

Whole Life Products Resource Guide

About This Guide

Navigating the Guide

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Introduction

The *Whole Life Products Resource Guide* provides a comprehensive examination of the Whole Life Suite, including Family and Enhanced products:

Whole Life > Family

Whole Life > Enhanced – Ascend

Whole Life > Enhanced – Estate

Whole Life > Enhanced – Head Start

If the information for both products is the same, the guide heading indicates “Whole Life > Family and Enhanced Products.” If the information for these products varies, the guide differentiates with headings indicating “Whole Life > Family Product Only” or “ Whole Life > Enhanced Product Only”.

The insurance plans described in this Guide are offered and issued by Co-operators Life Insurance Company (CLIC).

Whole Life Plans

Whole Life > Family

This permanent plan of insurance provides guaranteed insurance protection for the whole of a person's life, with guaranteed cash values starting after 5 years (in year 6). The policy qualifies for dividends depending upon Company results. Premiums are guaranteed and level. This plan is available in Life-Pay and 20-Pay versions; 20-Pay has premiums payable for 20 years, and Life-Pay has premiums payable until maturity.

Whole Life > Enhanced

This permanent plan of insurance provides guaranteed insurance protection for the whole of a person's life, with guaranteed cash values starting after 2 years (in year 3). The policy qualifies for dividends depending upon company results. Premiums are guaranteed and level. This plan is available in Single Life Life-Pay, Single Life 20-Pay, and Joint Last-To-Die versions. The Whole Life Enhanced product can be presented as different versions, including Ascend, Estate, and Head Start; however, the product features are identical. Head Start is used if the life insured is below age 18.

Responsibility[®] and Responsibility PLUS[®]

Responsibility and Responsibility PLUS are permanent plans of insurance but they do **not** qualify for dividends. These products are appropriate for older clients who do not want the inconvenience and intrusion of medical examinations in the purchase of a modest amount of life insurance intended to meet their final obligations or responsibilities.

Refer to the *Responsibility Products Resource Guide* for more information on these plans.

Sample Contracts

Base plan, rider and benefit sample contracts are available by selecting *Policy Contracts* from the *Product Resources* menu on the LIFE Pages.

Minimums and Maximums

Number of Lives

Whole Life > Family

This plan is available on a Single Life basis only.

Whole Life > Enhanced

This plan is available on a Single Life and Joint-Last-to-Die basis.

Death Benefit

Whole Life > Family Product Only

Upon the death of the Life Insured, the life insurance amount is paid to the beneficiary and the policy is terminated. The death benefit is free from taxation.

Whole Life > Enhanced Product Only

- Single Life: Upon the death of the Life Insured, the life insurance amount is paid to the beneficiary and the policy is terminated. The death benefit is free from taxation.
- Joint Last-To-Die: Upon the death of both Lives Insured, the life insurance amount is paid to the beneficiary and the policy is terminated. The death benefit is free from taxation.

Issue Ages

Whole Life > Family Product Only

- Life-Pay: Issue ages are between 0 and 80.
- 20-Pay: Issue ages are between 0 and 70.

Whole Life > Enhanced Product Only

- Life-Pay: Issue between insurance ages 0 and 80. Ages below 18 are considered juvenile.
- 20-Pay: Issue between insurance ages 0 and 70. Ages below 18 are considered juvenile.
- Joint Last-To-Die: Issue between Equalized Joint Ages 18 and 80.

Maturity Age

Whole Life > Family and Enhanced Products

These plans mature at age 110 of the Life Insured.

Policy Minimums (New Policy Issues)

Whole Life > Family Product Only

- Age 0-17: \$15,000
- Age 18-54: \$25,000
- Age 55+: \$15,000

Conversions and GIOs are allowed below the minimum only at the original Term or GIO face amount.

Whole Life > Enhanced Product Only

New policy issues: \$50,000 face amount for adult policies, \$25,000 for juvenile policies.

No conversions or exercising of GIOs will be allowed to select Whole Life Enhanced below the minimum face amount.

Note that for a converted policy, if Enhanced Insurance dividends are selected, the sum of the base face amount and the Initial Enhancement Amount must be within the conversion limits for the original policy, or underwriting will be required.

Policy Maximums (New Policy Issues)

Whole Life > Family and Enhanced Products

There is a \$10,000,000 insurance amount maximum on these plans. Amounts above this limit require CLIC approval.

Premium Payments

Premium Modes

Whole Life > Family and Enhanced Products

Premiums are accepted on an annual or semi-annual basis and on a monthly Pre-Authorized Debit (PAD) basis subject to the current rules governing each mode.

Premiums

Whole Life > Family and Enhanced Products

The premium is made up of two parts: the basic premium per thousand plus a policy fee. The policy fee is a set charge added to the basic premium, which pertains to those costs that are independent of age, gender and the amount of the policy.

The policy fee is added **after** the modal premium is calculated.

