



# Disability insurance for professionals

➤ Can you keep  
your high earnings  
uninterrupted?



## What matters most to you as a professional?

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

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

If you were suddenly faced with a disability:

- Would your high level of earnings continue?
- Could you maintain your lifestyle?
- Could you continue to meet debt obligations?
- What would be the long-term impact if you need to liquidate some of your assets?

Properly insuring your high earnings lays the groundwork to help ensure your financial goals can be met and assets can remain in place, even if a change in health prevents you from being able to work.

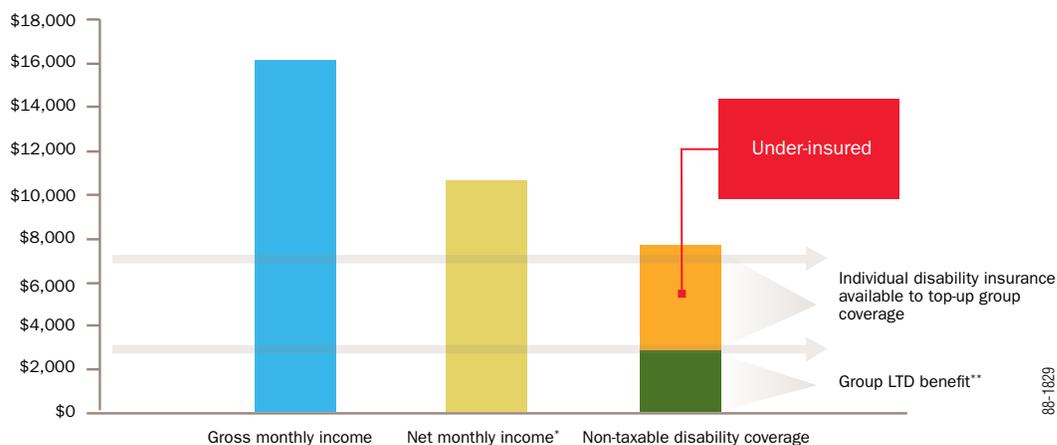


## What is your current situation?

You may have some type of group or association long-term disability (LTD) coverage in place, but does your existing coverage:

- Insure all sources of your eligible income?
- Have a maximum benefit amount?
- Remain in place if you change your profession?
- Adjust rates periodically?

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.



\*Assumes average tax rate of 37 per cent

\*\* Group LTD non-taxable benefit is based on 66.67 per cent of before-tax earnings with a \$3,000 benefit maximum. The above example is for illustrative purposes only. Situations may vary according to specific circumstances.



If you're running your own practice or fee-for-service business, an overhead expense plan may cover operating expenses allowing you to focus on recovery, help retain valued staff and keep your business plans on track.

## What concerns you?

<b>Before a claim</b>	Ensuring your coverage reflects your current income?
	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 enough income 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?
	Benefits continuing beyond age 65?
	If you operate a business, how to keep it running in your absence?
<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 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 inadequate coverage could be potentially devastating to the goals you wish 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, medical history, 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 keep your high earnings uninterrupted – 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™**