



# CHANGES MADE TO APPLICATIONS AND FORMS

January 1, 2017

Below is a summary of the main changes that have been made to the applications and policy change without evidence of insurability forms following changes to tax legislation taking effect on January 1, 2017.

## APPLICATION – INDIVIDUAL INSURANCE (FIND0035)



### SECTION A – BASIC INFORMATION

#### Policy changes requiring evidence of insurability

If the policy is not already governed by the tax rules in effect as of January 1<sup>st</sup> 2017, certain changes that require evidence of insurability may cause a change to the tax rules applicable to the policy.

If there is more than one policyowner, EACH policyowner must sign Section L of this application. For any addition of insured or addition of benefit on a policy, each insured and/or policyowner covered by Waiver of Premium on such policy must complete Sections I and J (use additional applications as required).

To request a policy change requiring evidence of insurability, complete the following sections of this application in accordance with the type of change requested:

- Addition of insured** – Not available for any universal life insurance policy. Complete Sections B1, B2, B3 to B5 if addition of policyowner, B6 for beneficiary(ies), C, D5, E, F, G, H if child, I, J, K, L, N, O and the Authorization at the end of the application.
- Addition of benefit or additional benefit** – The addition of temporary insurance benefits or critical illness insurance benefits on a universal life insurance policy is available only if the contract is individual. No addition available for a universal life insurance policy if the policy date is prior to January 1<sup>st</sup> 2017. Complete Sections B1, B2, C, D5, E, F, H if child, I, J, K, L, N and the Authorization at the end of the application.
- Revision of rating**  
Complete Sections B1, B2, I, J, K, L, N and the Authorization at the end of the application.
- Revision of exclusion / class (12 months after date of issue only)**  
Complete Sections B1, B2, I, J, K, L, N and the Authorization at the end of the application.
- Change to non-smoker rates – \$25 fee for universal life insurance**  
Complete Sections B1, B2, I, J, K, L, N and the Authorization at the end of the application.

### CHANGES

- This is a notice for customers who are about to make changes to their policy that might lead to the loss of grandfathered rights, and thus change the tax rules applicable to the policy.
- Due to the removal of the multi-life option, it is now not possible to add an insured to a universal life insurance policy.
- A notice is added explaining that it is possible to add a temporary or critical illness insurance benefit to a universal life insurance policy only for individual insurance contracts. In addition, it is no longer possible to add a benefit to a policy dated prior to January 1, 2017.

The former “Change to the cost of insurance / death benefit option for universal life insurance” section has been deleted because these changes are no longer permitted if they require evidence of insurability.

## SECTION C5 – UNIVERSAL LIFE INSURANCE

### C5 – Universal life insurance

- Also complete Section B5.

<b>Type of coverage</b>	<input type="checkbox"/> Individual <input type="checkbox"/> Joint, First to die <input type="checkbox"/> Joint, Last to die	
<b>Face Amount</b>	\$ _____	
<b>Cost of insurance type</b>	<input type="checkbox"/> Yearly Renewable Term (YRT) <input type="checkbox"/> T100 <input type="checkbox"/> Other (specify): _____	
<b>Death benefit option</b>	<input type="checkbox"/> Level death benefit (only available for the YRT cost of insurance type) <input type="checkbox"/> Increasing death benefit When the death benefit is increasing: <b>For a Joint, Last to die policy, funds will be payable upon last death.</b>	
<b>Waiver of Premium</b> - For a Joint policy, when more than one insured subscribes to Waiver of Premium, each insured will be covered by the same type of Waiver of Premium and for the same Duration.	<b>Insured 1:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Insured 2:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No
	<b>Duration:</b> <input type="checkbox"/> 4 months <input type="checkbox"/> 6 months	
	<b>Type:</b>	
	<input type="checkbox"/> Waiver of minimum premium:	\$ _____
	<input type="checkbox"/> Waiver of billing premium (up to the maximum premium):	\$ _____
Waiver of Premium for the policyowner(s) – (if the policyowner is not one of the insureds)		
Name(s) of the policyowner(s): _____		
- Complete Sections I and J if the Waiver of Premium is for the policyowner and the policyowner is not one of the insureds.		

