



INFORMATION CIRCULAR

DATE: June 29, 2020 N° 2020-21
CATEGORY: INSURANCE
TO: Managing General Agents, Associate General Agents, Advisors, General Agents and National Accounts
SUBJECT: **New 25-Year Term Life Insurance for Solution Series® Product Portfolio**

Effective June 29, 2020, we are pleased to announce the addition of a new 25-year term life insurance product, **Solution 25™**, to our Solution Series® product portfolio. With an initial term of 25 years, followed by automatic one-year renewals, **Solution 25** will be available for both Fast & Full® and paper applications.

Solution 25 is a renewable and convertible term life insurance product with guaranteed initial and renewal premiums as follows:

- Level premiums for the first 25 years
- Starting at year 26, premiums increase annually to age 85, and thereafter, remain level to age 100
- At age 100, the coverage becomes fully paid-up

Product Details

Target audience	Medium to long-term life insurance coverage for a variety of needs including: <ul style="list-style-type: none">• Paying mortgages, debts & final expenses• Family income replacement
Issue ages	18 to 60
Coverage type	<ul style="list-style-type: none">• Single life• Joint First-to-die (2 lives)• Joint Last-to-die (2 lives)• Multi-life (2 lives)
Minimum coverage	\$25,000
Maximum coverage	\$10,000,000
Premium Banding	<ul style="list-style-type: none">• Under \$100,000• \$100,000 – \$249,999• \$250,000 – \$499,999• \$500,000 – \$999,999• \$1,000,000 and above
Preferred Underwriting	For amounts \$750,001 and up <ul style="list-style-type: none">• Elite non-smoker• Preferred non-smoker• Preferred smoker
Conversion	Up to age 75
Term exchange program	Can exchange Solution ART or Solution 10 to Solution 25 within the first 5 years, subject to business rules

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Expected competitive rankings for premiums for first 25 years¹

99% top 3 rankings (for ALL ages, premium bandings, males and females)

Coverage: \$250,000	Expected Rankings for Premiums for first 25 years		
	Age 30	Age 40	Age 50
Female Standard Non-smoker	1	2	3
Male Standard Non-smoker	2	2	3

Coverage: \$500,000	Expected Rankings for Premiums for first 25 years		
	Age 30	Age 40	Age 50
Female Standard Non-smoker	2	2	3
Male Standard Non-smoker	2	2	3

Commissions

The commission schedule is as follows:

	Policy Year 1*	Policy Years 2 to 5	Policy Years 6+
<ul style="list-style-type: none"> 57% for Fast & Full with eHQ and ePolicy² 52.5% for Fast & Full 47.5% for Paper app 		5%	2%

*For the Term Exchange Program, the first year commission is reduced to 25%

Applications

Simply apply online through our Fast & Full Application process. With instant approval and eContract delivery capabilities, eligible clients can have their contract delivered within 1 business day.

If using our paper application process, complete:

- Life and Health Insurance Application (D-0082); and
- The NEW Solution 25 insert (D-0082C).

Sales support

You can request product illustrations through the Sales Centre by calling 1-866-894-6182 or by email at salescentre@empire.ca. If you have any questions, please contact your Empire Life Sales Representative or the Sales Centre by calling 1-866-894-6182 or by email at salescentre@empire.ca.

Reference

David Zhu, Director, Insurance Product Marketing

¹ Expected premium rankings are based on the proposed annual premiums for the first 25 years for Solution 25 compared to the annual premiums quoted on LifeGuide on May 4, 2020 for the first 25 years for 14 other comparable 25-year term products, for the ages, coverage amounts and risk classes shown for male and female life insureds.

² Additional FYC is bonusable. Available on all life insurance products and applications using the Fast & Full Life Application. This promotion can be withdrawn by Empire Life at any time

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