

PREFERRED UNDERWRITING

For Solution 10[®], Solution 20[®], Solution 25[™] & Solution 30[®]
Criteria Guide 2021

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About this guide

As you help clients apply for life insurance, managing their expectations is important. This guide contains key information about our underwriting criteria for Preferred and Elite risk classifications for qualifying Solution 10, Solution 20, Solution 25 and Solution 30 coverages and can help you estimate the risk classifications that an eligible Solution 10, Solution 20, Solution 25 or Solution 30 coverage may qualify for.

By referring to this guide, you will have the key criteria that our Underwriting team uses to assess applications for Solution 10, Solution 20, Solution 25 and Solution 30 coverages. This should help you advise clients of the possible risk classifications for the Solution 10, Solution 20, Solution 25 or Solution 30 coverage they are applying for.

Please keep in mind that this guide is provided to you as a reference tool only. Decisions will be made based on each life insured's overall situation and may not match your estimated outcome.

Preferred underwriting

Good health and a healthy lifestyle can increase life expectancy, and we want to recognize those individuals that we determine have lower mortality risk than the "standard" life insured with lower premium rates. For qualifying Solution 10, Solution 20, Solution 25 and Solution 30 coverages, we assess each life insured individually based on his/her overall circumstances. If the life insured meets our underwriting criteria, we will offer Preferred or Elite risk class.

Availability

Preferred & Elite rates are available for Empire Life Solution 10, Solution 20, Solution 25 and Solution 30 coverage amounts of \$1,000,001 and up.

- **If coverage amount is between \$1,000,001 and \$2,000,000:**
 - Clients have the choice of applying for optional Preferred/Elite rates by providing fluid tests in addition to requirements listed in the **Life Insurance - Underwriting Requirements Chart**
 - They can choose the convenience of applying without fluid tests for Standard rates. Please refer to the **Life Insurance - Underwriting Requirements Chart** for full details
- **If coverage amount is >\$2,000,000**
 - Client to submit the requirements based on the **Life Insurance - Underwriting Requirements Chart** for the coverage amount. If qualified, Preferred/Elite rates will apply.

Risk classifications

Coverage < 1,000,001	
Standard Non-smoker	
Standard Smoker	

Coverage of 1,000,001 & up	
Elite non-smoker	For individual with exceptional health and lowest risk lifestyle.
Preferred non-smoker	For individual with above average health and lower risk lifestyle
Standard non-smoker	For individual with average health and risk lifestyle
Preferred smoker	For individual with above average health and lower risk lifestyle and meet the Standard Smoker Definition
Standard smoker	For individual with average health and risk lifestyle and meet the Standard Smoker Definition

Standard smoker definition

A smoker is considered someone who, in the past 12 months, has used more than 12 large cigars, or used any other tobacco, cigarette, e-cigarette, cigarillo, a pipe, chewing tobacco, nicotine patches or gum or betel nuts.

Tobacco use includes use of small cigars (approximate diameter of cigarettes)

Users of marijuana and hashish may be considered with non-smoker rates if there has been no use of e-cigarettes, tobacco or nicotine in any form, in the last 12 months.

Age & amount requirements

Our underwriting requirements are based on a life insured's age and the amount of coverage. For details, please refer to the Life Insurance Underwriting Requirements or the Fast & Full Underwriting Requirements in our advisor website at www.empire.ca/advisor/support/underwriting.

Managing client's expectations

While an individual may appear to meet the underwriting criteria for the Elite or Preferred risk classes, it is only through assessing the individual's overall situation including medical history, driving records, overall lifestyle and family history, that our Underwriting team can confirm whether or not an individual will meet the criteria for Preferred or Elite risk classes. To manage a client's expectations and avoid disappointment, we strongly recommend you present premium amounts for more than one risk classification for Solution 10, Solution 20, Solution 25 and Solution 30 coverages. With that in mind, our illustration is designed to also provide the standard premium amount for Solution 10, Solution 20, Solution 25 and Solution 30 coverages if Elite or Preferred risk class is selected.

Important Note

The standard premium amount for Solution 10, Solution 20, Solution 25 and Solution 30 is required with the application to avoid insufficient initial payment situation in case the Solution 10, 20, 25 or 30 coverage receives a lower than expected risk class.

If a Solution 10, 20, 25 or 30 coverage receives a Preferred or Elite risk class, the excess initial premium payment will be credited to the second premium payment for the policy.

Underwriting

Our Underwriting team will assess the health and lifestyle information provided for the proposed life insured(s) for Solution 10, 20, 25 and 30 coverages and offer the best possible risk class if the application is approved and the coverage amount is \$1,000,001 or more. In order to offer the best premium discounts for various risk classes, our underwriters will follow our published preferred underwriting criteria with no exceptions.

Elite/Preferred criteria at a glance

Note: The following criteria apply to both males and females unless specified.