### Maximizer option

- Do not forget to specify durations and face amount.

### Optimization of exemption test

- At the beginning of the duration: | Y | Y | Y | Y | Y | M | M | D | D | (minimum 5 years since effective date)
- At the end of the duration: | Y | Y | Y | Y | Y | M | M | D | D | (if no end date is specified, the optimization will take place every year)
- Minimum face amount: \$ \_\_\_\_\_ (minimum \$25,000, maximum face amount chosen)

## CHANGES

● All notices and references to a multi-life universal life insurance policy have been deleted because this option is no longer available.

● The Maximizer option now requires a **single face amount to be selected which will be applicable regardless of age.**

## SECTION L – DECLARATIONS, AUTHORIZATIONS AND SIGNATURES

### L – Declarations, authorizations and signatures

The undersigned:

- Agree that an additional questionnaire on lifestyle and medical history may be completed during the meeting with the financial security advisor / representative, during a personal meeting or a RECORDED telephone conversation with a paramedical company or another authorized person representing or acting for SSQ Insurance Company Inc. The undersigned agree that the additional questionnaire shall be deemed to form part of this application and that the information it contains shall be used to draw up a contract with SSQ Insurance Company Inc. The undersigned further agree to review such information upon receipt of the contract and to inform SSQ Insurance Company Inc. forthwith if it contains any information that is false, inaccurate or incomplete.
- Agree that all information that they divulged during a RECORDED telephone interview to a paramedical company or another authorized person representing or acting for SSQ Insurance Company Inc., including but not limited to, their medical history and state of health, is deemed to form part of this application and that this information shall be used to draw up a contract with SSQ Insurance Company Inc. The undersigned agree that any recording, transcription or other notation of such information by SSQ Insurance Company Inc. or on behalf of SSQ Insurance

the monthly amount that is underwritten in the present application, subject to the terms of the contract. Should there be no eligible monthly payment in effect at the time of total disability, the undersigned agree that the liability of SSQ Insurance Company Inc. shall be limited to the refund of premiums received since the loan or loans were discharged, on the understanding that this refund shall not exceed a period of eighteen (18) months prior to the date the total disability benefit was requested.

- Agree that they have received the advisor's explanations concerning the possibility of a tax rule change that certain changes, which require evidence of insurability, may cause, if any. As such, the entire policy could be subject to the tax rules in effect as of January 1<sup>st</sup> 2017, if it is not already the case.
- Authorize any health care professional, hospital or private or public health or social services facility, insurance company, reinsurer or other institution or person holding any files or information about them or their health to release such files or information to SSQ Insurance Company Inc. or its reinsurers, and such information shall be treated as confidential and confined in the file mentioned in the "Notice regarding personal files and personal information" which they have read.

## CHANGES

● Declaration 8 has been added to ensure that policyowners/insureds are aware that their policy may be subject to a change in tax rules, depending on the changes they requested.

## POLICY CHANGE WITHOUT EVIDENCE OF INSURABILITY – INDIVIDUAL INSURANCE (FIND0116)

### SECTION B – CHANGES REQUESTED

#### B – Changes requested

If the policy is not already governed by the tax rules in effect as of January 1<sup>st</sup> 2017, certain changes that do not require evidence of insurability may cause a change to the tax rules applicable to the policy.

If there is more than one policyowner on the policy for which a change is being requested, EACH policyowner must sign section E of this form.

#### B1 – Common changes

Please check appropriate box.

Deletion of insured (at monthly premium due date following the reception of the request)

Name of insured(s) \_\_\_\_\_

Deletion of benefit or additional benefit (at monthly premium due date following the reception of the request)

Name of insured(s) \_\_\_\_\_

Benefit \_\_\_\_\_

Reduction of face amount (at monthly premium due date following the reception of the request)

Name of insured(s) \_\_\_\_\_

Benefit \_\_\_\_\_

\$ \_\_\_\_\_  
Reduction to

Total conversion on the existing policy – Not available if the existing policy is a universal life insurance policy governed by the tax rules in effect before January 1<sup>st</sup> 2017.

