age and rates.

Option 2: replace the existing EquiLiving coverage with a new plan for the whole coverage amount (this will require full underwriting). The new policy would be issued at attained age and rates.

Face amount decrease

- To decrease the benefit amount, Form 374 – Application for Change 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.
- If applicable, the premiums for any Premiums to be Returned under a Return of Premium Surrender/Expiry Rider and a Return of Premium on Expiry Rider is calculated as though the reduced sum insured had been in force from the effective date of the policy.
 - There is no impact to the Premiums to be Returned under a Return of Premium on Death due to a face amount decrease.

Calculation of Premiums to be Returned when there is a face amount decrease on renewable, level pay plans and for limited pay (anytime before the 20th year)

- a. Determine the new monthly/annual premium of each eligible coverage for that policy
- b. Add these together to calculate the new monthly/annual premium for the policy
- c. Divide the new monthly/annual total premium by the old monthly/annual total premium of each eligible coverage
 - This will give you a ratio to determine the amount of the new Premiums to be Returned benefit amount.
- d. Multiply the ratio by the amount of previously accumulated Premiums to be Returned benefit. This is the new Premiums to be Returned for that applicable Rider.
 - Note that the amount of Premiums to be Returned for a ROPD can differ from Premiums to be Returned for the ROPS/E, ROPX, ROPS.

If the face amount decrease occurs anytime on or after the 15th policy anniversary where the client has a ROPS/E and ROPS Rider:

- e. Subtract the new Premiums to be Returned total from the amount of Premiums to be Returned previously accumulated.
- f. Multiply this amount by the percentage based on which year the face amount decrease is being made
 - On the 15th Policy Anniversary, the percentage is 75% of the Premiums to be Returned. On each policy anniversary thereafter, the percentage of the Premiums to be Returned increases each year by 5%, reaching 100% on the 20th policy anniversary and remaining at 100% thereafter.
- g. This is the amount of the refund available to the client at the time of the decrease.
- h. The refund will be sent to the client via cheque.

EXAMPLE:
Step (a) and (b)

Eligible coverage	Old annual premium	New annual premium
Base plan	\$ 615.00	\$350.00
Return of premium on Death	\$ 25.00	\$ 15.00
Return of premiums on surrender/expiry	\$ 565.00	\$275.00
Total	\$1,205.00	\$640.00
Total Premiums to be Returned	\$6,025.00	n/a

Eligible coverage	Base Plan
Calculation of reduced Premiums to be Returned if policy has ROPE	<p>Step (c):</p> <ul style="list-style-type: none"> ▪ $640/1,205=0.531120$ <p>Step (d)</p> <ul style="list-style-type: none"> ▪ $6,025*0.531120=3,200$ <p>The amount of Premiums to be Returned for ROPE on the new policy would be \$3,200.</p> <p>No cheque is payable for face amount decreases on ROPE before expiry.</p> <p>The amount of Premiums to be Returned for ROPD is not adjusted for face amount decreases and therefore remains at \$6,025.</p>
Calculation if the policy has: ROPS/E ROPS	<p>If the face amount decrease is prior to the 15th policy anniversary:</p> <p>Step (c):</p> <ul style="list-style-type: none"> ▪ $640/1,205=0.531120$ <p>Step (d)</p> <ul style="list-style-type: none"> ▪ $6,025*0.531120=3,200$ <p>The amount of Premiums to be Returned for ROPS/E or ROPS on the new policy would be \$3,200.</p>

	<p>No cheque is payable for the face amount decrease on ROPS/E for face amount decrease prior to the 15th policy anniversary.</p> <p>The amount of Premiums to be Returned for ROPD is not adjusted for face amount decreases and therefore remains at \$6,025.</p>
<p>Calculation of refund cheque amount if the policy has: ROPS/E ROPS</p>	<p>If the face amount decrease is on or after the 15th policy anniversary. For this example, we will assume the policy has been in effect for 17 years:</p> <p>Step (c):</p> <ul style="list-style-type: none"> ▪ $640/1,205=0.531120$ <p>Step (d)</p> <ul style="list-style-type: none"> ▪ $6,025*0.531120=3,200$ <p>Step (e)</p> <ul style="list-style-type: none"> ▪ $6,025-3,200=\\$2,825$ <p>Step (f)</p> <ul style="list-style-type: none"> ▪ $\\$2,825*0.85=\\$2,401.25$ <p>The cheque to the client for the partial surrender would be for \$2,401.25</p> <p>The amount of Premiums to be Returned for ROPS/E or ROPS on the new policy would be \$3,200</p> <p>The amount of Premiums to be Returned for ROPD is not adjusted for face amount decreases but is adjusted for any Premiums to be Returned that are paid and therefore would be \$3,623.75 (\$6,025-\$2401.25)</p>

