

Where will the money come from if you are **unable to work**?

Consider **Disability Insurance**





Have You Protected Your Most Valuable Asset?

Your ability to work and earn income is your most valuable asset. Most people recognize the need for home insurance, car insurance and even life insurance but fewer than 50% of Canadians have purchased disability insurance.

Disability has no respect for age, occupation, gender or position. The fact is that disability strikes working people far more often than early death. A 20-year-old man is about three times more likely to be disabled for at least 90 days than he is to die before the age of 65. And a 35-year-old woman is about seven times more likely to face disability than death before she turns 65!

*According to the Canadian Life Health Association

What Would You Do?

The primary concern of most individuals is their ability to take care of themselves and their family in the event of temporary or long term disability. How would you,

and/or your family, survive financially if you became disabled and unable to work temporarily or permanently? Take away the ability to earn an income through unexpected injury or illness, and the result can be a financial disaster. When you consider that 1 in 4 people will suffer from long term disability before 65, and 40% of mortgage foreclosures are due to disability, the need for income replacement is clear.

Need for Protection



Nationwide, a fatal injury occurs every 5 minutes.

By contrast, a disabling injury occurs every 1.5 seconds.

Source: National Safety Council, 2001

What are your potential income sources if you cannot work?

Government Benefits - Can you count on them? CPP / QPP only pay for the most severe disabilities. EI only covers employees and only pays a short-term benefit. Workers' Compensation primarily covers work related injury.

Liquidation of assets - Even if you have no sentimental attachment to them, will you receive fair market value? Do you need the asset?

Borrowing - Do your family and friends have the money to spare? Would a bank lend to you if you were not working?

Savings - How long will they last? Even a relatively short disability can wipe out years of savings. And if you have to use your RRSP savings to cover your expenses, don't forget you'll have to pay tax on the withdrawals, which will deplete your savings even more.

Group long term disability insurance - If you are currently eligible, how much are you covered for? Does your plan provide the quality of coverage you need?

Individual disability insurance - a personalized disability insurance coverage that can be tailored to your unique needs.

How Can Disability Coverage Help?

Disability insurance provides you with an income when a disability stops you from working. With insurance protection, your family would have money to pay bills, and remain financially stable. Think about it this way. Suppose you owned a valuable piece of equipment: Day in and day out, the equipment operates reliably. It helps you earn a large

amount of money every year. Without question, you would insure that piece of equipment in case it broke down.

Similarly, when a family depends on someone to go to work and earn money, year in and year out, doesn't it make sense to protect yourself with disability insurance in case you become disabled?

The Value of Your Income

The chart below illustrates your potential earnings up to age 65. It also assumes a 2.5% increase each year.

At Age	Annual Income						
	\$35,000	\$50,000	\$65,000	\$90,000	\$120,000	\$150,000	\$180,000
25	2,359,089	3,370,128	4,381,166	6,066,230	8,088,306	10,110,383	12,132,460
26	2,267,404	3,239,149	4,210,894	5,830,468	7,773,957	9,717,447	11,660,936
27	2,177,955	3,111,365	4,044,774	5,600,457	7,467,276	9,334,094	11,200,913
28	2,090,688	2,986,697	3,882,707	5,376,055	7,168,074	8,960,092	10,752,111
29	2,005,549	2,865,071	3,724,592	5,157,127	6,876,170	8,595,212	10,314,254
30	1,922,487	2,746,410	3,570,333	4,943,539	6,591,385	8,239,231	9,887,077
31	1,841,451	2,630,644	3,419,838	4,735,160	6,313,546	7,891,933	9,470,319
32	1,762,391	2,517,702	3,273,012	4,531,863	6,042,484	7,553,105	9,063,726
33	1,685,260	2,407,514	3,129,768	4,333,525	5,778,033	7,222,542	8,667,050
34	1,610,009	2,300,014	2,990,018	4,140,024	5,520,032	6,900,041	8,280,049
35	1,536,595	2,195,135	2,853,676	3,951,243	5,268,324	6,585,405	7,902,487
36	1,464,970	2,092,815	2,720,659	3,767,067	5,022,755	6,278,444	7,534,133
37	1,395,093	1,992,990	2,590,887	3,587,382	4,783,176	5,978,970	7,174,764
38	1,326,920	1,895,600	2,464,280	3,412,080	4,549,440	5,686,800	6,824,160
39	1,260,410	1,800,585	2,340,761	3,241,054	4,321,405	5,401,756	6,482,107
40	1,195,522	1,707,888	2,220,255	3,074,199	4,098,932	5,123,665	6,148,398
41	1,132,216	1,617,452	2,102,687	2,911,413	3,881,885	4,852,356	5,822,827
42	1,070,455	1,529,221	1,987,988	2,752,598	3,670,131	4,587,664	5,505,197
43	1,010,200	1,443,143	1,876,086	2,597,657	3,463,543	4,329,428	5,195,314
44	951,415	1,359,164	1,766,913	2,446,495	3,261,993	4,077,491	4,892,989
45	894,063	1,277,233	1,660,403	2,299,019	3,065,359	3,831,699	4,598,038
46	838,110	1,197,300	1,556,490	2,155,141	2,873,521	3,591,901	4,310,281
47	783,522	1,119,317	1,455,113	2,014,771	2,686,362	3,357,952	4,029,543
48	730,266	1,043,237	1,356,207	1,877,826	2,503,768	3,129,710	3,755,651
49	678,308	969,011	1,259,715	1,744,220	2,325,627	2,907,034	3,488,440
50	627,617	896,596	1,165,575	1,613,873	2,151,831	2,689,789	3,227,747
51	578,163	825,948	1,073,732	1,486,706	1,982,274	2,477,843	2,973,412
52	529,915	757,022	984,129	1,362,640	1,816,853	2,271,066	2,725,280
53	482,844	689,778	896,711	1,241,600	1,655,466	2,069,333	2,483,200
54	436,921	624,173	811,425	1,123,512	1,498,016	1,872,520	2,247,024
55	392,118	560,169	728,220	1,008,304	1,344,406	1,680,507	2,016,609

EXAMPLE

50 year old earning \$150,000 / year becomes disabled. If that disability lasts past retirement age, lost income totals \$2,689,789

Can You Afford Not to Have Disability Insurance?

Ask us about the coverage that is best for you.



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