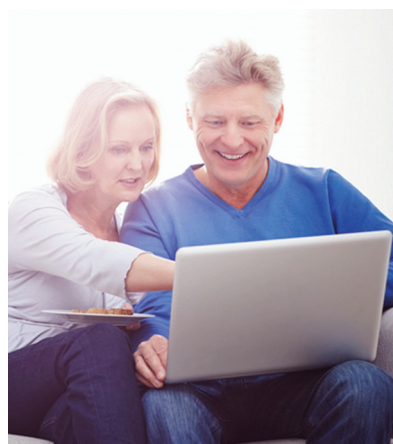


PARTICIPATING LIFE INSURANCE

ESTATEMAX[®] & OPTIMAX WEALTH[™]
PRODUCT GUIDE

Planning Your Future



Insurance & Investments
Simple. Fast. Easy.[®]



Whether your needs are focused on Wealth Accumulation or Estate Planning, Empire Life has the right Permanent Participating Life insurance plan for you!



PARENTS & GRANDPARENTS

Parents & Grandparents looking to provide life insurance protection and a source of funds that could be used for post-secondary education, starting a business or buying a home, etc.



YOUNG FAMILIES

Young families looking for affordable, permanent life insurance protection and long term cash values.



SMALL BUSINESS OWNERS

Small Business Owners who need life insurance protection and may need access to cash values in the early years



INDIVIDUALS PLANNING TO RETIRE

Individuals planning to retire soon who are looking for life insurance protection with early cash accumulation



RETIREEES

Retirees interested in estate preservation and/or leaving a legacy for families or a specific charity

Which of our Participating Whole Life Insurance products is best for your client?



OPTIMAX WEALTH™

Optimax Wealth is designed for individuals:

- looking for higher cash values in the first 20 years
- planning to retire soon and want access to cash values
- who own a business and want to add an asset to their business that offers life insurance protection and flexibility when accessing cash values
- want to accumulate funds to help their children or grand children pay for post secondary education, start a business, buy a home, etc.



ESTATEMAX®

EstateMax is designed for individuals:

- who want to build wealth through long term cash values
- who want to provide affordable permanent life insurance protection for their families
- focused on increasing life insurance coverage for estate planning purposes
- who want access to cash values in the long term for future retirement income

CUSTOMIZE THE COVERAGE TO FIT YOUR CLIENTS LIFESTYLE

PRODUCT DETAILS

Premium Options

Optimax Wealth 8 Pay & EstateMax 8 Pay – Premiums payable for the first 8 years (then coverage is fully paid-up)

Optimax Wealth 20 Pay & EstateMax 20 Pay – Premiums payable for the first 20 years (then coverage is fully paid-up)

Optimax Wealth 100 & EstateMax 100 – Premiums payable to age 100 (then coverage is fully paid-up)

Issue Ages

0 – 75 (age nearest)

Minimum Basic Coverage

Age	Minimum Basic Coverage
0 – 17	\$10,000
18 – 65	\$25,000
66+	\$10,000

Premium Bands

There are no premium rate bands on this product.

Administration Fee

The annual Administration Fee is \$50.00



Method of Payment

Premium payments can be made on a monthly basis using pre-authorized debit, or paid annually.

Guaranteed Cash Surrender Values

All Optimax Wealth and EstateMax policies include a schedule of guaranteed cash surrender values. Guaranteed cash surrender values start at the end of:

- EstateMax – the 4th policy year
- Optimax Wealth – the 1st policy year

Tip: Participating life insurance Joint First to Die coverages cannot be split after the first policy anniversary.

Joint-life Coverages (2 Lives)

Coverage available on either a Joint-First Death or Joint-Second Death basis. The Joint First Death coverage contains survivor and policy exchange options that provide the survivor with insurance after the first death.

Smoker Rates

A smoker is considered someone who, in the past 12 months, has used more than 12 large cigars, or used any other tobacco, cigarette, e-cigarette, cigarello, a pipe, chewing tobacco, nicotine patches or gum or betel nuts.

Juvenile Policies

For life insureds less than insurance age 18, Optimax Wealth and EstateMax Policies use “Juvenile” rates.

DIVIDENDS THE POWER BEHIND EMPIRE LIFE PARTICIPATING LIFE INSURANCE PLANS

Empire Life determines, each year, whether to declare dividends and the amount of any dividends to distribute to its participating policy owners. The then current dividend scale for a product determines the dividend amount to be distributed to each policy owner on the policy anniversary. Dividends are not guaranteed and the dividend scale may change annually based on a number of factors such as our operating expenses, return on investments, and the costs of paying out death benefits. Any dividend, once declared cannot be taken back.

Optimax Wealth & EstateMax dividends are calculated for each life insured based on age, sex, smoking status, coverage amount and the duration of the policy. Dividends are expressed as a rate/1000.

