

Term 10 and Term 20

Guaranteed renewable and convertible



RBC Insurance®

Insurance Advisor Guide



Many people today work hard at leading a healthy lifestyle. RBC Insurance® recognizes that fact and offers insurance products that reward such people with Preferred rates on life insurance.

Our Term 10 and Term 20 products take good personal health, lifestyle and family history into account, which means people leading active lives may pay a lower premium that reflects their reduced risk.

Preferred underwriting applies to all face amounts of \$250,000 or more and is divided into three classes. The health and lifestyle criteria for each of these classes are outlined in this guide. For face amounts of less than \$250,000, our Standard class offers very competitive rates for people of average good health and lifestyle.

Clients who lead a healthy lifestyle will appreciate the great rates they can enjoy when purchasing our Term 10 and Term 20 product.

Term 10 and Term 20

Issue limits

- › Minimum face amount: \$50,000
- › Maximum face amount: \$10,000,000

For a special quote for coverage above \$10,000,000, please contact your regional office.

Issue ages (calculated using age nearest)

- › Term 10: Issue ages 18 to 70
- › Term 20: Issue ages 18 to 60

Backdating is permitted to save age by up to six months from the date of underwriting approval.

Renewals

Premiums increase at every renewal date, and renewal rates are guaranteed.

Coverage terminates on the anniversary nearest the insured's 80th birthday.

Rate bands

Band 1	\$50,000 – \$99,999
Band 2	\$100,000 – \$249,999
Band 3	\$250,000 – \$499,999
Band 4	\$500,000 – \$999,999
Band 5	\$1,000,000 – \$2,499,999
Band 6	\$2,500,000 +

Combined face amount discounts

If the same life applies for two policies at the same time, we will combine the face amounts of both policies to provide your client with the higher rate band for each policy. The underwriting requirements will be based on the combined amount. This special discount does not apply to universal life plans.

Preferred term rates cannot be used when combining term Standard rates for amounts below \$250,000 with another guaranteed life plan. The highest rate band available for Standard term rates at amounts below \$250,000 is Band 2.

When combining Term 10 or Term 20 with another life product, the medical requirements are based upon the life product with the more stringent underwriting requirements.

Policy fee

- › \$40 annually or \$3.60 monthly, per policy

Premium payment method

Your client may select either annual payment directly to RBC Insurance or monthly pre-authorized deduction from a bank account.

For monthly premiums, multiply the annual premium by 0.09.

Joint first-to-die option

Available for 2, 3, 4 or 5 lives insured. The death benefit is payable on the first death, and coverage terminates at that time. If a second insured dies within 30 days of the first death, an additional benefit equal to the sum insured on the base policy will also be paid. The annual premium for the joint first-to-die option is calculated as follows: [annual premium – policy fee] x 0.95 + policy fee.

Term 10 policy exchange option

A Term 10 policy may be exchanged for a Term 20 policy that we offer at the time of exchange, without evidence of insurability. The exchange must occur prior to the earlier of the fifth policy anniversary and the policy anniversary nearest the life insured's 60th birthday.

If exchanging a joint first-to-die plan, all lives must exchange at the same time, prior to the earlier of the fifth policy anniversary and the policy anniversary nearest the oldest life insured's 60th birthday. This policy can be exchanged to a joint Term 20 plan or several single-life Term 20 plans.

The new plan will be issued at attained age rates.

A Term 10 rider can only be exchanged for a Term 20 rider that we offer at the time of exchange.

Term 10 and Term 20 rider

Instead of being issued as a stand-alone coverage, Term 10 and Term 20 can be added as a single-life or joint-life rider on eligible whole life and universal life plans without a policy fee. Coverage under the term rider ends when the base plan terminates.

The term rider can provide additional coverage for the life insured under the base policy, or it can be issued on a second life. If a person insured under a term rider survives the life insured under the base plan, the conversion privilege for the term rider will be extended 30 days from the death of the life insured.

