Equitable

Insurance | Investments | Group Benefits

Equitable Generations™ universal life insurance

Flexible life insurance and investing - your way.

Why universal life (UL) insurance?

UL is a permanent life insurance solution that provides guaranteed lifetime protection. It includes an investment portion with tax savings built in.

UL can change with your needs and is the most flexible type of life insurance you can buy.

- With your advisor, make UL policy choices to suit your exact needs.
- UL lets you invest in investment options that suit your financial goals and do it in a tax-advantaged way.[1]
- UL allows you to adapt to life's changes by letting you pay any amount of premium you choose.[1] Simply ensure that the premium you pay covers the required monthly charges.
- UL pays a tax-free death benefit to your beneficiaries, making it a sound choice for estate planning.

UL policies have four key features:

Investment choices

Flexible premium

Tax savings

Life insurance

Is UL right for you?

UL insurance is ideal for clients with a lifetime insurance need, who want:

- to grow their assets by building an account value
- to make their own investment choices
- their investments to grow in a tax-advantaged way
- their policy death benefit paid to their beneficiaries tax-free

How does UL insurance work?

Choose your premium and insurance amount

Your advisor will help you decide how much insurance you need and how much premium to pay based on your goals. You will need to make sure there is always enough account value to pay the monthly charges.

You can choose the **Yearly Renewable Term (YRT)** option to help you more easily build higher early account value. With **YRT**, the cost of insurance rates increase each year. Or choose the **Level cost of insurance (COI)** option. Compared to YRT, the level COI rate will be higher at issue but will never increase.

If you would like, you can pay extra premium to help your account value grow faster (up to the tax-exempt limit[1] the government allows). Later, if you need to, you can pause premium payments as long as your account value has enough money to cover the monthly charges[2].

Choose what you invest in

A variety of investments[5] is offered to suit the diverse goals and risk preferences of all investors.

Benefit from tax-advantaged growth of your account value

The money in your UL plan will grow on a tax-advantaged basis – you will not be taxed on the growth as long as it stays within the limit set by the government.

Access your money whenever you need it

You can withdraw[3] a portion of your account value or take a premium 'holiday'[2] as long as the monthly charges continue to be covered. Or you can instead request a policy loan if you need cash.[3]

Plan your legacy

Plan exactly who will receive the universal life insurance death benefit.

Equitable Generations™ UL – Life insurance and investing tailored to you.

- Choose your own investment mix.
  - Options include Daily Interest Account, Guaranteed Deposit Accounts[4], and Linked Interest Options (LIO)[5].
- A guaranteed investment bonus is included, which can boost your account value.
- Check how your investments are doing using the Rates & Performance page on our website.
- Add optional extra coverage, like term or critical illness insurance, based on your needs.
- Tailor your policy further with your advisor as life events happen or your goals change.

Questions?

For more information, ask your advisor to send you our detailed Equitable Generations UL Client Guide.

Ask your advisor to show you how Equitable Generations UL can work for you.

Endnotes

[1] Each year, Equitable checks to make sure your account value is not more than what the government allows. This keeps your UL insurance policy tax-exempt under the Income Tax Act (Canada). If the account value goes above the limit, Equitable will increase the coverage up to the needed and allowable amount. If the policy is still not tax exempt, the extra money goes into a separate account called a shuttle account and any interest earned there is taxable.

[2] If premiums are not paid, the account value will be used to cover the monthly charges of the coverage. If, at any time, the account value is not sufficient to cover the monthly charges for the coverage, the policy owner will need to continue or resume premium payments in order to keep the coverage in effect.

[3] The cash value of the policy may be accessed through a withdrawal, policy loan, or policy surrender. It may be subject to taxation, and a tax reporting slip may be issued. Some restrictions and charges may apply. See policy contract for details.

[4] Equitable will set the interest rate credited to the daily interest account and guaranteed deposit accounts from time to time. The interest rate paid will never be negative.

[5] Ask your advisor for a copy of our 2055 Equitable Generations Universal Life Savings and Investment Options listing of available funds. Investments in the linked interest options are NOT GUARANTEED. Linked interest options are NOT mutual funds, segregated funds, or indices; you are NOT investing in or acquiring units in an investment fund or other security. You are placing funds on deposit, earning interest, with the general funds of Equitable. Interest earned on the linked interest options may be positive or negative.

This document does not count as legal, tax, investment, or other expert advice. Readers are advised to seek professional advice prior to adopting any insurance or investment strategy. While Equitable has made every effort to ensure the accuracy of the information presented here, the policy contract governs in all cases.

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