

# EstateMax and Optimax Wealth Additional Deposit Option (ADO) Rider



For EstateMax® and Optimax Wealth® participating whole life policies

Empire Life's new Additional Deposit Option (ADO), available on EstateMax and Optimax Wealth 10-Pay, 20-Pay and Life Pay participating whole life plans, can help your clients:

- Accelerate the growth of the total cash surrender values in their EstateMax or Optimax Wealth policy
- Increase the total life insurance coverage provided by their EstateMax or Optimax Wealth policy
- Accelerate the "cross over point" where the purchase of "Term Additions" is replaced by "Paid Up Additions" for the Enhanced Coverage Dividend Option on their EstateMax or Optimax Wealth policy

## ADO Rider Highlights

Availability	<ul style="list-style-type: none"><li>• Available on eligible EstateMax and Optimax Wealth 10-Pay, 20-Pay and Life Pay Plans with either Paid-Up Additions or Enhanced Coverage Dividend options</li><li>• Available for all issue ages 0 - 75 years (age nearest)</li><li>• No additional underwriting requirements in most cases<sup>1</sup> when adding ADO at issue</li><li>• If adding ADO to a policy within 24 months of the Policy Date<sup>3</sup> complete the Application for Change, Addition or Reinstatement of Additional Deposit Option (ADO) (INS-2741) indicating the amount of the ADO deposits and confirming the life insured's health<sup>2</sup> and smoking status has not changed since the Policy Date<sup>3</sup>.</li><li>• Available on substandard cases with ratings up to +100% (200% on eVision) without flat extras.</li></ul>
Maximum ADO Deposit Limits	<ul style="list-style-type: none"><li>• The eVision Insurance Illustrator™ will calculate the Maximum Annual ADO Deposit Amount and the Lifetime Maximum ADO deposit amounts</li><li>• The Maximum ADO limits are calculated based on the policy exempt room available and the sex, risk class and issue age of the life insured</li><li>• There are two ADO deposit maximums:<ul style="list-style-type: none"><li>• Maximum Lifetime ADO Deposit Amount – this amount is based upon the Specified Annualized ADO Deposit Amount multiplied by the number of years you choose to make ADO deposits. Once total ADO deposits equal the Maximum Lifetime ADO Deposit Amount, ADO deposits will stop. In order to increase the Maximum Lifetime ADO Deposit Amount, a fully completed Application for Policy Change (form C-0048), including satisfactory evidence of insurability, will be required.</li><li>• Maximum Annual ADO Deposit Amount – this amount is based on the annual available exempt room for ADO deposits to the policy.</li></ul></li><li>• Empire Life will limit annual deposits to maintain the tax exempt status of the policy.</li></ul>
Minimum ADO Deposit Limits	<ul style="list-style-type: none"><li>• Issue age 0 – 75 <b>\$10 per month / \$100 per year</b></li></ul>

# ADO Rider Highlights

## Flexibility

### Adding ADO to a Par policy

- Your client can add ADO to an eligible Empire Life EstateMax or Optimax Wealth 10-Pay, 20-Pay or Life Pay policy, with either the Paid-Up Additions or Enhanced Coverage dividend option, at time of application with no additional underwriting requirements in most cases.
- Or, your client has the flexibility to add ADO to their eligible EstateMax or Optimax Wealth 10-Pay, 20-Pay or Life Pay policy, with either the Paid-Up Addition or Enhanced Coverage dividend option, within 24 months of the Policy Date<sup>3</sup>. To do so, complete Application for Change, Addition or Reinstatement of Additional Deposit Option (ADO) (INS-2741) indicating the amount of ADO deposits and confirming the health<sup>2</sup> and smoking status of the life insured has not changed since the Policy Date<sup>3</sup>. An in-force policy illustration is also required. The Maximum Lifetime ADO deposit amount will be limited to 10 times the Maximum Annual ADO Deposit Amount.

### Stop and restart ADO deposits

- Clients can stop and restart ADO deposits for up to 36 months from the date of the last PUA purchase. To reinstate ADO deposits, complete the Application for Change, Addition or Reinstatement of Additional Deposit Option (ADO) (INS-2741) and indicating the amount of the ADO deposits<sup>4</sup> and confirm the life insured's health<sup>2</sup> and smoking status has not changed since the date of the last PUA purchase with ADO deposits.

### Increase ADO deposits<sup>4</sup>

If the client has paid less than their **Maximum Annual ADO Deposit Amount** they can add a lump sum up to 30 days prior to the policy anniversary for that year equal to the difference between ADO deposits made for the policy year and their **Maximum Annual ADO Deposit Amount**. **To do so, complete** the Application for Change, Addition or Reinstatement of Additional Deposit Option (ADO) (INS-2741) form **indicating the amount of the deposit and confirming the life insured's health<sup>2</sup> and smoking status has not changed since the Policy Date<sup>3</sup>**

## Take advantage of Tax Exempt Growth

### Purchase Paid-Up Additions (PUA) with ADO deposits

- PUAs add to the total cash surrender value of your clients EstateMax or Optimax Wealth participating life insurance policy
- PUAs purchased with ADO deposits and PUAs purchased through policy dividends<sup>5</sup> both compound the potential for growth of the policy Total Cash Surrender Value and Total Coverage Amount
- PUAs are purchased on a frequent (usually daily) basis, which can almost immediately increase the total coverage amount and total cash values of the policy

<sup>1</sup> Empire Life reserves the right to request additional underwriting requirements for all applications based on our assessment of risk. In addition, additional underwriting is required if seeking to increase the Maximum Annual ADO Deposit Amount. <sup>2</sup> There has been no change in the health of any Life Insured and, in the last 12 months, no Life Insured has consulted or been treated by a physician or been refused life insurance coverage or approved for life insurance coverage with an extra premium. <sup>3</sup> The Policy Date appears at the top of the Data Page for EstateMax and Optimax Wealth Plans. <sup>4</sup> Increases or changes to ADO deposit amounts are subject to our administrative rules in effect at that time. Empire Life reserves the right to reduce or refuse an ADO deposit. <sup>5</sup> Dividends are not guaranteed and may be subject to taxation. Dividends will vary based on the actual performance of the participating account.

 For more information, refer to the [Additional Deposit Option \(ADO\) Advisor FAQ](#)

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