Conversions

Term 10 and Term 20 are convertible until insurance age 71 to any permanent life plan offered for conversion by RBC Insurance at the time of conversion. If converting a joint first-to-die plan, all the lives insured must convert at the same time, prior to insurance age 71 of the oldest life insured under the policy. They can convert to a joint permanent plan or to several single-life plans.

If the new permanent plan offers Preferred classes and the conversion occurs within the first 10 policy years, the plan will be converted to the risk class that is the closest equivalent in terms of selection criteria. Otherwise, the plan will be converted to a Standard class. The new plan will be issued at attained age rates.

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 those of the applicable band. Preferred rates will not be applicable for the remaining term coverage if it is below the \$250,000 minimum.

Please refer to the sample contract for complete policy provisions.

Rider and benefits

Children’s term rider

The children’s term rider provides term insurance protection for each natural or legally adopted child of a life insured named in the application and approved by Underwriting. Any child born or legally adopted after the children’s term rider is issued is automatically covered from the age of 14 days upon written receipt by RBC Insurance of the child’s name and date of birth. The premium for the rider does not change when additional children are insured.



Each insured child may convert to a new permanent policy, without evidence of insurability, for an amount of up to 10 times the term rider coverage up to a maximum of \$150,000. RBC Insurance will reduce the annual premium for the new policy during the first five years by an amount up to 20% of the annual premium. The conversion may be applied for in writing at any time after each insured child’s 20th birthday, but no later than the coverage expiry date. Coverage under this rider expires 31 days past the policy anniversary nearest the insured child’s 25th birthday.

Issue ages:	14 days to 20 years
Minimum benefit:	\$5,000
Rate per \$1,000:	\$6
Maximum benefit:	\$30,000 per policy

Accidental death benefit rider

We will pay the accidental death benefit in addition to the amount payable under the base policy when the death occurs as a direct result of an accident and takes place within 90 days of the accident. This rider expires on the policy anniversary nearest the life insured’s 65th birthday.

Issue ages:	18 – 60
Minimum benefit:	Lesser of sum insured and \$25,000
Rate per \$1,000:	Female: \$0.75; male: \$1
Maximum benefit:	Lesser of sum insured and \$250,000

Total disability waiver of premium benefit rider

When the life insured has been totally disabled for six consecutive months, we will waive the payment of policy premiums including premium for the base plan, riders and policy fee. This starts with the first monthly premium due after the date total disability began and while the life insured continues to be totally disabled. The rider expires on the policy anniversary nearest the 60th birthday of the life insured under this rider.

Issue ages:	18 – 55
Rates as a % of premium waived:	Female: 15%; male: 10%

Payor total disability waiver of premium benefit rider

When the premium payor has been totally disabled for six consecutive months, we will waive the payment of policy premiums. This will include the policy fee and rider premiums, starting with the first monthly premium due after the date total disability began, while the payor continues to be totally disabled. The rider expires on the policy anniversary nearest the payor’s 60th birthday.

Issue ages:	18 – 55
Rates as a % of premium waived:	Female: 15%; male: 10%

Payor death and total disability waiver of premium benefit rider

In addition to the benefits provided under the Payor Total Disability Waiver of Premium Benefit Rider, we will waive the premium starting with the first premium due after the date the payor dies.

Issue ages:	18 – 55
Rates as a % of premium waived:	Female: 17%; male: 12%

Please refer to the sample contract for complete rider provisions and coverage exclusions.

Underwriting

Tele-application makes it easier

Our tele-application process is a popular underwriting alternative for term plans for all face amounts and offers many benefits to you and your clients.

If you haven't taken advantage of this process, give it a try. Experienced, professionally trained underwriters are used to conduct the tele-underwriting questionnaire with your client. Here's how the process works:

- 1** Complete the short tele-application, including information on the proposed insured, coverage selected and the best time to call the applicant. There are no medical questions to ask. If you are using the tele-application from the Sales Resource Centre, please print one copy of the application at a time as they are sequentially numbered for head office tracking purposes. Printing multiple copies will result in a duplicate application number.
- 2** We have taken steps to make this process as easy as possible for you. You do not need to order age and amount requirements. We will handle this step for you.
- 3** Take the completed tele-application to the office that processes your RBC Insurance Life applications. The tele-application will be sent to our New Business Team in head office. New Business will set-up the file on our system and will arrange with BW Underwriting to have the tele-interview completed and the requirements ordered.
- 4** BW Underwriting will contact your client and conduct the tele-underwriting questionnaire. Please inform your client that this process will take between 20 and 30 minutes.

