

A CLOSER LOOK AT LIFE INSURANCE

Equitable Life® offers term, participating whole life, non-participating whole life and universal life plans. This chart takes a closer look at life insurance and highlights some of the key differences between these plans.

	Term	Whole Life	Universal Life
What is it?	<ul style="list-style-type: none"> • Pure insurance protection. • Life insurance protection with a pre-set expiry date after which the insurance terminates. • No cash values. 	<ul style="list-style-type: none"> • A mix of life insurance and savings. • Permanent life insurance protection with no expiry date. • Stable tax-advantaged investment growth and access to available cash value. 	<ul style="list-style-type: none"> • Insurance protection with the option for savings. • Permanent life insurance protection with no expiry date. • Opportunity for maximum tax-advantaged growth within the policy and access to available cash value.
What does it provide?	<ul style="list-style-type: none"> • Low cost insurance for a specified time. 	<ul style="list-style-type: none"> • Lifetime protection with guaranteed premiums, death benefit and cash values. • Hands-off, stable, tax-advantaged investment growth managed by Equitable Life. 	<ul style="list-style-type: none"> • Lifetime protection with flexible premiums and guaranteed Cost of Insurance rates. • Opportunity to maximize the tax-advantaged savings within the policy with a hands-on approach for those individuals who prefer to select and manage their own investments.

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What are some needs that it meets for my clients?	<ul style="list-style-type: none"> • Pay off mortgage or other debts. • Replace income. • Fund buy sell agreements, creditor and key person protection for business. • Protection for the lowest cost. • Protection for a specified time. 	<ul style="list-style-type: none"> • Pay off mortgage or other debts. • Replace income. • Fund buy sell agreements, creditor and key person protection for business. • An option to accumulate tax-advantaged savings. • Create an inheritance for heirs or a favourite charity. • Preserve an inheritance by covering final expenses, taxes and fees. 	<ul style="list-style-type: none"> • Pay off mortgage or other debts. • Replace income. • Fund buy sell agreements, creditor and key person protection for business. • An option to accumulate tax-advantaged savings. • Create an inheritance for heirs or a favourite charity. • Preserve an inheritance by covering final expenses, taxes and fees.
What are the products offered by Equitable Life?	<ul style="list-style-type: none"> • Three different Term options: <ol style="list-style-type: none"> 1. 10 Year Renewable and Convertible Term - guaranteed premiums renew every 10 years to age 85. 2. 20 Year Renewable and Convertible Term – guaranteed premiums renew every 20 years to age 85. 3. Term 30/65 – guaranteed premiums payable to the later of 30 years and age 65. • 10 and 20 Year Term and Term 30/65 are available as Riders on the life insured under single life participating whole life • 10 and 20 Year Term available as Riders on universal life plans. • Additional Riders and benefits are available to customize the plan. 	<ul style="list-style-type: none"> • Two types of whole life plans: <ol style="list-style-type: none"> 1. Equimax® Participating Whole Life – offered with two versions of permanent insurance coverage, guaranteed premiums, cash value and death benefit plus the opportunity to receive dividends¹. 2. Final Protection® Simple Issue Whole Life – permanent life insurance that requires no medical exam. Clients answer only a few simple medical questions. This is a non-participating plan, which means it is not eligible to receive dividends. • Additional Riders and benefits are available to customize the plan. 	<ul style="list-style-type: none"> • Equation Generation® IV Universal Life – permanent life insurance coverage with a choice of death benefit and Cost of Insurance Options. Clients can choose from a variety of investment options to maximize the tax-advantaged growth available within the policy. • Additional Riders and benefits are available to customize the plan.

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How do the premiums compare?	<ul style="list-style-type: none"> • Usually the lowest initial premium. • Guaranteed level premiums for a specific length of time. • For Renewable Term, guaranteed premiums increase at each renewal. 	<ul style="list-style-type: none"> • For Participating Whole Life (Equimax): <ul style="list-style-type: none"> • Higher premiums than term insurance but with the opportunity for dividends¹. • Depending on the dividend option selected, dividends can be used to reduce the premium. • Non-Participating Whole Life (Final Protection): <ul style="list-style-type: none"> • Higher premiums than term. • Higher premiums than Equimax for the convenience of no medical exam. Underwriting is based on just a few simple health questions. • Not eligible to receive dividends. 	<ul style="list-style-type: none"> • The monthly charges (which include the minimum premium and administration fees) are initially higher than term and less than whole life. • Universal life² generally offers the most flexibility to make additional deposits in order to maximize the cash value accumulated within the plan.
Are premiums guaranteed?	<ul style="list-style-type: none"> • Yes. 	<ul style="list-style-type: none"> • Yes. 	<ul style="list-style-type: none"> • While the rates used to calculate the monthly charges are guaranteed, the policy owner can pay any amount they choose. For the policy to remain in effect there must be enough value in the policy to cover the monthly charges that apply.