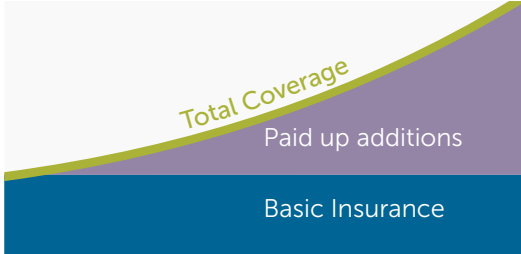
Optimax Wealth & EstateMax offers a choice of five different dividend options. These options give policy owners flexibility with how a dividend is used. The dividend option can be changed by written request from the policy owner, subject to some limitations. Only one dividend option for the policy can be elected at any time.

DIVIDEND OPTIONS

The following examples demonstrate policy performance based on the dividend option indicated and our current dividend assumptions. They are not intended to reflect values for a specific client and may not reflect actual policy performance, which depends on a number of factors, including the dividends declared on the policy, changes made to the policy and withdrawals from the policy.

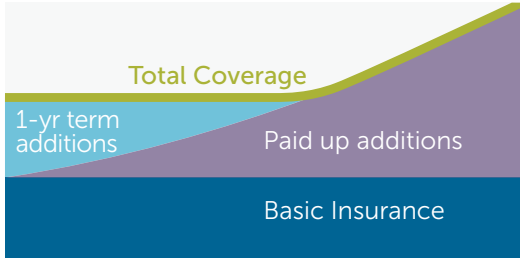
Paid-Up Additions

Dividends are used to buy more participating life insurance on the life or lives insured. This additional participating life insurance (“paid-up additions”) earns dividends and cash values, and is paid-up, which means once it is purchased, no premium payments are required to keep it in force.



Enhanced Coverage

Dividends are used to buy one year term life insurance (“term additions”) on the life or lives insured up to the maximum amount of term additions that is permitted. Any excess dividends will be used to purchase paid-up additions. Term additions do not earn dividends and terminate one year after being purchased.



If the total of all paid-up additions equals or exceeds the Enhanced Coverage Amount, no more term additions can be bought and all future dividends will only be used to buy paid-up additions.

Cash Accumulation

Dividends are deposited into an account that will earn interest compounded annually at a rate set by Empire Life from time to time. The interest rate will never be less than 0%. The policy owner will have to report the interest earned on this account on the policy owner’s income tax return and may have to report some or all of the dividends deposited into this account on the policy owner’s income tax return. When the policy terminates due to the death of a life insured, any accumulated value in the Cash Accumulation account is paid to the beneficiary.

Annual Premium Reduction

Each dividend is applied towards the next annual premium due on the policy and any deficiency is paid by the policy owner. If the dividend exceeds the next annual premium due, the excess will be applied to the Cash Accumulation option.

Cash Payment

Each dividend is paid to the policy owner in a single lump sum. The policy owner may have to report all or a portion of the dividend on the policy owner’s income tax return.

LIFETIME GUARANTEE FEATURE[†] — DEATH BENEFIT WILL NEVER DECREASE, PREMIUMS WILL NEVER INCREASE

Lifetime Guarantee

The Enhanced Coverage option includes a Lifetime Guarantee, which guarantees that, regardless of the dividend performance, the amount of one-year term life insurance (“term additions”) plus the amount of any paid-up additions on the life insured will never be less than the Enhanced Coverage Amount for the life insured if the following conditions are met:

- The coverage remains in force and the dividend option does not change; and
- The policy owner does not surrender any paid-up additions for cash or to pay premiums; and
- The basic insurance for that life insured does not change; and
- No conversion of any term additions and policy has not changed to a paid-up policy

Maximum Enhanced Coverage Amount

- Policyowners may select any amount of Enhanced Coverage for a life insured up to the maximum amount allowed.
- The maximum amount of Enhanced Coverage is based on the age, gender, smoking status and basic coverage of the applicable life insured.

Conversion on Enhanced Coverage

- Term additions are convertible to permanent life insurance coverage*. When this occurs, an available dividend option other than Enhanced Coverage must be chosen for future dividends unless satisfactory evidence of insurability is provided.
- Conversion is allowed up to insurance age 75.
- Joint policies must convert to a similar joint coverage.

* Current permanent life insurance products that qualify for conversion are: Solution 100, Optimax Wealth and EstateMax.



Side Account (non-exempt)

Optimax Wealth & EstateMax allow payments to be made to an account attached to the policy to fund future premium payments. With this feature, called the **Side Account**, funds can be put in the side account at any time (subject to certain limits) to fund premiums that come due in the future. These funds do not receive tax-preferred treatment and the interest earned is taxable income and should be declared on the policy owner's income tax return.

Additional funds can be used to cover;

- Base premiums required under the policy
- Policy administration fees
- Premiums for added riders and benefits

Funds in the Side Account will earn interest on a daily basis using a favourable interest rate as determined from time to time by Empire Life. Interest will be paid on the policy anniversary.

A request can be made to withdraw funds at any time without fees or penalty. If the policy terminates due to death of the life insured, the Side Account funds will be paid to the beneficiary. If the policy terminates for any other reasons, these funds will be paid to the policy owner.

