

# EMPIRE LIFE INFORMATION CIRCULAR

**DATE:** June 18, 2015

**Nº. 2015-21**

**CATEGORY:** INSURANCE

**TO:** Managing General Agents, Associate General Agents, Advisors, General Agents, Independent Financial Advisors and National Accounts

**SUBJECT:** Announcing preferred underwriting for Empire Life Solution 10 and Solution 20 Term Life Insurance

Empire Life is pleased to announce that preferred underwriting will be available for Solution 10 and Solution 20 term life insurance coverages of \$500,000 or greater effective June 29, 2015. Clients can receive premium savings if the life insured meets our underwriting criteria for our new risk classes.

## New Risk Classes

Coverage < \$500,000	\$500,000 and Greater
Standard Non-smoker	Elite Non-smoker ( <b>NEW</b> )
Standard Smoker	Preferred Non-smoker ( <b>NEW</b> )
	Standard Non-smoker
	Preferred Smoker ( <b>NEW</b> )
	Standard Smoker

## Highlights

- Premium discount over standard risk class coverages (see Sample Premium Savings)
- Three new risk classes with competitive rates
- Same new business process – additional underwriting requirements may be required

## Premium Determination

For Solution 10 and Solution 20 coverages of \$500,000 or greater, Empire Life will assess the life insured's individual health situation based on the underwriting criteria for the new risk classes. The Standard premium amount must be submitted as initial premium payment. If the coverage received a Preferred or Elite risk class, the excess initial premium paid will be credited to the second premium payment for the policy.

## Sample premium Savings\*

Solution 10 \$500,000	Non-smoker		Smoker
	Preferred vs. Standard	Elite vs. Standard	Preferred vs. Standard
Male 30	-14%	-27%	-17%
Male 40	-8%	-27%	-24%
Male 50	-12%	-30%	-39%
Female 30	-8%	-23%	-15%
Female 40	-11%	-22%	-16%
Female 50	-9%	-30%	-28%

Solution 20 \$500,000	Non-smoker		Smoker
	Preferred vs. Standard	Elite vs. Standard	Preferred vs. Standard
Male 30	-6%	-21%	-19%
Male 40	-7%	-26%	-28%
Male 50	-7%	-25%	-25%
Female 30	-5%	-18%	-9%
Female 40	-5%	-28%	-23%
Female 50	-12%	-23%	-19%

\* As compared to our Standard initial premiums on June 29, 2015. Initial premium savings will vary depending on coverage, coverage amount, risk class, age and gender of life insured.

#### Transition Rules

- Qualifying applications received in Head Office on or after 5:00 p.m., June 26, 2015 (EST) will be considered for the new risk classes.
- Any "in the mill" business, "issued but not yet settled" policies or closed applications that include Solution 10 or 20 coverages of \$500,000 or more can be re-evaluated. Please review the new ***Preferred Underwriting Criteria Guide*** to learn about the Preferred and Elite risk class underwriting criteria. To request a re-evaluation on a life insured that may meet these criteria:
  - For the "In the mill" business, email our Customer Service team to request re-assessment for preferred class eligibility.
  - For an issued policy has not been settled on or before June 26, 2015 to be re-assessed for preferred eligibility, the policy must be returned and received in Head Office by 5:00 pm (EST) on July 14, 2015.
  - For closed applications, requests to re-open and re-assess the application must be received in Head Office by 5:00 pm (EST) on July 14, 2015.

***Note that additional age and amount requirements may be required.***

**Reference**      **Yvonne Lau**, Product and Pricing Specialist, Insurance Marketing