




# Your guide to Term life insurance





# Your guide to Term life insurance

## About this guide

This guide gives you an overview of the features and benefits of Term life insurance through Equitable®. For more details, please refer to your policy contract. Equitable has made every effort to make sure what is covered in this guide is correct. However, the policy contract governs in all cases.

# Table of Contents

- About Term life insurance ..... 1
  - Which plan type is right for you? ..... 2
  - Layering multiple plan types..... 3
- Policy types..... 4
  - Single Life ..... 4
  - Multi-Life..... 4
  - Joint Life ..... 4
- Flexibility built right in ..... 5
  - Renew your term..... 5
  - Convert your term..... 5
  - Exchange your Term 10 for Term 20 ..... 6
  - Preferred rates ..... 6
- Protection for your home and business ..... 6
  - Mortgage protection ..... 6
  - Business protection ..... 7
- Extra support for you and your loved ones ..... 8
  - KIND™ benefits ..... 8
- Optional riders ..... 9
- Contact us ..... 9





## About Term life insurance

Term life insurance is a type of insurance that gives a lump sum tax-free death benefit to your loved ones if you pass away. It has guaranteed level premiums for a set duration. After the term ends, the plan renews, and the premiums increase for the next term.

Term life insurance is a great choice if you want to:

- cover your short-term debts,
- get mortgage protection,
- provide income replacement for your family, or
- cover final expenses.

Term life insurance with Equitable can still provide protection even when your short-term needs are over, and you need long term protection with cash values. Once you are insured with Equitable's Term life insurance, you can convert part or all of your Term to permanent coverage without needing to give proof of good health.

With the choice to add optional riders to your coverage, Term life insurance with Equitable can be tailored to your unique needs.

## Which plan type is right for you?

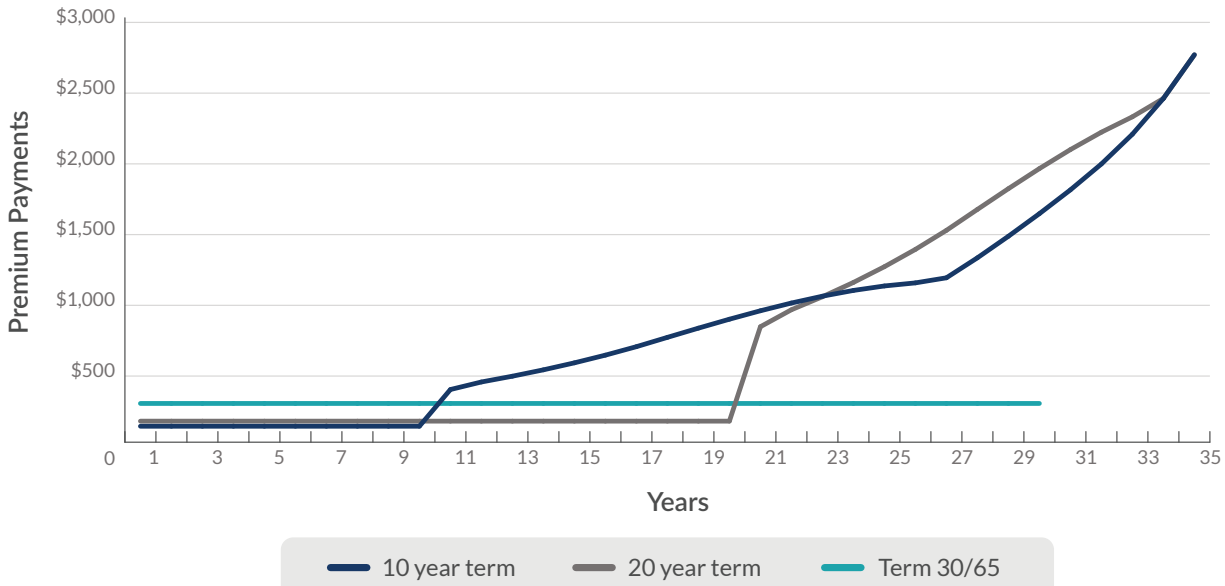
Term life insurance comes in various plans. Each plan provides level coverage for a set duration, or term, and then expires at a specific age or year. Premiums are guaranteed level for a term of either 10, 20 or 30 years. At the end of your chosen term, the plan either renews each year at a higher guaranteed premium each year, or it ends. All Equitable Term life plans can also be converted to permanent protection before a specific age.

