

prosperity
TERM™ INSURANCE

prosperity term™ insurance Product Guide

Take care of today, while building for tomorrow.



prosperity term insurance

prosperity term insurance is both affordable and adaptable. With a variety of riders and duration credits for converting to a prosperity Universal Life™ (UL) insurance plan, prosperity term can meet the needs of a variety of clients. Please refer to our term contracts for full details.

Target market	<ul style="list-style-type: none"> • Low-cost, flexible protection for individuals, families and businesses. • Suitable for short- to medium-term insurance needs or to cover specific liabilities, such as a debt or income protection. 		
Insurance coverages		Issue amounts & ages	
Product types	<p>10-year 20-year 30-year</p> <p>All plans are renewable and convertible. 10- and 20-year terms are offered as riders on:</p> <ul style="list-style-type: none"> • prosperity UL insurance, or • prosperity term 30 with <i>SelectOPTIONS</i> 30-year terms without <i>SelectOPTIONS</i> are offered as riders on prosperity UL insurance 	Minimum issue amounts and minimum annual premiums	<p>Single life: \$50,000 sum insured and \$125 annual premium (including \$50 policy fee)</p> <p>Joint life: \$100,000 sum insured or \$500 annual premium (including \$50 policy fee)</p> <p>Term riders: same minimums as above, less \$50 policy fee (per coverage)</p>
		Policy fee	<p>\$50 annually, no extra charge for additional coverages or multiple lives</p>
Coverage options	<p>Single Life plans</p> <p>Joint Life plans</p> <ul style="list-style-type: none"> • First-to-die (up to 5 lives) <p><i>Built-in flexibility options</i></p> <ul style="list-style-type: none"> – Single Life Insurance Option: allows the joint coverage to be split into separate single life policies – Survivor Option: allows the surviving lives insured to maintain life insurance coverage – Additional death benefit: pays a second death benefit when a second death occurs within 90 days <ul style="list-style-type: none"> • Last-to-die (up to 5 lives) <p><i>Built-in flexibility options</i></p> <ul style="list-style-type: none"> – Single Life Insurance Option: allows the joint coverage to be split into separate single life policies under certain conditions <p>Multiple Life plans (up to 17 coverages)</p> <p><i>Built-in flexibility options</i></p> <ul style="list-style-type: none"> – Severance Option: allows any rider coverage under a multiple life policy to be severed from the policy and maintain the coverage independently 	Issue ages (age nearest birthday)	<p>0 to 70 (10-year) 0 to 60 (20-year) 0 to 50 (30-year)</p>
		Premium bands	<ul style="list-style-type: none"> • Band 1 - \$ 50,000 – \$99,999 • Band 2 - \$100,000 – \$250,000 • Band 3 - \$250,001 – \$500,000 • Band 4 - \$500,001 – \$999,999 • Band 5 - \$1,000,000 – \$2,499,999 • Band 6 - \$2,500,000+ <p>The amount of all single life base and rider coverages are added together to determine the sum insured band for each life insured</p>

Plan flexibility			
Convertibility	<p>Convertible to prosperity UL insurance or a successor product as deemed eligible by ivari, any time prior to the policy anniversary closest to the life insured's 71st birthday.</p> <p>Tax-Exempt Conversion Credits can effectively increase the maximum premium and the tax-exempt room in the new universal life policy.</p>	Renewable	<p>10- and 20-year: To coverage anniversary nearest age 80</p> <p>30-year: Renewable at year 30 with level premiums to age 100 with coverage for life</p>
		Payment flexibility	<ul style="list-style-type: none"> Premium Deposit Account (PDA) acts as a "just in case" premium holiday account
Method of Payment	<ul style="list-style-type: none"> Annual, semi-annual or quarterly through direct billing Quarterly or monthly through pre-authorized debit (PAD) 		
SelectOPTIONS (available with prosperity term 30)	<p>Adding flexibility to this product, the <i>SelectOPTIONS</i> can be used alone or in combination to suit your clients' individual needs and circumstances.</p> <p>Select30</p> <p>This option provides for a reduced sum insured amount without further premium payments until the date prior to the 30th coverage anniversary, at which time the coverage expires.</p> <p>SelectLIFE</p> <p>This option provides for a reduced sum insured amount without further premium payments with coverage for life.</p> <p>SelectVALUE</p> <p>This option allows access to a cash value within the policy by written request upon:</p> <ul style="list-style-type: none"> Surrender of the policy Decrease in the sum insured Conversion of the policy – considered a tax-free[†] conversion credit to prosperity UL <p>The option period to exercise these options begins on the 15th coverage anniversary* and ends on the date immediately prior to the 20th coverage anniversary.**</p> <p>* The 15th coverage anniversary is equal to the first day of the 16th coverage year. ** The 20th coverage anniversary is equal to the first day of the 21st coverage year. [†] Based on current interpretation of the <i>Income Tax Act</i>, its regulations and any other relevant legislation.</p>		

Optional benefits

Accidental Death and Dismemberment (AD&D)	<ul style="list-style-type: none"> Pays an additional benefit amount if the life insured dies or loses sight or limbs as a direct result of an accident. 	Children's Insurability Rider	<ul style="list-style-type: none"> Provides low-cost term coverage on the lives of the life insured's unmarried children (including stepchildren or legally-adopted children). Allows each child to convert their coverage for up to five times the initial coverage amount, subject to certain conditions. If the parent dies, provides paid-up term insurance up to the child's 25th birthday or until marriage (if earlier).
Waiver of Premium	<ul style="list-style-type: none"> Premiums are waived if the insured becomes totally disabled before age 65. 	Payor Waiver of Premium	<ul style="list-style-type: none"> Provides paid-up term insurance up to the child's 25th birthday should the payor become totally disabled or die.

Built-in, no-cost, additional benefits

Compassionate Assistance Program (CAP)	<p>This non-contractual feature currently offered by ivari allows an owner to receive a loan against the death benefit of their policy if the life insured is suffering from a terminal illness and has a life expectancy of less than 24 months.*</p>
Tax-Exempt Conversion Duration Credits	<p>Tax-Exempt Conversion Duration Credits are automatically attributed when converting to a prosperity UL plan. These credits effectively increase the MTAR (tax-exempt) room, offering your client greater tax-deferral opportunities right from day one.</p>

*Twelve months or less if the client is between the ages of 72 and 77 with a term policy.

Overview

About this guide

The intent of this guide is to provide an overview of prosperity term products and its features. This material has been prepared for the use of World Financial Group Canada (WFG) associates and advisors in conjunction with other product information. For a precise understanding of the rights and obligations, please refer to the policy contract.

It's a competitive market – so why choose ivari's prosperity term?

