

**DATE:** June 17, 2024

**N° 2024-07**

**CATEGORY:** INSURANCE

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

**SUBJECT:** **Improved initial premium rates and rankings for Solution 20<sup>®</sup> term insurance (up to a 5.7% decrease for non-smokers with an average overall target market ranking of 2)**

**Rate Change Details**

We are pleased to announce that, effective June 17, 2024, the initial premium rates for Solution 20<sup>®</sup> have been adjusted. Our initial premium rates for Solution 20 have decreased up to 5.7%, for all non-smokers and insurance amounts with an average decrease of 1.4%.

Note that 65% of all initial premium rates for Solution 20 are decreasing and 35% remain unchanged. There have been no premium increases.

**Improved Overall Competitive Positioning**

Our new initial premium rates for Solution 20 significantly improve its overall competitive positioning\* in our target market ages of 25-50 and we have moved to an average overall rank of **#2 in the marketplace** against 21 comparable products.

**Sample Rankings for Solution 20:**

Age	\$500,000								\$1,000,000							
	Non-Smoker				Smoker				Non-Smoker				Smoker			
	Female		Male		Female		Male		Female		Male		Female		Male	
AGE	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New
35	6	1	5	1	2	2	3	3	3	1	3	2	2	2	2	2
40	5	1	5	1	1	1	1	1	4	1	5	1	3	2	2	2
45	5	3	6	1	1	1	1	1	4	3	6	2	1	1	1	1

\* Rankings are based on LifeGuide quotes dated May 14, 2024, comparing old and new Solution 20 initial premium rates with the initial premium rates of 21 other comparable term 20 life insurance products for life insureds and amounts as indicated.

**Illustrator updates**

Starting June 17, 2024, the new rates will be available on our web-based eVision Insurance Illustrator™ and included with our Fast & Full® online life application.

**Transition Rules**

- **For pending “in the mill”** Solution 20 applications received in Head Office **before 11:59 p.m. (EST) June 16, 2024**, that are approved, the contract will be issued with the lower of the old and new initial premium rates for Solution 20.
- **For applications received** in Head Office **on or after June 17, 2024**, that are approved, the contract will be issued with the new rates for Solution 20.
- Any contracts with Solution 20 coverage(s) issued before, but not settled by, June 17, 2024, must be returned to Head Office by 5:00 p.m. (EST) June 22, 2024, to be re-issued in order to receive the new rates for Solution 20.

**Reference**

Angela Chapman, Insurance Product Manager, Retail Insurance Product and Marketing