



# Disability insurance for business owners

➤ Could your business  
survive without you  
for the next six months?



## What matters most to you as a business owner?

Your income helps support your family's lifestyle and helps achieve many goals by paying expenses related to:

- Where you spend your time (e.g. home, business, cottage, vacations)
- Supporting your dependents (e.g. groceries, education, recreation, care for an aging parent)
- Growing your assets (e.g. retirement savings, business profits)

If you were suddenly faced with a disability:

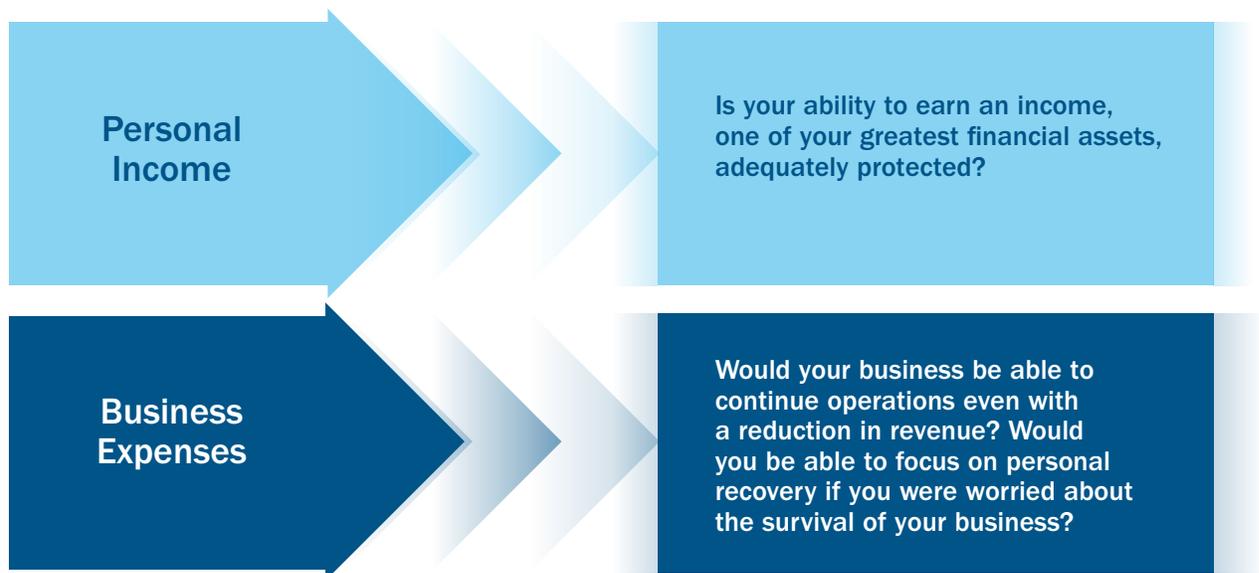
- Would worrying about your business affect your ability to recover?
- Who would pay your income and cover operating expenses?
- Who would reassure your creditors, suppliers and clients?
- What would be the long-term impact if you need to liquidate some of your assets?

Properly insuring your income and business expenses lays the groundwork to help ensure you receive an income, your business can continue to operate and assets can remain in place, even if a change in health prevents you from being able to work. It can also help ensure your business survives to be passed along to future generations.

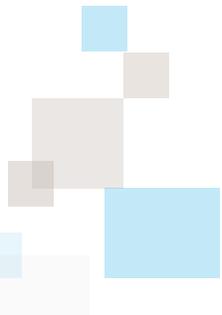


## What is your current situation?

When a disability strikes, your potential needs as a business owner are two-fold. You need an income and your business has an obligation to pay its bills.



By explaining the benefits of insurance and reviewing what you currently have in place, we may discover that your earnings are under-insured which would leave a gap in your insurance coverage.



## What concerns you?

<b>Before a claim</b>	Ensuring your coverage reflects your current income and expense levels?
	Premium rates increasing as you age?
	The insurance provider changing the terms and conditions of your coverage?
	A change in health may make you ineligible for additional coverage?
<b>During a claim</b>	Having to draw from business assets to maintain your standard of living?
	Losing your benefits if you have the capacity to work in another occupation?
	The impact of inflation on the benefits you are receiving?
	Losing your benefits if you return to work on a part-time basis?
	With respect to your business: <ul style="list-style-type: none"> <li>• Covering fixed expenses which allow your business to continue to operate?</li> <li>• Avoiding a forced sale?</li> <li>• Having the ability to focus on personal recovery instead of business survival?</li> </ul>
	Benefits continuing beyond age 65?
<b>After a claim</b>	Losing the inflationary increases you may obtain while on claim?
	Easing the financial transition upon returning to work?
<b>No claim</b>	The expense of premium should a disability never occur?

Individual non-cancelable disability insurance and overhead expense plans can offer rates that are guaranteed not to increase before age 65 unless you choose to adjust your coverage.

**Ensure you are adequately protecting your ability to earn an income – one of your family's and your company's greatest financial assets.**

## What is the cost?

The cost to insure a portion of your income is determined by plan design along with many other factors. A plan can be tailored to suit your personal circumstances.

Depending on how extensive the coverage is (e.g. monthly income benefit, duration of benefits and length of time before they begin, optional benefit riders, age, occupation), premium would typically range from one per cent to nine per cent\* of gross earnings for personal coverage.

Premium for an overhead expense plan is usually one per cent to six per cent\*\* of the monthly expense benefit being covered and is tax-deductible as a business expense.

The cost of having inadequate coverage could be potentially devastating to your family, your business and the goals you want to achieve! It's best to purchase this coverage before a health issue arises that may cause your insurance application to be declined, rated or issued with an exclusion.

*\*The premium depends on numerous factors such as age, gender, smoker status, occupational duties, coverage amount and plan design.*

*This example assumes Canada Life lifestyle protection plan, occupation class 4A, non-smoker, standard risk:*

- The lower percentage is based on male, age 30, \$75,000 annual income, \$4,100 monthly income benefit, 90-day waiting period, benefit period to age 65.
- The higher percentage is based on female, age 50, \$250,000 annual income, \$9,500 monthly income benefit, 90-day waiting period, benefit period to age 65, and the following optional riders: own occupation, residual disability, cost-of-living (maximum 8% per year), expense equalizer, sale of business facilitator \$20,000, return-of-premium (50%), lifetime benefit accident and graded sickness, and accidental death and dismemberment \$400,000.

Source: Canada Life Concourse Zoom illustration software 14.0

*\*\*The premium depends on numerous factors such as age, gender, smoker status, occupational duties, medical history, coverage amount and plan design. This example assumes Canada Life overhead expense plan, occupation class 4A, non-smoker, standard risk:*

- The lower percentage is based on male, age 30, \$5,000 monthly expense benefit, 30-day waiting period, benefit period 24-month, and residual disability rider.
- The higher percentage is based on female, age 50, \$12,000 monthly expense benefit, 30-day waiting period, benefit period 24-month, and the following optional riders: own occupation, residual disability, return-of-premium (50%), and catch-up \$12,000.

Source: Canada Life Concourse Zoom illustration software 14.0

**Help your business survive without you – Canada Life has solutions that can be tailored to suit your specific needs.**

 For more information about Canada Life and its products, visit [www.canadalife.com](http://www.canadalife.com). For more information about how disability insurance may fit your needs ask your advisor for an illustration.

In Quebec, advisor refers to a financial security advisor for individual insurance and segregated fund policies; and to an advisor in group insurance/annuity plans for group products.

**Helping people achieve more™**