Custom-built for WFG

Working together, ivari and WFG have developed prosperity term and prosperity UL. With teams and services dedicated to you, ivari has a strong understanding of the WFG business and markets that led to the development of prosperity term and prosperity UL – a product lineup designed for you and your clients.

About prosperity term

Offered in 10-, 20- or 30-year terms, prosperity term provides affordable insurance, along with a variety of conversion and rider options.

Attractive to clients looking for financial stability, it can provide family protection and has the flexibility to adapt to other future needs, like tax-deferred asset accumulation, through the policy conversion feature.

If your clients' needs change, prosperity UL is available to offer them permanent life insurance.

**With prosperity term, together we can take care
of today while building for tomorrow.**

For low-cost term insurance coverage with no policy fee, 10-, 20- and 30-year plans are also available as riders on prosperity UL, with prosperity term 30 offered without SelectOPTIONS. If the Term 30 Rider is severed, the SelectOPTIONS become available.*

*See Severance Option in policy contract for more information.

Target markets

Term insurance has wide appeal, since it is affordable for many clients and is flexible enough to meet a number of personal and business needs. prosperity term's adaptability ensures you can respond to your clients' needs today and in the future. The following target markets represent just a few of the more common client profiles for which prosperity term is an excellent fit:

	Income protection and Debt reduction	Business insurance
Ages	25 – 50	30 – 65
Profile	Young families needing to insure a mortgage, living expenses, future education needs, etc.	Often corporate-owned plans for business owners, executives, key persons and partners. Used also to insure loans. Insurance often based on the financial value of the company.
Features appealing to Market	<ul style="list-style-type: none"> • Joint First-to-Die • Children's Insurance Rider • Payor Waiver of Premium • Waiver of Premium 	Multiple life options: <ul style="list-style-type: none"> • Severance Option • Built-in flexibility features that accommodate changes in the business
Term insurance proceeds can be used to:	<ul style="list-style-type: none"> • Replace lost income • Pay off mortgage and other debt • Take care of loved ones • Help pay for funeral and last expenses • Fund children's education 	<ul style="list-style-type: none"> • Protect the value of the company's assets • Provide funding for business continuation in the event of partner death • Cover capital-gains tax and other business expenses or debt • Cover buy-sell clause of partnership

Adaptability

prosperity term is adaptable to meet the needs of your clients and represents an ideal term insurance sales solution for you.

- 10-, 20- and 30-year terms.
- prosperity term 30 with *SelectOPTIONS* offers clients innovative flexibility within their 30-year term.
- Single, Joint First-to-Die or Last-to-Die coverages are available.
- Multiple Life coverage – up to 17 coverages (including any combination of applicable riders and optional benefits). Only one policy fee applies.
- Coverage can be mixed, so single and joint life coverages can be placed on the same policy.
- Full or partial conversions to a prosperity UL policy or a successor product as deemed eligible by us.
- Built-in options provide flexibility now and solutions to tailor the policy to your clients' needs.
- Wide variety of riders to adapt to changing insurance needs throughout the life of the policy.
- Increase* or decrease sum insureds.
- Change from smoker to non-smoker.*
- Convenient pre-payment accounts.

* Subject to underwriting approval.

Affordability

- Competitive pricing – convenient for quoting and provides value to your clients.
- Only one policy fee per policy, regardless of the number of coverages.
- Combined banding, which means that we add the face amount of all non-joint insurance coverages on one life when setting the rate band for those coverages.

Benefits of term insurance

- The proceeds of prosperity policies can be paid directly to the named beneficiary tax-free, bypassing the delays and expenses surrounding probate.[†]
- Creditor protection – provided that certain family relationships exist between the life insured and the beneficiary (and in Quebec, between the policy owner and the beneficiary), or that a beneficiary designation is irrevocable, prosperity term policies may be protected from the claims of creditors against the policy owner.^{††}

[†] Under current federal legislation, provided a beneficiary is designated.

^{††} Under current provincial legislation.

Guarantees

- prosperity term 10 and prosperity term 20 are renewable every 10 and 20 years, respectively, and offer guaranteed renewal premiums to the coverage anniversary nearest the insured's 80th birthday.
- prosperity term 30 offers automatic guaranteed renewal at year 30, with level premiums to age 100 with coverage for life.
- prosperity term 10, 20 and 30 plans offer conversion to prosperity UL policy, or a successor product as deemed eligible by us, until the coverage anniversary nearest the insured's age 71.
- Underwriting classification at renewal and conversion is maintained to a comparable class of risk.

Terms

prosperity term offers competitive premiums in a full-featured renewable and convertible term insurance product. With many riders and unique options, prosperity term is adaptable to your client's needs.

prosperity term 10

Term 10 might be an option for your clients who have a very short-term need for insurance, such as a short-term mortgage, little or no debt, no young children, and who are not as concerned about the cost of renewals. prosperity term 10 is ideal to cover a specific debt, such as a line of credit or child support payment that may last for ten years or less, or a mortgage that is almost paid off.

prosperity term 20

Term 20 might be an option for your clients who have a longer-term income replacement and debt protection need than that met by prosperity term 10.

prosperity term 30 with SelectOPTIONS

More Canadians are extending their mortgages for terms of more than 20 years, to lower payments. Debt in the form of personal lines of credit and home equity loans is growing. This, combined with the rising costs of post-secondary education and, in the case of divorce, obligations of child support and spousal support, means that 20 years of coverage is often not enough.

Term 30 offers your clients an opportunity to purchase a cost-effective insurance solution that minimizes their insurance outlay over 30 years and offers an automatic guaranteed renewal with coverage for life and the flexibility to adapt to their changing needs.

prosperity term 30 with SelectOPTIONS is affordable, valuable and adaptable.

Affordable

If your clients need 30 years of coverage, they will benefit from paying much lower rates over 30 years than if they purchased prosperity term 10 or prosperity term 20 and have to renew or convert. Term 30 offers them a level guaranteed outlay for 30 years.

Valuable

Term 30 policies automatically renew at year 30 with level premiums to age 100 with coverage for life.

You are able to offer your clients guaranteed coverage for life without the time-consuming renewals associated with traditional term insurance products.

Adaptable

Thirty years is a long time. Your client's needs might change. Term 30 comes with built-in *SelectOPTIONS* that offer innovative flexibility in a term policy.

SelectOPTIONS are available from the 15th coverage anniversary until the date immediately prior to the 20th coverage anniversary.

The **Select30** Option provides your clients with the opportunity to stop paying premiums and reduce the amount of insurance coverage for the remainder of their **30 year** term.