To order the tele-application form, please contact your regional office.



Selecting an underwriting class

Our illustration software includes a Class Wizard that can help you determine which class is applicable to your client. However it will always illustrate the Standard class as well as the Preferred class your client selects. Final classification can be determined only after the applicant has been underwritten.

When taking premium at the time of application to bind Temporary Insurance coverage, you are required to take the applicable Standard smoker or non-smoker premium. Once RBC Insurance has determined the class applicable to your client, any excess premium will be refunded if paid annually. Any excess premium will be applied to future premiums; if paid monthly.

Standard classes

For face amounts of less than \$250,000, our Standard smoker and non-smoker classes offer very competitive rates for people of average good health and lifestyle. Standard rates are also applicable to clients who do not qualify for Preferred classes. Substandard rates are available on Standard classifications only.

Standard non-smoker tobacco use definition

No use of tobacco or tobacco surrogates for at least one year, except an average of one large cigar per month or less*.

Tobacco surrogates include marijuana or hashish, nicotine gum, transdermal nicotine patch, Zyban or other smoking cessation products, betel nuts, betel leaves, supari, paan or gutka.

Preferred classes

Preferred underwriting applies for all face amounts of \$250,000 or more. Preferred underwriting criteria are based on health and lifestyle questions. A strong emphasis is put on tobacco use, health history, family history, build, blood test results, blood pressure, driving record and avocations. Our Preferred underwriting criteria is summarized in the following pages.

* Cotinine levels will be tested and must be negative. Re-tests will not be permitted.

Optimum non-smoker

Our Optimum non-smoker class offers rates that are up to 38% lower than our Standard non-smoker rates for people who exhibit superior health and a wholesome lifestyle.

Tobacco use

The applicant has not used tobacco or tobacco surrogates for at least two years. Cotinine levels will be tested; no re-tests permitted.

Key underwriting considerations for optimum class

Blood pressure

Ages 18 – 34	Does not exceed 125/75
Ages 35 – 44	Does not exceed 130/75
Ages 45 – 54	Does not exceed 135/80
Ages 55 – 64	Does not exceed 140/80
Ages 65 – 70	Does not exceed 140/85

Cholesterol and cholesterol/HDL ratio

Ages 18 – 34	Does not exceed 210/4.5
Ages 35 – 44	Does not exceed 210/5.0
Ages 45 – 70	Does not exceed 220/5.0

Family history

No parent or sibling has died from or been diagnosed with cardiovascular or heart disease, a stroke, cancer or kidney disease prior to the age of 65.

Personal history

- › Has no personal history of cancer, cardiovascular or heart disease
- › Has never been prescribed medication for high blood pressure or high cholesterol
- › Has no history of alcohol abuse or any drug use in the last 10 years, and no marijuana use in the last five years
- › Partakes in no rateable or excludable hazardous sports and no aviation except as a commercial pilot on a regularly scheduled airline and no rateable occupations
- › Has no history of driving while impaired or reckless driving in the last 10 years
- › Has not been convicted of more than one moderate moving violation in the last three years, and no major violations in the last 10 years
- › Partakes in no rateable or excludable foreign travel or residence

Optimum build

Height (feet)	4'10"	4'11"	5'0"	5'1"	5'2"	5'3"	5'4"	5'5"	5'6"	5'7"	5'8"	5'9"	5'10"	5'11"	6'0"	6'1"	6'2"	6'3"	6'4"	6'5"	6'6"
Weight (lbs)	140	143	147	151	155	159	164	169	180	185	190	194	200	205	211	215	222	227	234	240	248



Preferred non-smoker

Our Preferred non-smoker classification offers rates up to 17% lower than our Standard non-smoker rates for people with above-average health and lifestyle.

