

Term 20 – Fact sheet



20-year renewable term to 75, convertible to 65 (term 20)

Description:

Term 20 is a lot like existing critical illness insurance term 10 coverage, in terms of product features and conversion details. Its official name is 20-year renewable term to 75, convertible to 65, but we'll refer to it as term 20 within this document.

Issue age: 18-54

Base coverage amount: \$10,000 to \$3 million

Premium payment amounts: Renew every 20 years until the policy expires

Available additional benefits (riders):

- Loss of independent existence
- Return-of-premium at death
- Second event
- Disability waiver of premium

Conversion details

Converting to term 20

If a client bought a term 10 plan May 25, 2020 or afterward, they can convert to a term 20 plan within the first five years, assuming they're between ages 18-54.

Exclusions:

- If a client bought their term 10 policy before May 25, 2020, they can't convert to term 20.
- If their term 10 policy (purchased May 25, 2020 or after) has either the return-of-premium at expiry additional benefit (rider), or the return-of-premium at withdrawal or expiry additional benefit (rider), a client can convert to a term 20 policy. However, they'll lose their accumulated paid premium when they do so.

Converting from term 20 to another plan

Clients can convert from term 20 to:

- Level term-to-age 75 up to and including age 65. Level term-to-age 100 up to and including age 55.
- They can also convert any of the following additional benefit (riders), assuming a client is within eligible age limits:
 - Disability waiver of premium
 - Loss of independent existence
 - Return-of-premium at death
 - Second event

For complete details on term 20, additional benefits or general critical illness insurance information, see the [LifeAdvance™ advisor guide](#).

Target clients

Term 20 critical illness insurance can benefit almost anyone in their working years, particularly if they need temporary coverage that lasts for about 20 years. This can help with needs such as mortgage protection, child education costs, support for dependents or business requirements.

It's also good for clients who:

- Want affordable critical illness insurance coverage.
- Aren't sure what life may throw at them, so they need flexibility and options before they commit to a longer policy (for example, permanent critical illness insurance coverage).
- Want to lock in their insurability while they're still young and healthy. This means even if their health changes, they have critical illness insurance coverage and, in most cases, they won't need to provide medical evidence to convert their coverage to a longer duration.

For help on how to talk to clients about critical illness insurance, check out *Opportunities with critical illness insurance*. It's an in-depth resource with plenty of information about critical illness insurance, as well as scenarios and client scripts.

Consider the specific needs of the following groups:



Young families who are just starting to save for longer term goals (education fund, retirement, etc.)



Business owners



Mid or peak career persons



New career graduates starting professional careers