The **SelectLIFE** Option offers your clients paid-up lifetime final expense coverage with the ability to stop paying premiums, reduce the amount of their insurance coverage and extend it for life.

The **SelectVALUE** Option allows clients to surrender or decrease their coverage and access cash value in their policy in one of two ways:

- By converting to one of our eligible universal life policies, the *SelectVALUE* may be deposited to the policy as a tax-deferred bonus credit, or
- Clients may also surrender or decrease their coverage and take the *SelectVALUE* in cash as a taxable disposition.

Multiple Life coverage

In this section, learn about using riders that can be attached to a prosperity term policy in order to provide coverage for multiple lives.

prosperity term allows more than one life to be insured under the same policy through the addition of term riders – each with its own sum insured and beneficiary designation, but without an additional policy fee.

Your clients may require additional insurance protection to cover additional lives or to protect multiple needs such as debt and income protection and items such as lines of credit, credit card debt or even post-secondary education expenses.

By adding an additional term coverage rider to a prosperity term plan, your clients have the convenience of one policy fee and combined premium payments.

Key Benefits

- Up to 17 coverages (any combination of base coverages and riders) can be included under one policy, including the support of up to five joint lives per coverage.
- “Combined banding” – we add the sum insured of all non-joint insurance coverages on one life when setting the rate band for those coverages.
- Premium billing and policy administration are applied to the entire policy, rather than per life insured.
- No additional policy fees.
- Additional coverage riders may be severed and maintained as stand-alone policies (please refer to the ‘Severance Option’ section for more details on the Severance Option).
- The policy owner can assign a separate beneficiary to each coverage under the policy. This allows business partners or family members to be covered on the same policy at a reduced cost. Different coverage designs can also be combined, such as using different terms

(i.e., 10, 20 and 30 years) or adding joint coverages with single life coverages.

NOTE: The 30-year term cannot be a rider on any other term.

Terms and Conditions

Each coverage must satisfy minimum sum insured amounts and/or minimum Annual Premium amounts as listed below:

Base Coverage

Single coverage – \$50,000 Sum Insured AND \$125 Minimum Annual Premium (including \$50 policy fee)

Joint coverage – \$100,000 Sum Insured OR \$500 Minimum Annual Premium (including \$50 policy fee)

Additional prosperity term coverage on the same policy

Single coverage – \$50,000 Minimum Sum Insured AND \$75 Minimum Annual Premium

Joint coverage – \$100,000 Minimum Sum Insured OR \$450 Minimum Annual Premium

Upon the death of a life insured, the death benefit will be paid to the beneficiary. The policy owner can assign a separate beneficiary for each coverage under the policy.

If the death occurs on the base coverage, the policy terminates and the owner has the option of maintaining the remaining coverages under new individual policies. However, a policy fee will be charged for each remaining policy. The existing sum insured and premiums will stay the same.

In some cases, it may be beneficial to consider placing the youngest life insured or the coverage with the longer number of years before expiry as the primary or base coverage, in order to minimize policy expiry issues in the future. Generally, when coverage with the oldest life insured or coverage with the shortest number of years before expiry is the primary coverage, the policy will expire earlier, forcing the rider life insureds to split their respective coverages into separate single life policies or create a new multiple life policy.

If the death occurs for any life insured covered on any one of the riders, the policy will continue with the remaining lives insured.

Multiple Life coverage – Built-in policy options

prosperity term is designed to adapt as your clients’ needs change over time. Under a multiple life policy, the client may exercise the following Severance Option.

Severance Option

This option allows any rider coverage under a multiple life policy to be severed from the policy and to be maintained independently, usually without evidence of insurability. Whether a policy has single or multiple life coverages, the right to designate beneficiaries and exercise the Severance Option rests with the policy owner, or if jointly owned, by both owners acting together.

How does it work?

Over time, changes in circumstances may lead the owners of a multiple life policy to re-evaluate their coverage. Just because one coverage is no longer required doesn’t mean the entire policy needs to collapse. The Severance Option allows the policy Owner(s) to remove an insured from the multiple life policy and maintain coverage independently and, if applicable, for the remaining coverages to stay together on the multiple life policy.

Life 1 – Primary Insured	Life 2	Life 3	Life 4
<p>Life 1:</p> <ul style="list-style-type: none"> 1. Wants to leave the policy 1. Passes away 	<p>Life 2, 3, 4 may:</p> <ul style="list-style-type: none"> 1. Apply for separate single life policies 1. Stay together on a multiple life policy 		

Key Benefits

- Useful for corporate-owned policies where an employee has left the company, but wishes to maintain their coverage.
- Useful for dissolution situations where each party wishes to maintain coverage.

Terms and Conditions

- A separate policy fee will apply to each new policy.
- An administrative fee may apply to offset processing fees.*
- The severed coverages are set-up as new policies and maintain the same age, sum insured, rate structure, and renewal dates as the original coverage.

*No administration fee is applicable in cases where the primary life insured is terminated or dies.

How is this option exercised?

Submit a *Policy Service Application* (PS339) or a written request signed by all Owner(s) stating the required change to the policy.

Joint Life coverage

In this section, you will learn about joint prosperity term coverages, including Joint First-to-Die and Joint Last-to-Die coverage options. Also, learn about value-added options, including the Single Life Insurance Option, the Survivor Option and the Additional Death Benefit Option.

prosperity term joint coverages can be purchased on up to five joint lives, with the death benefit payable on the first death or the last death, depending on the client’s particular needs. This is generally less expensive than purchasing individual coverages, as the lives share a single death benefit and their ages are combined to produce a single equivalent age for the purpose of calculating the premium.

- A minimum face amount of \$100,000 is required for each joint life coverage.

- Waiver of Premium, Payor Waiver of Premium and Accidental Death & Dismemberment are NOT available with joint life coverage.
- Children’s Insurance is available on Joint First-to-Die coverage only.

Key Benefits

- Joint life coverage is available on either a First -to-Die or a Last-to-Die basis for up to five lives.
- On a Joint First- or Last-to-Die basis, there is usually a lower cost of insurance in comparison to the total cost of separate coverage on each life (e.g., one joint sum insured amount of \$500,000 versus having two separate coverages with sum insureds of \$500,000 each).

Joint Life coverage – Built-in policy options

Single Life Insurance Option – Joint First-to-Die

Allows the policy owner to split the Joint First-to-Die coverage into separate single life policies, usually without evidence of insurability.

How does it work?