Tobacco use

The applicant has not used tobacco or tobacco surrogates for at least one year. Cotinine levels will be tested; no re-tests permitted.



Preferred build											
Height (feet)	4'10"	4'11"	5'0"	5'1"	5'2"	5'3"	5'4"	5'5"	5'6"	5'7"	5'8"
Weight (lbs)	154	157	158	161	164	170	174	180	189	194	199
Height (feet)	5'9"	5'10"	5'11"	6'0"	6'1"	6'2"	6'3"	6'4"	6'5"	6'6"	
Weight (lbs)	204	209	215	221	224	231	237	245	252	259	

Preferred smoker

Our Preferred smoker class offers rates that are up to 30% lower than our Standard smoker rates for smokers with above-average health and lifestyle.

Tobacco use

The applicant has used tobacco surrogates or tobacco products other than cigarettes, cigarillos or marijuana, or has used more than 12 large cigars in the past year.

Key underwriting considerations for preferred class

Blood pressure

Ages 18 – 34	Does not exceed 130/80
Ages 35 – 44	Does not exceed 135/80
Ages 45 – 54	Does not exceed 140/85
Ages 55 – 64	Does not exceed 145/85
Ages 65 – 70	Does not exceed 150/90

Cholesterol and cholesterol/HDL ratio

Ages 18 – 34	Does not exceed 220/5.0
Ages 35 – 44	Does not exceed 235/5.5
Ages 45 – 70	Does not exceed 235/6.0

Family history

No more than one parent or sibling has died from or been diagnosed with cardiovascular or heart disease, a stroke, cancer or kidney disease prior to the age of 65.

Personal history

- ▶ Has no personal history of cancer, cardiovascular or heart disease
- ▶ Has never been prescribed medication for high blood pressure or high cholesterol
- ▶ Has no history of alcohol abuse or any drug use in the last five years; if drugs used over five years ago, history must be standard
- ▶ Partakes in no rated or excluded hazardous sports and no aviation except as a commercial pilot on a regularly scheduled airline and no rated occupations
- ▶ Has no history of driving while impaired or reckless driving in the last five years
- ▶ Has not been convicted of more than two moderate moving violations in the last three years and no major violations in the last five years
- ▶ Partakes in no rateable or excludable foreign travel or residence

Standard and Preferred term underwriting requirements

To determine the applicable underwriting requirements, use the current amount of life coverage (all products) being applied for, plus the total of all other life coverage issued, pending or applied for within the last six months with RBC Life Insurance Company.

Age	\$0 to \$99,999	\$100,000 to \$249,999	\$250,000 to \$500,000	\$500,001 to \$1,000,000	\$1,000,001 to \$3,000,000	\$3,000,001 to \$5,000,000	Over \$5,000,000
18 – 40	1	1	3	5	5	10	10
41 – 45	1	1	3	5	7	10	11
46 – 50	1	2	3	7	7	10	11
51 – 55	1	2	3	7	9	10	11
56 – 60	1	2	6	9	9	10	11
61 – 65	1	4	6	9	9	11	11
66 – 70	1	4	8	9	9	11	11

- 1 Tele-app or full application
- 2 Tele-app or paramed, urine HIV, vitals
- 3 Tele-app or paramed, blood profile, urinalysis, vitals
- 4 Tele-app or paramed, ECG, urine HIV, Vitals
- 5 Tele-app or paramed, blood profile, urinalysis, vitals, MVR
- 6 Tele-app or paramed, blood profile, ECG, urinalysis, vitals
- 7 Tele-app or paramed, blood profile, ECG, urinalysis, vitals, MVR
- 8 Medical, blood profile, ECG, urinalysis
- 9 Medical, blood profile, ECG, urinalysis, MVR
- 10 Medical, blood profile, ECG, urinalysis, IR, MVR
- 11 Medical, blood profile, stress ECG, urinalysis, IR, MVR

A paramedical nurse obtains the vital statistics. In addition to collecting the urine sample, the nurse will also weigh and measure the applicant and take their blood pressure and pulse.



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