Additional Deposit Option (ADO)

Whole Life > Enhanced Product Only

The ADO allows the Policyowner to purchase permanent, participating paid-up additions with an additional premium. ADO premiums are accepted from policy issue until age 85, and there is a minimum and maximum ADO premium amount.

Premiums for the coverage are flexible and can be adjusted at any time, subject to the minimum and maximum premium amounts. If the life insured fails to pay at least the minimum modal premium on any premium payment date (unless on waiver) the coverage is terminated and no further ADO premiums are accepted. Paid-up additions purchased with previous ADO premiums remain in force.

The ADO is only available if the dividend option is **buy paid-up additions** or **enhanced insurance**. The purpose of the ADO is to help the policyholder increase the death benefit, and these two dividend options are consistent with that goal.

The ADO is not available on rated cases. It is available at conversion if underwritten.

Policy Fee

Whole Life > Family and Enhanced Products

The policy fee added to the total modal premium is:

		Modal Factor
Annual Mode	\$75.00	N/A
Semi-Annual Mode	\$39.00	.52
Monthly (PAD) Mode	\$6.75	.09

Premium Rate Bands/Volume Discounts

Whole Life > Family Product Only

- Minimum Face Amount* - \$99,999
- \$100,000 - \$249,999
- \$250,000+

Whole Life > Enhanced Product Only

- Minimum Face Amount* - \$99,999
- \$100,000 - \$249,999
- \$250,000+

The premium rate per thousand varies by band.

*Minimum face amount varies between juvenile and adult policies. See Policy Minimums section.

Premium Rate Classes

Whole Life > Family and Enhanced Products

There are two premium rate classes available for policies on these plans:

A Non-Smoker is defined as a person who has not used any form of tobacco, nicotine product or nicotine substitute (including e-cigarettes or vaping) other than 12 or fewer cigars within 12 months prior to the date of the application.

- Individuals who use marijuana without tobacco are considered non-smokers.

If a Micro-Urinalysis (MU) is an Age and Amount Requirement (AAR), it must be free of cotinine (nicotine) at time of underwriting.

Regular rates apply to all other lives to be insured.

*Non-Smoker (ages 18 and up)

Dividends

Whole Life > Family and Enhanced Products

These plans are participating and the Policyowner will receive dividends as determined by CLIC.

The actual dividends payable will be based upon actual experience with respect to mortality, interest earnings on investments, and expenses. The illustration system projects dividend values for the insurance amount quoted up to the maturity age of the plan. These values are illustrative only and are not guaranteed.

Riders and Supplementary Benefits

Riders

Whole Life > Family and Enhanced Products

Versatile Term Rider

- The Versatile Term (VT) Rider provides a level amount of insurance for a temporary period in addition to the insurance amount under the Whole Life coverage.
- VT coverage expires at the rider anniversary nearest age 85 and can be converted up to age 70.
- The minimum issue age is 18; the maximum issue age equals 85 less the level term duration.
- There are five Non-Smoker and two Smoker rate classes available for sum insureds of \$500,000 or more.
- VT is available as a rider on the Life Insured (either Life Insured for Joint Last-To-Die).
- This rider is available both at issue and after issue on a single life basis.
- The same Life Insured may have multiple VT coverages on the same policy. At issue, up to two coverages only on each Life Insured are allowed, but more can be added after issue. Two or more coverages for the same Life Insured and with the same term duration cannot be issued at the same time.
- Refer to the *Mortgage Guard Resource Guide* for more information on this rider.

Child Rider

The Child Rider provides for a level amount of insurance on the lives of the insured children for a temporary period. Refer to the *Children's Products Resource Guide* for more information on this rider.

Supplementary Benefits

Whole Life > Family and Enhanced Products

Guaranteed Insurability Option (GIO)

Description

- This benefit guarantees that a new individual life insurance policy on the Life Insured may be purchased, without evidence of insurability, on each of a series of option dates.
- The benefit and premium payments terminate upon the expiry of 30 days from and excluding the last of the regular option dates or upon lapse, surrender or termination of the basic policy.
- This benefit is available only at issue on a single life basis

Option Dates

- The option dates are the policy anniversaries at which the Life Insured's attained age nearest birthday is 25, 28, 31, 34, 37, 40 and 43.
- The right to purchase a new policy must be exercised within 30 days from and excluding an option date.

Alternate Option Dates

- Under the GIO benefit, the Policy Owner can also exercise a future option during the 90 day period following these events:
 - the marriage of the Life Insured;
 - the live birth of each child of the Life Insured; and
 - the legal adoption of each child adopted by the Life Insured.
- These dates are called alternative option dates and exercising the right to purchase a new policy cancels the option right of the following effective regular option date.

GIO Provisions

- The issue ages are 0 to 38 on single life permanent plans and 16 to 38 on term plans.
- GIO is not issued on rated policies, except on policies where an aviation, occupational and/or avocation rating of \$3.00 or less per thousand applies. Any ratings and/or exclusions on policies will carry forward to any new policies purchased under the GIO.
- **The minimum** option amount is \$10,000.
- **The maximum** option amount, whether issued as a benefit under one or more policies, is the **lesser** of \$50,000 or the basic plan amount under the policy. The option amount of \$50,000 is the **maximum** available on any one life under all policies.
- In the event of a Disability Premium Waiver (DPW) claim, if the coverage to which the GIO is attached includes a DPW benefit, then the GIO portion of the premium will also be waived.