Life 1 – Life 2 (up to five) \$1,000,000 payable on first death	
Coverage needs change	
Life 1 – \$1,000,000	Life 2 – \$1,000,000

Key Benefits

When being insured under a Joint First-to-Die policy no longer makes sense, the Single Life Insurance Option may be exercised. The policy is split and each life can maintain a single life policy for up to the same sum insured they had under the joint coverage. Typically, no evidence of insurability is required.*

* Although no medical evidence of insurability is required, we reserve the right to financially underwrite any one of the joint insureds at the time this option is exercised. Underwriting may result in the applicable joint insured not being eligible for this option.

Terms and Conditions

- Must be exercised while all the lives insured under the coverage are still living, and prior to the attained age 70 of the oldest joint life insured.
- The sum insured under each of the new policies may equal up to the sum insured under the joint life policy and is subject to the minimum insurance amounts of the new plan in effect at the time of exchange.
- The new policy will be issued using the original issue date of the coverage at the time the joint policy was issued.
- The new policies are issued using the life insured’s original age, original rates and original renewal dates in effect at the time the joint policy was issued.
- A policy fee will apply to each policy.
- An administration fee may apply.
- The suicide clause restarts.
- The period for incontestability continues from the original policy.
- The contractual provisions of each policy or rider will prevail.

How is this option exercised?

Submit a *Policy Service Application* (PS339) or a written request signed by all Owner(s) stating the required change to the policy.

Survivor Option – Joint First-to-Die

Within 90 days of the death of the first joint insured, this option allows the owner to purchase an individual policy on the surviving lives insured under the Joint First-to-Die policy. The sum insured on the new policy must be equal to the sum insured under the joint life policy. Typically, no evidence of insurability* is required.

How does it work?

Life 1 – Life 2 – Life 3 – Life 4 \$1,000,000 payable on first death		
Death of Life 2		
Life 1 \$1,000,000	Life 3 \$1,000,000	Life 4 \$1,000,000

Normally, when the first life under a Joint First-to-Die policy passes away, the policy terminates and the surviving lives insured are left to reapply for the new insurance policies. With the Survivor Option, each of the surviving lives may maintain a single life policy for up to the sum insured amount they had under the joint coverage.

Key Benefits

The owner can purchase new insurance protection on each surviving joint life insured without submitting new medical evidence of insurability.*

* Although no medical evidence of insurability is required, we reserve the right to financially underwrite any one of the joint insureds at the time this option is exercised. Underwriting may result in the applicable joint insured not being eligible for this option.

Terms and Conditions

- This option must be exercised within 90 days of the first death and prior to the attained age of 70 of any of the surviving lives.
- The new policies are issued using the life insureds, attained age and the rates and plan in effect at the time the new policy is issued.

- The sum insured under the new policy is subject to the minimum insurance amounts of the new plan in effect at the time of purchase.
- The suicide clause restarts.
- The period for incontestability continues from the original policy.
- An administrative fee may apply.
- A policy fee will apply to the policy.
- The contractual provisions of each policy or rider will prevail.

How is this option exercised?

Submit a *Policy Service Application* (PS339) or a written request signed by all Owner(s) stating the required change to the policy.

Additional Death Benefit – Joint First-to-Die

This benefit pays a second death benefit when a second death occurs within 90 days of the first death.

How does it work?

Life 1 – Life 2 – Life 3 \$300,000 payable on first death		
90 Days		
Life 2 passes away – \$300,000 death benefit paid	Life 1 survives – coverage terminates	Life 3 passes away within 90 days of Life 2 – \$300,000 additional death benefit

Key Benefits

The surviving insured has an additional 90 days of coverage after the initial death.

Terms and Conditions

- The second death benefit is payable only once, regardless of any subsequent deaths of other joint insureds within the same 90-day period.
- The second death must occur prior to the life insured's attained age 70.
- The contractual provisions of each policy or rider will prevail

How is this option exercised?

Submit your request to the ivari Claims Department. Additional information may be requested at the time of claim.

Single Life Insurance Option – Joint Last-to-Die

Allows the policy owner to split the Joint Last-to-Die coverage, without evidence of insurability* under the following contingent events:

- divorce
- the dissolution of a business partnership

We must receive proof, satisfactory to us, that one of these contingent events has occurred:

- Within 180 days of a Certificate of Divorce being issued for the joint insureds.
- On the dissolution of a corporation or partnership, except in the case of bankruptcy, providing that the coverage was being used to fund a bona fide purchase obligation under a written partnership or shareholders agreement, contingent on the death of a joint insured.

How does it work?

Life 1 – Life 2 (up to five) \$1,000,000 payable on last death	
Divorce or dissolution of a business partnership	
Life 1 \$500,000	Life 2 \$500,000

Key Benefits

When a marriage or business partnership dissolves, the Single Life Insurance Option provides clients with seamless insurability. The Joint Last-to-Die sum insured is split equally and the policy owners can maintain a separate policy on each life. Typically, no evidence of insurability is required.*

* Although no medical evidence of insurability is required, we reserve the right to financially underwrite any one of the joint insureds at the time this option is exercised. Underwriting may result in the applicable joint insured not being eligible for this option.

Terms and Conditions

- Must be exercised while all the lives insured under the contract are still alive and prior to the attained age 70 of the oldest of the joint life insureds.
- The sum insured is split equally, subject to plan minimums.
- Not available on any joint insured originally rated substandard on the issue date.
- The new policy will be issued using a current issue date.
- The new policies are issued using the life insureds, attained age, original rates and original renewal rates in effect at the time the joint policy was issued.
- Sum insured on each policy must not exceed \$1,000,000.
- The suicide clause restarts.
- The period for contestability continues from the original policy.
- A policy fee will apply to each policy.
- An administrative fee may apply.
- The contractual provisions of each policy or rider will prevail.

How is this option exercised?

- Submit a *Policy Service Application* (PS339) or a written request signed by all Owner(s) stating the required change to the policy.

prosperity term 30 – SelectOPTIONS

In this section, you will learn about the SelectOPTIONS offered, including the Select30 Option, SelectLIFE Option and the SelectVALUE Option.

SelectOPTION Period as it applies to all options – the option period begins on the 15th coverage anniversary and ends on the date immediately prior to the 20th coverage anniversary. The options are not available at any other time during the life of the policy.

Key Benefits – SelectOPTIONS

- 1) **Select30** – When the owner has paid down their debt faster than expected and now requires less coverage for the remainder of the 30-year term.
- 2) **SelectLIFE** – When the owner can no longer afford to pay monthly premiums or requires lifetime coverage for final expenses.
- 3) **SelectVALUE** – When the owner’s insurance needs evolve to a wealth accumulation or estate preservation need, the SelectVALUE Option provides a tax-deferred bonus credit upon conversion to a universal life policy.

The SelectOPTIONS provides the owner with adaptable solutions.