Calculation of ROP premiums to be returned for limited pay plans on or after the 20th year

- a. Determine what the monthly/annual premium of each eligible coverage for that policy would have been if it had been issued with the lower face amount
- b. Add these together to calculate what the monthly/annual premium for the policy would have been
- c. Divide what the monthly/annual total premiums for the lower face amount would have been by the old monthly/annual total premium of each eligible coverage
 - i. This will give you a ratio to determine the amount of the new Premiums to be Returned benefit amount.

- d. Multiply the ratio by the amount of previously accumulated Premiums to be Returned benefit. This is the new Premiums to be Returned for that applicable Rider.
 - i. Note that the amount of Premiums to be Returned for a ROPD can differ from Premiums to be Returned for the ROPS/E or ROPS.
- e. The Premiums to be Returned calculated above are paid to the client, and the policy remains in force

Eligible coverage	Old annual premium	What the new premium is or would have been
Base plan	\$ 615.00	\$350.00
Return of premium on Death	\$ 25.00	\$ 15.00
Return of premiums on surrender/expiry	\$ 565.00	\$275.00
Total	\$1,205.00	\$640.00
Total Premiums to be Returned	\$6,025.00	n/a

Eligible coverage	Base Plan
Calculation if the policy has: ROPS/E ROPS	<p>If the face amount decrease is prior to the 15th policy anniversary:</p> <p>Step (c):</p> <ul style="list-style-type: none"> ▪ $640/1,205=0.531120$ <p>Step (d)</p> <ul style="list-style-type: none"> ▪ $6,025*0.531120=3,200$ <p>The amount of Premiums to be Returned for ROPS/E or ROPS on the new policy would be \$3,200. No cheque is payable for the face amount decrease on ROPS/E for face amount decrease prior to the 15th policy anniversary. The amount of Premiums to be Returned for ROPD is not adjusted for face amount decreases and therefore remains at \$6,025.</p>
Calculation of refund cheque amount if the policy has: ROPS/E ROPS	<p>If the face amount decrease is on or after the 15th policy anniversary. For this example, we will assume the policy has been in effect for 17 years:</p> <p>Step (c):</p> <ul style="list-style-type: none"> ▪ $640/1,205=0.531120$ <p>Step (d)</p> <ul style="list-style-type: none"> ▪ $6,025*0.531120=3,200$

	<p>Step (e)</p> <ul style="list-style-type: none"> ▪ $6,025 - 3,200 = \\$2,825$ <p>Step (f)</p> <ul style="list-style-type: none"> ▪ $\\$2,825 \times 0.85 = \\$2,401.25$ <p>The cheque to the client for the partial surrender would be for \$2,401.25 The amount of Premiums to be Returned for ROPS/E or ROPS on the new policy would be \$3,200 The amount of Premiums to be Returned for ROPD is not adjusted for face amount decreases but is adjusted for any Premiums to be Returned that are paid and therefore would be \$3,623.75 ($\\$6,025 - \\$2,401.25$)</p>
--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Additions of Riders after issue

To add a Rider after issue, **Form 374 – Application for Change** is required. The addition of riders to a policy is subject to the age limitations for that rider.

The following riders will require underwriting to be added after issue:

- Term Life insurance riders
- Waiver of Premium (Insured's Disability)
- Waiver of Premium (Owner/Payor's Disability)
- Waiver of Premium (Owner/Payor's Death and Disability)
- Return of Premium on Death
- Critical Illness Insurance Rider (only available on Life plans)

The following riders do not require underwriting to be added after issue:

- Return of Premium on Expiry
- Return of Premium on Surrender/Expiry
- Return of Premium on Surrender

Request for a Smoking Status Change

If a client was initially determined to be a smoker, they could request, by submitting the appropriate evidence, to have their status changed to a non-smoker. 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.