Application Process to Exercise a GIO Option

- Complete the electronic GIO application and collect the initial premium for the new policy or rider.
- If the application is in accordance with an alternative option date, legal evidence of the marriage, birth or adoption must be submitted.
- The new policy or rider may be on any of CLIC's regular plans or Versatile Term Riders. If the new policy or rider is a Versatile Term product, the rate class for the new policy or rider will be determined by CLIC's then governing rate classes (only N4 or S2 are available without full underwriting). The new policy or rider does not need to be identical to the original policy.
- The total coverage provided by the new policy or rider may not exceed the option amount.
- The new policy must meet minimum sum insured rules for the plan or rider selected.
- The policy years under the new policy or rider will measure from the option date, and the initial premium is due as of the option date. The premium for the new policy or rider will be those of CLIC in effect at its date of issue at the then attained age (nearest birthday) of the Life Insured in accordance with the risk classification at the date of issue of this provision. The new policy or rider will contain all the restrictions included in the policy of which the GIO rider is part. Payment of the first premium of the new policy or rider must be before the expiry of 30 days from and excluding the option date.
- On the issue of a new policy or rider, CLIC reserves the right to require evidence of the Life Insured's date of birth.

Accidental Death Benefit (ADB)**General**

This benefit provides for the payment of an amount additional to the basic sum insured when death has resulted from injury sustained by accidental means. The injury must have occurred prior to the policy anniversary nearest age 70 and death must have resulted within 90 days of the injury.

Maximum Amount

The amount insured under this benefit cannot be greater than twice the basic plan amount of insurance (no credit may be given for riders).

The maximum amount of this benefit that may be issued on **any one life** by CLIC is \$50,000 for ages 2 to 17 and \$150,000 for ages 18 and over. Included in the maximum are any direct ADB amounts and any ADB on Responsibility products.

Minimum Amount

The minimum amount is \$10,000.

Premiums

The additional premium required is available in the illustration packages. Premiums are payable for the same term as the basic plan or until the policy anniversary nearest age 70, whichever is the shorter term.

Exclusions

This benefit does not cover death arising from:

- insurrection, war or armed conflict or armed aggression or an act or hazard of war or armed conflict or armed aggression;
- service in the naval, military or air force of any country, combination of countries or international organization at war, whether war be declared or not;
- travel or flight anywhere, (a) in any species of aircraft of any armed force except solely as a passenger having no duties on or relating to such aircraft of flight, or (b) as a student pilot, pilot or officer or other member of the crew in any species of aircraft, or (c) in any species of aircraft for training, testing or experimental purposes (descent from any species of aircraft in flight shall be deemed to be part of such flight);
- suicide or self-inflicted injuries, whether sane or insane;
- any drug, poison, gas or fumes, voluntarily or otherwise taken, administered, absorbed or inhaled, other than as a result of an accident arising from a hazard incident to the Life Insured's occupation.
- committing, attempting or provoking an assault or criminal offence; or
- driving a vehicle with alcohol in the blood in excess of 80 milligrams per 100 milliliters of blood. A "vehicle" means a vehicle that is drawn, propelled or driven by any means other than muscular power.

Special Note

- This benefit will not be offered to certain borderline risks which may be granted insurance; such as applicants with a poor driving record.
- This benefit is not available on business insurance cases.
- This benefit is not available on Joint-Last-to-Die cases.

Disability Premium Waiver (DPW)**General**

This benefit provides that, after the Life Insured (either Life Insured for Joint-Last-To-Die) has been **totally disabled** for a period of not less than six consecutive months, **premiums that have become due** and are paid during the period of "total disability" will be reimbursed, and/or **future premiums falling due** under the policy will be waived during the continuance of "total disability." The total disability must have commenced prior to the policy anniversary nearest age 60. The benefit expires when the Life Insured reaches age 60 (Both DPW riders expire at insurance age 60 of the older Life Insured for Joint-Last-to-Die policies).

Premiums for the Additional Deposit Option (ADO), if applicable, are waived during the period of disability, but no additional paid-up additions will be purchased. The insured may elect to resume ADO premiums at any time while on waiver.

"Total disability" and "totally disabled" mean such a stage of incapacity resulting from bodily injury or disease as shall wholly prevent the Life Insured from engaging in any occupation and from performing any work for remuneration or profit.

Eligibility

DPW is available to persons who meet the health and age qualifications:

- health qualifications – on two lives, both lives must qualify; and
- age qualifications – at issue, from insuring age 18 to insuring age 55 (on two lives, both lives must qualify).