Select30 Option

This option provides for a reduced sum insured amount without further premiums until the date immediately prior to the 30th coverage anniversary, at which time the coverage expires.

How does it work?

15th Coverage Anniversary	Select30 Percentage 15.0%
x	
Inforce Sum Insured \$500,000	
=	
Select30 Sum Insured \$75,000 (15% of \$500,000)	

The percentage varies with the last coverage anniversary according to the following table:

Coverage Anniversary	Percentage
15	15.0%
16	17.5%
17	20.0%
18	22.5%
19	25.0%

Determining the Select30 Sum Insured

- The reduced sum insured under the Select30 Option is determined on the effective date of the request and is fixed until the policy terminates.
- The reduced sum insured under the Select30 Option is based on a percentage of the sum insured at the time the option is exercised and is calculated according the following formula:

Select30 Sum Insured
=
Percentage
x
Inforce Sum Insured

Terms and Conditions:

- The effective date of the request will be the date coinciding with or next following the date on which we receive your request to exercise the *Select30* Option.
- The *Select30* sum insured must be greater than or equal to \$10,000.
- The *Select30* coverage will terminate on the date immediately prior to the 30th coverage anniversary.
- Any rider or benefits may be severed according to its terms; otherwise, all riders and benefit will terminate on the effective date of the request to exercise the *Select30* Option.
- The conversion and renewal provisions do not apply to the *Select30* sum insured.
- The *Select*OPTIONS do not apply to the *Select30* sum insured.

SelectLIFE Option

This option provides for a reduced sum insured amount without further premiums for the lifetime of the life insured.

How does it work?

15th Coverage Anniversary	SelectLIFE Percentage 3.0%
x	
Inforce Sum Insured \$500,000	
SelectLIFE Sum Insured \$15,000 (3% of \$500,000)	

The percentage varies with the last coverage anniversary according to the following table:

Coverage Anniversary	Percentage
15	3.00%
16	3.75%
17	4.50%
18	5.25%
19	6.00%

Determining the SelectLIFE Sum Insured

- The reduced sum insured under the *SelectLIFE* Option is determined on the effective date of the request and is fixed until the policy terminates.
- The reduced sum insured under the *SelectLIFE* Option is based on a percentage of the sum insured at the time the option is exercised and is calculated according the following formula:

SelectLIFE Sum Insured
=
Percentage
x
Inforce Sum Insured

Terms and Conditions

- The effective date of the request will be the date coinciding with or next following the date on which we receive your request to exercise the *SelectLIFE* Option.
- The *SelectLIFE* sum insured must be greater than or equal to \$10,000.
- The conversion and renewal provisions do not apply to the *SelectLIFE* sum insured.
- The *Select*OPTIONS do not apply to the *SelectLIFE* sum insured.
- The *SelectLIFE* coverage will terminate on the death of the life insured.

SelectVALUE Option

This is a cash value attributed to the coverage.

How does it work?

The *SelectVALUE* can be accessed during the *SelectOPTION* Period by submitting a written request to us for a:

- surrender of the policy,
- decrease of the sum insured, or
- conversion of the policy.

Example of Male, 30, Standard Non-smoker

15th Coverage Anniversary	SelectVALUE Factor 2.23%
x	
Inforce Sum Insured \$500,000	
=	
SelectVALUE \$1,115	

The *SelectVALUE* Calculation

The *SelectVALUE* is available on the applicable coverage anniversary and remains fixed until the next anniversary using the following formula:

SelectVALUE
=
SelectVALUE Factor
x
Surrendered Sum Insured/1,000
x
Multiple Extra Rating

Where:

- SelectValue* Factor means the applicable factor as shown in the Table of *SelectValue* factors in the contract that is specific to the issue age, coverage anniversary, gender, smoking class (non-smoker and smoker).
- Surrendered sum insured means the amount of sum insured being surrendered, decreased, or converted.
- Multiple Extra Rating refers to the total rating; e.g. 200% total rating means that the coverage is rated + 100% if applicable.

Terms and Conditions

- The *SelectVALUE* does not form part of the Death Benefit
- The effective date of the request will be the date coinciding with or next following the date on which we receive your request to exercise the *SelectVALUE* option.

SelectVALUE upon conversion to an eligible universal life policy:

- Upon full or partial conversion of the policy, the *SelectVALUE* provides a tax-deferred bonus credit to an eligible universal life policy.
- The minimum premium is still required to be paid on the universal life insurance..
- No additional compensation will be paid on the *SelectVALUE* bonus credit. Alternatively, upon request for conversion, the policy owner may elect in writing for the *SelectVALUE* to be paid out. This is treated as a taxable disposition.

The *SelectOPTIONS* can be used in combination to suit individual needs and circumstances of your clients.*

Note: For joint cases the *SelectVALUE* factor uses the Single Equivalent Age and includes Multiple Extra Ratings.

*Subject to our then administrative rules

Converting a Policy

prosperity term lets your clients convert their term policy to prosperity UL, or a successor product as deemed eligible by us, any time prior to the policy anniversary closest to the life insured's 71st birthday.

How does it work?

Conversions are done without new evidence of insurability and subject to minimum issue amounts then in effect. The new plan will receive a comparable underwriting class, comparable to the existing term plan. If a client decides that a conversion is the right thing to do with their prosperity term plan, you'll need to complete the appropriate forms with the client and obtain the client's signature.

Partial Conversions

In some cases a client may not be willing, or financially able, to convert the entire term policy or rider to an eligible universal life policy. In those cases, a partial conversion may be more appropriate.

With a partial conversion, some portion of the term coverage is converted to an eligible universal life policy and the rest of the term coverage remains in place or is discontinued. The remaining coverage may be converted at a later date.

When a partial conversion is requested, and a portion of the term coverage is retained, the premium rates for the remaining term coverage will be based on the new sum insured, subject to plan minimums.

Key Benefits

- Looking for an opportunity to revisit policy holders? Remind them of this conversion privilege and get together to re-evaluate their needs.
 - Provides duration credits, which in some cases can effectively increase the tax-exempt room in the new universal life policy.
-

Terms and Conditions:

- The converted sum insured may not be greater than the sum insured under the converting prosperity term policy and may not be less than our published minimum for the plan offered at the time of conversion.
- If the amount requested is equal to or less than the sum insured under the original policy, and no new benefits are being added, the *Conversion Application* (LP1285) form may be used. If the amount requested is more than the sum insured under the converted policy or new benefits are being requested, a *Policy Change Application* (LP386) must be completed and underwriting will apply.
- The new policy will be issued using the life insureds attained age, comparable class of risk and rates applicable to the plan at the time of conversion.
- The new policy will not contain any further conversion privilege.
- Validity, Suicide and Self Destruction provisions of the new policy will not be extended beyond the period specified in the original policy.
- If the conversion occurs during the policy year in which the *SelectVALUE* option is available, the *SelectVALUE* may be transferred to the new policy. See prosperity term 30 – *SelectOPTIONS* for details.
- Any riders may be continued or converted only as provided by the rider provisions.