If the Insured's policy issue age was:	
18+ (Adult plan)	To request a smoking status change, Form 374 – Application for Change is required:

	<ul style="list-style-type: none"> • Page 2 of the Application for Change will guide you to which sections of the application need to be completed • In Section 2 of the application, indicate the amount and frequency of use for both inhaled and ingested products. • A urine sample will be required to confirm the absence of cotinine • Smoking status will be based on our Underwriting Guidelines for smoker status at the time of smoking status change • The rate used to determine the premium would be based on the rate applicable to the original issue age. • The decreased premium for the policy will be the effective date of the change.
<p>0-15 (Juvenile plan)</p>	<p>The juvenile plan for EquiLiving is loaded on our internal systems as smokers even though there is no difference in smoker/non-smoker rates for juveniles. Therefore, on a juvenile policy that is issued, the smoking status of the juvenile is listed as "smoker."</p> <ul style="list-style-type: none"> • A Non-Smoker Declaration will be sent to the policy owner on the policy anniversary following the insured's 16th, 17th, and 18th birthdays. If the smoking declaration is returned and the insured is determined to be a non-smoker, the risk class will be changed to a non-smoker, and premiums will not change. • If the Non-Smoker Declaration is not returned, the premiums will automatically increase to be a smoker rate as noted in the Premium Schedule of the client's policy. • The owner/insured will have up to 60 days after the policy anniversary following the insured's 18th birthday to return the Non-Smoking Declaration without providing additional evidence of insurability to remain as non-smoker rates.
<p>16-17 (Juvenile plan)</p>	<ul style="list-style-type: none"> • In any province other than Quebec, the insured child on or after their attained age 16 will be able to declare at the time of issue whether they are a smoker or a non-smoker. • If the insured child resides in Quebec, they must either be attained age 18 themselves or if they are between the ages of attained age 16 and age 17, they must have an adult sign the

	application and illustration to declare themselves as a non-smoker.
--	---------------------------------------------------------------------

Change of Owner/Payor and Waiver of Premium Rider

When a policy owner change is made, and if there is a Waiver of Premium Rider on the previous owner, the Waiver of Premium Rider (Owner/Payor) will remain on the policy unchanged and will not insure the new Owner automatically.

If the new Owner does not want to have the Waiver of Premium Rider to remain on the previous owner, they must let Equitable Life know to terminate the rider (we will not automatically remove the rider upon ownership change)

If the new Owner wishes to apply for a waiver of premium coverage on themselves, they must apply by submitting a [Form 374 – Application for Change](#) to us:

- We only allow one Waiver of Premium (Owner/Payor) on a policy
- Underwriting will be required
- Premiums for the rider are based on the new owner's age, sex, policy premium amount etc.

Adding Waiver of Premium to a juvenile policy

Sixty (60) days before the policy anniversary nearest the insured child's 21st birthday, we will send the Owner of the policy a letter to let them know that the insured child is eligible to apply for a Waiver of Premium Rider (Insured Disability) without full underwriting. They will be required to:

- Complete the Disability Waiver of Premium Declaration attached to the letter, and
- Return the completed Disability Waiver of Premium Declaration to us within 60 days of the date of the letter
- If they are approved, and the owner wants the Waiver of Premium Rider (Insured Disability) to be added to the policy, any Waiver of Premium (Owner/Payor Death and Disability) Rider must be cancelled

If the Owner of the policy would like the Waiver of Premium (Insured Disability) to be added to the policy starting at the policy anniversary nearest the insured child's 18th birthday, or anytime after the 60 days from the date of the letter mentioned above, they will be required to provide full underwriting and complete a [Form 374 – Application for Change](#).

The Waiver of Premium Rider will be added at attained age and current rates.

Adding a CI Rider to a Life plan that is already in effect

Clients can add a CI Rider to an existing Life plan if the CI Rider provides coverage on a life already covered under a life coverage.

The CI Rider will be added based on the client's attained age, current plan version and current rates for that version. Form 374-Application for Change and full underwriting will be required

and will be subject to the then-current underwriting rules and administrative procedures for both the life plan and the EquiLiving plan.

Premium Payment

Clients have the option of paying their premiums annually or monthly by pre-authorized debit plan (PAD). If premiums are paid monthly, the modal factor used is 0.09. All premiums are payable to Equitable Life of Canada and must be received at our head office in Waterloo. Payments are made in Canadian funds.

