

Term exchange program

The Term Exchange Program offers your clients a simple way to extend the term of their life insurance coverage without having to provide any further evidence of insurability.

Available exchange options:

- Term 10 to Term 20
- Term 10 to Term 70

Term exchange program highlights

Availability period	<ul style="list-style-type: none"> • The term exchange option is available on or after the 1st coverage anniversary and prior to the 5th coverage anniversary of the Term 10 coverage (including Term 10 rider), provided that it was issued on or after January 1, 2011.
Exchange options	<ul style="list-style-type: none"> • Term 10 to Term 20 (individual, multi-life and joint coverages) • Term 10 to Term 70 (individual and multi-life coverages) <p>Regular, preferred and rated cases are eligible.</p>
How to apply	<ul style="list-style-type: none"> • To apply, complete and submit the <i>Policy change without evidence of insurability</i> form (FIND0116A) before the 5th anniversary of the Term 10 coverage. • New evidence of insurability is not required.
Maximum issue age	<ul style="list-style-type: none"> • Standard Term 20 and Term 70 maximum issue ages apply. • Backdating to save the age is not available under this program.
Insurance amount	<ul style="list-style-type: none"> • The new insurance amount cannot exceed the insurance amount under the initial coverage, unless new evidence of insurability is provided. • The new insurance amount must meet the minimum amount requirements for the Term 20 or Term 70 coverage.
Rates	<ul style="list-style-type: none"> • Rates are based on the insured's attained age at time of exchange and according to the risk class applicable under the initial coverage (any rating or exclusion will continue to apply under the new coverage). • Renewal rates will be those of the new term coverage.

The program gives your clients additional flexibility by offering an affordable alternative to policy renewal or conversion.



Additional benefits	<ul style="list-style-type: none"> • The following additional benefits, if issued with the initial coverage, can be kept with the new coverage without evidence of insurability: <ul style="list-style-type: none"> – Critical illness rider (\$20,000, 3 most common illnesses); – Waiver of premium in case of total disability; – Child rider (life insurance for dependent children); – Accidental death and dismemberment; – Benefit in case of fracture.
New coverage provisions	<ul style="list-style-type: none"> • The suicide and incontestability provisions will apply from the effective date of the initial Term 10 coverage or the date of the last reinstatement or change to the Term 10 coverage and will not be extended. • The new coverage will maintain the conversion to a permanent coverage option.
Exclusions and limitations	<ul style="list-style-type: none"> • In case of total disability under the waiver of premium benefit, the exchange option is not available. • Term 10 coverage with indexation privilege is excluded from this program. • Partial exchanges are not available. • The new coverage will not contain any further exchange privileges.
Compensation	<ul style="list-style-type: none"> • A first year commission of 25% will be paid on the new Term 20 or Term 70 coverage. • Renewal commissions will be those of the new coverage. • There is no chargeback on the initial Term 10 coverage. Standard chargeback rules apply if the Term 20 or Term 70 coverage is terminated within 24 months of the exchange.

Help your clients take advantage of the flexibility a term product has to offer!



Contact your SSQ Insurance representative for more details.