

EMPIRE LIFE INFORMATION CIRCULAR

DATE:	June 1, 2023	N° 2023-16
CATEGORY:	INSURANCE	
TO:	Managing General Agents, Associate General Agents, Advisors, General Agents, Independent Financial Advisors and National Accounts	
SUBJECT:	Participating life insurance Dividend Scale Interest Rate maintained at 6.00% and policy loan interest rate maintained at 6.75% in 2023/2024	

The dividend scale for Empire Life participating products will be maintained at current levels until June 30, 2024, as approved by our Board of Directors earlier this year. We are also maintaining the Empire Life dividend scale interest rate of 6.0% and the policy loan interest rate of 6.75% until June 30, 2024.

Policy Loan Interest Rate	<p>Maintaining our policy loan interest rate at 6.75% offers clients the flexibility to access their cash surrender values for any reason at a competitive interest rate. The policy loan rates on some older blocks of policies have a fixed policy loan rate, therefore, refer to the policy contract to better understand the applicable policy loan rate available.</p> <p>For additional information related to the dividend scale announcement, please review the following list of frequently asked questions:</p>
Frequently Asked Questions	<p>What factors affect the dividend scale?</p> <p>The funds in the participating account are affected by several factors, including investment returns, claims experience, expenses, lapses, and taxes related to our participating coverages. The total amount of dividends that may be declared each year on our participating policies is based on the overall performance of the participating account and may be affected by other factors such as solvency of the participating account, changes to applicable regulations, taxation, and accounting rules. When dividends are declared, the dividend scale for a participating product determines how the total amount of dividends will be distributed to each holder of that participating product.</p> <p>Will the dividend scale change again in the future?</p> <p>Dividends are not guaranteed, and the amount paid each year may change. Empire Life has paid dividends to its participating policyholders every year since we first started providing insurance solutions to Canadians in 1923 and once declared, they cannot be taken back. The dividend scale for a policy is also not guaranteed. We will continue to monitor interest rates and other factors affecting the participating account and may increase or decrease the dividend scale affecting policies in the future.</p> <p>Which policies are affected by the dividend scale announcement?</p> <p>Empire Life participating life and endowment policies, former Montreal Life participating life and endowment policies, former Concordia Life participating life and endowment policies, former Dominion Life participating life and endowment policies, former Citadel Life participating life and endowment policies and former Franklin Life participating life and endowment policies.</p> <p>If you have any questions, please contact our Customer Service Team at 1 800 561 1268.</p>