

INFORMATION CIRCULAR

DATE: February 2, 2022 N° **2022-03**

CATEGORY: INSURANCE

SUBJECT:

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

Accounts

Introducing the NEW juvenile application experience – enabling faster

Underwriting decisions and policy issue times when using the

Fast & Full® Life App

As part of our commitment to increase the number of automated underwriting decisions and improve policy issue times for life and health insurance applications, we are pleased to announce the introduction of a streamlined application process for juvenile coverages (aged 0 to 17).

Launching February 10, 2022, this improved experience reduces the amount of information collected and scales back the number of questions asked for juvenile life insureds to make the application process shorter. This new approach leverages straight forward language and yes/no questions that eliminate up to 66% of the follow-up questions currently used for juvenile life insureds. For Fast & Full applications that use the electronic health questionnaire (eHQ), the new process increases the probability that the application will be "auto approved*".

The result is a simpler process for juvenile life and health insurance applications.

Key changes to health questionnaire

We reduced the maximum number of questions in juvenile life and health applications for the following conditions:

- Heart murmur: question set reduced from over 12 to 10 questions.
- Asthma: question set reduced from a potential of 20 questions to less than 10 questions.
- ADHD: guestion set reduced from over 10 guestions to 5 guestions.
- Premature birth: question set for 0-2 years old only reduced from 6 to 2 questions.

Please see the Appendix below for a detailed list of the changes.

Transition Rules:

Any saved and/or un-submitted juvenile Fast & Full applications using the current juvenile question set (eHQ) must be completed and submitted by 11:59PM ET on February 9, 2022.

Any saved and/or un-submitted juvenile Fast & Full applications using the current juvenile question set (eHQ) will be **deleted at Midnight ET on February 10, 2022**, and must be resubmitted using the new juvenile question set. This **does NOT** apply to juvenile applications using personal health interviews (PHIs) in Fast & Full or paper applications or to applications for adult coverages. PHIs completed for juveniles on and after February 10, 2022, will use the new juvenile question set.

Empire Life will directly contact advisors whose clients' applications may be affected to assist with the transition prior to the implementation of the changes.

Benefits of the Fast & Full Life App

There has never been a better time to use the award-winning Fast & Full Life App**. With fully integrated screen sharing software, Non-Face-to-Face client meetings are simple, fast, and easy. Plus, our **eHQ and eContract Delivery** options are more convenient for clients and can earn advisors even more bonus commission. Visit info.empire.ca/earn-more to learn more.

For juvenile Fast & Full applications using eHQ that are "auto-approved*", eContract Delivery is selected, and application is signed with the advisor at time of completion, over 80% of policy contracts are issued within 1 day***.

Reference

Mike Stocks, Vice President and Chief Marketing Officer, Retail

^{*} Cases that are approved without a referral to underwriting.

^{**} Insurance Business Canada Awards, 2019.

^{***} Time to issue contracts based on Fast & Full Life Application that use eHQ, are "auto-approved*", eContract delivery is selected and owner(s) and life insured(s) validate email addresses when application is signed. Empire data on file from December 1, 2021 to January 15, 2022.

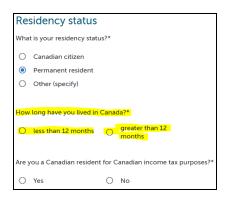
APPENDIX

Changes to Fast & Full juvenile question set - Client Information

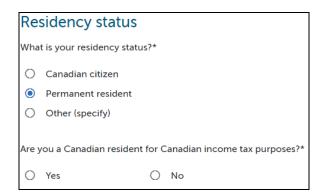
Residency Status

We have simplified the residency status question to be more relevant for juvenile cases.

BEFORE



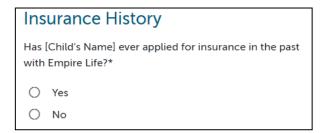
NEW



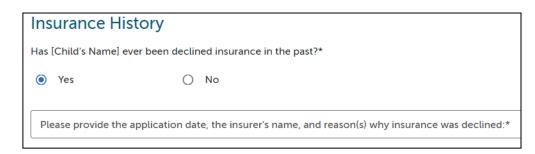
Insurance History

New text box to collect information when "yes" is selected for previous decline to help an underwriter make decision without the need to request additional information after submission.

BEFORE



NEW



Question 3: NEW Sibling question

The sibling question will now only need to be answered when application is for more than \$100,000 of total insurance.

Yes	O No
e all siblings insur	ed or applying for equivalent amounts of insurance (same face amount or same premiur
) Yes	No
Please explain wh	y all siblings are not insured or applying for equivalent amounts of insurance:*

Question 4: NEW Parent occupation question

The parent occupation question will now only need to be answered when application is for more than \$250,000 of total insurance.

Total in force life insurance on, and occupation of, [Child's	s Name]'s parent(s):*				
Life \$*	Occupation*	Annual Income \$*			
Parent Two					
Life \$*	Occupation*	Annual Income \$*			

Purpose of Insurance

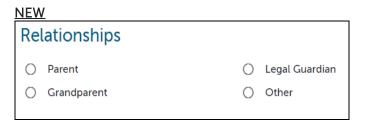
The options are now more relevant for juvenile cases to reduce the potential of applications being referred to underwriting.

<u>BEFORE</u>	<u>NEW</u>
Purpose of Insurance*	Purpose of Insurance*
Personal needs (including income replacement, estate preservation, final expenses, mortgage loan, children's coverage, etc)	☐ Children's coverage plan ☐ Future insurability
Personal loan (other than mortgage on primary residence)	Tuture insurability
☐ Key person	☐ Education
☐ Business loan collateral	Savings and investments
☐ Buy-sell agreement	Estate planning/intergenerational wealth transfer
☐ Other	☐ Other

Relationship to Insured

The options are now more relevant for juvenile cases to reduce the potential of applications being referred to underwriting.





Changes to Fast & Full juvenile question set – Beneficiary Information

NEW

The options are now more relevant for juvenile cases to reduce the potential of applications being referred to underwriting.

