

## TRANSITION RULES

### Equitable® product updates & new Evidence of Insurability schedule for life insurance October 2024

The following changes apply to new sales effective on or after October 5, 2024.

1. New premium rate band for Equimax® policies with \$5,000,000 and more of basic Equimax insurance coverage.
2. Lower monthly premium rates and policy fee for EquiLiving® critical illness (CI) policies.
  - The modal factor used to calculate the monthly premiums for CI will change from 0.09 to 0.0867.
  - The monthly policy fee for CI will change from \$4.50 to \$4.34.
3. Lower monthly charges for EquiLiving critical illness riders added to Universal Life policies.
4. Changes to how we calculate commission on Equimax participating whole life insurance, Term life insurance and EquiLiving critical illness insurance policies when clients choose to pay premiums monthly.
  - **Before** – calculation was based on the annual premium even if the client chose to pay monthly.
  - **Now** – if client chooses to pay monthly, commission calculation is based on the total premiums paid for the policy year!
5. New rates for reduced paid-up insurance for Equimax policies.
6. New Evidence of Insurability schedule. We changed our age and amount requirements for all life insurance products. There are no changes to the age and amount requirements for critical illness insurance products.

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

#### Transition rules for our new Evidence of Insurability schedule

The transition rules in the table below apply to **all life insurance applications**. There are no changes to the age and amount requirements for critical illness insurance applications.

Application signed date	What Evidence of Insurability schedule applies?
Applications signed before October 5, 2024:	<ul style="list-style-type: none"> <li>• The November 28, 2022, Evidence of Insurability schedule will apply to all life applications <b>signed before</b> October 5, 2024.</li> </ul>
Applications signed on or after October 5, 2024:	<ul style="list-style-type: none"> <li>• The new Evidence of Insurability schedule will apply to all life applications <b>signed on or after</b> October 5, 2024.</li> <li>• If applying for an Equimax or Universal Life policy and the illustration pre-dates October 5, 2024, we recommend including a current signed illustration with the application.</li> </ul>

## Transition rules for our updated products

Transition rules for the product updates taking effect on October 5, 2024, are outlined in the tables below. These transition rules apply to all paper and EZcomplete applications for:

- Equimax life insurance policies,
- EquiLiving critical illness policies where clients choose to pay premiums monthly, and
- EquiLiving critical illness riders added to Universal Life policies:

Application status	What rules, rates and values apply?
Applications not yet submitted as of October 5, 2024:	<ul style="list-style-type: none"> <li>• New rates will automatically apply to applications received <b>on or after October 5, 2024</b>.</li> <li>• Old rates will be available for applications submitted to Head Office by end of business day on November 1, 2024.</li> <li>• You must request old rates in the Advisor Notes section of the application.</li> </ul>
Applications pending an underwriting decision as of October 5, 2024:	<ul style="list-style-type: none"> <li>• Old rates will automatically apply to applications received <b>before October 5, 2024</b>.</li> <li>• You can request new rates on pending application decisions by emailing the policy-specific request to <a href="mailto:IndNewBusReply@equitable.ca">IndNewBusReply@equitable.ca</a>.</li> </ul>
Policies issued on/after September 1, 2024:	<ul style="list-style-type: none"> <li>• Policies issued on/after September 1, 2024, under old rates may be eligible for re-issue under new rates provided there are no changes to the policy as originally applied for.</li> <li>• New rate requests must be received at Head Office <b>by end of business day on November 1, 2024</b>, by emailing the policy-specific request to <a href="mailto:IndNewBusReply@equitable.ca">IndNewBusReply@equitable.ca</a>.</li> <li>• Please note – requests that include any changes to the original application require a new application submission through the Replacement process.</li> </ul>
Policies issued before September 1, 2024:	<ul style="list-style-type: none"> <li>• Policies issued <b>before September 1, 2024</b>, are not eligible for re-issue and would require a new application submission through the Replacement process.</li> </ul>

## Transition rules for EZcomplete applications

The following tables specifically outline what happens with EZcomplete applications and which rates, values and Evidence of Insurability schedules apply based on where the applications are in the application process. This information will help you to understand how applications you have in progress using EZcomplete will be processed.