Policy Lapse and Grace Period

- EquiLiving policies provide a 31-day grace period for payment of premiums due. During this period, the EquiLiving policy remains in effect.
- At the end of the 31 days following an unpaid premium, the policy will lapse, and all liability of Equitable Life will cease.
- If an insured is diagnosed with a covered condition during the grace period and survives the survival period (if applicable), the Covered Condition benefit, once approved, becomes payable, less the premiums past due.
- If the insured dies during the grace period. In that case, the return of premiums on death benefit becomes payable, less the premiums past due.
- If the client has a ROPE, ROPS/E or ROPS on their policy, and they are eligible for Premiums to be Returned at the end of their grace period, we will pay the eligible Premiums to be Returned 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 outstanding premiums, including any interest, from the date of the lapse of the policy.
- If the client has a ROPE, ROPS/E or ROPS on their policy and reinstate their policy after the grace period, they will not be eligible for Premiums to be Returned that accumulated prior to reinstatement. The client can add a new Return of Premium (restart of years and premiums accumulated) to their policy, subject to:
 - Age restrictions
 - Underwriting requirements for Return of Premium on Death

Historical

CI policies issued prior to July 2010 had a 12-month reinstatement period. Please refer to the policy.

20 Pay and payment of Riders

Even though the premium for the EquiLiving coverage ends when the 20th policy premium is paid, there may be situations where premiums are still payable on the policy even though the EquiLiving coverage is paid up:

Riders on policy still	Premiums for Rider continue?
No	No
Return of Premium on Death Rider	No
Return of Premium on Surrender	No
Return of Premium on Surrender/Expiry	No
Waiver of Premium Rider only	No
Term Rider only	Yes, if Term coverage is in effect on the insured
Waiver of Premium Rider and Term Rider	Yes, for both, if Term coverage is in effect on the insured

Policy Change for Older EquiLiving Plans

The following is not a comprehensive list of changes that can be made on historical EquiLiving plans; however, the following may help you with regards to the frequent questions we do receive.

Change Privilege

When a client exercises their Change Privilege, their new policy will be the applicable critical illness plan version that was available when the client's 10-year renewable to Age 75 plan was put into effect. The premium rates that are used on the new policy will be based using the client's attained age and the rates in effect for that version.

IMPORTANT NOTE: The following information can be used to reference how Change Privilege is likely to be handled based on when the client's EquiLiving policy was issued. NOTE: This is only provided for guidance, and there may be some different policies even if they were issued in the same year. Please refer to the policy for specifics.

Policies issued May 2002-April 2005	<ul style="list-style-type: none"> • ROPD is a built-in benefit, and any accumulated return of premium amount is not carried over to the new policy • ROPD amount will start over on the newly issued T75 policy that automatically includes the ROPD benefit with an amount of \$0 at issue of the T75 policy. • ROPE and any accumulated premiums are terminated at Change Privilege unless the client requests that ROPS/E or ROPS be added to the
--------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<p>new policy, in which case the accumulated ROPE amount for this rider is carried over. Accumulated years are not carried over.</p> <ul style="list-style-type: none"> • The age limit for Change Privilege to be optioned is age 55
Policies issued April 2005-July 24, 2011	<ul style="list-style-type: none"> • ROPD is a built-in benefit, and any accumulated return of premium amount is not carried over to the new policy • ROPD can be added to the new policy without underwriting. The amount of Premiums to be Returned will start from 0 on the new policy. • ROPE and any accumulated premiums are terminated at Change Privilege and are not carried over to the new plan regardless of whether the new plan has ROPS/E or ROPS • The age limit for Change Privilege to be optioned is age 60
Policies issued July 25, 2011, to May 2016	<ul style="list-style-type: none"> • ROPD is a Rider, and accumulated return of premium amount is carried over to the new plan if the ROPD rider is elected on the new plan • ROPE and any accumulated premiums are carried over to the new plan if the ROPS/E or ROPS rider is elected on the new plan • The age limit for Change Privilege to be optioned is age 60

Face amount decrease and Return of Premium

Based on when a client's policy was issued, the accumulated premiums for a Return of Premium rider may be decreased or may remain the same if the client makes a face amount decrease to their policy. ROPD benefit amount was capped at the insurance coverage amount for policies issued prior to February 12, 2022.