Premiums

- The additional premiums required for this benefit are available in the illustration packages. Premiums are payable for the same term as the basic plan and/or rider or until the policy anniversary nearest the Life Insured's 60th birthday (older of the Life Insured's 60th birthday for Joint Last-To-Die), whichever is the shorter term.
- If the basic policy contains a VT Rider(s), a disability benefit premium is charged for both the basic plan and the Rider.

Exclusions

Premiums will not be waived if total disability results directly or indirectly from, or is associated with:

- self-inflicted injuries while sane or insane;
- civil disorder, war or act of war whether declared or not;
- aircraft accident unless the Rider Insured was traveling as a passenger having no duties on, or relating to, the aircraft for flight; or
- service in the armed forces of any country, combination of countries or international organization at war, whether war is declared or not.

If the basic policy contains the DPW benefit, this benefit provides waiver of premiums for ADB, GIO and Child Rider at no additional DPW premium.

If the basic policy contains a VT Rider(s), a disability benefit premium is charged for **both** the basic plan and the rider.

Special Notes

- This benefit is available provided all lives to be Insured are employed for compensation either on a **full- or part-time basis** or are attending a recognized institution of learning on a full-time basis, or are a homemaker.
- The benefit will not be offered to certain risks which may be granted insurance, but where there is an increased morbidity risk, such as applicants with a history of back problems or those currently on disability payments. This benefit is not available to children under insurance age 16. Insurance age is defined as the Insured's age nearest birthday.

Automatic Waiver of Premium on Owner's Death or Disability**General**

This benefit provides that on the death or total disability of the owner of a child's policy prior to the policy anniversary nearest the owner's 60th birthday, the premiums falling due after such death or disability and prior to the policy anniversary nearest the child's 21st birthday will be waived. The inclusion of the benefit is subject to satisfactory evidence of the insurability of the Policyowner. CLIC may request medical evidence to determine eligibility.

"Total disability" and "totally disabled" means that disability is caused by accident or sickness while this additional benefit is in force and:

- a) Lasts continuously for six or more consecutive months; and
- b) Prevents the Policyowner from working for wages or profit in any occupation.

Premiums

The additional premiums required for this benefit are available in the illustration packages. Premiums are payable to the earlier of the policy anniversary nearest the Policyowner's 60th birthday and the policy anniversary nearest the Life Insured's 21st birthday.

Exclusions

This benefit does not cover death or disability arising from:

- Self-inflicted injuries while sane or insane;
- Civil disorder, war or act of war whether declared or not;
- Aircraft accident unless the Policyowner was a passenger having no duties on or relating to the aircraft in flight; or
- Service in the armed forces of any country, combination of countries, or international organization at war, whether declared or not.

Special Notes

- This benefit is available provided all lives to be Insured are employed for compensation either on a **full- or part-time basis** or are attending a recognized institution of learning on a full-time basis, or are a homemaker.
- The benefit will not be offered to certain risks which may be granted insurance, but where there is an increased morbidity risk, such as applicants with a history of back problems or those currently on disability payments.

Risk Selection Criteria

Backdating/Age Conservation

Whole Life > Family and Enhanced Products

To accommodate mortality cost age conservation, the policy is issued with an effective date based on the date required to conserve the last age of the applicant. When the application is approved for issue, CLIC will advise of the one-time payment amount required to pay premium arrears.

Age conservation for these policies is subject to the following conditions:

- The age conservation date is not more than 10 months ago.
- The age conservation date is not prior to the introduction of a new product.
- The one-time payment is submitted prior to issue and does not form any part of the contract.
- The one-time payment is included in the financial advisor's compensation.

Temporary Insurance Agreement

Whole Life > Family and Enhanced Products

The Temporary Insurance Agreement (TIA) **is not** to be issued and **no premium** is to be accepted if:

- any Life to be Insured answers yes to any of the questions on the Temporary Insurance Application;
- the financial advisor has reason to believe any Life to be Insured is not a good risk for health or any other reason;
- the total amount applied for with CLIC on any Life to be Insured exceeds \$2,000,000; or
- the Life to be Insured is age 66 or older.

Special Considerations for Age 71-80 Applications

Whole Life > Family and Enhanced Products

Medical Requirements

All cases are to be submitted to New Business Services (NBS) on a trial application basis. After completion of the telephone interview, the application will be assessed and the medical requirements then established. This will allow us to maximize both client convenience and risk selection dollars.

Temporary Insurance Agreement

All applications are to be submitted on a cash on delivery (COD) basis and the TIA is not to be issued.

Financial Underwriting

Financial advisors should send in a cover memo with the application providing the following information:

- the purpose for the insurance;
- the net worth and what it is comprised of;
- how the amount of insurance was calculated;
- the sources of all income; and
- all insurance in force with CLIC and other companies.

Enhanced Insurance Dividend Option

If the Enhanced Insurance dividend option is selected, the Initial Enhancement Amount should be included in the sum insured to determine AARs.

Refer to the *Field Risk Selection Guide* for more information on Risk Selection Criteria, Financial Underwriting Requirements and completion of cover memos.