Equitable has the following types of Term life insurance:

Plan type	Term 10	Term 20	Term 30/65
<i>Who is it for?</i>	Made for those who want short-term life insurance coverage at a low cost. It can be used to cover short-term debts. A good option for those looking to convert to permanent insurance within the first 10 years.	Made for those who want more than 10 years of life insurance coverage at a low cost.	An excellent choice for those who want mortgage protection or for added life insurance protection during their working years.
<i>Convertible to Equimax Whole Life or Universal Life solution?</i>	Yes	Yes	Yes
<i>What do premiums look like?</i>	Lowest initial cost with 10 years of level premium.	Longer initial premium for 20 years of level premium.	Highest initial cost but lowest overall cost because of the longer level premium term.
<i>When does the term renew?</i>	Renews on a yearly basis after 10 years. It expires at age 85.	Renews on a yearly basis after 20 years. It expires at age 85.	Does not renew. Premiums remain level until expiry which is the later of 30 years or age 65.

The graph below shows you how payments increase and lengthen if you renew a Term 10 or Term 20 versus a Term 30/65.

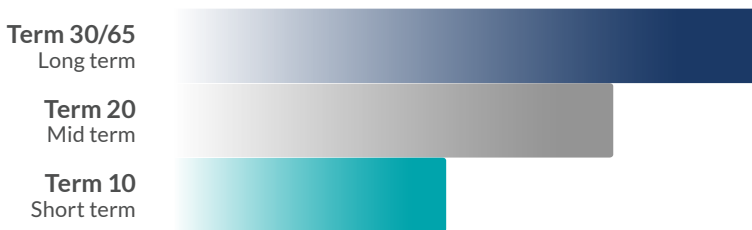
Premium Payment Comparison



Assumes premium payments over a 35 year period for a male, age 40. For illustration purposes only.

### Layering multiple plan types

Layering multiple Term plans into one policy can help meet your insurance needs in a tight budget. If you combine multiple Term plans together on one policy, you save in the long run. Talk to your advisor today about how layering Term life insurance can work for your short-term and long-term needs.





## Policy types

### Single Life

With a Single Life Term policy, you insure only one person. That person can be yourself, a business partner, or a loved one.

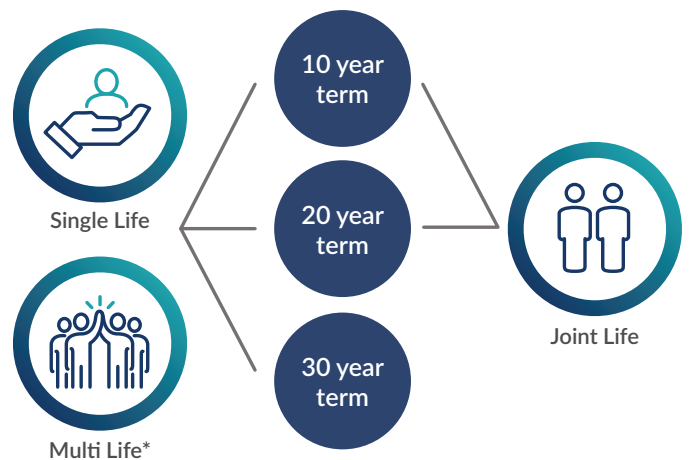
### Multi-Life

Multi-life Term policy gives single Term life insurance coverage to several people in one policy. With this option, each person gets the same coverage as they would with a single life policy. But, with multi-life, it is all on one policy with one policy fee.

This option is not available for business policies.

### Joint Life

Equitable's Joint-First-to-Die Life Term policy gives shared coverage between two people. These two people can be spouses or business partners. With Joint-First-to-Die policies, coverage continues until the first person's death. At that time, the death benefit is paid out and the Joint Life policy ends. With Equitable Term life insurance, the surviving person has 60 days from the death of the first insured to buy single life Term insurance coverage on themselves. They do not need to give proof of good health.



\*Not available for business policies

## Flexibility built right in

### Renew your term

Sometimes, your insurance need extends for longer than expected. With Equitable's Term 10 and Term 20 life insurance plans, level premiums are guaranteed for the initial term. When the term ends, your coverage automatically renews each year. Renewal premiums increase each year to an amount that is guaranteed when you purchase your Term plan.

If you choose not to renew your coverage, your Term life insurance plan will end.

### Convert your term

Permanent life insurance with cash values may sound great for those with a lifetime need or desire to pass their wealth down to their loved ones. But starting out with permanent life insurance can be costly. Instead, you can start out with a Term life insurance plan and then convert part or all of it to permanent life insurance protection later. If you wish to convert your plan, you must do so before the age specified in the policy contract. But, you don't have to give us proof of continued good health to convert your Term life insurance—it's that easy! See the policy contract for more details.

