

EMPIRE LIFE INFORMATION CIRCULAR

DATE: December 7, 2015

N° 2015-36

CATEGORY : **INSURANCE**

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

SUBJECT : **Annuity-Funded Life Insurance Strategy – Pay Once & Pay Less**

Overview We are pleased to announce that we have made some changes to our Term Certain annuities so more clients can take advantage of the Annuity-Funded Life Insurance Strategy we introduced earlier this year.

Strategy The Annuity-Funded Life Insurance Strategy is quite simple. Clients purchasing a life insurance policy from Empire Life can fund the insurance premiums for a period of time by purchasing a term certain annuity where the annual annuity income matches the annual premiums of the life insurance contract. This means one lump sum annuity deposit at issue can pay future life insurance premiums as long as the annuitant is alive. Clients can save money and enjoy peace of mind.

Target Market Ideal for clients who;

- want to save on limited pay life insurance premiums
- don't want to make regular premium payment
- want a guaranteed income stream to pay their life insurance premiums
- have excess cash

Term Certain Annuities To align our Term Certain annuities with this strategy, a change was recently introduced to lower the issue age of annuitants for Term Certain annuities from age 35 to 18. These changes are now available on our advisor annuity quote system.

Resources Attached to this information circular is the main sales aid (INS-1171) outlining how this strategy works and the first of the case studies (INS-1172) that will be made available to highlight how this strategy can help clients fund future life insurance premiums for a 20-Pay EstateMax policy by purchasing a term certain annuity with a 20-year guarantee.

For more information on this or other strategies, please contact your Account Executive or our Sales Centre at 1 888 548-4729 with any questions.

Reference **Cameron Walker**, FLMI, Manager, Insurance Marketing