Criteria	Elite Non-smoker	Preferred Non-smoker & Smoker
Tobacco/Nicotine Product Use Includes any use of tobacco/nicotine products including cigarettes, e-cigarettes, cigarillos, pipes, chewing tobacco, snuff, large or small cigars, betel nuts or nicotine replacement products and smoking cessation products	No tobacco/nicotine product use in the last 180 months	Preferred Non-smoker No tobacco/nicotine product use in the last 24 months Preferred Smoker Individual who is considered a smoker based on our Standard Smoker Definition
Blood Pressure	No history of treatment Age 18–39 125/75 40–55 130/80 56–75 140/85	With or without treatment Age 18–39 135/80 40–55 140/85 56–75 145/90
Total Cholesterol and Chol/HDL Ratio	No history of treatment Age Male Female 18–39 200/4.5 200/4.0 40–55 200/5.0 200/4.5 56–75 220/5.5 220/5.0	With or without treatment Age 18–39 210/5.0 40–55 220/5.5 56–75 230/6.0
Family History Includes history in siblings or in parents of coronary artery disease, stroke/TIA, or cancer (except basal cell carcinoma)	No family history diagnosed prior to age 65 May allow cross gender cancers (breast/prostate)	No more than 1 family member diagnosed prior to age 60 May allow cross gender cancers (breast/prostate)
Personal History	No history of cancer (except basal cell carcinoma), diabetes, coronary artery disease, or stroke/TIA	
Sports/Avocation/Aviation	No ratable participation in hazardous sports, avocations or aviation	
Alcohol/Drug Abuse	No history of, or treatment, in the last 10 years	No history of, or treatment, in the last 5 years
Driving Record	No more than 1 moving violation in the last 3 years	No more than 3 moving violations in the last 3 years

Elite/Preferred criteria at a glance (continued)

Note: The following criteria apply to both males and females unless specified.

Criteria	Elite Non-smoker		Preferred Non-smoker & Smoker	
DWI, Careless or Reckless Driving	No convictions in the last 10 years		No convictions in the last 5 years	
Travel & Residency	Must be a permanent resident of Canada. No ratable foreign travel and no ratable foreign residence			
Occupation	No ratable occupation			
Build (Height & Maximum Weight)	Height (Ft./In.)	Max.Weight (lbs.)	Height (Ft./In.)	Max. Weight (lbs.)
	4'8"	126	4'8"	135
	4'9"	128	4'9"	138
	4'10"	131	4'10"	141
	4'11"	134	4'11"	144
	5'0"	138	5'0"	148
	5'1"	140	5'1"	151
	5'2"	145	5'2"	155
	5'3"	149	5'3"	159
	5'4"	154	5'4"	165
	5'5"	159	5'5"	170
	5'6"	163	5'6"	175
	5'7"	169	5'7"	181
	5'8"	174	5'8"	187
	5'9"	180	5'9"	194
	5'10"	185	5'10"	200
	5'11"	191	5'11"	206
	6'0"	197	6'0"	213
	6'1"	201	6'1"	218
	6'2"	205	6'2"	222
	6'3"	209	6'3"	228
	6'4"	215	6'4"	234
	6'5"	220	6'5"	240
	6'6"	226	6'6"	246
	6'7"	232	6'7"	253
	6'8"	238	6'8"	259
	6'9"	243	6'9"	266
	6'10"	249	6'10"	272

Risk Class for Joint Coverage

Premium rates for joint life coverages are based on a Single Equivalent Age, which is calculated based on the plan type (first or last to die), age, gender and smoking status of each insured, and on the risk class for the coverage.

A substandard rating for one or both life insureds will be reflected as an increase in the joint age that would otherwise apply.

For Solution 10, 20, 25 or 30 joint coverages under \$1,000,001, Standard risk class will be used.

For Solution 10, 20, 25 or 30 joint coverages of \$1,000,001 or higher, Preferred, Elite or Standard risk classes are possible. If the life insureds don't meet the same underwriting criteria, the risk class for the joint coverage will be based on the lower of the underwriting criteria met by the life insureds.

For example:

\$1,000,001 & Up – Joint 1st to Die	Scenario A	Scenario B
Insured 1	Male, 35, Non-Smoker, Elite	Male, 35, Smoker, Preferred
Insured 2	Female, 30, Smoker, Preferred	Female, 30, Smoker, Standard
Single Equivalent Age	Male, 42, Non-Smoker	Male, 39, Smoker
Joint Coverage Risk Class	Preferred	Standard

Changing risk class for in-force policies

A risk class improvement can be applied for on qualifying Solution 10, 20, 25 and 30 coverages that have been in-force for at least one year. Please refer to the Elite/Preferred criteria. For potentially eligible coverages, you can submit Policy Change Application. Note that additional age & amount requirements may be required.

Decreasing an in-force coverage

Decreasing the amount of an in-force Solution 10, Solution 20, Solution 25 or Solution 30 coverage with an Elite or Preferred risk class will not impact the coverages eligibility for Elite or Preferred premium rates, provided the remaining coverage amount is at least \$1,000,001.

If the remaining coverage is below \$1,000,001, the new premiums will be calculated based on the Standard risk class and the appropriate premium rate banding.

Term conversion

For conversion from a Solution 10, 20, 25 or 30 coverage with an Elite or Preferred risk class to a new permanent coverage, a Standard risk class will be applied to the new coverage.

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