#### Full conversion

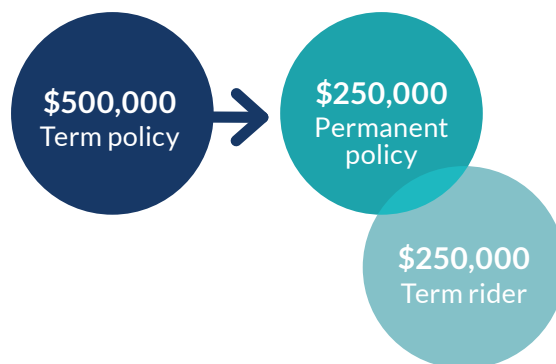
With full conversion, you can convert all of your Term life policy to permanent life insurance. You can choose between an Equimax<sup>®</sup> Participating Whole Life or Equitable Generations<sup>™</sup> Universal Life policy. Doing this lets you lock in a level rate for life!

#### Partial conversion

With partial conversion, you can convert part of your Term coverage amount to a permanent plan. You don't need to give proof of continued good health to do this conversion. A partial conversion allows you to cover off both a short-term need and provide lifetime protection.

If you have a Term policy, you can choose to convert part of the Term coverage amount to a permanent policy and carry over the remaining Term coverage as a Term life insurance rider on the permanent plan.

This happens all under one policy and with only one policy fee. The image below shows you how this works:





## Exchange your Term 10 for Term 20

The future is uncertain—that much is certain! With the changing economic landscape, you may find that your need for temporary life insurance protection lasts longer than expected. With Equitable’s Term 10 plan you can exchange it for a Term 20 plan before the 5th policy anniversary or before age 65, whichever comes first. This can help delay your renewal period and lock in guaranteed level premiums for the next 20 years. Exchanging your Term 10 for a Term 20 can provide you with 25 years of Term life insurance coverage without yearly renewals. The new Term 20 will be issued at current age and rates. You don’t need to give proof of continued good health to do this exchange. See the policy contract for more details.

## Preferred rates

At Equitable, we feel a good health and lifestyle should be rewarded with better premiums on life insurance. That is why Equitable’s Term life insurance policies offer five “Classes of Risk” or Underwriting Classifications based on your health. To learn more about our preferred rates for Term life insurance, talk to your advisor today!

## Protection for your home and business

### Mortgage protection

Is your mortgage insurance protecting you... or is it protecting your bank? Equitable’s Term life insurance is a great option for mortgage protection.

- Equitable’s Term 30/65 plan is a great choice for new home buyers. They likely have a mortgage that will last many years. This option offers a premium that remains level for the duration of a 30-year mortgage.
- Equitable’s Term 10 or Term 20 plans are good options for those who need mortgage insurance but want something low-cost. These plans are great for those who have their mortgages almost paid off and only need protection for a short time.

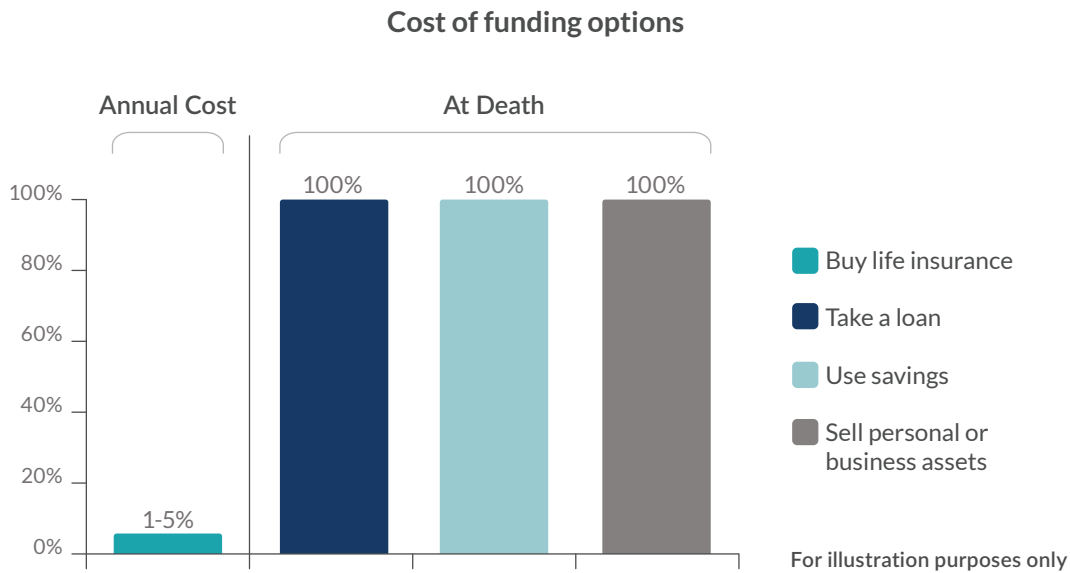
Equitable Term Insurance		Mortgage Insurance through a Lender
Your mortgage protection remains intact even if you switch lenders.	Portability	When you switch mortgage providers, you usually need to reapply for your mortgage insurance.
You own the policy and choose the beneficiary you want to receive the death benefit.	Control	With typical mortgage insurance, the lender owns the policy and assigns itself as the beneficiary.
Your coverage amount remains intact even as your mortgage balance decreases.	Level coverage	Typical mortgage insurance declines as your mortgage balance decreases, however your premiums stay the same.
You benefit from insurance underwritten at the time of application.	Comfort	Typical mortgage insurance is only underwritten at the time of death.
Your rates are guaranteed for the life of the policy – it’s right in the contract.	Guaranteed death benefit and premiums	Typical mortgage insurance rates are not guaranteed.