What happens if you **started** an EZcomplete Equimax application for a client **before** October 5, 2024?

EZcomplete application status	What rates and Evidence of Insurability schedule apply?
Completed, signed and submitted before October 5, 2024:	<ul style="list-style-type: none"> <li>• The generated application, generated illustration or premium, and submitted application will have the <b>old rates</b>.</li> </ul>

	<ul style="list-style-type: none"> <li>• If the application is for a life insurance plan, the November 28, 2022, Evidence of Insurability schedule will apply.</li> </ul>
Completed, signed and submitted on or after October 5, 2024:	<ul style="list-style-type: none"> <li>• The <b>new rates will apply</b>, but depending on where you are in the EZcomplete application process the illustration or premium generated may show the old rates.</li> <li>• If the application is for a life insurance plan, the new Evidence of Insurability schedule will apply.</li> </ul>

What about EZcomplete applications that you **started but didn't submit** before October 5, 2024?

EZcomplete application status	What happens with the EZcomplete application if it is submitted on or after October 5, 2024?
Application is in progress, but not generated for signatures before October 5, 2024.	<ul style="list-style-type: none"> <li>• The generated application, generated illustration or premium, and submitted application will have the <b><u>new rates</u></b>.</li> <li>• The new Evidence of Insurability schedule will apply.</li> </ul>
Application is generated for signatures, but not fully signed before October 5, 2024.  (Partial signature)	<p><b>If the partial signature is not cancelled:</b></p> <ul style="list-style-type: none"> <li>• The generated application and generated illustration or premium will have the <b><u>old rates</u></b>.</li> <li>• The submitted application will have the <b><u>new rates</u></b>.</li> <li>• The November 28, 2022, Evidence of Insurability schedule will apply.</li> </ul> <p><b>If the partial signature is cancelled, and the application is re-signed on or after October 5th:</b></p> <ul style="list-style-type: none"> <li>• The generated application, generated illustration or premium, and submitted application will have the <b><u>new rates</u></b>.</li> <li>• The new Evidence of Insurability schedule will apply.</li> </ul>
Application is generated for signatures and fully signed, but not submitted before October 5, 2024.	<ul style="list-style-type: none"> <li>• The generated application and generated illustration or premium will have the <b><u>old rates</u></b>.</li> <li>• The submitted application will have the <b><u>new rates</u></b>.</li> <li>• The November 28, 2022, Evidence of Insurability schedule will apply.</li> </ul>

## 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 rates, please submit the application on or after October 5, 2024.
- Options are available for clients to change to new rates as defined above under the transition rules.

### 3. Policies can be backdated. Our current backdating process rules apply. Determination of which rates/Evidence of Insurability schedule apply depends on the dates outlined above, not the selected back-date.

### 4. Applications not yet submitted as of October 5, 2024

For clients who want to purchase any of the above plans **with the old rates and pricing**:

- They must apply for the new plans using the paper or online application.
- You must indicate the client wants the old solution in the advisor notes section of the application.

We will accommodate these requests if received at Equitable Head Office before the end of business day November 1, 2024.

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

For clients who recently applied for the above plans with the old rates and pricing or have a policy in Underwriting but want to switch to the new solution, you must email a request to [IndNewBusReply@equitable.ca](mailto:IndNewBusReply@equitable.ca).

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

### 6. Policies issued on or after September 1, 2024

For clients who recently purchased one of the above plans and would like the new solution:

- As of October 5, 2024, you can go to the online application (EZcomplete) dashboard and clone the previously submitted application.
- Then continue through the EZcomplete journey which will now have the updated rates and pricing.
- You must indicate that the client wants to replace a previously sold policy and include the policy number.

## Updated illustration software and EZstart® tools available October 5<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 include a new illustration feature for Equimax. You can now illustrate the change from paid-up additions to cash dividend option concept with premium offset.

## 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>	
<b>1.800.668.4095</b>	
<b>Monday to Friday, 8:30am – 7:30pm ET</b>	<b><a href="mailto:customerservice@equitable.ca">customerservice@equitable.ca</a></b>

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

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