

## TRANSITION RULES

### Equitable® product updates December 2024

The following changes apply to new sales effective on or after December 7, 2024.

1. We are introducing a 10 pay premium option for Equimax Wealth Accumulator® - giving clients another choice for premium payment flexibility.
2. The Equimax® Excelerator deposit option (EDO) will now be available with the 10 pay premium option without the addition of a term rider. Term riders added at issue of the policy will still allow for higher EDO payments for both Equimax Estate Builder® and Wealth Accumulator policies.
3. More flexible rules for Equimax EDO payments allowed without underwriting approval:
  - **Before** – a maximum EDO payment reset if clients paid less than the approved EDO payment amount, and a complicated contribution cap on EDO payments for large cases.
  - **Now** – the maximum annual EDO payment allowed in a policy year without underwriting approval will be the lesser of:
    - i. The annual EDO payment amount approved at issue by underwriting; and
    - ii. The sum of all EDO payments made in the last 5 years (60 months).This new rule means clients who choose to pay less can return to the approved amount if they make payments in subsequent years. No more maximum payment reset or complicated contribution cap!  
Clients will have 60 months from the EDO application signed date to make the initial EDO payment and 60 months from the last EDO payment made to restart EDO payments without underwriting approval.
4. The maximum amount of Equimax coverage that can be applied for without a special quote will increase from \$20,000,000 to \$25,000,000. Combined with a maximum \$10,000,000 of total term rider coverage, this means clients can apply for up to \$35,000,000 of coverage without needing a special quote.
5. Children’s policies assessed with a multiple substandard health rating will now be issued with a rated age. This means EDO can be added to new children’s policies provided the rating is 300% or less.
6. A new maximum limit of \$50,000 per life will now apply to the disability waiver of premium/charges rider. This limit applies across all life and critical illness policies the insured person has with Equitable.

#### More great news about EDO - enhancements extend to existing Equimax policy owners!

- Clients with an inforce 10 pay Equimax Estate Builder policy can also apply to add EDO without having a term rider.
  - Clients interested in adding EDO to an existing 10 pay Equimax Estate Builder policy should complete form [0374G3 – G3 Application for Change](#).
- The rules around EDO payments allowed in a policy year without underwriting approval is extended to all inforce Equimax policies where clients are making scheduled EDO payments.

We want to make the transition as smooth as possible. Please read our business processing rules below.

## Transition rules for our updated products

Transition rules for the product updates taking effect on December 7, 2024, are outlined in the table below. These transition rules apply to all paper and EZcomplete applications for:

- Equimax life insurance policies, and
- Term life insurance policies, critical illness insurance policies and universal life insurance policies with a disability waiver of premium/charges rider:

There are no changes to existing rates for any currently sold life or critical illness insurance policies.

Application status	What rules, rates and values apply?
<p>Applications not yet submitted as of December 7, 2024:</p>	<ul style="list-style-type: none"> <li>• New rules will automatically apply to applications received <b>on or after December 7, 2024.</b></li> <li>• The new 10 pay premium option will be available for Equimax Wealth Accumulator policies.</li> <li>• The new maximum coverage without a special quote can be illustrated and applied for.</li> <li>• Old rules for the disability waiver of premium/charges will be available for applications submitted to Head Office by end of business day on December 31, 2024.</li> <li>• You must request old rules for the disability waiver of premium/charges in the Advisor Notes section of the application.</li> </ul>
<p>Applications pending an underwriting decision as of December 7, 2024:</p>	<ul style="list-style-type: none"> <li>• Old rules for disability waiver of premium/charges rider will automatically apply to applications received <b>before December 7, 2024.</b></li> <li>• If underwriting assesses a child's policy with a multiple substandard health rating, the new process to use the rated age will apply.</li> <li>• The new EDO payment rules will apply to inforce policies. For any applications submitted before December 7, 2024, the policy will automatically get the new rules.</li> <li>• You can request to change to add EDO on pending 10 pay Equimax Estate Builder application decisions by emailing the policy-specific request to <a href="mailto:IndNewBusReply@equitable.ca">IndNewBusReply@equitable.ca</a>. Please include the policy number and a new illustration showing the EDO payment added.</li> <li>• You can request to change to the new 10 pay Wealth Accumulator plan on pending Equimax application decisions by emailing the policy-specific request to <a href="mailto:IndNewBusReply@equitable.ca">IndNewBusReply@equitable.ca</a>. Please include the policy number and a new illustration showing the 10 pay Wealth plan.</li> </ul>
<p>Policies issued before December 7 2024:</p>	<ul style="list-style-type: none"> <li>• For clients interested in changing to the new 10 pay Wealth plan we would require a new application submission through the Replacement process. Because it is a different plan type the option for policy reissue is not available.</li> <li>• If a policy on a child with a multiple substandard rating was issued with a flat extra rating and the client wants it issued using</li> </ul>

	a rated age, we would require a new application submission through the Replacement process. Because the issue age for the policy will change the option for policy reissue is not available.
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## Additional information about the transition rules:

### 1. End of business day is based on Eastern time.

- For EZcomplete applications, we recommend you submit applications by 9 p.m. ET to help ensure the application registers as submitted on the intended date.
- Paper applications need to be in our Head Office in Waterloo, Ontario before 5 p.m. ET on the intended date.

### 2. Pre-quoting is not available.

- If clients want the new 10 pay Wealth Accumulator plan or to apply for an Equimax policy for up to the new maximum allowed without a special quote, please submit the application on or after December 7, 2024.
- Options are available for clients to change to the new 10 pay Wealth Accumulator plan as defined above under the transition rules.

### 3. Policies can be backdated. Our current backdating process rules apply.

### 4. Applications not yet submitted as of December 7, 2024, with a disability waiver of premium/charges rider

For clients who want to purchase any of the above plans with the **old rules for disability waiver of premium/charges**:

- They must apply for the policy using the paper or [online application](#).
- You must indicate the client wants the **old rules** in the advisor notes section of the application.

These requests must be received at Equitable Head Office before the end of business day, December 31, 2024.

### 5. Applications pending an underwriting decision as of December 7, 2024

For clients who recently applied for an Equimax 10 pay Estate plan and want to add EDO or have applied for Equimax coverage and now want to apply for the new 10 pay Wealth Accumulator option, you must email a request to [IndNewBusReply@equitable.ca](mailto:IndNewBusReply@equitable.ca). A new illustration will be required.

For the best experience, please include the policy number in the subject line.

## Updated illustration software and EZstart® tools available December 7<sup>th</sup>

- New [desktop illustration software](#)
- New Equimax [web-based illustration software](#) (EquiNet® login required)
- New [EZstart](#) tools for Equimax Estate Builder, Equimax Wealth Accumulator and Universal Life

Illustration system updates as of December 7<sup>th</sup> include all the new features.

### Need more information?

Please contact your Equitable wholesaler. If you need information on anything else, please contact our Client Care Centre.

<b>Equitable – Client Care Centre</b>	
1.800.668.4095	
Monday to Friday, 8:30am – 7:30pm ET	<a href="mailto:ClientCareCentre@equitable.ca">ClientCareCentre@equitable.ca</a>

In the event of a conflict between this document and the policy contract, the policy contract governs in all cases.

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