NOTE: Please refer to the policy.

Policies issued May 2002-May 2005	<ul style="list-style-type: none"> • ROPD accumulated premiums are not decreased if there is a face amount decrease to the policy • ROPS/E accumulated premiums are not decreased if there is a face amount decrease
------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<p>May 2005-Feb 14, 2022</p> <p>(ROPE on T10 became available as a rider May 2005)</p>	<ul style="list-style-type: none"> • ROPD accumulated premiums are not decreased if there is a face amount decrease in the policy • ROPE (available on 10-year Renewable to Age 75 starting 2005) accumulated premiums are not decreased if there is a face amount decrease • ROPS/E accumulated premiums are decreased if there is a face amount decrease
-----------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Historical Appendix

NOTE: While this chart is designed to provide a historical overview, there may be missing items. Also, some of the changes are reflective of administrative changes that may or may not be contractual. Please refer to the policy for contractual provisions specific to the client's policy.

	Changes
<p>February 12, 2022</p>	<p>26 Adult Covered Conditions definitions are updated to 2018 CLHIA definitions, including:</p> <ul style="list-style-type: none"> • Adding Acquired Brain Injury • Making LOIE eligible for all ages to claim <p>Increased the amount of Early Detection Benefit covered conditions from 4 to 8 by adding:</p> <ul style="list-style-type: none"> • Gastrointestinal Stromal Tumours (AJCC Stage 1) • Grade 1 Neuroendocrine Tumours (Carcinoid) • Papillary or Follicular Thyroid Cancer Stage T1 • Rai Stage 0 Chronic Lymphocytic Leukemia (CLL) <p>Early Detection Benefit claims</p> <ul style="list-style-type: none"> • Removed maximum claim limit • Insured can make one claim for each Early Detection covered condition once <p>EquiLiving Benefit Amount</p> <ul style="list-style-type: none"> • Payment is the higher of the EquiLiving Benefit amount or the Premiums to be Returned on a ROPS/E, ROPE, or ROPS. <p>Return of Premium Rider</p> <ul style="list-style-type: none"> • ROPS/E, ROPE or ROPS can be added after issue without underwriting

- Premiums to Returned under a Return of Premium Rider are no longer limited to the sum insured
- ROPD can be added after issue with underwriting
- ROPE Premiums to Returned will now decrease if there is a sum insured decrease

Accidental Death Benefit Rider is removed as a rider option

New Plan Types are introduced:

- 20 Pay coverage to Age 75
- 20 Pay coverage for life

Updated Exclusions and Limitations to remove:

- Terrorism
- Failing to follow the advice of a doctor

Waiver of Premium Rider names are changed in marketing materials and applications to provide more clarity and reduce confusion:

- Waiver of Premium Rider (Insured Disability)
- Waiver of Premium Rider (Owner/Payor Disability)
- Waiver of Premium Rider (Owner/Payor Death and Disability)

Removed the 30-Day limitation for Change Privileges to be exercised

Introduced Cloud Dx as a noncontractual benefit

Enhanced Change Privilege to allow the following:

- T10 to T75, T100, or 20 Pay plans
- T75 to 20 Pay plans
- T100 to 20 Pay for life plan

Issue Limits:

- The minimum issue limit is decreased to \$10,000
- Juvenile maximum issue limit is increased to \$50,000

July 19, 2017	<ul style="list-style-type: none"> • EquiLiving Adult plans are added as rider option to Term Life and Whole Life plans
May 2016-July 18, 2017	<ul style="list-style-type: none"> • Change to Waiver of Premium wording
July 1, 2012, to May 2016	<ul style="list-style-type: none"> • EquiLiving becomes available as a Rider on Equimax
July 25, 2011, to July 1, 2012	<ul style="list-style-type: none"> • Introduction of Juvenile plans • Return of Premium on Death becomes available as a Rider
July 25, 2011 (pre-2011 reprice)	<ul style="list-style-type: none"> • 10 day right of rescission
May 2005	<ul style="list-style-type: none"> • ROPE is added as a Rider on T10 plans
May 2002	<ul style="list-style-type: none"> • Return of Premium on Death is a built-in benefit • 45 days right of rescission • There is no Return of Premium on Expiry Rider (only ROPS/E)