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Is the premium amount flexible?	<ul style="list-style-type: none"> No. 	<ul style="list-style-type: none"> No. Required premiums must be paid. Automatic Premium Loan is available to cover any missed premium payments. Use of this feature will result in indebtedness under the policy. For Participating Whole Life (Equimax): <ul style="list-style-type: none"> Depending on the dividend option elected, at some point in the future, policy values may be sufficient to pay future premiums. This is not automatic and the policy must qualify at the time of request. A decrease in the dividend scale may require your clients to resume paying premiums for a period of time. Additional deposits can be made to increase the tax-advantaged growth in the policy. Limits apply to the deposits to ensure the policy remains tax-exempt. 	<ul style="list-style-type: none"> Yes. The policy owner has the flexibility to increase, decrease or stop paying premiums for a period of time. The maximum premium allowed is subject to provisions in the Income Tax Act (Canada). If premium payments are not sufficient to cover the monthly charges for the policy, they will be paid from the policy Account Value. This will affect the cash value and death benefit and may even cause the policy to lapse.



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Is the cash value guaranteed?	<ul style="list-style-type: none"> There is no cash value. 	<ul style="list-style-type: none"> For Participating Whole Life (Equimax): <ul style="list-style-type: none"> Yes. A portion of the Total Cash Value is guaranteed. The remainder is dependent on the dividend option selected and the dividend scale. For Non-Participating Whole Life (Final Protection): <ul style="list-style-type: none"> Yes. The Guaranteed Cash Value is not available for cash withdrawals. 	<ul style="list-style-type: none"> No. The value of the policy is entirely dependent on the amount the policy owner deposits and the performance of the investment interest accounts selected by the policy owner.



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<p>How is the savings component affected by market volatility?</p>	<ul style="list-style-type: none"> • There is no savings component. 	<ul style="list-style-type: none"> • For Participating Whole Life (Equimax): <ul style="list-style-type: none"> • Eligible to receive dividends¹. • Premiums above what are required to pay current benefits and expenses are invested in the Participating Account. Invested Assets in the Participating Account are managed by Equitable Life to meet the product guarantees and provide long-term income for future dividends. • The policy owner will never experience a negative dividend and once credited, dividends can never be taken away. • The Guaranteed Cash Value is not affected by market volatility. • For Non-Participating Whole Life (Final Protection): <ul style="list-style-type: none"> • The cash value is guaranteed from the time of issue and therefore is not affected by market volatility. 	<ul style="list-style-type: none"> • Since the investment options are selected by the policy owner, they assume the risk of market volatility if they select anything other than Guaranteed Investments. • Interest credited on the Daily Interest Account (DIA) and the Guaranteed Deposit Account (GDA) will never be negative. • Performance for the Linked Interest Option Accounts is not guaranteed. It may be positive or negative depending on the performance of the Mutual Fund or Index being tracked. • Poor performance of the investment options selected could result in negative growth in the policy and require additional deposits over and above what was originally projected.

¹ Equitable Life offers participating whole life insurance which is eligible to receive dividends. Dividends are not guaranteed. They are subject to change, and will vary based on the actual investment returns in the participating account as well as mortality, expenses, lapse, claims experience, taxes and other experience of the participating block of policy. They have the potential to increase the value of your policy above the guaranteed amount, depending on the Dividend Option selected. There are five Dividend Options to choose from.

² Universal life is a participating policy of the Company. While it is in force, the policy is eligible for ownership dividends. These dividends may be paid based on the overall earnings of the Company and when the Company has a strong capital position at the time and into the foreseeable future. Ownership dividends are paid at the discretion of the Board of Directors. Dividends are not guaranteed. The policy is not eligible for experience dividends.

NOTES: For full product details, please refer to the Advisor Guides found on the product pages on EquiNet[®]. While Equitable Life has made every effort to ensure the accuracy of the information presented here, the policy contract governs in all cases. This information is not a substitute for legal, tax, investment or other professional advice. It is intended for advisor use only.

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Questions? Contact your Equitable Life Regional Sales Manager.