Cash Accessibility

Policy Cash (Surrender) Value Definition

Whole Life > Family and Enhanced Products

The policy contract lists a table of guaranteed cash values. These amounts are available upon full policy surrender, or on a pro rata basis upon a decrease of face amount.

Any paid-up additions purchased with dividends or ADO premium also generate cash value.

Policy Loans

Whole Life > Family and Enhanced Products

Policy loans are available. If the loan is not repaid, the amount owing is reduced from the death benefit.

Dividend Options

Whole Life > Family and Enhanced Products

There are six dividend options available, as described below. At issue, all options are available except reduce loan, which is only available if there is an outstanding loan balance.

Note: A change from one type of dividend option to another is permitted; but a policyholder cannot switch their dividend option to Enhanced Insurance after issue. They may switch from Enhanced Insurance to another dividend option.

Cash Dividend

The declared dividend will be paid out automatically to the Policyowner by cheque when declared.

Accumulate

The declared dividend will be retained by CLIC and will accumulate, at interest, for the Policyowner. They may be withdrawn at any time.

Paid-Up Additions (also known as Bonus Additions)

The declared dividend is used to purchase an additional amount of coverage on the Whole Life plan. This additional amount of Whole Life insurance is fully paid-up (i.e., a single premium purchase).

Reduce Premiums

The declared dividend is used to reduce the amount of the next premium due under the policy. This option is not available on any policy that has a monthly premium payment (i.e., PAD).

Enhanced Insurance

Available as a dividend option on Whole Life > Enhanced only. Not available on substandard cases.

Under this option, dividends are used to buy a combination of one-year term (OYT) and paid-up additions (PUA). The sum of OYT and PUA is called the enhanced insurance amount, or **Enhancement Amount**. On death, the OYT and PUA are added to the face amount as part of the death benefit.

The Policyowner selects the Initial Enhancement Amount at issue, up to a maximum rate that varies by age, sex, rate class, and face amount. The Initial Enhancement Amount in the first policy year is made up entirely of OYT and is paid for as part of the normal premium. At the first policy anniversary, any dividend is used to purchase a combination of OYT and PUA that add up to the Initial Enhancement Amount. At each subsequent policy anniversary, the OYT from the previous year expires, but the PUA remains in force. A new OYT amount and additional PUA are then purchased with each new dividend.

In early policy years the dividend will purchase mostly OYT, but over time, the proportion of OYT decreases and the proportion of PUA grows until it is equal to the Initial Enhancement Amount. This is called the **crossover point**. After the crossover point has been reached, the dividend is used to purchase only PUA and the Enhancement Amount begins to increase.

The timing of the crossover point depends on the dividend scale and is not guaranteed. If the dividend scale is greater than anticipated in pricing, the crossover point will be reached sooner. If it is lower, then the crossover point will be reached later, or not at all. If the Policyowner elects the Enhanced Insurance dividend option and the ADO benefit, the paid-up additions purchased with ADO premium will cause the crossover point to be reached sooner.

The Enhancement Amount is guaranteed not to fall below the Initial Enhancement Amount for the first ten policy years. If dividends during the first ten years are insufficient to maintain the Initial Enhancement Amount, the dividend will be used to purchase as much OYT as possible and the remaining OYT will be provided at no cost to the Policyowner.

After 10 policy years, if the dividend is insufficient to buy enough OYT to provide the Initial Enhancement Amount, the dividend will be used to buy as much OYT as possible. The Policyowner will have the opportunity to pay an additional top-up premium, within 60 days of the anniversary, to buy more OYT and maintain the previous year's Enhancement Amount. If the Policyowner declines this option, the Enhancement Amount will permanently decrease. In subsequent years, the Policyowner may only top up to the previous year's Enhancement Amount. This rule is in place to avoid anti-selection.

After issue, a policyholder cannot switch their dividend option to Enhanced Insurance. However, they can switch from Enhanced Insurance to another dividend option. Enhanced Insurance is no longer available and the Policyowner must select a different dividend option if:

1. Paid-up additions are withdrawn prior to the tenth policy anniversary; or
2. One-year term is converted at any time.

Premium Offset

(For a number of years CLIC offered premium offset and in-force policies may still be using this option. This option is no longer available and has been removed from the illustration system.)

The declared dividend will be retained by CLIC and will accumulate, at interest, for the Policyowner. When the amount of the declared yearly dividend becomes equal to or exceeds the policy's annual premium, billing will stop and premiums will be paid from the accumulated dividends.

If the accumulated dividends are not sufficient to pay the premiums at any time, premium payment must re-commence.

Replacements and Group Conversions

Internal Replacements

Whole Life > Family and Enhanced Products

Replacing an existing traditional cash value life policy with a new policy is generally not in the client's best interest. Refer to the *Financial Advisor Compensation Manual* for more information on how commissions/production will be adjusted to take into account policy replacement.

Group Conversions

Whole Life > Family and Enhanced Products

When employees of most of our Group Life Insurance plans terminate employment, their conversion privilege provides that they may convert to a regular premium or dividend class Individual Life plan without evidence of insurability, providing that application is made to CLIC within 31 days of termination of employment.