Universal life – Tax Exempt Conversion

Duration Credits

When clients convert their term coverage to ivari's prosperity UL plan, or a successor product as deemed eligible by us, ivari will automatically give them credit for the years their term insurance policy was in force. These credits, provided in years, will in some cases effectively increase the maximum premium and the tax-exempt room in the new universal life policy.

The result – your clients may benefit from the ability to increase tax deferred deposits, allowing them to make larger deposits into their universal life policy upon conversion.

Illustrating Term Conversion Duration Credits on LifeView

See the benefits of receiving term conversion duration credits easily with LifeView, ivari’s illustration software. Simply check the “Term Conversion” box on the coverage tab when quoting the universal life premium. You’ll be prompted for two pieces of information:

1. Policy date of original term coverage
2. Anticipated in force date of new universal life coverage

Once entered, the ‘Term Conversion Duration’ in number of years will appear on the Report Summary pages. This duration will be credited to the new universal life coverage, and the increased deposit room will automatically be built into the “First Year Annual Maximum Premium” shown on the illustration.

Optional benefits and features

In this section, you will learn about the many additional benefits and riders that can be added to a prosperity term policy to enhance protection for your clients.

All optional benefits are subject to their respective contractual provisions.

	Available at issue	Available after issue	Single Life	Joint Life	Multiple Life
Additional prosperity term coverage Riders	■	■	■	■	■
Children’s Insurance Rider	■	■	■	■ ¹	■ ²
Accidental Death and Dismemberment	■		■		■
Waiver of Premium	■		■		■
Payor Waiver of Premium	■		■		

¹ Available only on Joint First-to-Die policies.

² Available only on the base life insured.

Children’s Insurance Rider

How does it work?

This rider provides low-cost life insurance coverage on the lives of the insured’s children (including any stepchildren or legally adopted children) to age 25 as long as they are members of the life insured’s household, whether residing with the insured or at school full-time, and not married. This benefit also covers new children born to or legally adopted by the life insured after the child has reached 15 days of age. Please notify ivari for insuring the new children.

A conversion option is available on the coverage of each child. Although this rider does not trigger any medical requirements, both the life insured and the children are underwritten on the basis of a medical questionnaire, at the time of issue or when this rider is added to an existing policy.

Terms and Conditions

Issue ages

- Age 15 days to not yet 19 years old for children
- Age 20 to 55 years old for the parent (max SEA of 55) (the policy owner).

Coverage Availability

- Single life policies
- Base life insured only on multiple life policies
- Joint First-to-Die only (Single Equivalent Age or SEA is used as the expiry at age 65)
- Parents who are considered a substandard risk greater than a 200% (total mortality rating), may not purchase children's insurance
- A child who is considered a substandard risk at the time of issue will not be covered under this rider
- The child rider may be added on or after issue

Coverage amounts

- Minimum \$5,000 (1 unit)
- Maximum \$30,000 (6 units) or half the coverage of the base coverage, whichever is less

Charges

\$6.00/\$1,000 (regardless of the number of children)

Coverage duration

Each child is covered until the earlier of the policy anniversary date nearest their 25th birthday, the date they marry, the insured parent's 65th birthday or when the coverage lapses or terminates.

Convertibility

This rider may be converted to an eligible life insurance plan then offered by us for up to five times the amount of the child rider coverage (but not less than the published minimum for the new plan) without new evidence of insurability. Policy ownership will be set up with the child as owner, unless otherwise requested. Ensure all ownership documents are submitted. The conversion request must be received in writing within 31 days of the following events:

- The expiry date of the rider (the earlier of the primary coverages age 65 or child's age 25).
- Any time between the child's 21st and 25th birthday.
- The date the child marries (within 90 days following the date of marriage).

Paid-up Term Insurance

- Provides paid-up term insurance coverage to each child's age 25 if the parent on the base coverage dies
- Provides a minimum of \$5,000 of coverage for each unit
- Contains the same conversion privileges as the basic rider

Additional children

No additional premium is required for additional children who meet the criteria of this benefit. However, we do ask that you notify ivari of all children's names and dates of birth.

Please see contract for full terms and conditions.

Accidental Death and Dismemberment

How does it work?

This rider provides for the payment of an additional benefit amount if the life insured dies or suffers a loss or injury as described below before age 65 and through no negligence of the insured. The amount of the benefit is doubled if death occurs as a direct result of an accident as described under "Double Indemnity."

Key Benefits

- Low cost accidental death and dismemberment benefits.
- As the result of an accidental death, extra costs may be incurred which may not be sufficiently covered by the death benefit alone.
- If a life insured loses limbs or sight as a direct result of an accidental injury, the family may need extra money to provide for lost income or home modifications or other extra expenses not covered by provincial health care programs.

Terms and Conditions:

Definition of loss

The accidental death must occur within one year from the date of the accident and before the policy anniversary nearest the life insured's 65th birthday. Loss means any of the losses described below under the heading "Benefits." Loss also includes the bodily injury of the life insured sustained exclusively by external, violent and accidental means, without negligence on the life insured's part. The loss must result independently of any disease, sickness, medical disorder or medical treatment, or any other causes specified in the Exclusions.

Issue ages

Age 15 to 55 years

Coverage availability

- Single life policies
- Base life insured or each life on multiple life policies
- Not available on joint coverages
- Accidental Death and Dismemberment coverage must be added at issue
- **Coverage amounts**
- Minimum \$25,000
- Maximum of \$350,000 or the sum insured of the associated coverage, whichever is less

Charges

Premiums are calculated on a per thousand basis using the rates outlined in the prosperity term Rate Guide or ivari's LifeView illustration software.

Convertibility

Accidental Death and Dismemberment may be maintained at conversion provided we receive proof that the life insured is then insurable by our standards.

Coverage duration and termination

Coverage and premiums will terminate on the earlier of:

- the policy anniversary nearest the life insured's 65th birthday
- when a benefit amount is paid

Benefits

The full amount of the benefit is paid for the following:

- loss of life
- loss of sight in both eyes
- loss of both hands
- loss of both feet
- loss of one hand and one foot
- loss of sight of one eye and either one hand or one foot
- One half of the benefit is paid for the following:
 - loss of one hand or one foot or the sight of one eye
 - loss of both the thumb and index finger on one hand

Double Indemnity

The amount of the benefit is doubled if death occurs as a direct result of an accident while travelling in a building elevator, or as a passenger in a public conveyance, or as a direct result of fire or explosion in a public building. The additional amount becomes payable either in one lump sum or in accordance with any settlement option available from the proceeds of the basic plan.

