



ESTATEMAX[®]

The Power of Participating Life Insurance

Insurance & Investments
Simple. Fast. Easy.[®]





What is EstateMax?

EstateMax is a participating whole life insurance plan offered by Empire Life that combines permanent life insurance with the unique opportunity to 'participate' annually in the profits of the pool of assets specifically held for all Empire Life participating policyholders.

This combination of features gives participating policyholders the benefits of life insurance with the ability for future growth in their coverage and policy values. EstateMax is specifically designed to offer long-term value using a combination of dividends and guaranteed values.

What is a Dividend?

A dividend is simply a portion of the profits of the Empire Life participating account that may be distributed annually to each person that owns an Empire Life participating life insurance coverage.





Dividends Are Unique To Participating Insurance

Each year Empire Life decides the amount of dividends (if any) that participating policyholders are eligible to receive on their next policy anniversary. While these dividends are not guaranteed, the dividend scale used to determine the amount each participating policyholder may receive is guaranteed never to fall below zero. This means that once a dividend is paid, Empire Life cannot take it back. Empire Life also has a track record of paying dividends every year since 1923 when we first began offering participating life insurance.

Five different dividend options available

- ♥ **Paid-up Additions** – Each dividend is used to purchase participating life insurance that requires no additional premiums to keep it in force (paid-up).
- ♥ **Enhanced Coverage** – Each dividend is used to buy one year term life insurance up to a permitted maximum amount, called the Enhanced Coverage amount. Any excess dividends are used to buy paid-up participating life insurance. This option includes a Lifetime Guarantee, which guarantees that, regardless of dividend performance, the amount of one year term life insurance plus the amount of paid-up participating life insurance will never be less than the Enhanced Coverage amount if all conditions are met.¹
- **Cash Accumulation** – Each dividend is placed into an account that earns a favourable interest rate.
- **Cash Payment** – Each dividend is paid directly to the policyholder.
- **Annual Premium Reduction** – Each dividend is used to pay part or all of the next annual premium.

¹ See policy contract for full details and conditions.

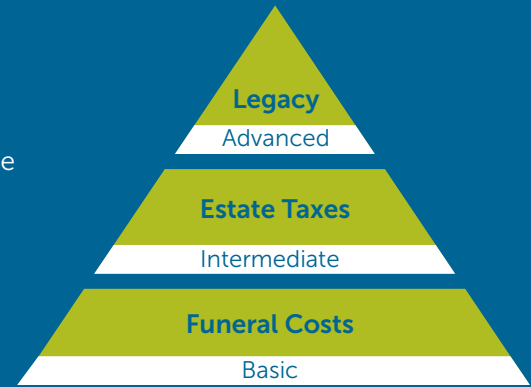
² Based on all Empire Life participating policies as of Dec. 2014.



Designed for Estate Planning Needs

EstateMax is suitable for those interested in guaranteed coverage and long-term cash value growth. Cash values can be accessed in the future to supplement the policyholder's income. The total EstateMax coverage can be used for a variety of different estate planning needs, including;

- **Basic needs** – paying funeral costs and other final expenses
- **Intermediate needs** – covering the basic needs plus the final income tax bill payable by the estate
- **Advanced needs** – covering all other needs plus the opportunity to leave additional funds to beneficiaries or favourite charities



Lifetime Insurance Protection

EstateMax can offer peace of mind with its ability to provide insurance protection for life. Premiums and the base coverage amount are fully guaranteed for the life of the insured, as long as the premiums are paid when due. Depending on the dividend option selected and the amount of dividends paid, the overall coverage may increase.

EstateMax also includes guaranteed cash surrender values that start after the fourth policy anniversary and will grow each year the policy remains in force until they equal the base coverage amount at age 100.



Prepayment Solutions

EstateMax gives policyholders the opportunity to make one or several lump sum deposits to an account attached to the policy to pay future premiums. This new feature, called the **Side Account**, allows policyholders to make deposits at any time (subject to certain limits) to pre-fund premiums that come due in the future.

Additional funds can be used to cover;

- All base premiums required under the policy
- All policy administration fees
- Any premiums for added riders and benefits

Funds in the Side Account will earn interest on a daily basis using a favourable interest rate as determined from time to time by Empire Life. Interest will be paid on the policy anniversary. Lump sum deposits can be made by cheque at any time and the Owner can request to withdraw funds at any time without fees or penalty.

Funds in the Side Account can be used to pay premiums while the policy is in force. These funds will not receive tax-preferred treatment. Interest earned is taxable income to the policyholder. Funds in the Side Account will be paid to the named beneficiary if the policy terminates upon death of a life insured or paid to the policyholder if the policy is surrendered.



Our New Additional Deposit Option (ADO) can be added to your eligible EstateMax 10 Pay, 20 Pay or Life Pay participating life insurance policy, with either the Paid-Up Additions or Enhanced Coverage dividend option, to enable you to make voluntary additional deposits to your life insurance plan in order to purchase Paid-Up Additions; over and above the Paid-Up Additions purchased by your annual policy dividends¹.

Additional Deposit Option (ADO) Highlights:

Purchasing additional Paid-Up Additions can add to the total cash surrender value and the total life insurance coverage provided by your EstateMax participating life insurance policy. Paid-Up Additions purchased through optional deposits to your Additional Deposit Option (ADO) also earn annual policy dividends, compounding the potential growth of your EstateMax policy's total cash surrender value and total coverage amount. Once you make a deposit to your ADO account, the Paid-Up Additions (PUAs) purchases, using deposits in the ADO Account, are processed on a frequent, usually daily basis so deposits can almost immediately increase the total cash surrender value and total life insurance coverage provided by your EstateMax policy.

The Additional Deposit Option (ADO) is available for all issue ages.

Deposit Minimums are:

- Juvenile 0 – 17 **\$25.00 per month / \$300.00 per year**
- Issue age 18 – 75 **\$100.00 per month / \$1,000 per year**

The Maximum Annual Deposit amount varies depending on the sex, risk class and issue age of the life insured.

¹ Dividends are not guaranteed and may be subject to taxation. Dividends will vary based on the actual performance of the participating account.

Note: Empire Life will ensure your EstateMax policy will remain tax-exempt. We reserve the right to reduce or refuse ADO deposits that may jeopardize the tax-exempt status of your policy.



Where to start?

Always make sure to consult with an independent estate planning expert before making any decisions about your estate plan. Your insurance advisor can work with your estate planning expert to provide you with advice and the options available to suit your needs.

For more information on **Empire Life EstateMax**[®] or other insurance solutions, please talk to your insurance advisor today.

The Empire Life Insurance Company

259 King Street East,
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The Empire Life Insurance Company (Empire Life) is a proud Canadian company that has been in business since 1923. We offer individual and group life and health insurance, investment and retirement products, including mutual funds through our wholly-owned subsidiary Empire Life Investments Inc.

Empire Life is among the top 10 life insurance companies in Canada¹ and is rated A (Excellent) by A.M. Best Company². Our mission is to make it simple, fast and easy for Canadians to get the investment, insurance and group benefits coverage they need to build wealth, generate income, and achieve financial security.

Follow Empire Life on Twitter @EmpireLife or visit our website, empire.ca for more information.

¹ Based on total assets as reported in December 31, 2018 OSFI filings

² As at June 14, 2019. For the latest rating, access www.ambest.com.

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