To convert Group Insurance, complete a Group Life Application through E-App with your client, within the grace period, and collect the initial modal premium. The regular premium amount will be based on the client's non-smoker/smoker status, as determined by the answer to the tobacco usage question within the E-App.

Individual plans available on a Group conversion are:

- all permanent Traditional plans (non-smoker or smoker rates);
- Infinity Term (non-smoker or smoker rates);
- a Term to Age 65 plan, convertible at age 60 (non-smoker or smoker rates);
- a One Year Term plan with only smoker rates applicable (this plan is not renewable, although it may be converted to a permanent plan any time prior to expiration.); and
- Universal Life Suites Single and Multi-Life plans (non-smoker or smoker rates).

Note: Group Insurance cannot be converted as a rider on an existing policy.

Special Notes

- Conversion is subject to the issue age regulations of each individual plan.
- The issue age of the new Policy must meet the minimum and maximum for that plan.

Amount Eligible for Conversion

- Due to the termination of an employee's insurance, the sum insured will be limited to the lesser of:
 - \$200,000; or
 - the full amount of insurance at the time of termination when the right to convert is exercised, less the full amount of insurance for which the employee is eligible under a new Group contract.

Minimum Sum Insured Acceptable on a Group Conversion

If the sum insured available for conversion under the Group policy is **less** than the individual plan minimum, the lesser amount will be allowed. However, for Traditional plans, an extra \$35.00 policy fee will apply. For Universal Life, where the amount for conversion is less than the minimum, this plan is not available for conversion.

The occasion may arise where the applicant wants to include various benefits/riders in the individual policy. All such riders are subject to evidence of insurability and AARs.

Level Term to Age 65 Annual Premiums per \$1,000 – Male

Male Regular			Age	Male Non-Smoker		
Base	ADB	DPW		Base	ADB	DPW
3.40	1.26	.23	18	2.28	1.26	.23
3.42	1.21	.24	19	2.30	1.21	.24
3.44	1.15	.25	20	2.32	1.15	.25
3.52	1.09	.25	21	2.36	1.09	.25
3.60	1.04	.26	22	2.40	1.04	.26
3.68	.99	.27	23	2.44	.99	.27
3.76	.96	.28	24	2.48	.96	.28
3.84	.94	.29	25	2.52	.94	.29
3.93	.92	.31	26	2.57	.92	.31
4.03	.92	.32	27	2.62	.92	.32
4.13	.91	.33	28	2.67	.91	.33
4.24	.91	.35	29	2.73	.91	.35
4.39	.91	.36	30	2.80	.91	.36
4.55	.92	.38	31	2.88	.92	.38
4.72	.92	.40	32	2.96	.92	.40
4.91	.93	.42	33	3.05	.93	.42
5.14	.93	.45	34	3.16	.93	.45
5.41	.94	.48	35	3.28	.94	.48
5.72	.95	.51	36	3.42	.95	.51
6.06	.95	.54	37	3.58	.95	.54
6.44	.97	.58	38	3.76	.97	.58
6.86	.98	.62	39	3.95	.98	.62
7.31	.99	.67	40	4.16	.99	.67
7.79	1.00	.73	41	4.38	1.00	.73
8.31	1.01	.78	42	4.63	1.01	.78
8.86	1.02	.85	43	4.89	1.02	.85
9.46	1.02	.93	44	5.17	1.02	.93
10.10	1.02	1.01	45	5.47	1.02	1.01
10.81	1.02	1.11	46	5.80	1.02	1.11
11.56	1.02	1.22	47	6.16	1.02	1.22
12.35	1.03	1.35	48	6.54	1.03	1.35

Male Regular				Male Non-Smoker		
Base	ADB	DPW	Age	Base	ADB	DPW
13.18	1.04	1.51	49	6.93	1.04	1.51
14.03	1.06	1.69	50	7.33	1.06	1.69
14.97	1.06	1.89	51	7.78	1.06	1.89
15.91	1.08	2.07	52	8.23	1.08	2.07
16.85	1.10	2.28	53	8.67	1.10	2.28
17.79	1.12	2.52	54	9.13	1.12	2.52
18.74	1.15	2.81	55	9.58	1.15	2.81
19.90			56	10.45		
21.06			57	11.32		
22.22			58	12.19		
23.38			59	13.06		
24.54			60	13.92		
25.70			61	14.79		
26.86			62	15.66		
28.02			63	16.53		
29.18			64	17.40		

