

## Canada Life My Term life insurance

Canada Life My Term™ has the great features of our previous term products, including conversion options, premium bands, coverage amounts and streamlined underwriting guidelines, but now has the term length flexibility of selecting anything between five and 50 years.

With this product, you can now help clients select the coverage option that can be best tailored to their needs and budget. They'll pay for the specific coverage they need, for as long as they need it. And at the end of their initial term, if they need coverage for longer, our new yearly renewable term structure significantly lowers initial renewal cost increases.

We're putting clients first by making our term life insurance more customizable than ever before.

Find out more about what this product has to offer.

## Canada Life My Term product details

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### Term lengths available

- Five to 50 years (inclusive), until age 85.
- Simply Preferred term products (term 10, term 20, term 30, term-to-age 65) will be replaced by Canada Life My Term.

### Coverage options

- Single-life and joint first-to-die (based on equivalent single age approach) will continue to be available.
- Joint last-to-die (JLTD) will not be available as a Canada Life My Term product. JLTD term 10 will only be available on an exception basis.

### Term additional benefits on permanent life insurance products

- For this launch, the Canada Life My Term product will not be available as a term rider on participating life insurance (par) and universal life insurance policies.
- Term 10, 20 and 30 additional benefits will continue to be available as they are today. Pricing has been updated to align with the Canada Life My Term stand-alone product.
- Term additional benefits on par and universal life insurance will continue to renew for the same term length period as the initial term until expiry at the policy anniversary nearest the life insured's age 85.

- The non-renewable term-to-age 65 product will be discontinued as a term rider on par and universal life insurance.

### **Renewability**

- As a new feature, coverage for the Canada Life My Term product will renew yearly at end of the initial term period. Premiums in the renewal period will see a gradual yearly increase until expiry at the policy anniversary nearest the life insured's age 85.
- Renewal will continue to be automatic with no insurability evidence required.

### **Convertibility**

- Similar to today, Canada Life My Term will have conversion options available for the client:
  - Term-to-term conversion
  - Term-to-permanent conversion options
- The group conversion term-to-age 65 and group conversion one-year term, including the group conversion term pricing, will not be impacted by the Canada Life My Term product launch and will continue to be available.

### **Conversion options:**

- Term-to-term conversion to Canada Life My Term may be available if the term is converted to at least 10 years longer than the term length of the original policy, and after the first policy anniversary and before the earliest of:
  - The end of the initial term,
  - The seventh policy anniversary, and
  - The policy anniversary closest to the date the insured person reaches the maximum age eligible for the new policy
- Canada Life My Term policies may be converted to permanent insurance up to age 70 without further insurability evidence.
- For Canada Life My Term policies with an issue age of 69 and older, conversions to permanent insurance are available for the first two years after the policy date.
- Note, a signed illustration, including the Product Information Page (PIP), must be included with conversion requests to process the conversion and for commission to be paid.

### **12-month exchange**

- For policies with an issue date of April 5, 2020 to and including April 4, 2021 only the Simply Preferred term 10,20 or 30 products are available.
- For policies with an issue date of April 5, 2021 and later only the new Canada Life My Term is available.

### **Product Expiry**

- Policy anniversary nearest life insured's age 85<sup>th</sup> birthday.

### **Premiums**

- Vary by term length, age, gender, smoking status, risk class and face amount.
- Level premiums for length of initial term, with renewal rates based on yearly renewable term structure (YRT) schedule.
- Premiums for the initial term and renewal period are guaranteed, provided the coverage hasn't changed.

### **Policy fee**

- None.

### Issue age limit

<b>Single Life</b>	<b>Min</b>	<b>Max</b>
Non-smoker	18	85 minus the term length chosen by client
Smoker	15	85 minus the term length chosen by client
<b>Joint first-to-die</b>		
Non-smoker	18*	85 minus the term length chosen by client**
Smoker	15*	85 minus the term length chosen by client**

\*Applies to issue age of youngest insured.

\*\*Applies to maximum issue age of oldest insured and maximum ESA.

### Additional benefits

- The additional benefits currently available for the outgoing term products will be available for the Canada Life My Term product.

### Average rate changes by term length

- Term 10 – average premium increase of 3%.
- Term 20 – average premium decrease of 1%.
- Term 30 – average premium decrease of 2%.

This new product will be available for all advisors through paper and web applications. SimpleProtect™ continues to be the fastest application option for face amounts up to \$2 million.

## Compensation

### Key highlights

- We offer competitive compensation across all term lengths and market leading commission rates for term lengths of 15 years or more.
- First year commission will vary by term length.
- The commission payable on term additional benefits (riders) for permanent life insurance products will be the same as Canada Life My Term.
- The chargeback schedule for Canada Life My Term product will remain the same.

The following table outlines the commission rates for each term length.

<b>Canada Life My Term Proposed Compensation</b>			
<b>Term</b>	<b>FYC</b>	<b>Years 2-10</b>	<b>Years 11+</b>
<b>T5</b>	30%	3%	2%
<b>T6</b>	32%	3%	2%

<b>T7</b>	34%	3%	2%
<b>T8</b>	36%	3%	2%
<b>T9</b>	38%	3%	2%
<b>T10</b>	40%	3%	2%
<b>T11</b>	42%	3%	2%
<b>T12</b>	44%	3%	2%
<b>T13</b>	46%	3%	2%
<b>T14</b>	48%	3%	2%
<b>T15</b>	50%	3%	2%
<b>T16</b>	51%	3%	2%
<b>T17</b>	52%	3%	2%
<b>T18</b>	53%	3%	2%
<b>T19</b>	54%	3%	2%
<b>T20 - T50</b>	<b>55%</b>	<b>3%</b>	<b>2%</b>

For more compensation details, please refer to the compensation guide at launch.