

DATE: February 15, 2018 **N° 2018-03**

CATEGORY: **INSURANCE**

TO: Managing General Agents, Associate General Agents, Advisors, General Agents and National Accounts

SUBJECT: **New price decreases for Solution 20 Term Life Insurance**

Effective February 15, 2018, we are pleased to announce that new initial rates for Solution 20 will take effect.

This rate change reflects our on-going commitment in providing competitive pricing to make life insurance affordable for Canadians.

Solution 20 initial premium rates will be decreased:

- For all ages, face amounts and risk classes
- On average by 3.2%.

This rate reduction will significantly improve our Solution 20 overall premium rankings, especially for our key target audiences of ages 30 to 50.

Competitive Solution 20 initial premiums!

Coverage	Expected Premium Rankings ¹ – <i>Male Standard Non-smoker</i>				
	Age 30	Age 35	Age 40	Age 45	Age 50
\$250,000	1	2	2	2	4
\$500,000	1	3	3	4	3
\$1,000,000	1	2	4	3	4

Coverage	Expected Premium Rankings ¹ – <i>Female Standard Non-smoker</i>				
	Age 30	Age 35	Age 40	Age 45	Age 50
\$250,000	1	3	1	3	4
\$500,000	2	3	3	4	4
\$1,000,000	1	1	3	3	3

¹ Expected premium rankings are based on the proposed new annual premiums for the first 20 years for Solution 20 compared to annual premiums quoted on LifeGuide on February 2, 2018 for the first 20 years for 23 other comparable 20-year renewable term products, for the gender, ages, coverage amounts and risk class shown.

Transition Rules

- For applications received in Head Office on or after 5:00 p.m. February 14, 2018 (EST) that are approved, Solution 20 coverages will be issued with the new plan rates.
- For pending "in the mill" Solution 20 business that is in Head Office before February 15, 2018, if approved, it will be automatically issued with the **lower** new rates, but must be settled by 11:00 a.m. April 14, 2018 (EST).
- Any Solution 20 policy issued on or before February 14, 2018, but not yet settled must be returned to Head Office by February 28, 2018 at 5:00 p.m. (EST) to receive the new rates.

Reference

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