Policy Fee: Annual \$50.00 – Semi-Annual \$26.00 – Monthly \$4.50

Level Term to Age 65 Annual Premiums per \$1,000 – Female

Female Regular			Age	Female Non-Smoker		
Base	ADB	DPW		Base	ADB	DPW
1.88	.58	.26	18	1.46	.58	.26
1.90	.58	.27	19	1.47	.58	.27
1.92	.56	.28	20	1.48	.56	.28
1.98	.55	.29	21	1.49	.55	.29
2.04	.54	.30	22	1.51	.54	.30
2.10	.54	.31	23	1.53	.54	.31
2.16	.53	.33	24	1.55	.53	.33
2.22	.53	.34	25	1.57	.53	.34
2.30	.54	.36	26	1.60	.54	.36
2.38	.55	.37	27	1.64	.55	.37
2.47	.55	.39	28	1.68	.55	.39
2.58	.56	.41	29	1.73	.56	.41
2.70	.57	.43	30	1.79	.57	.43
2.83	.57	.45	31	1.85	.57	.45
2.98	.57	.47	32	1.92	.57	.47
3.14	.57	.50	33	1.99	.57	.50
3.32	.57	.53	34	2.07	.57	.53
3.52	.57	.56	35	2.16	.57	.56
3.73	.57	.59	36	2.26	.57	.59
3.96	.58	.63	37	2.36	.58	.63
4.21	.58	.67	38	2.50	.58	.67
4.48	.59	.71	39	2.63	.59	.71
4.77	.60	.76	40	2.78	.60	.76
5.08	.60	.81	41	2.93	.60	.81
5.42	.61	.87	42	3.10	.61	.87
5.77	.62	.93	43	3.27	.62	.93
6.15	.63	.99	44	3.46	.63	.99
6.55	.64	1.07	45	3.67	.64	1.07
6.97	.63	1.15	46	3.88	.63	1.15
7.43	.63	1.24	47	4.11	.63	1.24
7.90	.64	1.34	48	4.35	.64	1.34

Female Regular				Female Non-Smoker		
Base	ADB	DPW	Age	Base	ADB	DPW
8.38	.64	1.46	49	4.60	.64	1.46
8.88	.65	1.60	50	4.86	.65	1.60
9.40	.65	1.75	51	5.13	.65	1.75
9.92	.66	1.87	52	5.40	.66	1.87
10.44	.67	2.01	53	5.67	.67	2.01
10.96	.68	2.17	54	5.95	.68	2.17
11.48	.70	2.37	55	6.23	.70	2.37
12.11			56	6.84		
12.73			57	7.46		
13.36			58	8.07		
13.98			59	8.69		
14.61			60	9.30		
15.23			61	9.92		
15.86			62	10.53		
16.48			63	11.15		
17.11			64	11.76		

Policy Fee: Annual \$50.00 – Semi-Annual \$26.00 – Monthly \$4.50

One Year Term Plan Premium Rates (Only Available on a Group Conversion)

Issue Age	Male	Female	Issue Age	Male	Female
16	2.34	1.15	41	4.34	2.54
17	2.34	1.15	42	4.67	2.81
18	2.34	1.15	43	5.03	3.11
19	2.34	1.15	44	5.44	3.43
20	2.34	1.15	45	5.90	3.75
21	2.51	1.26	46	6.42	4.08
22	2.52	1.28	47	7.00	4.42
23	2.43	1.25	48	7.62	4.77
24	2.33	1.21	49	8.28	5.15
25	2.28	1.20	50	9.00	5.56
26	2.28	1.22	51	9.76	5.98
27	2.29	1.25	52	10.57	6.40
28	2.30	1.27	53	11.42	6.86
29	2.32	1.30	54	12.33	7.38
30	2.34	1.34	55	13.30	8.00
31	2.34	1.37	56	14.23	8.71
32	2.33	1.40	57	15.10	9.49
33	2.33	1.44	58	16.09	10.35
34	2.38	1.49	59	17.34	11.29
35	2.50	1.57	60	19.00	12.30
36	2.71	1.67	61	21.08	13.39
37	2.98	1.79	62	23.46	14.55
38	3.31	1.93	63	26.16	15.79
39	3.65	2.10	64	29.18	17.11
40	4.00	2.30	65	32.50	18.50

All rates are per \$1,000 annually.

Add the following policy fee to the basic premium:

- Annual \$50.00 – Semi-Annual \$26.00 – Monthly \$4.50

Note: Non-Smoker rates are not offered on the One Year Term plan.

Commission Adjustments - New Policy Replacing Terminated Policy

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Refer to the *Financial Advisor Compensation Manual* for more information on how commissions/production will be adjusted to take into account the commissions/production paid on the terminated (includes cash surrender, lapse and automatic premium loan surrender) policy when a new policy replaces the terminated one.

Commission Adjustment - Terminations with a History of a Newly Issued Policy

Whole Life > Family and Enhanced Products

Refer to the *Financial Advisor Compensation Manual* for more information on how commissions/production will be adjusted when a policy is terminated (includes cash surrender, lapse and automatic premium loan surrender) and there is a history of a policy issued within six months of the termination date.

Miscellaneous

Policy Ownership

Whole Life > Family and Enhanced Products

All right, title and interest in the policy rest with the Policyowner(s). All dealings with the policy are at the sole discretion of the Policyowner(s).

Participating

Whole Life > Family and Enhanced Products

These policies are participating and the Policyowner will share in divisible surplus as determined by CLIC.