Maximum Deposit

Maximum Deposit Amount = (Total Annual Premium) X (100 - Youngest Insurance Age)

[†] Subject to certain conditions being met. See policy contract for details.

ADDITIONAL BENEFITS

Waiver of Premium

- Issue Ages 16 – 55
- If selected must be added to all Riders and Additional Benefits.
- Does not apply to payments made to the Side Account

Payor Death and Disability

- Child, issue ages 0 – 15; Payor, issue ages 16 – 45
- If selected must be added to all Riders and Benefits.

Guaranteed Insurability

- Issue Ages 0 – 40
- Minimum option \$5,000; Maximum is the lesser of \$50,000 and the total sum insured*

Accidental Death & Dismemberment

- Issue Ages 16 – 55
- Minimum option \$10,000; Maximum is the lesser of \$250,000 and the total sum insured*

Children's Life Rider

- Issue Ages: 15 days to age 17
- Minimum Option \$1,000; maximum \$25,000

Children's Critical Illness (CI) Rider

- Family Rider that covers all eligible children to a maximum of \$50,000
- Covers 15 critical illnesses

*Total Sum Insured includes the Enhanced Coverage amount.

AVAILABLE RIDERS

- Solution ART, Solution 10, Solution 20, Solution 100
- CI Protect & CI Protect Plus
- Spousal Rider – Solution, CI Protect & CI Protect Plus

MISCELLANEOUS PROVISIONS

Policy Loans

The policy owner may obtain a loan from Empire Life, secured by the policy and the Side Account, in an amount not greater than an amount determined by Empire Life based on the cash surrender value of the policy and according to the terms set out in the policy. Outstanding policy loans will reduce payments of the cash surrender value of the policy, the accumulated value of the Cash Accumulation account, the accumulated value of the Side Account, and any death benefit payable under the policy. Interest on the policy loan will be based on a variable loan rate that is determined by Empire Life.

WEALTH ACCUMULATION OR ESTATE PLANNING, WE HAVE YOU COVERED

OPTIMAX WEALTH & ESTATEMAX

Premium Options

- 8 Pay
- 20 Pay
- Pay to 100

Coverage Options

- Single Life
- Joint First or Second Death Basis (2 Lives)

Dividend Options

- Paid-Up Additions
- Enhanced Coverage – Lifetime Guarantee
- Cash Accumulation
- Cash Payment
- Annual Premium Reduction

Side Account

- Premiums on Deposit

Full Range of Additional Benefits

- Waiver of Premium (Disability Waiver)
- Payor Death and Disability (Child's Waiver)
- Guaranteed Insurability
- Accidental Death & Dismemberment
- Children's Life Rider
- Children's Critical Illness Rider

Riders

- Solution Series plans (Term & Permanent)
- CI Protect & CI Protect Plus (Critical Illness)

The Empire Life Insurance Company (Empire Life) is a proud Canadian company that has been in business since 1923. We offer individual and group life and health insurance, investment and retirement products, including mutual funds through our wholly-owned subsidiary Empire Life Investments Inc.

Empire Life is among the top 10 life insurance companies in Canada¹ and is rated A (Excellent) by A.M. Best Company². Our mission is to make it simple, fast and easy for Canadians to get the investment, insurance and group benefits coverage they need to build wealth, generate income, and achieve financial security.

Follow Empire Life on Twitter @EmpireLife or visit our website, www.empire.ca for more information.

¹Based on general fund and segregated fund assets in Canada as at December 31, 2016 as reported in regulatory filings

²As at June 1, 2017

EstateMax 8 Pay and EstateMax 100 are participating insurance plans, which means dividends may be declared on policy anniversary. By choosing the Enhanced Coverage dividend option, each dividend is used to buy one year term life insurance up to a permitted maximum amount, which is the Enhanced Coverage amount less any PUAs. Any excess dividends are used to buy paid-up participating life insurance. This option includes a Lifetime Guarantee, which guarantees that, regardless of dividend performance, the amount of one year term life insurance plus the amount of paid-up participating life insurance will never be less than the Enhanced Coverage amount if all conditions are met. See policy contract for full details and conditions.

This case study is for illustration purposes only. It is designed to compare how an Empire Life EstateMax 8 Pay policy and an EstateMax 100 policy with Enhanced Coverage dividend option may perform. Results will vary depending on the life insured's insurance age, initial coverage amount, pay period, dividend scale used each year and life insurance premiums. Advisors should determine which payment choice is suitable for any particular client based on the client's specific circumstances and needs.

All figures and projected values shown are as of December 2016. Premium shown is based on the Empire Life coverage and life insured (standard rated) indicated. Total Coverage Amounts shown are based on the Empire Life product and life insured (standard rated) indicated and Enhanced Coverage dividend option using the current Empire Life dividend scale, which is not guaranteed. Actual amounts may be more or less than those indicated. See insurance contract for details.

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