## Business protection

You've worked hard to build a livelihood through your business. Making sure your business is protected should something happen to you is essential. Term life insurance from Equitable can help:

- maintain your business operations and help cover expenses should something happen to you,
- pay back a business loan with life insurance,
- fund a buy-sell or partnership agreement,
- balance your estate if you have multiple children or dependents and leave your business to one of them, or
- cover the financial hit to your company if you lose a key employee, owner, or executive.

Term life insurance offers affordable protection for your business at a fraction of what it would cost to use other funding options at the time of your death.





## Extra support for you and your loved ones

You made sure your loved ones are taken care of financially with a Term life insurance policy. But, you and your loved ones may need extra support during a difficult time. Term life insurance from Equitable includes extra benefits for those times.

### KIND™ benefits

#### Compassionate Advance

Being diagnosed with a life-threatening disease or suffering a life-threatening injury is an unimaginable experience. The stress on you and your loved ones can be devastating. If the disease or injury will cause death within 24 months of diagnosis, Equitable lets you get an advance payment of some of the Term life insurance death benefit. It can be used to help you and your loved ones.

If we approve your request, you can get 50% of the Term death benefit amount up to \$100,000. Use the money however you want. You can manage and take care of things that matter to you while you are alive.

This is a non-contractual benefit. This means it can be changed or withdrawn at any time by Equitable.

#### Bereavement Counselling

Counselling can help guide your loved ones through the heartbreak of losing a loved one. With this benefit, your beneficiaries can share a lump sum of up to \$1,000. This lump sum will refund counselling costs they have paid. This amount is in addition to any death benefit paid if the insured person under the Term policy dies. See the policy contract for more details about this benefit.

## Optional riders

### Children's protection rider

Make your Term life insurance policy a family plan. Insure your children's lives with a children's protection rider. This rider gives Term life insurance protection for all your children aged 15 days old to 18 years old under one rider. The rider stays in effect until your last child turns 25 years old. When any of the children covered under this rider reaches the ages of 21 to 25 years old, they can buy their own Term life insurance policy for up to 5 times the amount of coverage they had under this rider. The best part is, they can do this without needing to give proof of continued good health!

### EquiLiving® Critical Illness insurance riders

Being diagnosed with a critical illness is serious. Take the stress out of your recovery by adding a Critical Illness insurance rider to your Term policy. The rider pays a sum of money if you get a serious illness or injury that's covered by the plan. You can use the money any way you want to help with costs during recovery. Pay for your mortgage, business expenses, childcare, or for extra treatments not covered by a government plan. This way, you can focus on your health and recovery without the added financial worry. See the policy contract for more details about this benefit.

Adding the EquiLiving Critical Illness insurance rider to your Term policy gets you access to Cloud DX exclusively as an Equitable policyholder! Want to learn more? Ask your advisor for details.

## Contact us

Want to learn more about Term life insurance? Reach out to your advisor. You can also refer to your policy contract for full details.

# About Equitable

At Equitable we believe in the power of working together. This guides how we work with each other. How we help our clients and partners. And how we support the communities where we live and work.

Together, with partners across Canada, we offer Individual Insurance, Group Insurance and Savings and Retirement solutions. To help our clients protect today and prepare tomorrow.

We believe the world is better when we work together to build an Equitable life for all.



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

2114 (2024/02/03)