Exclusions

No benefits are paid if death or dismemberment results directly or indirectly from exclusions including, but not limited to, intentional or self-inflicted injury, attempt to commit suicide while sane or insane, or any act or occurrence related to war or insurrection.

Please see contract for full terms and conditions.

Waiver of Premium

How does it work?

Premiums are waived if the life insured suffers from total disability prior to age 65, which has continued uninterrupted for at least six months and occurs after the rider effective date, providing the life insured is receiving the appropriate care of a physician for the condition causing total disability.

Key Benefits

Waiver riders provide low-cost disability protection. After all, if clients become disabled, they may be unable to pay the premiums, which will affect their ability to maintain their valuable life insurance coverage.

Avoiding pitfalls

Waiver riders are only available at time of issue. Many people buy life insurance when they are young, and do not anticipate the need for waiver riders. Your clients need to consider how premiums will be paid if they are in an accident or develop a serious illness that makes it impossible for them to continue working. Even if they have stand-alone disability income insurance, this added coverage can be very beneficial, as their income will be drastically reduced, and having to pay premiums can put an extra strain on their already overburdened financial situation.

Terms and Conditions

Issue ages

Age 15 to 55 Years

Coverage availability

- Single life policies
- Base life insured or each life on multiple life policies
- Not available on joint coverages
- Waiver of Premium must be added at issue

Coverage amounts

The total policy premium is waived for the coverage duration and benefit period if the rider life insured meets the definition of total disability.

Charges

Charges are calculated as a percentage of the total policy premium

- 10% of total policy premium for males
- 15% of total policy premium for females

If this rider is added to a prosperity term policy and premiums are currently being waived as the result of a total disability, and the life insured remains disabled at the end of the conversion period, the policy may be converted to any eligible life insurance plan then offered by us, and premiums will continue to be waived for the term of disability.

Coverage duration and benefit period

- This rider terminates and the coverage ceases at the earlier of:
 - The policy anniversary nearest the life insured's 65th birthday, and
 - the date upon which the life insured is no longer disabled under the terms of this rider.
- For disability beginning before age 60, premiums are waived for the duration of the disability.
- For disability beginning after age 60, but before age 65, premiums are waived for the duration of the disability to the later of age 65 or two years from the date the disability began.

Definition of total disability

Total disability means the inability of the rider life insured to perform substantially all of the material duties of his or her occupation as a result of a disease or injury. Total and irrecoverable loss of sight in both eyes, the use of both hands or of both feet or one hand and one foot will also be considered total disability.

Occupation

During the first 24 months, total disability means the life insured is unable to practise his or her regular occupation for remuneration or profit. After the first 24 months, total disability means the life insured is unable to practise any occupation for which he or she is, or may be, reasonably suited by reason of education, training or experience.

If the occupation of the life insured is or becomes that of student, then occupation will include attending school. The total disability must start before the policy anniversary nearest the life insured's 65th birthday and after the issue date of this rider, and continue uninterrupted for at least six months.

Waiting period

To qualify for benefits under this rider, payment of premium must continue for a waiting period of six months. Any payments made during this six month waiting period are refunded once the claim is approved.

Exclusions

No benefits are paid if disability results directly or indirectly from certain exclusions including, but not limited to, intentional or self-inflicted injury, attempt to commit suicide while sane or insane, or any act or occurrence related to war or insurrection.

Please see contract for full terms and conditions.

Payor Waiver of Premium

How does it work?

The Payor Waiver of Premium is attached to a policy on the life of a child and covers the person paying the premium (payor). Premiums are waived if the payor dies or suffers from total disability prior to age 65, which has continued for at least six months and which occurs after the rider effective date, providing the payor is receiving the appropriate care of a physician for the condition causing total disability. Premiums will continue to be waived until the child is age 25.

Key Benefits

Waiver riders provide low-cost disability protection. After all, if clients become disabled, they may be unable to pay the premiums, which will affect their ability to maintain their child's valuable life insurance coverage.

Avoiding pitfalls

Waiver riders are only available at time of issue. Many people buy life insurance when they are young, and do not anticipate the need for waiver riders. Your clients need to consider how premiums will be paid if they are in an accident or develop a serious illness that makes it impossible for them to continue working. Even if they have stand-alone disability income insurance, this added coverage can be very beneficial, as their income will be drastically reduced, and having to pay premiums can put an extra strain on their already overburdened financial situation.

Terms and Conditions

Issue requirements

- The payor must fill out an *Insurance Application* (LP257).
- No age and amount requirements are usually requested. However, the underwriter may request an Attending Physician Statement (APS).

Issue ages

- Age 20 to 55 years for the payor
- Age 0 to 15 years for the child (not available on policies where the life insured is age 16 or over)

Coverage availability

- Payor Waiver of Premium is added to the child's policy and covers the payor only
- Available on single life child policies only
- Not available on joint or multiple life policies
- Must be added at issue

Coverage amounts

The total policy premium is waived for the coverage duration and benefit period if the payor meets the criteria for the benefit.

Charges

Please refer to the prosperity term Rate Guide for a description of how to calculate premiums.

Coverage duration and benefit period

- This rider terminates and coverage ceases at the earliest of:
 - the policy anniversary nearest the payor’s 65th birthday or the child’s 25th birthday
 - the date upon which the payor is no longer disabled under the terms of this rider
 - the date upon which the payor was changed
- For disability beginning before age 60, premiums are waived until the earlier of the child’s 25th birthday or the payor’s 65th birthday
- For disability beginning after age 60, but before age 65, premiums are waived until the later of:
 - the child’s 25th birthday or the payor’s 65th birthday whichever occurs earlier
 - the date which is two years from the date the disability began
 - for death of the payor, premiums are waived until the child’s 25th birthday

Definition of total disability

Total disability means the inability of the rider life insured to perform substantially all of the material duties of his or her occupation as a result of a disease or injury. Total and irrecoverable loss of sight in both eyes, the use of both hands, or of both feet or one hand and one foot will also be considered total disability. The total disability must also start before the policy anniversary nearest the payor 65th birthday and after the issue date of this rider and continue uninterrupted for at least six months. The death or total disability must occur before the policy anniversary date nearest the payor’s 65th birthday and the child’s 25th birthday.

Occupation

After the first 24 months, total disability means the payor is unable to practise any occupation for which he or she is, or may be, reasonably suited by reason of education, training or experience. If the occupation of the payor is or becomes that of student, then occupation will include attending school.