Reinstatements

Whole Life > Family and Enhanced Products

If insurance coverage lapses, it can be reinstated within three years, if we receive:

- completed Sections 1, 3, 4, 5, 6 and 7 of *LSR005* covering each Life to be Insured under the lapsed policy, and the appropriate AARs;
- medical evidence with respect to each Life to be Insured under the lapsed policy automatically required where such evidence would be required with respect to a new application;*
- payment of the amount that would have been required to have kept the policy in force since the lapse date;
- payment of an amount sufficient to keep the policy in force for at least the three month period commencing on the date of reinstatement; and
- any applicable interest charges on back premium.

*The evidence costs for the first reinstatement usually will be paid by CLIC. For subsequent reinstatement, evidence costs from the same policy must be paid by the client. However, there are some exceptions. Refer to the *Field Risk Selection Guide* for information on Medical Fees at Applicant's Expense.

Contact the Individual Life Actuarial department for a reinstatement amount illustration.

Annual Statements

Whole Life > Family and Enhanced Products

The annual statement provides the client with up-to-date information on their insurance program. It is produced yearly on the policy anniversary date, and is sent to the servicing financial advisor and Policyowner.

Contestable Period

Whole Life > Family and Enhanced Products

The standard contestable period of the first two policy years applies. In the case of fraud, the policy may be contested at any time.

Grace Period

Whole Life > Family and Enhanced Products

Thirty-one days of grace are allowed for payment of each premium except the first. During this time, the policy will stay in force. If the Life Insured dies during this time, any premium due but unpaid will be deducted from the amount payable.

Assignments

Whole Life > Family and Enhanced Products

The Policyowner may assign the policy. CLIC will not be responsible for any assignment until it is received in writing at CLIC's head office.

Automatic Non-Forfeiture Options Provision

Whole Life > Family and Enhanced Products

Automatic Premium Loan

The automatic Non-Forfeiture Option (NFO) provision for policies with dividends on deposit and/or cash values is Automatic Premium Loan. Under this provision, the premium due will be paid by withdrawing it from the dividends on deposit. If the premium cannot be paid with the dividend in this method, it will be advanced as a loan against the cash value of the policy. ADO premiums will not be paid by Automatic Premium Loan.

Extended Term Insurance

This option is no longer available on new policies, but there is older business with an NFO option of Extended Term Insurance (ETI). Under this provision, the premium due will be paid by withdrawing it from the dividends on deposit. If the premium cannot be paid with the dividend, then the cash value purchases a form of paid-up insurance for the basic plan amount (less any outstanding policy loan), but only for a limited period of time. All supplementary benefits and riders cease when a policy is continued on extended insurance.

Assuris Coverage

Whole Life > Family and Enhanced Products

Death Benefits Coverage

Assuris will guarantee up to \$200,000 or 85% of the promised death benefit, whichever is higher. Any benefits with the policy will continue.

Cash Value Coverage

Assuris will guarantee up to \$60,000 or 85% of the cash value, whichever is higher.

Accumulated Value Coverage

For each category of coverage, total accumulated value benefits are fully covered up to \$100,000.

If total benefits in any category of coverage exceed this amount, Assuris will ensure the Policyowner receives at least \$100,000.

Note that Assuris has rules concerning combining coverages, and financial advisors will be referred to the Assuris publications/website.

For information about policy benefits, financial advisors should refer to www.assuris.ca.

Policy Changes

Increases in Insurance Amounts

Whole Life > Family and Enhanced Products

The new policy is subject to full underwriting and current age.

Decreases in Insurance Amounts

Whole Life > Family and Enhanced Products

Decreases are allowed, subject to minimums. Use Sections 1, 7 and 8 of the Application for Policy Change and/or Reinstatement of Life/Health Insurance Form (LSR005) to request.

Change from Smoker (Regular) to Non-Smoker

Whole Life > Family and Enhanced Products

A change in rate class is allowed for:

- Smoker to Non-Smoker; and
- possible removal of extra table ratings or flat extras.

A change to the Non-Smoker rate class will be effective as of the current date, but the original policy age and date will be retained. This will necessitate the following requirements:

- Application for Policy Change and/or Reinstatement of Life/Health Insurance Form (LSR005): Section 1, 3, 4, 5, 6 and 7; and
- For face amounts of \$500,000 or more an Orasure Saliva Test is required. For face amounts less than \$500,000, an Orasure Saliva test is not required.

Note:

- The client must meet our current Non-Smoker definition (i.e. not used any form of tobacco, nicotine product or nicotine substitute (including e-cigarettes or vaping) other than 12 or fewer cigars within 12 months prior to the date of the application).
- The Underwriting Department will review the evidence received and additional medical evidence may be required to assess the risk.
- Any additional evidence will be at the client's expense with reimbursement available only if Non-Smoker rates are approved.
- In general, if the mortality risk has increased (i.e., client is now rateable), changing to Non-Smoker rates will not be to the client's advantage and is therefore not available.
- The change to a Non-Smoker rate will not result in any refund or credit for the higher Smoker rates paid up to the effective date of the change.