Total conversion on a new policy

Partial conversion on the existing policy – Not available if the existing policy is a universal life insurance policy governed by the tax rules in effect before January 1<sup>st</sup> 2017.

Preserve the face amount balance  Cancel the face amount balance

Partial conversion on a new policy

Preserve the face amount balance  Cancel the face amount balance

#### Exchange program

- Available as of the 1<sup>st</sup> anniversary and prior to the 5<sup>th</sup> anniversary of the Term 10 benefit.

- Available for Term 10 benefits issued as of January 1<sup>st</sup>, 2011.

Term 10 to Term 20

Name of insured(s) \_\_\_\_\_

Term 10 to Term 70

Name of insured(s) \_\_\_\_\_

The exchange will be applied on the existing policy and the additional benefits will remain, unless stated otherwise. However, if the exchange concerns a Term 10 benefit that is a rider on a universal life insurance policy governed by the tax rules in effect before January 1<sup>st</sup> 2017, the exchange will be applied on a new policy.

Change to the death benefit option within the first 12 months (for Term Plus and Loan Insurance contracts only)

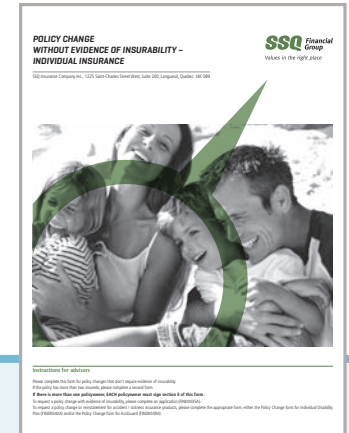
From Level to Decreasing  From Decreasing to Level

### CHANGES

This is a notice for customers who are about to make changes to their policy that might lead to the loss of grandfathered rights, and thus change the tax rules applicable to the policy.

Total or partial conversions on an existing universal life insurance policy **are no longer available** if the policy is governed under tax rules in effect before January 1, 2017. These conversions will have to be made on a new policy, which will be subject to the tax rules in effect as of January 1, 2017.

Exchanges of Term 10 benefits on a universal life insurance policy governed under the tax rules in effect before January 1, 2017, **are not permitted**. These exchanges will have to be made on a new policy, which will continue to be governed under the tax rules in effect before January 1, 2017.



## SECTION B4 – CONVERSION TO UNIVERSAL LIFE INSURANCE

**B4 – Conversion to universal life insurance** Please also complete section D and join an illustration signed by the policyowner(s).

<b>Face amount</b> Face amount adjustment option: No increase	\$ _____
<b>Cost of insurance</b>	<input type="checkbox"/> YRT <input type="checkbox"/> T100 <input type="checkbox"/> Other (specify): _____
<b>Death benefit</b> <input type="checkbox"/> Level death benefit <input type="checkbox"/> Increasing death benefit* *When the death benefit is increasing: - for a Joint, Last to die policy, funds will be payable upon last death.	

## CHANGES

← ••••● All notices and references to a multi-life universal life insurance policy have been deleted because this option is no longer available.

## SECTION E – SIGNATURES

**E – Signatures** If there is more than one policyowner on the policy for which a change is being requested, EACH policyowner must sign this section.

I (we) ask SSQ Insurance Company Inc. to change the policy mentioned in section A of this form, based on the information provided in said form. This form is deemed to form part of the insurance contract between the policyowner(s) and SSQ Insurance Company Inc. The change(s) will take effect on the date SSQ Insurance Company Inc. will process this request.

I (we) agree that I (we) have received the advisor's explanations concerning the possibility of a tax rule change that certain changes, which do not require evidence of insurability, may cause, if any. As such, the entire policy could be subject to the tax rules in effect as of January 1<sup>st</sup> 2017, if it is not already the case.

\_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ of year \_\_\_\_\_  
Signed at (city and province) Date

X \_\_\_\_\_ X \_\_\_\_\_  
Signature of policyowner 1 Signature of policyowner 2

## CHANGES

← ••••● This declaration has been added to ensure that policyowners/insureds are aware that their policy may be subject to a change in tax rules, depending on the changes they requested.