Waiting period

To qualify for benefits under this rider, payment of premium must continue for a waiting period of six months. Any payments made during this six month waiting period will be refunded once the claim is approved.

Exclusions from coverage

No benefits are paid if disability results directly or indirectly from certain exclusions including but not limited to, intentional or self-inflicted injury, attempt to commit suicide while sane or insane, or any act or occurrence related to war or insurrection.

Please see contract for full terms and conditions.

Administration

Please remind your clients that the value of a term policy is temporary. As long as the policy owner buys, continues to renew and continues to pay for the term policy, his or her beneficiary will be eligible to receive the sum insured of the policy should the life insured die while the policy is in force prior to the expiry date. As soon as the life insured stops paying premium or decides not to renew the term policy, no coverage exists, and the policy lapses or terminates.

Setting up a policy

Simply complete the required *ivari Insurance Application* (LP257) and submit any underwriting requirements along with:

- A client’s personal cheque for the first premium or check the “withdraw from bank account” option in the Application and we will withdraw the initial premium upon receipt of the Application (if the client qualifies for TIA).

- A client's VOID cheque pre-printed with the payor's name or a bank letter of direction (if pre-authorized debit payment has been selected)
- An illustration quoting the same information as on the Application

Temporary Insurance Agreement (TIA) is available for eligible clients – see the appropriate section in the Application. The policy will be settled once all delivery requirements have been received pending underwriting approval within the applicable period.

Maintaining a policy

Premium payment/grace period

A grace period of 31 days from the premium due date is allowed for premium payments, after which time the policy will lapse.

Reinstatements

Reinstatements are allowed on lapsed policies, but are not available on policies that have been fully surrendered or otherwise terminated. Requests for reinstatement must be made in writing within two years of the effective date of the lapse, and are subject to ivari's underwriting requirements, approval and payment of any outstanding premiums.

Payment of Death Claims

The claims payment process is very straightforward. Unless specified otherwise, we require the claimant to provide original or notarized copies of specific documents to verify the death of the insured and the claimant's entitlement to the proceeds.

Claimant entitlement

- Claimant's Statement must be completed by the claimant, signed and witnessed. The claimant may be either the named beneficiary or the executor of the estate. This form details the claimant's name, address, social insurance number, age and reasons for filing the claim.
- Original prosperity term policy contract.
- Notarized copy of the Probated Will (in Quebec, Notarial Will) or Letters of Administration required for any claim that is payable to an insured's estate (not required when the claim is payable to a named beneficiary).

Proof of Insured's age

Copy of the insured's birth certificate or driver's licence.

Proof of Death

- Death Certificate – an original or notarized copy must be supplied.
- Physician's Statement – completed by the attending physician and documents the medical condition causing death. The Physician's Statement also outlines the details of the diagnosis, the date when the condition was first diagnosed and whether the death was accidental or resulting from suicide or homicide. Disclosing the reason for death is important, because this could affect the amount of the claim depending on the contract's benefits or riders. For example, the Accidental Death and Dismemberment Rider provides an additional benefit amount to the named beneficiary for a death that is the direct result of an accident.

Suicide Limitation

No death benefit is payable if, within two years from the later of the effective date of the policy or the last reinstatement date of the policy, the insured dies by suicide or an attempt to commit suicide. This is regardless of whether the insured is sane or insane. Please contact the ivari Claims Department for specific instructions.

Adapting a policy

One of the most valued aspects of a prosperity term policy is adaptability. Your clients' needs are bound to change, so prosperity term provides you with the opportunity to revisit them periodically and alter their insurance strategy as needed.

Premium Deposit Account (PDA)

- Acts as a "just-in-case" account to fund premiums in the event that a client misses a premium payment.
- Can be established any time the policy is in force.
- Maximum deposit is five times the policy's annual premium (no minimum deposit).

- Funds are drawn from the account when client payment is not received, keeping the policy in force should your client encounter unexpected financial difficulties, upon client request.
- Funds may be withdrawn at any time with no surrender charges, upon client request.
- Deposits earn interest at the posted daily interest rate.
- Interest earned in account subject to income tax – client will receive a T5.

Combined banding

Combined banding is automatic on all policies and can add up to significant savings. All sum insureds for all single life coverages on the same life insured and policy are added together to determine the appropriate rate band when determining the rate per \$1,000 for that life.*

LifeView illustration software automatically applies this rule when you identify the insured as the same person in the “Name” field.

Compassionate Assistance Program (CAP)

This non-contractual feature currently offered by ivari allows an owner to receive a loan against the death benefit of the policy if the life insured is suffering from a terminal illness and has a life expectancy of 24 months or less*. Upon death of the life insured, the death benefit payable to any beneficiary will be reduced by the loan amount, accrued interest and any premiums waived after the loan was issued.

*Twelve months or less if the client is between the ages of 72 and 77 with a term policy.

For full details, please contact the Claims Department.

Increased Sum Insured

The sum insured face amount may be increased at any time, subject to new evidence of insurability, new underwriting, new rates and a minimum increase of \$50,000.

Decreased Sum Insured

The sum insured may be reduced at any time without any underwriting requirements, subject to the coverage minimum. For prosperity term 30 with *Select*OPTIONS, a decrease in the sum insured between policy anniversary 15 and the date immediately prior to the 20th policy anniversary will cause a portion of the *Select*VALUE to become payable. Any decrease in the sum insured may not be less than \$25,000.

Smoker to Non-smoker Change

A change from Smoker to Non-Smoker rates may be available to clients who have not used any tobacco or nicotine products for a total of 12 consecutive months. Full disclosure and a clear HOS test must be provided.

Adding and deleting riders

Additional riders and benefits may be added to any current policy, subject to underwriting requirements and applicable rates and administrative rules then in effect.

*Joint coverages are not considered when combining sum insureds for rates, but are considered when determining underwriting amounts and classes for a particular life.

With a national network of thousands of independent, professional advisors, ivari provides a full range of insurance products to help Canadians make the right choice for their protection needs. The people, products and service that make up ivari have stood the test of time and have been in the Canadian marketplace since 1928. We are committed to being approachable and transparent in everything we do, and we will stand by our word. Visit us at ivari.ca.

For more information, please contact your WFG Sales director.

IMPORTANT:

This guide is not designed to provide tax, legal, accounting, or other professional advice. If you are not a qualified to provide such advice, you should suggest that your client seek the advice of other appropriate professionals. While ivari makes every effort to ensure accuracy, we do not accept responsibility for any errors or omissions contained in these materials. The information contained in this document is current to the date of publication and is subject to change.

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Toronto, Ontario M5W 5R3
ivari.ca**

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